



**BUDGET** The United States  
Department of the Interior  
**JUSTIFICATIONS**

and Performance Information  
Fiscal Year 2013

**OFFICE OF THE  
SPECIAL TRUSTEE FOR  
AMERICAN INDIANS**

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**DEPARTMENT OF THE INTERIOR  
OFFICE OF THE SPECIAL TRUSTEE  
FOR AMERICAN INDIANS  
BUDGET JUSTIFICATION FOR FISCAL YEAR 2013**

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**Total 2013 Budget Request**

*(Dollars in Thousands)*

<b>Budget Authority</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>2013 President's Budget</b>
Discretionary	160,678	152,075	146,000
Mandatory	418,420	428,754	442,303
<b>Total</b>	<b>579,098</b>	<b>580,829</b>	<b>588,303</b>
<i>FTEs</i>	<i>665</i>	<i>665</i>	<i>651</i>

Note: Discretionary budget authority represents operating funds that are appropriated annually by Congress to the Office of the Special Trustee. Mandatory budget authority represents certain funds held by DOI on behalf of Indian tribes, some of which will be transferred to tribes provided certain conditions are satisfied, and are considered U.S. Government funds.

**Executive Summary**

In FY 2013, the Department of the Interior will maintain its emphasis on providing services to the beneficiaries of the Indian trust. The Office of the Special Trustee for American Indians (OST) will continue its role in the oversight and operations of the fiduciary trust by monitoring trust reform in accordance with the Comprehensive Trust Management Plan (CTMP) and all applicable congressional actions and regulatory requirements. Proposed funding for OST supports the Department’s Indian Fiduciary Trust Responsibilities.

The Congress has designated the Secretary of the Interior as the trustee delegate with responsibility for approximately 55 million surface acres of land, 57 million acres of subsurface mineral interests, and \$3.7 billion that is held in trust by the Federal Government on behalf of American Indians, Alaska Natives, and federally recognized Indian tribes. Trust management of these assets includes conserving, maintaining, accounting, investing, disbursing, and reporting to individual Indians and federally recognized tribes on asset transactions generated from sales, leasing and other commercial activities on these lands.

OST’s FY 2013 discretionary budget request is \$146 million. OST participates in the Tribal Interior Budget Council (TIBC) in which a forum and a process are provided for tribal representatives to advise OST on priority needs in Indian Country. The forum provides cooperative participation in OST budget formulation, justification, and information sharing. TIBC meetings also serve as an education forum to better inform tribes of the OST budget process and advise on the status of Indian Country initiatives throughout the Federal Government.

OST will have an overall net savings target of \$1,190,000 for real property cost savings and innovation plan. In this coordinated Department-wide effort, we expect to find real property cost savings that result from activities such as disposing of excess, inactive, underutilized and non-utilized assets; consolidating lease space; taking advantage of telecommuting and hoteling; moving personnel into owned space from rented space; reducing space provided to contractors; and implementing OST-wide space standards.

## **Campaign to Cut Waste**

Over the last two years, the Administration has implemented a series of management reforms to curb uncontrolled growth in contract spending, terminate poorly performing information technology projects, deploy state of the art fraud detection tools, focus agency leaders on achieving ambitious improvements in high priority areas, and open Government up to the public to increase accountability and accelerate innovation.

In November 2011, President Obama issued an Executive Order reinforcing these performance and management reforms and the achievement of efficiencies and cost-cutting across the government. This Executive Order identifies specific savings as part of the Administration's Campaign to Cut Waste to achieve a 20 percent reduction in administrative spending from 2010 to 2013. Each agency is directed to establish a plan to reduce the combined costs associated with travel, employee information technology devices, printing, executive fleet efficiencies, and extraneous promotional items and other areas.

The Department of the Interior's goal is to reduce administrative spending by \$207 million from 2010 levels by the end of 2013. To meet this goal, the Department is leading efforts to reduce waste and create efficiencies by reviewing projected and actual administrative spending to allocate efficiency targets for bureaus and Departmental offices to achieve the 20 percent target. Additional details on the Campaign to Cut Waste can be found at <http://www.whitehouse.gov/the-press-office/2011/11/09/executive-order-promoting-efficient-spending>.

## **DOI Strategic Plan**

The FY 2011-2016 DOI Strategic Plan, in compliance with the principles of the GPRA Modernization Act of 2010, provides a collection of mission objectives, goals, strategies and corresponding metrics that provide an integrated and focused approach for tracking performance across a wide range of DOI programs. While the DOI Strategic Plan for FY 2011 – FY 2016 is the foundational structure for the description of program performance measurement and planning for the FY 2013 President's Budget, further details for achieving the Strategic Plan's goals are presented in the DOI Annual Performance Plan and Report (APP&R). Bureau and program specific plans for FY 2013 are fully consistent with the goals, outcomes, and measures described in the FY 2011-2016 version of the DOI Strategic Plan and related implementation information in the Annual Performance Plan and Report (APP&R).

## **Trust Management Reform**

The CTMP laid the ground work of the Fiduciary Trust Model (FTM). The FTM offers business processes that deliver improved services to individual Indian and tribal beneficiaries by standardizing, streamlining, automating, and working in partnership with them. In cooperation with the Bureau of Indian Affairs (BIA), OST successfully converted BIA's legacy leasing systems to the Trust Asset Accounting Management System (TAAMS) marking the completion of a major milestone in Trust Management Reform. TAAMS is a repository for ownership information for Interior processed Indian Trust resource and financial transactions. OST can now produce performance statements for beneficiaries as mandated under the American Indian Trust

Management Reform Act. Most trust data within this system has been reconciled and validated.

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

Implementing the FTM, thus far, includes:

- Developing handbooks and desk operating procedures that document standardization and streamlining of business processes.
- Establishing the division of Indian Probate Hearings within the Office of Hearings and Appeals (OHA) to provide a single point of adjudication for Indian probates.
- Positioning Fiduciary Trust Officers (FTO) to serve as the primary point of contact for beneficiaries enhancing/refocusing outreach initiatives and Whereabouts Unknown (WAU) activities, providing for direct deposits, developing a debit card alternative and providing financial training.
- Enhancing beneficiary performance statements with land asset and encumbrance information.
- Opening and maintaining the Trust Beneficiary Call Center.
- Positioning of Regional Trust Administrators (RTA).
- Implementing centralized commercial lockbox operations.
- Establishing BIA lockbox liaison positions to expedite exception processing.
- Identifying and implementing trust-related skill models for hiring and training fiduciary trust professionals.
- Developing teams for updating federal regulations in support of the FTM.
- Creating a record management program including the American Indian Records Repository (AIRR) that now contains approximately 560 million pages of records.

In FY 2012 OST plans to complete an efficiency study. OST will work with the Commission on Indian Trust Administration and Reform to review recommendations from the efficiency study.

## Historical Trust Accounting

In 1994, Congress passed *The American Indian Trust Fund Management Reform Act of 1994* (P. L. 103-412; 108 Stat. 4239; U.S.C. 4001 et seq.) (the “1994 Act”) and established the Office of the Special Trustee for American Indians. The 1994 Act requires, in part, the Secretary of the Interior to “account for the daily and annual balance of all funds held in trust by the United States for the benefit of an Indian tribe or an individual Indian which are deposited or invested pursuant to the Act of June 24, 1938 (25 U.S.C. 162a).” In July 2001, the Office of Historical Trust Accounting (OHTA) was created by Secretarial Order to plan, organize, direct, and execute the historical accounting of Individual Indian Money (IIM) accounts (OHTA’s responsibilities were later (2002) expanded to include the provision of historical accountings for tribal accounts). OHTA’s management model is based on a small staff of federal employees directing the efforts of a number of contractors. Contractors have provided critical technical expertise in areas such as accounting services, historical research, information resources, data security, statistical analysis, document search, collection, and reproduction.

OHTA supports resolution of lawsuits filed by or on behalf of approximately 100 tribes. These cases are in various Federal District Courts and/or the Court of Federal Claims.

On December 8, 2010 the President signed into law the Claims Resolution Act of 2010, Title I of which authorizes settlement of the *Cobell v. Salazar* class action litigation and creates a new trust land consolidation fund for the buy-back and consolidation of fractioned land interests (the “Act”). Then, on June 20, 2011, the U.S. District Court approved the settlement agreement, paving the way for payments to as many as a half a million American Indians to resolve claims regarding the federal government’s management of their individual trust accounts and assets. Appeals to the settlement have been made, however, and all appeals must be exhausted before the settlement becomes final. During the appeal period, OHTA continues to provide data and analysis to support implementation of the settlement, including updates to the class notice database and calculations that will be used as a basis for distributions of settlement money.



## **FY 2013 Budget Request**

OST's FY 2013 budget request focuses on continuing efforts in trust management reform, oversight, daily operations, and historical accounting.

The FY 2013 budget request for OST totals \$146 million and reflects a \$6.1 million decrease from the FY 2012 enacted. The budget includes \$816,000 to fund fixed costs. The FY 2013 OST budget includes program reductions of \$6.9 million, including:

- Executive Direction program reduction of \$2.3 million which included the elimination of National Indian Program Training Center contract in the amount of -\$727,000
  - -\$1.3 million for the elimination of Trust Regulations, Policies, and Procedures
  - -\$231,000 for the elimination of the Product Development Initiative
- -\$1.8 million for the elimination of Trust Training
- -\$997,000 reduction for Office of Hearings and Appeals as a result of the consolidation of probate offices, and savings from the digitization of all its probate records
- -\$867,000 for elimination of positions within Trust Accountability's Product Development Initiative
- -\$3.3 million reduction for the Office of Historical Accounting that includes SDA reductions, space savings, and contract reductions
- a net reduction of -\$677,000 OST wide as a result of decreases for awards, training, travel and contract services
- an increase of \$3.0 million for the Office of Trust Review and Audit for the purpose of conducting Departmental wide Generally Accepted Government Auditing Standards compliant audits.

As trust reform projects near completion, personnel resources will be redistributed to ensure strategic placement of personnel according to agency goals and priorities. Some positions will be eliminated and/or redefined through this process.

In FY 2013, the Office of Trust Accountability – Trust Program Management Center (TPMC) will be eliminated and the functions of the TPMC will be absorbed throughout other OST offices.

## **Government-Wide Initiatives**

In response to the requirements issued through OMB Memorandum M-10-19 regarding Government-wide initiatives, OST is participating with Departmental offices and the other bureaus of the Department in a coordinated, agency-wide approach to the planning and implementation for each initiative. The Department is coordinating the initiative efforts through organized steering committees or implementation groups that engage each bureau and office. This enables a consistent and structured response across the Department. Descriptions of the Department's strategies and accomplishments for each initiative are provided in the General Statement of the Department-Wide Programs budget justification.

## **Base Budget Analysis**

OST's FY 2013 base budget was developed using analysis of historical execution, determination of changing requirements, projection of operating costs, emphasis on current initiatives and priorities, and the anticipated completion of certain trust reform efforts.

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

## **Section 405 Compliance**

OST adheres to the requirements of Section 405 contained in the Department of the Interior, Environment and Related Agencies Appropriations Act, 2010, requiring agencies to present in their annual budget justification, any external and internal administrative costs, overhead charges, deductions, reserves, or holdbacks from programs, projects, and activities to support government-wide, Departmental, and OST administrative functions or headquarters, regional, or central office operations.

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

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

## **2013 Performance Summary**

The Department and OST are committed to fulfilling their trust responsibilities to American Indians and Alaska Natives effectively and efficiently. The CTMP is the strategic plan that defines and describes the vision, goals, and objectives of trust reform and operating the trust program.

Achieving the goals that are at the heart of the CTMP will: (1) improve communications and relationships with American Indians and Alaska Natives, (2) improve beneficiary services, (3) enhance ownership information, (4) enhance the productivity of land and natural resource assets management, (5) increase Indian self-governance and self-determination, and (6) improve administrative services. The CTMP also considers the trends that influence trust management, the role of relevant stakeholders, and the interaction of the Department's bureaus and offices.

In FY 2010, the Department updated the Strategic Plan in light of the Administration's priorities, goals, and objectives; recent innovations and efficiencies in delivering mission objectives; and the goal to provide a more integrated and focused approach to track performance across a wide range of DOI programs. Although many of the outcome goals and performance measures remain consistent from the previous Strategic Plan, the organizing principles for those goals and measures reflect the new approach to meeting the Department's mission responsibilities. Budget and program plans for FY 2013 are fully consistent with the goals, outcomes, and measures described in the FY 2011 – 2016 version of the DOI Strategic Plan.

### **Fulfill Indian Fiduciary Trust Responsibilities**

Considerable efforts and dollars are devoted to managing Indian fiduciary assets and reforming processes and improving performance. The Department works to ensure that technical and economic assistance is provided to the tribes, and that organizational and process changes are introduced to address longstanding issues.

To achieve the Secretary's Indian Fiduciary Trust Responsibilities, OST ensures that financial information initially is processed accurately in trust beneficiaries' accounts at least 99% of the time. OST has established a system of internal controls to ensure that posted transactions are complete and accurate. Additionally, OST monitors processing times to provide assurance that transactions are posted within the targeted timeframes and continually evaluates and refines the system of internal controls. OST's goal is to provide account "statements of performance," to beneficiaries with a valid address, on time, 100% of the time. Approximately 800,000 statements are expected to be printed and mailed during FY 2013.

OST's role and responsibilities encompass oversight of the above trust reform strategies, while actual program management is primarily for beneficiary services, receipting, accounting, investing, disbursing, and reporting on fiduciary trust funds that are trusted, accurate, and responsive as well as ensuring trust fund asset management meets fiduciary standards. Other activities include the placement of Regional Trust Administrators (RTA) and Fiduciary Trust Officers (FTO) in field locations to provide oversight, guidance, and beneficiary support for adherence to laws and regulations that pertain to management of the trust and fulfillment of the Secretary's trust responsibilities.

OST supports the Administration's Indian Fiduciary Trust Responsibilities through the following strategies in the CTMP:

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

**Tribal self-governance and self-determination that increase participation in managing assets:** Foster tribal expansion of self-governance compacts and self-determination contracts in a manner consistent with the Department's fiduciary responsibilities. In FY 2013, Office of External Affairs (OEA) will achieve its response performance measure to renew and enhance, at the request of tribal governments, the number of renewed or negotiated memoranda of understanding for tribes to operate OST programs through Indian Self-Determination and Education Assistance Act (P.L. 93-638) compacts and contracts.

**Ownership information that is accurate, timely, and reliable:** Distribute financial trust assets to heirs after the Office of Hearings and Appeals renders probate decisions; and ensure accuracy and integrity of data maintained in agency offices and trust accounting systems.

**Trust fund assets management that meets fiduciary standards:** Manage and invest funds held in accounts on behalf of individual Indians and tribes; collect, disburse, and account for funds timely and accurately. Trust Services continues to maintain a high rate of collections for oil and gas revenue recorded in TFAS within 24 hours of notification. The FY 2013 goal is for 99% of funds to be recorded in TFAS within 24 hours of notification.

**Land and natural resources management that maximizes return:** Provide appraisal and evaluation information, as needed on trust and restricted lands for tribal and individual Indian owners. Determining the appropriate value of trust assets is important for effective management of land and natural resources. Ensuring the availability of appraisal and evaluation information to BIA officials and beneficiaries is critical for their decision making on natural resource activities on trust lands. The appraisal services goal is to complete appraisal reports 85% of the time within requestor business requirements.

### **Offices of Information Resources and Budget, Finance and Administration**

In FY 2010, the reporting responsibilities for the performance measure *Percent timeliness of financial account information provided to trust beneficiaries* was moved from Trust Services to the Offices of Information Resources and Budget, Finance and Administration.

- *Percent timeliness of financial account information provided to trust beneficiaries.* The percent of timeliness numerator is based on the number of printed and mailed trust beneficiaries account statements divided by the denominator, which is the total number of statements to be mailed. The unit cost of providing timely financial account information to trust beneficiaries is derived by dividing the cost of printing and mailing the account statements by the number of

statements mailed per year. OST has demonstrated sustained performance of 100% for the last three years for this measure.

### **Office of External Affairs**

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

OEA works to provide tribal and individual Indian trust beneficiaries, Department personnel, the media, other government agencies, the public and other interested organizations with a wide range of information on the status of trust reform priorities, current initiatives and ongoing operations, and benefits through personal contacts and printed materials. OEA's FY 2013 plan is to have 34 communication resources developed to highlight events, describe current and new program trust reform developments and activities (i.e., news releases, public service announcements, newsletters, letters to tribal leaders, outreach item design, brochures, informational updates to OST's public website and Trust Portal, informative check inserts about OST programs and services, All-Employee emails, OEA clipping service, tours of OST's Albuquerque facility, factsheets, reports, articles, and Congressional liaison activities).

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

OEA is responsible for providing tribes with opportunities to operate two OST programs – the real estate appraisal services program and the beneficiary processes program (IIM accounting technician function). These programs are available for tribal assumption through P.L. 93-638 self-determination contracts (Title I of P.L. 93-638) or self-governance compacts (Title IV of PL 93-638). OEA's FY 2013 target is to renew, review, or negotiate 77 agreements or MOUs with tribes that contract or compact OST programs. Note that OEA's budget will continue to fund the cost of payments to the Confederated Salish and Kootenai tribes to compact the beneficiary processes program in FY 2013.

### **Office of Trust Review and Audit**

*Records Management Examinations*

In FY 2013, OTRA expects to continue performing trust records assessments based on a three year revolving assessment cycle beginning with the earliest reviewed agencies. In FY 2013, OTRA expects to complete a minimum of 55 records management assessments.

*Indian Trust Examinations*

In FY 2013, OTRA expects to perform a minimum of 50 field Indian trust examinations consisting of compacted tribes, BIA, OST, and Departmental entities performing Indian trust programs or activities. The trust examinations are performed based on an exam schedule or review cycle, trust rating and/or risk assessment.

### *Corrective Action Follow-up*

OTRA is working with all examinees to track and monitor progress in implementing corrective actions for all report findings and recommendations. First, OTRA requests a response from the examinee to the draft report to include corrective actions taken or planned along with completion target dates. OTRA then makes a determination, based on the response, whether the recommendations are completed or open. Lastly, OTRA tracks the open or unresolved issues. If the corrective actions have been implemented, OTRA will document the recommendations as resolved, implemented, and closed. During FY 2013, OTRA plans to follow-up and close any open recommendations. In addition, those entities with less than satisfactory ratings are scheduled for frequent follow up verification reviews.

### **Field Operations**

Field Operations staff is the primary point of contact for trust beneficiaries (tribes, individual Indians, and Alaska Natives) seeking information and services regarding their trust assets. The field staff assists beneficiaries on a daily basis at regional, agency, and urban locations regarding account statements, account balances, other account attributes, receipts, disbursements, leases and leasing, probate processing, and provides any other trust asset information including statutory or regulatory changes affecting trust asset management important for beneficiaries to know. Field staff also play a key role in leading the Department's outreach efforts to beneficiaries. Outreach events include community meetings and pow-wows, with a focus on providing information on asset management and trust reform initiatives, as well as financial skills training for IIM beneficiaries throughout Indian Country.

### *Responsiveness*

Trust-related inquiries are received at all OST field office locations nationwide, including the Trust Beneficiary Call Center (TBCC) and OST's Central Office in – Albuquerque, New Mexico. The vast majority of the inquiries are received via telephone; others are received through fax, mail, email, and walk-in visits. Regardless of location or manner in which received, each inquiry is required to be captured in Field Operations TBCC automated "Service Center" tracking system.

Field Operations' responsiveness performance target for FY 2013 is set at 90%. This level of performance is not expected to change from FY 2012 as reflected in the goal performance table. The nationwide awareness of the responsiveness of the TBCC and agencies has resulted in a greater reliance on OST Field Operations for accurate, dependable and timely services. This reliance is reflected in the increase in the volume of beneficiary contacts at both the TBCC and the Agencies.

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

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

### **Office of Appraisal Services**

The Office of Appraisal Services (OAS) provides impartial opinions of value for a variety of specific real property interests on land owned in trust or restricted status. In FY 2013, the Office of Appraisal Services will continue to utilize an automated tracking system that will allow for more efficient and effective management of appraisal requests to enhance processing, tracking, and reporting. OAS will also continue the utilization of appraisal application software, and alternative valuation methodologies that will result in uniform and efficient appraisal services that are in compliance with the Uniform Standards of Professional Appraisal Practices (USPAP) and Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), as applicable.

It is the DOI's and OST's policy that appraisal practices, completed by DOI, must conform to the current edition of USPAP promulgated by the Appraisal Standards Board of The Appraisal Foundation and the current edition of the UASFLA promulgated by the Interagency Land Acquisition Conference, as applicable. OAS staff consists of state certified general appraisers who provide the valuation services. State appraiser certifications require compliance with USPAP appraisal standards.

OAS has also implemented a new Tribal Shares Formula for the P.L. 93-638 appraisal program, which directly relates tribal share amount to the completed appraisal work by Tribal appraisal programs that is averaged over a five year period.

### **Office of Trust Services**

In FY 2013, Trust Services will continue the implementation of re-engineered processes, including decentralization of certain data entry functions, streamlining of certain manually intensive processes, and automation improvements. Funds have been allocated to the following Trust Services' measures:

- *Percent of financial information initially processed accurately in Trust beneficiaries' accounts.* This measure is also identified as OST's Key Performance Indicator (KPI). The unit cost of a transaction is derived by dividing the total cost of processing transactions by the number of transactions for the year (denominator). Increases in the total cost of processing reflect a three percent inflationary adjustment from year to year. The increases in the total number of transactions per year (denominator) are estimated based on historical trends from previous years.
- *Percent of oil and gas revenue transmitted by ONRR recorded in the Trust Funds Accounting System within 24 hours of receipt.* The unit cost for recording revenue in TFAS consists of the portion of the employee's time devoted to this duty divided by the number of business days (usually around 250) on which this function is performed.

## **Data Verification and Validation**

The OST risk management program utilizes a three pronged approach to ensure that data and reports produced from the OST programs are accurate, efficient, and timely. The approach includes: (1) program managers annual self-assessments and OMB Circular A-123, Appendix A transaction testing, (2) Office of Trust, Review and Audit - Risk Management internal reviews (internal performance audits) and may include (3) annual independent Office of Inspector General audits (KPMG currently) in accordance with the Reform Act and U.S. Government Accountability Office reviews and audits.

OST has implemented data Verification and Validation (V&V) procedures pursuant to the "Data Verification and Validation Assessment Matrix" guidance issued by the Assistant Secretary for Policy Management and Budget on January 16, 2003, for the performance data that is collected and submitted. Primary responsibility for data quality resides with the designated senior manager for the performance measure. The responsible manager has designated a program official as the data point of contact. The data point of contact is responsible for the collection of data, reporting of data, and conducting an annual assessment based upon the Department's Data Validation and Verification assessment guidance.



**Budget at a Glance**  
(Dollars in thousands)  
**Office of the Special Trustee for American Indians**

	2011 Actual	2012 Enacted	2012 Enacted Realignments	2012 Enacted	Fixed Costs and Related Changes	Internal Transfers	Program Changes	2013 President's Budget	Change from 2012 Enacted
<b>FEDERAL TRUST PROGRAMS</b>									
EXECUTIVE DIRECTION	2,645	2,212	2,259	4,471	9	759	-2,272	2,967	-1,504
PROGRAM OPERATIONS AND SUPPORT									
PROGRAM OPERATIONS									
Information Resources	6,373	6,378	0	6,378	190	0	0	6,568	190
Trust Records	14,043	12,942	0	12,942	53	-2,879	-298	9,818	-3,124
Budget, Finance & Administration	14,337	14,140	0	14,140	142	12,353	-65	26,570	12,430
External Affairs	1,538	1,234	0	1,234	5	537	0	1,776	542
Trust Review & Audit	4,793	4,677	0	4,677	35	637	2,996	8,345	3,668
<i>PROGRAM OPERATIONS TOTAL</i>	<i>41,084</i>	<i>39,371</i>	<i>0</i>	<i>39,371</i>	<i>425</i>	<i>10,648</i>	<i>2,633</i>	<i>53,077</i>	<i>13,706</i>
TRUST ACCOUNTABILITY									
Trust Training	1,817	1,784	0	1,784	0	0	-1,784	0	-1,784
National Indian Program Training Center	1,250	727	-727	0	0	0	0	0	0
Trust Regulations, Policies, and Procedures	1,446	1,314	-1,314	0	0	0	0	0	0
Trust Program Management Center				0	0			0	0
Reengineering	2,092			0	0	0		0	0
Office of Hearings and Appeals	9,906	9,713	0	9,713	0	-8,716	-997	0	-9,713
Product Development Initiative	1,119	1,085	-218	867	0		-867	0	-867
Risk Management	655	637	0	637	0	-637	0	0	-637
Data Quality and Integrity	2,353	2,326	0	2,326	0	-2,326	0	0	-2,326
Trust Program Management Center total	16,125	13,761	-218	13,543	0	-11,679	-1,864	0	-13,543
<i>TRUST ACCOUNTABILITY TOTAL</i>	<i>20,638</i>	<i>17,586</i>	<i>-2,259</i>	<i>15,327</i>	<i>0</i>	<i>-11,679</i>	<i>-3,648</i>	<i>0</i>	<i>-15,327</i>
FIELD OPERATIONS	24,509	23,433	0	23,433	98	0	72	23,603	170
APPRAISAL SERVICES	10,961	10,691	0	10,691	44	0	-55	10,680	-11
TRUST SERVICES	29,307	27,661	0	27,661	124	1,380	-331	28,834	1,173
HISTORICAL TRUST ACCOUNTING	31,534	31,121	0	31,121	116	-1,108	-3,290	26,839	-4,282
<u>PROGRAM OPERATIONS AND SUPPORT TOTAL</u>	<u>158,033</u>	<u>149,863</u>	<u>-2,259</u>	<u>147,604</u>	<u>807</u>	<u>-759</u>	<u>-4,619</u>	<u>143,033</u>	<u>-4,571</u>
<b>FEDERAL TRUST PROGRAMS TOTAL</b>	<b>160,678</b>	<b>152,075</b>	<b>0</b>	<b>152,075</b>	<b>816</b>	<b>0</b>	<b>-6,891</b>	<b>146,000</b>	<b>-6,075</b>

**Summary of Requirements**

(Dollars in Thousands)

	2011 Actual		2012 Enacted		Fixed Costs and Related Changes	Internal Transfers	Program Changes (+/-)		2013 President's Budget		Changes from 2012 Enacted	
	Total FTE	Amount	Total FTE	Amount			Total FTE	Amount	Total FTE	Amount	FTE	Amount
<b>FEDERAL TRUST PROGRAMS</b>												
<u>EXECUTIVE DIRECTION</u>	21	2,645	34	4,471	9	759	0	-2,272	34	2,967	0	-1,504
<u>PROGRAM OPERATIONS AND SUPPORT</u>												
PROGRAM OPERATIONS												
Information Resources	35	6,373	35	6,378	190	0	0	0	35	6,568	0	190
Trust Records	86	14,043	86	12,942	53	-2,879	0	-298	86	9,818	0	-3,124
Budget, Finance & Administration	30	14,337	31	14,140	142	12,353	0	-65	31	26,570	0	12,430
External Affairs	8	1,538	9	1,234	5	537	0	0	9	1,776	0	542
Trust Review & Audit	21	4,793	27	4,677	35	637	0	2,996	27	8,345	0	3,668
PROGRAM OPERATIONS TOTAL	180	41,084	188	39,371	425	10,648	0	2,633	188	53,077	0	13,706
TRUST ACCOUNTABILITY												
Trust Training	3	1,817	3	1,784	0	0	-3	-1,784	0	0	-3	-1,784
National Indian Program Training Center		1,250		0	0	0		0	0	0		0
Trust Regulations, Policies, and Procedures	7	1,446		0	0	0		0	0	0		0
Trust Program Management Center												
Reengineering		2,092			0	0		0	0	0		0
Office of Hearings and Appeals		9,906		9,713	0	-8,716		-997	0	0		-9,713
Product Development Initiative	11	1,119	11	867	0	0	-11	-867	0	0	-11	-867
Risk Management	2	655		637	0	-637		0	0	0		-637
Data Quality and Integrity	2	2,353		2,326	0	-2,326		0	0	0		-2,326
Trust Program Management Center Total	15	16,125	11	13,543	0	-11,679	-11	-1,864	0	0	-11	-13,543
TRUST ACCOUNTABILITY TOTAL	25	20,638	14	15,327	0	-11,679	-14	-3,648	0	0	-14	-15,327
FIELD OPERATIONS	218	24,509	214	23,433	98	0	0	72	214	23,603	0	170
APPRAISAL SERVICES	68	10,961	71	10,691	44	0	0	-55	71	10,680	0	-11
TRUST SERVICES	127	29,307	124	27,661	124	1,380		-331	124	28,834	0	1,173
HISTORICAL TRUST ACCOUNTING	26	31,534	20	31,121	116	-1,108	0	-3,290	20	26,839	0	-4,282
<u>PROGRAM OPERATIONS AND SUPPORT</u>	644	158,033	631	147,604	807	-759	-14	-4,619	617	143,033	-14	-4,571
<b>FEDERAL TRUST PROGRAMS</b>	<b>665</b>	<b>160,678</b>	<b>665</b>	<b>152,075</b>	<b>816</b>	<b>0</b>	<b>-14</b>	<b>-6,891</b>	<b>651</b>	<b>146,000</b>	<b>-14</b>	<b>-6,075</b>

### Office of the Special Trustee for American Indians

(Dollars in millions)

<b>Treasury Account ID: 14 – 0120 – 0</b>		<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
		<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
	Obligations by program activity			
0001	Program operations, support, and improvements	169	151	147
0002	Executive direction	2	5	3
0900	Total new obligations	171	156	150
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	10	5	4
1021	Recoveries of prior year unpaid obligations	4	2	2
1050	Unobligated balance (total)	14	7	6
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation	161	152	146
1160	Appropriation, discretionary (total)	161	152	146
1701	Change in uncollected payments, Federal Sources	1	1	1
1750	Spending authority from offsetting collections, disc (total)	1	1	1
1900	Budget authority (total)	162	153	147
1930	Total budgetary resources available	176	160	153
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of, end of year	5	4	3
	Change in obligated balance:			
	Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	34	36	33
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-2	-1	-1
3011	Adjustments to uncollected pymts, Fed sources, brought forward	1	0	0
3020	Obligated balance, start of year (net)	33	35	32
	Changes in obligated balance during the year			
3030	Obligations incurred, unexpired accounts	171	156	150
3040	Outlays (gross)	-165	-157	-148
3080	Recoveries of prior year unpaid obligations, unexpired	-4	-2	-2
3090	Unpaid obligations, end of year (gross)	36	33	33
3091	Uncollected pymts, Fed sources, end of year	-1	-1	-1
3100	Obligated balance, end of year (net)	35	32	32
	Budget authority and outlays, net:			
	Discretionary:			
4000	Budget authority, gross	162	153	147
	Outlays, gross:			
4010	Outlays from new discretionary authority	13	123	118
4011	Outlays from discretionary balances	152	34	30
4020	Outlays, gross (total)	165	157	148
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources	-1	-1	-1
4070	Budget authority, net (discretionary)	161	152	146
	Budget authority and outlays, net (total)			
4180	Budget authority, net (total)	161	152	146
4190	Outlays, net (total)	164	156	147

Note: Table may not add due to rounding.

**Object Classification**

(Dollars in millions)

		<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
	<b>Treasury Account ID: 14 – 0120 – 0</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>Object Classification</b>			
	<b>Direct obligations</b>			
	<b>Personnel compensation</b>			
1111	Full time permanent	48	48	47
1113	Other than full-time permanent	1	1	1
1115	Other personnel compensation	2	2	2
1119	Total personnel compensation	51	51	50
1121	Civilian personnel benefits	14	14	13
1210	Travel and transportation of persons	3	3	3
1231	Rental Payments to GSA	4	3	3
1232	Rental Payments to others	7	6	6
1233	Communications, utilities, and miscellaneous charges	2	2	2
1251	Advisory and assistance services	19	17	18
1252	Other services from non-federal sources	14	12	12
1253	Other goods and services from federal sources	38	29	24
1260	Supplies and Materials	1	1	1
1310	Equipment	2	2	2
1990	Subtotal, obligations, Direct obligations	155	140	134
2990	Reimbursable obligations	3	3	3
	<b>Allocation Account - direct:</b>			
	<b>Personnel compensation</b>			
3111	Full-time permanent	6	6	6
3113	Other than full-time permanent	1	1	1
3119	Total personnel compensation	7	7	7
3121	Civilian personnel benefits	2	2	2
3210	Travel and transportation of persons	1	1	1
3231	Rental payments to GSA	1	1	1
3252	Other services from non-federal sources	2	2	2
3990	Subtotal, obligations, Allocation Account - direct	13	13	13
9999	Total new obligations	171	156	150

Note: Table may not add due to rounding.

**Office of the Special Trustee for American Indians**

<b>Personnel Summary</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2013 Estimate</b>
<b>Direct</b>			
Civilian full-time equivalent employment	665	665	651

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

	FY 2011	FY 2012	FY 2013
	Actual	Estimate	Estimate
Executive Level II.....	0	1	1
SES.....	11	11	10
Subtotal.....	11	12	11
SL - 00.....	0	0	0
ST - 00.....	0	0	0
Subtotal.....	0	0	0
GS/GM -15.....	37	37	33
GS/GM -14.....	108	108	104
GS/GM -13.....	94	94	91
GS -12.....	50	50	48
GS -11.....	26	26	26
GS -10.....	0	0	0
GS - 9.....	30	30	30
GS - 8.....	22	22	22
GS - 7.....	165	156	155
GS - 6.....	31	31	31
GS - 5.....	73	73	73
GS - 4.....	25	25	25
GS - 3.....	31	31	31
GS - 2.....	0	0	0
GS - 1.....	0	0	0
Subtotal.....	692	683	669
Other Pay Schedule Systems.....	1	1	1
<b>Total employment (actual/estimate)</b>	<b>704</b>	<b>696</b>	<b>681</b>

### Office of the Special Trustee for American Indians

#### Justification of Fixed Costs and Related Changes

(Dollars in Thousands)

Pay Raise and Pay-Related Changes	2011 Actual	FY 2012 Change	FY 2013 Change
Calendar Year 2010 Quarter 4	-		
Calendar Year 2011 Quarters 1-3	-		
Calendar Year 2011 Quarter 4		+0	
Calendar Year 2012 Quarters 1-3		+0	
Calendar Year 2012 Quarter 4			+0
Calendar Year 2013 Quarters 1-3			+237
Non-Foreign Area COLA Adjustment to Locality Pay	+0	+21	
Change in Number of Paid Days			+260
Employer Share of Federal Health Benefit Plans	+233	+515	+254

Other Fixed Cost Changes and Projections	FY 2011	FY 2012 Change	FY 2013 Change
<b>Worker's Compensation Payments</b>	N/A	+60	-69
The adjustment is for changes in the costs of compensating injured employees and dependents of employees who suffer accidental deaths while on duty. Costs for the BY will reimburse the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.			
<b>Unemployment Compensation Payments</b>	-	+0	+0
The adjustment is for projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499.			
<b>GSA Rental Payments</b>	N/A	+602	+115
The adjustment is for changes in the costs payable to General Services Administration (GSA) and others resulting from changes in rates for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to DHS. Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.			
<b>Departmental Working Capital Fund</b>		N/A	+15 +19
The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are displayed in the Budget Justification for Department Management.			

Internal Realignments and Non-Policy/Program Changes (Net-Zero)	FY 2013 (+/-)
Internal transfer from Trust Records to Budget, Finance and Administration.	+/- 3,986,474
Internal transfer from Trust Accountability to Budget, Finance and Administration.	+/- 8,716,000
Internal transfer from Trust Accountability to Trust, Review and Audit.	+/- 637,000
Internal transfer from Trust Accountability to Trust Services.	+/- 2,326,000
Internal transfer from Budget, Finance and Administration to External Affairs.	+/- 350,000
Internal transfer from Executive Direction to External Affairs	+/- 187,282
Internal transfer from Trust Services to Executive Direction	+/- 945,955
Internal transfer from Historical Accounting to Trust Records.	+/- 1,107,703

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

## Federal Trust Programs

(Including Transfer of Funds)

For the operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, [\$152,075,000] *\$146,000,000*, to remain available until expended, of which not to exceed [\$31,171,000] *\$26,839,000*, from this or any other Act, shall be available for historical accounting: *Provided*, That funds for trust management improvements and litigation support may, as needed, be transferred to or merged with the Bureau of Indian Affairs, "Operation of Indian Programs" account; the Office of the Solicitor, "Salaries and Expenses" account; and the Office of the Secretary, "Salaries and Expenses" account: *Provided further*, That funds made available through contracts or grants obligated during fiscal year 2013, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: *Provided further*, That, notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: *Provided further*, That, notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of \$15.00 or less: *Provided further*, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder: *Provided further*, That not to exceed \$50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or Tribal accounts after September 30, 2002: *Provided further*, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose.

**Justification of Proposed Language Changes**

**None**

### Appropriation Language and Citations

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

4. That funds made available to tribes and tribal organizations through contracts or grants obligated during fiscal year 2007, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee:
  - **25 U.S.C. 450(i) (c)** authorizes funds obligated for tribal contracts to remain available until expended.
5. That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least eighteen months and has a balance of \$15.00 or less:
  - **25 U.S.C. 4043(b)(1)** authorizes the Special Trustee to oversee all reform efforts within the Bureau (of Indian Affairs)... and to ensure the establishment of policies, procedures, systems and practices to allow the Secretary to discharge her/her trust responsibilities in compliance with this chapter.
  - **25 U.S.C. 4041 (et seq)** requires the reform of trust practices to promote the effective discharge of the Secretary's trust responsibilities.
6. That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.
  - **25 U.S.C. 4041 (et seq)** requires the reform of trust practices to promote the effective discharge of the Secretary's trust responsibilities.
7. That not to exceed \$50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or tribal accounts after September 30, 2002: Provided further, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose.
  - Interior and Related Agencies Appropriation Act, FY 2002. Annual Appropriations Acts have continued this provision each year since FY 2002.

**Activity: Executive Direction**  
**Subactivity: Immediate Office of the Special Trustee**

\$000	2011 Actual	2012 Enacted	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2013 President's Budget	Change from 2012 Enacted (+/-)
Executive Direction	2,645	4,471	9	759	-2,272	2,967	-1,504
<b>Total</b>	<b>2,645</b>	<b>4,471</b>	<b>9</b>	<b>759</b>	<b>-2,272</b>	<b>2,967</b>	<b>-1,504</b>
FTE	21	34	0	0	0	34	0

**Summary of 2013 Program Changes for Executive Direction**

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Executive Direction	-2,272	0
<b>TOTAL Program Changes</b>	<b>-2,272</b>	<b>0</b>

**Justification of 2013 Program Changes**

The FY 2013 request for Executive Direction is \$2,967,000 and 34 FTE, a program change of -\$2,272,000 and 0 FTE changes from the 2012 Enacted.

Executive Direction program change of -\$2,272,000 is the result of the elimination of the National Indian Program Training Center contract in the amount of -\$727,000, Trust Regulations, Policies, and Procedures -\$1,314,000, and Product Development Initiative -\$231,000. OST programs will create, modify or eliminate regulations, policies and procedures working with ASIA's Policies and Regulations Group, the Department, and the Solicitor's Office. Executive Direction will also have an internal transfer of +\$945,955 from Trust Services as a result of moving the Trust Fund Investments program, and -\$187,282 to External Affairs for one position for a net internal transfer totaling +\$758,673.

**Program Overview**

**Executive Direction (\$2,967,000/ 34 FTE)** - The Special Trustee is charged with general oversight of Indian trust asset reform efforts Department-wide to ensure proper and efficient discharge of the Secretary's fiduciary trust responsibilities to federally recognized Indian tribes, Alaska Natives, and individual Indians. OST was created to ensure that the Department establishes appropriate policies and procedures, develops necessary systems, and takes affirmative actions to reform the management of Indian trust funds. In carrying out the management and oversight of Indian trust funds, the Secretary has a responsibility to ensure that trust accounts are properly maintained, invested, and reported in accordance with the *American Indian Trust Fund Management Reform Act of 1994*, Congressional action, and other applicable laws. Funds provided for OST directly contribute to the appropriate oversight needed to further the Department's Indian Fiduciary Trust Responsibilities.

OST supports legislative proposals addressing needed technical corrections and administrative improvements for implementing trust reform, which will continue to improve services to Indian trust beneficiaries.

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

### **2013 Program Performance**

- Identify, initiate, prioritize, evaluate and monitor reform activities.
- Oversee trust activities throughout the Department – program managers are expected to advise the Office on a number of complex and sensitive issues relating to organization, reengineering, ongoing litigation and other trust activities.
- Continue to strengthen a comprehensive Risk Management program based on OMB guidance, private sector improvements, and OTRA reviews throughout the Departmental bureau's having Indian Trust responsibilities.
- Support the work of the Special Trustee's Advisory Board and the Commission on Indian Trust Administration and Reform.
- Create informed partnerships with other bureau and office directors in the Department to achieve positive trust reform outcomes.
- Continue to enhance BIA's tract ownership validation process testing for all contingencies.

**Activity: Program Operations and Support**  
**Subactivity: Program Operations**

<b>\$000</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>Fixed Costs &amp; Related Changes (+/-)</b>	<b>Internal Transfers (+/-)</b>	<b>Program Changes (+/-)</b>	<b>2013 President's Budget</b>	<b>Change from 2012 Enacted (+/-)</b>
Information Resources	6,373	6,378	190	0	0	6,568	190
Office of Trust Records	14,043	12,942	53	-2,879	-298	9,818	-3,124
Budget, Finance & Administration	14,337	14,140	142	12,353	-65	26,570	12,430
Litigation Support	[4,059]	[3,986]	0	0	0	[3,986]	0
Office of Hearings and Appeals	[9,906]	[9,713]	0	0	[-997]	[8,716]	[-997]
Office of External Affairs	1,538	1,234	5	537	0	1,776	542
Office of Trust Review and Audit	4,793	4,677	35	637	2,996	8,345	3,668
Risk Management	[655]	[638]	[-1]	[637]	0	[637]	[-1]
<b>Total</b>	<b>41,084</b>	<b>39,371</b>	<b>425</b>	<b>10,648</b>	<b>2,633</b>	<b>53,077</b>	<b>13,706</b>
<i>FTE</i>	<i>180</i>	<i>188</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>188</i>	<i>0</i>

**Summary of 2013 Program Changes for Program Operations**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Information Resources	<b>0</b>	<b>0</b>
Office of Trust Records	<b>-298</b>	<b>0</b>
Budget, Finance & Administration	<b>-65</b>	<b>0</b>
Office of External Affairs	<b>0</b>	<b>0</b>
Office of Trust Review and Audit	<b>2,996</b>	<b>0</b>
<b>TOTAL Program Changes</b>	<b>+2,633</b>	<b>0</b>

**Justification of 2013 Program Changes**

The FY 2013 budget request for Program Operations is \$53,077,000 and 188 FTE, a net program change of +\$2,633,000 and 0 FTE from the 2012 Enacted.

Internal transfers include:

- Office of Trust Records will have a net internal transfer totaling -\$2,878,771. This includes +\$1,107,703 from Historical Trust Accounting for space costs and -\$3,986,474 to Budget, Finance and Administration for Litigation Support.
- Budget, Finance and Administration will have a net internal transfer totaling +\$12,352,474. This includes +\$3,986,474 from Office of Trust Records for Litigation Support, +\$8,716,000 from Trust Accountability for the Office of Hearings and Appeals, and -\$350,000 to External Affairs for program operations.

- External Affairs will have a net internal transfer totaling +\$537,282. This includes +\$350,000 for program operations and +\$187,282 from Executive Direction for one position.
- Office of Trust Review and Audit will receive an internal transfer of +\$637,000 from Trust Accountability for the Risk Management program.

**Office of Trust Records (-\$298,000/0 FTE)** - In FY 2013, a program change of -\$298,000 is proposed for the Office of Trust Records. This reduction will be taken from training, supplies, and travel, where the expanded use of Microsoft Lync software will reduce the need for travel dollars. In FY 2009, OTR in-sourced the records indexing project and hired 20 FTEs to continue the indexing of inactive records sent to the American Indian Records Repository. In FY 2009, OTR completed the indexing of trust records collected in previous fiscal years from BIA. Records to be indexed in future years are anticipated to be inactive records retired in compliance with approved record schedules. In future years, OTR will continue to use in-house staff to maintain and update the database as records are retired. OTR will be using less federal personnel than the base contract personnel and there should be no impact on workload and performance.

The Office of Trust Records (OTR) has made significant progress in providing records management training and safeguarding Indian fiduciary trust records for the Department of the Interior employees and Tribal customers.

**Budget, Finance and Administration (-\$65,000 / 0 FTE)** - In FY 2013, a program change of -\$65,000 and 0 FTE is proposed for the Office of Budget, Finance and Administration.

BFA is aggressively working toward implementing cost-saving programs, such as telework, that will help obtain administrative savings in space and travel. Efficiency studies underway will likely reveal achievable administrative savings as well.

**Office of Trust Review and Audit (+\$2,996,000/0FTE)** - In FY 2013, a program change of +\$2,996,000 and +0 FTE is proposed for the Office of Trust Review and Audit as a result of hiring additional contracted staff for the Washington DC site. The Trust Reform Act states the Special Trustee shall oversee all reform efforts within OST, the Bureau of Indian Affairs, the Bureau of Land Management, and the Office of Natural Resources Revenue. To ensure compliance with Indian Trust Reform Act OTRA will conduct Generally Accepted Government Auditing Standards compliant audits at BIA, BLM and ONRR. The purpose of these audits will be to determine if the OST, BIA, BLM and ONRR have established and are complying with appropriate policies and procedures, and developed necessary systems, that will allow management of the fiduciary trust assets consistent with statutory requirements. To accomplish the projected goals for FY 2013, OTRA will use both in-house and outsourcing options. The use of outsourcing will also allow OTRA to increase/decrease staff as needed.



## Program Overview

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

**Information Resources (\$16,386,000/121 FTE) - Assistant Director for Information Resources (ADIR)** The Office of Information Resources (IR) through the ADIR provides organization-wide information resources support for OST in carrying out the fiduciary trust responsibilities to tribal and individual Indian beneficiaries; develops, maintains, and operates the trust enterprise architecture; provides day-to-day computer support to OST personnel nation-wide; and implements the trust records management program.

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

The ADIR interfaces with the other Departmental CIO office and develops strategic plans to support OST business processes, and manages OST's IR services which provides the daily OST data systems' support, testing and implementation of automated trust funds financial and other support systems, and ensures necessary interfaces with other trust systems in the BIA, Bureau of Safety and Environmental Enforcement (BSEE), OHA, OHTA and other related offices in the Department.

**2013 Program Performance**

The performance target in FY 2013 is to continue to provide Statements of Performance to beneficiaries with a valid address in TFAS on a timely basis 100% of the time. Performance statements are generally produced monthly for the tribes and quarterly for the majority of IIM account holders. Tribes generally request that annual Statements of Performance be produced. The report on the real property and associated encumbrances is available for all IIM beneficiaries. This activity is in support of the Department Indian Fiduciary Trust Responsibilities and Trust Fund accountability and the CTMP section Administrative Services that includes “provide modern, appropriate systems and tools to manage the fiduciary trust.”

The ADIR, through the Office of Trust Records (OTR), is responsible for the management of BIA, BIE, AS/IA, and OST records programs by providing guidance and support on records management. It is responsible for development of, and obtaining approval from the Archivist of the United States, for records schedules; supporting computer-based records management training; disposition and safeguarding of inactive records; retrieval of records for authorized users; and supporting the implementation of a Departmental Electronic Records Management System.



Entrance to the American Indian Records Repository

OTR will also provide records management training and technical assistance to tribes/Consortia requesting such services and collaborate with the tribes/Consortia in the development of a Tribal/Consortia records management program.

ADIR support for inactive records includes: maintaining and updating retired records in the central electronic database Box Index Search System (BISS); ensuring that the necessary security safeguards remain in place at the American Indian Records Repository (AIRR); prohibiting the withdrawal of original records from AIRR; preserving and providing remediation services for inactive records received at AIRR; and providing access for research purposes to authorized users of the records.

<b>Records Management Performance Data</b>	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>
Number of Personnel Trained	684	500	400
Number of Boxes Indexed	13,855	7,200	7,200

*Note: FY 2012 and FY 2013 number of boxes indexed are estimates based on the elimination of contract employees.*

The ADIR is responsible for funding AIRR in Lenexa, Kansas, pursuant to an agreement between the Department and the National Archives and Records Administration. This state-of-the-art facility stores all inactive Indian records from BIA, OST, tribes, and other federal offices that create and maintain Indian Affairs records across the United States. At the end of FY 2011, AIRR had 219,178 boxes. In FY 2013, an estimate of 234,000 boxes will collectively contain about 560 million pages of records stored in accordance with the highest standards for the preservation of archival records.

Research of BIA and OST inactive records takes place in AIRR by OST staff and SOL and DOJ contractors. No original records are allowed to be taken from the facility. Research requests for document production have steadily increased as the number of inactive records retired and tribal trust litigation has increased. Under the same agreement, ADIR supports the records management curriculum at Haskell Indians Nations University (HINU) by providing instructors for the trust records management certificate program at HINU and by working with HINU to provide student internships, under the Student Temporary Employment Program (STEP) at AIRR. The records management program and work experience will provide a cadre of individuals trained in records management who can work for federal and tribal governments to ensure proper records management.

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

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

### **2013 Program Performance**

- Index, store, and safeguard approximately 7,200 boxes of inactive records retired from BIA and OST offices, any other Department agencies or tribes with 638 agreements that create Indian fiduciary trust records, at AIRR.
- Provide on-line records management training for approximately 400 federal employees.
- Continue to provide records management operations and research and litigation document production at AIRR. AIRR staff responds to approximately 2,500 non-litigation research requests per year, providing over 184,000 pages of documents.
- Continue to maintain the BISS that allows for record retrieval on an as needed basis for an estimate of 233,578 boxes of inactive records.
- Continue to provide support to tribal trust litigation parties by providing access to thousands of boxes of inactive records necessary for research, document production, etc.
- Continue to support the records management curriculum at Haskell Indian Nations University (HINU) by providing instructors for the trust records management certificate program at HINU and by working with HINU to provide student internships, under the Student Temporary Employment Program (STEP) at AIRR.

- Continue to provide records management technical support and records management training for at least 10 tribes with contracted/compacted programs.
- At a Tribe's request, transfer and store inactive Indian fiduciary records created and maintained by tribes, pursuant to contracted/compacted trust programs, at AIRR.
- At a Tribe's request, provide records management training and technical assistance.
- Review, update, and establish records schedules for any newly identified documents and/or business process records that do not fit into an established record series and submit for approval to the Archivist of the United States. Upon receipt of approval, implement the records schedules.
- Support Departmental production requirements in tribal trust litigation cases.
- Continue to provide records management support and technical guidance through OTR regional records liaisons

OTR will continue to provide records management guidance and technical assistance to other federal agencies that create and maintain Indian fiduciary trust records.

**Budget, Finance and Administration (\$26,570,000/31 FTE)** - The Office of Budget, Finance and Administration (BF&A) provides direct budget, planning and administrative support and oversees the administration of contracts for personnel, acquisition, and finance. BF&A provides administrative support services (e.g., property, safety, supplies, checks, Statements of Performance mailing, and general mail services) for OST, in carrying out the fiduciary trust responsibilities to federally recognized American Indian tribes, individual Indians, and Alaska Natives efficiently and effectively. BF&A coordinates required reporting to the Department, the Office of Management and Budget, and to the United States Congress.

Budget Finance and Administration (\$13,868,000/31 FTE) - BF&A manages its responsibilities through four components: (1) Budget and Finance, (2) Planning and Analysis, (3) Facilities Support and (4) Trust Support. Support functions include: formulation, execution, and presentation of the OST performance budget and planning documents; development and implementation of activity-based cost management (ABC/M); facilities support; and processing and mailing of Individual Indian Money (IIM) account holder checks, oil and gas Explanation of Payments, Statements of Performance and other beneficiary related documents.

In addition, BF&A coordinates the implementation of performance improvement, human capital and transportation management. Prior year accomplishments include: implementation of quarterly budget/performance reviews, creating on-line ABC/M training module, revising the ABC/M data dictionary, and integration of the Office of Historical Trust Accounting in OST's administrative systems. Also, BF&A implemented a Telework Pilot and coordinated the conversion to the Financial and Business Management System (FBMS), GovTrip travel system, and QuickTime for electronic time and attendance.

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

Litigation Support (\$3,986,000) – Included in the BF&A total is \$3,986,000 for the Solicitor’s office and \$8,716,000 for Office of Hearings and Appeals. These funds pass through the BF&A to these offices to provide document production capabilities for tribal trust litigation cases and caseload management efforts.

Office of Hearings and Appeals (\$8,716,000) – Although the responsibility for directing overall probate cleanup efforts rests with BIA, OST oversees caseload management efforts; ensures coordination of policies, practices and systems; provides flow-through funding to the Office of Hearings and Appeals for probate adjudication; and provides guidance in identifying problems and potential solutions to case processing bottlenecks.

In FY 2011, OHA received 7,486 new case referrals from BIA, almost 500 more than anticipated. BIA does not expect to refer that many cases to OHA in FY 2012 and FY 2013.

<b>OHA Probate Performance Data 2011-2013</b>				
	# of cases pending beginning of year	# of new cases received	# of cases decided	# of cases pending end of year
FY 2011	4,841	7,486	6,717	5,610
FY 2012	5,610	7,000	6,500	6,110
FY 2013	6,110	6,500	6,250	6,360

**BF&A Budget by Category**  
(in Thousands)

	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>	<b>Change 2013 from 2012</b>
<b>HR Support</b>	\$1,685	\$1,603	\$1,683	\$80
<b>EEO Support</b>	\$0	\$23	\$24	\$1
<b>Acquisition Support</b>	\$1,516	\$1,763	\$1,852	\$88
<b>Accounting Support</b>	\$441	\$476	\$500	\$24
<b>Security</b>	\$502	\$487	\$512	\$24
<b>Space Rental</b>	\$9,108	\$3,906	\$7,487	\$3,581
<b>Working Capital Fund (Cent.)</b>	\$2,157	\$2,324	\$2,491	\$167
<b>Workers Compensation</b>	\$102	\$60	\$63	\$3
<b>BFA Offices</b>	\$10,958	\$6,239	\$6,551	\$312
<b>Obligations</b>	<b>\$26,470</b>	<b>\$16,881</b>	<b>\$21,161</b>	<b>\$4,280</b>
<b>Chargeback Estimate</b>	-\$3,193	-\$3,069	-\$3,222	<b>\$153</b>
<b>Total</b>	<b>\$23,277</b>	<b>\$13,813</b>	<b>\$17,939</b>	<b>\$4,126</b>

Note: The Chargeback Estimate is a negative amount and is offset since BFA charges other OST programs proportionately for centralized costs associated with contracts and Working Capital Fund agreements for Human Resources, Acquisitions, Financial Management, Building Security, etc. The Chargeback Estimate basis is discussed in the overview under Section 405 compliance.

**2013 Program Performance**

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

**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

<b>Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives</b>									
<b>Supporting Performance Measures</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Plan</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Plan</b>	<b>FY 2013 Budget Request</b>	<b>Change from FY 2012</b>	<b>Long-term Target 2016</b>
<i>Strategy #2: Fulfill fiduciary trust</i>									
Beneficiary Services: Percent timeliness of financial account information provided to trust beneficiaries. (SP)	100.00%	100.00%	100.00%	99.50%	100.00%	99.50%	100.00%	0.50%	100.00%
	766,589	770,198	787,340	776,100	764,553	796,000	800,000	4,000	800,000
	766,589	770,198	787,340	780,000	764,553	800,000	800,000	0	800,000
Comments: The addition of asset information included in beneficiary statements increases the number of total statement pages by approximately 100%. Page count per statement is a significant cost driver for the production of statements and accounts for the increase shown in FY 2009. Beginning in FY 2008, projected costs include postage (prior years included only costs to produce the statements). As a result of an increase for mailing of beneficiary statements in FY 2012, projected cost have increased.									
Contributing Programs: Budget, Finance and Administration and Information Resources									



**Office of External Affairs (\$1,776,000/9 FTE)** - The Office of External Affairs (OEA) has three primary areas of responsibility in supporting the Special Trustee's statutorily-required reform and oversight activities: (1) communications material with a diverse group of stakeholders about the Department's trust reform initiatives; (2) administration of OST's tribal self-governance and self-determination program; and (3) congressional liaison activities.

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

In the area of self-governance and self-determination, under P.L. 93-638, OEA staff members provide information to tribes, as requested, on self-governance and self-determination opportunities, and technical assistance to encourage tribes to consider contracting or compacting OST Programs. OEA staff members actively pursue negotiating program standards with tribes who elect to contract or compact OST Programs, to ensure fulfillment of the Secretary's fiduciary trust responsibilities.

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

OEA staff also provides information to tribes on withdrawing trust funds for tribal self-investment and management outside of the Federal government pursuant to the Reform Act and coordinates OST's activities in response to tribal requests to withdraw funds out of trust status.

The Reform Act authorizes tribes to withdraw tribal funds held in trust status for tribal self-investment and management and thereby eliminate federal management of those tribal funds. To withdraw these tribal funds, a tribe must submit an application that includes data and information about how the tribe intends to invest and manage the funds once withdrawn from trust status.

OEA has developed brochures for tribes which explain the process for the withdrawal of their funds from trust status. OEA can assist tribes, if requested, to obtain technical assistance during the development of a trust withdrawal application. After OEA and appropriate OST subject matter experts determine that the application is complete, the regulations provide that OST has 90 days to review and approve or decline the application. The regulations allow additional time for information or clarifications to be received during the review process.

OEA helps the Department accomplish its trust mission through the development and maintenance of a comprehensive communications program to fulfill the overall trust business goals and objectives identified in the CTMP and the FTM which aligns (reengineers) existing business processes with the requirements of the CTMP, including:

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

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

A significant portion of OEA's operating budget is used to support the administration of Indian self-governance and self-determination activities as authorized by Title I and Title IV of Public Law 93-638. In FY 2011, OEA worked with over 38 tribes that performed or sought to perform OST programs and functions on behalf of their members, and worked to ensure tribes had program standards for the performance of OST functions in place. OEA continues to assist tribes in support of self-determination and self-governance and to provide opportunities for new tribes interested in operating OST trust programs or for those tribes seeking authority to access OST IR-based trust systems. OEA will utilize its resources to meet costs and sustain the current workload, and will continue to work toward inclusion of performance standards for at least 75% of tribes contracting/compacting available OST trust programs.

### **2013 Program Performance**

In FY 2013, OEA will enhance interest in OST's contractable/compactable programs with self-determination and self-governance tribes in an effort to seek better participation in tribal operation of OST programs. OEA will provide helpful information, as requested, to tribes currently operating OST trust programs to access OST's IR-based trust systems, at their tribal facility, provided that such IR-based trust systems are technically available for tribal operation.

OEA will support this self-governance and self-determination effort by:

- Continuing to administer the full range of P.L. 93-638 self-governance and self-determination activities and services to include: promoting opportunities; providing technical assistance; developing tribal share packages; negotiating, approving or declining P.L. 93-638 contract proposals; negotiating program standards; negotiating Funding Agreements; negotiating Reprogramming Requests and footnotes; and coordinating the allocation of OST 638 funds to BIA and the Office of Self-Governance.
- Negotiating annual funding agreements, memoranda of understanding, and tribal use agreements and program standards for the compacting/contracting available OST programs.

- Hold discussions with requesting tribes to share information about potential access to OST IR-based trust systems.
- Coordinating cost determinations for tribes to access OST IR-based trust systems.
- Coordinating the approval process performed by the required Departmental boards for any tribal requests to access OST IR-based trust systems.
- Coordinating activities within BIA and OST to provide OST trust systems training for tribes.

In addition, OEA will support communications to stakeholders by:

- Articulating and marketing the continued goals, objectives, and benefits of the FTM.
- Continuing the proactive development of communications and media materials.
- Continuing support of OST's national debit card and direct deposit programs for IIM account holders.
- Enhancing OST's relationship with national and local media.
- Continuing communications with Members of Congress and their staff, when requested, to discuss trust reform initiatives and potential legislative solutions.
- Providing written updates to Congress and Tribal Leaders on the status of trust reforms.
- Coordinating and reviewing formal applications from tribes to withdraw their funds from trust status, for tribal self-investment and management and encouraging enhanced tribal involvement in this program whenever possible.

**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

<b>Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives</b>									
<b>Supporting Performance Measures</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Plan</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Plan</b>	<b>FY 2013 Budget Request</b>	<b>Change from FY 2012</b>	<b>Long-term Target 2016</b>
<i>Strategy #2: Fulfill fiduciary trust</i>									
Communications: Number of communication resources developed for stakeholders. (BUR)	N/A	76	35	34	34	34	34	0	34
Comments: In FY 2010 Communication resources were redefined to reflect actual product direct and indirect costs, affecting cost projections for FY 2010 and beyond. Cost increases also are due in part to the production of higher quality communication products and production of communication resources designed to reach a greater number of people in Indian Country.									
Contributing Programs: External Affairs									
Self-Governance/Self-Determination: Number of agreements and Memoranda of Understanding (MOU) negotiated, renewed or reviewed with P.L. 93-638 tribes for operating the beneficiary processes program or real estate appraisal programs. (BUR)	100%	95%	100%	100%	100%	100%	100%	0%	100%
	145	37	77	77	77	77	77	0	77
	145	39	77	77	77	77	77	0	77
Comments: Execution of OEA's Self-Governance/Self-Determination Program can require negotiation, review or renewal actions by OEA employees on a specific tribe's Self-Governance/Self-Determination contract/compact documents. To give proper credit to the goal of expertly managing OEA's Self-Governance/Self-Determination Program in FY 2010 and beyond, OEA will count as "one," each time it negotiates, reviews or renews a specific tribe's compact or contract documents, not to exceed "three" for each tribe. For example: If OST and a tribe negotiate a new MOU, and the tribe has a new Annual Funding Agreement and a new Reprogramming Request, all either reviewed or negotiated by OEA employees, this will count as "three" on the Goal Performance Table.									
Contributing Programs: External Affairs									

**Office of Trust Review and Audit (\$8,345,000/22 FTE)**

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

OTRA provides independent audit, reviews and examinations of Indian fiduciary trust programs administered by the Department of the Interior and Indian tribes to ensure that the Secretary of the Interior's responsibilities are being carried out.

**Program Overview**

Office of Trust Review and Audit (\$7,708,000/22 FTE) - OTRA conducts examinations, identifies deficiencies, coordinates findings, generates reports, and monitors corrective actions for trust programs and records management assessments, including the evaluation of tribally-managed trust programs compacted with the Department of the Interior. OTRA also conducts special reviews at the request of Department officials, beneficiaries, or the public.

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

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

To comply with the mandates of the *American Indian Trust Fund Management Reform Act of 1994*, OST has implemented an Indian trust examination process to assist the Department and participating tribes in the management of Indian trust operations and programs. The results of these examinations are provided to the managers of Indian trust programs and Indian fiduciary

activities at the tribal and federal levels to address deficiencies and improve overall trust operations and management. Due to the comprehensive nature of the Indian trust examinations and the increasing number of trust programs that must be evaluated, these examinations are prioritized by trust rating, risk factors, or exam cycle.

In FY 2013, OTRA anticipates increasing its current exam workload to include reviews of the Office's of Appraisal Services regional offices and potentially the Indian Land Consolidation Offices as a result of the implementation of the Cobell settlement including the OST, BIA, BLM, and ONRR. A conservative estimate of ten (10) additional examinations has been added to the OTRA workload for the FY 2013 trust examination goals.

	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>
<b>Records Management Assessments (180 sites)</b>			
<b>Number of sites reviewed</b>	45	50	55
<b>Trust Examinations (180 sites)</b>			
<b>Number of sites reviewed</b>	53	50	60

Risk Management (\$637,000/5 FTE) - The risk management staff was realigned with OTRA in 2012. The purpose for the realignment is to provide better service to the customers and to streamline the reporting process for risk management activities. Aligning risk management with OTRA will also allow OTRA the ability to identify major risk categories within the OST in term of susceptibility to fraud, waste, or abuse; program effectiveness or efficiency, statutory or regulatory noncompliance, and other areas of importance to OST.

Implementing the FTM directly relates to the OST Risk Management program performance measure. The Risk Management program continues to be proactive through identification of risk associated with program activities and implementation of controls to mitigate identified risk. OST programs related to the trust reform initiatives are conducting risk assessments to provide reasonable assurance that the financial reporting is free of material misstatement, programs are operating efficiently and effectively and in compliance with laws and regulations. OST intends to strengthen its Risk Management program by: increasing the quantity of field locations tested; improving OST staff expertise based on offering of risk management training to OST staff; increasing support of internal programs and internal control testing efforts across bureaus more efficiently; enhancing the existing risk management tool (RM-PLUS) to facilitate more efficient assessing and reporting; and continued alignment of RM-PLUS with regulatory and legislative requirements, in particular, OMB Circular A-123, with Appendices, and FMFIA. In addition, OTRA will assist in strengthening the Intra-bureau Test Group by establishing a charter setting forth the purpose and output of the organization.

Risk Management also collaborates with other bureaus and offices that provide trust services which impact OST's trust operations and trust fund financial statements.

<b>Risk Management - Performance Data</b>	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>
Number of Program Self-Assessments Performed in Automated Tool (RM-Plus)	53	53	53
Number of Programs Tested	35	49	49

### **2013 Program Performance**

- Apply the comprehensive Indian Trust Rating System to all entities evaluated.
- Perform 55 records management assessments.
- Perform 60 Indian Trust Examinations.
- Track and report on examination findings, recommendations and corrective action plans for all examinees.
- Perform quarterly follow-up on corrective action plans for records management assessments.
- Continue to advise senior managers when records assessment findings are not timely resolved and follow-up until findings are addressed satisfactorily.
- Provide timely and effective responses to allegations and/or complaints regarding the management of trust assets.
- Continue efforts to improve efficiency by seeking ways to streamline the trust examination process.
- Collaborate with other Departmental offices to validate and/or leverage management control reviews outlined in the Office of Management and Budget Circular A-123.
- Ensure examinations are performed in accordance with the "Quality Standards for Inspections" issued by the President's Council on Integrity and Efficiency.
- Ensure all OTRA employees complete, every two years, at least 80 hours of continuing professional education that enhance their professional proficiency to perform examinations.
- In FY 2013, employees will complete approximately 40 hours of continuing professional education.

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**Activity: Program Operations and Support**  
**Subactivity: Trust Accountability**

<b>\$000</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>Fixed Costs &amp; Related Changes (+/-)</b>	<b>Internal Transfers (+/-)</b>	<b>Program Changes (+/-)</b>	<b>2013 President's Budget</b>	<b>Change from 2012 Enacted (+/-)</b>
Trust Training	1,817	1,784	0	0	-1,784	0	-1,784
National Indian Program Training Center	1,250	0	0	0	0	0	0
Trust Regulations Policies and Procedures	1,446	0	0	0	0	0	0
Trust Program Management Center	16,125	13,543	0	-11,679	-1,864	0	-13,543
<b>Trust Accountability</b>	<b>20,638</b>	<b>15,327</b>	<b>0</b>	<b>-11,679</b>	<b>-3,648</b>	<b>0</b>	<b>-15,327</b>
<i>FTE</i>	<i>25</i>	<i>14</i>	<i>0</i>	<i>0</i>	<i>-14</i>	<i>0</i>	<i>-14</i>

**Summary of 2013 Program Changes for Trust Accountability**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Trust Training	<b>-1,784</b>	<b>-3</b>
National Indian Program Training Center	<b>0</b>	<b>0</b>
Trust Regulations Policies and Procedures	<b>0</b>	<b>0</b>
Trust Program Management Center	<b>-1,864</b>	<b>-11</b>
<b>TOTAL Program Changes</b>	<b>-3,648</b>	<b>-14</b>

**Justification of 2013 Program Changes**

The 2013 budget request for Trust Accountability is \$0 and 0 FTE, a net program change of -\$3,648,000 and -14 FTE from the 2012 Enacted.

Trust Accountability will have an internal transfer of -\$8,716,000 to Budget, Finance and Administration for Office of Hearings and Appeals, -\$637,000 to Office of Trust Review and Audit for the Risk Management program and -2,326,000 to Trust Services for Data Quality and Integrity program for a net internal transfer of -\$11,679,000.

**Trust Training (-\$1,784,000/-3 FTE)** - In FY 2013, a program change of -\$1,784,000 and -3 FTE is proposed for Trust Training. This reduction is a result of program elimination. Trust Accountability will no longer offer Indian fiduciary trust certification courses through the Cannon Financial Institute (Cannon). OST will obtain Indian fiduciary trust courses through the Cannon Financial Institute utilizing DOI University and OST programs will be required to pay for student tuition.

**Trust Program Management Center (-\$1,864,000/-11 FTE)** - In FY 2013, a program change of -\$1,864,000 is proposed for Trust Program Management which includes -\$997,000 and 0 FTE for Office of Hearings and Appeals resulting from the consolidation of probate offices, and savings from the digitization of all its probate records, making them more accessible to the staff in all the

probate offices and reducing the need for storage space in the field offices. The program change also includes -\$867,000 and -11 FTE for Product Development Initiative. This reduction is a result of program elimination. Trust Services will oversee SDA's, Youpee distribution and estate account reconciling items. Historical Trust Accounting will do historical SDA distributions in order to leverage the efficiency and effectiveness of the new systems and continue to accomplish the trust reform improvements outlined in the FTM.

Trust Program Management Center (\$0/0 FTE)

		2011 Actual	2012 Enacted	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2013 President's Budget	Change from 2012 Enacted (+/-)
Risk Management	\$000	655	637	0	-637	0	0	-637
	FTE	2	0	0	0	0	0	0
Reengineering	\$000	2,092	0	0	0	0	0	0
	FTE	0	0	0	0	0	0	0
Office of Hearings and Appeals	\$000	9,906	9,713	0	-8,716	-997	0	-9,713
	FTE	0	0	0	0	0	0	0
Product Development Initiative	\$000	1,119	867	0	0	-867	0	-867
	FTE	11	11	0	0	-11	0	-11
Data Quality and Integrity	\$000	2,353	2,326	0	-2,326	0	0	-2,326
	FTE	2	0	0	0	0	0	0
<b>Trust Program Management Center</b>	<b>\$000</b>	<b>16,125</b>	<b>13,543</b>	<b>0</b>	<b>-11,679</b>	<b>-1,864</b>	<b>0</b>	<b>-13,543</b>
	<b>FTE</b>	<b>15</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>-11</b>	<b>0</b>	<b>-11</b>

**Summary of 2013 Program Changes for Trust Accountability**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Risk Management	0	0
Reengineering	0	0
Office of Hearings and Appeals	-997	0
Product Development Initiative	-867	-11
Data Quality and Integrity	0	0
<b>TOTAL Program Changes</b>	<b>-1,864</b>	<b>-11</b>

**Activity: Program Operations and Support**  
**Sub-activity: Field Operations**

<b>\$000</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>Fixed Costs &amp; Related Changes (+/-)</b>	<b>Internal Transfers (+/-)</b>	<b>Program Changes (+/-)</b>	<b>2013 President's Budget</b>	<b>Change from 2012 Enacted (+/-)</b>
Field Operations	24,509	23,433	98	0	72	23,603	170
<b>Total</b>	<b>24,509</b>	<b>23,433</b>	<b>98</b>	<b>0</b>	<b>72</b>	<b>23,603</b>	<b>170</b>
<i>FTE</i>	<i>218</i>	<i>214</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>214</i>	<i>0</i>

**Summary of 2013 Program Changes for Field Operations**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Field Operations	72	0
<b>TOTAL Program Changes</b>	<b>+72</b>	<b>0</b>

**Justification of 2013 Program Changes**

The FY 2013 budget request for Field Operations is \$23,603,000 and 214 FTE, a program change of +\$72,000 and 0 FTE from the 2012 Enacted. The program increase of +\$72,000 is for program operations.

**Program Overview**

**Field Operations (\$23,603,000/214 FTE)** - Field Operations is the primary point of contact for trust beneficiaries (tribes, individual Indians and Alaska Natives) seeking information and services regarding their trust assets. The field staff assists beneficiaries on a daily basis at regional, agency, and urban locations regarding account statements, account balances, other account attributes, receipts, disbursements, leases and leasing, probate processing, and provides any other trust asset information including statutory or regulatory changes affecting trust asset management important for beneficiaries to know. Field Operations also has a key role in leading the Department's outreach efforts to beneficiaries. Outreach events include attendance at community meetings and pow-wows with a focus on providing information on asset management and trust reform initiatives, as well as holding financial skills training for IIM beneficiaries throughout Indian Country. As a result of the implementation of the Cobell settlement, Field Operations will also potentially provide outreach support to the Indian Land Consolidation Offices in its efforts to acquire fractional interests in trust or restricted lands. Regional Trust Administrators (RTAs) and Fiduciary Trust Officers (FTOs) in selected locations provide the managerial presence for responsive and proactive beneficiary services at the local level in cooperation and collaboration with BIA and other Departmental Agencies engaged in Indian trust matters.

RTAs provide technical assistance on trust matters, supporting the Department of the Interior in meeting its fiduciary obligations to individual Indians, Alaska Natives, and tribes. This assistance includes responding to complex Congressional, Tribal, and individual beneficiary inquiries; monitoring statutory and regulatory developments; and providing risk management and litigation support activities. RTAs provide direct line authority and supervision to 50 agency level FTOs. In addition, they are responsible for reviewing and authorizing complex and high dollar trust transactions.



Fiduciary Trust Officer and staff conducting beneficiary outreach.

The FTOs are located across Indian Country and in select urban locations with significant trust beneficiary populations. This local presence allows beneficiaries easy, direct access to individuals dedicated to meeting their trust needs. FTOs and support staff provide beneficiaries with convenient access to trust account information and other trust products and services. FTOs, like the RTAs, are delegated with disbursement approval authority and oversight responsibility. The goal is to provide services to beneficiaries that are trusted, timely, accurate, and responsive to their needs. FTO responsibilities include coordinating trust asset management activities with the BIA and other related government agencies in their respective geographic area. FTOs provide guidance to support staff in the examination, verification, and management of accounts and accounting information. They also ensure that responses to trust beneficiary requests are tracked and addressed in a, courteous, and accurate manner. The FTOs' activities and beneficiary focus significantly enhance the Department's ability to meet its trust obligations to individual Indians, Alaska Natives, and tribes.

The Trust Beneficiary Call Center (TBCC), located in Albuquerque, New Mexico, is a nationwide toll free call center (1-888-678-6836) that provides convenient "one-stop" service for beneficiary inquiries. The call center's operating hours are 7:00 AM to 6:00 PM MT Monday through Friday and 8:00 AM to Noon MT on Saturday. Beneficiaries can easily access information and assistance regarding their account statements, account balances, other account attributes, receipts, disbursements, leases probate processing, and other trust activities, including reform developments and implementation (e.g., leasing, lockbox, oil and gas activity, and debit card) at their convenience by calling the toll free number. In addition, beneficiaries may request a disbursement from or an update to their IIM account. The TBCC also responds to written beneficiary requests. In an effort to reduce the number of accountholders for whom OST lacks a current address, the TBCC also handles and processes all OST mailings to accountholders that are returned. The TBCC also implemented a tracking and case management tool for the BIA Social Services Program to improve communication and collaborative efforts between OST and BIA for the management of supervised accounts. Contract personnel trained on various trust beneficiary issues and with access to all trust systems make up the majority of TBCC staff. Field Operations

monitors the contractor's work and provides technical direction, guidance and managerial direction as needed.

After seven years of operation, the call center has received over 892,000 calls and provided a first-line resolution for calls in excess of 94% of the requests. This level of first line resolution is substantially higher than the industry average of 49% for government and non-profit organizations. First-line resolution by TBCC means that the call center is able to address the beneficiary's inquiry without having to refer the call to the field for assistance. This allows BIA and OST field staff to focus on other trust duties without interruption. Occasionally, the complexity of the beneficiary's inquiries requires that OST staff obtain information from other agencies in the Department of the Interior that may require extensive research. Historical trend analysis suggests that the TBCC will receive between 216,000 to 271,000 inquiries in FY 2013, depending upon the role of the TBCC in the Cobell Settlement Land Consolidation process. The Field Operations service center tracking system is deployed at the TBCC throughout the field to assure that beneficiaries receive consistent responses and information and allows field staff to track requests and avoid duplication. In FY 2013, the TBCC tracking system will continue to be used to develop paperless automated beneficiary accounting transactions thus eliminating manual processing and streamlining the processes.

In FY 2011, Field Operations located approximately 33,500 Where Abouts Unknown (WAU) accountholders with balances in excess of \$22.9 million. At the end of FY 2011, there were 87,639 WAU beneficiaries representing \$63.8million. As of December 31, 2011, there were 86,876WAU accounts with balances totaling approximately \$66.7 million. WAUs are beneficiaries whose current addresses are not known by OST and therefore are unable to receive disbursements or statements from their trust accounts.

### **2013 Program Performance**

In FY 2013, Field Operations will meet its fiduciary obligations to individual Indians, Alaska Natives, and tribes by providing beneficiaries with a dedicated primary point of contact focused on providing beneficiary services in a timely, courteous, and accurate manner. Specifically, Field Operations will take the following actions:

- Maintain and enhance strategic partnerships with the Department's bureaus and offices with Indian trust responsibilities. These partnerships enhance communication with beneficiaries and promote a beneficiary focus throughout the Department.
- Continue interaction with Tribal, individual Indian, and Alaska Native beneficiaries through local community outreach programs focused on asset management and trust reform initiatives. Community outreach informs beneficiaries of current trust initiatives and services available to them. It also provides Field Operations, as the primary point of beneficiary contact, with an additional channel of communication to reach beneficiaries who might not otherwise be in contact with the Department. These outreach events are usually in partnership with other agencies or organizations that can assist beneficiaries by providing information or services relevant to the management of individual and tribal trust assets.

- Continued interactions with Tribal Leaders to discuss investment of Tribal Trust Funds (including investment training), land management and other issues important to the tribes and their communities.
- Continue interactions with Indian organizations to promote and support trust initiatives.
- Continue to participate in the implementation and continuation of reform initiatives in partnership with BIA and other government entities. The participation of Field Operations in trust reform initiatives ensures that these efforts are effective at the local level.
- Proactively identify and assist in the implementation of additional reform activities as needed, in support of ever-evolving program areas such as trust program training, developing policies and procedures, streamlining business processes, risk, and records management. As the primary point of beneficiary contact, Field Operations is uniquely situated to identify and respond to evolving beneficiary needs.
- Provide financial skills training to IIM beneficiaries throughout Indian Country as an integral part of its community outreach activities. This training uses culturally sensitive techniques and methods geared to Native American audiences. Topics include balancing checkbooks, applying for credit, reading a credit application, budgeting, investing, and planning for the future. There will be a special effort to offer this training to minors approaching the age of majority and to elders. Minors will learn to handle income to build financial stability. The training will help elders with the special challenge of managing resources they may consider leaving to their heirs.
- Respond to 90% of beneficiary inquiries within two business days and respond to the balance of these inquiries within 30 days.
- Actively engage Tribal and individual Indian beneficiaries in management of their trust assets.
- Continue to advocate establishing direct deposit or debit card capabilities for individual Indian and Alaska Native beneficiaries and electronic fund transfers for tribal governments. Direct deposit and debit cards provide faster disbursement while reducing the risk of lost or stolen funds.
- Continue to work with tribal leadership to stress the importance of proper estate planning and continue partnerships with local bar associations, legal services organizations, and law schools to advocate the importance of estate planning for individual Indian beneficiaries. These working relationships are at no or minimal cost to the beneficiary in response to the Department's policy of no longer providing will drafting assistance to owners of trust interests. Proper estate planning can reduce fractionation and enhance the use and value of trust lands for beneficiaries while reducing long term administrative costs to the Department. The relationships established by Field Operations result in the provision of a valuable service to beneficiaries at no cost to the government.
- Maintain Fiduciary Trust Officer presence in field offices.
- Address Field Operations recommendations from internal and external program reviews.
- Continue to improve the efficiencies of the lockbox operations.
- Continue to migrate trust transaction activities to the local level, reducing redundancy.
- Continue automation to improve processes and processing timeframe, allowing Agency staff to respond to beneficiary inquiries.
- Explore automated call-tree options within TBCC.
- Work with Secretary's new Trust Commission to improve trust services to Indian Country.

**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

**Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives**

Supporting Performance Measures	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Plan	FY 2011 Actual	FY 2012 Plan	FY 2013 Budget Request	Change from FY 2012	Long-term Target 2016
<i>Strategy #2: Fulfill fiduciary trust</i>									
Responsiveness: Responsiveness of OST to tribal and individual trust concerns and needs. (BUR)	91.9%	95.5%	94.0%	90.0%	94.6%	90.0%	90%	0%	90%
	205,182	232,326	240,921	216,000	304,498	247,500	270,000	22,500	270,000
	223,248	243,355	256,422	240,000	321,814	275,000	300,000	25,000	300,000
Comments: Presently, the application of direct and indirect cost activities to this measure is not efficient or cost-effective due to the varying numbers and types of (ABC/M) activities that would be required to be allocated to any one trust inquiry and its response. OST continues to evaluate its service area/outputs relative to its ABC activity codes.									
Contributing Programs: Field Operations									

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**Activity: Program Operations and Support**  
**Subactivity: Office of Appraisal Services**

<b>\$000</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>Fixed Costs &amp; Related Changes (+/-)</b>	<b>Internal Transfers (+/-)</b>	<b>Program Changes (+/-)</b>	<b>2013 President's Budget</b>	<b>Change from 2012 Enacted (+/-)</b>
Appraisal Services	10,961	10,691	44	0	-55	10,680	-11
<b>Total</b>	<b>10,961</b>	<b>10,691</b>	<b>44</b>	<b>0</b>	<b>-55</b>	<b>10,680</b>	<b>-11</b>
<i>FTE</i>	<i>68</i>	<i>71</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>71</i>	<i>0</i>

**Summary of 2013 Program Changes for Appraisal Services**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Appraisal Services	-55	0
<b>TOTAL Program Changes</b>	<b>-55</b>	<b>0</b>

**Justification of 2013 Program Changes**

The FY 2013 budget request for the Appraisal Services program is \$10,680,000 and 71 FTE, a program change of -\$55,000 and 0 FTE from the FY 2012 Enacted.

**Office of Appraisal Services(-\$55,000/0 FTE)** - The program change of -\$55,000 for Appraisal Services is a result of decreases for awards, training, travel and contract services. OAS will continue to work towards effectively managing its workload to control backlog appraisal requests.

In fiscal year 2011, OST approved implementation of a new Appraisal Tribal Shares Formula for P.L. 93-638 appraisal programs to bring appraisal tribal shares up to date to reflect current regional appraisal budgets, establishing uniformity and transparency in determining tribal shares and funding residual for the Inherent Federal Functions.

## Program Overview

**Appraisal Services (\$10,680,000/71 FTE)** - The Office of Appraisal Services (OAS) is responsible for the Indian lands valuation program, which was established to provide impartial estimates of opinions of value for a specific variety of real property interests held or owned in trust or restricted status for Indian Tribes, individual Indians, and Alaska Natives. The types of land transactions include, but are not limited to, sales, leases, rights-of-way; exchanges; grazing permits and trespass settlements, as well as other types of real estate transactions.

OAS consists of state certified general appraisers who provide the valuations in accordance with nationally recognized appraisal standards and methods and techniques. Valuations are also completed in compliance with appraisal policies and procedures of OAS and DOI.

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

OAS continues to address appraisal requests on trust lands. OAS completed 7,549 appraisals in FY 2011 (excluding appraisals completed using the Undivided Fractionated Appraisal System (U/FAS), which is an automated valuation system) and anticipates completing approximately 6,500 appraisals in FY 2012 (again, excluding any appraisals completed using U/FAS). OAS also anticipates continuing efforts to include information from compact/contract tribes on appraisals completed to maintain a comprehensive database on appraisal workload throughout Indian Country. It is also anticipated completing beta testing and implementation of the Office of Appraisal Services Information System (OASIS) and the Market Analysis Program System (MAPS) to improve productivity and provide more efficiency within the appraisal program. The U/FAS system will also continue to be utilized by OAS.

## 2013 Program Performance

- Attain 85% of appraisal reports within requestor business requirements.
- Continue to improve and adjust the appraisal business process, where feasible.
- Continue the deployment of an appraisal software application that generates appraisals compliant with USPAP and UASFLA, where applicable.
- Update and implement OAS appraisal program policies, procedures, and guidance.

**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

**Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives**

Supporting Performance Measures	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Plan	FY 2011 Actual	FY 2012 Plan	FY 2013 Budget Request	Change from FY 2012	Long-term Target 2016
<i>Strategy #2: Fulfill fiduciary trust</i>									
Appraisals: Percent of appraisal reports completed within requestor business requirements. (BUR)	68%	94%	41%	96%	79%	96%	85%	-11%	85%
	4,837	6,134	6,532	6,000	7,549	6,000	5,525	-475	5,525
	7,099	6,519	16,053	6,250	9,604	6,250	6,500	250	6,500
Comments: OAS will continue to work towards maintaining its workload to control backlogged appraisal requests. In addition, OAS continues to experience an increase in workload as result of probate cleanup and proposed Cobell Settlement Land Consolidation (CSLC) acquisitions.. This high volume of appraisal work is expected to impact the FY 2012 and FY 2013 performance targets of 85 %. In FY 11, the numerator in the formula for the percent of appraisal reports completed within BUR was changed to capture backlog requests completed and transmitted. The numerator has changed from reports transmitted minus backlog reports transmitted to reports transmitted, which is inclusive of backlog reports transmitted. The final percentage of completed reports will show an increase. The new formula will be incorporated in FY12 and FY13.									
Contributing Programs: Appraisal Services									

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**Activity: Program Operations and Support**  
**Sub-activity: Trust Services**

<b>\$000</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>Fixed Costs &amp; Related Changes (+/-)</b>	<b>Internal Transfers (+/-)</b>	<b>Program Changes (+/-)</b>	<b>2013 President's Budget</b>	<b>Change from 2012 Enacted (+/-)</b>
Trust Services	29,307	27,661	124	1,380	-331	28,834	1,173
Data Quality and Integrity	[2,353]	[2,326]	0	0	0	[2,326]	0
<b>Total</b>	<b>29,307</b>	<b>27,661</b>	<b>124</b>	<b>1,380</b>	<b>-331</b>	<b>28,834</b>	<b>1,173</b>
<i>FTE</i>	<i>127</i>	<i>124</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>124</i>	<i>0</i>

**Summary of 2013 Program Changes for Trust Services**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Trust Services	<b>-331</b>	<b>0</b>
<b>TOTAL Program Changes</b>	<b>-331</b>	<b>0</b>

**Justification of 2013 Program Changes**

The 2013 budget request for Trust Services is \$28,834,000 and 124 FTE, a net program change of -\$331,000 and 0 FTE from the 2012 Enacted.

**Trust Services (-\$331,000/ 0 FTE)** - In FY 2013, Trust Services is reduced by -\$331,000. This includes a decrease of -\$189,000, for the elimination of the Internship Program and a decrease of -\$142,000, as a result of decreases for awards, training, travel, and contract services. Trust Services will have an internal transfer of +\$2,326,000 from Trust Accountability for Data Quality and Integrity program and -\$945,955 to Executive Direction for the Trust Funds Investments program for a net internal transfer of +\$1,380,045.

**Trust Services (\$28,834,000/124 FTE)** - The Congress has designated the Secretary as the trustee delegate with responsibility for the monetary and non-monetary resources held in trust on behalf of American Indian tribes, individual Indians, and other trust funds. In carrying out the management and oversight of the Indian trust funds, the Secretary has a fiduciary responsibility to ensure that trust accounts are properly maintained, invested, and reported in accordance with the Reform Act, Congressional action, and other applicable laws.

### Program Overview

Trust Services (\$26,508,000/124 FTE) - Trust Services is responsible for the individual Indian, Alaska Native and tribal trust funds accounting, investment and reporting fiduciary responsibilities of the Department. This Office provides leadership, guidance and oversight of the development of policies, procedures, and processes to ensure proper management of trust funds on behalf of beneficiaries. Trust Services supports Indian Fiduciary Trust Responsibilities through performance measures of providing timely and accurate financial account information to trust beneficiaries, the timely recording of oil and gas royalties in the trust accounting system and the accurate processing of financial information in trust beneficiary accounts.

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

- Promoting use of debit cards and electronic funds transfer to reduce the cost of disbursing funds via paper check to beneficiaries.
- Renegotiating existing encoding and post quality assurance contracts to facilitate phasing out of certain personnel services by using increased automation and insourcing the remaining functions.
- Utilizing employee performance metrics to assess and validate individual and team performance. Data is used to identify performance standards and training needs.
- Establishing and monitoring workload and processing timeframes.

Trust Services manages approximately \$3.7 billion of funds held in trust for federally recognized Indian tribes, individual Indian, and Alaska Native beneficiaries. Approximately \$3.2 billion is held in approximately 2,900 tribal and other trust fund accounts, including the Alaska Native Escrow Fund. Approximately \$490 million is held on behalf of individual Indians in over 383,000 beneficiary accounts. The balances that have accumulated in the Tribal trust have resulted from claims and judgment awards, investment income, and revenues from approximately 56 million acres of trust lands. Revenues are derived from subsurface mineral extractions (coal, oil, gas, and uranium) timber, grazing, and other surface leases. IIM balances are generally on deposit as a result of restricted accounts (e.g., minors, estates, whereabouts unknown).

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

maintenance, and investment income transactions; and the accuracy of reconciliation and reporting activities on trust accounts.

Trust Services is responsible for reconciling subsidiary and control accounts and monitoring trust funds activities. This office prepares internal and external financial accounting reports for trust funds. It also is responsible for the accurate and timely preparation and submission of appropriate external reports and required tax forms. The reconciliation of trust fund activities include custodial management of proprietary data, compliance and interface with Treasury cash flow reports, and the Office of Natural Resources Revenue (ONRR) and BIA receipt of funds and source documents.

Trust Funds Accounting System (TFAS) – In order to comply with the provisions of the Reform Act, (Pub. L. 103-412, title IV, Sec. 401, Oct. 25, 1994, 108 Stat. 4249), OST uses the TFAS. TFAS is a commercial off-the-shelf system owned and operated by a third party vendor. The existing contract was awarded during FY 2008. Some of the costs associated with the existing TFAS contract are based upon the number of accounts on the system (open + closed). Currently, TFAS has over 383,000 open and approximately 14,000 closed accounts. Of the 383,000 open accounts approximately 95,000 were non-income accounts. These non-income accounts allow TFAS to produce a Statement of Performance for these accounts which include real property assets. Fractionation solutions will reduce the number of accounts and will result in lower operating costs. In addition to normal processing, items included in the core price are the daily pricing of securities; software licenses that allow access for tribes via the Internet using Strata Web; software licenses, security custody and investment settlement services.



Check processing machine.

<b>Estimated TFAS Total Accounts</b>			
<b>Status</b>	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>
Financial and Land	204,470	220,000	200,000
Open Land only	94,981	95,000	80,000
Financial only	84,144	70,000	70,000
Closed*	14,054	15,000	30,000
<b>TOTAL</b>	<b>397,649</b>	<b>400,000</b>	<b>380,000</b>

\* Accounts that are coded as closed for more than 18 months are periodically removed from the system. There will always be some closed accounts on the system. Also, as a result of increased activity with Indian Land Consolidation Program additional accounts are anticipated to be closed in FY 2013.

Data Quality and Integrity (DQ&I) (\$2,326,000/0 FTE) - The DQ&I program funds a trust data cleanup project where TAAMS Critical Data Elements (CDE) are validated and/or corrected and Post-QA reviews of TAAMS system entries are conducted to help ensure updates to CDE are accurate. From FY 2007 through FY 2010, the DQ&I project supported the BIA's effort to convert to the TAAMS Leasing module and to guide and assist with the BIA's TAAMS document encoding backlog efforts. This was accomplished by: (1) assisting the BIA with their encumbrance and conveyance document encoding into TAAMS; (2) correcting multiple landowner identification (ID) numbers; and (3) analyzing landowner ID numbers and ownership interests in the TAAMS Title module to determine their accuracy. DQ&I also continued to perform Post-QA reviews of document encoding entries made into TAAMS. It is anticipated that the Post-QA review process will be ongoing indefinitely to help ensure that TAAMS CDE remain accurate.

TAAMS Leasing module post-conversion clean-up efforts continue and in FY 2013, DQ&I in collaboration with BIA will: (1) assist with trust document encoding backlogs; (2) assist with land title research and correction, and (3) lead trust data clean-up tasks that may arise as a result of risk assessments, and (4) continue performing Post-QA review of TAAMS entries.

### **2013 Program Performance**

The FY 2013 funding allows Trust Services to:

- Attain at least 99% accuracy for financial information initially processed in trust beneficiary accounts.
- Record at least 99% of ONRR royalty revenue within 24 hours of receipt.
- Maintain necessary Tribal trust litigation support.
- Continue to process probate orders and manual distribution of funds to beneficiaries.
- Continue to process account maintenance transactions.
- Continue reconciliation and clean-up of suspense and special deposit accounts.
- Continue daily reconciliation of all trust funds receipts/disbursements with Treasury (over 8.2 million transactions annually).
- Continue to compile monthly and annual financial statements, applicable tax reports, and required regulatory financial reports.



**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

<b>Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives</b>									
<b>Supporting Performance Measures</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Plan</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Plan</b>	<b>FY 2013 Budget Request</b>	<b>Change from FY 2012</b>	<b>Long-term Target 2016</b>
<i>Strategy #2: Fulfill fiduciary trust</i>									
Beneficiary Services: Percent of financial information initially processed accurately in trust beneficiaries' accounts. (SP)	99.93%	99.94%	99.97%	99.97%	99.98%	99.00%	99.00%	99.00%	99.00%
	8,045,416	8,262,510	8,485,028	8,500,000	8,342,464	8,415,000	8,464,500	49,500	8,613,000
	8,050,902	8,267,407	8,487,311	8,502,400	8,344,261	8,500,000	8,550,000	50,000	8,700,000
Comments:									
Contributing Programs: Trust Services									
Ensure Timeliness of Mineral Revenue Payments to American Indians: Percent of oil and gas revenue transmitted by ONRR recorded in the Trust Funds Accounting System within 24 hours of receipt. (SP)	99.9%	99.9%	100.0%	99.1%	100.0%	99.1%	99.1%	0.0%	99.1%
	152,817,362	102,505,538	154,282,290	153,650,000	280,287,244	153,650,000	153,650,000	0	153,650,000
	152,997,021	102,618,230	154,282,290	155,000,000	280,287,244	155,000,000	155,000,000	0	155,000,000
Comments: Revenue reported reflects oil and gas collection from the Office of Natural Resources Revenue for individual Indians, Alaska Natives and tribes. Significant cross-training occurred in 2008. Additionally, cost capturing was transitioning to a new method and may have contributed to additional costs being reported under this category. Oil and gas revenues have shown themselves to be quite volatile in recent years for which forecasting estimates is quite difficult and could change rapidly depending on world events and economies.									
Contributing Programs: Trust Services									

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**Activity: Program Operations and Support**  
**Subactivity: Historical Trust Accounting**

<b>\$000</b>	<b>2011 Actual</b>	<b>2012 Enacted</b>	<b>Fixed Costs &amp; Related Changes (+/-)</b>	<b>Internal Transfers (+/-)</b>	<b>Program Changes (+/-)</b>	<b>2013 President's Budget</b>	<b>Change from 2012 Enacted (+/-)</b>
Historical Trust Accounting	31,534	31,121	116	-1,108	-3,290	26,839	-4,282
<b>Total</b>	<b>31,534</b>	<b>31,121</b>	<b>116</b>	<b>-1,108</b>	<b>-3,290</b>	<b>26,839</b>	<b>-4,282</b>
<i>FTE</i>	26	20	0	0	0	20	0

**Summary of 2013 Program Changes for Historical Trust Accounting**

<b>Request Component</b>	<b>(\$000)</b>	<b>FTE</b>
<u>Program Changes:</u>		
Historical Trust Accounting	<b>-3,290</b>	<b>0</b>
<b>TOTAL Program Changes</b>	<b>-3,290</b>	<b>0</b>

**Justification of 2013 Program Changes**

The FY 2013 budget request for the Office of Historical Trust Accounting (OHTA) is \$26,839,000 and 20 FTE, a net program change of -\$3,290,000 and 0 FTE from the 2012 Enacted.

Historical Trust Accounting will have an internal transfer of -\$1,107,703 to the Office of Trust Records for space costs.

**Office of Historical Trust Accounting (-\$3,290,000/0 FTE)** - In FY 2013, a program change of -\$3,290,000 is proposed for OHTA. This reduction will be absorbed through decreases in costs associated with contractor assistance. Costs will continue to be evaluated as the settlement progresses.

## Program Overview

**Office of Historical Trust Accounting (\$26,839,000/20 FTE)** - In July 2001, the Office of Historical Trust Accounting (OHTA) was created by Secretarial Order to plan, organize, direct, and execute the historical accounting of Individual Indian Money (IIM) accounts (OHTA's responsibilities were later expanded to include the provision of historical accounts for tribal accounts). OHTA's management model is based on a small staff of Federal employees directing the efforts of a number of individual contractors. The contractors have provided critical technical expertise in areas such as accounting services, historical research, information resources, data security, statistical analysis, document search, collection, and reproduction.

The Department and OHTA are involved in lawsuits filed by or on behalf of approximately 100 tribes. These cases are in various Federal District Courts and the Court of Federal Claims. OHTA is continuing its strategy of satisfying the critical information needs of the litigating tribes through document production and organization, digitization, and analysis of tribal accounts. OHTA also will continue to support active litigation and settlement negotiations working with DOJ and SOL.

OHTA also is providing data, analysis, and other support necessary to implement the Claims Resolution Act of 2010 (the "Act"), which authorized settlement of the *Cobell v. Salazar* class action litigation.

## 2013 Program Performance

Tribal Historical Accounting (\$22,239,000) - OHTA will continue to compile, analyze, and explain an extensive volume of documents and data concerning how the Federal Government managed various funds held in trust for Native American tribes in order to settle or defend the tribal litigation.

As with prior years, OHTA's efforts will be focused on helping achieve negotiated settlements of tribal trust fund accounting and related claims. In addition, OHTA will continue to provide technical and factual support to the Department of Justice and Interior's Office of the Solicitor for those cases where negotiated settlement is not possible and the parties are proceeding to trial. More specifically, OHTA anticipates that its activities in support of negotiated settlement and/or defense of litigation proceeding to trial will include: informational briefings about trust fund accounts and data; document search, imaging, and coding; compilation, validation, and maintenance of trust account databases; settlement calculations and analysis; account and/or transaction mapping, analysis, and reconciliation; investment performance analysis and reporting; fact and expert testimony; response to tribal discovery requests and questions; and preparation and presentation of account lists, account statements, technical exhibits, and demonstrative aids.

Special Deposit Accounts – Youpee (\$3,100,000) - OHTA will continue to research the rightful owners of historical residual balances in special deposit accounts and seek to distribute \$500,000 to individual Indians, tribes, and third parties. This funding also will be used by OHTA to

perform research and analysis necessary to distribute trust funds residing in Youpee Escheat Accounts, which accounts reflect income from land interests that had escheated (transferred) to tribes under legislation that the Supreme Court deemed unconstitutional.

IIM Historical Accounting (\$1,500,000) - OHTA expects that all the initial distributions of the Cobell settlement will have been completed by the end of FY 2012 (assuming all appeals of the *Cobell v. Salazar* settlement are resolved). In FY 2013, various tasks and work may be necessary to implement the Act and the settlement agreement, including resolution of disputed distributions, new claims arising from possible class members, and claims of individual Indians who have opted-out of the Trust Asset Mismanagement class.

**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

<b>Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives</b>									
<b>Supporting Performance Measures</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Plan</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Plan</b>	<b>FY 2013 Budget Request</b>	<b>Change from FY 2012</b>	<b>Long-term Target 2016</b>
<i>Strategy #2: Fulfill fiduciary trust</i>									
SDA Dollars (\$000)	3,262	2,169	3,521	1,250	1,609	1,250	500	-750	500
Comments:									
Contributing Programs: Historical Trust Accounting									
IIM Transactions – Data Completeness Validation	7,630,533	5,697,811	2,418,085	0	0	0	0	0	0
Comments: Project has ended.									
Contributing Programs: Historical Trust Accounting									
IIM Transactions – Interest Re-Calculation Project	80,814	61,346	20,420	0	0	0	0	0	0
Comments: Project has ended.									
Contributing Programs: Historical Trust Accounting									
IIM Digitized Paper Transactions	37,733	37,859	1,733	0	0	0	0	0	0
Comments: Project has ended.									
Contributing Programs: Historical Trust Accounting									
Tribal Disbursement Transactions Reconciled	N/A	N/A	279	0	0	0	0	0	0
Comments: Project has ended.									
Contributing Programs: Historical Trust Accounting									
Support Tribal Settlement Negotiations	N/A	N/A	19	0	80	75	30	-45	10
Comments: OHTA changed the Tribal measurements.									
Contributing Programs: Historical Trust Accounting									

**Mission Area 3: Advance Govt-to-Govt Relationships with Indian Nations and Other Commitments to Insular Affairs**

<b>Goal #1: Meet Our Trust, Treaty, and Other responsibilities to American Indians and Alaska Natives</b>									
<b>Supporting Performance Measures</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Plan</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Plan</b>	<b>FY 2013 Budget Request</b>	<b>Change from FY 2012</b>	<b>Long-term Target 2016</b>
<i>Strategy #2: Fulfill fiduciary trust</i>									
Tribal Litigation Support	N/A	N/A	11	0	3	5	2	3	5
Comments: OHTA changed the Tribal measurements.									
Contributing Programs: Historical Trust Accounting									
Tribal Boxes Searched	N/A	N/A	N/A	12,500	10,875	5,000	5,000	0	3,000
Comments: OHTA changed the Tribal measurements.									
Contributing Programs: Historical Trust Accounting									
Tribal Investment Profiles	N/A	N/A	N/A	90	2	50	40	10	0
Comments: OHTA changed the Tribal measurements. Priorities during PY shifted and this goal has been delayed to CY and BY									
Contributing Programs: Historical Trust Accounting									
Revenue Summaries - Tribal IIM Extension	N/A	N/A	N/A	10	13	5	2	-3	0
Comments:									
Contributing Programs: Historical Trust Accounting									
Security & management compliance reports	N/A	N/A	N/A	104	104	0	0	-104	0
Comments: Metric no longer tracked by Office of Historical Trust Accounting									
Contributing Programs: Historical Trust Accounting									

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

\$000	2011 Actual	2012 Enacted	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2013 President's Budget	Change from 2012 Enacted (+/-)
Tribal Special Fund	320,410	328,324	0	0	10,375	338,699	10,375
Tribal Trust Fund	98,009	100,430	0	0	3,174	103,604	3,174
<b>Total</b>	<b>418,420</b>	<b>428,754</b>	<b>0</b>	<b>0</b>	<b>13,549</b>	<b>442,303</b>	<b>10,375</b>
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

**Summary of 2013 Program Changes for Trust Funds**

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Tribal Special Fund	+10,375	0
Tribal Trust Fund	+3,174	0
<b>TOTAL Program Changes</b>	<b>+13,549</b>	<b>0</b>

**Justification of 2013 Program Changes**

The 2013 budget request for the Tribal Special Fund and Tribal Trust Fund totals \$442,303,000, a program increase of +\$13,549,000 from the 2012 estimated receipts and outlays.

The budget authority for the Tribal Special Fund and Tribal Trust Fund is equal to receipts of settlements and/or judgments from the Judgment Funds for on-budget trust funds as well as transaction activity from buying and selling investments outside of Treasury for on-budget trust funds; including investment income and proceeds from investment in government sponsored entity securities. Most of the assets of these funds are in investments held outside Treasury.

**Budgetary Classification of Tribal Trust Funds**

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

Commencing with FY 2000, most tribal trust funds, including special funds, managed by the Office of the Special Trustee were reclassified as non-budgetary. Ownership of these funds did not change, nor did the federal government's management responsibilities; changes were made

for presentation purposes only. Some tribal trust funds remain budgetary, in the Tribal Special or Tribal Trust Funds accounts.

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

### **Tribal Special Fund**

This fund includes activities associated with the following accounts:

- *Tribal Economic Recovery Fund*. This fund is authorized by the *Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act of 1992* (P.L. 102-575) and holds funds which have been appropriated pursuant to the Act. Beginning in 1998, interest earned on the principal of this fund is available for both tribes for economic development, education, and social services programs.
- *Three Affiliated Fort Berthold* (P.L. 102-575). The fund is not designated by law as a trust fund. The act provides for additional compensation to the Three Affiliated Tribes and the Standing Rock Sioux Tribe for the taking of tribal lands related to the Garrison Dam and Reservoir project. The tribes are only entitled to the interest earnings, not the corpus (Sec. 3504(a) (4)).
- *Standing Rock* (P.L. 102-575, Title XXXV). The Act provides for additional compensation to the Three Affiliated Tribes and the Standing Rock Sioux Tribe for the taking of tribal lands related to the Garrison Dam and Reservoir project. The tribes are only entitled to the interest earnings, not the corpus (Sec. 3504(a) (4)).
- *Papago Cooperative Fund* (P.L. 97-293). The fund was established for the tribe to obtain services that are financed by earnings on investment of the fund.
- *Ute Tribe* (P.L. 102-575, Title V). The fund was established for certain environmental and developmental purposes. One of the expressed purposes of this act is to put the Tribe in the same economic position it would have been had features contemplated by a September 20, 1965 agreement with the United States and others been constructed and thus, resolve tribal claims arising out of the agreement. In addition, the Act qualifies the Tribe’s reserved rights and provides for the waiver of tribal claims related to this issue. The funds provided for by Section 504, like all funds provided for by the Act, with the exception of those funds provided for under Section 505, are intended to resolve legal claims related to the Tribe’s water rights.
- *Pyramid Lake Indian Reservation* (P.L. 101-618). (Specifically, the Lahonta Valley and Pyramid Lake Fish and Wildlife Fund). The Lahonta Valley and Pyramid Lake Fish and Wildlife Fund consist of payments for the use of certain water and transfers from the Fisheries Fund. Except for the transfers, the use of the funds is subject to appropriations for fish and protection.
- *San Luis Rey Water Authority* (P.L. 100-675). This is settlement legislation that resolves pending water rights litigation between the United States, the Bands local entities. The Act established the San Luis Rey Tribal Development Fund and authorized appropriations of \$30 million to the Fund. Following execution of the proposed settlement agreement, the

Secretary of the Treasury is directed to make the funds available upon the request of the Indian Water Authority.

- *Cochiti Wetfields Solution.* In 1994, the Army Corps of Engineers transferred \$4 million pursuant to P.L. 102-358 to fund the Department's responsibilities under the settlement agreement between Cochiti Tribe, the Corps, and the Department. The Secretary of the Interior is responsible for maintenance, repair, and replacement of a drainage system constructed by the Corps for the Cochiti Pueblo.
- *Southern Arizona Water Rights Settlement Act.* This Cooperative Fund was established to provide a source of funds to carry out the obligations of the Secretary under sections 303, 304, and 305 of the Act (Title III, P.L. 97-293, 96 Stat. 1274-1285). Only interest accruing to the fund may be expended.

### **Tribal Trust Fund**

This fund includes activities associated with the following accounts:

- *Funds Contributed for the Advancement of the Indian Race.* This fund accounts for any contributions, donations, gifts, etc., which are to be used for the benefit of American Indians in accordance with the donors' wishes (82 Stat. 171).
- *Bequest of George C. Edgeter.* This fund includes a donation made by George C. Edgeter; income is available according to the terms of the bequest for the expenditure as determined by the Assistant Secretary, Indian Affairs for the relief of American Indians.
- *Ella M. Franklin Fund.* This fund consists of a bequest, the principal of which is invested in U.S. Treasury securities, and the interest is to be used for the relief of American Indians as specified by the donors' wishes (82 Stat. 171).
- *Josephine Lambert Fund.* This fund includes a donation made by Josephine Lambert, income to be used for the health or education of underprivileged Indian children.
- *Orrie Shaw Fund.* This fund includes a donation made by Dr. Orrie Shaw, income used only for the training or education of American Indians.
- *Welmas Endowment Fund.* This fund was established to receive revenue generated by land owned by the decedent for the period of ten (10) years whereby the annual interest earnings of the endowment can be distributed by the Assistant Secretary Indian Affairs for the education of members of federally recognized tribes; provided that 20% of the annual interest serves to benefit the education of Agua Caliente Tribal members. The Tribe has the option of obtaining complete control of the land, prior to the end of the endowment period, if it elects to fund the endowment so that the principal amount reaches \$750,000.
- *Arizona Intertribal Fund* (P.L. 100-696). The fund represents an exchange agreement for privately held lands in Florida for publicly held land in Arizona. Use of the money is subject to appropriations and is available to pay for supplemental education and child welfare programs.
- *Navajo Trust Fund* (P.L. 100-696). The fund ratifies an exchange of Federal land in Arizona.
- *Crow Creek* (P.L. 104-223). The Act established a corpus that is to be invested and makes the interest earnings available without appropriation for the various activities under Section 5. However, the Act does not appear to transfer ownership of the money to the Tribe or create a legal claim to the funds, until it is paid to them.

- *So Ute Tribal Resource Fund* (P.L. 106-554). This fund was established in FY 2002. As part of the requirements under Section 18 of the Act for disbursing the tribal resource funds, the Colorado Ute are required to submit a resource acquisition and enhancement plan or an investment plan to the Secretary for approval.
- *Ute Mtn Tribal Resource Fund* (P.L. 106-554). The fund was established in FY 2002. As part of the requirements under Section 18 of the Act for disbursing the tribal resource funds, the Colorado Ute are required to submit a resource acquisition and enhancement plan or an investment plan to the Secretary for approval.
- *Chippewa Cree Tribal Compact ADM/Chippewa Cree Future Water Supply* (P.L. 106-163). The fund was established in FY 2001. The trust fund is established under Title I, Sec. 104, Chippewa Cree Indian Reserved Water Rights Settlement Trust Fund. The ownership of the trust fund does not convey to the Tribe until such time as the Tribe waives all claims and meets the underlying settlement requirements.
- *Shivwits Band of Paiute Indians* (P.L. 106-263). The fund was established in FY 2002. Ownership of the trust fund does not convey to the Tribe until such time as funds have been appropriated and deposited into the Trust fund; the St. George Water Reuse Project Agreement, the Santa Clara Project Agreement and the Settlement Agreement are approved and in effect; the State Engineer of Utah has approved all applications necessary to implement the provision of the Santa Clara Project Agreement, St. George Water Reuse Agreement and the Settlement Agreement; the Court has entered a judgment and decree confirming the Shivwits Water Rights and is final as to all parties to the Santa Clara Division and the Virgin River Adjudication.
- *Northern Cheyenne Indian Reserved Water Rights Settlement Trust Fund* (P.L. 103-374). This fund established a \$21.5 million trust fund for the Northern Cheyenne Indian Tribe. These funds may be used by the Tribe to make \$11.5 million available to the State of Montana as a loan to assist in financing Tongue River Dam project costs; land and natural resources administration, planning, and development; land acquisition; and any other purpose determined by the Tribe. In addition, this fund holds \$31.5 million for the enlargement and repair of the Tongue River Dam project.
- *The Crow Creek Sioux Tribe Infrastructure Development Trust Fund of 1996* (P.L. 104-223, 110 Stat 3026). The fund establishes a Crow Creek Sioux Tribe Infrastructure Development Trust Fund. In FY 1997, \$27.5 million was deposited into the Fund. The interest earned from the invested principal is available for payment to the Tribe for tribal educational, health care, recreational, and other projects.

### Office of the Special Trustee for American Indians

(Dollars in millions)

	<b>Treasury Account ID: 14 – 5265 – 0</b>	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>
	<b>Obligations by program activity</b>			
0001	Direct program activity	284	328	339
0900	Total new obligations	284	328	339
	<b>Budgetary Resources:</b>			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	79	115	115
	<b>Budget authority:</b>			
	Appropriations, mandatory:			
1201	Appropriations, mandatory: [-5265]	320	328	339
	<b>Baseline Outlays:</b>			
1930	Total budgetary resources available	399	443	454
	<b>Memorandum (non-add) entries:</b>			
1941	Unexpired unobligated balance, end of year	115	115	115
	<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts	284	328	339
3040	Outlays (gross)	-284	-328	-339
	<b>Budget authority and outlays, net:</b>			
	Mandatory:			
4090	Budget authority, gross	320	328	339
	<b>Outlays, gross:</b>			
4100	Outlays from new mandatory authority	0	315	325
4101	Outlays from mandatory balances	284	13	14
4180	Budget authority, net (total)	320	328	339
4190	Outlays, net (total)	284	328	339
	<b>Memorandum (non-add) entries:</b>			
5000	Total investments, SOY: Federal securities: Par value	80	116	119
5001	Total investments, EOY: Federal securities: Par value	116	119	123
5010	Total investments, SOY: non-Fed securities: Market value	447	412	512
5011	Total investments, EOY: non-Fed securities: Market value	412	512	528

Note: Table may not add due to rounding.

### Office of the Special Trustee for American Indians

(Dollars in millions)

	<b>Treasury Account ID: 14 – 8030 – 0</b>	<b>2011 Actual</b>	<b>2012 Estimate</b>	<b>2013 Estimate</b>
	<b>Obligations by program activity</b>			
0001	Direct program activity	90	100	104
0900	Total new obligations	90	100	104
	<b>Budgetary Resources:</b>			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	50	58	58
	<b>Budget authority:</b>			
	Appropriations, mandatory:			
1201	Appropriations, mandatory: [-8030]	98	100	104
	<b>Baseline Outlays:</b>			
1930	Total budgetary resources available	148	158	162
	<b>Memorandum (non-add) entries:</b>			
1941	Unexpired unobligated balance, end of year	58	58	58
	<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts	90	100	104
3040	Outlays (gross)	-90	-100	-104
	<b>Budget authority and outlays, net:</b>			
	Mandatory:			
4090	Budget authority, gross	98	100	104
	<b>Outlays, gross:</b>			
4100	Outlays from new mandatory authority	0	94	98
4101	Outlays from mandatory balances	90	6	6
4180	Budget authority, net (total)	98	100	104
4190	Outlays, net (total)	90	100	104
	<b>Memorandum (non-add) entries:</b>			
5000	Total investments, SOY: Federal securities: Par value	50	58	59
5001	Total investments, EOY: Federal securities: Par value	58	59	61
5010	Total investments, SOY: non-Fed securities: Market value	117	108	111
5011	Total investments, EOY: non-Fed securities: Market value	108	111	115

Note: Table may not add due to rounding.