



INDIAN AFFAIRS

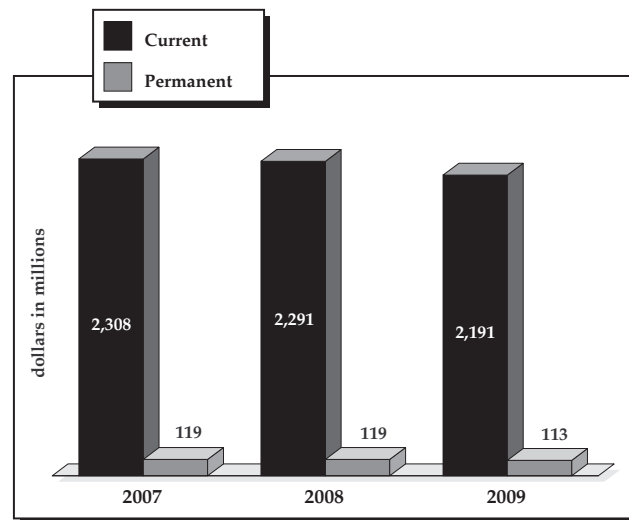
Background — In the last two centuries, the Congress has passed more Federal laws affecting Native Americans than any other group of people in the United States. The Snyder Act, the Indian Self-Determination and Education Assistance Act, the Native American Education Improvement Act of 2000, and the Indian Reorganization Act are just a few of the laws that have defined the Federal authority and obligation to provide various programs and services to Indian Country. The scope of the United States' responsibilities to Native Americans includes a wide range of services delivered in concert with the enhancement of Indian self-determination.

The Congress has placed the major responsibility for Indian matters in the Department of the Interior. The Bureau of Indian Affairs manages Indian trust, social services, and self-determination programs. The Bureau of Indian Education administers a 184-unit school system in Indian Country. The BIE is the former Office of Indian Education Programs that was renamed in 2006 to reflect the parallel purpose and organizational structure BIE has in relation to other programs in Indian Affairs. The Directors of both the BIA and BIE report directly to the Assistant Secretary of Indian Affairs. The bureaus share executive direction and administrative services.

Mission — The mission of BIA is to fulfill its trust responsibilities and promote self-determination on behalf of federally recognized Indian Tribes. The mission of BIE is to provide quality education opportunities from early childhood through life.

Program Overview — The BIA and BIE provide services directly or through contracts, grants, or compacts to a service population of 1.6 million American Indians and Alaska Natives who are members of 562 federally recognized Indian Tribes in the 48 contiguous United States and Alaska. The role of BIA and BIE has changed significantly in the last three decades in response to a greater emphasis on Indian self-determination. Programs are funded and operated in a highly decentralized manner, with about 90 percent of all appropriations expended at the local level, and at least 50 percent of appropriations provided directly to Tribes and tribal organizations through grants,

Indian Affairs Funding

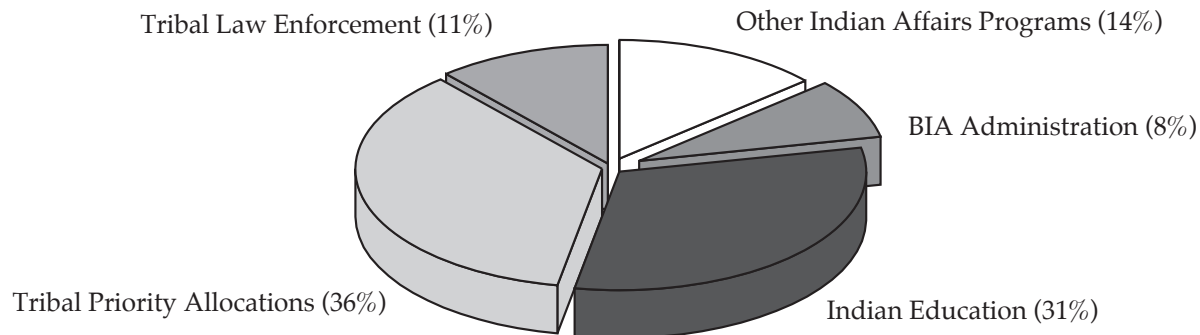


contracts, and compacts for Tribes to operate government programs and schools.

Collectively, the Department's Indian programs cover virtually the entire range of State and local government services. Programs administered by either Tribes or BIA include social services such as welfare assistance; natural resources management on 56 million acres of trust land; economic development programs; law enforcement; administration of tribal courts; implementation of Indian settlements; replacement and repair of schools; repair and maintenance of roads and bridges; operation and maintenance of irrigation infrastructures; and repair of structural deficiencies on high hazard dams. Programs administered by either Tribes or BIE include an education system for approximately 44,000 elementary and secondary students and 28 tribal colleges, universities, and post-secondary schools.

Management Excellence — The BIA and BIE continue to follow the President's management agenda for improving management and performance of the Federal government. In formulating the 2009 budget, Indian Affairs examined

Operation of Indian Programs \$2.0 billion



In 2009, more than nine of every ten dollars appropriated to Indian Affairs will be provided to education, human services, trust services, and other on-the-ground programs.

** Includes the following: resources management, trust services, information technology, and other program-related costs.*

the entire budget focusing on core mission areas. This approach, informed through Indian consultation, has produced a budget that preserves programs serving the largest Indian populations on a nationwide basis and includes changes in distribution of funding in some program areas to support higher priority needs.

The budget considered findings from Program Assessment Rating Tool reviews. A PART review of the Housing Improvement Program conducted in 2006 found that there have been problems with management oversight, and that there is eligibility overlap between the HIP and the Housing and Urban Development Native American Housing Assistance and Self-Determination Act program. As a result of this finding, the 2009 budget eliminates the HIP program.

In 2007, two BIA programs received adequate PART ratings after initially receiving PART ratings of results not demonstrated. To show results, the Law Enforcement program now has a number of specific and ambitious long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program. It also has a number of specific annual performance measures demonstrating progress toward achieving the program's long-term goals.

The Education Construction program modified its performance measures to reflect the goal of improving the number of school projects completed within established time frames and on budget. The program now has a per-

formance goal to begin construction the year the funds for construction are provided. To achieve this result, BIA published standard designs and space guidelines for efficient and consistent education facilities. These expedite the design phase of construction that often held up construction. In addition, BIA instituted a policy of planning and designing education projects in the two years preceding the request for construction funds. This policy not only improves the on-time starts of the construction phase of projects but enables the program to provide more accurate construction cost estimates in budget justifications.

Indian programs and services support the Interior Department's outcome goals to fulfill Indian trust responsibilities and advance quality communities for Tribes. In 2009, Indian Affairs and Tribes will continue to strengthen baseline data and refine tracking and reporting mechanisms to ensure that timely and accurate performance information is available and integrated into budget decisions. Indian Affairs, in consultation with the Tribes, will also continue to examine the budget to ensure that dollars are being directed to the highest priority needs in Indian Country.

The 2009 budget request includes redirection of \$2.4 million for travel and \$532,000 for savings resulting from converting contracts to performance-based contracts. These reductions enable the direction of resources to high priority programs and activities.

Budget Overview — The 2009 budget request for Indian Affairs is \$2.2 billion in current appropriations, which is \$99.9 million or 4.4 percent below the enacted 2008 budget. The Operation of Indian Programs account is funded at \$2.0 billion, \$59.5 million or 2.9 percent below the enacted 2008 budget. The 2009 budget emphasizes programs that provide a safe, secure, and economically sound future for Indian communities. The budget includes funding to foster economic development, provide job placement and training, reduce crime on reservations, improve trust management, and support student achievement.

Economic Development — The 2009 request includes \$8.2 million for the BIA guaranteed loan program, an increase of \$2.0 million. The program guarantees loans for economic development in Indian Country. The increase maintains the dollar amount of loans that can be guaranteed. This amount would have been reduced in 2009 without additional funding due to an improved model for calculating the subsidy rate. The increase also fully funds the administrative staff and initiates the upgrade of the loan tracking system. The budget also includes an additional \$1.0 million for job training programs, primarily for construction workers who can receive on-the-job training on highway projects near reservations.

Safe Indian Communities Initiative — The crimes resulting from escalating methamphetamine trafficking and use in Indian Country undermine the safety and health of Indian communities and compound law enforcement issues in Indian Country where violent crime is already a serious problem. The BIA law enforcement funding in 2008 includes \$23.7 million for the Safe Indian Communities initiative to increase the capacity to combat this growing epidemic. The 2009 request includes an additional \$2.9 million for a total Safe Indian Communities initiative of \$26.6 million. Funding for BIA law enforcement totals \$229.6 million, including \$1.0 million for the new Safe Borderlands Initiative. The budget also includes \$1.5 million in increased funding for additional social workers in Indian country to address the increasing number of families in crisis, particularly the needs of neglected children that accompany drug abuse and addiction.

The BIA law enforcement programs will continue targeted placement of law enforcement agents in high crime areas in Indian Country and invest in equipment and training for the current force to more effectively combat crime. Funding will target communities based on a needs analysis that looks at the violent crime rate, drug activity, service population, and current staffing levels. The BIA will continue its program to increase the number of officers certified for drug enforcement to combat drugs and violent crime in Indian Country. Specialized drug enforcement officer training includes instruction in effective strategies to break up drug trafficking, disrupt the activities and

organization of crime groups, and seize illegal substances. By increasing the number of certified drug officers, BIA will meet its long-term goals of increased drug seizures and reduced violent crime.

Detention center funding continues to staff, operate, and maintain tribal detention facilities and aid BIA in implementing the recommendations of the 2004 report by the Department's Inspector General, which found safety, security, and maintenance deficiencies at detention centers in Indian Country. Detention center funding will be distributed to existing detention centers based on the results of the application of the National Institute of Corrections staffing model. The BIA Correction Division has worked with NIC to apply staffing models that best suit the needs of Indian Country detention facilities, taking care to differentiate between the size of facilities. The BIA objective is to increase the percent of existing detention centers staffed to NIC safety standards, thereby helping to reduce the types of serious incidents identified in the IG report.

Improving Indian Education Initiative — Education is critical to ensuring a viable and prosperous future for tribal communities and American Indians. The 2009 request for BIE elementary and secondary school operations is \$562.6 which will support 184 schools and dormitories located on 63 reservations in 23 States serving approximately 44,000 students. The BIA school construction program is funded at \$115.4 million. In addition, the Department of Education provides \$201.7 million to BIE, as the equivalent of a State Education Agency, to administer and provide technical support for Department of Education programs for disadvantaged children and individuals with disabilities.

The Secretary's initiative to improve Indian education and the \$1.7 billion investment BIA has made since 2001 to upgrade school infrastructure form a comprehensive strategy to position BIE schools to meet school performance standards driven by the No Child Left Behind Act. This Act requires individual States to establish goals for student achievement in math, reading, and language arts, as well as for student attendance, high school graduation rates, and teacher qualifications. States also determine the Adequate Yearly Progress expected of schools so that schools achieve the goals by 2014.

The BIE faces great challenges in meeting AYP goals in the short term, and progress is not apparent in aggregate measured results. For the past three school years, 30 percent of BIE schools made AYP goals established by the State in which the school was located. Department of Education statistics indicate that student performance at BIE schools is lower than students at public schools. The Improving Education initiative will help BIE schools

over the long term. The BIE maintains its goal that 100 percent of its schools will make AYP goals by 2014 as required by the No Child Left Behind Act.

In 2009, Interior Department proposes to dedicate \$5.2 million to enhance education programs at lower performing schools. This funding would be separate from the formula funding that all BIE schools receive and would be targeted to schools that have not achieved AYP because of student performance on standardized tests for math, reading, and language arts. The funding would provide supplemental aid, such as hiring additional education specialists to help with curriculum, tutoring, or other needs identified in a school-based analysis of student performance.

The BIE continues to provide the extensive student transportation required of largely rural and widely dispersed school service populations. During the current school year, BIE-funded school buses will travel over 15 million miles, often over gravel or dirt roads. In addition to providing resources for fuel, student transportation also funds maintenance that improves the safety and reliability of the BIE-funded bus fleet.

The request includes \$1.3 million in additional funding to enable BIE to cover the costs associated with the broadband service required for connections to the internet to keep students plugged in to modern techniques of learning, writing, and research. The request also includes an additional \$1.5 million for the costs of converting BIE schools to grant status. The BIE estimates that in the 2009-2010 school year, five Tribes will enter into grants with BIE for the Tribes to manage the operation of their schools. The increase will be used primarily for the costs associated with the displacement of employees who do not continue to work at the school or elsewhere in Federal service or who do not choose or are not eligible to retire as schools change to grant status.

The BIE \$100.8 million request for post-secondary programs includes funding for operating grants to 26 tribal colleges and universities, Haskell Indian Nations University, and Southwestern Indian Polytechnic Institute. Other post-secondary programs will fund tribal and BIE scholarships. In 2009, funding for tribal scholarships is reduced by \$5.9 million and funding for tribal technical colleges is eliminated to allow BIE to focus on its core responsibility of running the BIE school system.

Indian School Construction — Providing Indian children with safe and nurturing places to learn contributes to student achievement. The budget requests \$115.4 million for school construction and repair. The budget fully funds one replacement school and one replacement

facility project, and provides annual maintenance funding at the 2008 enacted level.

In 2000, the President made a campaign commitment to fund nearly \$1.0 billion to replace, rebuild, and repair facilities in the BIE funded school system to eliminate health and safety deficiencies. Since the Administration began, over \$1.7 billion has been appropriated for the Indian education construction program. Of the 32 replacement schools funded since 2001, 12 have been completed, another 12 are in the construction phase, and eight are in the planning and design phase. Of the 39 major facility improvement and repair projects funded since 2001, 12 have been completed, 16 are in the construction phase, and 11 are in the planning and design phase. Of the three facility replacement projects funded since the program was established in 2007, one has completed planning and design and is advertising for construction, and two are in the planning and design phase.

In the 2008 enacted budget, the Congress approved a plan to complete existing school construction and alleviate construction shortfalls before beginning new school construction projects. This required that one project originally funded in 2007 and some projects proposed for funding in 2008 were to be deferred to later years.

The request will fully fund replacement of Dennehotso Boarding School in Arizona, originally requested for funding in 2007, and replace structures at Chinle Boarding School in Arizona. The education construction account includes \$74.4 million for facilities improvement and repair projects including \$50.7 million for annual maintenance. Employee housing is funded at \$1.6 million.

Improving Trust Management — The Department has made significant improvements in the programs that are cornerstones to providing services to beneficiaries and establishing a viable trust organization. The 2009 budget provides \$300.7 million to meet the requirements outlined in the Fiduciary Trust model and continue trust reform initiatives. The funding increase of \$10.6 million will primarily be used to address the probate backlog.

Housing Improvement Program Elimination — As proposed in the 2008 President's Budget, the 2009 budget eliminates \$13.6 million for the Housing Improvement Program. The proposed elimination is commensurate with priorities established during tribal consultation on the 2009 budget, which placed an emphasis on programs and projects that benefit Tribes on a nationwide basis. This program services a limited number of individuals and there is eligibility overlap between HIP and the Housing and Urban Development Native American Housing Assistance and Self-Determination Act programs.

Johnson O'Malley Education Grants Elimination — The 2009 budget eliminates \$21.4 million for the Johnson O'Malley education grants, including JOM programs funded in Self-Governance compacts and Consolidated Tribal Government Program contracts. The JOM grants are duplicative of grants available to Tribes from the Department of Education. This program was proposed for elimination in 2007 and 2008.

Welfare Assistance Reduction — The budget reduces \$22.0 million from the Welfare Assistance program including Welfare Assistance funding provided in Self-Governance compacts. The Welfare Assistance program will be funded at \$64.5 million for the basic needs of children, the elderly, and adult heads of household who either have no access to or do not meet the eligibility criteria for welfare benefits from any other county, State, or Federal welfare program.

Roads Maintenance Reduction — The budget reduces the roads maintenance funding by 50 percent to \$13.0 million because there is money available from the Department of Transportation that is granted to Tribes, which may choose to use up to 25 percent of the funds for maintenance of Indian Reservation Roads including those owned by the BIA.

Tribal Priority Allocations — Collectively, the budget proposes a net reduction of \$64.3 million in Tribal Priority Allocations, which is 8.3 percent below the 2008 enacted level. The TPA program increases include \$1.4 million for social services management, \$1.1 million for trust services, \$3.8 million for probate (including \$2.9 million in internal transfers), and \$1.0 million for job placement and employment programs. Decreases in TPA include terminations of the Housing Improvement Program (-\$13.6 million) and Johnson O'Malley education grants (-\$21.4 million). Major reductions are proposed for the Welfare Assistance (-\$22.0 million) and Roads Maintenance (-\$12.5 million) programs. The reductions to Scholarships and Adult Education (-\$5.9 million), Tribal Courts (-\$2.3 million), and Indian Child Welfare Act (-\$989,000) are the result of eliminating Congressional increases.

Resolving Land and Water Claims — The 2009 budget request for BIA Indian Land and Water Claim Settlements

is \$21.6 million in current appropriations. The budget request of \$15.2 million for the third year of funding for the Snake River Water Rights Settlement will be supplemented with previous year carryover to reach the authorized payment of \$15.5 million. The Settlement authorizes the Department to provide the Nez Perce Tribe and the State of Idaho a total of \$170.9 million to be funded over seven years. The \$95.8 million BIA portion of the Settlement funds water supply, habitat restoration, and other purposes.

The request includes the third year of funding for the Puget Sound Regional Shellfish Settlement. The Settlement resolves disputes regarding several Tribes' treaty rights to take shellfish from tidelands on the Puget Sound. The Department's portion of the \$34.5 million Settlement is \$23.5 million proposed to be funded over four years. The request includes \$3.0 million for the Settlement. The payment schedule for the Settlement indicates a payment of \$5.0 million in 2009, but \$2.0 million of that was funded in the 2008 budget.

The request also includes \$2.4 million for the second payment to the Pueblo of Isleta Settlement. The Settlement provides funding to restore, improve, and develop on-reservation land and natural resources of the Pueblo. The Department's portion of the \$40.0 million Settlement is \$7.2 million proposed to be funded over three years.

Funding for payments to the Rocky Boys Trust Fund is not requested as the 2008 payment satisfied the requirements for this Settlement.

Other Major Changes — The budget includes an increase of \$5.8 million for administrative needs including funding for increased rents, employee displacement costs, and facilities safety management. The budget includes a reduction of \$1.0 million for litigation support and attorneys fees.

Fixed Costs — Fixed costs total \$35.0 million, of which \$28.9 are budgeted and \$6.1 will be absorbed through cost savings. The request funds most pay and health care costs and fully funds costs paid to other agencies and the Department's Working Capital Fund.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2009 Request with 2008 Enacted:

	2008 Enacted		2009 Request		Change from 2008	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Operation of Indian Programs	5,910	2,047,809	5,833	1,988,290	-77	-59,519
Reimbursable Programs	866	0	866	0	0	0
Allocations from Other Agencies.....	609	0	559	0	-50	0
Construction	413	203,754	416	173,261	+3	-30,493
Reimbursable Programs.....	37	0	37	0	0	0
Allocations from Other Agencies.....	447	0	447	0	0	0
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians	0	33,538	0	21,627	0	-11,911
Indian Guaranteed Loan Program Account.....	0	6,178	0	8,186	0	+2,008
Subtotal, Appropriations.....	8,282	2,291,279	8,158	2,191,364	-124	-99,915
Permanents and Trusts						
Operation and Maintenance of Quarters.....	55	5,500	55	5,500	0	0
Miscellaneous Permanent Appropriations.....	364	103,625	364	105,698	0	+2,073
White Earth Settlement Fund	0	3,000	0	3,000	0	0
Indian Loan Guaranty and Insurance Fund						
Liquidating Account.....	0	-250	0	-250	0	0
Indian Direct Loan Program Account.....	0	315	0	0	0	-315
Indian Guaranteed Loan Program Account.....	0	8,237	0	0	0	-8,237
Revolving Fund for Loans, Liquidating Account...	0	-1,000	0	-1,000	0	0
Subtotal, Permanents and Trusts	419	119,427	419	112,948	0	-6,479
TOTAL, BUREAU OF INDIAN AFFAIRS	8,701	2,410,706	8,577	2,304,312	-124	-106,394

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Operation of Indian Programs

	2007 Actual	2008 Enacted	2009 Request	Change from 2008
Tribal Government				
Aid To Tribal Government.....	35,954	33,146	33,596	+450
Consolidated Tribal Gov't Program	63,185	68,160	67,938	-222
Self Governance Compacts.....	135,160	143,452	132,827	-10,625
Johnson O'Malley.....	6,689	0	0	0
Contract Support.....	143,628	147,294	147,294	0
New Tribes	316	311	311	0
Tribal Gov't Program Oversight.....	7,329	7,500	7,737	+237
Subtotal, Tribal Government	392,261	399,863	389,703	-10,160
Human Services				
Social Services.....	31,421	31,908	33,538	+1,630
Welfare Assistance	80,179	78,928	64,491	-14,437
Indian Child Welfare Act	10,063	10,803	9,814	-989
Housing Improvement Program	18,824	13,614	0	-13,614
Human Services Tribal Design.....	446	442	444	+2
Human Services Program Oversight ...	3,891	3,644	4,139	+495
Subtotal, Human Services.....	144,824	139,339	112,426	-26,913
Trust - Natural Resources Management				
Natural Resources, General.....	8,104	4,267	4,454	+187
Irrigation Ops. and Maintenance.....	12,074	11,874	10,936	-938
Rights Protection Implementation.....	18,076	19,841	16,537	-3,304
Tribal Mgmt./Development Program..	4,278	6,534	4,334	-2,200
Unresolved Hunting/Fishing Rights...	0	0	0	0
Endangered Species	219	1,228	250	-978
Integrated Resource Info. Program	1,250	1,230	2,130	+900
Agriculture and Range	23,236	24,015	24,363	+348
Forestry	42,459	42,728	43,203	+475
Water Resources	11,159	9,759	10,018	+259
Fish, Wildlife and Parks	6,669	6,488	6,569	+81
Minerals and Mining	10,207	11,496	12,474	+978
Resource Mgmt. Program Oversight ...	7,507	7,698	6,554	-1,144
Subtotal, Trust-NR Management	145,238	147,158	141,822	-5,336
Trust - Real Estate Services				
Trust Services, General	9,724	10,476	11,082	+606
Navajo-Hopi Settlement Program	1,148	1,177	1,203	+26
Probate	15,884	19,573	20,334	+761
Land Title and Records Offices	13,552	14,425	14,747	+322
Real Estate Services	43,510	47,216	48,140	+924
Land Records Improvement.....	7,897	15,814	15,659	-155
Environmental Quality.....	11,923	11,054	11,601	+547
Alaskan Native Programs.....	995	1,006	1,022	+16
Rights Protection	14,291	12,274	11,137	-1,137
Real Estate Services Oversight	25,149	15,355	15,162	-193
Subtotal, Trust-Real Estate Services..	144,073	148,370	150,087	+1,717

	2007 Actual	2008 Enacted	2009 Request	Change from 2008
Public Safety and Justice				
Law Enforcement	204,454	228,137	229,577	+1,440
Tribal Courts	12,013	14,338	12,047	-2,291
Fire Protection.....	1,144	1,181	1,150	-31
Subtotal, Public Safety and Justice ...	217,611	243,656	242,774	-882
Community and Economic Development				
Job Placement and Training.....	8,444	7,925	8,864	+939
Economic Development	4,733	4,531	3,493	-1,038
Road Maintenance	27,565	25,576	13,028	-12,548
Community Development Oversight ..	1,492	1,404	1,786	+382
Subtotal, Comm./Economic Dev.....	42,234	39,436	27,171	-12,265
Executive Direction/ Admin. Services	244,070	240,375	260,327	+19,952
Education				
Elementary and Secondary Programs –				
Forward Funded	458,310	479,895	475,594	-4,301
Elementary and Secondary Programs..	60,390	60,839	61,329	+490
Johnson O’Malley.....	12,000	13,782	0	-13,782
Post Secondary Programs	108,619	111,749	100,772	-10,977
Education Management	18,593	23,347	26,285	+2,938
Subtotal, Education Programs.....	657,912	689,612	663,980	-25,632
TOTAL APPROPRIATION	1,988,223	2,047,809	1,988,290	-59,519

Highlights of Budget Changes

Fixed Costs

Fixed costs total \$34,288, of which \$28,369 are budgeted and \$5,919 are absorbed.

Tribal Government

A net reduction of \$10,160 is proposed for this activity, which includes decreases for the Consolidated Tribal Government Program that supports Johnson O’Malley Assistance Grants (-\$995) and Self-Governance Compacts that support Welfare Assistance and Johnson O’Malley Assistance Grants programs (-\$14,118). An increase of \$213 is proposed for Tribal Government Program Oversight. The budget reduces travel and relocation expenses (-\$70). Internal transfers increase this activity by \$694. Fixed costs total \$4,975, of which \$4,116 are budgeted and \$859 are absorbed.

Human Services

A net reduction of \$26,913 is proposed for this activity. In support of the Safe Indian Communities Initiative the proposal includes an increase of \$1,500 for additional social workers. An increase of \$468 is proposed for Human Services Program Oversight. Decreases are proposed for Welfare Assistance (-\$14,424), the Indian Child Welfare Act (-\$984), and the elimination of the Housing Improvement Program (-\$13,614). The budget reduces travel expenses (-\$99). Internal transfers reduce this activity by \$464. Fixed costs total \$851, of which \$704 are budgeted and \$147 are absorbed.

Trust—Natural Resources Management

A net reduction of \$5,336 is proposed for this activity. An increase of \$900 is proposed for the Integrated Resource Information program. Decreases are proposed for irrigation operations and maintenance (-\$984), rights protection implementation (-\$3,485), the Tribal Management Development program (-\$2,230), and the Endangered Species program (-\$984). The 2009 budget reduces travel and relocation expenses (-\$217). Internal transfers reduce this activity by \$308. Fixed costs total \$2,383, of which \$1,972 are budgeted and \$411 are absorbed.

Trust—Real Estate Services

A net increase of \$1,717 is proposed for this activity. To support trust reform, the proposal includes increases of \$935 to address probate cases, \$1,100 for Trust Services, and \$300 for Environmental Quality Projects. A decrease is proposed for litigation support/ attorney’s fees (-\$1,000). The budget reduces travel and relocation expenses (-\$424) and a decrease resulting from savings achieved by converting contracts to performance-based contracts (-\$489). Internal transfers reduce this activity by \$888. Fixed costs total \$2,638, of which \$2,183 are budgeted and \$455 are absorbed.

Public Safety and Justice

A net reduction of \$882 is proposed for this activity. The Safe Indian Communities initiative consists of an increase of \$500 for Tribal Law Enforcement and Special Initiatives. Decreases are proposed for law enforcement program management (-\$797), the Indian Police Academy (-\$47), Tribal Courts (-\$2,461), and Fire Protection (-\$37). The 2009 budget includes a decrease to reduce travel and relocation expenses (-\$325). Internal transfers reduce this activity by \$531. Fixed costs total \$3,404, of which \$2,816 are budgeted and \$588 are absorbed.

Community and Economic Development

A net reduction of \$12,265 is proposed for this activity. An increase of \$1,000 is proposed for Job Placement and Training. Decreases are proposed for Road Maintenance (-\$13,000) and Economic Development (-\$984). The 2009 budget reduces travel and relocation expenses (-\$30). Internal transfers increase this activity by \$122. Fixed costs total \$758, of which \$627 are budgeted and \$131 are absorbed.

Executive Direction and Administrative Services

A net increase of \$19,952 is proposed for this activity, which includes increases of \$6,368 for Information Technology to support the internet reconnect, \$1,788 for personnel Services, \$1,000 for Facilities Maintenance, and \$2,100 for rent costs. The 2009 budget reduces travel and relocation expenses (-\$360) and a decrease resulting from savings achieved by converting contracts to performance-based contracts (-\$43). Internal transfers increase this activity by \$1,495. Fixed costs total \$9,190, of which \$7,604 are budgeted and \$1,586 are absorbed.

Education

A net reduction of \$25,632 is proposed for this activity. The Improving Indian Education initiative consists of increases of \$448 for Haskell and SIPI, \$1,500 for education program management, and \$1,300 for the Native American Student Information System. Decreases are proposed for Johnson-O'Malley Assistance Grants (-\$13,797), post-secondary scholarships (-\$5,906), Tribal Technical Colleges (-\$5,906), Student Transportation (-\$984), Education Program Enhancements (-\$6,891), and Early Childhood Development (-\$2,953). The budget reduces travel and relocation expenses (-\$670). Internal transfers reduce this activity by \$120. Fixed costs total \$10,089, of which \$8,347 are budgeted and \$1,742 are absorbed.

APPROPRIATION: Construction

	2007 Actual	2008 Enacted	2009 Request	Change from 2008
Education	204,956	142,935	115,376	-27,559
Public Safety and Justice	11,605	14,393	11,433	-2,960
Resources Management	45,125	38,309	37,306	-1,003
General Administration	10,137	8,117	9,146	+1,029
TOTAL APPROPRIATION	271,823	203,754	173,261	-30,493

Highlights of Budget Changes

Fixed Costs

Fixed costs total \$722, of which \$570 are budgeted and \$152 are absorbed.

Education Construction

A net decrease of \$27,559 is proposed for this activity. The School Construction program includes a reduction of \$24,312 for Replacement School Construction. The 2009 funding level will fully fund the replacement of Dennehotso Replacement School in Arizona. The budget proposes an increase of \$7,265 for Replacement Facilities Construction. The request for Replacement Facilities Construction will fund the replacement of the Chinle Boarding School Kitchen-Dining Facility. The Education Construction account also includes a decrease for Facilities Improvement and Repair (-\$10,539). Employee Housing Repair is reduced by -\$350. The budget reduces travel and relocation expenses (-\$72). Fixed costs total \$569, of which \$449 are budgeted and \$120 are absorbed.

Public Safety and Justice Construction

A net decrease of \$2,960 is proposed for this activity, which includes a decrease in funding for Facilities Improvement and Repair (-\$2,953). The budget reduces travel and relocation expenses (-\$13). Fixed costs total \$8, of which \$6 are budgeted and \$2 are absorbed.

Resources Management Construction

A net decrease of \$1,003 is proposed for this activity, which includes decreased funding for Indian Irrigation Rehabilitation (-\$984). The 2009 budget reduces travel and relocation expenses (-\$83). Fixed costs total \$81, of which \$64 are budgeted and \$17 are absorbed.

General Administration

A net increase of \$1,029 is proposed for this activity, which includes an increase of \$1,000 for Construction Program Management. The 2009 budget reduces travel and relocation expenses (-\$22). Fixed costs total \$64, of which \$51 are budgeted and \$13 are absorbed.

A detailed list of all Construction projects is provided in Appendix D.

APPROPRIATION: Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians

	2007 Actual	2008 Enacted	2009 Request	Change from 2008
Land Settlements				
White Earth Land Settlement (Admin)...	625	625	625	0
Hoopla-Yurok Settlement Fund	250	250	250	0
Quinault Settlement.....	316	0	0	0
Water Settlements				
Pyramid Lake Water Rights Settlemt ...	142	142	142	0
Nez Perce/Snake River	20,730	15,463	15,210	-253
Miscellaneous Payments				
Cherokee, Choctaw, and Chickasaw Settlement	10,339	0	0	0
Rocky Boys O&M Trust Fund	7,500	7,500	0	-7,500
Puget Sound Regional Shellfish Settlement.....	2,000	7,000	3,000	-4,000
Pueblo of Isleta Settlement	0	2,400	2,400	0
Unallocated amounts.....	98	158	0	-158
TOTAL APPROPRIATION	42,000	33,538	21,627	-11,911

Highlights of Budget Changes

Indian Settlements and Miscellaneous Payments

A net decrease of \$11,911 is proposed for this account composed of: decreases for the Nez Perce/Snake River Settlement due to the availability of prior year carryover (-\$253), the completion of the Rocky Boys Trust Fund (-\$7,500), completion the Puget Sound Regional Shellfish Settlement (-\$4,000), and a settlement rounding adjustment (-\$158).

APPROPRIATION: Indian Guaranteed Loan Program Account

	2007 Actual	2008 Enacted	2009 Request	Change from 2008
TOTAL APPROPRIATION	6,258	6,178	8,186	+2,008

Highlights of Budget Changes

Fixed Costs

Fixed costs total \$10, of which \$8 are budgeted and \$2 are absorbed.

Indian Guaranteed Loan Program

The Indian Guaranteed Loan program enables banks to provide loans to Indian entrepreneurs, thereby further enhancing reservation economies and employment opportunities. A net increase of \$2,008 is proposed, which includes increases of \$1,500 for loan subsidies and \$500 for loan subsidies management. Fixed costs total \$10, of which \$8 are budgeted and \$2 are absorbed.