

BIA Streamlining

U.S. Department of the Interior Bureau of Indian Affairs

Organizational Streamlining
Development and Consultation



What to Expect

Schedule

10:00 a.m. – 10:10 p.m.	Introductions
10:10 a.m. – 10:20 a.m.	Slides
10:20 a.m. – 12:30 p.m.	Comments
12:30 p.m. – 1:30 p.m.	Lunch (on own)
1:30 p.m. – 2:30 p.m.	Comments

What to Expect

- Courtesy
- Comments
- Discussion
- Timeliness
- Feedback

Purpose

- To continue to carry out the Mission of the Bureau of Indian Affairs while streamlining the current organizational structure and supporting a tribal priority driven base budget.
- Identify opportunities to improve efficiency through BIA staffing reductions, resource sharing, and potential consolidation of programs and offices in order to meet tribal program priorities within a reduced budget.

Objectives

- Realign services with reduced funding. (Non-priority programs)
- Realign services with increased funding. (Tribal Priority programs)
- Receive input on ways to streamline BIA to meet budgetary constraints while maintaining responsiveness to the needs of the Tribes.
- Empower Tribal Programs

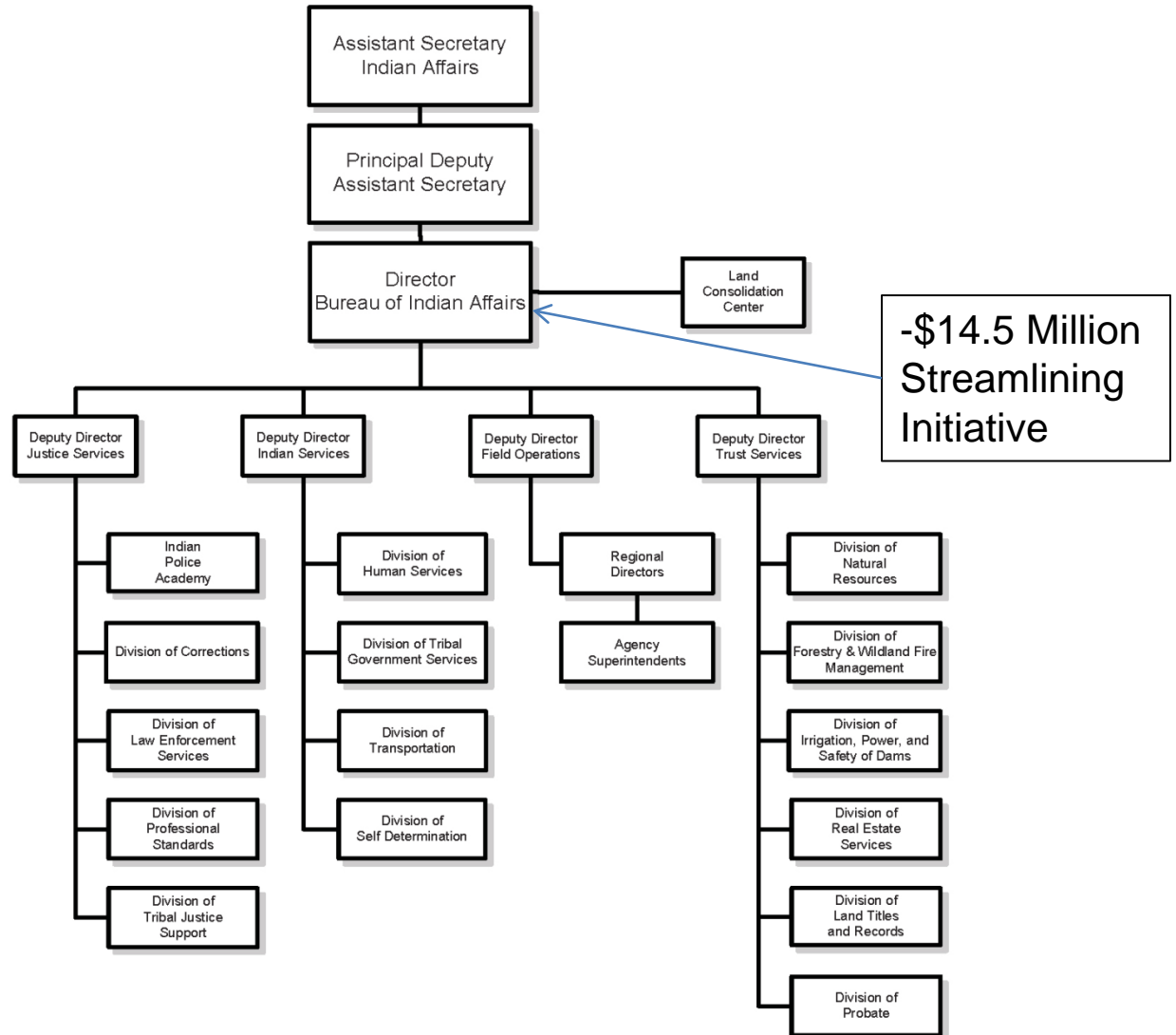
BIA Mission

To enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian tribes and Alaska Natives.

A New Day for Indian Affairs

- 2012 Streamlining
 - Consultation Policy
 - Pre-decisional
 - More options
 - Supports Tribal Program Funding
- 2004 Reorganization
 - Limited Post Plan Consultation
- 1996 Reorganization
 - Reduction in Force Action

BIA



National Field



- ~5,000 Employees
- 12 Regional Offices
- 85 Agencies
- 185 Duty locations
 - ~99 with <10 FTE

2013 Streamlining Initiative

- \$19.7M Streamlining Measures
 - \$2.2M ASIA
 - \$14.5M BIA
 - \$3.0M BIE

BIA will identify opportunities to improve efficiency through staffing reductions, resource sharing, and potential consolidation of programs and offices. Any potential consolidation, which will affect services to the tribes, will require the full support and participation of the tribes... (FY2013 Greenbook)

Streamlining Options

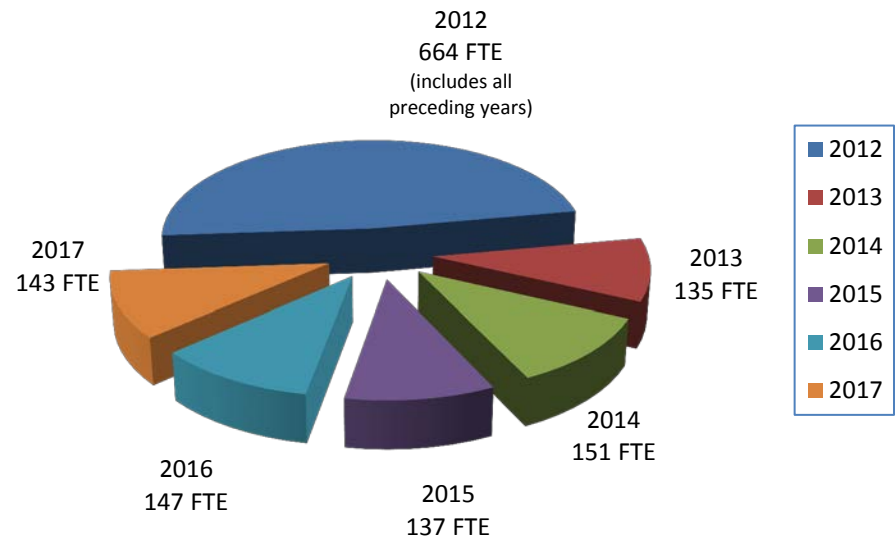
- BIA Personnel / Staff
 - Explore VERA/VSIP Authority (Early-out & Buy-out)
 - Consolidate offices and/or service delivery (Regions and Agencies)
 - Minimize BIA Agency/Regional oversight – Residual staff throughout BIA
 - No Reductions in Force (RIF's)

Streamlining Options

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As of September 30, 2012

- ~30% of BIA staff are retirement eligible.
- Approximately 130 more employees per year become eligible to retire over the next 5 years..
- (Law Enforcement not included)

BIA FTE* Eligible to Retire and / or Separate (total 1377)



*FTE – Full Time Employees

Streamlining Options

- A combination of savings through FTE reductions and overhead costs should be used to meet budget targets
- Approximately 300 FTE needed to take early-out or buy-out incentives to reach \$14.5M target.
- Approximately 225 FTE would not be replaced to sustain Streamlining savings. However, this does not account for overhead savings that may also be achieved.

Streamlining Options

- Agency Offices with less than 10 employees

- Okmulgee Agency, OK
- Talihina Agency, OK
- Wewoka Agency, OK
- Michigan Agency, MI
- Spokane Agency, WA
- Taholah Agency, WA
- Flathead Agency, MT
- Olympic Peninsula, WA
- Laguna Agency, NM
- Ramah Agency, NM
- Siletz Agency, OR
- Umatilla Agency, OR
- Puget Sound Agency, WA
- Couer d'Alene Agency, ID
- Northern Idaho Agency, ID
- Salt River Agency, AZ
- Ft. Yuma Agency, AZ
- Truxton Canyon Agency, AZ
- Southern Paiute Agency, UT

Streamlining Options

Agency Offices (cont.)

- Some offices have over half staff eligible for retirement.
- Some offices may be candidates for centralization of programs.
- Some offices are very close in proximity.

Streamlining Options

Duty Stations

- As displayed in attached maps, savings from space and building costs may be realized through consolidations, especially when combined with FTE retirements.

Streamlining Options

Regional Offices

- Evaluation of Offices & Programs
 - Midwest - Minneapolis, MN
 - Great Plains – Aberdeen, SD
 - Rocky Mountain – Billings, MT
 - Eastern – Nashville, TN
 - Eastern Oklahoma – Muskogee, OK
 - Southern Plains – Anadarko, OK
 - Western – Phoenix, AZ
 - Navajo – Gallup, NM
 - Southwest – Albuquerque, NM
 - Northwest – Portland, OR
 - Pacific – Sacramento, CA
 - Alaska – Anchorage, AK

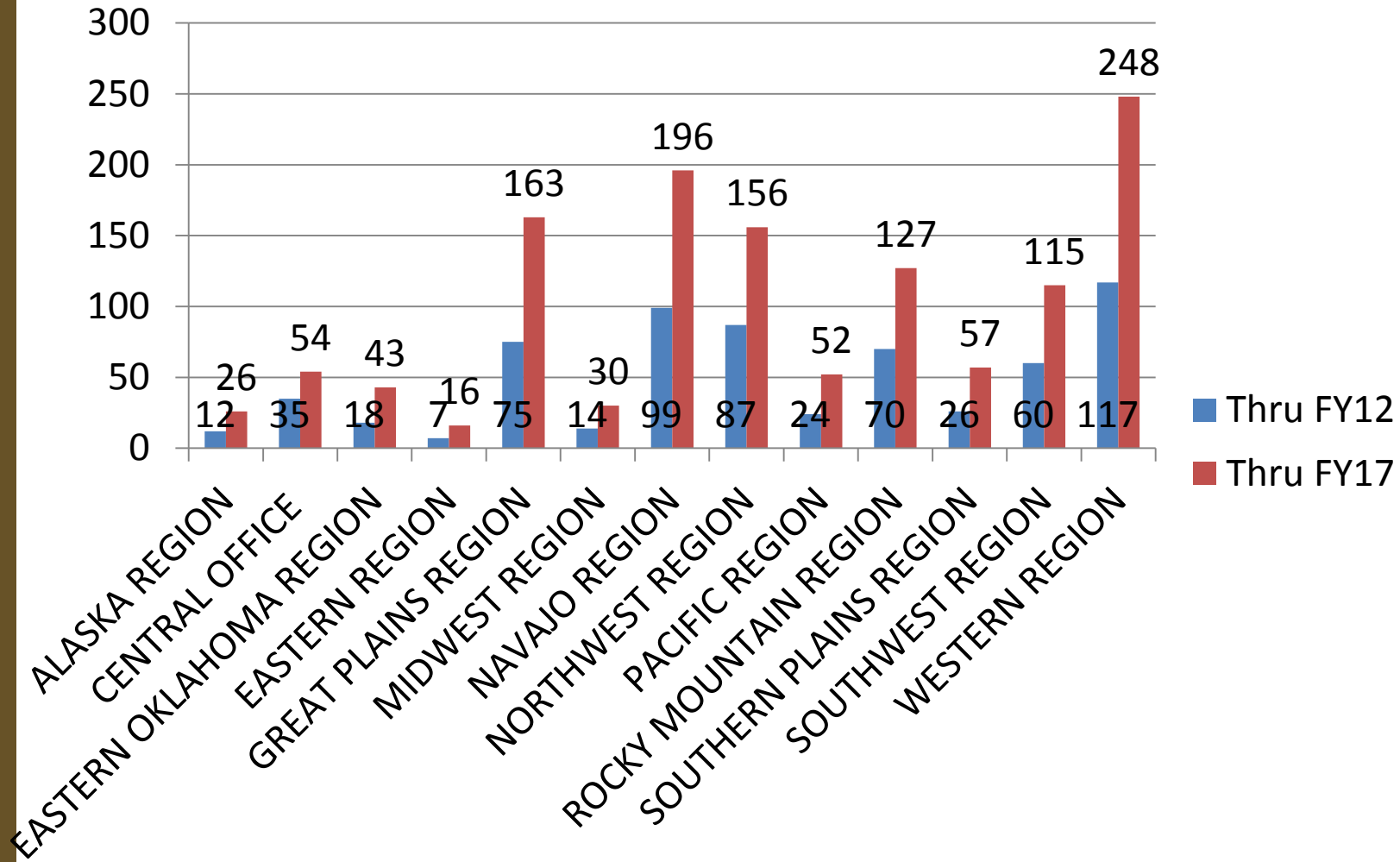
Streamlining Options

Regional Offices

- Realignment of Programs
- Centralization of Programs
- Assumption of duties from smaller offices

Streamlining Options

Retirement Eligibility by Region



Summary

Use and Implement Linear Solution

1. Incentivize early-out and buy-outs.
2. Realign, centralize or consolidate program functions.
3. Investigate Duty Stations, Agency Offices, Regional Offices.
4. Ensure service delivery continues without interruption.
5. Continue support of Self-Governance and Self-Determination.

Tribal Consultation Sessions

- April 12-13 Miami, FL
- April 19-20 Scottsdale/Fountain Hill, AZ
- April 26-27 Airway Heights, WA
- May 3-4 Rapid City, SD
- May 10-11 Durant, OK
- May 17-18 Lincoln, CA
- May 22 Anchorage, AK (TBD)

Written Comments

- Written Comments
 - Due by
 - » June 1, 2012
 - Bryan.Rice@bia.gov
 - Subject: BIA Streamline Comments

Next Steps

After Consultation -

- Compilation of documents
- Continued transparency
- Synthesis of messages
- Incorporation into future steps
- Support for potential future consultation

Discussion

BIA Streamline Plan Summary

The BIA organization has undergone numerous changes over the years in order to carry out its mission. The current climate with a projected funding reduction labeled “streamlining initiative”, starting in FY 2013 has further necessitated the need to look at the organization overall to ensure continuity of service delivery. The current organization consists of numerous lines of authority, “stove pipes”, which have created a fragmented organization, increasing challenges to program management and service delivery.

To effectively look at the whole organization, all layers are being looked at simultaneously. The Administrative Assessment through Bronner, is being led from the Assistant Secretary’s office, which includes a target savings of \$2M. The Bureau of Indian Education is undergoing a streamlining initiative to identify nearly \$3M in savings. The Office of the Special Trustee for American Indians is being thoroughly analyzed by the Department of the Interior Secretarial Commission on Trust Administration and Reform. Finally, this document is focused on the Bureau of Indian Affairs Streamlining Initiative to identify \$14.5M in savings and chart the course forward to implement associated actions.

This initiative covers several areas that require robust discussion to identify usefulness, effectiveness and validity. The unique relationship between the BIA and Tribes exists and requires that consistent and thorough consultation is completed before broad systemic leadership decisions are implemented that affect areas such as duty stations and sites in the provision of service to the tribes. To be successful, this streamlining effort must recognize the Indian Affairs organization overall and ensure this understanding is incorporated into any developed approach. To better frame the BIA streamlining initiative it should be understood that:

- BIA streamlining consultation held in April and May 2012, seeks to find the appropriate balance between a substantial outlay of BIA resources in development of an organizational plan and providing Tribal leadership the appropriate information to have an informed and thorough dialogue;
- The Bureau must achieve \$14.5M realized reductions by October 1, 2012 (beginning of FY 2013);
- Streamlining reductions will not be applied to Tribal programs;
- Any Streamlining Initiative efficiencies gained above \$14.5M can be used to further support tribal programs.
- Failure to identify BIA streamlining savings before the beginning of FY 2013 may result in \$14.5M across the board reductions (ATB).

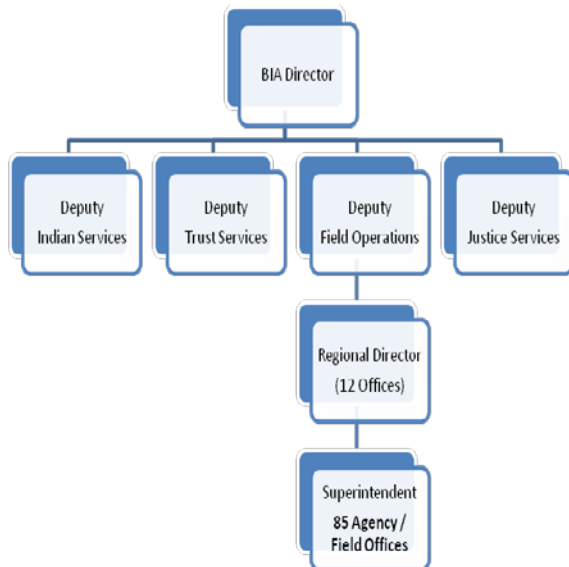
Indian Affairs leadership seeks to utilize a linear approach to implementing activities associated with the BIA Streamlining Initiative that identifies areas for cost savings, management of staffing levels and finally a look at the organizational hierarchy to ensure program management and service delivery to Tribes is further supported and better developed. In ideal conditions a thorough analysis of workloads and task requirements would support the development of workforce and staffing plans. In the current environment; budgetary, staffing and organizational elements are being analyzed in parallel. Three major areas: BIA retirement eligible staffing levels; Agency office programs and staffing levels; and Regional office programs

Bureau of Indian Affairs Streamlining Initiative Briefing

and staffing levels can be discussed separately. These areas are intimately related and integral components of any result decided throughout the BIA streamlining initiative.

Organizational Structure

The BIA organization is comprised of just under 5000 full time employees (FTE) and can be found at over 185 duty stations across the country, reporting to 12 regional offices and 85 agency offices. The following organizational chart displays the leadership positions within the BIA and the relationship to the Director who reports to the office of the Assistant Secretary Indian Affairs. Positions and staffing level focus in the BIA Streamlining Initiative are found in all



of the directorates of this organizational chart except for the Deputy Bureau Director, Office of Justice Services. Due to separate initiatives, different staff levels, a separate chain of command, and a unique retirement program, the Office of Justice Services is best able to respond to Law Enforcement and Justice needs of Tribes and Tribal Communities by not participating in the BIA Streamlining Initiative.

The other three Deputy Bureau Director areas include the programs, policy, oversight, and operations found within the BIA reaching from Central

Office Headquarters in Washington, D.C. to the Agency Superintendent found in the field. The BIA Streamlining Initiative is striving to achieve improved alignment, consistency and overall service to Tribes. Through analysis of these areas within the BIA, the organization can identify opportunities to increase efficiency from analysis of staffing levels, evaluation of programs in Agency offices, and evaluation of programs in Regional Offices.

Staffing Levels

In looking at only the focus areas of BIA (not including Law Enforcement), approximately 664 full time employees (FTE) are eligible to retire from federal service representing nearly 30% of the bureau population. Each year through 2017 the total increases by as much as 151 FTE per year. Cost savings through a reduction of FTE salaries utilizing incentives such as buy-outs and early retirement incentives may achieve target budget amounts sought in the streamlining initiative. An initial estimate of 300 FTE accepting incentives combined with approximately 225 of those positions not being replaced could successfully accomplish the Streamlining financial objective of a \$14.5M reduction starting in FY 2013.

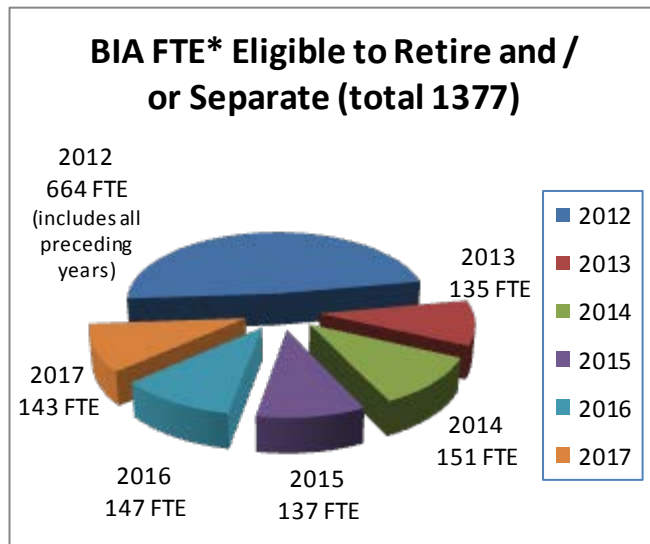
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As of the first week of April 2012, the BIA is currently seeking Voluntary Early Retirement Authority (VERA) approval, commonly referred to as “early-out”, from The Office of Personnel Management (OPM) to target eligible staff up to and including retirement eligibility in 2017.

More specific information regarding this incentive and eligibilities can be found at the following OPM website:

<http://www.opm.gov/employ/vera/vera01.asp>. During past incentive periods the BIA has typically seen slightly less than a 10% acceptance rate for VERA.

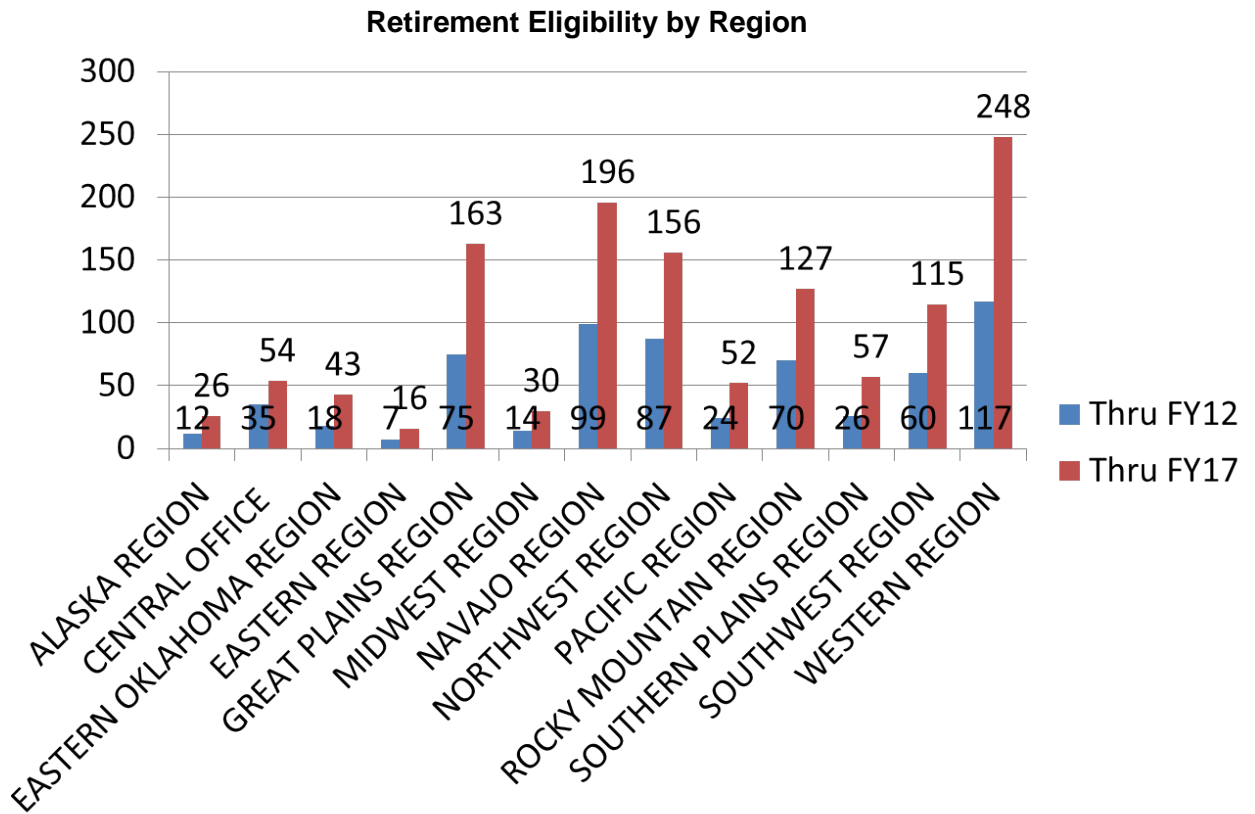
Approval for this incentive is expected in the upcoming sixty days for the entire Indian Affairs organization. As that information becomes available it will be provided with application and administrative guidance through the Regional Offices.



The Voluntary Separation Incentive Program (VSIP) authority, commonly referred to as “buy-out” incentives requires a more thorough application from the BIA to seek approval from OPM. This incentive can be used individually with current retirement eligible positions or in combination with VERA to expand the target audience. In the application to OPM, positions targeted for VSIP incentives require a thorough plan as to replacement, abolishment or reassignment of duties. With a potential target population of approximately 1,377 FTE, the combinations of position replacement or abolishment and duty reassignments could be extremely varied.

The following “Retirement Eligible Employees 1” graphic displays the early-out and buy-out eligibilities across the BIA Regions as well as including Central Office positions with “Thru 2012” representing current retirement eligible FTE, and “Thru 2017” representing the FTE population eligible for retirement up to and including September 30, 2017. During past incentive periods where both VERA and VSIP incentives have been offered, slightly closer to 10% of the eligible FTE have accepted.

According to senior leadership during informal conversations with FTE the expected acceptance of VERA and VSIP incentives will be much higher during this time period reaching as much as 50% in some areas. In support of the BIA’s OPM VERA and VSIP application development, an anonymous survey is prepared for disbursement to BIA staff across the country to gather a more robust percentage and understanding of how widely accepted incentives will be utilized during this time. This information will need to be combined with a review of Agency and Regional Offices for location and programmatic efficiency and effectiveness. For this reason consultation with Tribes is imperative to ensure that potential impacts are realized and addressed to ensure uninterrupted service delivery.



Retirement Eligible Employees 1

Evaluation of Agencies/Field Offices with minimal staffing and/or services.

Excluding Central Office and the 12 Regional Offices, the BIA has over 160 duty stations across the country. In some areas there are as few as 1 or 2 FTE's present to carry out the mission of the organization. In many of the Agencies and Field Offices the ratio of retirement eligible staff is very high, in some instances over half. In approximately 20 of the Agency offices there are 10 or less FTE that exhibit a high number of potential VERA VSIP incentive eligible positions. As eligible staff are incentivized to break federal service either through early-out or buy-out, the BIA supported through Tribal consultation must be ready to restructure, realign, or in some instances even close duty stations.

The increase of Tribes compacting and contracting program elements and functions in their entirety is another factor that must be considered when looking at the deployment of BIA resources in the aid of the mission. In support of Tribal Self Governance and Self-Determination, it is important for the BIA to adapt and respond to the changing environment as Tribal needs continue to increase.

Evaluation of Regional Offices.

The Regional Offices found across the country represent geographic locations and program management areas. As discussed in ASIA's Administrative Assessment there has been a historical pendulum swing with functions and capabilities being mixed between decentralization and centralization. With the implementation of recommendations from the Administrative Assessment it is important to ensure that Regional Offices are able to carry out functions, support staff, and operate efficiently to most effectively service Tribes and American Indian and Alaska Native people.

Geographic locations should be discussed regarding Regional Offices to ensure that as staff movement potentially takes place from early-out and buy-out incentives that the BIA is able to respond accordingly in the realignment, consolidation, or combination of programs and services. In some instances Regional offices are located in sites where Tribal representation is geographically dispersed requiring high levels of travel for staff to support Tribal programs as well as Tribal leadership to visit the BIA Regional Office. Through a strategic view and planning, this situation could lead to savings in travel, meeting, program management and other areas.

The provisions of management and service delivery support the intent of consolidation of programs and/or offices and services. This would have the largest effect on the delivery of services to the Tribes and the Governments responsibility for Nation to Nation consultation.

Specific Areas to Guide Consultation Comments

1. Centralization of programs.
2. Realignment of staffing.
3. Abolishment of Positions after incentives.
4. Duty Stations with lower staffing levels.
5. Agency Office Programs.
6. Regional Office Programs.

Summary

The BIA Streamline plan is anticipated to achieve results in standardization of activities, improvement in overall service delivery, and gains in effectiveness and efficiency, as well as resulting organizational changes; evaluation of 12 regional offices, 85 field offices, and remaining duty stations. The deadline to have all of these streamlining results in place is before October 1, 2012 (beginning of FY2013). A failure to meet this deadline could potentially lead to an ATB reduction.

The combination of Tribal and BIA leadership through consultation can provide the best information, ideas and direction to identify the organizational footprint needed for the programs and services to continually develop and meet the needs of American Indian and Alaska Native peoples. This initiative is expected to produce a realignment of positional duties resulting from incentivized separations and / or retirements through OPM's VERA VSIP authorities. Utilizing a linear approach that focuses on staffing, programs and services will further support Tribal priorities and needs.

FOR REFERENCE

The following information further distills and synthesizes information found in the FY 2013 Proposed Budget regarding Savings, Efficiencies, Streamlining and Reductions.

Fiscal Year 2013 - Savings and Efficiencies

The FY 2013 budget request includes **\$65.3 million** in reductions resulting from strategies for improving the effectiveness and efficiency of operating Indian programs including:

- **streamlining measures \$19.7 million**
- **administrative savings \$13.8 million**
- **program reductions \$33.1 million**

Total \$65.3 million

All of these savings are being redirected back into Indian programs to ensure that funds are directed to programs that have a direct impact on everyday lives.

Streamlining - \$19.7 million reduction

Streamlining is being undertaken to protect and ensure vital funds go directly into the community and BIA operations are as efficient and effective as possible.

ASIA \$ 2.2 million

BIA 14.5 million

BIE 3.0 million

Total \$19.7 million

ASIA Streamlining – Indian Affairs will undergo a consolidation in FY 2013 to significantly reduce the administrative costs associated with the Assistant Secretary – Indian Affairs office. In addition to cost-saving measures such as IT standardization and infrastructure consolidation, Indian Affairs will identify opportunities to improve efficiency through better personnel and position management. As a result, the **FY 2013 budget includes a reduction of \$2.2 million for ASIA.**

BIA Streamlining – the BIA will undergo a streamline effort in FY 2013 to significantly reduce the administrative costs associated with the wide-range of services delivered through its programs. In addition to cost-saving measures such as IT standardization and infrastructure consolidation, BIA will identify opportunities to improve efficiency through staffing reductions, resource sharing, and potential consolidation of programs and offices. Any potential consolidation, which will affect services to the tribes, will require the full support and

participation of the tribes. BIA will engage in extensive consultation on any potential consolidations with the tribes to identify strategies that will ensure tribal needs and priorities are addressed. The results and recommendations of tribal consultation will be incorporated in an implementation plan for a streamlined, cost-effective organization. As a result, the **FY 2013 budget includes a reduction of \$14.5 million for BIA.**

BIE Streamlining – An in-depth study by an independent third party of BIE's operations and organization is currently in progress, with findings and recommendations anticipated in June. BIE will consult with the tribes to identify the best strategies and organizational structure to ensure that tribal needs and priorities are addressed. A critical component in streamlining is the analysis of functions and identification of opportunities to reduce or eliminate duplicative functions, and the associated positions. The BIE will explore the use of early retirement and voluntary separations to manage FTE reductions along with other position management techniques. Following consultation, BIE will design and implement a plan for efficiently delivering educational services to Native Americans enrolled in BIE funded schools. **As a result, the FY 2013 budget includes a reduction of approximately \$3 million for BIE.**

Management Efficiencies - \$13.8 million reduction

In support of the President's commitment on fiscal discipline and spending restraint, Indian Affairs is participating in an aggressive Department-wide effort to curb non-essential administrative spending. As a result, the **FY 2013 budget includes a reduction of \$13.8 million.** However, there will be no programmatic impact of implementing these savings initiatives, as functions will be performed in a more efficient and effective manner. Examples of savings opportunities within Indian Affairs include the following:

Printing – Indian Affairs continues to reduce printing and publication costs by disseminating information in an electronic form rather than by hard copy.

Executive Fleet Efficiencies – The Indian Affairs property management office has been tasked to improve the performance of the government vehicles by increasing the use of vehicle technologies, optimizing fleet size, and improving agency fleet management.

Employee Information Technology Devices - Indian Affairs is currently assessing current device inventories and usage; and plans to establish controls to ensure that information technology equipment, software, and services are not unused or underutilized.

Program Reductions - \$33.1 million reduction

\$ 6.1 million - IT supporting standardization across Indian Affairs and consolidation of its infrastructure

\$ 2.6 million – Law Enforcement special initiatives

\$ 4.5 million – Indian student equalization

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\$17.8 million – Replacement school construction

\$ 2.1 million – Guaranteed loan program

Fiscal Year 2013 Increases:

\$8.8 million – contract support

\$3.5 million tribal/BIA law enforcement

\$6.5 million staff at detention facilities

\$1.0 million Tribal Courts

\$3.5 million Rights Protection

\$2.0 million Tribal Management and Development

\$17.9 million Tribal Priority Allocation

\$3.5 million Indian Land and Water Claims

\$1.0 million Forestry

\$.5 Invasive Species

\$800,000 Landscape Conservation

\$5.5 million Klamath

\$1.5 million litigation support/attorney fees

\$550,000 Ft. Peck Water system

\$2.0 Education – Tribal Grant Support Costs

\$2.5 BIE Tribal Colleges and Universities

\$610,000 Scholarships

\$100,000 Special Higher Education

\$3.4 million San Juan Conjunctive Use Wells and San Juan River Navajo-Gallup Water Supply project

***NOTE - Consolidation of field staff/services with the Office of Special Trustee.**

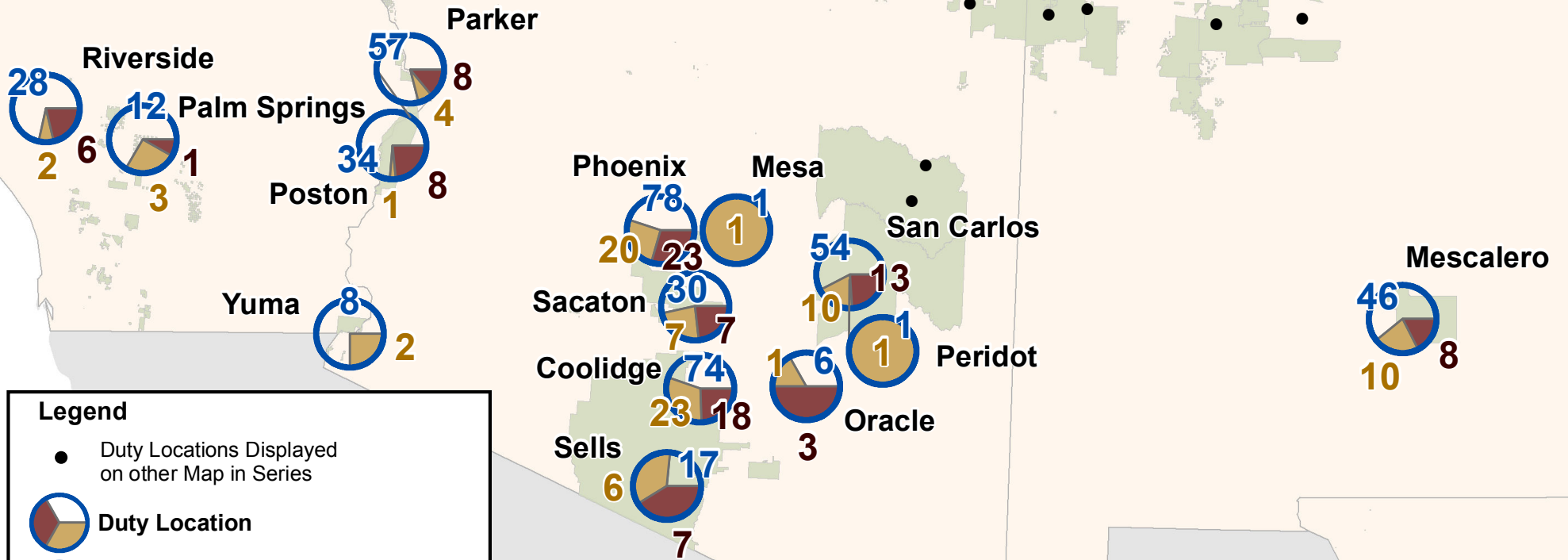
Consolidation of OST field staff with the BIA could eliminate duplicative services/positions, and result in an overall reduction of FTE's between both organizations. This topic is something the Tribal governments have been requesting for some time, and Indian Affairs has received numerous resolutions from Tribes and Tribal organizations with this request. The BIA

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recognizes this topic may surface during consultation yet it must be understood that the BIA Streamlining Initiative will focus specifically on the BIA organizational structure. Decisions regarding Office of the Special Trustee structure will be born out of the recommendations developed by the Department of the Interior Secretarial Commission on Indian Trust Administration and Reform.



BIA Duty Locations for Southern Pacific, Western, and Southwestern Regions

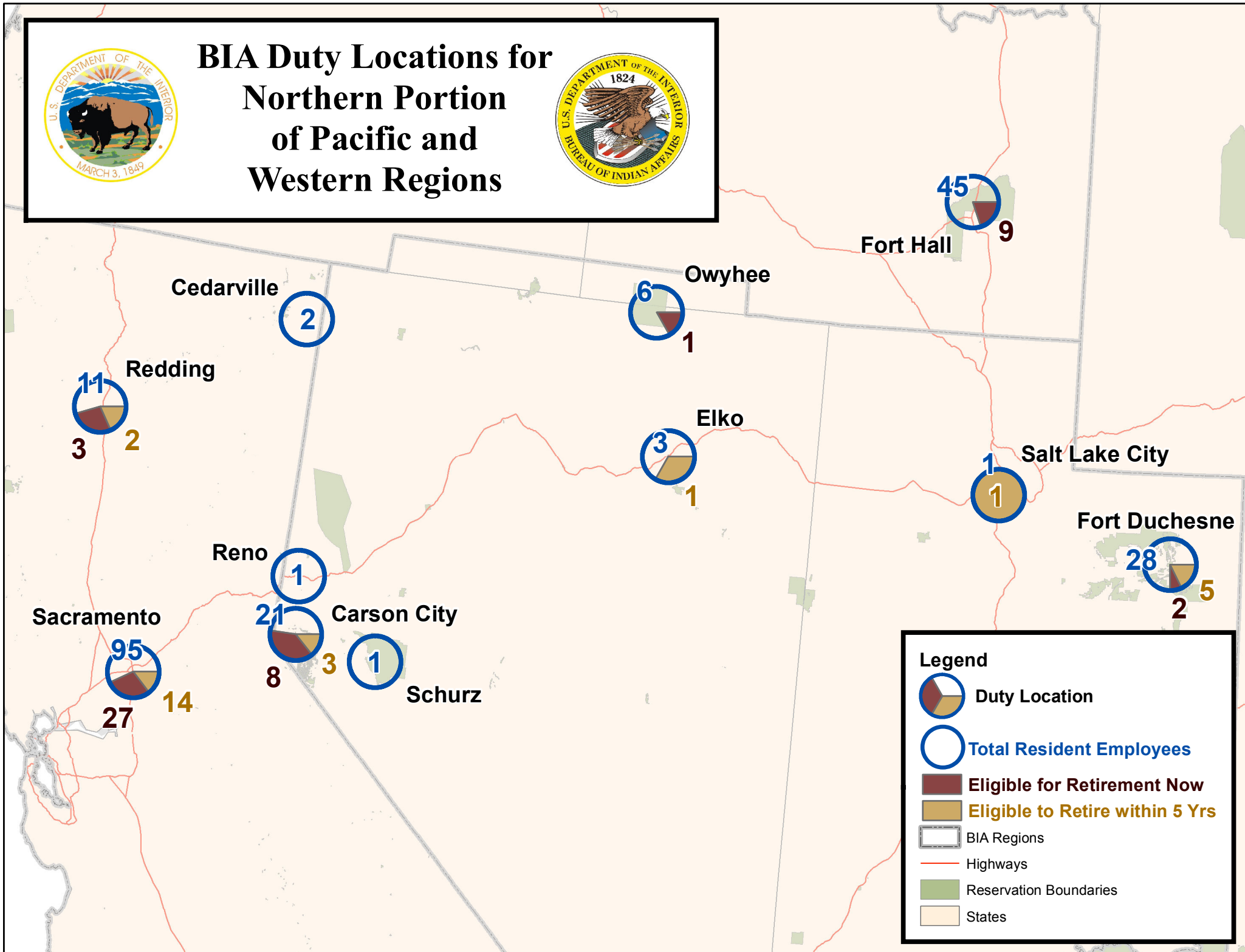


Legend

- Duty Locations Displayed on other Map in Series
- Duty Location
- Total Resident Employees
- Eligible for Retirement Now
- Eligible to Retire within 5 Yrs
- BIA Regions
- Reservation Boundaries
- Highways
- States

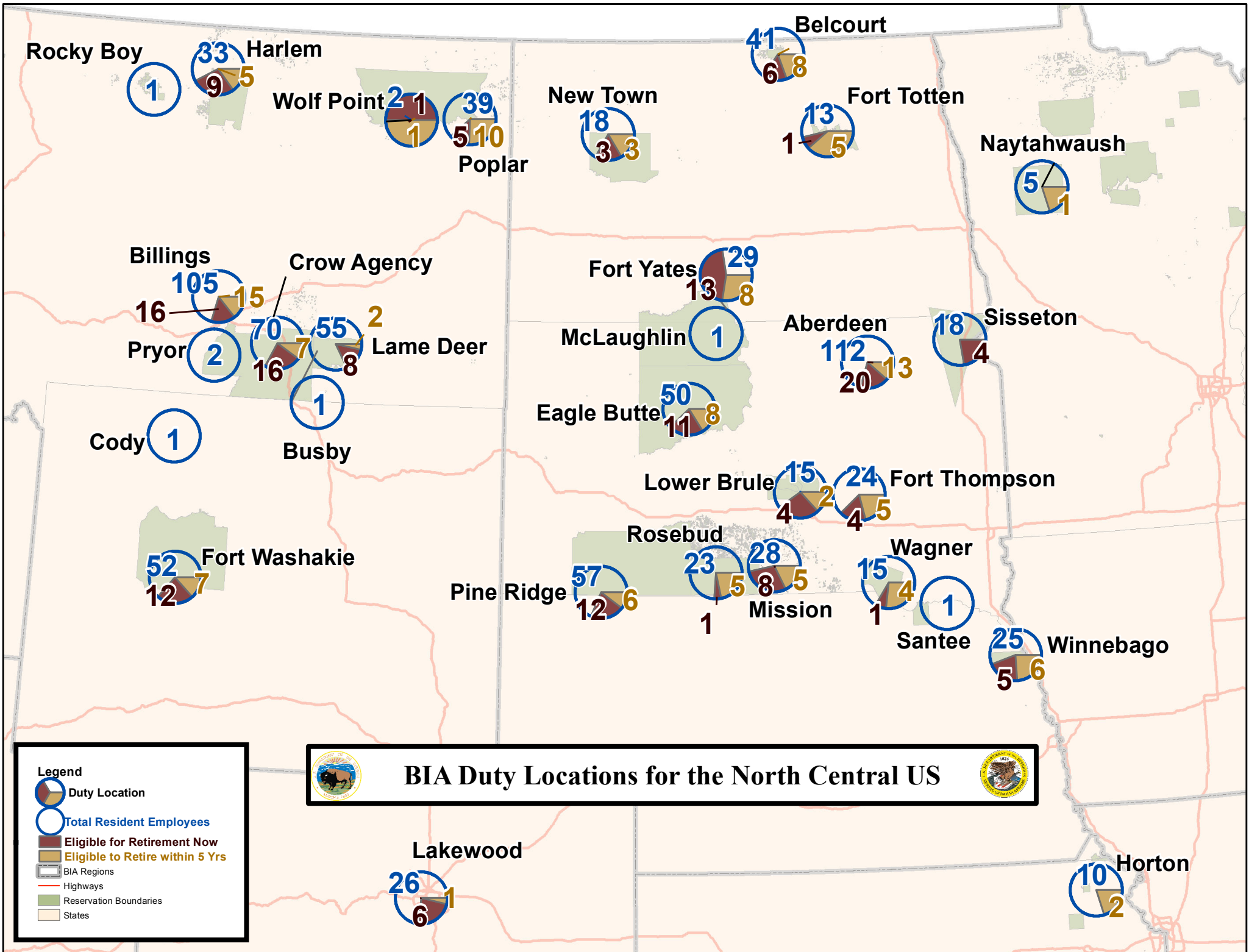


BIA Duty Locations for Northern Portion of Pacific and Western Regions



Legend

- Duty Location
- Total Resident Employees
- Eligible for Retirement Now
- Eligible to Retire within 5 Yrs
- BIA Regions
- Highways
- Reservation Boundaries
- States

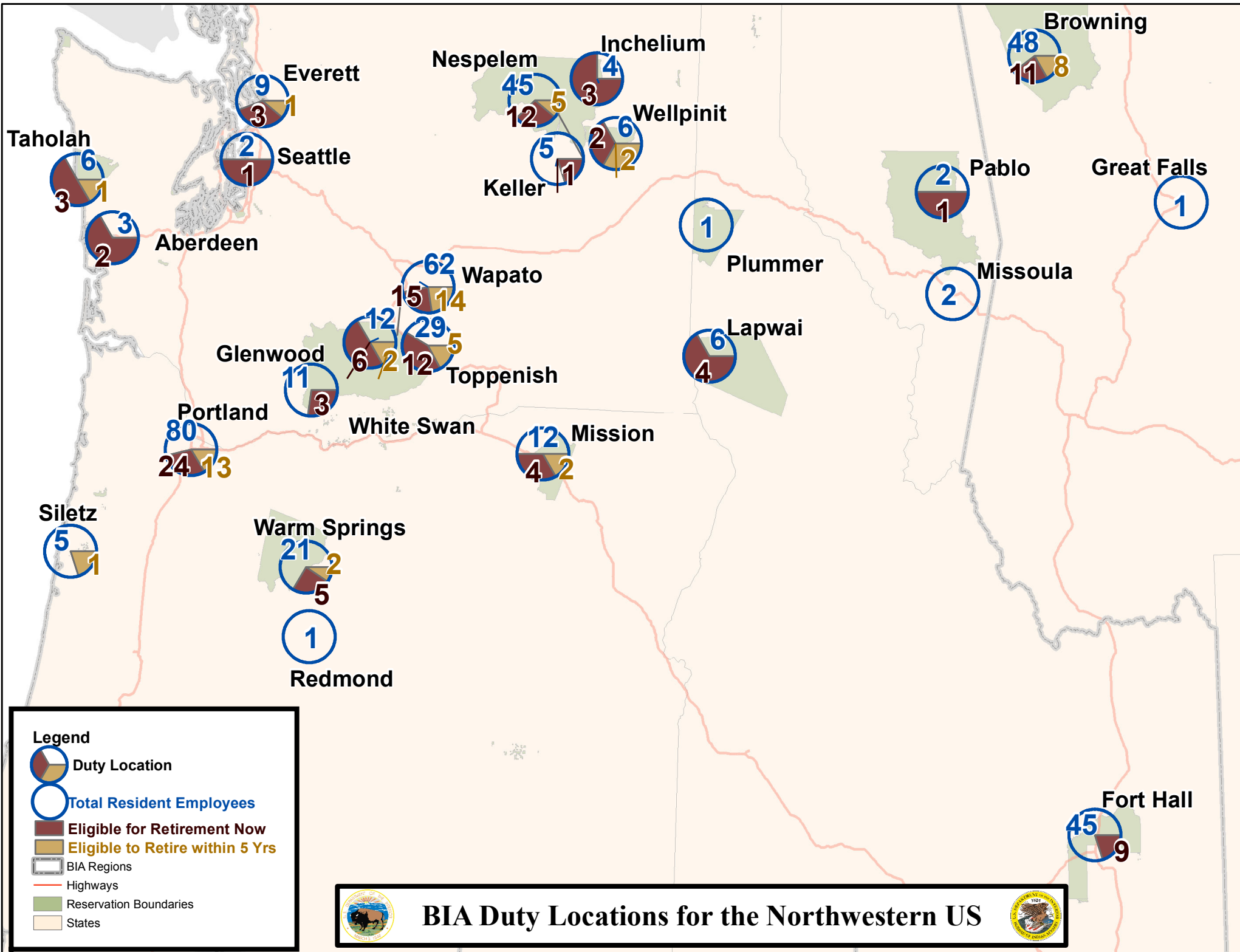


Legend

- Duty Location
- Total Resident Employees
- Eligible for Retirement Now
- Eligible to Retire within 5 Yrs
- BIA Regions
- Highways
- Reservation Boundaries
- States

BIA Duty Locations for the North Central US



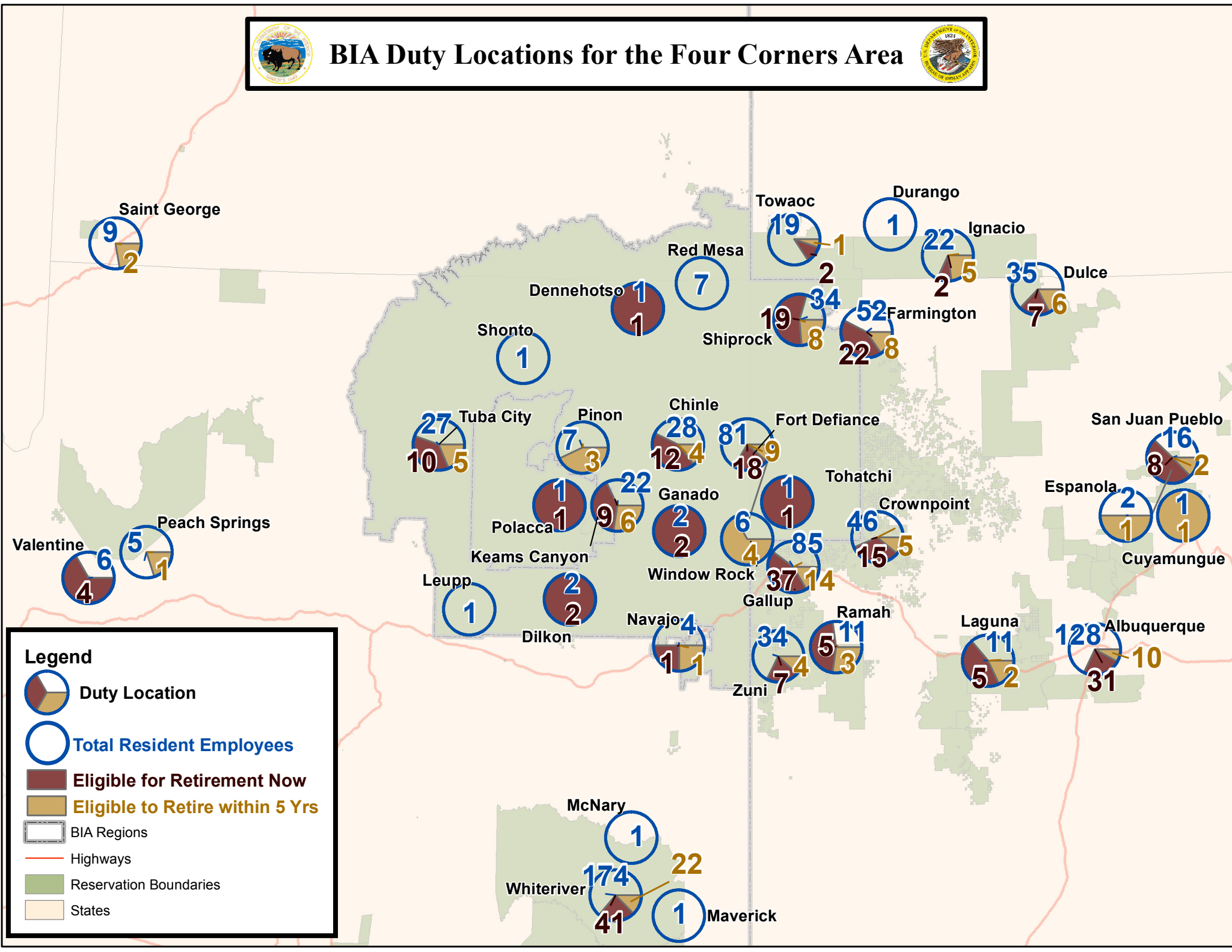


BIA Duty Locations for the Northwestern US



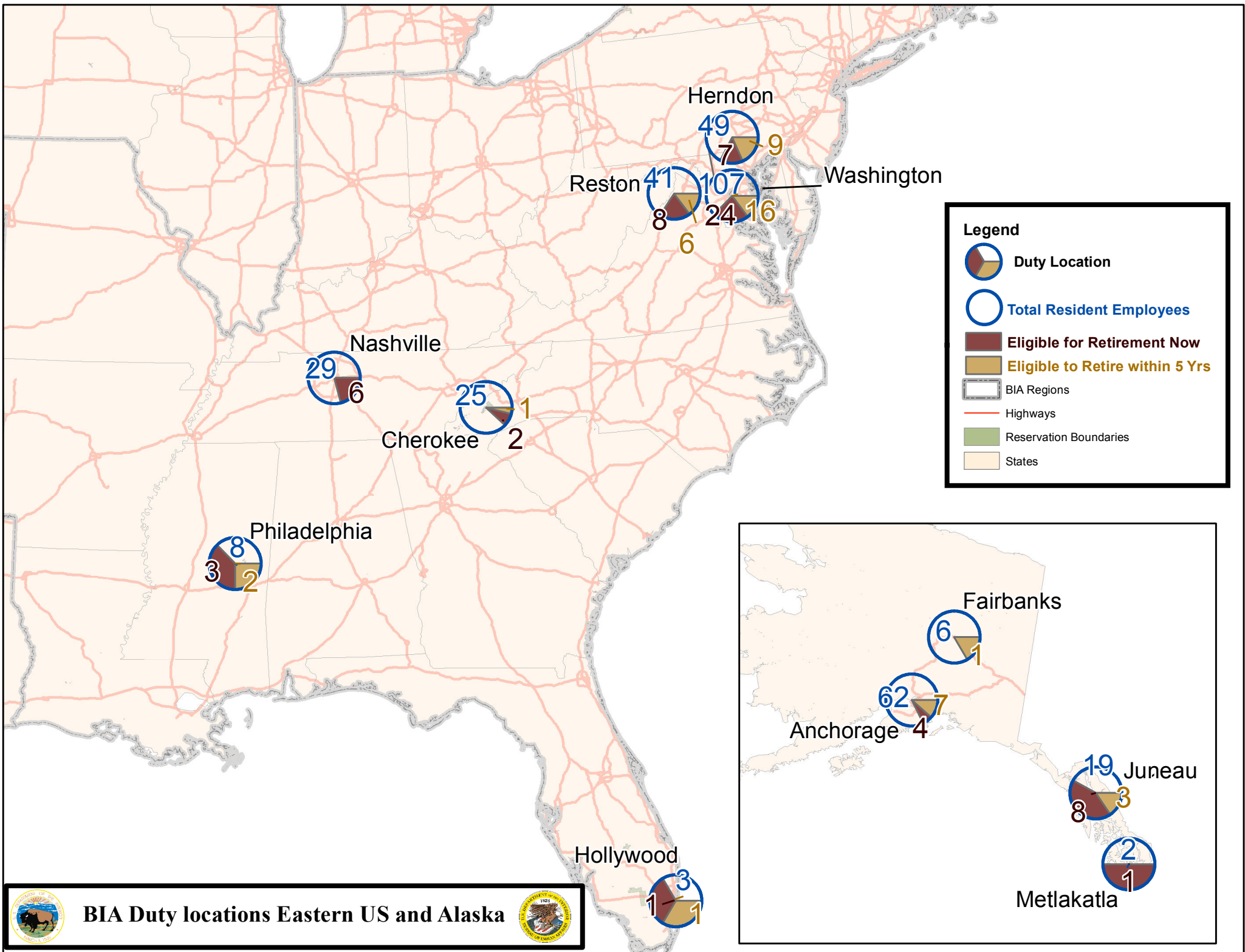


BIA Duty Locations for the Four Corners Area



Legend

- Duty Location
- Total Resident Employees
- Eligible for Retirement Now
- Eligible to Retire within 5 Yrs
- BIA Regions
- Highways
- Reservation Boundaries
- States

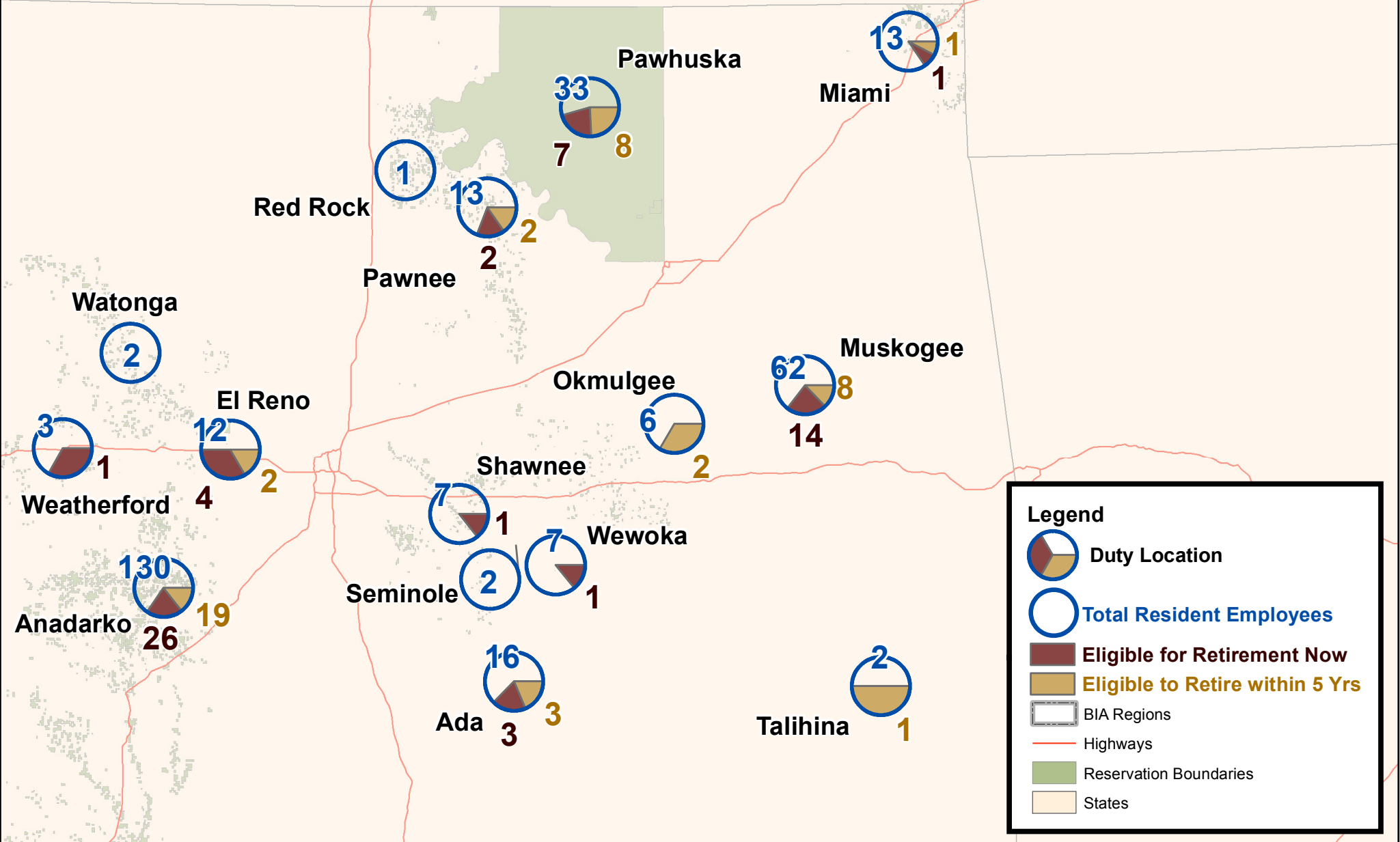


BIA Duty locations Eastern US and Alaska





BIA Duty Locations for Eastern Oklahoma and Southern Plains Regions

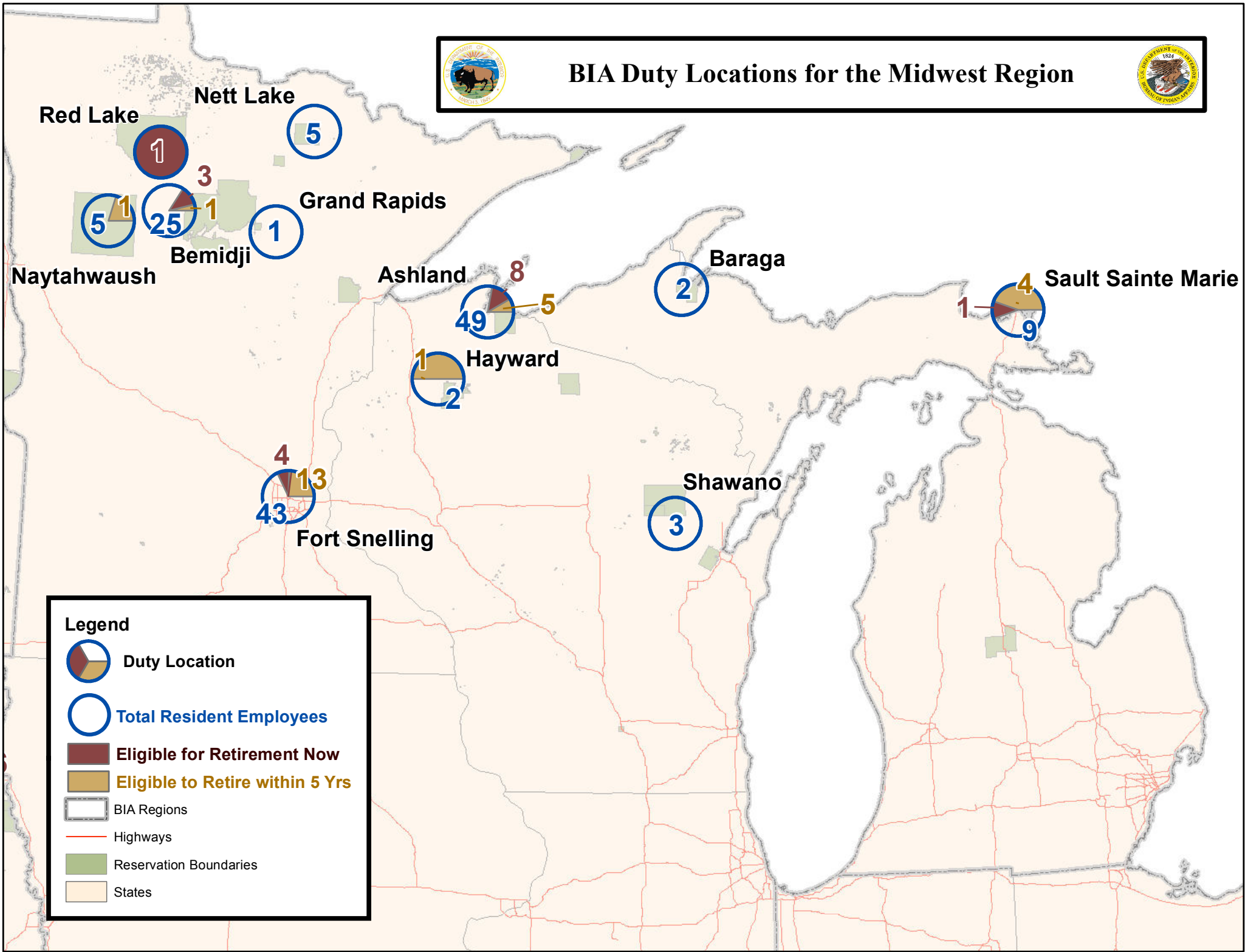


Legend

- Duty Location
- Total Resident Employees
- Eligible for Retirement Now
- Eligible to Retire within 5 Yrs
- BIA Regions
- Highways
- Reservation Boundaries
- States



BIA Duty Locations for the Midwest Region



Legend

- Duty Location
- Total Resident Employees
- Eligible for Retirement Now
- Eligible to Retire within 5 Yrs
- BIA Regions
- Highways
- Reservation Boundaries
- States