

Trust Management Improvement Project

Quarterly Status Report to the Court Number Seven

For the Period
May 1, 2001 to July 31, 2001



August 31, 2001

This is the Quarterly Status Report to the Court Number Seven, dated August 31, 2001. It is Exhibit 1 to the Notice of Filing of Interior's Seventh Quarterly Report and Related Papers (attached), dated October 3, 2001, that was filed in the U.S. District Court for the District of Columbia. Also included are Exhibits 2 - 11.

The format of this report varies from that of previous reports as it contains attachments and documents filed with the Court.

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Introduction

The Court's Order. In the matter of *Cobell v. Norton* (formerly *Cobell v. Babbitt*), the United States District Court for the District of Columbia on December 21, 1999, ordered the Department of the Interior ("DOI" or "Department") to submit quarterly reports on actions taken to correct problems identified by the Court that relate to the Federal government's statutory trust responsibility to individual Indians.

Quarterly Status Report Format. This is the seventh Status Report submitted pursuant to the Court's Order. This Report documents improvements to two major subject areas, (1) actions and changes pertaining to the February 29, 2000, Revised and Updated High Level Implementation Plan (HLIP) that have occurred since the end of the reporting period of the *Sixth Quarterly Report*, and (2) steps taken by the DOI to rectify Court-declared breaches of trust.

The *Seventh Quarterly Report* covers the reporting period of May 1, 2001, through July 31, 2001. This Report is identical in format to the *Sixth Quarterly Report* and is organized to follow the order of the HLIP, subproject by subproject. Information on the ten active HLIP subprojects is followed by information on three of the four projects that address areas identified by the Court as breaches of the trust responsibility. As established previously, the Records Retention breach report appears under the HLIP Records Management Chapter. Each chapter contains a summary of the problem the subproject addresses (as drawn from the HLIP), action taken to complete the specific subproject milestones due during the reporting period, information on significant ongoing activities, and an updated Milestone Chart indicating the current status of all subproject milestones.

The Milestone Chart for each subproject immediately follows the discussion of that subproject. To accurately reflect the overall progress of each project, the Milestone Charts include a history of milestone date changes. Milestones that are scheduled to be completed or have had changes made during this reporting period are shaded in the Milestone Chart.

Seventh Quarterly Report Highlights. The progress on the High Level Implementation Plan subprojects is documented later in this Report. Highlights, including non-HLIP related events, occurring in this reporting cycle are:

- The District Court for the District of Columbia appointed the Court Monitor in its Order of April 16, 2001, to review and monitor trust reform activities for the Department of the Interior. The Court Monitor issued the Second Report on August 9, 2001, addressing the Trust Asset and Accounting Management System (TAAMS) computer system and the status of the deployment and implementation of that system pursuant to the Court-ordered revised High Level Implementation Plan. The Department filed its response to that report on August 23, 2001.
- On July 11, 2001, the Court Monitor's first report discussing the Department's historical accounting and collection of missing

information was issued. The Department filed its response to that report on August 10, 2001.

- Mr. Neal A. McCaleb, a member of the Chickasaw Nation of Oklahoma, was confirmed by the United States Senate as the Interior Department's Assistant Secretary – Indian Affairs on June 29, 2001, and was sworn in by Interior Secretary Gale Norton on July 4, 2001.
- On July 10, 2001, Secretary of the Interior Gale Norton signed two Secretarial Orders to improve accountability and efficiency in Indian trust reform activities and to establish a new Office of Historical Trust Accounting under the Office of the Secretary.
 - Secretarial Order # 3232 delegates additional authority to the Special Trustee for American Indians to ensure his capacity to implement the Department's HLIP for trust reform, and to recommend future revisions or amendments to the HLIP. In an accompanying Memorandum from the Secretary, the Special Trustee is directed to develop a plan for hiring a management consultant to provide a comprehensive assessment of the efficacy of the implementation of the entire HLIP and the responses to each of the four Court-identified breaches. This report is due 120 days from the engagement of a contractor.
 - Secretarial Order # 3231 establishes a new Office of Historical Trust Accounting (OHTA) that will oversee the historical accounting to Individual Indian Monies (IIM) beneficiaries mandated by the Court in *Cobell v. Norton*. Per the Secretarial Order, within 60 days the OHTA will prepare a description and timetable for completion of all steps that are needed to staff and develop a comprehensive plan for the historical accounting that meets the Department's fiduciary obligations to IIM beneficiaries
 - Secretary Norton named Mr. Bert T. Edwards as Executive Director of the Office of Historical Trust Accounting.
- The Department recognizes the linkage between the Breach 1, Collection of Missing Information from Outside Sources subproject, and the historical accounting effort. Based on this relationship, as well as the Court of Appeals decision, the Court Monitor's reports, and the Secretary's decision to create an office dedicated to a historical accounting of IIM funds, the Breach 1 subproject will be transferred from the Office of the Special Trustee for American Indians (OST) to the Office of Historical Trust Accounting in the upcoming quarter.
- The Special Trustee is creating a new, permanent position within the OST, the Executive Director of Trust Systems and Projects. The Executive Director will have the responsibility for the oversight and direction necessary to facilitate the successful completion and

continuing operation of systems and subprojects related to Indian trust management. Ms. Donna Erwin, the Director of the Office of Trust Funds Management (OTFM), is presently detailed to fill this position.

- Mr. Douglas A. Lords, Deputy Director, OTFM, is now Acting Director of the Office of Trust Funds Management.

The Revised High Level Implementation Plan. The revised HLIP, as amended by the Quarterly Status Reports, contains some 260 milestones directed towards the accomplishment of trust improvement subprojects. As of July 31, 2001, a cumulative total of 189 milestones have been completed, including four milestones completed during this reporting period. Of the remaining 71 milestones, 23 are designated as ongoing and will continue throughout the life of the HLIP.

Nine milestones were not completed by the scheduled date during this reporting period. A full description of the impact and reasons for the missed dates is detailed in the applicable HLIP subproject chapters.

Seventh Quarterly Report HLIP Milestones Due			
HLIP Project	Due	Completed	Not Completed
1. OST Data Cleanup	0		
2. BIA Data Cleanup	0		
3. Probate	3	2	1
4. BIA Appraisals	3		3
6. TAAMS	2		2
7. MMS Reengineering	1		1
8. Records Management	1		1
9. Trust Policies and Procedures	2	2	
10. Training	1		1
11. Internal Controls	0		
HLIP Project Total	13	4	9

Court-Identified Breach Projects. The Department of the Interior's February 2000 plans to address Court-identified breaches of statutory trust duties under the *American Indian Trust Fund Management Reform Act of 1994* include a total of 47 milestone tasks, of which a cumulative total of 37 have been completed by the end of the reporting period. This figure includes four milestones that were completed during this reporting period. As previously established, milestones for the Records Retention Breach are tallied in the Records Management Chapter.

Seventh Quarterly Report Breach Milestones Due			
Breach Project	Due	Completed	Not Completed
1. Collection of Missing Information	2	1	1
3. Computer Architecture	2	2	
4. Workforce Planning	2	1	1
Breaches Total	6	4	2

Two milestones were not completed by the scheduled date during this reporting period. A full description of the impact and reasons for the missed dates is detailed in the applicable Court-identified breach chapter.

Changes and Corrections to the HLIP. There are several changes to Milestone Charts throughout this report. These changes reflect revised completion dates, both for missed milestones and future milestones based on a current evaluation of the milestone progress.

Special Trustee Observations

The execution of the High Level Implementation Plan came to a critical point this spring and summer when certain subprojects reached a stage where their successful completion appeared to be at great risk.

The Special Trustee was also concerned, as indicated in previous quarterly reports, about the reliability of information provided for certain of the subprojects. Most serious issues dwell primarily in BIA data cleanup, probate, TAAMS (including TAAMS training), appraisals, and workforce planning. The recent Court Monitor's reports reinforce the Secretary's and the Special Trustee's concern on the direction, progress, and monitoring requirements for certain subprojects.

The Secretary, the Special Trustee, and the Assistant Secretary - Indian Affairs, are moving to strengthen the overall leadership and project management of the trust reform effort.

In July 2001, the Special Trustee undertook a number of steps to instill stronger management within the HLIP subprojects and to assess the overall progress of the trust reform subproject activities. In addition, the Secretary issued an Order on July 10, 2001, that provides the Special Trustee with additional authority to assure that trust improvements are put in place and that the execution of the Secretary's trust responsibility is effectively carried out with accountability.

Specifically, the Special Trustee is organizing greater managerial support, oversight and direction, where necessary, for the HLIP projects, especially the critical TAAMS and BIA data cleanup efforts. Towards this end, the Special Trustee elevated a key executive from the Office of Trust Funds Management, Donna Erwin, to fill a new position as Executive Director for Trust Systems and Projects, reporting directly to the Special Trustee. This move will strengthen project support as well as project direction, where needed, for the HLIP subprojects.

The Special Trustee also has engaged Electronic Data Systems Corporation (EDS) to provide an independent analysis of the TAAMS project and the associated BIA data cleanup effort. By late September, EDS is planning to provide a preliminary assessment to the Special Trustee to be followed by a preliminary report and recommendations by October 31, 2001. The EDS evaluation will assist the Special Trustee to determine the redirection necessary for these projects with respect to such matters as project management, software development, schedules, resources, functionality, contractors, system deployment, implementation, training, and documentation to ensure their success.

An additional assignment to EDS includes a comprehensive assessment of the progress, project co-ordination, and direction for all of the High Level Implementation Plan's subprojects as well as the suitability of the Plan itself. This effort responds to the desire of the Secretary to "take stock" of the status of the reform effort for her benefit, as well as for the benefit of the Assistant Secretary - Indian Affairs and the Special Trustee. A final report from EDS is expected by

mid-December, 2001, with updates to the Special Trustee provided in the interim. This report also will include the final analysis on TAAMS and BIA data cleanup.

The Special Trustee is not satisfied with the completeness or the quality of the information provided in this quarterly report. As our investigations are carried further and we receive the analyses from EDS of all subprojects, we will implement changes in this report designed to improve the format, completeness, and content of future quarterly reports.

1. OST DATA CLEANUP

I. Statement of the Problem:

Documentation and supporting data in the IIM module of the Bureau of Indian Affairs (BIA's) Integrated Records Management System (IRMS) and IIM file jacket folders were not maintained consistently throughout BIA and OTFM field offices.

Numerous deficiencies existed in the data because of inconsistent application of any "standard" method of data input, account/data review, or standardized use of Tribal Codes, Alpha Codes, or Management Codes.

II. Summary of Milestones Due this Quarter:

The only remaining milestones for the OST Data Cleanup subproject are those considered "ongoing."

III. Summary of Ongoing Activities:

N. Resolve Jacket Folder Retention/Production Issue with Tribes

On June 5, 2001, the Department of Justice forwarded to the Special Master a letter from the Solicitor's Office explaining that, despite diligent efforts, the Department has not been able to resolve issues with the Standing Rock Sioux, Oglala Sioux, and Umatilla Tribes regarding retention of IIM jacket folders. This letter from the Solicitor's Office characterized this situation as "a barrier to the government's exercise of the trust responsibility."

P. Identify, Report on, Organize and Initiate Follow-on Post-Conversion Cleanup Efforts

The following Trust Funds Accounting System (TFAS) post-conversion activities occurred during this quarter.

All 1,282 accounts in regions other than the home agency, also known as "foreign accounts" have been corrected. This item is now complete.

Of 1,334 accounts that did not conform to OTFM policy, 34 additional accounts have been investigated and corrected (1,328 corrected accounts to date). OTFM is awaiting documentation from BIA and OTFM field staff to correct the remaining six accounts.

P3. Locate Missing Documents

In April 2000, letters were sent to 472 "unrestricted" account holders who had cumulative disbursements exceeding \$5,000 over a 12-month period (unrestricted accounts are those IIM accounts in which an individual Indian may determine the timing and amount of disbursements from the account as established in 25 CFR 115). Follow-up letters were sent in August 2000 and December 2000. No additional accounts have been updated this reporting

period. A total of 413 accounts (88% of the 472 accounts identified) have been updated as of July 31, 2001. Another mass mailing will begin in August 2001 to all remaining "unrestricted" account holders, regardless of their disbursement totals, excluding accounts that have already submitted mandatory documents.

P5. Continue Research/Resolving "Whereabouts Unknown" Accounts

All "whereabouts unknown" accounts, that had taxpayer identification numbers or a previous address, have been sent to Trans Union Credit Bureau. From information received from Trans Union, there is a 59% rate of identifying possible addresses. Letters requesting confirmation of account holder's addresses have been sent to these individuals.

As of July 31, 2001, there is a 28% overall success rate for updating addresses (5,236 accounts updated from the total 18,464 letters sent to possible account holders) from information received from Trans Union.

In June 2001, lists of "whereabouts unknown" accounts were sent to Tribal officials and Tribal enrollment offices requesting assistance in locating their respective Tribal members. Some of the Tribes published their lists in Tribal newspapers, posted them in Tribal offices, and some Tribes sent the updated addresses from Tribal files to OTFM. Authorization and Change of Address forms were then mailed to account holders. This practice of sending lists will be continued on a periodic basis.

Inquiries to the "whereabouts unknown" list on the OST website totaled 1,398 as of July 31, 2001. Authorization and Change of Address forms were then mailed to account holders meeting the necessary criteria.

Two additional services have been acquired through Trans Union to aid in the search of "whereabouts unknown". WATCH is a product that will notify OTFM as soon as an individual moves, and provides the new address. WATCH will be used on the entire IIM database and will reduce the number of future accounts becoming "whereabouts unknown". DataTrails is a new product offered by Trans Union. In addition to utilizing information relating to credit and death benefits, it provides access to national consumer databases, directory assistance databases, and property and vehicle record databases, and is expected to increase the success rate of obtaining further correct addresses.

P7. Settle Issues with Small Balance/Inactive Accounts

A draft plan to close out accounts with small balances has been developed and will be forwarded to the Solicitor's Office for review during the next quarter. As of June 30, 2001, there are a total of 18,289 accounts that have a \$.01 - \$1.00 balance with no activity for the previous 18 months. The total included in those accounts is \$5,383.17.

P8. Resolve Accounting Discrepancies

In June 2001, the Accounting Discrepancies Team met with Senior Management and provided a plan to resolve some of the outstanding issues. The first group of

discrepancies being investigated includes those requiring legislative action. The Team is researching the actions already taken and will be developing proposed legislation to begin to address these issues.

IV Changes/Corrections to the HLIP or Previous Quarterly Reports: None.

**V. Milestone Chart for OST Data Cleanup Subproject:
Subproject Manager: Doug Lords, OST**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Establish Project Charter	11/30/96		Completed
B. Organize Project and Temporary Staff to Conduct Records Cleanup Pilot	12/31/96		Completed
C. Select and Cleanup a Test Agency	03/31/97		Completed
D. Select Additional Test Site and Cleanup Records	06/30/97		Completed
E. Develop and Refine Cleanup Processes	06/30/97		Completed
F. Acquire Contractor to Perform Cleanup of Administrative Records in 18 Months	08/27/97		Completed
G. Select Pilot Site-BIA's Western Region (Phoenix Area)	11/13/97		Completed
H. Task Contractor for Methods Study, Planning, and Production Gear-up	12/31/97		Completed
I. Task Contractor to Initiate, Conduct and Complete Cleanup"	01/05/98		Completed
J. Gather Western Region Trust Records Centrally in Albuquerque	02/03/98		Completed
K. Finish Cleanup of Western Region Administrative Trust Records	03/29/98		Completed
L. Continue Gathering IIM Administrative Trust Jacket Folders and Trust Records from Other Areas	Ongoing		Completed
M. Oversee Contractor's Efforts and Report on Progress	Ongoing		Ongoing
N. Resolve Jacket Folder Retention/Production Issue with Tribes	Ongoing		Ongoing
O. Complete IIM Jacket Folder Cleanup	09/30/99		Completed
P. Identify, Report on, Organize and Initiate Follow-on Post Conversion Cleanup Efforts			
P1. Eliminate Duplicate Accounts	03/31/00		Completed
P2. Transfer Tribal IIM Accounts	03/31/00		Completed
P3. Locate Missing Documents	Ongoing		Ongoing
P4. Revise Management Coding (Plan Dev.)	09/30/00	12/31/00 (4QR)	Completed
P5. Continue Research/Resolving Whereabouts Unknown Accounts (Eval. Pt)	09/30/00	Ongoing (4QR)	Ongoing
P6. Resolve Special Deposit Accounts (Plan Dev.)	09/30/00	01/31/01 (4QR)	Completed
P7. Settle Issues with Small Balance/Inactive Accounts	Ongoing		Ongoing
P8. Resolve Accounting Discrepancies	Ongoing		Ongoing

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

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2. BIA DATA CLEANUP AND MANAGEMENT

I. Statement of Problem:

The BIA is implementing TAAMS throughout all regions, agencies and participating Tribal offices. The data found in the legacy systems vary considerably in terms of quality, completeness and timeliness. Some agencies and offices use the current systems regularly, others use them rarely, and still others redefined the legacy systems to fit their own needs.

The scope of the BIA data cleanup effort is extensive. At present, the BIA is managing an estimated 170,000 tracts of land encompassing 56 million acres, 350,000 Indian owners, 2 million owner interests and 100,000 active leases.

Some historical records date back to the original allotment period in the 1880s.

II. Summary of Milestones Due This Quarter:

The only remaining milestones for the BIA Data Cleanup and Management subproject are those considered "ongoing".

III. Summary of Ongoing Activities:

E. Develop Data Cleanup Strategy, Policies and Procedures

The BIA has completed its review of the August 1999 data cleanup strategy, and evaluation of the general data cleanup strategy. The Systems Manager, Office of Trust Responsibilities (BIA-OTR), performed this task. A revised data cleanup strategy was developed from these reviews and evaluations, and was presented at the TAAMS Regional Office Coordinators meeting in July 2001. The strategy outlined the pre-deployment and post-deployment data cleanup activities for both Title and Realty functions. Working from the general data cleanup strategy, the Data Cleanup Team will develop site-specific data cleanup plans for each Region. The revised strategy will be presented to the Special Trustee in the upcoming quarter for his review and concurrence.

To date, the Systems Manager has met with Southern Plains and Eastern Oklahoma regional personnel and presented the data cleanup strategy, from which the Regional Data Cleanup teams will develop a detailed data cleanup plan. Data cleanup priorities also will be identified.

The Data Cleanup work group assigned to review the Data Cleanup project and efforts, under the responsibility of the Principal Deputy Special Trustee (*Sixth Quarterly Report*), did not meet during the reporting period. Rather, the Special Trustee contracted with EDS, a national, systems and project management consulting firm, and established the position of Executive Director for Trust Systems and Projects. The Special Trustee reassigned responsibility for review of BIA Data Cleanup subproject to these parties.

F. Training on Data Cleanup and Data Quality Policies and Procedures

Training will continue at each site for new DataCom personnel until the data cleanup project is completed. As new data cleanup activities are reported, DataCom personnel (old and new) will require training in researching and entering information into TAAMS or the legacy systems.

The following is information regarding Data Cleanup related training that occurred at the regional Land Title Records Offices (LTROs) during the months of May, June and July 2001. Internal training refers to training provided by DataCom employees. External training refers to training provided by BIA.

Region	Type of Training	# of Employees Receiving Training	Internal Training	External Training	Duration
Alaska	TAAMS Encoding	4	X		2 Days
Eastern	Document Acquisition Training	2	X		Ongoing
Great Plains	Lease Processing	18		X	6 Hours
	ROW Training	13		X	8 Hours
	Correction Deeds	2		X	12 Hours
	Title Defects	1		X	3 Hours
Northwest	Research and Encoding Procedures	11	X		2 Days
	Review Training	1	X		2 Days
	Case Completion Process	3	X		1 Day
	Encoding Training	2	X		2 Days
(Regional Office)	Doc Type and Mod Combo Task	3	X		3 Days
	Land Description	2	X		1 Day
	LRIS Encoding Training	2	X		2 Days
(Flathead Office)	Doc Type and Mod Combo Task	2	X		2 Days
Pacific	Document Processing	4	X		3 Days
	LRIS Tract Encoding	4		X	4 Hours
Rocky Mountain	LRIS Encoding	2	X		1 Week/ Ongoing
Southern Plains	LRIS Encoding	14	X		Ongoing
	TAAMS Encoding	14	X		Ongoing
	MOID	1	X		1 Week
	TAAMS Overview	1	X		1 Week
	Probate Estate Training	14		X	3 Days
	TAAMS Terminology	14		X	30 Minutes
Southwest	LRIS Encoding	4	X		2 Weeks
TIME	Assessment Process Training	1	X		1 Week

G. Perform Pre-Deployment Data Cleanup

Pre-deployment data cleanup continued at six regional offices and eight agencies. Data cleanup personnel totaled 148 as of June 17, 2001. Data cleanup efforts continue to correspond with the TAAMS deployment schedules for Group A, the Rocky Mountain, Southern Plains, Alaska and Eastern Oklahoma Regions. A description of the various pre-deployment and post-deployment data cleanup efforts can be found in Appendix A. Data cleanup continues to focus on eliminating data anomalies that impact data migration activities.

Data Cleanup Overview By Region - The exact status of the BIA Data Cleanup and Management, including work performed by BIA personnel, will be in the next quarterly report.

Rocky Mountain Region Cleanup Status - Data cleanup was performed for the following tasks: IIM ID Match, Title/Realty Tract Match, and Change in Land Status. The Change in Land Status task was redefined as an ongoing task as data cleanup continues for incoming cases at the Fort Peck Agency.

Alaska Region Cleanup Status - Juneau personnel continued their data cleanup focus on regions within the jurisdiction of the Anchorage, Nome, Fairbanks, Southeast, and Bethel Agencies.

Great Plains/Midwest Regions Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID (Great Plains) Backlog (Document Processing), Current Global ID requests from Agencies, Current Doc Type and Combo, and Godzilla.

Southwest/Western/Navajo Regions Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID (Southwest), Multiple Owner ID (Navajo/Western), BIA Assigned Administrative Probate Modifications, Non-Enrolled ID Number (Eastern Navajo), Non-Enrolled ID Number (Western), Encoding Encumbrances, and Encoding Supplemental Patents. Data cleanup personnel continued to draft modifications for the Non-Enrolled ID Number Administrative Probate Modification and Multiple Owner ID Administrative Probate Modification subtasks.

Northwest Region Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID (Northwest), Multiple Owner ID (Colville), Non-Enrolled ID Number (Northwest), and Non-Enrolled ID Number (Flathead).

Pacific Region Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID and Non-Enrolled ID Number.

Southern Plains Region Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID, Phase III Agency Leases vs. Lease Distribution Records, and Probate ID Verification. The Phase I Agency Lease Tracts vs. Land Records Information System (LRIS) Tracts was completed on April 6, 2001. This completion date was confirmed in this period by information from other agencies.

Eastern Region - Data cleanup was performed on the Document Acquisition tasks: Data cleanup personnel at the Cherokee Agency have acquired and prepared 43,035 Land Title and Records documents for BIA certification and shipment to the Southern Plains Regional Office to date. The Microfiche Inventory task was postponed in April pending the relocation of the Eastern Regional Office from Arlington, Virginia, to Nashville, Tennessee. Currently, there is no data cleanup personnel deployed to the new Eastern Regional Office.

H. Monitor Data Integrity for Each BIA Office

DataCom is conducting the TAAMS Information Migration Evaluation (TIME) project. The TIME tasks for this reporting period included: the Southern Plains Tract 100 Assessment (Current and History), which was completed on June 15, 2001. Fifty-three documents from the Colville Tribe are included in the Northwest Region Tract 100 sample. BIA will provide further assistance to obtain these 53 documents. The results of the analysis will provide the BIA a better approach to the data cleanup and conversion challenges anticipated in the deployment of TAAMS.

The TAAMS Project Management Team met with the data cleanup contractor in July 2001 to start a preliminary evaluation of the TIME project to assess converted data in TAAMS. The focus of the TIME project has been to assess and compare the data in the physical documents with the data entered into LRIS and converted into TAAMS.

I. TAAMS Post-Deployment Cleanup

Post-deployment data cleanup is occurring in the Rocky Mountain and Southern Plains Regions for Land Title and Records Offices. These are the only two regions in Group A where Title data were converted from the legacy system (LRIS) into TAAMS.

Post-deployment data cleanup activities are developed from the final data conversion run, which identifies fatal and non-fatal errors along with the count of errors. Post-deployment data cleanup is focused on correcting fatal errors only. Fatal errors prevent a record from being loaded because a required field is missing or invalid dependent records are not found or an entire record or document is missing. The Realty to Title tract match has been identified to be a fatal error. A program is currently being developed to start reporting on the Realty to Title tract match for all Regional Offices as part of the pre-data conversion data cleanup.

J. Post-Deployment Data Cleanup Auditing

Post-deployment data cleanup auditing is currently the responsibility of Rocky Mountain and Southern Plains Regions where TAAMS Title data were converted from the legacy system. Auditing is performed by comparing data from hard-copy documents against what is displayed on the screens or against hard-copy reports generated from TAAMS.

The TAAMS Project Management Team is currently evaluating the TIME project to assist in post-data auditing. The TIME project will record and report on the number of tracts, documents, and owners scanned. Comparisons can then be made from these reports between TAAMS and the legacy reports.

The scope of the project and activities will be evaluated at an upcoming meeting with DataCom, the Data Cleanup Team, and the Data Conversion Team scheduled for late August 2001.

K. BIA Data Management

Data Management is an ongoing task that is required to be performed by each office.

IV. Corrections/Changes to the HLIP or Previous Quarterly Reports:

The BIA has separated responsibility for the Data Cleanup subproject from the TAAMS subproject, and designated Mr. Terry Virden, Director, BIA-OTR, as the Project Manager for the Data Cleanup project. Mr. Virden will work closely with the BIA-OTR Systems Manager, who will assume the day-to-day operations of data cleanup and monitoring of DataCom, the data cleanup contractor.

The Regional Data Cleanup Team list has been updated. Roles and responsibilities have also been identified for each Team member. Reporting on the monthly status of data cleanup activities will be tracked through the monthly status reports provided by DataCom, the BIA data cleanup contractor, and the Regional Data Administrators. The Regional Data Administrators will report on the assignment and activities being completed by BIA personnel. DataCom will also provide bi-weekly reports to the Regional Agency Data Administrators.

V. Milestone Chart for BIA Data Cleanup and Management:

The milestone chart for BIA Data Cleanup and Management is on the next page.

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August, 31 2001

BIA Data Cleanup and Management

**V. Milestone Chart for BIA Data Cleanup and Management:
Subproject Manager: Terry Viriden, BIA-OTR**

Milestone Title	HLIP 2 Date	Revised Date*	Status
<u>Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.</u>			
A. Assign BIA Data Administrator and Data Administration Team	08/31/98		Completed
B. Identify Data Elements, Standards, and Metrics & Ownership Issues	03/26/99		Completed
C. Perform Data Quality Analysis	12/31/98		Completed
D. Procure Data Cleanup Contractor Assistance	03/01/99		Completed
E. Develop Data Cleanup Strategy, Policies and Procedures	08/31/99		Completed
F. Train on Data Cleanup and Data Quality Policies and Procedures	Ongoing		Ongoing
G. Perform Pre-Deployment Data Cleanup in Current Systems	06/30/00		Initiated
H. Monitor Data Integrity for Each BIA Office	Ongoing		Ongoing
I. TAAMS Post-Deployment Cleanup (1)	12/31/03		Ongoing
J. Post Data Cleanup Auditing	Ongoing		Ongoing
K. BIA Data Management	Ongoing		Ongoing

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained

(1) After deployment of TAAMS, additional cleanup activities will be required. Subject to data integrity goals, Data Cleanup activities that can be performed more effectively in the new environments will be accomplished in this phase. For example, data for new fields that were not collected in the legacy systems will be added to the new TAAMS data files.

3. PROBATE BACKLOG

I. Statement of the Problem:

The Secretary is charged with administering trust or restricted resources and funds for the benefit of individual Indian owners. Federal law permits Indian resource owners to pass title to their trust assets by testamentary devise or by intestate succession and imposes upon the Secretary the duty of determining the legal heirs to the trust assets after the death of an Indian trust asset owner. As each generation passes, Indian heirs become owners of increasing numbers of undivided interests in trust and restricted assets. This multiple common ownership is referred to as fractionated heirship.

Due in large part to the increasing numbers of fractionated interests in trust assets, probate cases in BIA regions with high concentrations of allotted lands have become backlogged. The Indian Probate Reinvention Laboratory (IPRL) found that this situation is further exacerbated by the fact that both BIA and the Department of the Interior's Office of Hearings and Appeals (OHA) lack sufficient staff exclusively dedicated to probate case work, and that no uniform procedures for facilitating timely processing exists. As of February 2, 2000, caseload data, which included a projected estimate of future deaths, was approximately 15,500 actions pending in ten BIA regions.

OHA performs the adjudication functions in which Administrative Law Judges probate Indian trust estates. The failure of OHA to remain current in probate adjudication adversely affects the accuracy of title records and the proper distribution of funds derived from trust property. OHA has approximately 4,000 pending cases, including undecided cases that have been carried over from prior years and new cases received from BIA in the current year. The implementation of IPRL recommendations will address the backlog of pending cases and prevent future backlogs.

II. Summary of Milestones Due this Quarter:

H. Complete Staffing Needs Assessment to Determine Staffing Levels at BIA Field Office

H2. Phase II. *This milestone, due June 30, 2001, was met.*

The BIA completed a staffing report tailored to meet needs in each location, factoring in the information involved in death rates based on Booz-Allen & Hamilton Staffing and Workforce Plans Report. The Booz-Allen & Hamilton report addressed the field staffing for BIA probate specialists and clerks. The probate subproject used the workforce planning tool and the death rates collected from the BIA agencies and tribes to project the total number of full-time equivalents (FTEs) for Fiscal Year (FY) 2001, 2002, and 2003. The tool projected that 86 FTEs would be required in FY 2001, 87 in FY 2002, and 88 in FY 2003. These FTEs do not include the Indian tribes which contract or compact for the BIA probate function or any backlog work.

I. Hire BIA Probate Staff and Establish BIA Professional Corps. *This milestone, due June 30, 2001, was met.*

The milestone to hire the necessary BIA staff was completed on June 30, 2001. BIA hired 74 probate specialists and clerks, 10 Attorney Decision Makers (ADM), and 10 legal secretaries. The professional corps includes the ADM and the legal secretaries. The 74 probate specialists and clerks provide 74 of the estimated 86 FTEs as required in the workforce planning report. As of June 30, 2001, all were in place, although there are now a few vacancies due to routine turnover with the ADM and field probate staff. These hires will provide the FTEs estimated to be required by the Staffing and Workforce Planning report discussed in H2 above.

R. Establish Partnerships with Indian Tribes

R4. Model Inheritance Code. *This milestone, due June 30, 2001, was not met.*

This milestone is not fully completed. A draft model inheritance code for Indian tribes was developed by a contractor by June 30, 2001. The code incorporates the probate provisions of the *Indian Land Consolidation Act Amendments of 2000*, and provides for both testate and intestate succession. The draft code was reviewed this quarter by the Solicitor's Office. Its comments will be addressed and the draft code will be resubmitted for further review. The BIA will consider the model code in light of S.1340, legislation which was recently introduced by Senator Campbell and specifically concerns Indian probate.

III. Summary of Ongoing Activities:

A. Strategies to Reduce Backlog

A2. Elimination of Summary Distribution Backlog

Quarter: Seventh	YTD Cumulative					
	1	2	3	4	5	6
REGION	Backlog as of 4/30/01	New Cases in Backlog as of 7/31/01	Adjusted Backlog	Total Cases Decided 7th Qtr	Current Backlog as of 7/31/01	Total Cases Pending before ADM
Great Plains	66	10	76	12	64	18
Midwest	79	-2	77	27	50	17
Navajo	12	-4	8	2	6	0
Northwest	95	-11	84	21	63	9
Pacific	44	14	58	3	55	2
Rocky Mountain	203	-32	171	35	136	41
Southern Plains (EO, E)	3	55	58	3	55	0
Southwest	0	0	0	0	0	0
Western	140	-26	114	28	86	19
TOTALS	642	4	646	131	515	106
*The backlog was reduced (negative number) when BIA completed cases prior to the contractor's inventory.						
EO = Eastern Oklahoma Region E = Eastern Region						
Key to read table across columns: Columns 1 + 2 = 3; Columns 3 - 4 = 5						
During the 7th quarter, BIA submitted a total of 122 cases to the ADMs, 10 of which were subsequently referred to ALJs. Of the carryover cases pending in the 6th Quarter, the ADMs decided 131 in the 7th Quarter.						

A3. Complete Decisions on Current Docket and Incoming Cases

During this quarter, the OHA added 321 new Indian probate cases to its active docket and issued 1,051 pending probate decisions. The BIA's priority for completion of backlog cases since July 2000 has been summary distribution. Because of this prioritization, the ADMs, rather than the Administrative Law Judges (ALJs), decide the non-complex summary distribution cases. Only the complex summary distribution cases were referred to ALJs.

A4. Complete Decisions on Pending Cases

As of July 31, 2001, the OHA has decided 1,551 of the 1,777 probate cases that were on OHA's docket more than 12 months as of September 30, 1999. OHA decided 437 of these cases during the current fiscal year, leaving a remainder of 226 cases to be decided. OHA's goal is to decide by the end of FY 2001 (September 30, 2001) substantially all of the cases that were on the docket for more than twelve months at the end of FY 2000 (September 30, 2000). During FY 2001, OHA is also deciding those cases that it has received from BIA during FY 2001. OHA is working to achieve its goal of reducing the processing time to 12 months for all new cases.

A5. Posting and Recording Backlog

A project management plan was prepared by the contractor in May 2001, and approved by BIA and OST for national rollout to eliminate the backlog in the six Land Titles and Records Plants by December 31, 2001. Work was performed in the 7th quarter at three LTROs as stated in the chart below. The planned rollout for three additional LTROs is scheduled for the next reporting period. It should be noted that of the backlog stated in the February 2000 HLIP (4,600 cases), 1,285 cases have been completed.

	1	2	3	4	5	6
Land Title and Records Plant Location	Original Backlog 12/21/99	New Cases - as of 7/31/01	Modifications as of 7/31/01	Adjusted as of 7/31/01	Cumulative Cases Approved by BIA	Cases Pending as of 7/31/01
Great Plains Region	1940	0	337	2277	800	1477
Southwest Region	230	127	103	460	431	29
Northwest Region	234	28	28	290	54	236
Totals	2404	155	468	3027	1285	1742
*A modification backlog is generated when the case requires further action to add omitted property or delete improperly included property in the final order.						
Key to read table across columns: Columns 1+ 2 + 3 = 4; Columns 4 - 5 = 6						
During the <i>Seventh Quarterly Report</i> period, BIA approved a total of 299 cases recorded and posted by the contractor, and 141 cases require further modification.						

A6. Contract for Elimination of Probate Case Processing Backlog

A project management plan was prepared by the contractor in May 2001, and approved by BIA and OST for national rollout to eliminate the backlog in case processing. The plan provides for the completion of the pilot at three agencies in

the Western Region, and the first phase of rollout to all agencies within the Western Region. It should be noted that of the backlog stated in the February 2000 HLIP (5,400 cases) 50 cases have been completed.

Pilot Agency	1 Backlog as of 4/30/01	2 Change in Backlog as of 7/31/01	3 Adjusted Backlog as of 7/31/01	4 Cumulative Cases Approved by BIA	5 Current Backlog
Pima	156	0	156	28	128
Papago	265	-97	168	22	146
San Carlos	21	-6	15	0	15
Totals	442	-103	339	50	289
*The backlog was reduced (negative number) when BIA completed cases prior to the contractor's inventory of backlog.					
Key to read table across columns: Columns 1 + 2 = 3; Columns 3 - 4 = 5					
During the 7th Quarter, the contractor completed 46 cases					

B. Address Probate Backlog Created by *Youpee v. Babbitt*

Prior to this quarter, the report on the Pawnee pilot project was completed. During this quarter, the probate subproject staff presented to the Department the results of the study with cost projections for addressing this issue. Options and recommendations were presented to resolve the increased fractionation in addition to identifying the need for further study of costs associated with the distribution of income and land valuation. A project management plan for national rollout was prepared by the contractor and presented to OST and BIA senior managers. The plan proposed that land title records be changed in the Southwest Region, where the backlog in posting and recording has been mostly eliminated. Options on addressing this issue are under review by the Department.

L. Convert Interim Probate Tracking into a Comprehensive Probate Tracking and Caseload Management System

The probate subproject has coordinated this milestone with the TAAMS subproject. Beginning in October 2000, a Probate Design Team was formed consisting of persons from BIA, OHA, OST, and one contract Indian tribe. The Team has met once a month since January 2001 and the compilation of the design and recommendations of system requirements are currently under review by the probate subproject co-directors. The conversion of the probate module into TAAMS is dependent on the completion of the title, leasing, and appraisal modules.

N. Continue to Identify and Implement BIA and OHA Best Practices Through Implementation Phase of Reengineering Probate Process

The probate subproject staff have continued to provide follow-up training in the field as requested by BIA and tribal personnel who were unable to attend the March 2001 training on the new probate regulations and the Internet-based electronic OHA-7 form. Training sessions were held in the Alaska Region for 6 BIA and 33 tribal employees in June 2001. In July 2001, the probate team

combined training for Northwest and Rocky Mountain Region with 6 BIA and 13 tribal employees attending. The participants are afforded the opportunity to comment on the draft handbook and propose changes to the regulations.

IV. Changes/Corrections to the HLIP and Previous Quarterly Reports:

A. Strategies to Reduce Backlog

A2. Elimination of Summary Distribution Backlog. *The milestone is changed from September 30, 2001, to December 31, 2001.*

At the end of this quarter, 515 cases remain to be prepared, processed, and decided. Since December 31, 1999, over 200 cases have been added to the original backlog of 1,000 cases. OST and BIA have agreed to expand an existing contract to provide additional staff to 15 BIA agencies and tribes with 20 or more cases remaining. Two BIA agencies with large caseloads (Papago (97) and Ft. Peck (150)) will have contractor assistance (4 personnel at Ft. Peck and 5 personnel at Papago). Due to the extensive research required preparing the OHA-7 form, the contractor projects that a realistic deadline for the completion of non-complex cases is December 31, 2001. Some of the backlog cases require a judicial finding of presumption of death, and these cases are not included.

R. Establish Partnerships with Indian Tribes

R4. Model Tribal Inheritance Code. *The milestone is changed from June 30, 2001, to TBD.*

V. Milestone Chart for Probate Backlog:

The milestone chart for Probate Backlog is on the next page.

**Quarterly Status Report to the Court Number Seven
August, 31 2001**

Probate Backlog

**V. Milestone Chart for Probate Backlog:
Project Managers: Charles Breece, OHA
Kathleen Supernaw, BIA**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Strategies to Reduce Backlogs			
A1. Establish ADM Positions as an Alternative Means of Deciding Cases	07/31/00		Completed
A2. Elimination of Summary Distribution Backlog	12/31/00	06/30/01 (4QR)	
		09/30/01 (6QR)	
		12/31/01 (7QR)	
A3. Complete Decisions on Current Docket and Incoming Cases	09/30/02		
A4. Complete Decisions on Pending Cases	09/30/02		
A5. Posting and Recordation of Probate Orders	12/31/01		
A6. Contract for Elimination of Probate Case Processing Backlog	12/31/02		
B. Address Probate Backlog Created by <i>Youpee v. Babbitt</i>	09/30/04		
C. Conduct Two-Phased Indian Probate Reinvention Lab	11/29/99		Completed
D. Establish BIA/OHA Implementation Team to Coordinate Implementation of Redesigned Probate Process	09/30/00	12/31/00 (4QR)	Completed
E. Authorize Increased Summary Distribution Threshold for BIA Agency Superintendents	08/24/99		Completed
F. Legislation to Authorize Hiring Indian Probate Judges	11/30/99		Completed
G. Hire Additional OHA Staff and Reopen Probate Offices	09/30/00		Completed
H. Complete Staffing Needs Assessment to Determine Staffing Levels at BIA Field Office:			
H1. Phase I	06/01/00	TBD (3QR)	
		04/30/01(5QR)	Completed
H2. Phase II	03/31/01	06/30/01(5QR)	Completed
I. Hire BIA Probate Staff & Establish BIA Professional Corps	06/30/01		Completed
J. Identify Indian Probate Training Needs	08/31/00		Completed
K. Expand Existing OHA Caseload Tracking into a Joint Interim System	12/31/00	04/30/01(5QR)	Completed
L. Convert Interim Probate Tracking to Comprehensive Probate Tracking & Caseload Management System	10/31/00	TBD (2QR)	TBD
M. Amend OHA Regulations & Promulgate BIA Regulations that Establish Policies & Procedures for the Indian Probate Program:			
M1. BIA Draft Regulations	06/30/00		Completed
M2. Promulgation of BIA Regulations	12/31/00	01/22/01(5QR)	Completed
M3. Promulgation of OHA Regulatory Amendments	07/31/01	10/31/01(5QR)	
M4. Publication of Interim Final Rule to Permit BIA ADMs to Make Summary Distributions	04/30/00	05/02/00 (3QR)	Completed
N. Continue to Identify and Implement BIA & OHA Best Practices Through implementation Phase of Reengineered Probate Process		Ongoing	Ongoing
O. Coordinate Implementation of Improved Probate Record Keeping Strategies	07/31/00		Completed
P. Initiate Customer Service Outreach	09/30/00		Completed
Q. Initiate Partnerships with Other Federal Agencies	08/31/01		
R. Establish Partnerships with Indian Tribes			
R1. Inventory of P.L. 93-638 Tribes	12/31/00		Completed
R2. Model Memorandum of Understanding	09/30/00		Completed
R3. Inventory of Tribal Inheritance Codes	03/31/01		Completed
R4. Model Inheritance Code	06/30/01	TBD (7QR)	TBD

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

4. BIA APPRAISALS

I. Statement of the Problem:

In general, the regulations governing the processing of trust resource transactions require the Secretary to obtain fair market value for tribes and individual Indian owners on trust and restricted land and resources. To meet this requirement, an appraisal or other valuation is used as a management tool to ensure that fair and just compensation is received by the Indian landowner on transactions including, but not limited to, leases, rights-of-way, land sales, timber sales, land exchanges, grazing and range permits.

At the end of Fiscal Year 1999, the BIA estimated its appraisal backlog to be 2,000 requests. The result of this backlog is that a similar number of realty transactions have not been consummated for lack of a valuation of the trust resource. Some transactions have been pending for as long as three years. A delay in the timely completion of a trust realty transaction has potentially adverse impact on the resource owner in terms of lost economic opportunities.

By the end of FY 2000, the BIA reports to have eliminated the 1999 appraisal backlog BIA-wide.

II. Summary of Milestones Due this Quarter:

K. Realign Line Authority to Ensure Consistent Management and Overview of Appraisal Program

Milestones K2 through K6 were established in the *Fifth Quarterly Report* to reform the organization overseeing the current process used by the BIA to determine the fair value of property interests held in trust in support of investment decisions to be made by the Special Trustee. In March 2001, the BIA proposed that all appraisal staff would report to the Chief Appraiser at BIA Headquarters. On July 25, 2001, BIA submitted a new proposal that revised the previously reported completed realignment plan (Milestone K1 reported as completed in the *Sixth Quarterly Report*) for the consideration of the Special Trustee.

On August 6, 2001, the BIA proposed that the realty and appraisal staff be organizationally separated and that the appraisers would continue to report, albeit independently, to the BIA Regional Director or, in some cases, the Agency Superintendent. The headquarters-based BIA Chief Appraiser would support the process as an advisor to the Director of the Office of Trust Responsibilities.

By memorandum dated August 15, 2001, the Special Trustee rejected this proposal. It neither ensures the independence and objectivity of the appraisal staff nor addresses the structural characteristics that resulted in the backlogs and delays noted in the HLIP. As of this past quarter, the relevant milestones have been missed. The BIA has indicated that it welcomes the Special Trustee's comments and will work cooperatively with the Special Trustee to structure the process properly. The Special Trustee expects that the process to realign the appraisal authority be undertaken without delay.

K2. Tribal Consultations. *This milestone, due June 30, 2001, was not met.*

K3. Submit Reorganization Proposal to DOI for DOI and OMB Clearance.
This milestone, due July 15, 2001, was not met.

K4. Submit Reorganization Plan to Congress. *This milestone, due July 31, 2001, was not met.*

III. Summary of Ongoing Activities:

A. Determine and Ensure Certification Qualifications of BIA Appraisers

BIA is planning a national appraiser training scheduled in September 2001. The BIA Chief Appraiser is working with the Arizona State Appraisal Board in an effort to obtain continuing education credits for all BIA appraisers in attendance.

C. Develop and Maintain Database for Tracking Appraisals

In this quarter, the Chief Appraiser met with the BIA's system administrators to implement an interim appraisal database for tracking appraisals. This interim system will allow BIA to start the data cleanup and conversion process required for the TAAMS appraisal module. The Chief Appraiser also met this quarter with the contractor for the TAAMS appraisal module to further refine systems requirements. The interim appraisal tracking system is due December 31, 2001.

H. Implement an Automated Comparable Sales/Lease System

The BIA Chief Appraiser and the project team members are scheduled to meet in August 2001 with a potential commercial source for the purchase of a comparable sales database system.

IV. Changes/Corrections to the HLIP or Previous Quarterly Reports:

K. Realign Line Authority to Ensure Consistent Management and Overview of Appraisal Program. *Milestone K1 is changed from completed to TBD. Milestones K2 through K6 are changed to TBD.*

V. Milestone Chart for BIA Appraisal Program:

The milestone chart for BIA Appraisal Program is on the next page.

**V. Milestone Chart for BIA Appraisal Program:
Project Manager: Gabriel Sneezy, BIA**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Determine and Ensure Certification Qualifications of BIA Appraisers	Ongoing	Ongoing	Ongoing
B. Development of a Real Estate Appraisal Handbook	10/14/98		Completed
C. Develop and Maintain Database for Tracking Appraisals	06/30/00	09/30/00 (2QR)	
		TBD(4QR)	TBD
D. Evaluate and Survey Fair Market Value Appraisal Requirements	06/30/00	10/31/00 (3QR)	Completed
E. Hire Bureau-Wide Chief Appraiser	06/21/99		Completed
F. Create Appraisal Technical Board	04/27/99		Completed
G. Implement a Standard Appraisal Request Form	11/22/99		Completed
H. Implement an Automated Comparable Sales/Lease Database System	09/30/00	TBD (4QR)	TBD
I. Contract On-Line Real Estate Providers in Locations Where Available	04/30/00		Completed
J. Upgrade the Bureau's Automated Systems	09/30/00	12/15/00 (4QR)	
		04/30/01 (5QR)	Completed
K. Realign Line Authority to Ensure Consistent Management and Overview of Appraisal Program	05/31/00	12/31/00 (3QR)	
		Added K1-K6 (5QR)	
		10/31/01 (5QR)	
K1. Completion of Plan to Realign Line Authority	01/31/01 (5 QR)	3/31/01 (6QR)	
		TBD (7QR)	TBD
K2. Tribal Consultations	TBD (5QR)	06/30/01 (6QR)	
		TBD (7QR)	TBD
K3. Submit Proposal for DOI & OMB Clearance	TBD (5QR)	07/15/01 (6QR)	
		TBD (7QR)	TBD
K4. Submit Proposal to Congress	TBD (5QR)	07/31/01 (6QR)	
		TBD (7QR)	TBD
K5. Advertise New Positions	TBD (5QR)	09/07/01 (6QR)	
		TBD (7QR)	TBD
K6. Complete Hiring Process	TBD (5QR)	10/30/01 (6QR)	
		TBD (7QR)	TBD
L. Reduce Rocky Mountain Region Appraisal Backlog	08/31/00	09/22/00 (4QR)	Completed

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

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6. TRUST ASSET AND ACCOUNTING MANAGEMENT SYSTEM (TAAMS)

I. Statement of the Problem:

There are currently two BIA-wide automated systems used to manage Indian trust assets: LRIS and IRMS. Neither system is integrated. Nor are there electronic interfaces with other trust systems. These systems utilize redundant data and virtually no internal or data entry auditing capabilities exist. LRIS or IRMS do not support all of the activities performed by the BIA offices at the Regional, Agency or Tribal level.

TAAMS, which will replace existing systems and address current system shortcomings, is comprised of a highly modified commercial off-the-shelf general trust asset management system. The TAAMS will include master lease, billing, accounts receivable, collection, and land title functions.

II. Summary of Milestones Due this Quarter:

K. Complete System Modification Effort

The Office of the Special Trustee for American Indians recently entered into a contract with Electronic Data Systems (EDS) to provide an independent assessment of the TAAMS project.

The Integrated User Acceptance Test (IUAT) conducted at the Rocky Mountain Region was completed on June 1, 2001. Although the IUAT results showed that significant progress continues and the IUAT methodology proved effective, this test confirmed the software was not ready for deployment.

The IUAT tested an integrated TAAMS system consisting of Title (current and history) and various Trust Services Modules. The U. S. General Accounting Office (GAO) representatives were present during the testing period and briefed the Department and BIA senior management on its observations and recommendations, though GAO has not yet provided a written report.

Following is a brief summary on the IUAT results reported by the TAAMS Project Management Team (TPMT) and presented to the TMIP Steering Committee:

IUAT Summary

The IUAT executed 261 transactions that resulted in the creation of 1,430 records.

- Record for each transaction and associated reports or events.
 - An event is an error or other incident that is an unexpected outcome of the transaction; events can be caused by internal and external factors. Events were rated as critical, non-critical, and observations.
 - 77% of the records had no reported events.
 - The analysis was based on records rather than the transactions.
 - Most critical failures were in the Forms and Reports and the TAAMS software.

- Forms and Reports had 828 transactions undergo testing, of which 638 (77%) passed and 190 had critical event failures.
- The TAAMS system had 115 transactions undergo testing of which 37 passed (32%) and 78 were failure events.
- The Contracting application had 648 records undergo testing and recorded 516 (80%) success rate and 132 failure events.
- The Distribution application had 253 records undergo testing with 178 (70%) successes and 75 failure events.
- The number of failures events classified in other categories is insignificant.

IUAT Interface results

- Minerals Management Service (MMS) Data was transferred to BIA and was processed through TAAMS.
- Final Amounts were distributed by TAAMS and posted to TFAS accounts for both principal and interest, although the interest calculations still require further refinement.
- While OTFM did not receive all the data required to complete its analysis, subsequent examination completed by BIA personnel revealed:
 - Data needed to distribute funds resides within TAAMS.
 - Comparisons of oil and gas legacy data to TAAMS indicated 100% of the data transferred from MMS processed.
 - The total amounts TAAMS distributed were consistent with the amounts invoiced and/or collected.
 - BIA must conduct an additional review to ensure that all MMS codes are accurately cross-walked into TAAMS.

IUAT Assessment

- Users concur the design satisfies the Core Requirements previously defined. All functionalities exist, but not all are performing properly.

During this reporting period, the TPMT finalized the analysis of the IUAT results, prepared briefings for Department and BIA senior management, reviewed recommended probate requirements provided by Probate Subproject (recommendations currently still under review by Probate Subproject co-directors), continued facilitation of the TAAMS Training Steering Committee, provided support for data cleanup/data conversion activities, and conducted site surveys.

The following major activities for the TAAMS Completion Schedule were completed.

- A preliminary assessment of the test results was presented to the Deputy Commissioner for Indian Affairs on June 7, 2001, in Washington, DC.

- BIA subproject staff met June 11 - 14, 2001, in Oklahoma City to analyze the IUAT results. Follow-up meetings were held June 18 - 21, 2001, in Dallas to further analyze interface test results.
- The Final IUAT Report was completed June 24, 2001.
- The TAAMS Project Manager and TAAMS Software Design Manager briefed Department and BIA senior management June 25, 2001, in Washington on the IUAT results.
- The briefing included recommendations to change the TAAMS integrated schedule from a date-driven schedule to an event-driven schedule.
- At the TMIP Steering Committee meeting on July 17, 2001, the Steering Committee decided to continue the system modification efforts according to the current deployment plan until a preliminary report is available from EDS, which will evaluate the entire system.

The TPMT is evaluating configuration management (CM) approaches to bring the whole TAAMS environment under one CM umbrella. Items from the previous gap analysis, the May IUAT, the June review of the IUAT, and the expected July Gap Analysis are still being handled in an ad hoc manner pending final direction on CM activities to be implemented. However, work will continue on development of a Configuration Management Database pending a decision to acquire a commercial CM software package.

The TPMT is seeking to comply with the GAO informal recommendation to complete a standardized requirements database. BIA is using what are known as the Integrated Definition for Function Model or IDEF0 models as defined by *Federal Information Processing Standards Publication 183*. The TPMT is reviewing copies of earlier BIA-developed Trust Management IDEF0 models. The Team has received copies of earlier BIA-developed "bubble charts", and the TPMT has begun efforts to convert the BIA business processes developed on "bubble charts" to IDEF0 models. The TPMT met with the BIA Chief Information Office staff to discuss BIA IDEF0 activities supporting the BIA's Trust Architecture. The TAAMS IDEF0 model review meetings are tentatively set to begin in August 2001. The probate module will also need appropriate IDEF0 modeling.

The system requirements for the probate-tracking module to be incorporated into TAAMS were completed on June 30, 2001, and delivered to the Probate Implementation Project Office co-directors for review.

K2. Realty Functions and Interfaces. *This milestone, due May 31, 2001, was not met.*

While interim steps have been completed, the final executive management decision is on hold pending a complete system review by EDS.

S. Deployment to BIA and Tribal Sites

The TAAMS-Title module is operational only in Group A (Rocky Mountain, Southern Plains, Alaska and Eastern Oklahoma) Regions, and the exact status of each of the four regional offices will be provided in the next quarterly report.

S2. Realty Functions and Interfaces start. *This milestone, due June 1, 2001, was not met.*

Based on the IUAT test results, the BIA determined that the full title and realty software was not ready for deployment. As noted above, senior BIA, OST and Departmental management are evaluating a proposed new date for full deployment of the software to the Rocky Mountain Region. The decision to deploy to other Regions is contingent upon successful deployment at the Rocky Mountain Region, and the results of the EDS review.

III. Summary of Ongoing Activities:

T. Complete TAAMS Deferred Modifications

The TAAMS project management will determine a date and event-driven plan for the completion of all previous TAAMS deferred modifications. It is anticipated that once TAAMS is implemented in the Rocky Mountain Region and all deficiencies are identified and addressed, a schedule will be developed to release other versions of TAAMS software to address the deferred modifications and other TAAMS modules to be developed in accordance with system requirements to be received from the Probate and Appraisals subprojects.

U. TAAMS Documentation and Supporting Information

All TAAMS documentation is currently under the day-to-day responsibility of a contractor providing programmatic support to the TAAMS Project Management Office.

V. TAAMS Ongoing Operations

Based on the results of the IUAT, the BIA has recommended to the TMIP Steering Committee a new integrated schedule. The schedule has not yet been approved.

The integrated schedule is proposed to be an event-driven schedule in lieu of the previous date-driven schedule. The major milestones of the integrated schedule are Software Fixes, Requirements, Testing, Training, Data Cleanup, Conversion, and Deployment.

An IUAT Gap Analysis effort began on July 30, 2001, in Dallas, TX. The goal and objectives are to determine the appropriate software fixes to remedy deficiencies identified by the IUAT. A final review of any open gap items is planned for mid-September.

Pending the delivery of the EDS report, the TAAMS Project Management Team continues to work toward the following major milestones.

Software Fixes	TBD
Requirements Database	Start July 2001
Training	TBD (see Training Subproject)
Testing	TBD
Pilot Testing at Rocky Mountain Region	TBD

The TAAMS Project Management Team continues to develop and refine the integrated schedule to incorporate the GAO recommendations, activities involving training, data cleanup, conversion, data analysis, deployment, and the development of the requirements database. Data Cleanup and training could have a major impact on the tentative deployment schedule for TAAMS.

IV. Corrections/Changes to the HLIP or Previous Quarterly Reports:

K. Complete System Modification Effort

K2. Realty Functions and Interfaces. *The milestone is changed from May 31, 2001, to TBD.*

S. Deployment to BIA and Tribal Sites

S2. Realty Functions and Interfaces start. *The milestone is changed from June 1, 2001, to TBD.*

V. Milestone Chart for Trust Asset and Accounting Management System:

The milestone chart for TAAMS is on the next page.

**V. Milestone Chart for Trust Asset and Accounting Management System:
Project Manager: Chester D. Mills, BIA**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Select Pilot Site	11/13/97		Completed
B. Acquire External Professional Consulting Services	03/31/99		Completed
C. Assemble Senior BIA and OST Team to Develop Requirements	04/24/98		Completed
D. Prepare and Publish RFI for COTS Systems	06/19/98		Completed
E. Organize Joint Technical Team to Develop Detailed Specifications & RFI	09/30/98		Completed
F. Obtain DOI Approval (TIA/IRMC) for System and Approach	09/11/98		Completed
G. Develop RFP Using Joint BIA/OST Technical Team/Systems Consultant	08/27/98		Completed
H. Select TAAMS Project Management Team	11/30/98		Completed
I. Award Contract to Successful Proposer	12/02/98		Completed
J. Develop System Modification and Deployment Strategy with Contractor	05/31/99		Completed
K. Complete System Modification Effort			
K1. Title Portion	05/30/00	04/17/00 (2QR)	Completed
K2. Realty Functions and Interfaces	08/31/00	TBD (4QR)	
		05/31/01 (5QR)	
		TBD (7QR)	TBD
L. Analyze National Requirements for User Work Stations - Rocky Mountain Region			Completed
M. Conduct System Testing	11/22/99		Completed
N. Complete Training of Support and User Personnel at Rocky Mountain Region	06/30/99		Completed
O. Complete Independent Verification and Validation	02/28/00		Completed
P. Initiate TAAMS Pilot at BIA's Rocky Mountain Region	06/25/99		Completed
Q. Perform User Test at Pilot Site	02/04/00		Completed
R. Deployment Decision Review	03/31/00	03/22/00 (2QR)	Completed
S. Deployment to BIA and Tribal Sites			
S1. Title Portion Start	05/30/00		Completed
S2. Realty Functions and Interfaces Start	08/31/00	TBD (4QR)	
		06/01/01 (5QR)	
		TBD (7QR)	TBD
T. Complete TAAMS Deferred Modifications	09/30/00	TBD (4QR)	TBD
U. TAAMS Documentation and Supporting Information	As needed		
V. TAAMS Ongoing Operations	Ongoing		Ongoing

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

7. MMS SYSTEMS REENGINEERING

I. Statement of the Problem:

Faced with changing energy markets, new legislative mandates, and aging computer systems, the Royalty Management Program (RMP) made the decision to reengineer its core business processes and support systems. This initiative is necessary in order for the RMP to remain cost-effective and responsive to customer needs and to fulfill its trust responsibility to American Indians.

Effective October 8, 2000, the RMP implemented a Congressionally approved reorganization, becoming Minerals Revenue Management (MRM). The reorganization will implement a reengineering effort that redesigns and streamlines the RMP's business processes, scheduled for October 2001.

II. Summary of Milestones Due this Quarter:

K. Develop Financial System Consistent with Contract Deliverables

K9. Design, Build and Test Data Conversion. *This milestone, due May 15, 2001, was not met.*

The completion date for this milestone has been moved to August 15, 2001. The first two "mock conversions" revealed unanticipated data conversion problems related to MRM's historical data. Those problems have been resolved and the third mock conversion is underway. If successful, the actual conversion can be accomplished on schedule in September 2001. Although these conversion challenges have created extra workloads for the developers and testers, they should not affect the overall implementation schedule.

III. Summary of Ongoing Activities:

E. Obtain Customer/Constituency Input

MMS continues to actively involve State and Tribal representatives in the development and testing of MMS' future systems. Several of these representatives are dedicated to the joint development team, now in place. MMS meets regularly with State and Tribal Royalty Audit Committee (STRAC), composed of members from ten States and seven Tribes, to provide briefings and solicit input on the reengineering systems and process development, testing, and implementation. A multi-day meeting was held in May in Denver, Colorado, to solicit input on the appropriate timing and methodology for implementation in the State and Tribal audit environments. In June, MMS provided live demonstrations of the new reengineering tools at the quarterly STRAC meeting in Montana.

IV. Changes/Corrections to HLIP or Previous Quarterly Reports:

K. Develop Financial System Consistent with Contract Deliverables

K9. Design, Build and Test Data Conversion. *Per the discussion above, the milestone is changed from May 15, 2001, to August 15, 2001.*

**V. Milestone Chart for MMS Systems Reengineering:
Subproject Manager: Phil Sykora, MMS**

Milestone Title	HLIP 2Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Initiate Program-Wide Reengineering with Full-Time Design Team	04/30/97		Completed
B. Identify Processes for Business Process Review	05/31/97		Completed
C. Benchmark the Processes	Ongoing		Ongoing
D. Map Processes	07/11/97		Completed
E. Obtain Customer/Constituency Input	Ongoing		Ongoing
F. Complete Preliminary Design Document/Decision to Proceed	03/31/98		Completed
G. Complete Prototyping and Pilot Testing	09/30/98		Completed
H. Complete Project Capital Investment Plan and Independent Verification and Validation	09/30/98		Completed
I. Issue Implementation Plans - Road Map to 21st Century	11/30/98		Completed
J. Implement Process Leading to Award of Financial System Contract			
J1. Issue Request for Proposals (RFP) for COTS-based Financial System	04/09/99		Completed
J2. Conduct Vendor On-site Visits with MMS/RMP Staff	05/31/99		Completed
J3. Receive RFP Proposals and Begin Evaluation	06/02/99		Completed
J4. Evaluate Proposals, Including COTS Specific Independent Functional Validation	07/09/99		Completed
J5. Complete Evaluations and Commence Procurement Activity/Negotiations	07/23/99		Completed
J6. Award Financial System Development Contract	09/23/99		Completed
K. Develop Financial System Consistent with Contract Deliverables Schedule & Transition & Training Strategies			
K1. Initiate Development Contract Mobilization Under 120-Day Activity Plan	10/01/99		Completed
K2. Establish Financial Contract Management Plans and Schedule for Development Deliverables from Award Date to 9/30/01, and Systems Analysis, Design and Development Activities which will include Testing and Independent Validation of TAAMS/TFAS interfaces	01/31/00		Completed
K3. Complete Commence COTS Fit Analysis	02/28/00		Completed
K4. Complete General Design for Future Financial Systems	01/31/00	06/30/00 (2QR)	Completed
K5. Complete Detailed Application Design		08/31/00 (2QR)	
K6. Data Conversion Plan Finalized		10/13/00 (4QR)	Completed
K7. System Test Plan Finalized		10/13/00 (2QR)	Completed
K8. System Test Plan Finalized		12/15/00 (2QR)	Completed
K8. Build and Test Application Components	02/28/01	04/15/01 (6QR)	Completed
K9. Design, Build and Test Data Conversion	04/30/01	05/15/01 (6QR)	
K9. Design, Build and Test Data Conversion		08/15/01 (7QR)	
K10. Plan and Execute Functional and Performance Acceptance Test		08/31/01	
K11. Complete Final System Security Plan		08/31/01 (6QR)	
L. Complete Development and Delivery of Financial System Relational Data Base Management System and Related Modules	09/30/01		
M. Award Compliance System Contract	TBD	09/30/00 (2QR)	Completed
N. Complete Development & Delivery of Compliance System	09/30/01		

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

8. RECORDS MANAGEMENT

I. Statement of the Problem:

The inadequacies of Indian trust records have been well documented in Congressional reports, legal documents and testimony, the Special Trustee's Strategic Plan, various audits and oversight reports including those of the National Archives and Records Administration (NARA), and in the media. Among the primary obstacles to improving the Indian trust management program and complying with the *American Indian Trust Fund Management Reform Act of 1994* are the poor records and record-keeping systems of the Bureau of Indian Affairs. The decentralization of the BIA and varying conditions at its offices has resulted in a complex record-keeping environment, even as reliance on its records has increased. Attempts in the early 1990's to correct these problems were insufficient, inconsistent, and cut short by reductions in resources. Since Secretarial Order 3197 transferred the financial trust services function from BIA to the OST in February 1996, some of the deficiencies apply to OST as well.

II. Summary of Milestones Due this Quarter:

DD. Complete Submission of Records Control Schedules to NARA. *This milestone, due June 30, 2001, was not met.*

As reported in *Sixth Quarterly Report*, the Office of Trust Records (OTR) expected that three of seven trust-program-related schedules would be submitted to the NARA by June 30. As a result of delays in receiving and addressing comments, OTR did not meet the submission date. During this reporting period, the Indian Affairs Records Management (IARM) staff met with the DOI Records Officer and NARA representatives to review the draft schedules and to share the methodology being used to develop the schedules. The overview and methodology were well received by both the DOI Records Officer and NARA. In late May, draft schedules for the following four BIA programs were distributed to an estimated 120 BIA locations and NARA records specialists for comment: Realty, Forestry, Transportation and Roads, and Land Titles and Records. While the majority of comments can be easily reconciled or incorporated into the schedules, comments from key BIA management officials require a comprehensive response. During this reporting period, OTR also made onsite visits to 16 BIA and OST locations to inventory records as part of the records schedule development process for OST trust fund and risk-related program records and BIA Natural Resources program records.

III. Summary of Ongoing Activities:

M. Train Records Staff and Trust-Related Program Personnel

This milestone is due December 31, 2001. Since this milestone started in January 2000, IARM has hosted 19 centralized basic operations training classes throughout Indian Country with over 590 BIA and tribal employees attending. In addition, records awareness briefings have been presented at 56 BIA agency and regional offices with over 1,670 employees attending. IARM is currently establishing an attendance baseline to make certain all employees are reached.

Since this milestone was last reported in the *Third Quarterly Report*, IARM has provided various forms of training to tribal employees and developed and issued four technical leaflets as part of its training and technical assistance curricula.

- Managing Electronic Mail
- Personal Papers
- The Indian Affairs Records Management Program
- An Employee's Quick Guide to Records Management

O. Resolve Jacket Folder Retention / Production Issue with Tribes

On June 5, 2001, the Department of Justice forwarded to the Special Master a letter from the Solicitor's Office explaining that, despite diligent efforts, the Department has not been able to resolve issues with the Standing Rock Sioux, Oglala Sioux, and Umatilla Tribes regarding retention of IIM jacket folders. This letter from the Solicitor's Office characterized this situation as "a barrier to the government's exercise of the trust responsibility."

S. Establish Life Cycle Database (Inventory) for Trust and other Records

Under this milestone the software was selected in May 2000. The Versatile software is the database platform that will be used to hold the inventory information. The population of the Versatile database is scheduled to be completed by December 2001. During this quarter, the final three inventory data conversion efforts have been completed.

AA. Complete Plan to Comply with Electronic Records Regulations

Millican & Associates has begun working on a Department level project to evaluate Electronic Records Management compliance in all Bureaus. At OTR's suggestion, Millican agreed to begin with the BIA. The Electronic Records Management Gap Analysis and Road Map project is due September 30, 2001. OTR has asked Millican to redraft its OST Electronic Records Management Gap Analysis and Road Map in less technical terms to meet the requirements of the target audience.

HH. Complete Project to Cleanup Existing Disposition Backlog at BIA Agencies

During this reporting period, the IARM staff visited 11 BIA locations to assess records backlogs and to identify records that can either be transferred to a Federal Records Center (FRC) or other appropriate storage, or destroyed in accordance with those portions of the General Records Schedule that have been implemented in BIA. The IARM contractor, Iron Mountain, has been actively working on organizing, boxing, and inventorying records from the Rocky Mountain and Northwest Regions, and is starting to transfer Navajo Region records from the field to the Iron Mountain Albuquerque facility. In addition, Iron Mountain has subcontracted with an international disaster recovery company to perform assessments and decontamination processes at BIA locations where records are found to be stored in unhealthy conditions. Environmental assessments have thus far been performed at a number of locations within the Navajo Region. In

addition, IARM staff conducted “fast packs” at four BIA locations, sending the records either to Iron Mountain or to the Lee’s Summit, MO, FRC for organizing and inventorying. (A “fast pack” is a process where inactive records are shipped to an IARM “contractor” facility—Iron Mountain or a NARA FRC—so that they can be sorted, organized, and inventoried to determine their appropriate disposition.)

IV. Changes/Corrections to HLIP or Previous Quarterly Reports:

AA. Complete Plan to Comply with Electronic Records Regulations. *The milestone is changed from TBD to September 30, 2001.*

DD. Complete Submission of Records Schedules to NARA. *The milestone is changed from June 30, 2001, to TBD.*

V. Milestone Chart for Records Management:

The milestone chart for Records Management is on the next page.

**Quarterly Status Report to the Court Number Seven
August, 31 2001**

Records Management

**V. Milestone Chart for Records Management:
Project Manager: Ken Rossman, OST**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01-07/31/01) are shaded.			
A. Establish OST/BIA Working Group to Coordinate Joint Records Solution	02/11/98		Completed
B. Transfer Trust Financial Records Responsibility to OST	03/05/98		Completed
C. Develop Joint Procedures for Records Access	06/09/98		Completed
D. Develop Agreement Between OST and BIA on Records Operations	06/09/98		Completed
E. Plan/Gain Approval of Records Imaging Technology	06/30/98		Completed
F. Commence Records Imaging Efforts	06/30/98		Completed
G. Initiate Development of Records Control Schedules	09/30/98		Completed
H. Develop an Agreed Upon Approach to Indian Trust Records Management	05/19/99		Completed
I. Eliminate Existing Disposition Backlogs at BIA Agencies (Initiate, see HH)	05/31/02	05/31/99 (4QR)	Completed
J. Complete Systematic Centralization of OST Financial Trust Records	10/08/99		Completed
K. Hire Records Management Specialists	01/31/00		Completed
L. Develop & Issue Records Manuals, Training Aids & Technical Assistance	12/31/01		
M. Train Records Staff & Trust-Related Program Personnel	12/31/01		
N. Lift BIA Moratorium on Retiring Records to Federal Records Centers	03/31/00	04/04/00 (2QR)	Completed
O. Resolve Jacket Folder Retention/Production Issue with Tribes	Ongoing		Ongoing
P. Analyze Records Storage Requirements (Initiate, see GG)	12/31/01	11/30/99 (3QR)	Completed
Q. Survey Trust Records Retention and Safeguarding	12/31/99		Completed
R. Establish Advisory Committee on Records	08/31/00	08/31/01 (3QR)	
S. Establish Life Cycle Database (Inventory) for Trust and Other Records	12/31/01		
T. Establish Evaluation Teams and Begin Cyclic Evaluations of Records Programs	04/30/00		Completed
U. Initiate Training for Compacted and Contracted Trust Records	12/31/99		Completed
V. Initiate Study of BIA Imaging Needs (see FF)	12/31/00	02/28/00 (4QR)	Completed
W. Initiate Action to Replace Historical Records with Working Copies	05/30/00	02/28/00 (3QR)	Completed
X. Review Trust Records Policies & Procedures with MMS, BLM, and DOI and Establish Continuing Dialogue	02/29/00	01/31/00 (2QR)	Completed
Y. Award New Contract for OST Imaging	07/01/00	11/30/00 (3QR)	
		TBD (6QR)	TBD
Z. Publish Proposed Regulations for Compacted/Contracted Trust Program Records	12/31/00	01/22/01 (5QR)	Completed
AA. Complete Plan to Comply with Electronic Records Regulations	03/31/01	TBD (6QR)	
		9/30/01 (7QR)	
BB. Complete Vital Records Plan	04/30/01	TBD (6QR)	TBD
CC. Publish Trust Records Instructional Guide in Conjunction with MMS, BLM & OHA	12/31/00	12/31/01 (4QR)	
DD. Complete Submission of Records Control Schedules to NARA	06/30/01	TBD (7QR)	TBD
EE. Establish Pilot Project(s) for Electronic Record Keeping	12/31/00	12/31/01 (4QR)	
FF. Complete Analysis of BIA Records Imaging Requirements	12/31/00	12/31/01 (4QR)	
GG. Complete Analysis of BIA Records Storage Requirements	12/31/01		
HH. Complete Project to Cleanup Existing Disposition Backlog at BIA Agencies	05/31/02		

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

9. TRUST POLICIES AND PROCEDURES

I. Statement of the Problem:

Proper management of Indian trust assets has been hampered by a lack of comprehensive, consistent, up-to-date regulations, policies, and procedures covering the entire trust cycle. Additionally, contemporary federal environmental protection statutes have placed agencies with little direct previous experience in managing Indian trust resources in the position of significantly affecting the use and disposition of Indian trust resources. This has resulted in program gaps and divergent practices, and a corresponding inability to ensure that consistent, sound policies and procedures are applied across the Department in its fulfillment of its trust responsibility. Moreover, there is a need for a comprehensive review of statutory and regulatory authorities and internal program guidance (such as procedural manuals or interagency agreements) to determine the need for revisions and/or the generation of new guidance.

II. Summary of Milestones Due this Quarter:

C. Develop Departmental Regulatory Initiatives

C3. OHA

C3b. Publish Proposed Rule. *This milestone, due June 15, 2001, was met.*

OHA published an interim rule in the *Federal Register* on June 18, 2001. The rule makes OHA's regulations consistent with the revised BIA regulations that became effective March 23, 2001. OHA's revisions will ensure that BIA and OHA apply the same standards and criteria for determining heirs and paying claims and coordinates their procedures to expedite the probate process for Indian decedents' estates. While the rule was made effective on the date of publication, OHA has requested public comments, due August 17, 2001, and these will be considered prior to issuance of the final rule.

F. Analyze Cross Cutting Issues and Problems. *This milestone, due July 31, 2001, was met.*

BIA submitted the analysis to the Trust Management Improvement Project Steering Committee on July 31, 2001. The report summarizes and reviews the materials submitted by the various offices and bureaus and identifies six requirements that would improve trust management activities across the Department.

1. Development of an inventory of trust assets
2. Promulgation of specific definitions of trust records
3. Issuance of Department-wide guidance on the management and protection of trust records
4. Implementation of consistent policies and practices on tribal consultation
5. Identification of organizational responsibility for long-term follow-up and on-going review of proposed rules, policies, and initiatives to ensure that all applicable trust principles are considered and included

6. Clarification of the Secretary's trust responsibilities and specific bureau duties with respect to off-reservation hunting, fishing, and gathering rights

In order to ensure maximum agreement by policy officials, the Department's Office of Policy Analysis has assumed the responsibility of working with the affected bureaus and offices in an effort to reach agreement on implementing the proposed recommendations to resolve the crosscutting issues.

III. Summary of Ongoing Activities:

C. Develop Departmental Regulatory Initiatives for 2000

C2. MMS

C2c. Further Action

As previously reported, publication of the MMS final rule addressing the valuation of oil produced from leases on Indian trust lands was held in abeyance until the Department considered the implications of other litigation. The other litigation issues have been resolved and the rule is now going through the internal review process. MMS plans to have the final rule issued by December 31, 2001.

G. Develop and Publish Revised Regulations. Appendix B is a table reflecting the status of these activities.

Promulgation of New Regulations on Encumbrances of Tribal Lands and Attorney Contracts with Indian Tribes: 25 CFR Parts 84 and 89

In enacting the *Indian Tribal Economic Development and Contract Encouragement Act of 2000*, Pub. L. 106-179, in March 2000, Congress modernized legislation originally enacted in 1871 that placed several restrictions, including a requirement for approval by the Secretary of the Interior, on contracts between any person and any Indian tribe for virtually all contracts "relative to their lands, or to any claims growing out of, or in reference to, annuities, installments, or other moneys, claims, demands, or things, under laws or treaties with the United States, or official acts of any officers thereof, or in any way connected with or due from the United States." The statute no longer applies to a broad range of commercial transactions, but will apply only to those transactions where the contract between the tribe and a third party could allow that party to exercise exclusive or nearly exclusive proprietary control over Indian lands. The intent is to protect the Tribes from loss of proprietary control of their lands and to provide the measure of certainty in the application of the statute that was lacking in the prior law. Congress directed the BIA to issue regulations describing the kinds of transactions that would no longer be covered under the revised law. Final regulations were published in the *Federal Register* on July 26, 2001.

Repeal Outdated Regulations

A number of trust-related regulations can be repealed either because all activities associated with the particular statute or its implementing regulations have been completed or because the regulations do not comport with current Federal Indian policy. During this quarter, BIA conducted tribal consultation on the proposed repeal of ten trust-related regulations in Title 25 CFR.

- Part 112 – Pro Rata Shares of Tribal Funds
- Part 116 – Trusts for the Five Civilized Tribes
- Part 121 – Osage Judgment Funds
- Part 123 – Alaska Native Fund
- Part 125 – Payment of Sioux Benefits
- Part 140 – Licensed Indian Traders
- Part 154 – Osage Roll, Certificate of Competency
- Part 156 – Reallotment of Lands to Unallotted Children
- Part 178 – Resale of Lands within the Badlands Air Force Range
- Part 243 – Reindeer in Alaska

As a result of the tribal comments, the BIA will propose Part 140 for revision rather than repeal. The proposed rule to repeal the other regulations has been drafted and is undergoing internal review.

25 CFR Part 2

BIA has completed a preliminary draft of revisions to 25 CFR Part 2 – Appeals from Administrative Action. A work group is meeting in Washington, on July 31-August 1, 2001, to review this product and to develop a schedule for tribal consultation on the draft rule.

IV. Changes/Corrections to the HLIP or Prior Quarterly Reports:

C. Develop Departmental Regulatory Initiatives for 2000

C2. MMS

C2c. Further Action: *The milestone is changed from TBD to December 31, 2001.*

V. Milestone Chart for Policies and Procedures:

The milestone chart for Policies and Procedures is on the next page.

Quarterly Status Report to the Court Number Seven

August, 31 2001

Trust Policies and Procedures

**V. Milestone Chart for Policies and Procedures:
Project Manager: Art Gary, AS-IA**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Designate Department-Level Project Manager & Transfer Subproject from OST to BIA			
A1. Transfer of Subproject	08/31/99		Completed
A2. Staffing of Subproject	06/30/00		Completed
B. Develop Trust Principles for Departmental Management of Indian Natural Resources and Money			
B1. Initial Draft of Trust Principles	11/30/99		Completed
B2. Tribal Consultations	12/31/99		Completed
B3. Departmental Clearance	04/30/00		Completed
C. Develop Departmental Regulatory Initiatives			
C1. BIA			
C1a. Publish Proposed Rules	06/30/00		Completed
C1b. Publish Final Rules	12/31/00	01/22/01 (5QR)	Completed
C2. MMS			
C2a. Modify Proposed Rules	01/05/00		Completed
C2b. Comment Period Closes	03/06/00		Completed
C2c. Further Action	TBD	12/31/01 (7QR)	
C3. OHA			
C3a. Publish Interim Final Rule	05/02/00 (2QR)		Completed
C3b. Publish Proposed Rules	12/30/00 (2QR)	06/15/01 (5QR)	Completed
C3c. Publish Final Rules	TBD	7/31/01 (4QR)	
		10/31/01 (5QR)	
D. Identify Departmental Programs and Functions that Affect Indian Trust Resources			
D1. Prepare Agency Guidance Memorandum		05/09/00 (2QR)	Completed
D2. BIA	09/30/99		Completed
D3. OST	05/30/00		Completed
D4. OSM	05/30/00		Completed
D5. OHA, BOR	05/30/00		Completed
D6. MMS, BLM, USGS	06/30/00		Completed
D7. NPS	07/31/00		Completed
D8. FWS	07/31/00		Completed
E. Analyze Departmental Functions Relating to Trust Resources:			
E1. OST	08/31/00		Completed
E2. OHA	09/30/00		Completed
E3. BOR	09/30/00		Completed
E4. USGS	09/30/00		Completed
E5. OSM	10/31/00	11/30/00 (4QR)	Completed
E6. MMS	11/30/00		Completed
E7. FWS	02/28/01		Completed
E8. BIA	03/30/01	4/16/01 (6QR)	Completed
E9. BLM	10/31/00		Completed
E10. NPS	01/28/01		Completed
F. Analyze Cross-cutting Issues and Problems	07/31/01		Completed
G. Develop and Publish Revised Regulations	06/30/04		
H. Revise and Develop Internal Program Guidance Where Needed	TBD		TBD
I. Develop Statutory Revisions	12/31/02		

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

10. TRAINING

I. Statement of the Problem:

Lack of adequate training of staff to deliver Indian trust fiduciary responsibilities to American Indians has been cited in numerous Office of the Inspector General and General Accounting Office reports as a problem area. In addition to an historic lack of adequate training, new trust accounting and asset management systems are being installed to improve the discharge of the Secretary's trust responsibilities to those American Indian tribes and individuals for whom the Federal government holds and manages assets in trust. The comprehension and use of these new systems will require a coordinated and specialized training effort.

II. Summary of Milestones Due this Quarter:

M. Develop Courseware Not Available for Non-Systems Training. *This milestone, due July 31, 2001, was not met.*

A new date for the completion of this milestone is October 31, 2001.

OST has contracted with Upper Mohawk, Inc. to develop and conduct courses in basic trust concepts. On May 22-24, 2001, three separate Trust Foundations 2 pilot courses were held in Shawnee, OK, Albuquerque, NM and Phoenix, AZ, and 44 attendees participated. This course is the second customized training course developed as part of the introductory, non-systems training effort. These pilot courses provided a constructive opportunity to present the draft course material to a knowledgeable audience, determine the accuracy of the course content, refine methods of presenting the information and gauge student reaction to the class. Feedback was received throughout the pilot and written evaluations from the attendees were provided to OST and the training contractor at the conclusion of the session.

Based on a thorough review of the pilot, OST determined that a number of changes to the course are necessary before it is finalized for an audience of 3,000 trust employees of OST, BIA, the other DOI agencies, and Tribes. The central focus of this course will now be a discussion of fiduciary conduct, and the course itself will be significantly streamlined into a single day. On August 28, 2001 another pilot of the new, daylong course is scheduled so that comments and suggestions from attendees may be reviewed and incorporated into the curriculum.

Once completed, this one-day Trust Foundations 2 course will be combined with the existing Trust Foundations 1 course and offered as a single, three-day *Trust Foundations: An Introduction to Trust Reform and Change* course. The over 1,500 employees who have already taken the Trust Foundations 1 course will be provided with the single-day Trust Foundations 2 course, and the 1,600 employees who have not taken the Trust Foundations 1 course will take the combined course.

III. Summary of Ongoing Activities:

D. Deliver TAAMS Training Consistent with TAAMS System Deployment for BIA Areas

TAAMS training will be conducted in conjunction with system deployment.

The TAAMS Training Steering Committee (TTSC), composed of BIA and contractor personnel, has decided to meet approximately every three weeks to provide a complete review of the proposed training manual and reference guides and to assess the training development and implementation.

A TAAMS Training Manual that will emphasize using TAAMS as a system, and specific TAAMS Reference Guides, which will emphasize using TAAMS for various business processes and customer requests, will be developed. Previously, the TTSC recommended the TAAMS Subproject Design Team Leaders (STDL) assist in the development of these materials. The complete development team for the Training Manual and Reference Guides will include members of the TTSC, SDTL, BIA users (by subject matter expertise), and a technical writer/editor. In July 2001, the TTSC met with the STDLs to review the proposed TAAMS Training Manual and Reference Manuals. Several SDTLs have already started the documentation of their discipline for the Training Manual.

The TTSC will continue to evaluate the development of the Training Manual and Reference Guides, as well as the Pilot Site Instruction, Super-User Instruction, Standard Instruction, Off-Site Training, and TAAMS Overview and PC-Training. The TTSC determined that the training for the users participating in the pilot site at the Rocky Mountain Region and the Super-User Instruction would be combined into a single class. Dates to train the Rocky Mountain users and Super-Users will be determined at a later date.

The TTSC is proposing that the Standard Instruction of TAAMS consist of an 8-week training block per region. The disciplines included in the Reference Guides will be offered during this time.

The TTSC has designated nine discipline Reference Guides.

- Group 1: Title, Range, Oil and Gas
 - Group 2: Surface, Forestry, and Rights of Way
 - Group 3: Ownership, Collections, and Accounting
- (Note: the grouping is only for the purpose of scheduling.)

Each of the nine Reference Guides will consist of two parts:

- Part 1: Business Cases/Customer Requests (step-by-step screen shot based);
 - Part 2: Process Flows and Business Rules (decision flow diagrams and National/Regional business rules).
- (Note: the TTSC believes that Part 1 of each Reference Guide will achieve the strongest training results in the shortest amount of time, and

therefore the TTSC will develop strategies and schedules for Part 1 of the Reference Guide.)

During their development, the nine Reference Guides will be evaluated. Each Super-User will receive a copy of the applicable Reference Guide for evaluation/comment and, following each class, the students will evaluate the applicable Reference Guide as well. After two regions have been completely trained (using the Reference Guides), a joint TTSC and SDTL meeting will be held to determine if any changes are needed to Part 1 of the Reference Guide, and a schedule for the development of Part 2 will be implemented.

E. Provide Remedial Systems Training (TFAS and TAAMS) Where Requested

The TFAS system has been operating successfully in all regions since April 2000. Providing new and current TFAS users with complete and timely TFAS training is a long-term, ongoing responsibility that OTFM has incorporated into its normal business practices and refresher training is provided, as needed. Therefore, updates on the provision of remedial TFAS training will no longer be reported in these quarterly reports. TAAMS remedial training will be provided as it is requested or determined appropriate.

N. Implement Training

The implementation of the non-systems training program is an ongoing activity to ensure that courses are scheduled appropriately and that information about the availability of courses offered and the course registration process is provided to all training attendees. On-line scheduling information is available to registrants via the OST web site (<http://www.ost.doi.gov>) and a toll-free telephone number (1-866-427-9053).

Obtaining feedback and comments from both employees and instructors on the training experience is a useful tool to determine if changes or modifications to the course or course instruction are necessary. Evaluations of the training course are completed by every attendee following every course and are regularly forwarded to OST for review. To date, the evaluations of the training by attendees have been overwhelmingly positive.

O. Schedule and Deliver Non-Systems Training

The rollout of the non-systems training program began January 30, 2001, when the first course, Trust Foundations 1, was offered. As of July 31, 2001, 152 Trust Foundations 1 courses have been offered to 1,548 employees at several locations nationwide.

Work continues on the curriculum development effort for the Trust Foundations 2 course. As mentioned in the discussion of milestone M above, this new one-day course will be combined with the existing Trust Foundations 1 course and a single, three-day Trust Foundations course will be offered. However, to accommodate students who have already taken the Trust Foundations 1 course, an ample number of the one-day Trust Foundations 2 course will be scheduled.

Students who have not yet taken Trust Foundations 1 will be offered the full, three-day course.

IV. Changes/Corrections to the HLIP or Previous Quarterly Reports:

M. Develop Courseware Not Available for Non-Systems Training. The milestone is changed from July 31, 2001, to October 31, 2001.

V. Milestone Chart for Training:

Subproject Manager: Richard Fitzgerald, OST

Milestone Title	HLIP 2 Date	Revised Date*	Status
<i>Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.</i>			
A. Schedule and Deliver Training for 105 Personnel by TFAS Contractor	07/31/98		Completed
B. Provide TFAS Systems Training in Line with Deployment	03/31/00		Completed
C. Design, Schedule and Deliver TAAMS Systems Training for Rocky Mountain Pilot	09/30/99		Completed
D. Deliver TAAMS Training Consistent with TAAMS System Deployment for BIA Areas	Ongoing		Ongoing
E. Provide Remedial Systems Training (TFAS and TAAMS) Where Requested	Ongoing		Ongoing
F. Acquire External Professional Services of Training Contractor	01/15/99		Completed
G. Obtain Training Information from Trust and Realty Employees	04/19/99		Completed
H. Review Draft Training Plan for Non-Systems Training	06/30/00		Completed
I. Identify/Select Training Management Contractor	06/30/00		Completed
J. Finalize and Approve Training Plan for Non-Systems Training	08/31/00		Completed
K. Award Contracts to Training Providers	08/31/00		Completed
L. Identify Existing Courseware to Meet Skills Gap for Other Training	10/31/99		Completed
M. Develop Courseware Not Available for Non-Systems Training	09/30/00	03/31/01 (4QR)	
		07/31/01 (6QR)	
		10/31/01 (7QR) ...	
N. Implement Training	Ongoing		Ongoing
O. Schedule and Deliver Non-Systems Training	Ongoing		Ongoing

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

11. INTERNAL CONTROLS

I. Statement of the Problem:

For decades, Tribes and individual Indians have voiced concerns over the Department's management and accountability for their trust funds and the overall management of natural resources.

Reviews conducted over the past 15 years by the GAO, the DOI's Inspector General, and independent accounting firms have confirmed Indians' concerns and identified serious financial management and internal control problems permeating every aspect of the trust management spectrum. These audit and external oversight findings and recommendations have focused on serious internal control problems and variances in program operations ranging from a lack of standardized policies, practices and procedures to the inability to confirm cash balances, and major inadequacies in accounting records and related systems, lack of segregation of duties and deficiencies in field operation and management areas including collections and disbursements of Indian trust funds.

II. Summary of Milestones Due this Quarter:

No milestone due dates fell within this reporting period.

III. Summary of Ongoing Activities:

I. Inventory and Catalog Internal Controls in TFAS, TAAMS, MMS

I2. TAAMS

In late June 2001, OST contracted with EDS to perform an independent assessment of the status of TAAMS development and implementation. Assessment results and recommendations for future systems direction should be available this fall. After review of EDS' recommendations and resulting Departmental implementation decisions are announced, appropriate additional internal control and risk assessment analyses will be decided and scheduled.

K. Coordinate with Affected Bureaus/Offices to Develop Action Plans

Ongoing work continued at several BIA regional and agency offices, and at Bureau of Land Management (BLM) and MMS. New efforts were initiated in the Alaska, Great Plains and Southwest BIA regions.

IV. Changes/Corrections to HLIP or Previous Quarterly Reports:

I. Inventory and Catalog Internal Controls in TFAS, TAAMS, MMS

I3. MMS. *This milestone is changed from October 31, 2001, to March 31, 2002.*

The MMS system is scheduled to be finished on September 30, 2001. The delay in the Internal Controls evaluation will allow the system to operate for a short time prior to our assessment.

**V. Milestone Chart for Internal Controls:
Project Manager: Ken Moyers, OST**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Develop Inventory of Internal Control Weaknesses	05/29/98		Completed
B. Catalogue Relevant Audit Findings into Analysis Framework	05/29/98		Completed
C. Research and Select Template for Risk Management Program	02/12/99		Completed
D. Identify and Develop Remediation for Acute Internal Control Weaknesses	06/03/99		Completed
E. Develop Organization and Staffing Proposal for Trust Risk Offices	12/31/00		Completed
F. Map Weaknesses to Current Improvement Efforts	04/30/00		Completed
G. Analyze Weaknesses to Determine Current Status -Resolved/Unresolved	05/30/00		Completed
H. Modify "Treadway" Approach to Interior Situation; Develop Monitoring Procedures	07/31/00		Completed
I. Inventory and Catalogue Internal Controls			
I1. TFAS component	08/31/00		Completed
I2. TAAMS component	08/31/00	TBD (4QR)	TBD
I3. MMS component	08/31/00	10/31/01 (4QR)	
		3/31/02 (7QR)	
J. Risk Management Program Final Draft	08/31/00		Completed
K. Coordinate with Affected Bureaus/Offices to Develop Action Plans	09/30/00	Ongoing (4QR)	Ongoing
L. Coordinate Risk Management Program with Revised Trust Policies and Procedures	10/31/00		Completed
M. Publish Final Risk Management Program Handbook	11/30/00		Completed
N. Establish Continuing Risk Management Presence to Prevent Relapses	12/31/00		Completed

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

1. COLLECTION OF MISSING INFORMATION FROM OUTSIDE SOURCES

I. Objective:

This effort is designed to (1) describe the nature and extent of IIM trust accounts since passage of the *American Indian Trust Fund Management Reform Act of 1994*, (2) present a logical approach to assess the state of documentation, information and data available and necessary for the Department of the Interior to meet its obligations under the Act, (3) identify approaches and options for gathering missing documents, information and data from Third Parties to supplement the Department of the Interior's present files; and, (4) commence the planning, decision process and programming of personnel and budget resources that will be necessary for the successful gathering and organization of documents, information and data from third parties.

II. Summary of Milestones Due This Quarter:

I. Initiate a Pilot Using the Chosen Methodology for a Small Sample of IIM Accounts to Assess Effectiveness and Efficiency of Methodology. *This milestone, due June 30, 2001, was met.*

On June 1, 2001, OST, through a contractor, began an IIM accounting pilot with a focus on accounts and transactions in the automated IRMS historical database (1985 to date of conversion to TFAS). Like the OST Data Cleanup subproject, a stratified approach was also utilized to include selected high value receipt and disbursement transactions. Prior to commencing this pilot, validation procedures were performed on the automated historical database, IRMS data as well as the current TFAS. This validation was performed for purposes of ensuring the accuracy and completeness of the data. Validation procedures included the comparison of summary balances from historical hard copy reports (IM500s and OTFM cash reconciliation) to summary balances in the automated database. Through the validation, specific missing information has been identified, e.g., automated data for 1985 for one location and some hard copy control reports. (See Milestone G, under Ongoing Activities.) Analysis was also performed for summary level pre-1985 activity. This analysis showed a significant growth in the fund balance from 1972 through 2000, from approximately \$80 million to \$500 million. (Because automated data and individual information is not readily available in hard copy reports, growth in the number of accounts could not be analyzed.) Using the automated IRMS historical database, analysis was performed on IIM account balances and activity to determine reasonable scopes and efficiencies in selecting the pilot.

- 10 Judgment accounts
- 5 Per Capita transactions
- 5 Receipt transactions greater than \$1 million (affecting Allotted and other accounts)
- 5 Disbursement transactions greater than \$1 million (affecting Allotted and other accounts)

J. Assess Results of Pilot and Elect Course of Action for Addressing the Balance of IIM Trust Accounts. *This milestone, due on July 31, 2001, was not met.*

Completion of the Pilot including a detailed report from the contractor is now projected for September 30, 2001. The OST and OHTA will review the report and complete its analysis by October 31, 2001.

III. Summary of Ongoing Activities:

A. Acquire project staff and funding

Currently a staff of two is overseeing this effort with an OST contractor performing the work. No further increases are anticipated pending the organization and plans of the Executive Director of the newly established Office of Historical Trust Accounting.

G. Expand Collection of Missing Information, Documents and Data from 3rd Parties

As expected and reported in the *Report on Collecting Information from Outside Sources, February 2000*, most information, but not all, required to support an accounting for periods after 1994 is already in Federal hands. Initial findings indicate that this premise is correct for Judgment, Per Capita, and large receipt and disbursement transactions. To date, no information has been required or sought from possible 3rd Parties relative to the pilot effort. However, identification and efforts to locate missing information will be ongoing as the pilot work is completed.

IV. Changes/Corrections to the Project Plan or Previous Quarterly Reports:

The Department recognizes the linkage between this project and the historical accounting effort. Late during this reporting quarter, OST senior managers began discussions with the Executive Director of the newly created Office of Historical Trust Accounting (created by Secretarial Order 3231 on July 10) regarding the linkages between this project and the historical accounting effort. Based on this relationship, as well as the Court of Appeals decision, the first Court Monitor's report, and the Secretary's decision to create an office dedicated to an historical accounting of IIM accounts, this project will be transferred from the Office of the Special Trustee to the Office of Historical Trust Accounting.

Accordingly, the Executive Director of OHTA will reassess the project's current strategies, focus and approaches in light of the historical accounting plans and requirements, and, in recognition of the likely need to identify and collect third party documents for periods prior to 1994, outline the integration of this project with the historical accounting.

In support of the Executive Director's review of the project, OST is assembling for delivery to the Office of Historical Trust Accounting (1) a summary and status of the work undertaken and accomplished (largely by contract) under the project and milestones, to include process an flow charts, information on documents

supporting an “accounting”, and feedback on the condition of electronic databases examined under the project, (2) a comprehensive project file, including copies of all contracts, task orders, contractor deliverables, project plans, project briefings, and equipment and databases acquired or developed (3) information concerning budget and staffing status, and (4) perspectives on apparent successes, on project dead ends, and on lessons learned in general.

J. Assess Results of Pilot and Elect Course of Action for Addressing the Balance of IIM Trust Accounts. *This milestone is changed from July 31, 2001, to October 31, 2001.*

This extension will allow time to fully analyze pilot results and transfer the project to the Office of Historical Trust Accounting.

V. Milestone Chart for the Collection of Missing Information from Outside Sources:

The milestone chart for the Collection of Missing Information is on the next page.

Quarterly Status Report to the Court Number Seven

August, 31 2001

Collection of Missing Information

V. Milestone Chart for Collection of Missing Information from Outside

Sources:

Subproject Manager: Thomas M. Thompson, OST

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Acquire Project Staff and Funding.....	10/31/00.....	03/31/01 (4QR)	
		TBD (6QR)	TBD
B. Determine the Elements of an Appropriate "Accounting" for IIM Account Holders.....	08/31/00.....		Completed
C. Review Existing Policies for Record Retention Requirements Imposed on External Parties by DOI	07/31/00.....	10/31/00 (3QR) ...	
		08/04/00(4QR)	Completed
D. Establish Policy on Documents, Information & Data Required to Perform an "Accounting" in the DOI Context.....	07/31/00.....		Completed
E. Assess Feasibility of Developing a Complete Electronic Transaction History File for IIM Accounts.....	07/31/00.....		Completed
F. Assess Condition and Status of Documents, Information and Data in DOI's Possession.....	09/30/00.....		Completed
G. Expand Collection of Missing Information, Documents and Data from 3rd Parties	Ongoing		Ongoing
H. Decision on Methodology of Researching Missing Mandatory Documents in IIM File Folders.....	09/30/00.....	03/31/01 (4QR) ...	Completed
I. Initiate a Pilot Using the Chosen Methodology for a Small Sample of IIM Accounts to Assess Effectiveness and Efficiency of Methodology.....	06/30/01.....		Completed
J. Assess Results of Pilot and Elect Course of Action for Addressing the Balance of IIM Trust Accounts	07/31/01.....	10/31/01 (7QR) ...	

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

2. RETENTION OF IIM-RELATED TRUST DOCUMENTS

(Information on this Court-Identified Breach is provided in Subproject 8: Records Management, page 35)

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**3. COMPUTER AND BUSINESS SYSTEMS ARCHITECTURE
FRAMEWORK PLAN**

I. Objective:

The objective is to provide the blueprint for defining and mapping business processes within the trust management activity from existing procedures and systems to the architected operating environment.

II. Summary of Milestones Due this Quarter:

G. Develop the Trust Management Technology Architecture Vision. *This milestone due May 15, 2001, was met.*

Technology Architecture is the third phase of the future architecture, most directly related to the physical infrastructure of the Trust Management systems. Outlining this physical technology required a careful review both of existing partner technologies (in bureaus and offices in the Department) as well as future industry trends. The Technology Architecture was developed according to the "Spewak process", which requires gathering data on existing platforms and doing research on industry trends in areas identified as representing opportunities for improvements.

The Trust Management Architecture Work Group met on three occasions to work as a team on the Technology Architecture. The team first identified technology categories and elements used within Trust Management. The team then developed technology positions for seven technology categories that offer improvements and specifically target trust management architectures. Technology positions provide an observation of the current environment and a recommendation for the tactical (within 3 years) and strategic (more than 3 years) planning horizons. Technology positions also include guidance whether a specific technology element should be retired, contained, mainstreamed (fully supported and used as required), or whether an emerging technology should be earmarked for use in future implementations. This report, and the database of the Enterprise Architecture Planning tool-set, document and describe the initial technology architecture that supports the data and business processes of the Trust Management Community.

H. Trust Management Architecture Implementation Strategy. *This milestone, due July 1, 2001, was met*

The plan and recommendations are based on the tenet that a key factor for improving the Trust Management business systems is successfully introducing an environment that can facilitate change. This encompasses adoption of new technology and practices for interfacing existing systems in a shared-data environment. Improving system interfaces in a way that visibly improves the Trust Management business process, so that it is relatively automatic, and can be changed relatively simply and quickly, is a primary goal of this plan.

At present, the systems supporting trust management are a combination of modified commercial off-the-shelf (COTS), service bureau, client-server,

mainframe, and web-based applications running on a variety of different and somewhat incompatible computer platforms. Most of the interfaces among these systems involve transfer of information by fax, transfer of electronic flat files using FTP (File Transfer Program), and manually, in some cases requiring copy-paste or re-keying of data from one system to another. All of these mechanisms require significant manual intervention and are prone to version control problems and other types of inadvertent errors. Given this mix of technologies and labor-intensive application integration, it is difficult to deliver an integrated, seamless view of data, information, and documents demanded by customers, employees, partners, and governmental e-commerce initiatives.

The institution of an application integration framework, based on improved interfacing technology and methods, will move the trust community towards establishment of an environment where existing and future applications can be more effectively used and where new capabilities can be implemented in a more modular fashion. This will ultimately improve the effectiveness and efficiency of business processes and services supporting Trust Management. Also required, however, are improvements in the consistency, objectivity, and visibility of decision-making and governance at all levels within a framework of managing information as an enterprise resource. This framework is the enterprise architecture.

The plan recommended implementation of improvements to trust management systems is based on a strategy of executing a number of tactical initiatives. This will result in an infrastructure that can facilitate better integration of the variety of systems and platforms, databases, and repositories in place at Interior today. It will also create the basis for implementing an "architected" and more modular application portfolio in years to come that can better assimilate off-the shelf products and accommodate reuse of existing systems and components

III. Summary of Ongoing Activities:

I. Planning Conclusions – Implementation Plan

The Technology Architecture and Implementation Strategy are awaiting review and approval/concurrence by the project Oversight Committee, which will forward its recommendation to the Special Trustee and Departmental management for final review and approval.

J. Transition to Implementation

Once architecture and implementation strategies are approved, the Department will proceed with specific implementation actions.

IV. Changes/Corrections to the Project Plan or Previous Quarterly Reports:

None

Quarterly Status Report to the Court Number Seven
August, 31 2001 **Computer and Business Systems Architecture**

V. Milestone Chart for Computer and Business Systems Architecture
Framework Plan:
Subproject Manager: Julia Laws, PMB

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (05/01/01 – 07/31/01) are shaded.			
A. Initiate Trust Management Architecture Project			
A1. Select Planning Team to Prepare Initial Guidance on Architecture Planning	01/15/00		Completed
A2. Determine and Establish Organization to Manage Architecture	03/15/00		Completed
A3. Define Scope of Architecture Project	02/01/00		Completed
A4. Determine Architecture Methodology	01/18/00		Completed
A5. Gather and Review Reference Documents	02/07/00		Completed
A6. Build Electronic Library of Documents	03/15/00		Completed
A7. Inventory Applicable Policies and Procedures	03/28/00		Completed
A8. Develop Detailed Work Plan for Architecture Project	04/15/00		Completed
A9. Appoint an Overall Architecture Project Manager	02/16/00		Completed
A10. Develop Resource Requirements	04/15/00		Completed
B. Business Modeling (Preliminary)	08/01/00		Completed
C. Enterprise Survey (Final Business Model)	10/01/00		Completed
D. Current Systems & Technology	07/01/00		Completed
E. Data Architecture	11/30/00		Completed
F. Applications Architecture	01/15/01		Completed
G. Technology Architecture	04/15/01	05/15/01 (6QR)	Completed
H. Implementation Strategy	06/01/01	07/01/01 (6QR)	Completed
I. Planning Conclusions – Implementation Plan	08/15/01		
J. Transition to Implementation	TBD	dependent upon business decisions based on Final Report	TBD

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

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4. WORKFORCE PLANNING

I. Objective:

The objectives of this plan are (1) to ensure adequate staffing requirements and associated funding are reflected in the budget development process to meet the full personnel needs of trust management business functions consistent with statutory requirements, and (2) to ensure workforce planning is done in a timely fashion and that there is consistency, where appropriate, among the organizations.

II. Summary of Milestones Due this Quarter:

N. Develop Plan to Transition from Workforce per the FY 2001 Enacted Budget to Future Workforce. *This milestone, due May 31, 2001, was met.*

A draft plan was developed by staff in the Office of Personnel Policy and distributed informally to all trust management organizations. Using this draft plan, the Office of Personnel Policy is working with the trust management organizations to implement staffing and other planning for the future workforce. A formal personnel bulletin has been drafted and will be issued in the next reporting period. In FY 2001, some trust organizations have had difficulty staffing all of their trust management positions. In order to fill more of these vacancies and improve utilization of personnel resources in FY 2002, the draft plan identified a series of steps for the development of FY 2002 staffing plans. These steps include (1) preliminary distribution of FY 2002 personnel compensation funding and FTE to trust organizations now, so that their FY 2002 complement of positions can be determined before the new fiscal year begins, (2) the identification and scheduling of staffing actions (recruitment, internal placement, etc.) necessary to ensure that the roster of FY 2002 positions are fully and timely staffed, and (3) a process for approval of position and staffing plans. Trust organizations are now following these steps in developing staffing plans for FY 2002. Completion of staffing plans is planned to coincide with milestone Q, when the *implementation* of the staffing plans is to begin.

O. Develop Budget Recommendations to Reflect Efficiencies or Further Requirements Identified Through Business Process Re-engineering and Needed Improvements Based on Other Trust-Related Activities. *This milestone, due July 1, 2001, was not met.*

Budget and program staff of trust organizations found that the workforce planning tool developed by Booz-Allen & Hamilton (see *Sixth Quarterly Report*, Milestone K), on which they had relied to help develop budget recommendations, proved to be not as useful as expected. Reasons given included the lack of time necessary to learn how to use the tool; lack of confidence in the workload “drivers” that produced the workforce forecasts; fear that an important underlying assumption was erroneous, concerns that current staff were adequate to perform work at hand; disagreement over the trust management business processes that the tool did or did not cover; and cosmetic flaws that made the tool less “user friendly” than expected. As a result, budget and program staff had to rely primarily on traditional workforce forecasting considerations including changes in program

policies and priorities, expected technological changes such as that brought about by the introduction of TAAMS, anticipated attrition, and previously relied upon workload “drivers”.

A series of meetings have been held with Booz-Allen & Hamilton to evaluate the tool. Although it appears that the tool was delivered according to specifications, there have been utilization problems that were not anticipated. Alternatives are being considered as to how to modify or enhance the tool to make it more useful. These include further orientation and training in how to use the tool, further development of workload data and measures, and an improved definition of trust management business processes.

III. Summary of Ongoing Activities:

R. Develop Action Plan for Improvement of Human Resources Management in Trust Activities

Work associated with this milestone continues with an examination of how to improve utilization of the workforce planning tool developed by Booz-Allen & Hamilton, development of policies and procedures for workforce, staffing, and training planning, and approaches to monitoring progress.

IV. Changes/Corrections to the Project Plan:

O. Develop Budget Recommendations to Reflect Efficiencies or Further Requirements Identified Through Business Process Re-engineering and Needed Improvements Based on Other Trust-Related Activities. *This milestone was changed from July 1, 2001, to TBD.*

V. Milestone Chart for Workforce Planning:

The milestone chart for Workforce Planning is on the next page.

**V. Milestone Chart for Workforce Planning:
Project Manager: Carolyn Cohen, PMB**

Milestone Title	HLIP 2 Date	Revised Date*	Status
Milestones due or changed this report cycle (02/01/01 – 04/30/01) are shaded.			
A. Conduct Preliminary Workforce Planning Review in Trust Management Organizations and Determine Workforce Planning Requirements and Schedule	02/29/00		Completed
B. Develop Statement of Work and Provide to Contractor	03/13/00		Completed
C. Award Contract	03/20/00		Completed
D. Designate Workforce Planning Project Manager and Bureau/Office Planning Team Members	03/20/00		Completed
E. Provide Bureau/Office Workforce Planning Instructions	03/20/00		Completed
F. Bureau/Office Kick-off Meetings with Contractor	03/24/00		Completed
G. Strategic Planning: Validate and/or Update Existing Workforce Plans and/or Initiate Process for Developing Detailed Workforce Plans	06/01/00		Completed
H. Scan Environment: Analyze Workforce Competencies	04/30/00		Completed
I. Current/Future State: Initial Projection of Workforce Needs for FY2002 Based upon analysis of Present Workforce, and Develop Budget Recommendations	06/01/00	10/01/00 (3QR)	Completed
J. Examine Contractor and Bureau/Office FY 2002 Budget Recommendations for Submission to OMB, OST/Departmental Budget Office, Refine Recommendations Based on Feedback from OST and OMB	02/01/01		Completed
K. Forecast Future: Examine Organizational Objectives & Identify Workforce Competencies Needed	10/30/00	01/31/01 (3QR) 04/30/01 (5QR)	Completed
L. Hire Personnel in Accordance with FY 2001 Budgets Appropriated by Congress, Consistent with Existing Workforce Plans	09/30/01		
M. Identify Competency Gaps and Surpluses Based on FY 2001 Appropriations from Congress	12/31/00	03/31/01 (3QR) 04/30/01(5QR)	Completed
N. Develop Plan to Transition from Workforce per the FY2001 Enacted Budget to Future Workforce	04/30/01	05/31/01 (3QR)	Completed
O. Develop Budget Recommendations to Reflect Efficiencies or Further Requirements Identified thru Business Process Reengineering and Needed Improvements Based on Other Trust-Related Activities	06/01/01	07/01/01 (3QR) TBD (7QR)	TBD
P. Examine Contractor and Bureau/Office FY 2003 Budget Recommendations for Submission to OMB, OST/Departmental Budget Office, Refine Recommendations Based on Feedback from OST and OMB	02/01/02		
Q. Implement Transition Plan Based on Appropriations Obtained from Congress for FY 2002, Monitor Effectiveness and Success	10/01/01		
R. Develop Action Plan for Improvement of Human Resources Management in Trust Activities		10/01/01 (6QR)	

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained.

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APPENDIX A – PRE- AND POST-DEPLOYMENT DATA CLEANUP TASKS:

DESCRIPTIONS. *These are descriptions of data and data anomalies being worked on by BIA in pre- and post-deployment data cleanup tasks.*

100N Number - In the past, the BIA assigned 100N Numbers to lineal descendants of enrolled members who did not formerly meet the criteria to become enrolled members. This task involves the identification of all ID numbers associated with any individual who currently has a 100N number assigned and to successfully change all alias ID numbers to one ten-digit, Tribal ID Number.

Administrative Modification Encoding - This task entails encoding a backlog of administrative modifications previously not entered into the system of record.

Backlog (Document Processing) - This task involves the preparation, encoding, and documentation of the Land Title and Records Office document backlog.

Backlog (Global Requests from Agencies) - The purpose of this task is to assist the BIA with encoding a backlog of requests for global changes in the system of record.

Backlog (Recordation of PSFO Documents) - The purpose of this task is to assist the BIA by encoding a backlog of documents into the LRIS recordation module. This task entails assigning document numbers, recording the documents into the LRIS recordation module, and microfilming the documents.

BIA Assigned Administrative Probate Modifications - The purpose of this task is to assist the BIA by processing a backlog of enrollment verifications that require administrative modifications.

Current Agency Global Requests - The purpose of this task is to assist the BIA with encoding current requests for global changes in the system of record.

Current Doc Type and Mod Combo – The purpose of this task is to correct the incorrect modifier codes that are currently associated with specific document types.

Fee Owner ID Task - The purpose of this task is to identify non-Indians who have inherited land interests. Once these individuals are identified, research is done to locate an existing identification number and verify its correctness. If no identification number is located, a number is then assigned.

Godzilla Task - This task involves researching and correcting conflicting land descriptions for tracts of land in LRIS.

IIM ID Match - This task pertains to the verification of ownership information between IIM accounts and the Integrated Records Management System.

Lease Owner Inquiry - The purpose of this task is to determine distribution by comparing LRIS and IRMS reports with the decedent's probate.

Legal Land Description Cleanup (Metes and Bounds Task) - The purpose of this task is to locate the original documents that describe a tract's land description and determine if these documents are feasible for scanning into the TAAMS database. A "Godzilla" report will determine all tracts and documents.

Multiple Owner ID Task - The primary purpose of the Multiple Owner Identification Task is to determine the correct identification number for several individuals identified as anomalies in the BIA Land Record Information System and Integrated Record Management System. The individuals on these anomaly lists have land interests in these systems under more than one ID number. Once the correct number is determined, personnel update the systems to coincide with hard-copy land title documents and records.

Non-Enrolled ID Number - The purpose of this task relates to the ID numbers of several individuals containing an alpha code of "N" which indicates that the individuals are non-enrolled. The primary purpose of this project is to determine if these individuals have enrolled since the issuance of the ID number containing the "N" alpha code. In most instances, this will require agency verification.

Payment File Verification - This task entails the verification of the legal descriptions and tract numbers from Realty Modules and hardcopy records at the agency/field offices against data in the Lands Record Information System. Once personnel verify the tract numbers and legal descriptions, they verify all ownership as well.

TAAMS Information Migration Evaluation (TIME) Task - The purpose of the TIME Task is to compare original title documents to data housed in LRIS and TAAMS for pre- and post-conversion statistical assessments. Document samples are randomly derived from LRIS and scanned by on-site cleanup personnel for centralized review and comparison by independent assessors located in Albuquerque. Samples are based on 100 individually selected tracts by region and a predetermined percentage of total documentation contained in LRIS.

Title Tract Match - This task pertains to the verification of legal descriptions between the LRIS and IRMS.

The following tasks pertain only to the Alaska Region:

Title Examination Task - This process involves understanding all documents found in the tract folder, researching the Alaska Title Service Center (ATSC) databases, extracting LRIS reports, and reviewing the Alaska Land Information System (ALIS) website for information relevant to that particular tract being examined. Personnel bring all of this information together to create an accurate land description, ownership, conveyance of ownership, and history of the tract before encoding into TAAMS. Once the examiners research these documents and extract the appropriate title information from its sources, the examiner uses a form called a "chain sheet" to record the title information. ATSC has requested that the BIA Data Cleanup project provide them with complete accurate chain sheets.

Chain Sheet Review Task - Data cleanup personnel perform an internal quality check of the work placed on the chain sheet before encoding and sending to ATSC. The reviewer analyzes the original file documents and researches documents to determine if the information on the sheet is accurate and acceptable for the next task. If it is not accepted, the reviewer returns it for further examination.

TAAMS Encoding Task - Personnel encode title and conveyance information located on the chain sheet to the appropriate TAAMS modules to build individual tract and conveyance history.

TAAMS Review Task - This task is also an internal quality check put in place to assure that the information encoded into TAAMS is accurate and to ensure compliance with all standards before the BIA reviews the encoded tracts.

The following tasks pertain only to the Eastern Region:

Document Acquisition/Inventory Task - The purpose of this task is to review files to locate legal land documents, record for record retention purposes, and determine what information is missing on behalf of each Tribe under the jurisdiction of the Eastern Region. Once personnel identify, review, tag, inventory, classify, and encode these documents into a DataCom database, they duplicate the documents for verification of the classification given to each record.

Microfiche Inventory Task - The purpose of this task is to inventory microfiche files and verify the documents contained in each file.

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APPENDIX B – Subproject 9 – Milestone G: DEVELOP AND PUBLISH REVISED REGULATIONS: BIA

I. Repeal Outdated Regulations

25 CFR Part	Title	Draft	Tribal Consultation	Proposed	Public Comments	Final Rule
112	Pro Rata Shares of Tribal Funds	√	√			
116	Trust for the Five Civilized Tribes	√	√			
121	Distribution of Osage Judgment Funds	√	√			
123	Alaska Native Fund	√	√			
125	Payment of Sioux Benefits	√	√			
154	Osage Roll, Certificate of Competency	√	√			
156	Reallotment of Lands to Unallotted Children	√	√			
178	Resale of Lands within the Badlands AF Range	√	√			
243	Reindeer in Alaska	√	√			

II. Revise Existing Regulations

25 CFR Part	Title	Work Group	Draft	Tribal Consultation	Proposed	Public Comments	Final Rule
2	Appeals from Administrative Action	√	√				
89	Attorney Contracts with Indian Tribes	√	√	√	√	√	07/26/01

III. Develop New Regulations

25 CFR Part	Title	Work Group	Draft	Tribal Consultation	Proposed	Public Comments	Final Rule
84	Encumbrances of Tribal Lands – Contract Approvals	√	√	√	√	√	07/26/01

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APPENDIX C. LIST OF ACRONYMS USED IN THIS REPORT

ADM	Attorney Decision Maker
ALIS	Alaska Land Information System
ALJ	Administrative Law Judge
AT&P	Alaska Title and Probates Office
ATSC	Alaska Title Service Center
BIA	Bureau of Indian Affairs
BIA-OTR	Office of Trust Responsibilities, Bureau of Indian Affairs
BLM	Bureau of Land Management
BOR	Bureau of Reclamation
CM	Configuration Management
COTS	Commercial-off-the-shelf
DOI	Department of the Interior
EDS	Electronic Data Systems Corporation
FRC	Federal Records Center
FTE	Full-time equivalent
FTP	File transfer protocol
FWS	Fish and Wildlife Service
FY	Fiscal Year
GAO	General Accounting Office
HLIP	High Level Implementation Plan
IARM	Indian Affairs Records Management Branch
IDEF0	Integrated Definition of Function Model
IIM	Individual Indian Monies
IPRL	Indian Probate Reinvention Laboratory
IRMS	Integrated Records Management System
IUAT	Integrated User Acceptance Test
LRIS	Land Records Information System
LTRO	Land Title Records Office
MMS	Minerals Management Service
MRM	Minerals Revenue Management
NARA	National Archives and Records Administration
NPS	National Park Service
nQR	n th Quarterly Report
OHA	Office of Hearings and Appeals
OHTA	Office of Historical Trust Accounting
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
OTR	Office of Trust Records

RMP	Royalty Management Program
RMR	Rocky Mountain Region
STDL	Subproject Design Team Leaders
STRAC	State and Tribal Royalty Audit Committee
TAAMS	Trust Asset and Accounting Management System
TBD	To be determined
TFAS	Trust Funds Accounting System
TIME	TAAMS Information Migration Evaluation
TPMT	TAAMS Project Management Team
TTSC	TAAMS Training Steering Committee
USGS	United States Geological Survey

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

ELOUISE PEPION COBELL, et al.,)	
)	
Plaintiffs,)	
v.)	
)	Honorable Royce C. Lamberth
GALE A. NORTON, Secretary of the)	No. 1:96CV01285 RCL
Interior, et al.,)	
Defendants.)	
)	

**NOTICE OF FILING OF INTERIOR'S SEVENTH QUARTERLY
REPORT AND RELATED PAPERS**

On December 21, 1999, this Court ordered the Department of the Interior ("Interior") to submit quarterly reports on the status and progress of its efforts to implement the High-Level Implementation Plan designed to reform the management of the Individual Indian Money accounts, as well as its efforts to remedy the breaches found by the Court. On August 28, 2001, Interior moved this Court for an extension of time to file the Seventh Quarterly Report, citing the need to obtain additional information to confirm that Interior believed the Report accurately reflected the status of the High-Level Implementation Plan subprojects during the months of May, June, and July 2001 based upon the information available to Interior during that time period.

As noted in the Observations of the Special Trustee, the Special Trustee has not been "satisfied with the completeness of the information provided in the [Seventh Quarterly Report]." The Special Trustee has taken several steps to address the concerns he has raised. First, in accordance with the Secretarial Order of July 10, 2001 (No. 3232), the Special Trustee hired Electronic Data Systems to perform an analysis of the trust reform projects so that he can make critical and informed decisions regarding certain of the subprojects. Second, he has appointed a

full-time manager to oversee trust reform projects, naming Ms. Donna Erwin as the first Deputy Special Trustee for Trust Systems and Projects. Third, he has begun the effort to improve coordination within and among the subprojects by holding a meeting of all subproject managers, contractors, and high-level managers over the past two days. Fourth, in response to a written request from the Secretary, the Special Trustee provided the Secretary with a written report of his concerns regarding the information contained in the Seventh Quarterly Report. Exhibit 2.

In the meantime, the Solicitor, subproject managers, and senior Interior managers agreed on certain steps to improve the review of the Quarterly Reports. Specifically, the “surnaming” procedures for the Eighth and all future Quarterly Reports have been modified so that each subproject manager will review and surname his or her section of the Quarterly Report. As set forth in the Departmental Correspondence Handbook, the act of surnaming is a statement by that individual that he or she concurs with the “content of the written document.” See Exhibit 3. An individual who does not concur with the content of the written document must “submit dissenting views in writing to the head of the Action office or Bureau stating the reason(s) for non-concurrence.” Id. In addition, the Solicitor has informed undersigned counsel that, at the meeting of all subproject managers described in the preceding paragraph of this Notice, he advised all subproject managers that concurrence in the “content” includes a belief that the document is accurate to the best of the individual’s knowledge. The Solicitor has informed undersigned counsel that he intends to confirm his oral instructions in writing to the subproject managers as well as high-level managers who will be reviewing future Quarterly Reports.^{1/} The

^{1/}Counsel will also request oral assurances from the subproject managers that future Quarterly Reports accurately reflect the status of the trust reform subprojects during the quarter addressed by the report.

concerns raised by the Special Trustee in his Observations to the Seventh Quarterly Report helped to illuminate the need for a modified surnaming process for future reports.

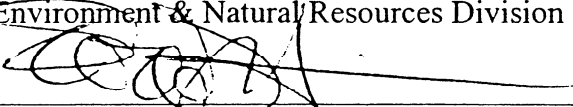
As for the Seventh Quarterly Report, Interior and undersigned counsel conducted inquiries of each subproject manager to determine whether each subproject manager believed the report to be an accurate description of the status of the subproject under his or her supervision during the months of May, June, and July of 2001. See Exhibit 4.² Certain subproject managers indicated that, in order to make that assurance to counsel, certain changes needed to be made to the Quarterly Report. Those changes are identified in the attached certifications or correspondence. Exhibits 6-11. Each of the other subproject managers has indicated either in writing or orally that the report as originally submitted was an accurate description of the status of the subproject under his or her supervision during the months of May, June, and July of 2001.

Notice is hereby given that Interior hereby files its Seventh Quarterly Report, together with the changes identified in Exhibits 6-11.

DATED: October 3, 2001

Respectfully submitted,

JOHN C. CRUDEN
Acting Assistant Attorney General
~~Environment & Natural Resources Division~~



SARAH HIMMELHOCH
General Litigation Section
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²Initially, some subproject managers expressed concern regarding the process offered for certifications of the Seventh Quarterly Report. See, e.g., Exhibit 5. In response to these concerns, counsel agreed to allow individuals to provide their assurances orally, rather than in writing.

Of Counsel:

SABRINA A. McCARTHY
Department of the Interior
Solicitor's Office

CERTIFICATE OF SERVICE

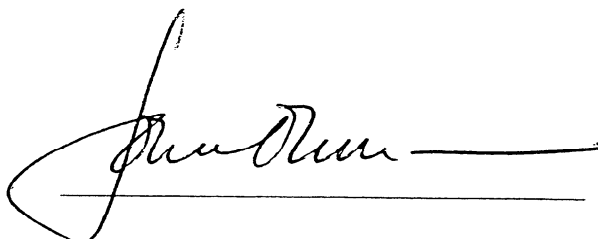
The undersigned certifies that on October 3, 2001, a copy of the foregoing **NOTICE OF FILING OF INTERIOR'S SEVENTH QUARTERLY REPORT AND RELATED PAPERS** was served on Plaintiffs by placing a copy in the United States mail, first-class postage prepaid, and addressed to Plaintiffs' counsel at the following addresses:

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Mark K. Brown, Esq.
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Washington, D.C. 20004
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Hall



United States Department of the Interior
OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS
Washington, D.C. 20240

September 10, 2001

Memorandum

To: Secretary

From: Special Trustee for American Indians *[Signature]*

cc: Assistant Secretary, Indian Affairs
Solicitor
Counselor to the Secretary Michael Rosetti

Subject: Seventh Quarterly Status Report to the Court

This memorandum is in response to your inquiry of August 29, 2001, with respect to my concerns about the completeness and quality of the information provided to my Office for inclusion in the Quarterly Status Report to the Court Number Seven which are noted in my Observations.

Since assuming responsibility for compiling the Quarterly Reports for the Department with the third such report, I have noted a number of concerns about specific areas of trust reform in the Special Trustee's Observations section of the Reports (see Attachment 1). Many of those concerns were expressed in terms of the serious and complex management problems faced by the Department. These concerns included, but are not limited to, the inability of the BIA subproject manager to obtain meaningful metrics to measure the progress of the BIA data cleanup effort and the continued failure of TAAMS to operate in an acceptable manner. The delays in some critical subprojects suggest that those people involved in those projects do not have or cannot get or will not acknowledge an accurate description of problems present in the projects. Therefore, the problems are either not addressed or addressed ineffectively. The successful reform of the Department's Indian trust asset management process depends on the objective analysis of the process, the candid communication of the results of that analysis, and the firm commitment to reshape the process where necessary.

It was this unease with the implementation of trust reform that I believe resulted in your desire to have a comprehensive independent assessment of the effectiveness of the Department's trust reform effort to date. In this regard, the Electronic Data Systems Corporation (EDS) was given an additional assignment to perform a comprehensive assessment of the progress, project coordination, and direction for all of the High Level Implementation Plan's subprojects as well as the suitability of the Plan itself. As you know, I have asked Donna Erwin to work directly with me and devote her considerable trust experience and leadership skills to the continuous evaluation of the trust reform effort. Her efforts will bring a better focus to the work of the OST

liaisons I directed to work with the HLIP/Breaches subprojects managers during the preparation of the Quarterly Report Number Six. The liaison system was deemed necessary because of my growing concern about the general quality of the information being reported to us for inclusion in the Quarterly Reports. Like you, I want to be confident that the effort is moving forward in a fashion that ensures long-term success so that the Federal Government and the Department are able to come into compliance with the Reform Act at the earliest possible date.

The following attachments address aspects of trust reform that concern me.

Attachment 1 - Listing by subproject of any observations made by me over the last four quarterly reports (numbers three through six).

This is a listing of subproject comments (listed by subproject) as noted in the Observations section of the four reports since I was confirmed and prior to the most recently issued Seventh Quarterly Report. These comments note, among other items, the difficulty of measuring progress. Please note: Wording has been italicized where comments refer to issues for which the quality of subproject information or its completeness may be in question.

Attachment 2 - Examples of concerns relative to subproject reports submitted by subproject managers for the Quarterly Reports.

This sampling illustrates the difficulty in obtaining useful information on the status of certain subprojects.

Attachment 3 - Special Trustee's Observations contained in the Seventh Quarterly Report.

For your reference, this is the Observations section of the Seventh Quarterly Report. Note the final paragraph.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 1 – OST Data Cleanup

Quarterly Report Number Six (5/01)

Three tribes have refused to permit individual Indian files, which are Federal records, and not tribal records, to be transported to a central depository for eventual administrative file reconciliation (verifying source documents against electronic records) as well as for their safekeeping. A letter from the Department is being prepared for the Court to inform it of the Department's frustrated attempts to transport the IIM files to a records center.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 2 – BIA Data Cleanup

Quarterly Report Number Three (8/00)

Indications are that the BIA Data Cleanup effort continues to present serious challenges and may delay implementation of TAAMS at some locations. For example, in the Rocky Mountain Regional Office (Billings), the historical records for land title and records are not complete and cannot immediately be placed into TAAMS until the missing electronic records are researched and entered into the legacy database.

The Special Trustee will also work with the BIA subproject manager to obtain meaningful metrics on the progress of the BIA data cleanup effort.

Quarterly Report Number Four (11/00)

BIA Data Cleanup will remain a difficult challenge from both a time and logistical perspective. *An important component of the data cleanup exercise is establishing metrics that indicate improvements in the data quality. BIA management is working with the data cleanup contractor to establish more precise indicators of progress and has set completion dates (see Chapter 2, BIA Data Cleanup).*

BIA's Chief Information Officer and OST have determined a format for charting the cleanup process in each region. That information will appear in a chart that will be refined for use in the next quarterly report, and will provide observers a more useful monitoring.

Quarterly Report Number Five (2/01)

Data cleanup progress has been provided in chart form in Appendix B of this report to provide a more user-friendly representation of the project.

Quarterly Report Number Six (5/01)

The TAAMS and BIA Data Cleanup subprojects of the High Level Implementation Plan along with the TFAS (financial accounting) system provide the backbone of the major trust systems capability that DOI must have in order to deliver appropriate trust services to individual and tribal beneficiaries.

During the final quarter of 2000, the lack of full-time, experienced BIA assigned personnel, plus the need to bring the leasing portion of TAAMS to fruition, resulted in the assignment of full-time personnel on a temporary basis by the BIA. A timeline was created on which the TAAMS system would be brought to Billings, MT, (the site of the first pilot in 1999) for final user testing. *Note that the title portion of TAAMS is operational for four Regions currently, albeit without a title history database.*

The Special Trustee asked to convene another status meeting with the manager of both the TAAMS and BIA Data Cleanup projects in January which was held on February 13-14, and attended by senior operating people of OST. This meeting was intended also to assure inclusion of OST's requirements within the TAAMS system. The meeting made it clear that the TAAMS leasing portion still required considerable programming to provide

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

conformity with sound trust principles and practice, and to meet BIA users needs. The Special Trustee continues to have concerns regarding the capability of the BIA project management to implement TAAMS across all twelve regions. As noted above, these concerns are being addressed.

The TAAMS schedule for an executive management decision to implement in the Rocky Mountain Region, following completion of the users' test, was lengthened to late June 2001. The time at which operating use of TAAMS in the Rocky Mountain Region may be expected is unclear. Furthermore, considerable training will be required and is in a planning stage currently, and much documentation of the system has yet to be completed.

The Special Trustee continues to be concerned about the progress in the BIA Data Cleanup project. Specifically, the project management is not sufficient for reasons mentioned above. The Special Trustee is also concerned that the contractor is not being provided appropriate direction in the field, and that progress measurement (as mentioned in previous Reports) continues to be insufficient. A review of the present strategy is needed to allay these concerns. Accordingly, the Special Trustee tasked his Principal Deputy to chair a working group to validate the existing statement of work, assess the direction of this project, and provide recommendations on future management direction, priorities, scheduling and funding for the project.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 3 – Probate Backlog

Quarterly Report Number Three (8/00)

Solving the Probate Backlog has been a serious and complex management problem and remains so. The BIA and OST will work together to ensure the BIA's detailed work plan is adequate to resolve the Probate Backlog. An important first step was accomplished in the hiring of BIA Attorney Decision Makers to work on probate at the field level.

Quarterly Report Number Four (11/00)

More complete Youpee backlog elimination plans and milestones are required to demonstrate how the Youpee probate backlog will be addressed. These plans will be based, in part, on the economic analysis of the recently completed Pawnee Agency Pilot on Youpee probates.

There has been limited progress on ensuring that the BIA work plan is adequate to resolve the Probate Backlog. OST is assisting BIA in developing a more detailed statement of work and work plan for the case processing, posting and recording probate backlogs.

Quarterly Report Number Five (2/01)

Analysis of the data collected in the Youpee pilot project, which was completed in September 2000, has not yet been finished. Because of the vast scope and timeframe involved in bringing this project to closure, *strong planning and additional milestones will be required to chart and measure future progress, as well as to measure the impact on the financial accounting workload of the Office of Trust Funds Management (OTFM).*

Quarterly Report Number Six (5/01)

The Special Trustee has noted improvement in the project management of this backlog cleanup issue. The OST staff has encouraged more project definition plus piloting efforts for probate case preparation and recording activities. As requirements are better defined, more detailed roll out plans for nationwide implementation will be pursued.

Recommendations to the subproject manager also have been made *with respect to more meaningful measurement* of the backlog and its categories so that progress can be monitored better as cases are added, prepared, and returned or adjudicated.

Most "Youpee" reversals will create much greater than expected probate cleanup plus a large workload downstream for the accounting system (TFAS). This project appears to require greater project management oversight than expected.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 4 – BIA Appraisals

Quarterly Report Number Three (8/00)

The Special Trustee is concerned that the independence and integrity of the BIA appraisal staff be established in accord with the Uniform Standards of Professional Appraisal Practice.

Quarterly Report Number Four (11/00)

The Special Trustee supports the division of responsibility between realty officers and appraisers to avoid any real or apparent conflict of interest.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 6 – TAAMS

Quarterly Report Number Three (8/00)

The TAAMS project schedule is heavily influenced by two activities - data conversion and cleanup, and training and acceptance of the system by the user community. TAAMS represents a very different way of doing business for the BIA and the change is not being readily accepted by all users. This project runs a risk of further delays, primarily due to these challenges. Management intervention will continue to be required to ensure that all BIA users accept TAAMS.

An 8 week re-deployment of the TAAMS realty functionality is underway in Billings. It is expected that the DOI decision on the deployment of the realty portion of TAAMS beyond Billings will occur later in the fall of this year.

Given the historical variances in business rules and practices among BIA agencies, BIA and OST are working to develop uniform business rules and practices. Once completed, these will be integrated into TAAMS.

Programming and testing is progressing on the necessary software interfaces with OST and MMS, but the interfaces are not yet operational. In each of the above situations, the Special Trustee is working to reinforce the efforts underway with a view towards ensuring that the Department fully meets its trust responsibilities and its commitments to the Court. In the cases of BIA Data Cleanup and BIA Probate Backlog, the Special Trustee *will evaluate progress on the direction of these efforts and will base funding allocation decisions on well-developed plans and metrics.*

Quarterly Report Number Four (11/00)

Systems Interfaces. Interfaces between the TAAMS, MMS and TFAS systems have now been programmed, and are undergoing iterations of testing to confirm suitable data linkage, replication and processing.

Additional TAAMS milestones are needed. It is expected that a systems project of this magnitude and complexity will establish a significant number of milestones, some of which may need some rescheduling. *However, the progressive, or stepping stone, nature of this project is difficult to track and more detailed benchmarks or milestones are required to hold line managers accountable to the BIA Chief Information Officer and senior BIA officials.*

It is time for a decision by BIA Central Office senior management to establish the TAAMS-Title Portion as the system of record in the Rocky Mountain Region. The same decision relating to the Alaska and Southern Plains Regions must be considered as soon as data is ready to support operations.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Quarterly Report Number Five (2/01)

Effective December 29, 2000, the land title portion of TAAMS was made the system of record (meaning that it was officially designated the system for the recordation and maintenance of Indian title documents reflecting current ownership) for current title processing in four BIA Regions: Alaska, Eastern Oklahoma, Rocky Mountain, and Southern Plains. The title history data is not yet complete.

The Trust Management Improvement Project Steering Committee has determined that the TAAMS realty module will be available for Steering Committee approval for the Rocky Mountain Region by May 31, 2001. The BIA has assigned key managers on a full-time basis to augment this effort. A detailed timeline for the development, testing and deployment of this TAAMS module in the Rocky Mountain Region is included in the TAAMS chapter.

The Special Trustee has requested that a schedule for the deployment of the title and realty portions of TAAMS to the other BIA regions be developed as soon as possible and include appropriate milestones.

The Special Trustee is concerned that enough project managers may not be available within the BIA to be dedicated to the intensive TAAMS project and to sustain its implementation beyond the Rocky Mountain Region. The Special Trustee is reviewing this issue with BIA senior management.

The interface capability between TAAMS, TFAS and MMS will need to be completed by mid-April to permit ample time for user acceptance testing. End-to-end testing of the TAAMS system, including inter-system interfaces, will be required to examine the full range of software, data and business process issues. The successful comprehensive testing of the interfaces needs to occur in a timely manner to ensure proper integration and an independent verification of the interface viability is required.

Quarterly Report Number Six (5/01)

The TAAMS and BIA Data Cleanup subprojects of the High Level Implementation Plan along with the TFAS (financial accounting) system provide the backbone of the major trust systems capability that DOI must have in order to deliver appropriate trust services to individual and tribal beneficiaries.

During the final quarter of 2000, the lack of full-time, experienced BIA assigned personnel, plus the need to bring the leasing portion of TAAMS to fruition, resulted in the assignment of full-time personnel on a temporary basis by the BIA. A timeline was created on which the TAAMS system would be brought to Billings, MT, (the site of the first pilot in 1999) for final user testing. *Note that the title portion of TAAMS is operational for four Regions currently, albeit without a title history database.*

The Special Trustee asked to convene another status meeting with the manager of both the TAAMS and BIA Data Cleanup projects in January which was held on February 13-14, and attended by senior operating people of OST. This meeting was intended also to assure inclusion of OST's requirements within the TAAMS system. The meeting made it clear that the TAAMS leasing portion still required considerable programming to provide conformity with sound trust principles and practice, and to meet BIA users needs. The

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Special Trustee continues to have concerns regarding the capability of the BIA project management to implement TAAMS across all twelve regions. As noted above, these concerns are being addressed.

The TAAMS schedule for an executive management decision to implement in the Rocky Mountain Region, following completion of the users' test, was lengthened to late June 2001. The time at which operating use of TAAMS in the Rocky Mountain Region may be expected is unclear. *Furthermore, considerable training will be required and is in a planning stage currently, and much documentation of the system has yet to be completed.*

The Special Trustee continues to be concerned about the progress in the BIA Data Cleanup project. Specifically, the project management is not sufficient for reasons mentioned above. *The Special Trustee is also concerned that the contractor is not being provided appropriate direction in the field, and that progress measurement (as mentioned in previous Reports) continues to be insufficient.* A review of the present strategy is needed to allay these concerns.

Accordingly, the Special Trustee tasked his Principal Deputy to chair a working group to validate the existing statement of work, assess the direction of this project, and provide recommendations on future management direction, priorities, scheduling and funding for the project.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 7 – MMS Systems Reengineering

Quarterly Report Number Four (11/00)

Systems Interfaces between the TAAMS, MMS and TFAS systems have now been programmed, and are undergoing iterations of testing to confirm suitable data linkage, replication and processing.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 8 – Records Management

Quarterly Report Number Four (11/00)

A trust records issue will need to be resolved soon. Records relating to IIM beneficiaries are federal property. As previously reported, the Department intends to ensure that such records are stored safely and securely at the OST centralized records centers in Albuquerque. It will also enable OST and BIA to perform their duties relating to the records more efficiently and more effectively from a cost standpoint. Most of the records have been moved to the records centers; there remain, however, three Tribes that have refused to permit such files to be removed to the records center. Previously, we have reported that the Department is attempting to resolve this issue with these Tribes. DOI will continue to try to resolve this issue. If, however, the Department is unsuccessful in achieving a resolution, we will advise the Special Master by January 12, 2001.

Quarterly Report Number Five (2/01)

The Special Trustee and the Deputy Commissioner for Indian Affairs recently sent letters to the Tribal leaders of the Oglala Sioux Tribe, the Standing Rock Sioux Tribe, and the Confederated Tribes of the Umatilla Indian Reservation. These letters again requested that each Tribe approve the transfer of IIM account holder jacket folders, which are federal property, to OST in Albuquerque to ensure their accuracy and for the efficient use and preservation of these trust records. A response from each Tribe has been requested by February 28, 2001. If a satisfactory solution has not been determined shortly thereafter, the Department will notify the Court of this barrier to the Trustee's exercise of proper trust responsibility.

***Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six***

Subproject 9 – Trust Policies and Procedures

Quarterly Report Number Five (2/01)

Two important portions of the proposed trust reform regulations, relating to commercial leasing and trust fund accounts were not included in the final rules published January 22, 2001. The enactment of the Indian Lands Consolidation Act Amendments of 2000 after the close of the comment period, and the public and Tribal comments received during the comment period, resulted in the BIA refraining from finalizing these subparts until more review, revisions and consultations could be conducted. The BIA intends to propose new regulations in these areas. A timeline for this effort is being prepared for the Special Trustee.

The creation of a procedural “handbook” of business rules and practices for the administration of Tribal and of IIM trusts must be taken to its conclusion promptly following the effective date of the above mentioned trust reform regulations. Such guidelines are necessary for the successful coordination between the TAAMS and TFAS systems.

Quarterly Report Number Six (5/01)

The “Interagency Handbook” is in its final stages of completion and is undergoing an approval process. When completed, it will become a memorandum of understanding between BIA and OTFM, clarifying responsibilities of each in the processing of trust transactions. The handbook will incorporate the current Federal regulations pertaining to trust responsibilities and is a vital step in trust reform.

Attachment 1 – Special Trustee Observations
Quarterly Reports to the Court Numbers Three, Four, Five and Six

Court-identified Breach Project 4 – Workforce Planning

Quarterly Report Number Five (2/01)

Milestone dates have slipped, and this project needs greater focus and definition. The Special Trustee has advised appropriate senior management of this concern and corrective action is being taken.

10/19/01 Attachment 2 - Examples of Concerning Aspects of Trust Reform

Probate Backlog

Below is the chart received from BIA Probate Backlog subproject manager for the initial input for the 7th QR. Note the formula in the key where columns 3 minus 4 minus 5 equals 6.

A2. Elimination of Summary Distribution Backlog.

Quarter: Seventh						
	1	2	3	4	5	6
REGION	Original Backlog as of 12/1/99	New Cases this Quarter	Adjusted Backlog	Total Cases Pending before ADM	Total Cases Decided	Current Backlog as of 4/30/01
Great Plains	86					
Midwest	235					
Navajo	2					
Northwest	120					
Pacific	52					
Rocky Mountain	346					
Southern Plains (EO, E)	10					
Southwest	0					
Western	196					
TOTALS	1047					

*The backlog was reduced (negative number) when BIA completed cases prior to the contractor's inventory.

EO = Eastern Oklahoma Region E = Eastern Region

Key to read table across columns: Columns 1 + 2 = 3; Columns 3 - 4 - 5 = 6

During the 7th quarter, BIA submitted a total of ___ cases to the ADMS, ___ of which were referred to ALJs. Of the carry over cases pending in the 6th Quarter, the ADMs decided ___ in the 7th Quarter.

A week later the BIA subproject manager submitted this updated table (shown on the next page) with the performance numbers inserted. Note that the columns have moved. Column 6 is now column 5, column 5 is now column 4, and column 4 is now column 6. Inexplicably the formula in the key remains the same. The numbers no longer support the math.

10/19/01 Attachment 2 - Examples of Concerning Aspects of Trust Reform

A2. Elimination of Summary Distribution Backlog.

Quarter: Seventh				YTD Cumulative		
	1	2	3	4	5	6
REGION	Backlog as of 4/30/01	New Cases in Backlog as of 7/30/01	Adjusted Backlog	Total Cases Decided 7th Qtr	Current Backlog as of 7/30/01	Total Cases Pending before ADM
Great Plains	66	10	76	12	64	18
Midwest	79	-2	77	27	50	17
Navajo	12	-4	8	2	6	0
Northwest	95	-11	84	21	63	9
Pacific	44	14	58	3	55	2
Rocky Mountain	203	-32	171	35	136	41
Southern Plains (EO, E)	3	55	58	3	55	0
Southwest	0	0	0	0	0	0
Western	140	-26	114	28	86	19
TOTALS	642	4	646	131	515	106

*The backlog was reduced (negative number) when BIA completed cases prior to the contractor's inventory.

EO = Eastern Oklahoma Region E = Eastern Region

Key to read table across columns: Columns 1 + 2 = 3; Columns 3 - 4 - 5 = 6

During the 7th quarter, BIA submitted a total of 122 cases to the ADMS, 10 of which were referred to ALJs. Of the carry over cases pending in the 6th Quarter, the ADMs decided 131 in the 7th Quarter.

This discrepancy was not explained. It was discovered by the OST report team, who went to the BIA for an explanation and guidance on how to amend the table. The BIA subproject manager was out of the area on travel and vacation and not available to provide insights into how to handle the charts inconsistencies. The OST report team changed the formula in the key to make the math work, in the absence of the subproject manager's response. Now the report reads that column 3 minus 4 equals 5. Column 6 is not in the equation.

10/19/01 Attachment 2 - Examples of Concerning Aspects of Trust Reform

Probate Backlog Staffing.

Below is an extract from the 7QR, Probate Backlog Subproject, Milestone H2: Complete Staffing Needs Assessment, page 17.

The BIA completed a staffing report tailored to meet needs in each location, factoring in the information involved in death rates based on Booz-Allen & Hamilton Staffing and Workforce Plans Report.

Below is another extract from the 7QR, Workforce Planning, Milestone O: Develop Budget Recommendations, pages 59-60.

Budget and program staff of trust organizations found that the workforce planning tool developed by Booz-Allen & Hamilton (see *Sixth Quarterly Report*, Milestone K), on which they had relied to help develop budget recommendations, proved to be not as useful as expected. Reasons given included the lack of time necessary to learn how to use the tool; lack of confidence in the workload “drivers” that produced the workforce forecasts; fear that an important underlying assumption was erroneous, concerns that current staff were adequate to perform work at hand; disagreement over the trust management business processes that the tool did or did not cover; and cosmetic flaws that made the tool less “user friendly” than expected. As a result, budget and program staff had to rely primarily on traditional workforce forecasting considerations including changes in program policies and priorities, expected technological changes such as that brought about by the introduction of TAAMS, anticipated attrition, and previously relied upon workload “drivers”.

Here are two different subproject managers referring to the same Booz-Allen & Hamilton product, with different opinion of the quality and usefulness of the report.

10/19/01 Attachment 2 - Examples of Concerning Aspects of Trust Reform

BIA Data Cleanup

This is an analysis from two of the BIA regions containing the BIA Data Cleanup information provided in the last three QRs. My staff has performed this analysis for all the regions in the report, but only two are shown here. The original charts (not shown here) were placed in the report in response to my efforts to get BIA to provide performance metrics for BIA Data Cleanup.

These charts represent only the work accomplished by DataCom, the BIA contractor, and show no work performed by BIA staff. Therefore, this information is not comprehensive in scope.

There is no consistency in the information reported within the same region from one quarter to the next quarter. Moreover, there is no consistency between any two regions in the information that is provided in the report. These inconsistencies are inexplicable.

For the 7QR, after weeks of negotiations and rework, the charts have been eliminated. My report team could not reach agreement with BIA on the content and format of the charts.

Region		Progress in	Progress in	Progress in	Apparent	Total Cases reported as of		
		Nov-00	Feb-01	Apr-01	Total Cases	Nov-00	Feb-01	Apr-01
Alaska	Cook Inlet	592		5	472	705	705	472
	Koniag	455	584	314	540	584	584	540
	Chugach	105		129	292	328	328	292
	Ahtna	287	990	172	678	990	990	678
	Aleut			56	264			264
	Bristol Bay			116	4410			4410
	Nome			4	6510			6510
	Fairbanks			8	8818			8818
	Southeast			0	1152			1152
	Bethel			10	12208			12208

Region		Progress in	Progress in	Progress in	Apparent	Total Cases reported as of		
		Nov-00	Feb-01	Apr-01	Total Cases	Nov-00	Feb-01	Apr-01
Rocky Mountain	Multi ID (IRMS)	1961	2022	2215	4543	3502	4396	4543
	Multi ID (LRIS)	99%		2296	2296	?	?	2296
	Lease Owner Inquiry (Ft Peck)	717	845	848	848	845	845	848
	Fee Owner ID Task (Cases)	723		723	723	723	723	723
	Title Tract Match Task (Cases)	477		477	477	477	477	477
	IIM Match Task (Cases)	298	660	710	789	789	789	789
	(TIME) Project (Pages)	8763			?	?	?	?
	Metes and Bounds Task	All		1216	1216	?	?	1216
	Lease Owner Inquiry (Crow & Blackfeet)			709	709			709
	Change in Land Status		162	508	567		567	567

TAAMS.

Alaska Region has been reported as one of the regions where TAAMS title is the system of record. But the data belies this report. In fact, as of the end of the 7QR reporting period, only 478 of the over 18,000 tracts have been certified in TAAMS. At the current rate of completion, it will take years to bring the Alaska Region into an operational state with TAAMS title. The information reported by the subproject manager, while factually correct, is not a comprehensive statement of the capability.

In the current HLIP, TAAMS has 24 milestones, of which 19 are completed, one is an ongoing milestone, and four are “to be determined” status. If one were to use the record of published milestone completions, then TAAMS would be almost completed. This stretches credibility. Obviously additional milestone and project planning is required.

Workforce Planning.

Below is an extract from the Quarterly Report Number Six (5/01), page 59.

K. Forecast Future: Examine Organizational Objectives and Identify Workforce Competencies Needed to Achieve Them. *This milestone due 4/30/01 was met.* A survey, conducted by contractor Booz, Allen and Hamilton, Inc., identified BIA, OST and BLM positions with trust management responsibilities. The survey went on to characterize the role(s) that identified positions and occupational groupings played in carrying out trust management business processes.

Below is an extract from the 7QR, page 59.

O. Develop Budget Recommendations to Reflect Efficiencies or Further Requirements Identified Through Business Process Re-engineering and Needed Improvements Based on Other Trust-Related Activities. *This milestone, due July 1, 2001, was not met.*

Budget and program staff of trust organizations found that the workforce planning tool developed by Booz-Allen & Hamilton (see *Sixth Quarterly Report*, Milestone K), on which they had relied to help develop budget recommendations, proved to be not as useful as expected.

I applaud the subproject manager for the 7QR report, but this identifies the problem with certifying the information in the report. Any certificate by the Workforce Planning manager for the 6QR has been voided by the 7QR.

However, this belies an even larger issue of a systemic nature that appears in many places in the HLIP and Quarterly Report. Many milestones do not have objectively defined completion criteria, which clearly and unequivocally define the end state which must exist for that milestone to be completed.

Special Trustee Observations

The execution of the High Level Implementation Plan came to a critical point this spring and summer when certain subprojects reached a stage where their successful completion appeared to be at great risk.

The Special Trustee was also concerned, as indicated in previous quarterly reports, about the reliability of information provided for certain of the subprojects. Most serious issues dwell primarily in BIA data cleanup, probate, TAAMS (including TAAMS training), appraisals, and workforce planning. The recent Court Monitor's reports reinforce the Secretary's and the Special Trustee's concern on the direction, progress, and monitoring requirements for certain subprojects.

The Secretary, the Special Trustee, and the Assistant Secretary - Indian Affairs, are moving to strengthen the overall leadership and project management of the trust reform effort.

In July 2001, the Special Trustee undertook a number of steps to instill stronger management within the HLIP subprojects and to assess the overall progress of the trust reform subproject activities. In addition, the Secretary issued an Order on July 10, 2001, that provides the Special Trustee with additional authority to assure that trust improvements are put in place and that the execution of the Secretary's trust responsibility is effectively carried out with accountability.

Specifically, the Special Trustee is organizing greater managerial support, oversight and direction, where necessary, for the HLIP projects, especially the critical TAAMS and BIA data cleanup efforts. Towards this end, the Special Trustee elevated a key executive from the Office of Trust Funds Management, Donna Erwin, to fill a new position as Executive Director for Trust Systems and Projects, reporting directly to the Special Trustee. This move will strengthen project support as well as project direction, where needed, for the HLIP subprojects.

The Special Trustee also has engaged Electronic Data Systems Corporation (EDS) to provide an independent analysis of the TAAMS project and the associated BIA data cleanup effort. By late September, EDS is planning to provide a preliminary assessment to the Special Trustee to be followed by a preliminary report and recommendations by October 31, 2001. The EDS evaluation will assist the Special Trustee to determine the redirection necessary for these projects with respect to such matters as project management, software development, schedules, resources, functionality, contractors, system deployment, implementation, training, and documentation to ensure their success.

An additional assignment to EDS includes a comprehensive assessment of the progress, project co-ordination, and direction for all of the High Level Implementation Plan's subprojects as well as the suitability of the Plan itself. This effort responds to the desire of the Secretary to "take stock" of the status of the reform effort for her benefit, as well as for the benefit of the Assistant Secretary - Indian Affairs and the Special Trustee. A final report from EDS is expected by mid-December, 2001, with updates to the Special Trustee provided in the interim. This report also will include the final analysis on TAAMS and BIA data cleanup.

The Special Trustee is not satisfied with the completeness or the quality of the information provided in this quarterly report. As our investigations are carried further and we receive the analyses from EDS of all subprojects, we will implement changes in this report designed to improve the format, completeness, and content of future quarterly report.



SURNAME PROCEDURES

Purpose

The surnaming procedure established by the Executive Secretariat is one of "due process" which ensures that each affected Assistant Secretary and Bureau is provided an opportunity to participate in actions directly or indirectly affecting his or her office. This approach encourages the development of policies in an open climate and resolves conflicts.

The due process approach eliminates exclusionary decisionmaking and provides the Secretary with various points of view. Top officials and management staffs remain aware of important actions and decisions. The surnaming process ensures that all written materials signed by the Secretary reflect a Department speaking with one policy voice.

Definition: Surnaming is a procedure which indicates concurrence with the content of a written document. Editorial comments or personal preferences should be kept to a minimum.

Bureau Surnaming

The Action Office prepares a response and routes it through the Bureau Director and the Assistant Secretary for approval. All officials should proof the document for content, format and grammar. It is suggested that the Action Office prepare the response in draft for Bureau Surnaming. Once a document has cleared the Bureau, it is put in final form.

Departmental Surnaming

After the final response for signature by the Secretary has been cleared by the appropriate Assistant Secretary, it is returned to the Action Office. The Action Office is responsible for obtaining Departmental Surnames.

All materials to be signed by the Secretary should be cleared simultaneously. Follow the procedures listed below:

- Action Office should make copies of the approved response and the incoming document and place them in the special green and white Secretarial Surname folder.
- Secretarial Surname folders should be handcarried to the surname principals.
- Surname principals are given 48 hours to concur or non-concur with specific changes.

- If a surname principal refuses to clear, he or she must submit dissenting views in writing to the head of the Action office or Bureau stating the reason(s) for non-concurrence.
- The Action Office should contact the appropriate Senior Review Officer in ES when unable to free surname documents from a particular Departmental office. The Senior Review Officer will then call the problem office.

Verbal Surnames

A document should not be "precleared" by the originating office. A verbal clearance during preparation of the document/letter is not considered concurrence of the final package.

Outside Departments or Agencies: If coordination or clearance with other Agencies or Departments is required, the Action Office should notify ES.



United States Department of the Interior

OFFICE OF THE SOLICITOR
Washington, D.C. 20240

IN REPLY REFER TO:

SEP 21 2001

Memorandum

To: HLIP/Breach Subproject Managers **READ AND RESPOND**

Through: Assistant Secretary - Policy, Management and Budget *PKS*
Acting Assistant Secretary - Land and Minerals Management *PKS*
Assistant Secretary - Indian Affairs *PKS*
Special Trustee for American Indians *PKS*

From: Solicitor *WOM*

Subject: 7th Quarterly Report

On December 21, 1999, the Court in *Cobell v. Norton* ordered the Department of the Interior to submit quarterly reports on the status and progress of its effort to implement the High Level Implementation Plan as well as its efforts to remedy the breaches found by the Court. In accordance with the schedule established by the Court, Interior's 7th Quarterly Report was due on September 4, 2001.

The Department of Justice requires certification of the reports prior to filing them with the Court. This requirement is found in the Federal Rules of Civil Procedure for the United States District Courts. The rule requires every attorney who presents a document to a federal district court to certify that the document is accurate "to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances." The rule applies not only to the 7th Quarterly Report, but to all future quarterly reports as well.

Prior to the filing deadline for the 7th Quarterly Report, the Office of the Solicitor worked through the Office of Special Trustee for American Indians in seeking a statement from each Subproject Manager certifying that manager's portion of the Quarterly Report. Not all managers provided statements prior to the filing deadline, thus necessitating the need for the extension of time. Consequently, on August 31, 2001, the Department of Justice, on behalf of the Department of the Interior, filed a motion with the Court seeking an extension of time to file the 7th Quarterly Report. Interior asked the Court for an extension of 30 days, to and including October 3, 2001, for the filing of the 7th Quarterly Report. We have coordinated with the Department of Justice regarding the filing of the quarterly reports and refinement of the statement, attached.

Accordingly, each Subproject Manager must select one of the following three options as they relate to your portion of the 7th Quarterly Report:

1. If you cannot sign the attached statement as it relates to your portion of the 7th Quarterly Report, modify your portion of the report until you are comfortable signing the attached statement and return (a) the modified portion of the report, (b) the signed statement, and (c) a detailed written explanation of the modifications;

- OR -

2. If, after considering option 1, you cannot sign the attached statement, return a detailed written explanation as to why you cannot sign the statement.

- OR -

3. Sign and return the attached statement (even if you previously signed the certification transmitted to you by Jim Douglas by memorandum dated August 29, 2001);

Please select your preferred option and return the appropriate documents to the Office of the Solicitor no later than 5:00 p.m., EDT, Wednesday, September 26, 2001. Thank you.

Attachment

Memorandum

To: OST Administrative Record
MS 5141, MIB
Facsimile 202-208-7545

From: _____, Subproject Manager
HLIP/Breach Project - _____

Subject: Certification Regarding Status of Project Reported in Seventh Quarterly Report
Cobell v. Norton, Civil Action No. 96-1285

I am the Subproject Manager of the above referenced project. I have asked those persons who provided information to me for compilation in this Report whether they believe the information they submitted to me is accurate. Based upon the reasonable assurances I received in response to this inquiry, and to the best of my knowledge, information, and belief, this Report reasonably represents the current status of the tasks for which I am responsible.

(Signature)

_____, Subproject Manager
HLIP/Breach Project - _____

Date:[month] __, 2001



United States Department of the Interior
 OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS
 Washington, D.C. 20240

September 27, 2001

Memorandum

To: Solicitor

From: Thomas Thompson, Subproject Manager—Information Collection
 Douglas Lords, Subproject Manager—OST Data Cleanup
 Kenneth Moyers, Subproject Manager—Internal Controls
 Richard Fitzgerald, Subproject Manager—Training

Subject: 7th Quarter Report

Thomas Thompson
Douglas A. Lords
Kenneth M. Moyers
Richard V. Fitzgerald

In your memorandum of September 20, 2001, subject as above, you ordered HLIP/Breach Subproject Managers to "READ AND RESPOND", seeking certification of tasks regarding the status of the respective Subprojects reported in the 7th Quarterly Report. Three options for response are presented.

In a spirit of cooperation, but given the limited options presented, we respectfully select Option 2. A number of shared reasons for our declination follow.

- In your memorandum you have not provided explanation or justification why Subproject Managers must "certify". As we read the memorandum, the requirement to certify under the Federal Rules of Civil Procedure rests with officers of the Court, not Subproject Managers.
- In our considerable, but hard-earned experience with the *Cobell* litigation and trust reform, nothing is as simple as it seems, or sounds. Given the on-going controversies surrounding quarterly reporting and the Department's efforts at trust reform, we expect each and every statement, however innocuous, presented by the Department to the Court to be challenged at some point by either the Plaintiffs, the Special Master, the Court Monitor, and/or the Judge. There are no "facts", or "reasonable representations" today that cannot be challenged. In fact, any statements about the 7th Quarter Report, given the controversy to date, probably will be challenged. We have no assurance that your suggested language affords any protection to us in this litigation.
- The Motion filed by the Department of Justice on Interior's behalf seeking a delay in filing the 7th Quarter Report stated that the reason for the delay in filing was to afford time needed to allow for the concerns that the Special Trustee expressed generally "...to be detailed and fully resolved before the Seventh Quarter Report is filed in final form..." As we read the Motion it was not, as your memorandum suggests, the absence of certifications from all Subproject Managers that occasioned the delay. In other words, receipt of the requested certifications would not appear to resolve the reasons given for the delay and the actions promised to the Court.
- Ethically, we are well aware of the Solicitor's role as the attorney and counselor to the Secretary. You and the Department of Justice represent Interior's interests. While not government attorneys, we must assume that each of us have some exposure to the possible legal consequences of the terms "verify" and "certify" in the *Cobell* litigation context. We simply are unwilling, given the litigation to date, to assume the attorney's responsibilities and stand "in front" of them in the eyes of the Court. Personal counsel does not represent most of

EXHIBIT 5

TO THE NOTICE OF FILING OF INTERIOR'S
 SEVENTH QUARTERLY REPORT AND
 RELATED PAPERS

us; given the numerous personal attacks upon careerists in this litigation, we feel considerably exposed. Your order to certify does not add to our sense of ease.

- Moreover, at its base your request appears to be a simple repeat of the earlier "opportunity" to certify presented to Subproject Managers in late August, but possibly more intimidating. We chose then not to avail ourselves of that "opportunity".
- The Court Monitor has issued three reports highly critical of the Department's execution and reporting on trust reform, and, in the last of these reports, the Court Monitor pointed out obvious discrepancies and ridiculed a Subproject Manager for certifying a Subproject's status. Until the Department defines and establishes appropriate and defensible reporting standards in conjunction with the requiring a full assessment of the HLIP and Subprojects by Electronic Data Systems, Incorporated (EDS) review, we feel it would be imprudent to comply with your request to "certify".
- Further, we cannot reconcile your order with the statement of the Special Trustee in the 7th Quarter Report that he is not satisfied with the completeness or the quality of the information provided in that Report. In response the Special Trustee was required to provide specific examples to the Secretary explaining some of his concerns with reporting in that Report. To our knowledge, the only response has been this request for certifications. Without an understanding of the Department's plans to improve reporting, our certifying the 7th Quarter Report would border on the foolhardy.
- In a more cynical view, a requirement for certification either 1) questions our integrity as public servants and Department of the Interior employees or, 2) merely provides cover for attorneys and higher-level management in the case of future criticism. If any Subproject Manager has knowingly misreported, there are longstanding laws, procedures, and personnel regulations to resolve these instances administratively, rather than attempting to place this before the Federal Court.
- No less than Secretary Norton herself is prudently requiring a full assessment of the HLIP and Subprojects by EDS, and posing questions about the direction of HLIP effort and execution and reporting thereon.
- In terms of process, would it not be prudent for respective Subproject Manager to require cascading or supporting "certifications" from parties involved in preparation of the 7th Quarter Report? If not, why not? It is conceivable that such further certifications would reach down into field operational levels and also into the Secretary's Immediate Office.
- Lastly, in a meeting with Department of Justice attorneys on Tuesday it was stated to some of us that they represent the government and have no responsibility for individuals. There would appear to be a conflict since these lawyers are the ones who are required to assure the Court that it is not being led astray.

In summary, Subproject Managers heretofore have not been asked to certify. The standard Departmental clearance process of our "sumaming" our product has sufficed in the past, and should now. We have and are prepared to follow the normal process of formally "surnaming" our respective products in the 7th Quarter Report, thus allowing for a Court or Departmental official to certify the Report.

Please advise.

Memorandum

To: OST Administrative Record
MS 5141, MIB
Facsimile 202-208-7545

From: Carolyn Cohen, Subproject Manager
HLIP/Breach Project - #4 Workforce Planning

Subject: Certification Regarding Status of Project Reported in Seventh Quarterly Report
Cobell v. Norton, Civil Action No. 96-1285

I am the Subproject Manager of the above referenced project. I have asked those persons who provided information to me for compilation in this Report whether they believe the information they submitted to me is accurate. Based upon the reasonable assurances I received in response to this inquiry, and to the best of my knowledge, information, and belief, this Report reasonably represents the current status of the tasks for which I am responsible, *as indicated below.*

Revised portion of report for Milestone 'D' is attached.

Carolyn Cohen

(Signature)

Carolyn Cohen, Subproject Manager
HLIP/Breach Project - #4 Workforce Planning

Date: [month] 9, 2001

EXHIBIT 6

TO THE NOTICE OF FILING OF INTERIOR'S
SEVENTH QUARTERLY REPORT AND
RELATED PAPERS

O. Develop Budget Recommendations to Reflect Efficiencies or Further Requirements Identified Through Business Process Re-engineering and Needed Improvements Based on Other Trust-Related Activities. This milestone, due July 1, 2001, was not met, as specifically envisioned in this milestone description.

While trust organizations developed and submitted their FY 2003 budget requests based on available planning data, budget and program staff found that the workforce planning tool developed by Booz, Allen and Hamilton (see Sixth Quarterly Report, Milestone K), to help develop budget recommendations, proved not to be as useful as expected. Reasons given included the lack of time necessary to learn how to use the tool; lack of confidence in the workload "Drivers" that produced the workforce forecasts; fear that an important underlying assumption was erroneous, namely that current staff were adequate to perform work at hand; concern about the coverage of the trust management business processes in the tool; and cosmetic flaws that made the tool less "user friendly." As a result, budget and program staff relied primarily on traditional workforce forecasting considerations including changes in program policies and priorities. However, business process re-engineering and needed improvements based on other trust-related activities could not be fully accomplished due to incompleteness of related trust management projects.

The Booz, Allen and Hamilton report included a number of conclusions and recommendations bearing on workforce planning in trust activities. These are far-reaching and suggest that a number of initiatives will be needed over the next two years to ensure adequate planning for human resources. A series of meetings have been held with Booz, Allen and Hamilton to specifically evaluate the tool. Alternatives are being considered as to how to modify or enhance the tool to make it more useful. These include further orientation and training on how to use the tool, further development of workload data and measures, and an improved definition of trust management business processes.



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program
P.O. Box 25165
Denver, Colorado 80225-0165

IN REPLY REFER TO:

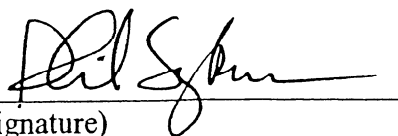
Certification Memorandum

To: OST Administrative Record
MS 5141, MIB
Facsimile 202-208-7545

From: Phil Sykora, Subproject Manager
HLIP/Breach Project - MMS System Reengineering

Subject: Certification Regarding Status of Project Reported in Seventh Quarterly Report
Cobell v. Norton, Civil Action No. 96-1285

I am the Subproject Manager of the above referenced project. I have asked those persons who provided information to me for compilation in this Report whether the information is believed to be factual and relevant. Based upon the reasonable assurances I received in response to this inquiry, and to the best of my knowledge, information, and belief, this Report reasonably represents the status of the tasks for which I am responsible as of the end of the reporting period, July 31, 2001.



(Signature)

Phil Sykora, Subproject Manager
HLIP/Breach Project - MMS System Reengineering

September 26, 2001

Certification Memorandum

To: OST Administrative Record
MS 5141, MIB
Facsimile 202-208-7545

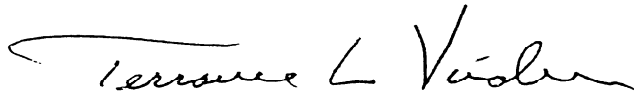
From: Terrance L. Virden, Subproject Manager
HLIP/Breach Project - BIA Data Cleanup

Subject: Statement Regarding Status of Project Reported in Seventh Quarterly Report
Cobell v. Norton, Civil Action No. 96-1285

I am the Subproject Manager of the above referenced project.

I have attached a narrative to be added to the "Data Cleanup Overview By Region" section that clarifies a statement that was criticized by the Court Monitor in the final draft. Although the statement that he highlighted was not provided by me originally, I feel it is necessary to replace it with the attached text. I want to make it clear that we are not withholding information from the court. I have also added several other changes that will clarify information that I have provided.

I have asked those persons who provided information to me for compilation in this Report whether the information is believed to be factual and relevant. Based upon the reasonable assurances I received in response to this inquiry, and to the best of my knowledge, information, and belief, this Report reasonably represents the current status of the tasks for which I am responsible.



Terrance L. Virden, Subproject Manager
HLIP/Breach Project - BIA Data Cleanup

Date: September 26, 2001

G. Perform Pre-Deployment Data Cleanup

Change the first sentence in the first paragraph in this section to read: "The contractor continued pre-deployment data cleanup at eight regional offices and eight agencies."

Remove statement after "Data Cleanup Overview By Region" insert the following narrative:

Data Cleanup Overview By Region - The BIA has been asked to assess and report on the status of data cleanup work accomplished by BIA staff. A regional data call has been initiated and results will be reported in the next quarterly report. Based on preliminary feedback, however, this will not be a significant percentage of the total. The Regional status reports below indicate contractor status followed by an overview of BIA staff work. The BIA sub-project manager will submit a white paper on the efficiency of collecting information that falls in to the category of *data cleanup that is conducted as part of regular job duties* to the Special Trustee during the next quarter.

Add to existing text by Region:

Rocky Mountain Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties. Some offices have routinely performed data integrity projects as part of normal operations. Many started before the current trust reform effort.

Navajo Region: BIA staff (2 people) cleanup is conducted in the performance of regular work. No staff work project cleanup.

Pacific Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties.

S. Plains Region: Staff has performed cleanup projects by using overtime. DataCom has not been able to keep steady management which has necessitated this.

Midwest Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties.

Alaska Region: Change Agencies to read "Agencies/Field Offices". Then add: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties.

Great Plains Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties.

E. Oklahoma Region: Region is requesting certified titles governing allottee's land

holdings from the counties and, once received, entering it into TAAMS. The Act of August 4, 1947, mandates the State (county courthouses) as official office of record for Indian land titles for the 5 Civilized Tribes and hence, there was little data to convert from existing BIA systems. 1-5 staff periodically work on data entry to allow distribution for oil & gas.

Southwest Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties. The Region did have some project work performed by staff in the past.

Western Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties.

Northwest Region: One staff person is dedicated to assisting DataCom with various reports and backlog entry. Another staff works part time on cleanup. Other than these two, cleanup is done along with regular duties.

Eastern Region: The Region has no staff that are dedicated to data cleanup. Data cleanup is conducted routinely in the performance of BIA staff regular work duties.

J. Post Deployment Data Cleanup and Management:

At the end of the second paragraph (page 15) add: The Team has identified some inconsistencies in the reports that need to be corrected to portray an accurate assessment of converted data.

K. BIA Data Management

Add after statement: See Section G. for discussion on this subject.

2. BIA DATA CLEANUP AND MANAGEMENT

I. Statement of Problem:

The BIA is implementing TAAMS throughout all regions, agencies and participating Tribal offices. The data found in the legacy systems vary considerably in terms of quality, completeness and timeliness. Some agencies and offices use the current systems regularly, others use them rarely, and still others redefined the legacy systems to fit their own needs.

The scope of the BIA data cleanup effort is extensive. At present, the BIA is managing an estimated 170,000 tracts of land encompassing 56 million acres, 350,000 Indian owners, 2 million owner interests and 100,000 active leases.

Some historical records date back to the original allotment period in the 1880s.

II. Summary of Milestones Due This Quarter:

The only remaining milestones for the BIA Data Cleanup and Management subproject are those considered "ongoing".

III. Summary of Ongoing Activities:

E. Develop Data Cleanup Strategy, Policies and Procedures

The BIA has completed its review of the August 1999 data cleanup strategy, and evaluation of the general data cleanup strategy. The Systems Manager, Office of Trust Responsibilities (BIA-OTR), performed this task. A revised data cleanup strategy was developed from these reviews and evaluations, and was presented at the TAAMS Regional Office Coordinators meeting in July 2001. The strategy outlined the pre-deployment and post-deployment data cleanup activities for both Title and Realty functions. Working from the general data cleanup strategy, the Data Cleanup Team will develop site-specific data cleanup plans for each Region. The revised strategy will be presented to the Special Trustee in the upcoming quarter for his review and concurrence.

To date, the Systems Manager has met with Southern Plains and Eastern Oklahoma regional personnel and presented the data cleanup strategy, from which the Regional Data Cleanup teams will develop a detailed data cleanup plan. Data cleanup priorities also will be identified.

The Data Cleanup work group assigned to review the Data Cleanup project and efforts, under the responsibility of the Principal Deputy Special Trustee (6th Quarterly Report), did not meet during the reporting period. Rather, the Special Trustee contracted with EDS, a national, systems and project management consulting firm, and established the position of Executive Director for Trust Systems and Projects. The Special Trustee reassigned responsibility for review of BIA Data Cleanup subproject to these parties.

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F. Training on Data Cleanup and Data Quality Policies and Procedures

Training will continue at each site for new DataCom personnel until the data cleanup project is completed. As new data cleanup activities are reported, DataCom personnel (old and new) will require training in researching and entering information into TAAMS or the legacy systems.

The following is information regarding Data Cleanup related training that occurred at the regional Land Title Records Offices (LTROs) during the months of May, June and July 2001. Internal training refers to training provided by DataCom employees. External training refers to training provided by BIA.

Region	Type of Training	# of Employees Receiving Training	Internal Training	External Training	Duration
Alaska	TAAMS Encoding	4	X		2 Days
Eastern	Document Acquisition Training	2	X		Ongoing
Great Plains	Lease Processing	18		X	6 Hours
	ROW Training	13		X	8 Hours
	Correction Deeds	2		X	12 Hours
Northwest	Title Defects	1		X	3 Hours
	Research and Encoding Procedures	11	X		2 Days
	Review Training	1	X		2 Days
	Case Completion Process	3	X		1 Day
(Regional Office)	Encoding Training	2	X		2 Days
	Doc Type and Mod Combo Task	3	X		3 Days
	Land Description	2	X		1 Day
(Flathead Office)	LRIS Encoding Training	2	X		2 Days
	Doc Type and Mod Combo Task	2	X		2 Days
Pacific	Document Processing	4	X		3 Days
	LRIS Tract Encoding	4		X	4 Hours
Rocky Mountain	LRIS Encoding	2	X		1 Week/ Ongoing
Southern Plains	LRIS Encoding	14	X		Ongoing
	TAAMS Encoding	14	X		Ongoing
	MOID	1	X		1 Week
	TAAMS Overview	1	X		1 Week
	Probate Estate Training	14		X	3 Days
	TAAMS Terminology	14		X	30 Minutes
Southwest	LRIS Encoding	4	X		2 Weeks
TIME	Assessment Process Training	1	X		1 Week

G. Perform Pre-Deployment Data Cleanup

Pre-deployment data cleanup continued at six regional offices and eight agencies. Data cleanup personnel totaled 148 as of June 17, 2001. Data cleanup efforts continue to correspond with the TAAMS deployment schedules for Group A, the Rocky Mountain, Southern Plains, Alaska and Eastern Oklahoma Regions. A description of the various pre-deployment and post-deployment data cleanup efforts can be found in Appendix A. Data cleanup continues to focus on eliminating data anomalies that impact data migration activities.

Data Cleanup Overview By Region - The exact status of the BIA Data Cleanup and Management, including work performed by BIA personnel, will be in the next quarterly report.

Rocky Mountain Region Cleanup Status - Data cleanup was performed for the following tasks: IIM ID Match, Title/Realty Tract Match, and Change in Land Status. The Change in Land Status task was redefined as an ongoing task as data cleanup continues for incoming cases at the Fort Peck Agency.

Alaska Region Cleanup Status - Juneau personnel continued their data cleanup focus on regions within the jurisdiction of the Anchorage, Nome, Fairbanks, Southeast and Bethel Agencies.

Great Plains/Midwest Regions Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID (Great Plains) Backlog (Document Processing), Current Global ID requests from Agencies, Current Doc Type and Combo, and Godzilla.

Southwest/Western/Navajo Regions Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID (Southwest), Multiple Owner ID (Navajo/Western), BIA Assigned Administrative Probate Modifications, Non-Enrolled ID Number (Eastern Navajo), Non-Enrolled ID Number (Western), Encoding Encumbrances and Encoding Supplemental Patents. Data cleanup personnel continued to draft modifications for the Non-Enrolled ID Number Administrative Probate Modification and Multiple Owner ID Administrative Probate Modification subtasks.

Northwest Region Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID (Northwest), Multiple Owner ID (Colville), Non-Enrolled ID Number (Northwest), and Non-Enrolled ID Number (Flathead).

Pacific Region Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID and Non-Enrolled ID Number.

Southern Plains Region Cleanup Status - Data cleanup was performed for the following tasks: Multiple Owner ID, Phase III Agency Leases vs. Lease Distribution Records, and Probate ID Verification. The Phase I Agency Lease Tracts vs. Land Records Information System (LRIS) Tracts was completed on April 6, 2001. This completion date was confirmed in this period by information from other agencies.

Eastern Region - Data cleanup was performed on the Document Acquisition tasks: Data cleanup personnel at the Cherokee Agency have acquired and prepared 43,035 Land Title and Records documents for BIA certification and shipment to the Southern Plains Regional Office to date. The Microfiche Inventory task was postponed in April pending the relocation of the Eastern Regional Office from Arlington, Virginia, to Nashville, Tennessee. Currently, there is no data cleanup personnel deployed to the new Eastern Regional Office.

H. Monitor Data Integrity for Each BIA Office

DataCom is conducting the TAAMS Information Evaluation Migration (TIME) project. The TIME tasks for this reporting period included: the Southern Plains Tract 100 Assessment (Current and History), which was completed on June 15, 2001. Fifty-three documents from the Colville Tribe are included in the Northwest Region Tract 100 sample. BIA will provide further assistance to obtain these 53 documents. The results of the analysis will provide the BIA a better approach to the data cleanup and conversion challenges anticipated in the deployment of TAAMS.

The TAAMS Project Management Team met with the data cleanup contractor in July 2001 to start a preliminary evaluation of the TIME project to assess converted data in TAAMS. The focus of the TIME project has been to assess and compare the data in the physical documents with the data entered into LRIS and converted into TAAMS.

I. TAAMS Post-Deployment Cleanup

Post-deployment data cleanup is occurring in the Rocky Mountain and Southern Plains Regions for Land Title and Records Offices. These are the only two regions in Group A where Title data were converted from the legacy system (LRIS) into TAAMS.

Post-deployment data cleanup activities are developed from the final data conversion run, which identifies fatal and non-fatal errors along with the count of errors. Post-deployment data cleanup is focused on correcting fatal errors only. Fatal errors prevent a record from being loaded because a required field is missing or invalid dependent records are not found or an entire record or document is missing. The Realty to Title tract match has been identified to be a fatal error. A program is currently being developed to start reporting on the Realty to Title tract match for all Regional Offices as part of the pre-data conversion data cleanup.

J. Post-Deployment Data Cleanup Auditing

Post-deployment data cleanup auditing is currently the responsibility of Rocky Mountain and Southern Plains Regions where TAAMS Title data were converted from the legacy system. Auditing is performed by comparing data from hard-copy documents against what is displayed on the screens or against hard-copy reports generated from TAAMS.

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The TAAMS Project Management Team is currently evaluating the TIME project to assist in post-data auditing. The TIME project will record and report on the number of tracts, documents, and owners scanned. Comparisons can then be made from these reports between TAAMS and the legacy reports.

The scope of the project and activities will be evaluated at an upcoming meeting with DataCom, the Data Cleanup Team, and the Data Conversion Team scheduled for late August 2001.

K. BIA Data Management

Data Management is an ongoing task that is required to be performed by each office.

IV. Corrections/Changes to the HLIP or Previous Quarterly Reports:

The BIA has separated responsibility for the Data Cleanup subproject from the TAAMS subproject, and designated Mr. Terry Virden, Director, BIA-OTR, as the Project Manager for the Data Cleanup project. Mr. Virden will work closely with the BIA-OTR Systems Manager, who will assume the day-to-day operations of data cleanup and monitoring of DataCom, the data cleanup contractor.

The Regional Data Cleanup Team list has been updated. Roles and responsibilities have also been identified for each Team member. Reporting on the monthly status of data cleanup activities will be tracked through the monthly status reports provided by DataCom, the BIA data cleanup contractor, and the Regional Data Administrators. The Regional Data Administrators will report on the assignment and activities being completed by BIA personnel. DataCom will also provide bi-weekly reports to the Regional Agency Data Administrators.

V. Milestone Chart for BIA Data Cleanup and Management:

The milestone chart for BIA Data Cleanup and Management is on the next page.

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**V. Milestone Chart for BIA Data Cleanup and Management:
Subproject Manager: Terry Virden, BIA-OTR**

Milestone Title	HLIP 2 Date	Revised Date*	Status
<i>Milestones due or changed this report cycle (05/01/01 - 07/31/01) are shaded.</i>			
A. Assign BIA Data Administrator and Data Administration Team	08/31/98		Completed
B. Identify Data Elements, Standards, and Metrics & Ownership Issues	03/26/99		Completed
C. Perform Data Quality Analysis	12/31/98		Completed
D. Procure Data Cleanup Contractor Assistance	03/01/99		Completed
E. Develop Data Cleanup Strategy, Policies and Procedures	08/31/99		Completed
F. Train on Data Cleanup and Data Quality Policies and Procedures	Ongoing		Ongoing
G. Perform Pre-Deployment Data Cleanup in Current Systems	06/30/00		Initiated
H. Monitor Data Integrity for Each BIA Office	Ongoing		Ongoing
I. TAAMS Post-Deployment Cleanup (1)	12/31/03		Ongoing
J. Post Data Cleanup Auditing	Ongoing		Ongoing
K. BIA Data Management	Ongoing		Ongoing

*Revised Date column shows any extension from the original milestone due date. The parenthetical number is the Quarterly Report in which the change was explained

(1) After deployment of TAAMS, additional cleanup activities will be required. Subject to data integrity goals, Data Cleanup activities that can be performed more effectively in the new environments will be accomplished in this phase. For example, data for new fields that were not collected in the legacy systems will be added to the new TAAMS data files.

Memorandum

To: OST Administrative Record
MS 5141, MIB
Facsimile 202-208-7545

From: Kathleen R. Supernaw, Subproject Manager
HLIP Project - Probate Implementation Project

Subject: Statement Regarding Status of Project Reported in Seventh Quarterly Report
Cobell v. Norton, civil Action No. 96-1285

I am the Subproject Manager of the above referenced project. I have asked those persons who provided information to me for compilation in this report whether they believe the information they submitted to me is accurate. Based upon the reasonable assurance I received in responses to this inquiry, and to the best of my knowledge, information, and belief, this Report after the modification below, reasonably represents the current status of the tasks for which I am responsible.

On page 18, II, I, Hire BIA Probate Staff and Establish BIA Professional Corps, 1st line, change the word "on" to "by."

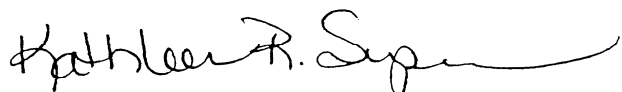
By way of explanation of the Special Trustee's comments about the integrity of the report of the probate subproject, I have attached a chart for summary distribution activities based on the same format that was used in the Sixth Quarter. The report submitted for the Seventh Quarter attempted to more accurately report the seventh quarter's activities rather than just cumulative activities and also removed the pending cases before the ADMs from the reduction of backlog statistics.

The second reason the Special Trustee questioned the probate subproject's report was based on a comparison of workforce planning milestones of the probate subproject and Workforce Planning Breach Project. This difference can simply be explained by noting that the Workforce Planning report encompassed several thousand Departmental staff in comparison to a limited number of federally-employed probate staffing. Due to the extensive involvement by the probate subproject with the Contractor, the drivers were defined at the outset of the survey as death rates. Moreover, the probate project staff person was able to use the tool and drivers to complete the probate subproject's milestone in an accurately and timely manner.

Lastly, I am unable to verify the accuracy of the data provided by the Office of Hearings and Appeals.

Dated:

9/26/01



Kathleen R. Supernaw, Subproject Manager
HLIP Project - Probate Implementation Project

Quarter: Seventh				YTD Cumulative		
	1	2	3	4	5	6
REGION	Original Backlog as of 12/1/99	Change* in Backlog as of 7/31/01	Adjusted Backlog as of 7/31/01	Total Cases Pending before ADM	Total Cases Decided	Current Backlog as of 7/31/01
Great Plains	86	72	158	24	88	46
Midwest	235	67	302	36	233	33
Navajo	2	17	19	0	13	6
Northwest	120	5	125	33	38	54
Pacific	52	9	61	5	3	53
Rocky Mountain	346	-50	296	83	118	95
Southern Plains (EO, E)	10	59	69	2	12	355
Southwest	0	1	1	0	1	0
Western	196	11	207	54	86	67
TOTALS	1047	191	1238	131	461	409

*The backlog was reduced (negative number) when BIA completed cases prior to the contractor's inventory.

EO = Eastern Oklahoma Region E = Eastern Region

Key to read table across columns: Columns 1 + 2 = 3; Columns 3 + 4 + 5 = 6

During the 7th quarter, BIA submitted a total of 122 cases to the ADMS, 10 of which were referred to ALJs. Of the carry over cases pending in the 6th Quarter, the ADMs decided 131 in the 7th Quarter.

Memorandum

To: Solicitor

From: Gabriel Sneezy, Appraisal Sub-Project Manager

Subject: 7th Quarterly Report Certification

I will not be signing or submitting the certification requested by your office. The information submitted to the Office of the Special Trustee for the 7th Quarterly Report does not include or reflect my professional opinion regarding milestone (K) of the High Level Implementation Plan. A meeting was held by senior management, while I was on travel status, and a decision made without my input. I was not consulted for my comments prior to the decision made by senior management to not realign the appraisal line authority to Central Office.

In the 6th Quarterly Report, the BIA had outlined a plan to realign the appraisal program. I was in the process of working on the realignment plan as indicated in the 6th Quarterly Report, when I was informed by senior management to cease work in regard to this milestone. According to the information I had received, senior management had made a decision to obtain a legal examination of the realignment from the Solicitor's Office. The document was completed by John McClanahan and submitted to the Office of the Special Trustee by the Trust Management Improvement Project Office. I was not involved in the development of the document, nor can I attest to the validity of the information that was gathered and analyzed, as I was not fully involved in the research or analysis of the information.

As the Sub-Project Manager and technical expert for the Appraisal Program, I would like the record to show, that I do not agree with the document or the decision made by senior management to leave the appraisal line authority with the Regional Directors and Agency Superintendents. The line authority over a professional appraiser, who is personally subject to enforcement of a state regulatory agency (State Appraisal Board) should be under the authority of the Bureau Chief Appraiser, who is the technical expert, regarding all appraisal matters.

Himmelhoch, Sarah

From: Ken_Rossman@ios.doi.gov
Sent: Monday, October 01, 2001 3:10 PM
To: Himmelhoch, Sarah
Cc: MICHELE_SINGER@ios.doi.gov; Debbie_Meisner@ios.doi.gov; Linda_Skotta@ios.doi.gov; Pat_Gerard@ios.doi.gov
Subject: 7th Quarterly Report

This is to confirm our review of the Records Management portion of the 7th Quarterly Report discussed on the telephone today between 11 and 11:30 MDT.

The word "management" should be inserted after risk in the last sentence of the report on DD. This is simply a clarification.

OTR does not report on O and did not prepare this section.

In the report on S, the words "the final" should be removed. "The final" referred to the data conversion sub-part of this milestone, but to say "the final" in the context of the whole milestone is possibly misleading. The "three" data conversions were discussed in the previous report, hence their context here.

The Chart has always been troublesome in that a number of items were "initiated" or "established" but are not completed. Some are permanent tasks that will never be "completed" -- for example T, Evaluation Teams. Some are milestones that state "initiate" but have a corresponding "complete" -- for example, I, P, and V. It is fair to report the "initiate" milestones as completed for I, P, and V because the task itself remains open with HH, GG, and FF respectively.

Some milestones, however, do not have a corresponding "complete". These should be not be reported as "Completed" just because they began. They are W, X, and Z. Though there has been progress on all three, more needs to be done. This is true of U, too, which we did not discuss during the call.

For U, the milestone has been noted as "ongoing" in the narrative both times when reported on (2/29/00 and 8/31/00).

For W, the milestone was noted as "ongoing" in the narrative when last reported on (5/31/01).

For X, the milestone was discussed as an effort "expected to begin by February 29, 2000" in the narrative report (2/29/00). It did begin. The completion for this work is Milestone CC, but that relationship is not established on the chart.

For Z, the 2/28/01 narrative states "additional guidance will be issued in 2001". This matter of "additional guidance" is evolving, particularly as a result of a Tribal-Interior Records Working Group called for by the Special Trustee and Assistant Secretary-Indian Affairs, but that was on August 16, after the reporting period for the 7th report.

Thank you for the opportunity to clarify the items on the chart.

May we receive a copy of Mr. Glover's notes please?

Ken Rossman
Director, Office of Trust Records
505.816.1600 FAX 505.816.1612