

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F. Y. 1987**



NOTICE: These budget justifications are prepared for the Interior and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained from the Subcommittees through the Office of Budget of the Department of the Interior.

BUREAU OF INDIAN AFFAIRS

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F. Y. 1987**



NOTICE: These budget justifications are prepared for the Interior and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained from the Subcommittees through the Office of Budget of the Department of the Interior.

BUREAU OF INDIAN AFFAIRS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Budget Justification, Fiscal Year 1987
Congressional Submission

Table of Contents

<u>Item</u>	<u>Page Number</u>
Organizational Chart.....	BIA- 1
General Statement.....	BIA- 2
<u>Appropriation: Operation of Indian Programs</u>	
Appropriation language sheet.....	BIA- 10
Appropriation summary statement.....	BIA- 12
Justification of proposed language changes.....	BIA- 13
Appropriation language citations.....	BIA- 15
Summary of requirements.....	BIA- 20
Justification of adjustments to base.....	BIA- 24
Justification of program and performance by activity:	
Education:	
Activity summary.....	BIA- 32
School Operations.....	BIA- 33
Johnson O'Malley Educational Assistance.....	BIA- 53
Continuing Education.....	BIA- 55
Education Enrichment and Advancement Program.....	BIA- 66
Indian Services:	
Activity summary.....	BIA- 69
Tribal Government Services.....	BIA- 70
Social Services.....	BIA- 76
Law Enforcement.....	BIA- 84
Self-Determination Services.....	BIA- 88
Navajo-Hopi Settlement Program.....	BIA- 99
Economic Development and Employment Programs:	
Activity summary.....	BIA- 101
Employment Development.....	BIA- 102
Business Enterprise Development.....	BIA- 107
Road Maintenance.....	BIA- 115
Natural Resources Development:	
Activity summary.....	BIA- 118
Forestry and Agriculture.....	BIA- 119
Minerals, Mining, Irrigation and Power.....	BIA- 143
Trust Responsibilities:	
Activity summary.....	BIA- 158
Indian Rights Protection.....	BIA- 159
Real Estate and Financial Trust Services.....	BIA- 173
Facilities Management.....	BIA- 185
General Administration:	
Activity summary.....	BIA- 190
Management and Administration.....	BIA- 191
Automatic Data Processing Services.....	BIA- 201
Employee Compensation Payments.....	BIA- 206
Program Management.....	BIA- 209
Consolidated Training Program.....	BIA- 212
Tribe/Agency Operations.....	BIA- 215
Summary of requirements by object class.....	BIA- 260
Fiscal Year 1987 Budget Schedules.....	BIA- 261

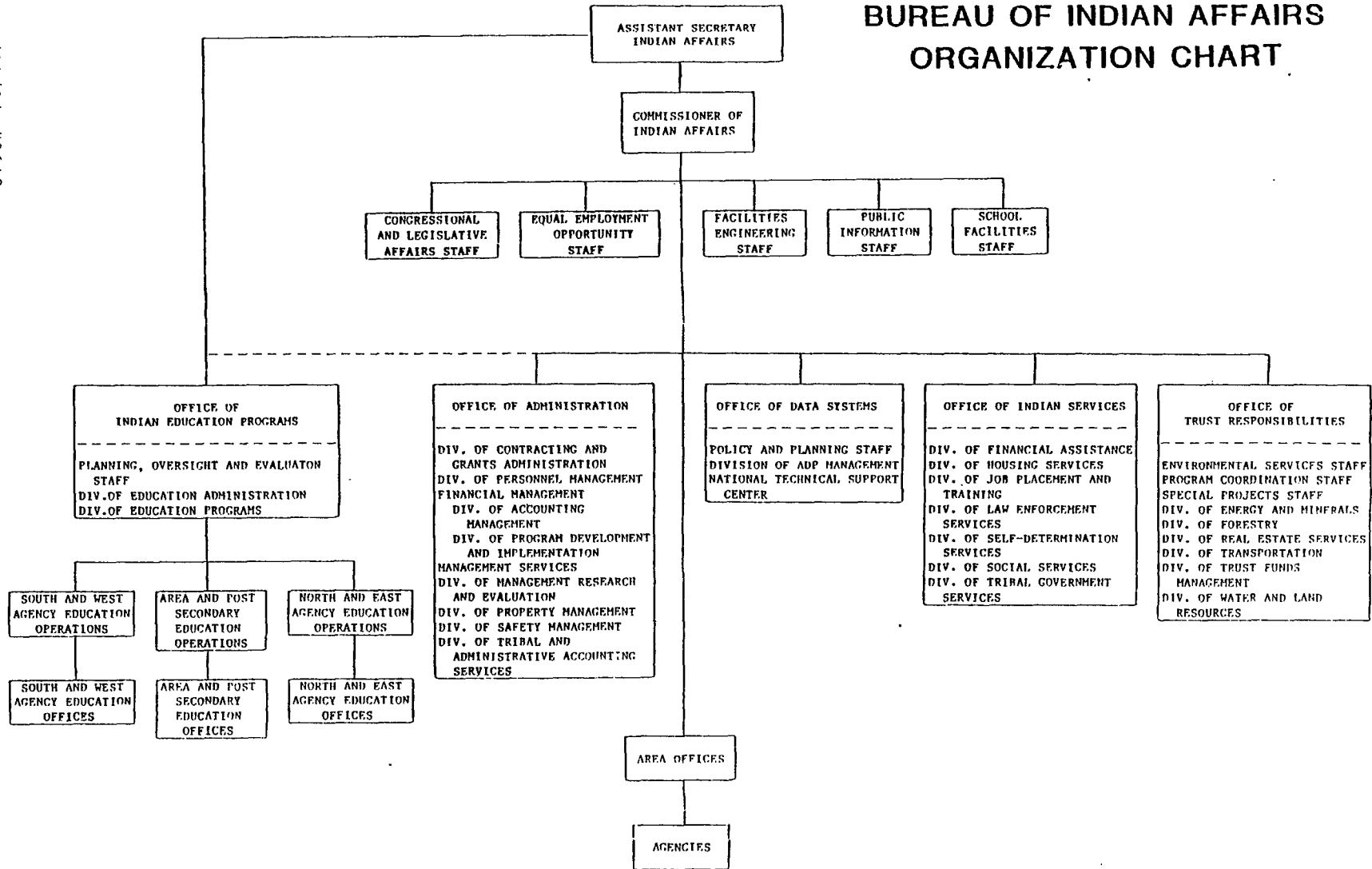
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Budget Justification, Fiscal Year 1987
Congressional Submission

Table of Contents

<u>Item</u>	<u>Page Number</u>
<u>Appropriation: Construction</u>	
Appropriation language sheet.....	BIA- 266
Justification of proposed language changes.....	BIA- 266
Appropriation language citations.....	BIA- 267
Budgetary resources for construction.....	BIA- 270
Analysis of budgetary resources by activities.....	BIA- 271
Appropriation Summary Statement.....	BIA- 273
Justification of program and performance by activity:	
Buildings and Utilities:	
General Justification.....	BIA- 274
Justifications by project categories.....	BIA- 276
Irrigation:	
General Justification.....	BIA- 279
Justifications by Project	BIA- 280
Housing:	
General Justification.....	BIA- 284
Fiscal Year 1987 Budget Schedules.....	BIA- 289
<u>Appropriation: Road Construction</u>	
Appropriation language sheet.....	BIA- 293
Justification of proposed language changes.....	BIA- 293
Appropriation language citations.....	BIA- 293
Analysis by Activity.....	BIA- 294
Justification.....	BIA- 295
Fiscal Year 1987 Budget Schedules.....	BIA- 296
<u>Appropriation: Eastern Indian Land Claims Settlement Fund.....</u>	BIA- 299
<u>Appropriation: Alaska Native Escrow Account.....</u>	BIA- 300
<u>Appropriation: Payment to Utah Paiute Trust Fund.....</u>	BIA- 303
<u>Administrative Provisions.....</u>	BIA- 304
<u>Appropriation: Miscellaneous Appropriations.....</u>	BIA- 305
<u>Appropriation: Operation and Maintenance of Quarters.....</u>	BIA- 311
<u>Appropriation: Revolving Fund for Loans.....</u>	BIA- 316
<u>Appropriation: Liquidation of Hoonah Housing Project Rev. Fund....</u>	BIA- 325
<u>Appropriation: Indian Loan Guaranty and Insurance Fund.....</u>	BIA- 326
<u>Trust Funds:</u>	
<u>Appropriation: Cooperative Fund (Papago).....</u>	BIA- 339
<u>Appropriation: Miscellaneous Trust Funds:</u>	
Appropriation language.....	BIA- 340
Appropriation language citations.....	BIA- 340
Highlight Statement.....	BIA- 343
Fiscal Year 1987 Budget Schedules.....	BIA- 347
<u>Detail of Permanent Positions (Bureau-wide).....</u>	BIA- 349
<u>Appendix:</u>	
<u>FY 1986 Supplemental - Operation of Indian Programs.....</u>	BIA- 350

BUREAU OF INDIAN AFFAIRS ORGANIZATION CHART



12/24/84 #2612
Replaces 6/8/83 #2502

BIA - 1

GENERAL STATEMENT

The Bureau of Indian Affairs was created in the War Department in 1824 and in 1849 was transferred to the Department of the Interior. The history of the relationship between Indian tribes and the U.S. Government reveals that the mission of the BIA was founded on a government-to-government relationship and a trust responsibility emanating from treaties and other agreements. The Bureau, therefore, as an agent of the U.S. Government, recognizes a fundamental responsibility to American Indian tribes and the tribal form of government. The Bureau's mission is presently viewed as three-fold: (1) to recognize and preserve the inherent rights of tribal self-government, to strengthen tribal capacity for self-government, and to provide resources for tribal government programs; (2) to protect the rights of Indian people in dealing with other governmental entities and the private sector; and (3) to fulfill and execute the Federal Government's responsibility for trust resources and property.

The Snyder Act of 1921 (42 Stat. 208; 25 U.S.C. 13) provides substantive law for appropriations covering the activities of the Bureau of Indian Affairs. The scope and character of the authorizations contained in this Act were broadened by the Indian Reorganization Act of 1934 (48 Stat. 948; 25 U.S.C. 461 et seq.); by the Indian Self-Determination and Education Assistance Act of 1975 (188 Stat. 2203; 25 U.S.C. 450); by amendments to Title XI of the Elementary and Secondary Education Amendments Act of 1978 (P.L. 95-561); by the Indian Child Welfare Act of 1978 (P.L. 95-608); and by the Tribally Controlled Community College Assistance Act of 1978 (P.L. 95-471, as amended).

The Bureau of Indian Affairs is headquartered in Washington, D.C. but a majority of headquarters staff is located in Albuquerque, New Mexico, with smaller staff contingents located in other western states. The Bureau has 12 area offices, 83 agencies, 6 field stations, 4 irrigation project offices, 3 post-secondary institutions, 56 day schools, 45 boarding schools, 7 off-reservation boarding schools, 57 contract schools and 14 dormitories. It provides services to 786,000 Indians, Eskimos, and Aleuts with this clientele in 32 states. The Bureau carries out the government-to-government function for the Federal Government with 309 Indian tribes in the "lower 48 states" and provides some services to 197 Alaska Native organizations. The Bureau administers 43,236,837 acres of tribally-owned and 10,209,378 acres of individually-owned land which is held in trust status. It also administers, 947,025 acres of federally-owned land.

The summary on the following page provides a comparison between the FY 1986 appropriation enacted to date and the 1987 request (dollar amounts in thousands). The summary also contains a FY 1986 adjusted appropriation column to reflect the proposed reductions in compliance with P.L. 99-177, Balanced Budget and Emergency Deficit Control Act.

SUMMARY TABLE

<u>Appropriation</u>	<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Estimate</u>	<u>(+)(-) from Enacted</u>	<u>Permanent Employment 11/30/85</u>
<u>Federal Funds:</u>					
Operation of Indian Program.\$	891,928	853,575	862,060	-29,868	
(FTE/T)	(12,644)	(12,644)	(12,397)	(-247)	11,714
Construction.....\$	100,448	96,129	59,155	-41,293	
(BIA FTE/T)	(152)	(152)	(149)	(-3)	84
(<u>Non-Add Allocation</u> to BurRec FTE/T)	[14]	[14]	[--]	[-14]	
Road Construction.....\$	--	--	--	--	
(Reimbursable FTE/T)	(33)	(33)	(33)	--	30
(Allocation fr. FHWA FTE/T)	(682)	(682)	(682)	--	505
Pymnt to Alaska Escrow Fund.\$	7,830	7,493	--	-7,830	
Indian Loan Guaranty and Insurance Fund.....\$	<u>2,197</u>	<u>2,103</u>	<u>2,485</u>	<u>+288</u>	
Sub-Total, Appropriations Requested.....\$	1,002,403	959,300	923,700	-78,703	
(FTE/T)	(13,511)	(13,511)	(13,261)	(-250)	12,333
<u>Permanent and Trust Funds:</u>					
Tnfr to Constr for Fire Supp\$	4,900	4,689	--	-4,900	
Miscellaneous Permanents...\$	51,000	50,914	54,000	+3,000	
(FTE/T)	(469)	(469)	(469)	(--)	470
Trust Funds.....\$	432,457	432,457	467,453	+34,996	9
Cooperative Fund (Papago)...\$	1,060	1,060	1,150	+90	
Quarters O&M.....\$	8,000	8,000	9,000	+1,000	20
(FTE/T)	<u>(20)</u>	<u>(20)</u>	<u>(20)</u>	<u>(--)</u>	
Budget Authority, <u>Total BIA</u> \$	1,499,820	1,456,420	1,455,303	-44,517	
(FTE/T)	(14,000)	(14,000)	(13,750)	(-250)	12,832

Highlights of the FY 1987 BIA Funding Request

The following comparisons for the dollar increases/decreases were arrived at by adjusting the FY 1987 Base to reflect restoration of P.L. 99-177 reductions made to the FY 1986 appropriated amounts.

The \$923,700,000 requested includes increases in Social Services (\$1,190,000), Law Enforcement (\$506,000), Self-Determination Services (\$4,241,000), Business Enterprise Development (\$1,169,000), Real Estate and Financial Trust Services (\$4,589,000), Management and Administration (\$1,048,000), Program Management (Construction) (\$500,000), Consolidated Training Programs (\$1,350,000), Loan Guaranty (\$288,000), and other small amounts (\$72,000). It also includes decreases for School Operations (-\$3,999,000), Continuing Education (-\$2,371,000), Tribal Government Services (-\$206,000), Employment Development (-\$506,000), Forestry and Agriculture (-\$11,449,000), Minerals, Mining, Irrigation and Power (-\$453,000), Indian Rights Protection (-\$5,087,000), Facilities Management (-\$1,133,000), ADP Services (-\$992,000), Tribe/Agency Operations (-\$6,336,000 for Alaska programs), Irrigation Construction (-\$4,321,000), Construction B & U (-\$6,405,000), Land Acquisition (-\$2,386,000), Housing (-\$28,181,000), Alaska Escrow (-\$7,830,000), and other small amounts (-\$5,000).

This request meets all operational needs in the Bureau, it is highly supportive of the mandate to meet the balanced budget and deficit reduction policies legislated by the Congress and reflects the growing role of tribal governments in the operation of reservation programs.

Tribe/Agency Operations

A new budget activity proposed for FY 1987 is Tribe/Agency Operations. All funding for Tribe/Agency Operations, which is currently in the base funding under the Indian Priority System, is justified under this consolidated activity. This provides for justification of the total funding which supports programs subject to tribal, as opposed to national, programmatic priorities. Funds requested are in three categories: (1) management operations; (2) general operations; and (3) trust operations. The following narrative describes how the budget is formulated for this activity.

The Indian Priority System (IPS) has been used in developing the funding packages displayed in this budget activity. The IPS allows the tribal governments to participate in the Federal budget process. This system supports Section 16 of P.L. 73-383 (25 U.S.C. 476), the Indian Reorganization Act, which includes language as follows:

"The Secretary of the Interior shall advise such tribe or its tribal council of all appropriate estimated or Federal projects for the benefit of the tribe prior to the submission of such estimates to the Bureau of the Budget [now OMB] and the Congress."

In the early 1970's, increased emphasis on tribal government involvement in the operation of Bureau programs became Federal policy. As a part of that policy change, the Bureau began its "Band Analysis" program development and budget formulation process. This process encourages direct tribal government involvement in the setting of relative priorities for the local operating programs. Tribes are invited to consult with the Agency Superintendent to determine how much funding and staffing each Bureau program should have within the overall funding to be made available to the Bureau. Not all programs are included in the process. Construction programs are among those not included because they are cyclical and often do not have a continuing program at any one tribal location.

Several other programs such as housing, education and special projects have also been removed from the system based on legislative action. Since the early 1970's, many refinements of the "Band Analysis" process have been tried, some discarded and some retained. Today the system is computer-based and is called the Indian Priority System (IPS). The tribes still often refer to the process as the "Band Analysis".

In FY 1987, \$20.7 million has been transferred to the Tribe/Agency Operations activity from separate line item programs administered by the Central Office. The transfers were made for those programs which represent continuing and stable operations and should therefore be available to tribes in the budgeting process under the Indian Priority System. The programs for which these transfers were made include special tribal courts, tribal work experience program administration, special law enforcement, timber sales administration, forest development, Boldt decision fish management, fish hatchery operations, and fish management programs. Transfers totalling \$1.5 million were made from tribe/agency operations to the Central Office. These transfers include funds for the Land Titles and Records Offices.

Tribe/Agency Operations

Total funding for Tribe/Agency Operations in FY 1987 is \$295 million (+1 FTE). The net decrease of \$6,336,000 consists of a reduction of \$6,336,000 (-32 FTE) for BIA programs in Alaska, a decrease of \$4,000,000 for self-determination grants, and an increase of \$4,000,000 (+33 FTE) which will be spread among Indian tribes based on their own priorities for funding.

School Operations

Funding for school operations is being decreased by \$3,999,000. The decrease consists of -\$1,200,000 for non-recurring items included in FY 1986 related to academic standards (such as staffing adjustments and purchase of library books, periodicals, and media equipment) and a decrease of \$2,799,000 for the Indian School Equalization Program (ISEP). The decrease to ISEP reflects the transfer of residential students to day school programs, changes to the Intensive Residential Guidance program and the Bilingual program, and the continuing emphasis on adjusting appointments of school staffs to an appropriate number of pay periods.

Johnson O'Malley

For FY 1987 responsibility for the Johnson O' Malley (JOM) program is proposed to be transferred to the U.S. Department of Education (ED). The JOM program, which serves eligible Indian students in public schools, will be consolidated with ED's public school program under the Indian Education Act. The Department of Education will assume full responsibility for Indian children attending public schools.

Indian Education Act Funding

For FY 1987 selected programs in the Department of Education which benefited children in BIA funded schools will be transferred to the Bureau of Indian Affairs. These programs, banded at \$11,500,000, are special enrichment grants, educational services grants and pilot and demonstration grants. This transfer will give the BIA responsibility for full funding of Indian students in BIA-supported schools. \$2,000,000 of the transferred amount is for the Indian Fellowship Program which duplicates, to a large degree, the BIA Special Higher Education Program.

Continuing Education

The FY 1987 program reflects a decrease of -\$1,939,000 for the Special Higher Education program (see Indian Education Act Funding, above) and a decrease of -\$432,000 for operating grants to Tribally Controlled Community Colleges.

Tribal Government Services

The FY 1987 program includes decreases in Community Services (-\$79,000, -3 FTE) and All Other Aid to Tribal Government (-\$127,000, -2 FTE). These decreases are the result of changes in Area Office priorities.

Social Services

The net increase of \$1,190,000 consists of an increase of \$3,833,000 for general assistance to needy Indians in FY 1987, an increase of \$100,000 (+3 FTE) for the quality control program and decreases of -\$2,710,000 for grants to organizations under the Indian Child Welfare Act and -\$33,000 (-2 FTE) at Area Offices.

Law Enforcement

Increased funding of \$500,000 (+12 FTE) will permit the hiring of additional criminal investigators to improve the rate at which on-reservation crime is prosecuted. It will also allow the Bureau to furnish equipment for detention centers which recently have been renovated (+\$100,000). Area Office priority changes resulted in a decrease of -\$94,000 (-2 FTE).

Self-Determination

The requested increase of \$4.2 million for Self-Determination Services reflects an increase of \$5.6 million to cover the indirect costs of new tribal contracts, an increase in technical assistance, and a decrease of \$1.7 million for Small Tribes Core Management grants. The increase in funds to support new contracts reflects continuing progress in the Administration's efforts to encourage increased P.L. 93-638 contracting by tribes. The adjustment in the Small Tribes Core Management Program reflects a phase down of the program to a maintenance level, and its phase out in the Juneau Area.

Business Enterprise Development

The FY 1987 economic development grant program will be increased by \$1,068,000 to provide additional Indian Business Development Program grants to individuals and tribes. These grants provide 25 percent of the funding for economic development projects matched by 75 percent funding from the private sector. The individual grants will be approved at the Area Office level; and \$101,000 (+3 FTE) is proposed to facilitate the additional workload.

Forestry and Agriculture

The major decrease in this category is \$6.0 million of the one-time cost in FY 1986 to cover emergency hay relief for livestock in North and South Dakota and Montana. Other decreases include Forest Development (-\$3,750,000) and Fire Equipment (-\$415,000). Water Policy Implementation (-\$1,500,000) and Wildlife and Parks (-\$110,000) are also reduced. The Forest Development program retains \$4.4 million to continue the backlog elimination program started in 1977. The +1 FTE is the result of revised Area Office priorities.

Minerals, Mining, Irrigation & Power

The 1987 program includes the reduction of a one-time amount for Hopi coal lease re-negotiation efforts (-\$100,000) and an increase of \$960,000 in special projects which will be used in support of the overall plan to correct oil and gas royalty payment problems in the BIA. This increase is offset by a decrease of \$960,000 in minerals assessments. There is also a decrease of \$353,000 in irrigation operation and maintenance funding.

Indian Rights Protection

The FY 1987 program has a decrease of \$315,000 in Environmental Quality Services. Other reductions include: -\$1,020,000 in litigation support and -\$350,000 in attorney fees; reductions in Alaska for historical and cemetery sites investigations (-\$1,658,000, -20 FTE); deferral of some work involving subsistence and allotments in Alaska (-\$700,000, -10 FTE); Native Group Grant payments (-\$412,000) and land selection cost payments (-\$750,000).

Real Estate and Financial Trust Services

The FY 1987 Real Estate Services program contains an increase of +\$3,937,000 (+4 FTE) which includes about \$3 million for cadastral surveys, mostly in Alaska, and more than \$700,000 for Land Records Improvement. The Financial Trust Services program contains an increase of +\$450,000 which includes an increase of +\$150,000 to improve trust fund investment operations and \$300,000 to develop and implement a trust fund accounting system. An increase of +\$202,000 is requested for Trust Services, General, as a result of Area Office priority changes.

Facilities Management

The reduction in funds for the operation and maintenance of existing facilities activity includes a transfer of funds for demolitions (-\$300,000) to the Construction Management activity, and Agency closings in Alaska (-\$1,248,000). This reduction is partially offset by an increase (+\$415,000) for operation and maintenance of newly constructed Bureau facilities.

Management and Administration

An increase of +\$1,048,000 (+11 FTE) will finance an expected increase in costs of FTS, postage and other intra-governmental billings, travel and printing costs (+\$428,000); improved fund control and program analysis (+\$123,000, +3 FTE); a contract management system (+\$166,000, +1 FTE); financial management system corrections (+\$330,000); development of single agency classification standards and study of excepted qualification standards related to Indian preference (+\$76,000); and Area Office adjustments due to priority changes (-\$75,000, +7 FTE).

Employee Compensation

The proposed increase of \$72,000 will be used to establish a chargeback system for Department of Labor billings for workers compensation benefits to the Bureau organization where the accident/illness occurred. This chargeback system will promote safety for the employees and produce expected monetary savings to the Bureau since managers will have greater incentive to improve their safety programs in order to reduce this expense.

Program Management

This increase represents, in part, the transfer of \$300,000, from Existing Facilities Operation and Maintenance. Of this increase, \$200,000 will be applied to the Facility Safety Inspection Program to perform more frequent inspections through contract to identify life safety hazard projects in Bureau facilities and \$300,000 to demolish Bureau facilities that are under-utilized.

ADP Services

The overall reduction is offset partially by increased funding (+\$108,000) required to fully cover Central Office staff costs. The reduction in Central Office System Support due to cost avoidance derived from "buy-out" of leased equipment (-\$2,250,000) will be offset by proposed purchases of small ("micro") computers for pilot projects to enhance program/administrative operations (+\$300,000), equipment for Indian Integrated Resources Inventory Program (+\$500,000), and equipment for Trust Fund Management (+\$350,000).

Consolidated Training Program

This increase will be used to recruit and train qualified Indians to improve the quality and efficiency of the services provided by the Bureau to tribal groups. To achieve this objective the Bureau will activate understudy, cooperative education, and in-service training programs for its employees. The funding will cover the developmental expenses such as: course fee/ tuition, instructors, materials, and other specialized training/education costs.

Buildings and Utilities

The FY 1987 request of \$28,960,000 for Facilities Improvement and Repair will be used to correct unsafe conditions in existing Bureau facilities.

Irrigation Systems

The FY 1987 program contains \$1,500,000 to continue funding for the Papago Irrigation Project, Arizona. Funds are requested (\$1,000,000) for the Flathead Indian Irrigation Project, Montana, to rehabilitate the project's irrigation distribution system. Funding (\$9,155,000) is also included for continuation of the dam safety program. This program includes providing early warning systems for ten projects and structural modifications on 13 projects. The request also includes funds for surveys and designs (\$500,000) and engineering and supervision (\$1,745,000) for Indian irrigation projects throughout the United States.

Housing

The FY 1987 request of \$16,295,000 will continue renovation of existing homes for needy Indians on reservations and the general management of the program Bureauwide.

Road Construction

Project funds (\$75,000,000) are included in contract authority allocations from the Highway Trust Fund administered by the Federal Highway Administration (FHWA), Department of Transportation, and are not included in the Interior Department budget. In FY 1987, the Bureau of Indian Affairs will continue to finance all costs of the Indian road construction program through this contract authority. These include funds for Central Office program management and for program supervision by the area/agency offices, not to exceed 5% of the total contract authority allocation. A total of 33 FTE/T is financed in this account for the field equipment pool operations which collect rentals as reimbursements for the use of BIA-owned heavy equipment used on FHWA projects. All other program FTE/T (682) will be available from the FHWA allocation account in FY 1987 to carry out work using the funding provided by the FHWA.

Indian Loan Guaranty and Insurance Fund

The Indian Financing Act Amendments of 1984 authorized the Bureau to request funds for payment of interest subsidies on guaranteed loans, management and technical assistance on these loans, and to reimburse the fund for losses paid on guaranteed loans. The funds requested in FY 1987 will pay for one year's interest subsidy and for management and technical assistance in FY 1987. The expected level of total new loan guarantees is \$30,000,000 in FY 1987.

Cooperative Fund (Papago)

This fund was established in FY 1983 under the provisions of section 313 of the Southern Arizona Water Rights Settlement Act (96 Stat. 1274-1285). The purpose of the fund is to finance the costs incurred by the Secretary of the Interior for operation, maintenance and repair activities related to the delivery of water to the Papago Tribe in 1992 or after the completion of the Central Arizona Project. Only interest accruing to the fund may be expended. The FY 1987 amount is estimated interest accruing to the fund principle of \$10,500,000.

Alaska Reduction

The FY 1987 budget proposes savings of \$12 million to be derived by eliminating or reducing funding for a variety of BIA programs in Alaska. Programs that would be discontinued include: agricultural extension, adult education, Indian child welfare (ICWA), small tribes grants, road maintenance, minerals & mining, water resources, and facilities management. This proposed reduction will be partially offset by an increase of \$2,500,000 to accelerate surveys of Alaska Native allotments. Alaska has only one reservation. Over 30 percent of Alaska Natives live in urban areas, and the remainder live in villages which can receive state revenue sharing under Alaska State law to meet needs. Given the improvement in native economic status; the absence of large blocks of trust land that the United States has statutory responsibility to fully manage; the absence of any tribal treaty rights to be protected; and improved Bureau operating efficiencies; the Administration believes that Alaska Natives no longer require the levels of financial support that the Federal Government provided in the past. In the recent past, the State has taken on greater responsibility for serving Alaska Natives with education and welfare assistance programs. The following table summarizes the proposed reductions:

<u>Program</u>	<u>\$000</u>	<u>FTE</u>
Indian Child Welfare Act Grants.....	\$ -710	--
Small Tribes Core Management Grants.....	-679	--
ANILCA Programs.....	-700	-10
ANCSA Cemetary/Historical Sites.....	-1,568	-20
Facilities Management.....	-1,248	-7
Tribe/Agency Operations.....	-6,336	-32
Housing	<u>-797</u>	<u>-3</u>
TOTAL.....	<u>-\$12,038</u>	<u>-72</u>

OPERATION OF INDIAN
PROGRAMS

Appropriation Language

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

For operation of Indian programs by direct expenditure, contracts, cooperative agreements and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with states and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [\$891,312,000] \$862,060,000, of which not to exceed [\$54,556,000] \$29,916,000 for higher education scholarships [and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.),] shall remain available for obligation until September 30, [1987] 1988, and the funds made available to tribes and tribal organizations through contracts or consolidated grants authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, [1987] 1988: Provided, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs; Provided further, That not to exceed \$17,966,000 shall be obligated for automatic data processing in fiscal year 1986; unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services; and includes expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640(d)-18(a)), [\$2,886,000] \$2,931,000, to remain available until expended: [and an additional \$6,000,000 which, notwithstanding any other law, is immediately available for obligation before January 18, 1986, by the Secretary of the Interior through the Bureau of Indian Affairs only for the emergency provision of hay to Indians using the distribution formula of the Indian Acute Distress Donation Program to aid in maintaining foundation cattle herds in Montana, North Dakota, and South Dakota. The Secretary may, but is not required to, enter into contracts under section 102 of the Indian Self-Determination Act (88 Stat. 2206; 25 U.S.C. 450f) in connection with the appropriation made in this paragraph and no indirect cost or overhead shall be allowed under any such contract from any appropriation. All costs incurred directly or indirectly by the Secretary in connection with the appropriation made in this paragraph for other than the direct cost of the hay and its transportation shall be met from other amounts appropriated for the operation of Indian programs. Any part of the appropriation made in this paragraph which is not expended by March 15, 1986, shall be deobligated and shall not be available for obligation or expenditure.] [The Secretary of the Interior shall make a report or reports to Congress by September 1, 1986 on (1) the use of the appropriation in the preceding paragraph, (2) the impact of the drought disaster on the Indian reservations in Montana, North Dakota, and South Dakota, (3) long-term strategies to address the disaster on each of those reservations, and (4) the effectiveness of the carrying out of the roles (including resource management and the establishment, waiver, and collection of grazing fees and rents or other

payments) of the Federal and tribal governments in ranching, agriculture, and other land use on Indian reservations throughout the United States with recommendations to improve that effectiveness.]

Provided further, That [N]none of these funds shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act; Provided further, That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress; Provided further, That for the fiscal year ending September 30, 1987, the Secretary may not contract for the establishment or operation of a school not currently operated by the Bureau or assisted by the Bureau under contract. [Provided further, That notwithstanding any other provision of law, within fourteen days of the date of enactment of this Act the Snowflake Dormitory in Arizona shall be closed and thereafter no funds available to the Bureau of Indian Affairs shall be available to operate an educational or boarding program at that location; Provided further, That notwithstanding any law or regulation, in allocating funds for aid to public schools under this Act of April 16, 1934, as amended, the Secretary shall enter into contracts only for the provision of supplementary educational services for Indian children; Provided further, That the Secretary of the Interior shall transfer without cost to the Saint Labre Indian School of Ashland, Montana, the interests of the United States in the supplies and equipment required by or for the school during the period when it was financially aided by the Bureau of Indian Affairs.] (Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190.)

Appropriation Summary Statement

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

The Operation of Indian Programs appropriation consists of a wide range of services provided to the American Indian. Special emphasis is placed on tribal participation and involvement. Activities that provide these services are:

1. Education - This activity provides funding for Bureau operated and contracted elementary and secondary schools. It also provides financial assistance to Indian students for higher education studies, supports tribally operated post-secondary institutions, and offers continuing education programs in many communities.

2. Indian Services - This activity provides municipal-type government services for Indian communities along with financial assistance to tribes in self-government and self-determination projects.

3. Economic development and employment programs - This activity provides technical and financial aid programs which stimulate reservation economies and help Indian individuals and organizations to fully participate in those economies. These programs emphasize development of business enterprises owned and operated by Indians; assistance to Indians in securing and managing loans; assistance to Indians in locating, qualifying, and occupying jobs; and road maintenance to provide for the movement of people and goods.

4. Natural resources development - This activity provides for the conservation, development, and use of Indian land, water, and related resources.

5. Trust responsibilities - This activity provides for the protection of Indian rights and property, and the management of assets held in trust for Indian tribes and individuals.

6. Facilities management - This activity provides for the maintenance and operation of Bureau facilities and the provision of GSA owned or leased facilities.

7. General administration - These functions include executive direction, administrative services, safety management, ADP services, employee compensation payments, construction management, and education program management.

8. Tribe/Agency Operations - This is a new budget activity for FY 1987. It is designed to display all funds supporting stable and continuing programs that are subject to local priorities rather than national programmatic priorities. Tribe/Agency Operations include funding for local service programs which are planned and operated at the Tribe/Agency level and some programs which are consolidated at the area office level but offer direct services to tribes and individuals.

Reimbursable programs - These programs are funded by users of the services for the operation of the Seattle warehousing and shipping operation in Alaska; reimbursement from states for school lunches for Indian children; funds granted to the Bureau by other Federal agencies to carryout special service programs for Indians; and for miscellaneous goods and services provided to others.

Justification of Proposed Language Changes

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

1. Deletion: "and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.),"

Language is not necessary for fiscal year 1987 since the program is not proposed for fiscal year 1987 as part of the Bureau's budget request. The program is proposed to be added to the Department of Education request.

2. Modification: "or consolidated grants"

Language is needed to allow the Bureau of Indian Affairs to extend the carryover authority to include consolidated grants which may be requested at the option of the tribe(s).

3. Deletion: "Provided further, That not to exceed \$17,900,000 shall be obligated for automatic data processing in fiscal year 1986;"

This language applies to fiscal year 1986 and is not necessary in fiscal year 1987.

4. Modification: "unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services;"

The language is needed to allow the Bureau of Indian Affairs to extend cooperative agreement alternatives to tribes without complicating the accounting of funds between annual and two-year availabilities.

5. Deletion: "and an additional \$6,000,000 which, notwithstanding any other law, is immediately available for obligation before January 18, 1986, by the Secretary of the Interior through the Bureau of Indian Affairs only for the emergency provision of hay to Indians using the distribution formula of the Indian Acute Distress Donation Program to aid in maintaining foundation cattle herds in Montana, North Dakota, and South Dakota. The Secretary may, but is not required to, enter into contracts under section 102 of the Indian Self-Determination Act (88 Stat. 2206; 25 U.S.C. 450f) in connection with the appropriation made in this paragraph and no indirect cost or overhead shall be allowed under any such contract from any appropriation. All costs incurred directly or indirectly by the Secretary in connection with the appropriation made in this paragraph for other than the direct cost of the hay and its transportation shall be met from other amounts appropriated for the operation of Indian programs. Any part of the appropriation made in this paragraph which is not expended by March 15, 1986, shall be deobligated and shall not be available for obligation or expenditure."

The language applies to a one time increase to relieve the situation that arose from drought that existed during calendar year 1985 and affected winter livestock feeding during fiscal year 1986. Therefore, the language is not necessary for fiscal year 1987.

6. Deletion: "The Secretary of the Interior shall make a report or reports to Congress by September 1, 1986 on (1) the use of the appropriation in the preceding paragraph, (2) the impact of the drought disaster on the Indian

reservations in Montana, North Dakota, and South Dakota, and (3) long-term strategies to address the disaster on each of those reservations, and (4) the effectiveness of the carrying out of the roles (including resource management and the establishment, waiver, and collection of grazing fees and rents or other payments) of the Federal and tribal governments in ranching, agriculture, and other land use on Indian reservations throughout the United States with recommendations to improve that effectiveness."

Language applies to fiscal year 1986 and is not necessary for fiscal year 1987.

7. Modification: "That for the fiscal year ending September 30, 1987, the Secretary may not contract for the establishment or operation of a school not currently operated by the Bureau or assisted by the Bureau under contract.

Language needed to allow the Bureau of Indian Affairs to reinstate a moratorium on new school starts.

8. Deletion: "Provided further, That notwithstanding any other provision of law, within fourteen days of the date of enactment of this Act the Snowflake Dormitory in Arizona shall be closed and thereafter no funds available to the Bureau of Indian Affairs shall be available to operate an educational or boarding program at that location: Provided further, That notwithstanding any law or regulation, in allocating funds for aid to public schools under this Act of April 16, 1934, as amended, the Secretary shall enter into contracts only for the provision of supplementary educational services for Indian children: Provided further, That the Secretary of the Interior shall transfer without cost to the Saint Labre Indian School of Ashland, Montana, the interests of the United States in the supplies and equipment acquired by or for the school during the period when it was financially aided by the Bureau of Indian Affairs."

This language is not required in fiscal year 1987 since these actions were accomplished in fiscal year 1986.

Appropriation Language Citations

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

1. For operation of Indian programs by direct expenditure, contracts, cooperative agreements and grants

25 U.S.C. 13
P. L. 93-638, sections 102(a) and 104(a)
P. L. 95-224

25 U.S.C. 13 provides for direct operation of various Federal programs for Indians throughout the United States.

P. L. 93-638, section 102(a) provides that, The Secretary of the Interior is directed, upon the request of any Indian tribe to enter into a contract or contracts with any tribal organization or any such Indian tribe to plan, conduct, and administer programs.....provided for in the Act of April 16, 1934 (48 Stat. 596), as amended by this Act, any other program....which the Secretary of the Interior is authorized to administer for the benefit of Indians under the Act of November 2, 1921 (42 Stat. 208), and any Act subsequent thereto....."

P. L. 93-638, section 104(a) provides that, "The Secretary of the Interior is authorized, upon the request of any Indian tribe (from funds appropriated for the benefit of Indians pursuant to the Act of November 2, 1921 (42 Stat. 208) and any Act subsequent thereto) to contract with or make a grant or grants to any tribal organization....."

P. L. 95-224 provides procedures for preparing Federal contracts, grants and cooperative agreements.

2. including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions or schools; grants and other assistance to needy Indians;

25 U.S.C. 13
25 U.S.C. 309, 309a
25 U.S.C. 452-454
25 U.S.C. 631-639

25 U.S.C. 13 provides for "general support and civilization, including education."

25 U.S.C. 309, 309a provide for vocational training and counseling, including institutional training, apprenticeship, on the job training, and nurses training in order to help adult Indians who reside on or near Indian reservations to obtain reasonable and satisfactory employment.

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Affairs

25 U.S.C. 452-454 provide for the contracting with any state or territory, or political subdivisions thereof, state university, college, or school, or with any appropriate state or private corporation, agency, or institution to furnish educational and welfare services;

25 U.S.C. 631-639 provide for basic programs for the conservation and development of resources for the Navajo and Hopi Tribes.

3. maintenance of law and order;

25 U.S.C. 13

25 U.S.C. 13 provides for ". . . for the employment of . . . Indian police, Indian judges, . . . for the suppression of traffic in intoxicating liquor and deleterious drugs."

4. management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs,

7 U.S.C. 1651-1654
16 U.S.C. 583, 590a, 590f, 594
25 U.S.C. 13, 318a, 500-500f, 631-639
33 Stat. 595
35 Stat. 558
36 Stat. 855

7 U.S.C. 1651-1654 provide for protection of the livestock industry from losses caused by the poisonous weed *Halogeton Glomeratus*.

16 U.S.C. 583, 590a, 590f, 594 provide for Indian forest management, soil and moisture conservation and protection of forests from fire, disease or insects.

25 U.S.C. 13 provides for the management development, improvement, and protection of Indian lands and resources.

25 U.S.C. 318a provides for the management and protection of appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs.

25 U.S.C. 500-500f provide for acquiring and organizing a reindeer industry or business for the Alaska Natives.

25 U.S.C. 631-639 provide for basic programs for the conservation and development of resources for the Navajo and Hopi Tribes.

33 Stat. 595 provides for sale and disposition of surplus and unallotted lands (Yakima). Proviso now covered under 25 U.S.C. 372.

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

35 Stat. 558 provides for survey and allotment and the sale and disposal of surplus lands (Fort Peck). Proviso now covered under 25 U.S.C. 372.

36 Stat. 855 provides for determining heirs, sale and disposition of allotments of deceased Indians, and for leasing of allotments and for other purposes (25 U.S.C. 372).

5. including payment of irrigation assessments and charges; acquisition of water rights;

25 U.S.C. 13, 381, 385
49 Stat. 887
52 Stat. 80
54 Stat. 707

25 U.S.C. 13 provides for "....for extension, improvement, operation and maintenance of existing Indian irrigation systems and for development of water supplies."

25 U.S.C. 381 provides for use of water and distribution thereof.

25 U.S.C. 385 provides for the fixing of maintenance charges; and that moneys expended under this proviso shall be reimbursable where Indians have adequate funds to repay the Government.

49 Stat. 887 as amended, provides for the Secretary of the Interior to enter into an agreement with Middle Rio Grande Conservancy District for maintenance and operation costs on newly reclaimed Pueblo Indian lands.

52 Stat. 80 provides for amending rate of payment of irrigation construction costs on Wapato Irrigation Project, Yakima, Washington.

54 Stat. 707 provides for payment for costs of providing additional water for Wapato Indian Irrigation Project, Washington.

6. advances for Indian industrial and business enterprises;

25 U.S.C. 13
88 Stat. 82; 98 Stat. 1725-1726
(25 U.S.C. 1521-1523)

25 U.S.C. 13 provides "For industrial assistance and advancement....."

88 Stat. 82 The Indian Financing Act of 1974, "established within the Department of the Interior the Indian Business Development Program whose purpose is to stimulate and increase Indian entrepreneurship and employment by providing equity capital through nonreimbursable grants made by the Secretary of the Interior to Indians and Indian tribes to establish and expand profit-making Indian-owned economic enterprises on or near reservations."

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

98 Stat. 1725-1726; 1984 Amendments provides that, "no grant in excess of \$100,000 in the case of an Indian and \$250,000 in the case of an Indian tribe, or such lower amount as the Secretary may determine to be appropriate, may be made under this subchapter. There are authorized to be appropriated not to exceed the sum of \$10,000,000 per year for fiscal year 1986 and each fiscal year thereafter for the purposes of this subchapter.

7. operation of Indian arts and craft shops and museums; development of Indian arts and crafts, as authorized by law;

25 U.S.C. 305

25 U.S.C. 305 provides "A board is created in the Department of the Interior to be known as "Indian Arts and Crafts Board".....to promote the economic welfare of the Indian tribes and the Indian wards of the Government through the development of Indian arts and crafts and the expansion of the market for the products of Indian art and craftsmanship. There is hereby authorized to be appropriatedsuch sums as may be necessary to defray the expenses of the Board and carry out the purposes and provisions of section 305 to 305c of this title....."

8. for the general administration of the Bureau of Indian Affairs, including such expenses in field offices,

25 U.S.C. 13

25 U.S.C. 13 provides ".....and for general and incidental expenses in connection with the administration of Indian Affairs."

9. \$ _____, of which not to exceed \$ _____ for higher education scholarships shall remain available for obligation until September 30, 19__,

25 U.S.C. 13

25 U.S.C. 13 provides ".....general support and civilization, including education."

10. and the funds made available to tribes and tribal organizations through contracts or consolidated grants authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 19__ : Provided, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services;

88 Stat. 2203
(25 U.S.C. 450 et seq.)

88 Stat. 2203; 25 U.S.C. 450 provides that, "To provide maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in programs and services conducted by the Federal Government for Indians and to encourage the development of human resources of the Indian people; to establish a

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

program of assistance to upgrade Indian education; to support the right of Indian citizens to control their own educational activities; and for other purposes." Section 8 of this act authorized that "..... any funds appropriated pursuant to the Act of November 2, 1921 (42 Stat. 208), for any fiscal year which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year."

11. and includes expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640(d)-18(a)), \$ _____, to remain available until expended:

P.L. 93-531, section 19(a)

P.L. 93-531, section 19(a) authorized and directs the Secretary to reduce livestock in joint use area to carrying capacity of lands and institute conservation practices to grazing potential of area.

12. Provided further, That none of the funds appropriated to the Bureau of Indian Affairs shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act:

This is special appropriation language to prevent duplication of funding for programs authorized under the other cited legislation.

13. Provided further, That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress:

This language clarifies the intent of Congress that general assistance in Alaska is prohibited in FY 1985 and hereafter. This was necessitated due to various interpretations of a Congressional directive contained in the Appropriations Act for FY 1982 which ultimately resulted in BIA terminating the general assistance program in Alaska on March 31, 1982.

14. Provided further, That for the fiscal year ending September 30, 1987, the Secretary may not contract for the establishment or operation of a school not currently operated by the Bureau or assisted by the Bureau under contract.

This language intends that no new schools be established, However, it is not intended to prevent conversion of existing Bureau schools to contract operation. This language will be retained until final regulations, acceptable to the Congress, are issued by the Bureau.

BUREAU OF INDIAN AFFAIRS
Summary of Requirements

Appropriation: Operation of Indian Programs -----	FTE/T -----	(dollar amounts in thousands)	
		Amount -----	FTE/T Amount -----
Appropriation currently available, 1986.....			12,644 891,928
1986 P.L. 99-177 Budget Authority cancellation.....			0 (38,353)
Adjusted Appropriation, 1986.....			12,644 853,575
Adjustments to Base and built-in changes:			
Adjustment for 1986 impact of P.L. 99-177.....	--	+38,353	
Title IV program transfer from Department of Education.....	--	+11,500	
Transfer of Johnson O'Malley program to Department of Education.....	--	(23,044)	
Other Transfers:			
Internal transfer of Area Office Education programs.....	--	+217	
Internal transfer of Social Services TWEF administration.....	--	+403	
Internal transfer of Special Law Enforcement to priority system.....	--	+7,900	
Internal transfer of Employment Development programs.....	--	+544	
Internal transfer of Technical Assistance for Credit programs.....	--	+490	
Internal transfer of Forestry programs.....	+200	+8,100	
Internal transfer of Water Rights Negotiation/Litigation funding.....	--	+10,353	
Internal transfer of Michigan Settlement base funding.....	--	+700	
Internal transfer of Fish Hatchery Operations.....	--	+4,364	
Internal transfer of Fish Management programs.....	--	+2,150	
Internal transfer of Former USFWS Hatcheries.....	+41	+453	
Internal transfer of Land Title and Records Offices.....	+48	+1,069	
Internal transfer of C.O. Facilities Management Staff.....	+16	+638	
Internal transfer of Construction Supv. & Boiler Inspection funds.....	--	+490	
Internal transfers of ADP Services funds (net amount).....	--	+709	
Internal transfer of TR/AG Operations funding and staffing to new separate activity.....	+3,712	+301,424	
Internal Area Office Direct/Field Operations base transfers (net amount of all such transfers).....	--	+452	
Other decreases:			
GSA Rentals.....	--	(440)	
Employee Compensation Fund.....	--	(12)	
Subtotal adjustments to base and built-in changes.....			-- 26,357
1987 Base Budget.....			12,644 879,932
Program changes (changes to base budget detailed below).....			(247) (17,872)
Total Requirements (1987 Estimate).....			12,397 862,060

BIA 20

Comparison by Activities/Subactivities:	FY 1985 Actual		1986 Enacted to Date		P.L. 99-177 Reduc.	FY 1986 Adjusted Approp.	FY 1987 Base		FY 1987 Estimate		Inc./Dec.) from FY 1986 Appropriation		Inc./Dec.) from FY 1986 Adj. Approp		Inc./Dec.) from FY 1987 Base	
	FTE	Amount	FTE	Amount			FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
EDUCATION																
School Operations.....	4,618	177,265	4,570	189,378	8,143	181,235	4,570	189,595	4,359	185,596	(211)	(3,782)	4,361	(211)	(3,999)	
Johnson O'Malley.....	0	25,674	0	23,044	991	22,053	0	0	0	0	0	(23,044)	(22,053)	0	0	
Continuing Education.....	276	53,256	270	56,438	2,427	54,011	249	22,583	249	20,212	(21)	(36,226)	(33,799)	0	(2,371)	
Education Contract Support.....	0	13,496	0	0	0	0	0	0	0	0	0	0	0	0	0	
Rescission (Sec. 2901).....	0	(47)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Base Trnsfr from Dept. of Educ...	0	0	0	0	0	0	0	11,500	0	11,500	0	11,500	11,500	0	0	
SUBTOTAL, EDUCATION.....	4,894	269,644	4,840	268,860	11,561	257,299	4,819	223,678	4,608	217,308	(232)	(51,552)	(39,991)	(211)	(6,370)	
INDIAN SERVICES																
Tribal Government Services.....	218	26,019	207	32,233	1,386	30,847	76	5,810	71	5,604	(136)	(26,629)	(25,243)	(5)	(206)	
Social Services.....	213	107,476	210	113,199	4,868	108,331	40	91,913	41	93,103	(169)	(20,096)	(15,228)	1	1,190	
Law Enforcement.....	514	44,387	526	48,570	2,089	46,481	33	2,595	43	3,101	(483)	(45,469)	(43,380)	10	506	
Self-Determination Services.....	64	24,162	77	21,337	917	20,420	38	8,021	38	12,262	(39)	(9,075)	(8,158)	0	4,241	
Navajo/Hopi Settlement Program...	64	2,773	63	2,931	126	2,805	63	2,931	63	2,931	0	0	126	0	0	
Indian Services Contract Support.	0	15,226	0	0	0	0	0	0	0	0	0	0	0	0	0	
Rescission (Sec. 2901).....	0	(972)	0	0	0	0	0	0	0	0	0	0	0	0	0	
SUBTOTAL, INDIAN SERVICES.....	1,073	219,071	1,083	218,270	9,386	208,884	250	111,270	256	117,001	(827)	(101,269)	(91,883)	6	5,731	
ECONOMIC DEVELOPMENT & EMPLOYMENT																
Employment Development.....	111	25,504	96	26,698	1,148	25,550	9	3,099	7	2,593	(89)	(24,105)	(22,957)	(2)	(506)	
Business Enterprise Development..	130	20,924	115	13,775	592	13,183	49	10,474	52	11,643	(63)	(2,132)	(1,540)	3	1,169	
Road Maintenance.....	395	21,890	388	23,069	992	22,077	2	319	2	314	(386)	(22,755)	(21,763)	0	(5)	
Economic Dev/Empl. Contract Supp.	0	2,684	0	0	0	0	0	0	0	0	0	0	0	0	0	
SUBTOTAL, ECONOMIC DEV. & EMPLOY	636	71,002	599	63,542	2,732	60,810	60	13,892	61	14,550	(538)	(48,992)	(46,260)	1	658	

BIA-21

Comparison by Activities/Subactivities:	FY 1985 Actual		1986 Enacted to Date		P.L. 99-177 Reduc.	FY 1986 Adjusted Approp.	FY 1987 Base		FY 1987 Estimate		Inc./((Dec.) from FY 1986 Appropriation		Inc./((Dec.) frm FY 1986 Adj. Approp	Inc./((Dec.) from FY 1987 Base	
	FTE	Amount	FTE	Amount			FTE	Amount	FTE	Amount	FTE	Amount		FTE	Amount
NATURAL RESOURCES DEVELOPMENT															
Forestry & Agriculture.....	1,288	99,477	1,451	101,997	4,385	97,612	348	31,161	349	19,712	(1,102)	(82,285)	(77,900)	1	(11,449)
Minerals & Mining, Irrig. & Power	68	20,830	66	17,529	754	16,775	30	15,781	30	15,328	(36)	(2,201)	(1,447)	0	(453)
Natural Res. Dev. Contract Supp..	0	4,612	0	0	0	0	0	0	0	0	0	0	0	0	0
Rescission (Sec. 2901).....	0	(818)	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL, NATURAL RESOURCES DEV.	1,356	124,101	1,517	119,526	5,139	114,387	378	46,942	379	35,040	(1,138)	(84,486)	(79,347)	1	(11,902)
TRUST RESPONSIBILITIES															
Indian Rights Protection.....	188	21,873	142	21,408	920	20,488	54	22,495	24	17,408	(118)	(4,000)	(3,080)	(30)	(5,087)
Real Estate/Financial Trust.....	737	28,601	791	29,852	1,284	28,568	193	8,262	197	12,851	(594)	(17,001)	(15,717)	4	4,589
Trust Respons. Contract Support..	0	861	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL, TRUST RESPONSIBILITIES	925	51,335	933	51,260	2,204	49,056	247	30,757	221	30,259	(712)	(21,001)	(18,797)	(26)	(498)
FACILITIES MANAGEMENT.....	1,415	90,616	1,334	91,298	3,926	87,372	1,318	89,730	1,318	88,597	(16)	(2,701)	1,225	0	(1,133)
GENERAL ADMINISTRATION															
Management & Administration.....	1,179	48,750	1,231	49,240	2,117	47,123	737	30,482	748	31,530	(483)	(17,710)	(15,593)	11	1,048
ADP Services.....	94	17,748	131	17,934	771	17,163	131	18,643	131	17,651	0	(283)	488	0	(992)
Employee Compensation Payments...	0	6,858	0	7,478	322	7,156	0	7,466	0	7,538	0	60	382	0	72
Program Management.....	109	4,805	98	4,520	195	4,325	114	5,648	114	6,148	16	1,628	1,823	0	500
Consolidated Training Programs...	0	0	0	0	0	0	0	0	0	1,350	0	1,350	1,350	0	1,350
Rescission (Sec. 2901).....	0	(391)	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL, GENERAL ADMINISTRATION	1,382	77,770	1,460	79,172	3,405	75,767	982	62,239	993	64,217	(467)	(14,955)	(11,550)	11	1,978

IA-22

Comparison by Activities/Subactivities:	FY 1985 Actual		1986 Enacted to Date		P.L. 99-177 Reduc.	FY 1986 Adjusted Approp.	FY 1987 Base		FY 1987 Estimate		Inc./((Dec.) from FY 1986 Appropriation		Inc./((Dec.) from FY 1986 Adj. Approp		Inc./((Dec.) from FY 1987 Base	
	FTE	Amount	FTE	Amount			FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
TRIBE/AGENCY OPERATIONS							3,712	301,424	3,713	295,088	3,713	295,088	295,088	1	(6,336)	
TOTAL DIRECT PROGRAM (Approp.)...	11,681	903,539	11,766	891,928	38,353	853,575	11,766	879,932	11,549	862,060	(217)	(29,868)	8,485	(217)	(17,872)	
Reimbursable Program.....	868		878				878		848		(30)			(30)		
TOTAL PROGRAM OPERATIONS.....	12,549	903,539	12,644	891,928	38,353	853,575	12,644	879,932	12,397	862,060	(247)	(29,868)	8,485	(247)	(17,872)	

BIA-23

Justification of Adjustments to Base

Adjustments for 1986 impact of P.L. 99-177..... \$+38,353,000

The Balanced Budget and Emergency Deficit Act of 1985 (P.L. 99-177), requires a 4.3 percent reduction in non-exempt programs in FY 1986. Since the 4.3 reduction applies to FY 1986 only, this adjustment is made to allow a more comparable basis for showing program changes from FY 1986 to FY 1987.

Transfers

Title IV program transfer from Department of Education..... \$+11,500,000

Starting in FY 1987, the Administration's policy is that all Federal education funding in support of students attending Bureau-funded schools (contract and BIA-operated) will be provided by the Bureau of Indian Affairs. As part of that policy, \$11,500,000 has been added to the base of the Bureau. These funds relate to those previously provided by the Department of Education to contract schools for Title IV and related programs.

Transfer of Johnson O'Malley program to Department of Education \$-23,044,000

As part of the Administration's policy on funding education programs for Indian students attending public schools, the funding for the Johnson O'Malley Educational Assistance program has been transferred in the base to the Department of Education. That Department will be seeking FY 1987 legislation authorizing the provision of supplementary education assistance as a replacement for the Bureau's Johnson O'Malley program.

Other Internal Transfers

Transfer of Area Office Education programs..... \$ +217,000

Area Office Direct Operations base funding and staffing has been adjusted to transfer Education funding to School Operations, Technical Support, Agencies/Areas. The transfers consist of \$43,000 in Scholarships funding and \$174,000 in Adult Education funding. These funds are used to provide direct support to the Area Education Program Administrator and not to the Area Director and should have been excluded from the Area Office priority setting process. The Areas affected are:

<u>Area Office</u>	<u>Scholarships</u>	<u>Adult Education</u>
Sacramento	\$43,000	\$107,600
Aberdeen	---	32,500
Minneapolis	---	30,800
Portland	---	3,100
TOTALS.....	\$43,000	\$174,000

Other Internal Transfers (Continued)

Transfer of Social Services TWEP administration..... \$ +403,000

This base transfer from Welfare Grants to Tribe/Agency Operations, All Other Social Services was necessary to fund the program management (administration) portion of Tribal Work Experience Program (TWEP) contracts with tribes at several Aberdeen Area locations. The tribes have been allocated funds for TWEP program management from the Welfare Grants program until this base transfer. All other similar TWEP contract program management funds had been transferred to All Other Social Services several fiscal years ago. These remaining contracts had been overlooked in that process or had been started since that time.

Transfer of Special Law Enforcement to Tribal Priority System... \$+7,900,000

In FY 1985, Congress added nearly \$9 million to enhance the Law Enforcement program. The majority of these funds were allocated to Tribe/Agency locations. In order to avoid the possibility of proposing duplicate funding in future budget requests, these operating funds have been merged with the existing program base for Law Enforcement at the Tribe/Agency and Area Office levels. A total of \$7,841,000 was transferred to Tribe/Agency locations and \$59,000 was added to Area Office Direct Operations. Therefore, in FY 1987 the total funding requested at these two levels for Law Enforcement will be based upon local priorities.

Transfer of Employment Development programs..... \$+544,000

Base funding relating to the amount allocated to the program for contract support in FY 1985 (\$402,000) for the United Tribes Educational Technical Center program formerly included in Aberdeen Area Field Operations has been transferred to the "non-priority" category. The basic program amount (\$1,231,000) was separately identified in the FY 1986 Congressional reports and was no longer in the Aberdeen base program.

The base funding for the Papago Skills Center (\$142,000) has been transferred to the Tribe/Agency Operations activity. It will be available to the Papago Tribe to establish specific funding levels for the program starting in the FY 1988 budget cycle.

Transfer of Technical Assistance for Credit programs..... \$+490,000

Funds which have been justified under the Economic Development Grant program for technical assistance have been transferred to the Credit and Financing program and combined with the Technical Assistance funds which have been requested under that program. This combination allows the establishment of a single program justification for all technical assistance for credit programs funded under the Operations of Indian Programs account.

Other Internal Transfers (Continued)

Transfer of Forestry programs to Tribe/Agency Operations, et.al. \$+8,100,000

Part of the funds identified as separate line items under the Forestry program are transferred in compliance with Departmental guidance to transfer those funds to the Indian Priority System which are for natural resource programs of a "stable and continuing nature...carried out at the reservation level". Most of the funding has been transferred to the Indian Priority System (Tribe/Agency and Area Office Direct Operations) as a 1987 base transfer using the 1986 funding allocations without seeking new tribal priorities. Specific funding levels for these programs will be established by tribal priorities starting in FY 1988. The Timber Sale Administration (TSA) and Forest Development programs are involved in the transfers as follows (\$000):

	TSA		Forest Develop.	Totals
	\$	FTE		
Total program amount (86 Approp).....	5,700	200	8,150	13,850
Transfer to TR/AG locations.....	-4,290	-173	-2,400	-6,690
Transfer to Area Office Direct Ops...	-866	-22	---	-866
Transfer to Central Office Staff.....	-544	-5	---	-544
Net "unbanded" program after transfer.	---	---	5,750	5,750

Transfer of Water Rights Negotiation/Litigation funding..... \$+10,353,000

Because of increasing complications in the proper use of Water Resources Development and Litigation Support funding used to contribute to efforts related to water rights settlements, it was decided to establish a new program entitled, "Water Right Negotiation/Litigation." That portion of Water Resources (formerly entitled Water Policy Implementation) which has historically been used to support data collection for water rights cases, totalling \$7,472,000, has been transferred from the Natural Resources Development activity to the new program under the Trust Responsibilities activity. That portion of Litigation Support historically used for water rights cases (\$3,100,000) has also been transferred, providing a 1987 Base amount of \$10,353,000 for the new program.

Transfer of Michigan Settlement base funding..... \$+700,000

Since a settlement has been negotiated in the U.S. v Michigan case, base funding (\$700,000) has been transferred from Rights Protection (Hunting & Fishing Rights) to Wildlife & Parks (Special Fish Management Programs) under Natural Resources Development. The funds have been transferred since the program is now considered providing funds for resource management rather than protecting rights in litigation.

Other Internal Transfers (Continued)

Transfer of Fish Hatchery Operations..... \$+4,346,000

Fish hatchery operations funds have been transferred partly in compliance with the Departmental guidance on "stable and continuing" operations as well as to consolidate funds for fisheries programs operated by USFWS under Memoranda of Agreement. Funds for the Mescalero (NM) fish hatchery (\$194,000) has been transferred to a new program entitled "FWS Technical Assistance". The balance of the funding (\$4,170,000) has been transferred to the Indian Priority System (Tribe/Agency Operations) as a 1987 base transfer using the 1986 funding allocations without seeking new tribal priorities. Specific funding levels for these hatcheries will be established by tribal priorities starting in FY 1988.

Transfer of Fish Management programs..... \$+2,150,000

Other Fish and Wildlife Management program funds have been transferred partly in compliance with the Departmental guidance on "stable and continuing" operations as well as to consolidate funds for fisheries programs operated by USFWS under Memoranda of Agreement. Funds totalling \$415,000 have been transferred to a new program entitled "FWS Technical Assistance". Those programs relating to Tribe/Agency level fish and wildlife management operations (\$1,735,000) have been transferred to the Indian Priority System as a 1987 base transfer using the 1986 funding allocations without seeking new tribal priorities. Specific funding levels for these programs will be established by tribal priorities starting in FY 1988.

Transfer of Former USFWS hatcheries..... \$+453,000

All funds and FTE (41) relating to programs operated by the USFWS under Memoranda of Agreement have been consolidated under a new program entitled "FWS Technical Assistance."

Transfer of Land Title & Records Offices..... \$+1,069,000

Funds for Land Title & Records Offices have been included in Area Field Operations at five area offices. Since these offices serve more than one area jurisdiction and are involved in a nationally important land title and records improvement effort, it was determined that funding and staffing should be removed from the local area priority setting process. The base transfers are as follows:

<u>Area</u>	<u>\$</u>	<u>FTE</u>
Aberdeen.....	\$ 287,000	12
Anadarko.....	101,000	4
Albuquerque.....	196,000	9
Billings.....	244,000	11
Portland.....	241,000	12
Totals.....	\$1,069,000	48

Other Internal Transfers (Continued)

Transfer of Central Office Facilities Management staff..... \$+638,000

All funding and staffing associated with Central Office level management of facilities operation, maintenance and construction programs has been consolidated under the Construction Management program under the Program Management subactivity within General Administration. The amounts involved are as follows:

	<u>\$</u>	<u>FTE</u>
Facilities O&M staff.....	\$ 334,000	9
FACCOM staff.....	<u>304,000</u>	<u>6</u>
Totals.....	\$638,000	15

Transfer of Construction Supervision & Boiler Inspection funds.... \$+490,000

Funds formerly requested under Facilities Management for contracts to obtain construction contract supervision (\$392,000) and boiler inspection (\$98,000) services have been transferred to Construction Management under the Program Management subactivity within General Administration.

Transfer of ADP Services funds (net amount)..... \$+709,000

In compliance with current budget strategy to request all funds relating to the operating costs of ADP systems under a single ADP Services program, base funding has been transferred to ADP Services as follows:

<u>Program Source of Funds</u>	<u>Systems</u>	<u>Amount</u>
Management & Administration	Pay/Pers (BurRec)	\$ 974,000
	Indian Priority System	<u>38,000</u>

Total transfers to ADP Services..... \$1,012,000

In addition, FY 1986 funding included in field ADP programs for Area Offices (\$208,000) and for Tribe/Agency Operations (\$95,000) have been transferred from ADP Services to Administrative Services as a base adjustment. These amounts were included in the Indian Priority System in FY 1986 but should not have been. This transfer corrects the error made in FY 1986.

Other Internal Transfers (Continued)

Transfer between Area Direct & Area Field Operations (net)..... \$+452,000

During the 1987 priority setting process several areas proposed transfers between Area Direct (ADO) and Area Field Operations (AFO) locations. The amounts (netting to \$+367,000) by area are listed as follows:

	Aberdeen		Billings		Muskogee		Navajo		Portland		Totals	
	ADO	AFO	ADO	AFO	ADO	AFO	ADO	AFO	ADO	AFO	ADO	AFO
Scholarships.....	--	--	--	--	--	--	--	+164	--	--	--	+164
Agric Exten Svs....	--	-60	--	--	--	--	--	--	--	--	--	-60
Othr Aid Trib Gov..	+40	--	--	--	--	--	-75	--	--	--	-35	--
Social Svs.....	+25	--	--	--	--	--	--	--	--	--	+25	--
Law Enforcement....	-10	--	--	--	--	--	--	--	--	--	-10	--
Tech Asst/Trng....	+20	--	--	--	+24	-24	+49	--	--	--	+93	-24
Adult Voc Trng....	--	-42	--	--	+22	-22	--	--	--	--	+22	-64
Othr Empl Asst (DE)	--	+42	--	--	--	--	-95	--	--	--	-95	+42
Agriculture.....	--	--	--	-9	+34	-34	--	--	--	--	+34	-43
Forestry.....	--	--	--	-9	--	--	--	--	-409	+409	-409	+400
Minerals/Mining....	--	--	--	-10	--	--	--	--	--	--	--	-10
Trust Svs, General.	--	--	--	--	--	--	--	--	-90	+90	-90	+90
Environ Qual Svs...	--	+11	--	-10	--	--	--	-43	--	--	--	-42
Othr Rights Prot...	--	--	--	-10	--	--	--	--	--	--	--	-10
Real Est Appraisals	--	-11	--	--	--	--	--	--	--	--	--	-11
Othr Real Est Svs..	--	-37	--	-50	--	--	--	--	--	--	--	-87
Fin Trust Svs.....	--	+22	--	--	--	--	--	--	--	--	--	+22
Admin Svs.....	--	--	+98	--	--	--	--	--	--	--	+98	--
TOTALS.....	+75	-75	+98	-98	+80	-80	-121	+121	-499	+499	-367	+367

In addition, FY 1986 base funding for Financial Trust Services programmed under Area Direct Operations at several areas totalling \$85,000 has been transferred to Area Field Operations under Tribe/Agency Operations. This area program provides direct services to the reservation level and properly belongs under Area Field Operations.

Other Internal Transfers (Continued)

Transfer TR/AG Operations funding & staffing to new activity.. \$+301,424,000

Departmental guidance for 1987 included the establishment of a new separate activity for those programs included in the Indian Priority System at the Tribe/Agency and Area Field Operations levels. Net base transfers of funding and staffing have been accomplished and are summarized as follows:

<u>Category/Program Element</u>	<u>FTE</u>	<u>\$000</u>
<u>General Operations</u>	<u>(1,393)</u>	<u>187,356)</u>
Scholarships.....	--	29,367
Adult Education.....	21	3,543
TCCC's Supplement to Grants.....	--	892
Community Services, General.....	3	1,093
Agric. Extention Services.....	--	680
Other Aid to Tribal Gov't.....	106	11,503
Tribal Courts.....	22	9,234
Social Services.....	170	21,311
Law Enforcement.....	493	45,965
Self-Determination Grants.....	--	11,385
Trng./Tech. Assistance.....	39	2,000
Community Fire Protection.....	--	828
Credit and Financing.....	66	3,301
Adult Vocational Training.....	69	19,311
Other Empl. Assistance (DE).....	18	4,193
Road Maintenance.....	386	22,750
<u>Trust Operations</u>	<u>(1,825)</u>	<u>(92,931)</u>
Natural Resources, General.....	6	1,116
Agriculture.....	441	20,279
Forestry.....	634	23,509
Water Resources.....	6	1,565
Wildlife & Parks.....	16	17,796
Minerals and Mining.....	36	1,738
Trust Services, General.....	5	354
Environmental Quality Svs.....	14	582
Other Rights Protection.....	74	4,832
Real Estate Appraisals.....	94	3,893
Other Real Estate Services.....	361	13,958
Financial Trust Services.....	138	3,363
<u>Management Operations</u>	<u>(494)</u>	<u>(18,147)</u>
Executive Direction.....	174	7,225
Administrative Services.....	310	10,589
Safety Management.....	10	333
<u>New Tribes Funding</u>	<u>--</u>	<u>2,990</u>
<u>TRIBE/AGENCY OPERATIONS--TOTAL</u>	<u>3,712</u>	<u>301,424</u>

Other Decreases:

GSA Rentals..... \$-440,000

The GSA conducted a Fair Annual Rental (FAR) appraisal for 1987 which resulted in decreases under the 1986 rates. The FAR estimate of \$9,800,000 for 1987 rent payments to GSA was subtracted from the 1986 estimate of \$10,240,000 for a decrease of \$440,000.

Employees' Compensation Fund..... \$-12,000

The decrease in the repayment to the Federal Employees' Compensation Act Fund is the result of lower costs in the 1984-85 expense period. These charges will be reimbursed to the Department of Labor, Federal Employees' Compensation Act Fund, with 1987 funds pursuant to Public Law 94-273. The amount indicated (\$5,551,000) is the final amount which will be provided to the Department of Labor upon appropriation in FY 1987.

Activity Summary

(dollars in thousands)

Activity: Education

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
School Operations	177,265	189,378	181,235	189,595	185,596	(3,999)
Johnson O'Malley	25,674	23,044	22,053	0	0	0
Continuing Education	53,256	56,438	54,011	22,583	20,212	(2,371)
Education Contract Support	13,496	0	0	0	0	0
Rescission (Sec. 2901)	(47)	0	0	0	0	0
Base Transfer from Dept. of Education	0	0	0	11,500	11,500	0
Total	269,644	268,860	257,299	223,678	217,308	(6,370)

Justification of Program and Performance

Activity:	Education
Subactivity:	School Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1986 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Indian School						
Equal. Program:						
1. Indian School	\$	155,456	--	155,456	152,657	-2,799
Equal. Formula	(FTE)	(4,217)	(--)	(4,217)	(4,006)	(-211)
2. Indian School						
Prog. Adjustments	\$	1,466	--	1,466	1,466	--
B. Education Standards						
(Implementation)	\$	1,500	--	1,500	300	-1,200
C. Institutionalized						
Handicapped	\$	2,328	--	2,328	2,328	--
D. School Boards						
1. Expenses	\$	723	--	723	723	--
2. Training Fund	\$	512	--	512	512	--
E. Student						
Transportation	\$	11,639	--	11,639	11,639	--
	(FTE)	(175)	(--)	(175)	(175)	(--)
F. Technical Support-						
1. Agency and						
Area Offices	\$	7,892	--	8,109	8,109	--
2. Education MIS	\$	674	--	674	674	--
	(FTE)	(178)	(--)	(178)	(178)	(--)
G. School Operations						
Contract Support	\$	7,188	(--)	7,188	7,188	--
Total Requirements	\$	189,378	181,235	189,595	185,596	-3,999
	(FTE)	(4,570)	(4,570)	(4,570)	(4,359)	(-211)
Distribution:						
Education and Training,						
General (Area/Agency	\$	8,566	---	8,783	8,783	--
Technical Support)	(FTE)	(178)	(--)	(178)	(178)	
School Operations	\$	179,577	---	179,577	175,578	-3,999
	(FTE)	(4,392)	(--)	(4,392)	(4,181)	(-211)
School Boards	\$	1,235	---	1,235	1,235	--

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted to Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.
School Operations	\$189,378	\$-8,143	\$181,235

The majority of funds in the school operations subactivity are distributed to schools on a formula basis. Therefore, the impact of the P.L. 99-177 reduction will be felt by all 180 Bureau-funded schools. Each school administrator, in consultation with the school board, will have to make program adjustments to accommodate this reduction. Some potential areas of impact include: (1) elimination of summer school programs funded by ISEP, (2) curtailment of extracurricular activities for students, (3) deferral of staff development and training, (4) delay of special initiative programs such as computer assisted instruction and vocational programs, and (5) delayed replacement of school equipment such as laboratory equipment.

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to Federally-recognized Indian tribes. 25 U.S.C. 2001-2019, the Education Amendments of 1978 (P.L. 95-561 as amended in 1979, 1984, and 1985), provided new authorities to the Office of Indian Education Programs (OIEP), including establishment of a new personnel system, line authority to the field, direct formula funding of schools, and specific decision-making authority to Indian school boards.

Objective: The objectives of the school operations program are: (1) to provide high quality basic educational and residential programs to Indian students not served by public or sectarian schools; (2) to provide residential care for a limited number of Indian students attending public schools; (3) to meet the special needs of Indian students and address those problems intensified among Indian children because of the uniqueness of their situation, such as bilingual needs, counseling, and guidance; and (4) to provide operational funding to amended Title 25 of the U.S. Code to redefine "eligible students" for Indian education programs. Though the Bureau has collected some preliminary data, the full impact will not be known until school opens in the Fall of 1986.

A. Indian School Equalization Program

Base Program (\$156,922,000; FTE 4,217): While 82% of Indian students are served by state-operated public schools, there continues to be a need for a direct Federal role in Indian Education. The remaining approximately 18% of all Indian children in school are provided an education in schools run by the Bureau or by tribes under contract with the Bureau of Indian Affairs pursuant to P.L. 93-638. Approximately 34% of the estimated average daily membership (ADM) in Bureau-funded schools in FY 1986 are in residential schools either because the students live farther than a 1-1/2 mile walk from public or federal day schools' bus routes or because of special social or academic factors such as poverty, family difficulties, or problems encountered in other school systems.

The Bureau also administers programs funded by the Department of Education such as Chapter I of P.L. 97-35 and P.L. 94-142. Chapter I provides financial assistance to schools for programs designed to raise the academic level of Indian children in the areas of math, reading, and language. P.L. 94-142 provides supplemental funding for special education and related services to handicapped children.

In an effort to meet the basic and special educational needs of Indian students, Bureau and contract schools incorporate the following activities into their educational programs:

- KINDERGARTEN AND ELEMENTARY EDUCATION (K-8) - Basic education programs for children utilizing specialized staff in small groups, including school health, nutrition, counseling, and the relevance of education to the child's culture.
- SECONDARY EDUCATION (9-12) - Basic educational curricula at grades 9-12 and special curricula including vocational courses and extra-curricular activities. Also included are specialized courses to prepare students for meaningful, productive careers or to continue in institutions of higher learning.
- BILINGUAL EDUCATION - Special programs to help children of limited English proficiency in improving their ability to read, write, speak and understand English.
- EXCEPTIONAL CHILD PROGRAMS - Educational programs to meet the unique needs of handicapped Indian children in existing, approved programs at no cost to the parents. This includes classroom instruction, instruction in physical education, home instruction, and instruction in hospitals and institutions. The need for special education and related service programs for handicapped Indian children is being met in Bureau-operated and contracted elementary and secondary schools.
- RESIDENTIAL PROGRAMS - These programs provide for the housing and care of students, including room and board, recreation, libraries, tutoring and other programs unique to residential situations. Supplementary services are provided to handicapped children in residential care programs as identified in Individualized Education Plans (IEPs). The IEPs outline the special education and related services requirements to meet the unique needs of individual handicapped students. In most cases, the services include, but are not limited to, physical therapy, psychological counseling, and specific instructional activities. Most students who are in the residential setting as a result of social placements participate in the Intensive Residential Guidance Program.
- SUMMER PROGRAMS - At the option of school boards, available funds may be expended to support summer programs, particularly for remedial instruction.

The Bureau, in carrying out its educational responsibilities in FY 1987, will operate, either directly or by contract, 164 elementary and secondary schools and 13 dormitories. These federally operated and contracted schools will serve an estimated student ADM of 40,210 in 23 states in FY 1987. This figure includes 38,360 ADMs under the basic instructional programs and 1,850 ADMs under the basic residential programs including students receiving residential care while attending public schools. The types of educational facilities include:

- Day Schools provide basic elementary and secondary education programs to children who reside at home.
- On-Reservation Boarding Schools are located within the boundaries of an Indian reservation and provide residential care in addition to the education program.
- Off-Reservation Boarding Schools (ORBS) are located outside the boundaries of an Indian reservation and provide residential care in addition to the education program.
- Dormitories provide residential care for students attending public schools.
- Contract Schools are funded by the Bureau and operated by the tribes under contract with the Bureau of Indian Affairs pursuant to P.L. 93-638.

The following table displays Bureau schools by grade level and type for both FY 1986 and FY 1987:

	FY 1986			FY 1987		
	BIA	Contract	Total	BIA	Contract	Total
DAY SCHOOLS	55	50	105	57	50	107
Elementary	50	28		51	28	
Elementary/Secondary	5	13		5	13	
Secondary	--	9		1	9	
DORMITORIES	10	4	14	9	4	13
Elementary	--	--		1	--	
Elementary/Secondary	5	3		3	3	
Secondary	5	1		5	1	
ORBS	6	1	7	6	1	7
Elementary	1	--		1	--	
Elementary/Secondary	1	--		1	--	
Secondary	4	1		4	1	
ON RESERVATION BOARDING SCHOOLS	45	9	54	40	10	50
Elementary	40	2		35	2	
Elementary/Secondary	3	3		3	4	
Secondary	2	4		2	4	
TOTAL	116	64	180	112	65	177
Elementary	91	30	121	88	30	118
Elementary/Secondary	14	19	33	12	20	32
Secondary	11	15	26	12	15	27

Attendance boundaries, while undergoing some minor modifications, have been implemented for all Bureau-funded schools. Other initiatives in process to enhance the quality of education for students in Bureau schools are to:

(1) require all professional Education personnel, including teachers, counselors, administrators, and librarians, to achieve state certification; (2) continue implementation of plans to achieve accreditation for all schools (62 percent of all Bureau-funded schools, including contract, are presently accredited); (3) further streamline the allocation of funds in order to provide schools with final allotments as early in the fiscal year as possible; (4) complete an update of the inventory of condition and needs related to school facilities; (5) review curriculum content in Bureau schools; and (6) implement a national testing policy.

Efforts continued in FY 1985 toward the goal of achieving 100% school accreditation by the end of the 1986-87 school year. During FY 1985, 103 schools maintained their accreditation status and 1 school lost its accreditation status. Of the non-accredited schools, 5 received candidacy status for accreditation and 51 took action toward accreditation such as obtaining school board approval, selecting school planning committees, or initiating/completing self-studies. Five contract schools have not yet reported actions taken toward accreditation. Four schools which are presently accredited by State certification methods have also elected to pursue certification in accordance with the appropriate regional accrediting association.

The Bureau again contracted with CTB/McGraw-Hill in FY 1986 to evaluate test scores of all Bureau-funded school students. The Bureau required all Bureau-funded schools to give either of two tests to students for school year 1985-86. Therefore, the new analysis by McGraw-Hill will be more complete and comprehensive than the report for school year 1984-85.

Many schools have initiated new, unique, or innovative programs or activities during the last two years. A partial list follows:

Tuba City Boarding School: A special counseling program which was designed to focus on students who become AWOL resulted in a sixty percent decrease in such students.

White Shield School: The science teacher from the White Shield School planned and coordinated the first annual North Dakota State Indian Science Fair in Minot, ND. The goal of the fair was to increase the interest and motivation of Indian elementary and secondary students in all fields of science and with the expectation that it might encourage more Indian students to enter science-related courses. Eight of the eighteen White Shield students who entered the fair were declared winners.

Recognizing that class attendance and participation are important aspects of the educational development of its students, the School Board established a tough attendance policy which resulted in a significant increase in attendance, particularly in grades 9-12.

Cherokee School: The school initiated a Junior Reserve Officers Training Corps (JROTC) program which is a joint financial effort between BIA and the tribal council.

Standing Pine: Parental involvement, staff determination, and state-of-the-art technology have generated dramatic changes in fluency levels for students in K-3 bilingual programs at Standing Pine.

Red Water: "Student Team Learning", a new concept in learning basic skills in language using materials developed by the John Hopkins University, has resulted in major gains in test scores for students in grades 4-8.

Eastern Navajo Agency: Schools in the Eastern Navajo Agency continued to show yearly improvement in test scores. Scores on the California Test of Basic Skills achievement test increased 1.7 years on the aggregate for the 1984/1985 school year compared with the previous year.

Wingate High School: The school administration has developed competency requirements in math, language, reading and writing as requisites for graduation. Of 162 non-special education graduates in 1985, 83 percent of the graduates passed all 4 of the competencies. Wingate High School students are participating in vocational education courses offered by McKinley County Area Vocational School.

Wingate Elementary School: The "Whole Language" curriculum approach, initiated in all grades last school year, is responsible for:

1. Students being required to "publish" three writings during the year. From these "publications," eleven from grades 6-8 were entered in the Young Author's Conference sponsored by the Gallup-McKinley County Schools. Nine writings were judged to be of such excellent quality that they were selected for publication in a volume of students' writings from the conference.
2. All grades participating in the Eastern Navajo Agency Speech Fair. Out of the eight grade level trophies awarded, Wingate Elementary students captured four.
3. Students being involved in two major musical productions during the year: "Three Wee Kings", presented at Christmas, and "Tall Tales and Heroes", presented in the spring. Over 100 students participated in each play, which included costumes, lighting, stage sets, and background music. The Christmas musical was performed three times to a combined audience of over 1,500.
4. Students accomplishing on May 21, 1985 the goal of reading a million minutes. The final total was 1,051,235 minutes. It should be noted that this goal was accomplished 100% on non-classroom time during study hours in the dormitories.
5. Achievement test scores in the CTBS improving overall. Four grades (first, third, fourth, & fifth) scored on or above the national norms -- a "first" for Wingate Elementary School.

Dlo'ay Azhi Community School: As part of a language development program, the student council televised the annual Christmas program. Students were successful in organizing their own TV station, including commercials, newscast, and the program itself.

Huerfano Dormitory: Following a program established last year, staff and students at the Dormitory again participated in a "walk for trash" activity to raise funds for various student needs. San Juan County pays \$40 per mile to clean the highways and roadways of trash and debris.

Dzilh-Na-0-Dith-Hle School: Initiation of an in-school suspension program, rather than the traditional practice of sending children home who violate school rules, has resulted in a 50 percent reduction of "incidents" at the school.

Chi Chil Tah/Jones Ranch Boarding School: Staff at the consolidated Chi Chil Tah/Jones Ranch Boarding School have developed a special emphasis environmental education program which includes nature study, outdoor skills, and environmental ethics.

To' Hajjilee-He School: Hoping to encourage students who dropped out of school to re-enroll, school staff sponsored a "drop-in" program which offered the drop-outs an opportunity to either return to high school or to enroll at the Albuquerque Technical Vocational Institute to learn a trade. Eighteen students responded to the invitation, with 4 graduating or continuing a program.

Ojo Encino School: Through the "whole language" approach to instruction, students have been "turned on" to reading. Such techniques as (1) journal writing each day, (2) sustained silent reading, and (3) reading conferences have had a positive impact on students' comprehension levels.

Lake Valley Navajo School: A unique "Go for the Gold" program resulted in 30 students being recognized for reaching a goal of being the "best that you can be." Students who achieved the first honors roll three times during the year are rewarded with special trips paid for through fund raising efforts of parents and staff.

Chuska-Tohatchi Consolidated Boarding School: As with other schools using the "whole language" approach, classes of students at Chuska-Tohatchi scored at or above the national norms in the areas of mathematics comprehension, language mechanics, and spelling. Chuska-Tohatchi School continues to be a leader amongst BIA schools in the computer assisted instruction programs. Computers have been installed in every classroom and are being used for (1) tutorial programs which assist students in mastering specific skills; (2) basic arithmetic facts drilling by means of games and speed tests; and (3) word processing to teach students to write, edit, and publish stories, books, poems, and plays.

Consultants from Arizona State University were so impressed with the school's "whole language" program that they have produced a professional quality video tape illustrating how the concept works.

Several students from the Chuska-Tohatchi School received prizes in the Gallup Public Library contest "One of my Favorite Books." In addition, a sixth grade student had a story published in the January/February issue of Stone Soup, a national magazine by children.

Dilcon School: The "whole language" approach at the Dilcon School is credited with students achieving, for the first time in the past five years, test scores at or above national norms.

Wide Ruins Boarding School: The "whole language" approach beginning with kindergarten students has, according to Wide Ruins staff, "sparked a flame" of enthusiasm for reading. In the fourth grade, the U.S.S.R. (uninterrupted sustained silent reading) program so motivated student interest in reading, that the library schedule had to be revised to permit more library time to check out books to keep up with student demands for more reading material. Test scores increased significantly in spelling, language mechanics, and math computation.

Hopi Reservation Schools: For school year 1984/1985, the first, second, third, fourth and seventh grades at the five Hopi schools achieved higher scores than at any time over the past 6 years. The five schools were near the national average in reading and at or above the national levels in language and math.

Kickapoo Nation School: Four Kickapoo Nation School students are participating in the Upward Bound Program sponsored by Emporia State University. The school received a trophy for the first semester because their participants achieved the

highest grade point average of the 11 participating schools. One eleventh grade student is enrolled at the University extension continuing education program where she is maintaining an "A" average in algebra.

Zia Day School: In the 1984/1985 school year two students from the Zia Day School received Presidential Academic fitness awards in their first year of competition. A Zia student took second place in the Sandoval County Spelling Bee contest. School staff credit their continued high scores on the California Test of Basic Skills, in part, to a very low absenteeism rate of only three per cent.

Jemez Day School: State accreditation of the Jemez Day School resulted from the initiative by school staff and numerous special programs to develop the "whole child". Such programs as "comprehensive language programs", "performing arts programs", an "elective program", and a "parent involvement program" have generated considerable community support as well as interest from other schools throughout the BIA system. Jemez also held its first science fair during the past school year.

Lac Courte Oreilles Ojibwa School: Students at the Lac Courte Oreilles School are using microcomputers and a program developed with Control Data Corporation to study and revitalize the Ojibwa heritage and culture. Computer graphics, illustrating activities in the life of an Ojibwa, are accompanied by the Ojibwa words explaining the action and the English equivalent.

Fond du Luc Ojibway School: A pilot mathematics program, using ancient weights and measures, has been developed to make the subject of mathematics more relevant to the experience of the Indian student in his/her distinctive cultural setting.

The following table reflects the FY 1986 allotment of ISEP funds for the Bureau's school system.

SUMMARY OF FISCAL YEAR 1986 BUREAU SCHOOL SYSTEM FUNDING

<u>TYPE OF SCHOOL</u>	<u>Total ADM</u>	<u>Instructional WSU</u>	<u>Residential WSU</u>	<u>Total Formula Funds</u>
<u>Day Schools</u>				<u>\$48,626,900</u>
Bureau Operated (55)	10,214	12,876	--	
Contracted (50)	6,828	8,965	--	
<u>On-Reservation Boarding Schools</u>				<u>81,975,900</u>
Bureau Operated (45)	15,648	19,375	11,326	
Contracted (9)	2,753	3,624	2,495	
<u>Off-Reservation Boarding School</u>				<u>18,801,900</u>
Bureau Operated (6)	2,852	3,751	4,214	
Contracted (1)	169	231	249	
<u>Dormitories</u>				<u>6,051,300</u>
Bureau Operated (10)	1,285	34	1,822	
Contracted (4)	478	56	806	
<u>Grand Total (180)</u>	<u>40,227</u>	<u>48,912</u>	<u>20,912</u>	<u>\$155,456,000</u>

Total includes WSUs calculated for
small school adjustment

(515)

(225)

The major portion of Bureau school operating funds for instruction, boarding, and dormitory costs is distributed directly to Bureau-operated and contract schools by a formula using a weighted student funding approach called the Indian School Equalization Formula (ISEF). Monies used to fund other educational support and administrative school services are provided apart from the ISEF. An explanation of the FY 1987 ISEF, with estimates by program level, follows:

Summary of Weighted Student Units by Program

	Actual FY 1986		Estimated FY 1987	
	<u>ADM</u>	<u>WSUs</u>	<u>ADM</u>	<u>WSUs</u>
I. <u>Instructional Programs</u>				
A. Basic	38,498 <u>a/</u>	43,315	38,360 <u>a/</u>	43,163
B. Exceptional Child	5,927	3,471	5,900	3,455
C. Bilingual	8,053	<u>1,611</u>	6,260	<u>1,252</u>
Total Instructional WSUs		<u>48,397</u>		<u>47,870</u>
II. <u>Residential Programs</u>				
A. Boarding Schools				
1. Basic	13,081	16,722	12,680	16,200
2. Exceptional Child Residential	308	148	300	145
3. Intensive Residential Guidance	2,615	1,307	2,000	1,000
B. Dormitories				
1. Basic	1,729 <u>a/</u>	2,140	1,850 <u>a/</u>	2,305
2. Intensive Residential Guidance	731	366	630	315
3. Exceptional Child Residential	9	<u>4</u>	10	<u>5</u>
Total Residential WSUs		<u>20,687</u>		<u>19,970</u>
Total ISEF Program WSUs		69,084		67,840
Small School Adjustment		740		700
GRAND TOTAL		<u>69,824</u>		<u>68,540</u>

a/ The "Basic" student ADM numbers for Instructional and Dormitories are added together to obtain the total unduplicated, unweighted ADM for each year (40,227 for FY 1986 and 40,210 for FY 1987).

Calculating the Base Student Value - Under the Indian School Equalization Formula, different educational activities conducted by Bureau-operated and contract schools, such as elementary and secondary education, bilingual education, residential programs, and programs for different types of handicapped students, are assigned weights (using a base amount of 1.00) which reflect the relative costs associated with the various activities. The relative weight factors are determined on the basis of the best practice and experience of state school systems which have developed equalization funding formulae. The number of students a school has participating in the various educational activities is identified, totalled by activity, and multiplied by the weight factor for each activity to arrive at the number of weighted student units (WSU) at each school. The dollar value of a WSU is determined by the division of the total number of all schools' WSUs into the total available funding. The WSU dollar value is multiplied by the number of each school's WSUs to arrive at each school's amount of funding.

The total WSU figure includes all of the WSU's generated directly by instructional and residential programs, and the Small School Adjustment. The Small School Adjustment is provided for schools with less than 100 students, since it costs more per capita to operate very small schools and dormitories.

School adjustments scheduled for school years 1985-86 and 1986-87 and which may impact FY 1987 funding and/or ADM and WSU levels are: (1) the closure of the Magdalena Dormitory on the assumption that the Alamo School construction will be completed. However, minimal Education savings are anticipated for closing Magdalena Dormitory, because there are several options which students from Magdalena may consider: (a) leave Magdalena and attend the Alamo day school, (b) relocate to another Bureau peripheral dormitory and attend the local public school, or (c) relocate to another Bureau boarding school. The budgetary impact cannot be determined until student placement plans have been developed; (2) Consolidation of the Snowflake Dormitory with the Holbrook Dormitory is completed. No ISEF savings; (3) Conversion of the Pinon Boarding School to a peripheral dormitory. The level of savings in funds and WSU's will depend on whether students transfer to the public school or to another Bureau boarding school; (4) Consolidation of the Toyei Boarding School with the Greasewood Boarding School - minimal ISEF and no WSU savings; and (5) Opening of the Hopi High School. Some savings in funds and WSUs will result from off-reservation boarding students transferring to the new school.

The following table provides a funding history of the Indian School Equalization Formula from FY 1982 - FY 1987 (estimate).

	<u># of schools</u>	<u>ADM</u>	<u>WSU</u>	<u>\$ per WSU</u>
FY 1982	227	42,930	76,204	\$ 1,965.09
FY 1983	210	42,535	75,644	\$ 2,013.87
FY 1984	206	42,825	75,407	\$ 2,026.89
FY 1985	193	41,991	74,356	\$ 2,065.92
FY 1986 (enacted)	180	40,227	69,824	\$ 2,226 (est.)
FY 1987 (estimated)	177	40,210	68,540	\$ 2,227 (est.)

Decrease from FY 1987 Base:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>Difference</u>
Indian School Equalization Formula	\$ 155,456 (FTE) (4,217)	152,657 (4,006)	- 2,799 (-211)

The basic instructional programs are not affected by this decrease. Savings are the result of: (1) the phase down of residential programs related to the opening of the day program at Hopi High School; (2) redefining and tightening the criteria for participation in the Bureau's bilingual program and more closely monitoring the use of bilingual funds to assure appropriate use and to avoid duplication of Title VII programs; (3) streamlining the Intensive Residential Guidance program by tightening the criteria as well as developing more effective programs; and (4) the conversion of Pinon Boarding School to a peripheral dormitory. The Bureau estimates that about half of the students will transfer to public schools rather than to another Bureau boarding school.

Indian School Program Adjustments

The FY 1987 estimate for ISEP includes \$1,466,000 for Indian school program adjustments. In addition to start-up costs for the new Papago High School and Chi-Chil-tah for school year 1986-87, this line item includes \$500,000 for declining enrollment adjustments; \$486,000 for closure costs related to program adjustments at Magdalena, Pinon Dormitory, Toyei Boarding School, and for phase down of residential programs related to the opening of Hopi and Papago High Schools; \$80,000 for law enforcement at Chemawa; \$150,000 for continuation of a pilot gifted and talented program; and \$150,000 to continue the program to repair and restore furniture in Bureau schools. Any savings throughout the year in the items listed will be added to the amount available for ISEP and distributed to the schools by formula.

INDIAN SCHOOL PROGRAM ADJUSTMENTS

<u>Activity</u>	<u>Amount</u>
Start up costs for new or expanded programs	\$ 100,000
School closure costs	486,000
Declining enrollment	500,000
Gifted and Talented Program	150,000
Furniture upgrade	150,000
Law Enforcement - Chemawa	80,000
Total	<u>\$ 1,466,000</u>

Law Enforcement activities are unique at Chemawa because the school is located on Federal land over which local, county, and state officials have no jurisdiction. Bureau law enforcement authority extends only to tribal lands. Though GSA normally provides protection for Federal properties, it has no legal responsibility to provide security for Bureau schools and has declined to provide the required protective services at Chemawa. There is no adjustment factor within ISEP for such a unique situation. The school, in addition to its normal security staff, employs one criminal investigator and two law enforcement officers at an annual cost of \$80,000.

In FY 1986, eighteen schools requested the declining enrollment adjustment because their enrollment was down more than 10% from FY 1985 (25 CFR § 39.36).

The cost of restoring furniture for Bureau school and dormitory operations is about one-half the cost of acquiring new furniture. To take advantage of this cost savings, a warehouse in the Albuquerque area is being used to establish a stock of restored furniture. This restored furniture will be sent to Bureau-funded schools, including contract schools, whenever their furniture is in the process of being restored. Their restored furniture will then be used to replenish the stock at our warehouse. The wooden furniture will be restored at La Tuna Federal Prison in El Paso, Texas. The metal furniture will be restored in Albuquerque since the La Tuna facility is not set up to handle restoration of metal furniture. An additional effort will be necessary to identify all present surplus furniture. The furniture identified as surplus will become a part of the warehouse operation. The initial stocking of the warehouse is being accomplished using surplus furniture acquired from school closures. Schools in the Western Navajo Agency have been selected as the first group of schools to benefit from this program.

Bureau efforts for gifted and talented Indian children have been very fragmented and lag far behind state policies regarding the education of such children. Thirty-nine states currently have legislation that makes mention of or defines gifted and talented children. Forty-four states have regulations or guidelines regarding the screening and identification of these children. It is estimated that as much as 2 percent (800-1000) of the total Bureau school population may be considered gifted.

In FY 1986, the Bureau funded gifted and talented programs at: (1) Southern Pueblos Agency, (2) Chemawa Off-Reservation Boarding school, (3) Navajo Mission Academy, and (4) Ojibwa Indian School. The results of these four pilot projects will provide the Bureau with data to: (1) develop a strategy for identifying gifted and talented Indian students in all Bureau schools; (2) establish in-service training workshops for teachers on methods of identifying the gifted, ways to develop programs for them, awareness of their needs, and instructional techniques; (3) identify the best program for Bureau school students, i.e., place children identified as gifted and talented in public, Bureau, or private schools with established programs; and (4) identify demonstration projects, i.e., gifted students would be assigned to teachers in subject areas for independent studies projects. As the students complete the independent study, they would be placed into an internship program within the community. For example, students might be placed with a lawyer, veterinarian, IHS physician, community theatre, etc.

The \$150,000 in FY 1987 will continue to fund the 4 pilot projects begun in FY 1986. The Bureau was not able to distribute the FY 1986 funding until February, so it is too early to have any data or analysis on the pilot projects. For the four projects, the gifted and talented students will be in the following kinds of programs: (1) enrichment and supplemental programs offered during the student's regular school day with advanced instructional materials provided directly to the student; (2) resource rooms specifically for gifted and talented students, staffed by a certified teacher to work with the students; (3) part-time classes; or (4) enrollment in advanced classes for these students instead of having gifted and talented students in regular classes.

B. Education Standards (Implementation)

Base Program (\$1,500,000; FTE -0-): Title XI of the Education Amendments of 1978 (Public Law 95-561 enacted November 1, 1978) requires the development of standards for the basic education of Indian children and criteria for dormitory situations in the Bureau of Indian Affairs' schools. The academic standards, which were published in the Federal Register on September 9, 1985, represent a minimum requirement and meet or exceed all minimum standards for the states in which the schools are located. The standards will apply to all schools operated by the Bureau of Indian Affairs. Under the Indian Education Technical Amendments Act of 1985, Public Law 99-89, contract schools have two years to either be in compliance with the standards or have obtained or be a candidate for accreditation. The law provides four ways in which contract schools may comply with the congressional academic standard requirement:

- (a) they may voluntarily adopt the Bureau's academic standards;
- (b) they may already have in effect locally-developed standards which the OIEP has accepted;
- (c) they may propose alternatives to the Bureau's standards for incorporation into the contract (any BIA rejection of the proposed alternative standards cannot be used to refuse to contract until at least one year after notifying the school of failure to comply, during which the Secretary must provide technical assistance); or
- (d) they may acquire or become a candidate for accreditation by a recognized accrediting agency.

The national criteria for dormitory situations, however, apply to all Bureau-funded schools having dormitory situations, including contract schools.

The dormitory criteria establish requirements for all elementary and secondary boarding students and include such items as:

- dormitory space requirements for students;
- dormitory activities and counseling programs;
- staff/student ratios; and
- homeliving and/or dormitory operation requirements.

Decrease From FY 1987 Base:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>Difference</u>
Education Standards \$	1,500	300	-1,200

The Bureau intends to implement the academic standards in Bureau-operated schools in FY 1986. The decrease of \$1,200,000 represents non-recurring costs of implementation such as staffing adjustments and purchase of library books, periodicals, and media equipment. The \$300,000 request for FY 1987 represents an ongoing requirement for current professional staff training to achieve state certification.

C. Institutionalized Handicapped Program

Base Program (\$2,328,000; FTE -0-): The Office of Indian Education Programs (OIEP) is mandated by The Education for All Handicapped Children Act, P.L. 94-142, to provide financial support for the educational costs of handicapped Indian children who are placed in institutions. All educational placements of handicapped Indian students are made and funded jointly by the Bureau's Division of Social Services and the OIEP. In no instance are placements made without the approval of Bureau special education staff at Agency Offices and only after all possible alternative placements are examined in accordance with the least restrictive environment. Referral, identification, evaluation, and placement services are in accordance with P.L. 94-142, the Indian School Equalization Program, and appropriate sections of the Education Department's General Administration Regulations (EDGAR).

The institutionalized handicapped program serves the special education and related service needs of handicapped Indian children in state-operated institutions, approved private non-profit facilities, and facilities operated by Navajo tribal organizations. The program typically provides education and related services to severely handicapped and severely multihandicapped children between the ages of 5-21 years. Some of the direct services include: instruction by special education teachers and aides; services by physical and occupational therapists; adapted physical education; medical related services; psychological services; special vocational services and speech therapy. Some of the indirect services affecting costs include: assessment of handicapping conditions and service needs; admissions and appropriate placement; individual education program development; inservice training for professionals and aides; supplies and materials; transportation; food services; facility operation; and program administration.

The total costs for special education and related services vary greatly and depend upon a number of factors: (a) high cost educational/custodial placements; (b) different handicapping conditions; (c) length of placement; (d) fixed cost rates vs. variable cost rates; (e) placements requiring extensive medical, social, and education/training intervention; and (f) when appropriate, living care costs associated with the severity of the handicapping condition. Costs for handicapped Indian children placed in state approved facilities are set by state Departments of Mental Retardation or their equivalents. The costs are based on a fixed daily rate which may be adjusted by contract auditing for actual cost determination. The Bureau Contracting Officers write contracts for services based on this fixed price.

On average, approximately 200 children are served in as many as 25 different facilities. Based on four years of actual placement data, it is estimated that about 15 new placements will be made during school year 1986/1987.

Program management costs estimated at \$200,000 are included in the total request of \$2,328,000 to provide for the program direction, supervision, and operation of all mandated institutional program activities. These program activities include monitoring and evaluating program services; providing technical assistance and advice to subordinate units; preparing budgets and financial programs; and writing quarterly reports.

D. School Boards

Base Program (\$1,235,000; FTE -0-): Public Law 95-561, the Education Amendments of 1978, authorized and mandated the facilitation of Indian control of Indian affairs in all matters relating to education. To accomplish this goal, Indian school boards of Bureau schools are actively involved in local education planning

and decision making. The \$723,000 budgeted for school board expenses provides for: (1) travel, per diem, stipends, and other costs for both regularly scheduled and special meetings; (2) fees for membership in school board associations; and (3) legal fees.

Membership on the school boards is continually changing. A cadre of trained community members now exists and can assist in the training of others as the need for additional training continues. The implementation of the academic and dormitory standards will require school board involvement.

In accordance with Congressional directives, school board training funds in the amount of \$512,000 will be used for centralized training and not distributed equally among the schools, as had been the practice in prior years. The major training thrust in FY 1986 and again in FY 1987 will be on: (1) academic and dormitory standards; (2) students' rights; (3) responsibilities of board membership (4) school personnel procedures; and (5) new Bureau regulations.

During the last several years national, regional and local workshops have been conducted by the National School Board Association; Policy Resources Center, Management Concepts, Inc.; the former BIA Office of Technical Assistance and Training; the Navajo Area School Board Association; Diversified Management Services, Inc.; National Indian Training and Research Center; Association of Contract Tribal Schools; state school board associations; local universities and community colleges; and other groups and individual consultants. Tuition or registration fees were charged for the larger workshops or seminars to defray expenses related to the presentation. Policy making, educational standards, school administration and operations, education financial management and accountability, planning, internal practices and procedures, and related areas of review and oversight are areas in which school board members have received training.

In FY 1986, the Bureau distributed school board expense funds on a weighted formula basis, and the amount allotted to each school board was a ceiling on its expenditures for meetings, including Agency school board meetings, association dues, and legal fees. The FY 1987 estimated amount of \$723,000 will be distributed by the same formula as described below:

Local school boards receive a weight for instructional programs based on their ADM:

1-250	ADM =	1.0
251-500	ADM =	1.2
501-750	ADM =	1.4
751 and over	=	1.6

and an additional weight of 1.0 if they have a residential program. Weights are also given for the transportation of board members from their residence to the site of the board meeting based on the following ranges of cumulative ground miles:

0-1000	miles	=	0.5
1001-2000	miles	=	1.0
2001-3000	miles	=	1.5
3000 +	miles	=	2.0

In cases where board members must travel by air to get to meetings, the actual cost is funded. The factors and weights assure that all local school boards receive a minimum of 1.5 weight units and a maximum of 4.6 weight units.

Funding for agency school boards varies depending on whether they function in lieu of or in addition to the individual school boards.

E. Student Transportation

Base Program (\$11,639,000; FTE 175): Responding to concerns raised by school boards around the country, in FY 1985 the Bureau reviewed the total budget for transporting school children. While funding for the Student Transportation program had included personal services costs for vehicle operators, GSA vehicle rental, vehicle supplies and equipment, vehicle maintenance/repair, and other transportation support costs, it did not recognize all the variables that affect transportation expenditures.

Accordingly, in FY 1986, the Bureau distributed transportation funds on a revised basis. A single rate per mile of \$1.32 was used for all ground transportation miles.

Funds were allocated to day schools which provide transportation between the students' residences (or other traditional pickup points on the reservation) and the school site based on the average number of bus miles on one day x 180 days of school x the established rate per mile (\$1.32 in FY 1986).

Transportation funds were allocated to boarding schools to provide for students' arrival at school in the fall, round trip home mid year, and their return home at the end of school. If chartered bus, airlines, or other commercial transportation modes were used to transport students, the Bureau reimbursed the actual cost x 4 trips.

Because of road conditions, miles driven on unimproved roads on the Navajo reservation were weighted by a factor of 1.2 before multiplying by \$1.32 (the standard rate per mile).

F. Technical Support - Area and Agency Offices

Base Program (\$8,783,000; FTE 178): The program total for all technical support is \$8,783,000. This amount represents only 3% of all OIEP funds including central office education program management funds. It includes costs for educational Management Information Systems (MIS) activities; providing field level staff assistance to the Director, Office of Indian Education Programs (OIEP); and broad technical assistance and leadership for all education programs to local school boards, other tribal members, parents, and other Indian citizens.

In accordance with 25 CFR 39.128, technical support funds to Area and Agency Education Offices are distributed through an administrative cost formula which distributes administrative funds to Area and Agency Education Offices based upon the number and type of education programs administered as well as the sizes, types, and number of schools and tribes served. A field education office typically provides technical support and program supervision for several of the following education programs: (1) Post-Secondary Education Programs; (2) Peripheral Dormitories; (3) Off-Reservation Boarding Schools; (4) Tribal Contract Schools; (5) Federal Title Programs; (6) Elementary and Secondary Programs; (7) Higher Education and Adult Education Programs; (8) Exceptional Education Programs; (9) Student Support Services; and (10) Bilingual Programs. Program management and direction responsibilities of field operations include providing line direction to and supervision over the operation of all Bureau education programs within their jurisdiction; implementing policies and procedures applicable to the jurisdiction; directing, supervising and facilitating program execution; monitoring and evaluating program services and systems; formulating

budgets and financial programs; providing technical assistance and advice to subordinate programs and organizations; and taking responsibility through local school boards and tribal contractors for school operations.

Typical technical support activities include: (1) budget formulation and execution; (2) oversight, audit and review of: financial accounting and reporting; personnel management; property management; transportation; general procurement; contract and grant management; school support services; safety management; student rights and responsibilities; (3) automated education management system development and management; (4) certification of student counts; (5) preparation of reports to OIEP; (6) internal processing of personnel, contract, property and procurement requests; (7) providing technical assistance to tribes and contractors in formulation and development of contract/grant application and modification; (8) providing training to tribes/contractors in matters related to education programs; (9) providing counseling services to college students; (10) supervising and managing the Higher Education Grant program; and (11) technical assistance to school boards.

Management Information Systems

The major initiatives of the Management Information Systems (MIS) Program in FY 1987 will include: continued enhancement of the Student Enrollment and Attendance System (SEAS); implementing the curriculum information system; implementing the community demographics system; and implementing the student assessment and personnel system.

I. Student Enrollment and Attendance System (SEAS): The SEAS will be fully operational in all Bureau-funded schools in FY 1987. Additional enhancements to the SEAS such as student class scheduling will be a major effort in FY 1987. OIEP will establish a User's Committee comprised of school administrators, school board members, education line officers, OIEP Central Office staff, and Office of Data Systems staff for the purpose of advising and developing improvements to the SEAS.

The Indian School Equalization Program (ISEP) is planned to be fully automated from the SEAS in FY 1987. There will be considerable cost savings in time and resources by having the ISEP automated.

II. Curriculum Information System: In FY 1987 the curriculum information system will be implemented in all Bureau-funded schools. This system will focus on the curriculum offerings of the schools and the school's compliance with the Education standards.

III. Program Cost Accounting System: The planning and development of an education cost accounting system for Bureau-funded schools will be accomplished in FY 1987. The ISEP regulations, when finalized, will be the basis for the development of this system.

IV. Community Demographics System: The implementation of the community demographics system is scheduled for FY 1987. The system will be integrated with the SEAS and will contain economic, social, and educational data about the community that effect the quality and success of education programs funded by the Bureau of Indian Affairs.

V. Facilities Inventory System: The Office of Indian Education Programs will continue to utilize the Bureau's Facilities, Construction, Operations and Maintenance (FACCOM) system as the main source of information. OIEP will work with the Office of Data Systems and the Office of Construction Management in updating data on the FACCOM system at the local school level.

VI. Student Assessment System: In FY 1987, the student assessment system will be implemented as a subsystem of the SEAS. The goal of this system is to provide information on the academic programs offered at Bureau-funded schools and to determine how the resources provided to the schools can best be directed.

VII. Personnel Information System: The personnel information system will be implemented in FY 1987. The system will provide additional key information, such as certification of teachers, that is not available in the Bureau's current personnel system.

In FY 1987, with the assistance of the Office of Data Systems, OIEP expects to complete the pilot testing and enhancements to the following systems: a Tribally Controlled Community College Information System; a Special Scholarship System; and a Chapter I Information System.

In FY 1987, the OIEP will continue to provide ADP services for all Education locations and for other Bureau offices. These ADP services include the printing of financial, payroll, FTE, personnel, facilities, and other special reports generated through the Bureau's ADP system.

The following is the estimated breakdown of the MIS FY 1987 budget estimate:

	<u>FY 1986</u>	<u>FY 1987</u>	<u>Difference</u>
1. Systems Development	\$255,000	\$300,000	\$ +45,000
2. Equipment for Schools (Burroughs AADIX)	200,000	180,000	-20,000
3. ADP Services	<u>124,000</u>	<u>60,000</u>	<u>-64,000</u>
Subtotal, ADP Related Costs	579,000	540,000	-39,000
4. MIS salaries, materials, supplies, data communication lines, travel, equipment leasing at OIEP, maintenance of systems at OIEP	95,000	134,000	+39,000
TOTAL	<u>\$674,000</u>	<u>\$674,000</u>	<u>---</u>

G. School Operations Contract Support

Base Program (\$7,188,000; FTE-0-): The FY 1987 base includes \$7,188,000 as the redistribution of contract support funds as directed by Congress. Since School Operations funding is distributed by the ISEP formula, the Contract Support funds cannot be merged into the program funds, because to do so would improperly distribute them to Bureau-operated schools as well as to contract schools. Contract support funds were allocated in FY 1985 based upon FY 1984 contracting experience. An amount was identified for each contract school and made available to the FY 1985 school contract on that basis, as an addition to the overall Bureau funding made available to the school. Although there may be yearly fluctuations in the amount of ISEP funding provided to a contract school because of varying WSU values or change in student population, further changes to the amount of contract support funds will not be made on a yearly basis.

In a future year, should a contract school be approved for a major change in program (e.g., add a secondary program to an elementary school), the program expansion will be evaluated to determine if it should be considered a "new" contract and therefore be eligible for additional contract support funds from the separately appropriated line item under Self-Determination Services.

Object Class Distribution - School Operations Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	-211	\$ -5,007,000
Personnel Benefits.....		-638,000
Benefits to former personnel (severance pay, etc.).		-175,000
Travel and transportation of persons.....		-215,000
Printing and reproduction.....		-20,000
Other services.....		+2,756,000
Supplies and materials.....		<u>-700,000</u>
Total.....		<u>\$ -3,999,000</u>

Justification of Program and Performance

Activity:	Education
Subactivity:	Johnson-O'Malley Educational Assistance

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Johnson-O'Malley Educational Assistance	\$ 20,500	19,618	--	--	--
JOM Contract Support	<u>2,544</u>	<u>2,435</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Requirements	\$ 23,044	22,053	--	--	--

Distribution:

Johnson-O'Malley	\$ 23,044	22,053	--	--	--
------------------	-----------	--------	----	----	----

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted To Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Johnson-O'Malley Educational Assistance	\$ 23,044	\$ -991	\$ 22,053

The Johnson-O'Malley funds are distributed by formula based on a student count; therefore, the 4.3% reduction under P.L. 99-177 was taken at the subactivity level before application of the formula. The result is a decrease of almost \$4 for each weighted student unit.

Supplementary Educational Assistance

Authorization: The Johnson-O'Malley Act of April 16, 1934, authorized funding to support the basic education of Indian students in public schools. The Indian Self-Determination Act of January 4, 1975, P. L. 93-638, amended the Johnson-O'Malley (JOM) Act to provide for maximum Indian participation in Indian education by providing funds to meet the unique and special needs of Indian children. The Education Amendments of 1978 dated November 1, 1978, P. L. 95-561, authorized the development of an equitable distribution formula for supplemental funds.

Objective: To provide funding for supplemental programs for eligible Indian students in public schools and programs for three and four-year-old children to meet their special and unique needs as determined by contractors and local Indian education committees.

Base Program (\$-0-): In keeping with the current Administration policy of consolidating in the U.S. Department of Education all funding for education programs serving Indian students in public schools, the JOM program will be merged with Part A of the Title IV program at the U.S. Department of Education to (1) eliminate the potential for duplicate Federal funding, (2) ensure better school district planning, and (3) to permit better assessment of the need for

special aid for Indian children in public schools. Dual funding may result in one group of Indians receiving support from two or more federal sources while another group of Indians, in equal or greater need, may receive less assistance.

With one exception, the same types of services now provided by JOM can be funded by Title IV. JOM can be used for the parental cost of school lunches for students whose parents do not meet the income test governing the USDA lunch programs. Indian students whose parents meet the income test will have the benefit of the lunch program, just as do other eligible students.

Legislation being developed by the U.S. Department of Education will provide for the continuation of the strong provisions for local parent committees which has assured the involvement of the local Indian community and Indian parents with the public school system.

The legislation will also clarify the roles of the Department of Education (ED) and the BIA through designating ED as the federal agency responsible for providing services to Indian children in public schools and BIA as the agency responsible for providing sufficient funds and support for Bureau-administered schools and schools under contract to Indian tribes. Therefore, the FY 1987 base for JOM is zero under BIA.

The following is a description of the program as operated by BIA in FY 1986.

Indian children attending public schools sometimes have special and unique needs resulting from disadvantaged economic and social backgrounds and from different cultural backgrounds. In the past, state education departments and public schools did not specifically address these particular problems of Indian students in their basic education program, yet several states had substantial Indian or native populations, e.g., Alaska and Arizona. The Federal Government, therefore, under the authority of the Johnson O'Malley Act of 1934, provided supplementary financial assistance through the BIA to public schools to support the basic education of Indian students, including preschoolers, who were one-quarter Indian blood and members of federally-recognized tribes.

The purpose of JOM is not to provide support to basic education, but rather to supplement normal school programs with remedial tutoring, cultural enrichment, and parental cost support.

The types of supplemental activities provided by the JOM program, and also provided by Title IV, relate to educational needs, teacher support, and parental costs. For example, these funds are used for remedial tutoring, preschool programs, programs for gifted students, and summer school classes. They are also used to pay for teacher salaries, teacher aides, and home and school coordinators. Some are used for cultural enrichment. In FY 1986, the JOM program covered approximately 177,000 students in 26 states.

Justification of Program and Performance

Activity: Education
 Subactivity: Continuing Education

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc.(+) Dec.(-) From Base</u>
A. Higher Education					
Tribe/Agency	\$ 29,203 <u>a/</u>		--	--	--
Area Offices	\$ 43 <u>b/</u>		--	--	--
B. Special Higher Education	\$ 1,939		1,939 <u>c/</u>	--	-1,939
C. Adult Education					
Tribe/Agency	\$ 3,543 <u>a/</u>		--	--	--
Area Offices	\$ 174 <u>b/</u>		--	--	--
D. Post-Secondary Schools	\$ 9,309 (FTE) (249)		9,309 (249)	9,309 (249)	-- (--)
E. Tribally Controlled Community Colleges					
Operational Grants	\$ 11,335		11,335	10,903	-432
Snyder Act (Tribe/Agency Operations)	\$ 892 <u>a/</u>		--	--	--
Total Requirements	\$ 56,438 (FTE) (249)	54,011 (249)	22,583 (249)	20,212 (249)	-2,371

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted To Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Continuing Education	\$ 56,438	\$ -2,427	\$ 54,011

The Higher Education and Adult Education Programs are banded programs administered by the tribes, and reductions will be taken either by reducing the number of people served or the level of funding per individual. The Special Higher Education Scholarship program is contracted, and the contractor will determine whether to issue fewer scholarships or smaller scholarships. The three postsecondary schools will be funded at 4.3% below their appropriated level, and

a/ Funding for Tribe/Agency is shown under the new OIP budget activity titled "Tribe/Agency Operations".

b/ Area Office field operations funding is shown under Technical Support, School Operations.

c/ Funding for graduate scholarships is shown under the new education subactivity titled "Education Enrichment and Advancement Programs".

each school will determine its own program adjustments. Funds for tribally controlled community colleges are distributed by formula and issued as a grant for general operation of the college. The grant amounts will be decreased by 4.3%

A. Higher Education

	FY 1986 Enacted to Date	FY 1987 Base	FY 1987 Estimate	Inc.(+) Dec.(-) From Base
Tribe/Agency Operations	\$ 29,203 <u>a/</u>	--	--	--
Area Office Operations	\$ 43 <u>b/</u>	--	--	--

a/ Funding for Tribe/Agency is shown under the new OIP budget activity titled "Tribe/Agency Operations".

b/ Area Office field operations funding is shown under Technical Support, School Operations.

B. Special Higher Education

	FY 1986 Enacted to Date	FY 1987 Base	FY 1987 Estimate	Inc.(+) Dec.(-) From Base
Central Office Operations	\$ 1,939	1,939	--	-1,939

Objective: To provide financial assistance to Indian students for graduate level study with special emphasis on students pursuing the professions of law, education, medicine, forestry, engineering, and business administration.

Base Program (\$1,939,000; FTE -0-): To qualify for assistance under the current program, the applicant must meet all the basic requirements of the Bureau's general scholarship program (see Higher Education Program), have earned an undergraduate degree, and be officially admitted to a graduate studies program. Prelaw students, or those requiring graduate studies to qualify to enter professional career fields, may also be assisted from this program.

The purpose of this program is to provide financial assistance to American Indian students pursuing graduate degrees, primarily in the fields of (1) law, (2) medicine, (3) forestry, (4) engineering, (5) education, and (6) business administration. Through 1984, because of Congressional language, two contracts had been awarded on a sole source basis under the Buy Indian Act contract authority. The escalating cost of education and the initiative to reduce administrative costs prompted the Bureau to consolidate the two programs under one contract in 1986.

From 1970 through 1985, 3,362 students have participated in the Special Higher Education Grant program with 1,949 receiving advanced degrees for a completion rate of approximately 45% for the Law Program and 85% in the AIS program.

Table 1 provides the relevant historical and statistical data for the program.

TABLE 1 - ENROLLMENT AND GRADUATES 1970 - 1986

	<u>Period</u> <u>1970-1983</u>	<u>FY</u> <u>1984</u>	<u>FY</u> <u>1985</u>	<u>Total</u>	<u>FY 1986</u> <u>Estimate</u>
Enrollment	2,672	300	390	3,362	372
Graduates	1,704	105	140	1,949	130

In addition to this number, approximately 350 graduate students are funded as part of the Bureau's regular Higher Education Program. Also, the Navajo Tribe funds approximately 300 graduate students from tribal funds. In addition, American Indian Scholarships, Inc., the organization which contracts for the scholarship program, funds approximately 40 students from funds donated for designated fields of study.

Table 2 reflects the enrollment by profession for FY 1983 through FY 1986. Table 3 provides average grant/student data for the Special Higher Education Program.

TABLE 2 - ESTIMATED ENROLLMENT BY PROFESSION

	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>Estimate</u> <u>FY 1986</u>
Education	45	50	70	70
Medicine & Health related fields	36	35	50	50
Social Work & Related Fields	32	35	50	40
Business Administration	22	15	25	25
Natural Resources & related fields	3	5	10	8
Engineering	2	5	10	8
Law	116	150	150	150
Other	<u>21</u>	<u>5</u>	<u>25</u>	<u>21</u>
TOTAL	277	300	390	372

TABLE 3 - GRADUATE STUDENT PROGRAM
(including Law)

	<u>FY 1985</u>	<u>FY 1986</u> <u>Appropriated</u>
1. Enrollment	390	372
2. Funding Level	\$2,050,000	\$1,939,000
Administrative Cost	(383,900) ^{a/}	(250,000)
Grant Cost	(1,666,100)	(1,689,000)
3. Average Grant	\$4,272	\$4,540

^{a/} In FY 1985 the program was administered by two separate contracts, and the Summer Law Program was included in administrative cost.

Decrease from FY 1987 Base:

(dollar amounts in thousands)

	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>Difference</u>
B. Special Higher Education	\$ 1,939	---	-1,939

In FY 1987, the Bureau is proposing to consolidate this graduate program with the Indian Fellowship Program currently funded under Part B of the Title IV program of the U.S. Department of Education. Refer to the new subactivity entitled "Education Enrichment and Advancement Programs".

C. Adult Education

	<u>FY 1986</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From Base</u>
Tribe/Agency Operations	\$ 3,543 <u>a/</u>	--	--	--
Area Office Operations	\$ 174 <u>b/</u>	--	--	--

D. Post-Secondary Schools

	<u>FY 1986</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From Base</u>
Central Office Operations	\$ 9,309	9,309	9,309	--
FTE	(249)	(249)	(249)	(--)

Objective: The objective of the three post-secondary schools, Haskell Indian Junior College (HIJC), the Institute of American Indian Arts (IAIA), and the Southwestern Indian Polytechnic Institute (SIPI), is to provide a variety of educational opportunities for Indian/Alaska Native students at the junior college level to prepare them to enter four-year colleges, universities, specialized art institutes, or to find employment.

Base Program (\$9,309,000; FTE 249):

Haskell Indian Junior College (HIJC) (\$4,890,000): Haskell is located in Lawrence, Kansas and has operated as a junior college since 1970. From 1884 to 1970, Haskell served Indian students at the elementary and secondary grade levels. Today, Haskell provides both an academic and a residential program for Indian students from across the country. The school also operates the usual student services such as a student dining hall, a health clinic (through the Indian Health Service), a financial aid office, a counseling center and a student activities office.

a/ Funding for Tribe/Agency is shown under the new OIP budget activity titled "Tribe/Agency Operations."

b/ Area Office field operations funding is shown under Technical Support, School Operations.

Currently, Haskell is accredited by the North Central Association of Colleges and Schools and awards the Associate of Arts Degree and the Associate of Applied Science Degree. These degrees, as well as selected certificates, are awarded in the program areas of liberal arts, business education and vocational-technical education. The Associate of Arts Degree program provides the basic college coursework needed by students who intend to transfer to four-year colleges to pursue a baccalaureate degree; business and vocational-technical education is primarily designed to prepare students for either immediate employment or further college work.

During the 1984-85 school year, Haskell graduated 202 Indian students. Currently, Haskell has 789 Indian students attending the spring semester for the 1985-86 school year.

Institute of American Indian Arts (IAIA) (1,696,000): The Institute of American Indian Arts (IAIA) was established by the Bureau of Indian Affairs in 1962 at the site of the Santa Fe Indian School (SFIS) in Santa Fe, New Mexico. The IAIA was originally designed to offer a senior high school and post-high school curriculum, in a residential setting, which would focus on American Indian arts and would draw its student population from all tribes throughout the country. The IAIA continued its original programs until 1975 when the Commissioner of Indian Affairs chartered the IAIA to continue to offer 11th and 12th grade coursework leading to a high school diploma and to offer the two-year Associate of Fine Arts (AFA) postsecondary degree. The high school programs were completely phased out by 1979; and since that time, the IAIA has offered only postsecondary coursework for students enrolled in degree and non-degree programs.

The IAIA operated at the SFIS site from 1962 to 1981. In 1981 a majority of programs and functions of the IAIA were moved to the College of Santa Fe campus. Since the 1981-82 school year, the IAIA has operated its program in facilities leased from the College of Santa Fe, an independent, undergraduate liberal arts college. The College of Santa Fe is physically located less than two miles from the SFIS site. Today, the IAIA is the only major arts institution in the United States whose total education program is devoted solely to the artistic and cultural development of American Indians and Alaskan Natives.

In 1984 the IAIA was granted full accreditation status by the North Central Association of Colleges and Schools. Currently, the IAIA offers programs leading to certificates and the Associate of Fine Arts degree in four major areas: (1) Two-Dimensional Arts, (2) Three-Dimensional Arts, (3) Creative Writing and (4) Museum Training. In addition to the museum training program, the IAIA museum has become a national archive to display numerous Indian art forms from former students and on loan from individuals and tribal governments.

During the 1984-85 school year, IAIA graduated 54 Indian students. Currently, IAIA has 195 Indian students attending the fall semester for the 1985-86 school year.

Southwestern Indian Polytechnic Institute (SIPI) (\$2,723,000): Southwestern Indian Polytechnic Institute is located in Albuquerque, New Mexico and was opened in September, 1971 with the purpose of providing Indian students with postsecondary education programs in high demand, vocational/technical fields. Today, SIPI provides both an academic and residential program for Indian students from more than 30 Indian tribes.

Fully accredited by the North Central Association of Colleges and Schools, SIPI provides instruction in a variety of careers. The industrial training programs include architectural and electronic drafting, surveying, electronics, graphic arts, offset printing, and optical technology. The business department offers training in secretarial and clerical skills, accounting, data processing, marketing and distribution. Students entering SIPI's food preparation program may specialize in institutional cooking, chef's training or fast food management.

During the 1984-85 school year, SIPI graduated 142 Indian students. Currently, SIPI has 476 Indian students attending the fall semester of the 1985-86 school year.

Some Indian/Alaska Natives have difficulty in competing in higher education because of restricted academic backgrounds, low income, living in isolated areas, and a lack of college orientation programs. Special consideration in designing curriculum best suited to the needs of Indian/Alaska Natives is a major concern which is strongly stressed and provided in Bureau postsecondary schools.

The three postsecondary schools' dormitories continue to be filled to capacity. The geographic locations of the schools limit the number of day students able to commute. Table 1 shows the full-time equivalent (FTE) student data. FTE is calculated by dividing the cumulative student academic hours per academic term by twelve.

TABLE 1 - STUDENT FTE DATA

	FY 1985 (Actual)		FY 1986 (Estimate)		FY 1987 (Estimate)	
	TOTAL	DORM	TOTAL	DORM	TOTAL	DORM
	FTE	CAPACITY a/	FTE	CAPACITY a/	FTE	CAPACITY a/
Haskell	983	700	1,081	700	1,081	700
IAIA	202	160	195	160	195	160
SIPI	777	512	735	512	735	512
Total	1,962	1,372	2,011	1,372	2,011	1,372

a/ Dorms are for single residents only. Tribal funds, Department of Education financial aid, the Higher Education Grant Program, and Adult Vocational Training Funds are used to assist married students living off campus.

The number of Indian/Alaska Native students awarded Associate Degrees or certificates of completion from the three schools is shown in Table 2. Table 3 displays the estimated cost per student FTE.

TABLE 2 - NUMBER OF GRADUATES

	FY 1984 (Actual)	FY 1985 (Actual)	FY 1986 (Estimate)	FY 1987 (Estimate)
Haskell	210	202	125 a/	175
IAIA	57	54	55	55
SIPI	130	142	140	140
Total	397	398	320	370

a/ The pre-college program implemented at Haskell in 1984/85 has slowed down the graduation of some students but has improved their performance.

TABLE 3 - ESTIMATED COST PER FTE

<u>School</u>	<u>FY 1987 FTE (EST)</u>	<u>FY 1987 Cost/FTE (EST)</u>	<u>FY 1987 ESTIMATE</u>
Haskell	1,081	\$ 4,524	4,890,000
IAIA	195	\$ 8,697	1,696,000
SIPI	735	\$ 3,705	2,723,000
TOTAL	2,011		9,309,000

E. TRIBALLY CONTROLLED COMMUNITY COLLEGES

	<u>FY 1986 Enacted to Date</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc.(+) Dec.(-) From Base</u>
Tribe/Agency Operations	\$ 892 <u>a/</u>	--	--	--
Central Office Operations	\$ 11,335	11,335	10,903	-432

Authorization: P.L. 98-192 is the authority under which funding for Tribally Controlled Community Colleges is provided by the Secretary.

Objective: The objective of the program is to provide financial assistance to Tribally Controlled Community Colleges (TCCCs) so that Indian/Alaska Native students may further their education, in a supportive environment, in close proximity to the Indian reservations.

Base Program (\$11,335,000; FTE-0-): The Indian Self-Determination and Education Assistance Act (P.L. 93-638) states the role of the Federal Government is to provide comprehensive education programs and services for Indians/Alaska Natives. Community colleges are governed by a local board of regents, a majority of whom are Indian. This enables the sponsoring tribes to pursue educational goals for their people compatible with the needs and assessments of the tribes. Table 1 presents summary data for the Tribally Controlled Community Colleges for FY 1985 through FY 1987. Title I of the Tribally Controlled Community College Assistance Amendments Act of 1983 (P.L. 98-192 dated December 1, 1983) authorizes grants to the Tribally Controlled Community Colleges to defray expenditures for academic, educational, and administrative purposes and for the operation and maintenance of all TCCCs except Navajo Community College. Title II grants are authorized only for the Navajo Community College for an amount necessary for operating and maintaining the College, including, but not limited to, administrative, academic, and operation and maintenance costs.

Public Law 98-192 directed a revised method of counting students for Title I TCCCs. "Full Time Equivalent (FTE)" will be changed to "Indian Student Count (ISC)". All credit hours (for full-time, part-time, and summer students) are added together and divided by 12 to arrive at the ISC. For FTE calculation, full-time students were counted as one FTE regardless of the number of hours enrolled, credit hours of part-time students were converted to FTE by dividing the hours by 12, and summer students were not included in the count. The impact of this conversion is that the number of ISC is approximately 15% higher than the number of FTE. Table 3 provides a conversion for FY 1985, 1986, and 1987.

a/ Funding for Tribe/Agency is shown under the new OIP budget activity titled "Tribe/Agency Operations".

The law directed the GSA to conduct, and submit to the Congress by June 1, 1985, a study of facilities which might be available for use by the TCCCs. The study will not be conducted until a funding source has been identified. The law further directed that after completion of the study, the GSA and BIA initiate a program for the identified facility improvement or new construction. No funds are included in this budget request for facility improvements or new construction for TCCCs.

TABLE 1 - SUMMARY DISTRIBUTION OF FUNDS (\$000)

<u>Funding</u>	<u>FY 1986 Enacted to Date</u>	<u>FY 1987 Base</u>	<u>FY 1987 (Estimate) Grant</u>
Title I	\$ 7,406	\$ 7,406	\$ 6,974
Title II	3,813	3,813	3,813
Tech. Assistance	116	116	116
Totals	<u>\$ 11,335</u>	<u>\$ 11,335</u>	<u>\$ 10,903</u>

Since tribal colleges are located on non-taxable Indian lands, Bureau grants are provided to tribal colleges in lieu of local tax funds. Operating grants serve as seed money for tribal colleges to obtain additional financial assistance from other sources to complement their total budgets.

The minimum requirement for funding of the Tribally Controlled Community Colleges under Public Law 98-192 is a positive eligibility study. The process begins with the tribe submitting an application to the Office of Indian Education Programs. An on-site visit is made to conduct the feasibility study. A feasibility study model is used as the standard instrument in making a determination for eligibility. The model requires evidence: (1) that organic documents and legal requirements outlined in the law are met; (2) of harmony between the needs outlined by the tribe and the goals, philosophy and plan of operation of the college; (3) that the curriculum is in harmony with the goals and objectives of the tribe; (4) that the institution has a system for identifying full-time and part-time students in attendance; (5) of the absence of alternative education sources; (6) of the presence of a reasonable number of students; (7) of the existence of sufficient facilities to meet the needs of the student body; (8) that the existing staff is adequately providing the services offered by the college; and (9) that the college has adequate funding to support its proposed program and that available resources are managed in an efficient and accountable manner. The feasibility study is based on the criteria that the tribal college: (1) is feasible to the extent that it meets the requirements of the law; (2) will continue to operate; and (3) will seek full accreditation. Feasibility can be determined by the implicit and explicit comparison of the school with other similar institutions. The Director, Office of Indian Education Programs, has the final responsibility for determining "whether there is justification to encourage and maintain a Tribally Controlled Community College." The technical assistance amount of \$110,000 is provided to assist the tribal colleges in gaining full accreditation and maintaining quality cost effective program operations.

An operational grant, as opposed to a Public Law 93-638 tribal contract, is provided to each tribal college once it is determined that it is eligible under the provisions of Public Law 98-192.

Table 2 shows the list of Title I Tribally Controlled Community Colleges and the comparative data on the number of FTE Indian students, graduates, accreditation status, and the types of degrees and certificates awarded by each college for fiscal years 1983-86.

TABLE 2 - FTE and Graduates

Tribal College	FTE ^{d/}				GRADUATES			Accred- itation	a/ Certificate Offered b/
	FY	FY	FY	Est.	FY	FY	FY		
	1983	1984	1985	FY e/ 1986	1983	1984	1985		
Blackfeet	176	179	174	210	84	22	56	Cand	AA, AAS, Voc. Cert.
Cheyenne River	73	52	45	47	10	7	7	NA	AA, AS, Voc. Cert.
College of Ganado	130	157	182	126	9	17	15	Accred	AA, AAS
D-Q University	100	107	112	107	12	11	7	Accred	AA, AS
Dull Knife	146	190	178	87	20	15	18	Cand	AA, AAS
Fort Belknap <u>c/</u>	--	--	76	65	--	--	--	NA	AA
Fort Berthold	41	63	61	99	16	11	15	Cand	AA, Voc. Cert.
Fort Peck	50	57	59	104	14	15	10	Cand	AA, AAS, Voc. Cert.
Lac Courtes Oreilles Ojibwa	--	57	66	97	--	4	--	NA	AA
Little Big Horn	81	95	80	84	5	35	25	Cand	AA, Voc. Cert.
Little Hoop	39	57	66	68	12	7	10	NA	AAS, Voc. Cert.
Lummi	26	77	104	140	20	1	10	NA	AS
Nebraska	162	149	146	138	21	22	23	Cand	AA, AS, AAS, Voc. Cert.
Oglala Sioux	371	421	480	454	53	71	70	Accred	AA, BS, Voc. Cert.
Salish Kootenai	190	182	179	224	42	28	40	Accred	AA, AAS, Voc. Cert.
Sinte Gleska	194	252	269	305	24	15	30	Accred	AS, AAS, BS, Voc. Cert.
Sisseton- Wahpeton	71	116	126	93	38	15	10	Cand	AA, Voc. Cert.
Standing Rock	172	214	225	205	24	32	30	Accred	AA, AAS, AS, Voc. Cert.

TABLE 2 - FTE and Graduates (Continued)

Tribal College	FTE ^{d/}				GRADUATES			Accred- itation	Degrees or Certificate Offered ^{b/}
	FY 1983	FY 1984	FY 1985	Est. FY ^{e/} 1986	FY 1983	FY 1984	FY 1985		
Turtle Mountain	<u>172</u>	<u>191</u>	<u>225</u>	<u>259</u>	<u>53</u>	<u>40</u>	<u>61</u>	Accred	AA, AAS
Title I Totals	<u>2,194</u>	<u>2,616</u>	<u>2,853</u>	<u>2,912</u>	<u>457</u>	<u>368</u>	<u>437</u>		

a/ Accred - Fully accredited by a recognized accreditation association.

Cand - Candidate status towards accreditation.

NA - Not accredited but meets the three institutional certification requirements of Public Law 95-471.

b/ Degrees Awarded by TCCC:

ASN - Associate of Science Nursing (R.N. and L.P.N. - at NCC 80% of the students must pass State examinations in order for the program to maintain accreditation).

AA - Associate of Arts

AS - Associate of Science

AAS - Associate of Applied Science

BS - Bachelor of Science

Voc. Cert. - Vocational Certificate, at least one year but not more than two years in a vocational program. (Students must pass a proficiency examination in vocational programs).

c/ First funded in FY 1985.

d/ To convert these FTE figures to ISC's, increase each number by 15%.

e/ FTE for FY 1986 represent student count for the fall 1985 semester. These numbers will be averaged with the spring 1986 semester (and winter quarter where appropriate) for the final fund distribution.

TABLE 3 - FTE Conversion Table Title I

	FY 1985 <u>Actual</u>	FY 1986 <u>Enacted to Date</u>	FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>
Prior method of counting = FTE	2,853	2,912	2,912	2,742
New method of counting = ISC <u>a/</u>	3,281	3,349	3,349	3,158
Funds available	\$ 6,950,000	\$ 7,406,000	\$ 7,406,000	\$ 6,974,000
Value Per FTE	\$ 2,436	\$ 2,543	\$ 2,543	\$ 2,543
Value per ISC	\$ 2,118	\$ 2,211	\$ 2,211	\$ 2,211

a/ The new method of calculation results in a count approximately 15% higher than the old method.

TABLE 4 - TITLE II FUNDS a/
(Dollars in thousands)

	<u>FY 1985 Actual</u>			<u>FY 1986 Enacted to Date</u>			<u>FY 1987 Estimate</u>		
	<u># of students</u>			<u># of students</u>			<u># of students</u>		
	<u>Grants</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Grants</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Grants</u>	<u>Full-Time</u>	<u>Part-Time</u>
Navajo Community College	\$3,837	542	1,034	\$3,813	542	1,034	\$3,813	542	1,034

a/ Fall and Spring enrollment are averaged for calculation of number of full-time and part-time students.

Decrease from FY 1987 Base:

(dollar amounts in thousands)

<u>Program</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
E. Tribally Controlled Community Colleges Operating Grants	\$ 11,335	10,903	-432

The Bureau has developed proposed regulations on Tribally Controlled Community Colleges (TCCCs) to implement the provisions of P.L. 98-192 and to respond to concerns raised by the Inspector General in an audit of this program. The IG expressed three major concerns: (1) students enrolled in TCCCs who are not high school graduates; (2) some students are counted for funding even though they failed to complete credits during the preceding year or earned less than a "C" average; and (3) students don't attend classes. The proposed regulations address all three of these concerns. The IG estimated that strengthened requirements could decrease the student count by 15%.

The base program assumed a student count at the FY 1986 level and an FTE value to reflect the FY 1986 Congressional add-on to Title I TCCCs. The FY 1987 estimate maintains the FY 1987 base value for an FTE, but reduces the student count by 170 FTE or 6%. The FTE reduction is related to the tightened controls built into the regulations and offset by the general upward trend in TCCC enrollment.

Object Class Distribution - Continuing Education Subactivity

	<u>Amount</u>
Other services.....	\$ -1,939,000
Grants, subsidies, and contributions.....	-432,000
Total.....	\$ -2,371,000

Justification of Program and Performance

Activity: Education
Subactivity: Education Enrichment and Advancement Programs

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Special Enrichment Programs	\$	--	--	9,500	9,500	--
B. Fellowships for Indian Students	\$	<u>--</u>	<u>--</u>	<u>2,000</u>	<u>2,000</u>	<u>--</u>
Total Requirements	\$	--	--	11,500	11,500	--

For FY 1987, the Bureau of Indian Affairs is requesting \$11,500,000 for a new activity--Education Enrichment and Advancement Programs. This activity will fund two national level programs: (1) special enrichment programs for pre-school, elementary, and secondary students, and (2) fellowships for Indian students to attend graduate school. With some modifications, both of these programs are basically continuations from prior years of programs funded under Parts A and B of Title IV of the Indian Education Act administered by the U.S. Department of Education.

A. Special Enrichment Programs

Objective: The broad objective of this activity is to assist Indian students in developing the attitudes, motivation, skills, and knowledge necessary to succeed in the world; and at the same time, reinforce the values and traditions of the Indian society.

Specific objectives include: (1) improving student achievement in academic subjects and basic skills; (2) preventing school dropouts; (3) reducing absenteeism; and (4) developing student competence in traditional subjects and skills, i.e. native arts and crafts.

Base Program (\$9,500,000): In keeping with the current Administration policy of consolidating in the Bureau of Indian Affairs all funding for Education programs serving Indian students in Bureau-funded schools, the Bureau will operate the following Title IV programs in FY 1987.

- Payments to Indian Controlled Schools, Part A
- Planning, Pilot and Demonstration Projects, Part B
- Educational Services Projects, Part B

The basic purpose of this subactivity is to provide financial assistance for (1) projects designed to improve educational opportunities for Indian children by providing educational services that are not available in sufficient quantity or quality to those children; (2) enrichment programs that introduce innovative and exemplary approaches, methods, and techniques into the education of Indian children in elementary and secondary school; and (3) planning, pilot and demonstration projects designed to create, test, and demonstrate the effectiveness of programs for improving educational opportunities for Indian children.

The three programs have historically funded many of the same types of activities. The Bureau has, therefore, consolidated them into one program and expanded eligibility for participation from just tribes and Indian organizations (primarily BIA-funded contract schools) to include BIA-operated schools. The Bureau plans to issue regulations defining the criteria upon which awards will be made. Recognizing that each project will be unique, since goals and objectives are based on the specific needs of the service population, the award will generally be made for the following broad categories (1) pre-school programs; (2) curriculum development; (3) Indian cultural heritage; (4) computer/media instruction; (5) dropout prevention and reduction of absenteeism; (6) tutoring and/or counseling; (7) career/vocational training; (8) bilingual programs; (9) gifted and talented curriculums, including providing accelerated courses in such areas as math or science; (10) teacher training; and (11) alcohol and drug abuse.

Individual schools will compete for the funds through submission of applications to the Central Office of the Office of Indian Education Programs. While the actual criteria and the number of points to be assigned to each have not been finalized, the Bureau expects to use most of the same major criteria as those established for the Title IV programs. They are (1) the educational needs of the Indian children to be served with an explanation of why the school lacks the financial resources to conduct the project; (2) the quality of the total plan of operation, including (a) design of the project, (b) management plan, (c) how objectives relate to purpose of the program, and (d) activity plan; (3) parental and community involvement; (4) quality of key personnel; (5) budget and cost effectiveness; (6) evaluation plan; and (7) adequacy of resources, including facilities.

B. Fellowships for Indian Students

Objective: To provide financial assistance to Indian students for graduate level study with special emphasis on students pursuing the professions of law, education, medicine, natural resources, engineering and business administration.

Base Program (\$2,000,000): The Bureau proposes to consolidate its Special Higher Education Program with the Indian Fellowship Program formerly funded under Part B of Title IV at the U.S. Department of Education. The primary objective of both programs has been to provide financial assistance to Indian students for graduate level study in the fields of law, medicine, education, business administration, forestry, and engineering. Psychology was added as a new eligible field by the Education Amendments of 1984 (P.L. 98-511). The primary difference between the two programs was the criteria for determining to whom awards would be granted. Participation in the BIA program was limited to graduate level study and was based solely on financial need. Approximately 39 percent of the FY 1985 awards under the Title IV program went to undergraduate students in the fields of business administration, natural resources, and engineering. Title IV awards were based on financial need, academic record, other potential for success, and likelihood of service to Indians upon graduation.

Eligibility for grants awarded by BIA also differed from that of Title IV. BIA recipients must be at least one fourth degree Indian blood and a member of a federally-recognized tribe. In FY 1984, 75 percent of the Title IV fellows were members of a federally-recognized tribe. Of the 57 fellows who were not members of a federally-recognized tribe, 42 were from one tribe. These students will still be eligible for the student aid programs offered by the Department of Education and other federal programs.

The reduction of \$1,254,000 from the combined FY 1986 funding level of these two scholarship programs results from the Bureau's efforts to assist the President and the Congress to reduce the federal deficit. The Bureau is giving the highest priority to continuation of providing basic skills and other educational programs in elementary and secondary schools. In addition, the FY 1987 level for undergraduate programs has increased by \$713,000 over the FY 1986 level of \$29,203,000.

The \$2,000,000 is expected to provide funding for approximately 350 graduate students in FY 1987. The program will be handled through a single contract awarded through the competitive process and will use the BIA criteria for eligibility and need.

Activity Summary

(dollars in thousands)

Activity: Indian Services

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
Tribal Government Services	26,019	32,233	30,847	5,810	5,604	(206)
Social Services	107,476	113,199	108,331	91,913	93,103	1,190
Law Enforcement	44,387	48,570	46,481	2,595	3,101	506
Self-Determination Services	24,162	21,337	20,420	8,021	12,262	4,241
Navajo/Hopi Settlement Program	2,773	2,931	2,805	2,931	2,931	0
Indian Services Contract Support	15,226	0	0	0	0	0
Rescission (Sec. 2901)	(972)	0	0	0	0	0
Total	219,071	218,270	208,884	111,270	117,001	5,731

69-69

Justification of Program and Performance

Activity:		Indian Services				
Subactivity:		Tribal Government Services				
		(dollars in thousands)				
<u>Program Elements</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Aid to Tribal Government	\$ (FTE)	21,608 (185)		4,419 (76)	4,213 (71)	-206 (-5)
B. Tribal Courts	\$ (FTE)	10,625 (22)		1,391 (--)	1,391 (--)	-- (--)
Total Requirements	\$ (FTE)	32,233 (207)	30,847 (207)	5,810 (76)	5,604 (71)	-206 (-5)

Gramm-Rudman-Hollings Impact

		<u>FY 1986 Enacted to Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp</u>
Tribal Government Services	\$	32,233	- 1,386	30,847

As a result of the P.L. 99-177 reduction, several programs directed toward improvement and development of tribal government services will be delayed resulting in possible reduction or elimination of Youth Work/Learn Activities. There will also be fewer on-sight visits; training and development of staff will be impacted. Funding for tribes that receive Federal Acknowledgement will be lower; purchasing of new equipment will be deferred.

A. Aid to Tribal Government

Area Office Operations	\$	1,591 (44)	1,556 (44)	1,350 (39)	-206 (-5)
Central Office Operations	\$ (FTE)	1,677 (32)	1,677 (32)	1,677 (32)	-- (--)
New Tribes Undistributed	\$ (FTE)	4,176 (--)	1,186 (--)	1,186 (--)	-- (--)
Tribe/Agency Operations	\$ (FTE)	14,164 (109)	-- (--)	-- (--)	-- (--)

Authorization: P.L. 96-240 (The Maine Indian Claims Settlement Act of 1980) is the authority under which special programs are to be provided to the Indians of Maine in settlement of their claims. P.L. 93-134 (The Indian Judgment Funds Distribution Act of 1973, as amended) makes the Secretary responsible for completion of certain tasks, within specified time frames, relative to judgment awards of the Indian Claims Commission or the Court of Claims.

Objective: To improve tribal governments' operational capabilities through the provision of technical and financial assistance to tribes so they can exercise the full range of their inherent powers in an effort to better serve their tribal members and communities. To insure the timely submission of judgment plans assuring, to the greatest extent practicable, that tribal plans for the utilization of their money are adopted. To assure the timely processing of petitions from non-federally recognized Indian tribes or groups in order to determine their proper relationship with the Federal Government.

Base Program (\$4,419,000; FTE 76): The Tribal Government Services subactivity contains a number of separate and distinct program elements providing technical and/or financial assistance to Indian tribes. Each program element is discussed in more detail as follows:

Community Services General (\$596,000; FTE 13): This program provides, at the area and central office levels, staff specialists and program and policy advisors to the Area Directors and the Assistant Secretary for Indian Affairs, respectively, on all matters related to the entire Indian Services program.

Area Office Operations (\$281,000; FTE 9): The area office level is involved in, and responsible for, the application of program policy and implementation of all Indian services programs.

Central Office Operations (\$315,000; FTE 4): The central office level provides staff support to the Assistant Secretary for Indian Affairs with respect to policy and operational matters regarding Indian Services programs.

All Other Aid to Tribal Government (\$2,637,000; FTE 63)

Area Office Operations (\$1,275,000; FTE 35): The majority of the area office funding is used to provide technical assistance to 309 federally recognized Indian tribes in the lower 48 states and 197 Alaska Native groups. The area staff and funds are used to assist the tribes in developing, improving or amending tribal constitutions, bylaws, codes and ordinances and membership rolls; conducting elections; reviewing and approving tribal attorney contracts; assuring the integrity of the separate branches of government; resolving issues involving intratribal disputes, membership, recall and removal; and providing related assistance to tribal governments. In addition, the area office staff conducts the Hearings of Record required for the use and distribution of judgment fund awards. Once a distribution plan becomes effective, the area staff implements the plan and has the responsibility of performing the enrollment work necessary for making a per capita distribution. When the Secretary has been directed to prepare a payment roll (e.g., when the award is to be distributed on a descendancy basis), applications for enrollment are usually filed with a Bureau Area Director. The enrollment staff is also responsible for certifying enrollment as a member of a federally recognized tribe and/or the possession of federally recognized Indian blood for the purposes of qualifying individuals for Federal services and benefits available to Indian people.

Central Office Operations (\$1,362,000; FTE 28): In addition to providing overall program management, the central office staff performs work and provides technical assistance in the areas of tribal claims, tribal enrollment, tribal government, and Federal acknowledgement of the existence of tribal entities not currently recognized by the Bureau.

With respect to tribal claims, the central office is involved in two areas. The first is providing technical assistance to tribes and their claims attorneys concerning the prerequisites for obtaining Secretarial approval of compromise settlements of claims pending before the U.S. Claims Court, many of which are multimillion dollar settlements and auditing attorney fees and expense vouchers after judgments are awarded. The second is performing the ethno-historical research concerning beneficiaries of judgment awards and processing detailed plans or preparing legislation for tribal use of the judgment funds, in compliance with the Indian Judgment Fund Distribution Act. The type of work performed includes the identification of modern-day tribal beneficiaries and often involves complex multitribal determinations where more than one tribe is involved. In those instances where funds are to be distributed to descendants of historical tribes, the staff develops the eligibility criteria which will govern individual rights to participate in the judgment fund distribution. Once the beneficiaries have been identified and the area offices have held a Hearing of Record, the central office staff develops the Judgment Fund Distribution Plan or proposed legislation for submittal to the Congress.

The Tribal Enrollment program provides technical assistance to the area, agency and tribal staff with respect to developing or updating membership criteria or procedures, preparing and maintaining tribal membership and tribal payment rolls and certifying or computing degree of Indian blood. As required by law or provided for in tribal governing documents, the enrollment program staff reviews appeals from the rejection of applications for membership or enrollment at the tribal and/or Area level. They also review cases where individuals have questioned the degree of Indian blood shown for them or their ancestors in the official records which affects their eligibility for membership and/or for services and benefits.

The Tribal Government program provides technical assistance to area, agency and tribal staff concerning the development and amendment of tribal constitutions and bylaws, ordinances and other governmental documents. Efforts in this area are ongoing and reflect a commitment to modernize tribal governing documents to reflect modern-day realities and equip tribes with the mechanisms to adequately deal with and regulate the affairs of the tribe, its members and other reservation residents. Additionally, there is a high degree of staff involvement in intratribal disputes which often have the potential to tear apart the tribal fabric. This involvement requires monitoring the dispute, mediating resolution efforts and, when resolution efforts fail, recommending specific action to Bureau line officials.

The Acknowledgment and Research program is responsible for the researching and processing petitions for the Federal acknowledgment of Indian groups not currently recognized by the Bureau. The Bureau has established criteria, in 25 CFR 83, which is used to evaluate these petitions. There are approximately 237 unrecognized groups in the nation, of which 99 have formally petitioned the Bureau. Acknowledgment establishes a government-to-government relationship with those tribes that can meet the criteria, entitling them to the special Indian services of the Bureau and other Federal, State, and private agencies. Considering the fact that the unrecognized groups average 600 members each, and the Bureau expends approximately \$1 million annually to service a tribal population of 600, the need for a painstaking evaluation becomes apparent. Of the 18 groups which have been evaluated by the program since 1978, 12 have been denied acknowledgment.

New Tribes Undistributed (\$1,186,000; FTE 0): The New Tribes program provides the initial source of funding for newly acknowledged tribes, enabling them to begin regular federally funded operations under their proposed budgets.

Funding for newly acknowledged tribes which have approved budgets is carried in the summary table of funding under the undistributed category until such time as their funding level can be reflected in the Tribe/Agency base. At that time, their funding is transferred to the tribal priority system. The undistributed category is reduced accordingly. In FY 1987, the base amount of \$1,186,000 will continue to be used to provide funding to 21 tribes.

Decrease from FY 1987 Base:

		(dollars in thousands)		
<u>Program</u>		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$	1,556	1,350	- 206
	(FTE)	(44)	(39)	(-5)

Area Office Operations (-\$206,000; FTE -5): This decrease is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in overhead funding which were made in FY 1983 through FY 1986.

Object Class Distribution - Aid to Tribal Government Program

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	- 5	-\$ 85,000
Personnel Benefits: Civilian.....		- 8,000
Travel and Transportation of Persons.....		- 19,000
Transportation of Things.....		- 5,000
Rent, Communications, and Utilities.....		- 5,000
Other Services.....		- 39,000
Supplies and Materials.....		- 40,000
Equipment.....		- 5,000
Total.....	- 5	-\$206,000

B. Tribal Courts

<u>Program Elements</u>	(dollars in thousands)				Inc. (+) Dec. (-) From Base
	<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	
Special Tribal Courts \$ (FTE)	1,506 (--)		1,391 (--)	1,391 (--)	-- (--)
Tribe/Agency Operations \$ (FTE)	9,119 (22)		-- (--)	-- (--)	-- (--)

Authorization: 25 U.S.C. 461-479 (The Indian Reorganization Act of 1934), authorized tribes to reorganize under the provisions of the Act and to adopt constitutions, many of which contained provisions establishing tribal courts. P.L. 92-240 (The Maine Indians Claims Settlement Act of 1980) authorized the Maine Indian tribes to establish tribal courts. Numerous Federal and State court decisions have recognized the authority of Indian tribes to exercise their sovereignty and to establish forums to maintain law and order and resolve disputes.

Objective: To improve and maintain the judicial capabilities of Indian tribes at a level which will insure the speedy and impartial adjudication of violations of tribal law and the resolution of civil disputes.

Base Program (\$1,391,000; FTE 0): The Special Tribal Courts program enables the Bureau to provide training and technical assistance via contract for Indian court personnel on a nationwide basis. In FY 1985, emphasis was placed on increasing the capabilities of existing tribal court systems and improving judicial, administrative, and prosecution functions. Since this effort was initiated, the Bureau has provided training sessions for approximately 750 to 800 Indian court personnel, through contracts and by in-house instructors, at regional training sessions. Formal course-work training has covered subjects such as: Basic and Advanced Criminal Law and Procedure; Basic and Advanced Civil Law and Procedure; Family Law; Torts; Contracts; Legal Writing; Evidence; Indian Probate; Court Administration; etc. Since the turnover rate for all judicial personnel is high, it is essential that training sessions be held on a regular basis. During FY 1985, both the number of courses offered and the number of course subjects increased. Emphasis was placed on classroom style training which permits a smaller student-to-teacher ratio than in a conference environment.

Also, in FY 1985 an effort was initiated to perform technical reviews of tribal court systems (approximately 25 scheduled for review) and to provide specifically designed training to address administrative and technical deficiencies identified during the reviews and through the implementation of the Court Improvement Plans. Funds are also used to purchase the Indian Law Reporter for all 127 tribal courts to meet the most pressing needs of certain court systems and, in response to congressional concerns, to provide assistance to tribal court systems in applying self-assessment analyses. During FY 1987, the described efforts will be continued.

Supervision of the Special Tribal Courts program is funded under the Aid to Tribal Government program element. Base program functions at the supervisory level represent the core of Bureauwide judicial services technical assistance to field personnel and tribal judicial systems on matters concerning program organization and management; civil and criminal jurisdiction; training of judicial personnel; development of rehabilitation capabilities, alternative codes and procedures, and court standards. The Central Office works closely with the Department of the Interior Solicitor's Office, the Federal court systems, and the Justice Department in developing, establishing, and maintaining tribal judicial systems which are in full accord with constitutional and other legal guarantees. It also promotes the development and implementation of model codes and systems which may be modified, as necessary, to meet local tribal needs; reviews regulations and legislation affecting the tribal judiciary; and maintains a close working relationship with the National American Indian Court Judges Association, other Indian organizations associated with the Indian Judiciary, and Federal agencies in order to insure close communication and the best joint use of resources for the overall development of the tribal judicial system.

Central Office personnel also review tribal liquor ordinances for compliance with 18 U.S.C. 1161 and process these ordinances for publication in the Federal Register, as required by law. The staff also encourages the development of an awareness within the Indian Judicial system of its role within tribal government in crime prevention and rehabilitation of offenders, including providing for meaningful probation programs.

<u>Workload Data:</u>	<u>Actual</u> <u>1984</u>	<u>Actual</u> <u>1985</u>	<u>Estimate</u> <u>1986</u>	<u>Estimate</u> <u>1987</u>
<u>Special Tribal Courts Training</u>				
Training Sessions (in-house)	--	11	12	14
Training Sessions (contract)	14	10	13	16
Trainees	500	750	950	1,200
Judges	250	450	600	800
Other Court Personnel	250	300	350	450

Justification of Program and Performance

Activity:	Indian Services				
Subactivity:	Social Services				
	(dollars in thousands)				
	FY 1986	FY 1986	FY	FY	Inc. (+)
	Enacted	Adjusted	1987	1987	Dec. (-)
<u>Program Elements</u>	<u>to Date</u>	<u>Approp</u>	<u>Base</u>	<u>Estimate</u>	<u>From Base</u>
A. All Other Social Services	\$ 22,464 (FTE) (210)		1,581 (40)	1,648 (41)	+ 67 (+ 1)
B. Welfare Assistance Grants	\$ 90,735 (FTE) (--)		90,332 (--)	91,455 (--)	+1,123 (--)
Total Requirements	\$ 113,199 (FTE) (210)	108,331 (210)	91,913 (40)	93,103 (41)	+1,190 (+ 1)

Gramm-Rudman-Hollings Impact

	FY 1986	P.L.	FY 1986
	Enacted	99-177	Adjusted
	<u>to Date</u>	<u>Reduction</u>	<u>Approp</u>
Social Services	\$ 113,199	- 4,868	108,331

As a result of the P.L. 99-177 reduction, a comprehensive and quality program to meet the financial, counseling and home/institutional care needs of adults and children will be impacted. Under the Indian Child Welfare Program, Indian children eligible for services who have no other resources and are entirely dependent upon the Bureau for assistance will be affected. Another program, Solo Parent Program, which serves Indian children who are dependent upon the Bureau for a service that they cannot receive elsewhere will also be impacted. Performing on-site field visits for program reviews and training activities will be limited, and the filling of the most critical positions will be delayed.

A. All Other Social Services

Area Office				
Operations	\$ 980 (FTE) (24)		1,005 (24)	972 (22)
Central Office				
Operations	\$ 576 (FTE) (16)		576 (16)	676 (19)
Tribe/Agency				
Operations	\$ 20,908 (FTE) (170)		(--)	(--)

Objective: To provide Bureau-wide direction and control of the social services program by establishing or revising policies and/or procedures that will result in the provision of a comprehensive and quality program to meet the financial, counseling, and home/institutional care needs of adults and children who are eligible for program services.

Base Program (\$1,581,000; FTE 40): The central office and area offices are responsible for programmatic direction for all aspects of the social services program. This includes provision of technical assistance to both Bureau and tribally operated social services programs.

Area Office Operations (\$1,005,000; FTE 24): The area offices have responsibility for overall technical supervision of the Areas' social services programs. Responsibilities include development and operation of the Area social services program; provision of technical assistance and consultation to the Area-wide social services staff, tribes, and Indian organizations with respect to ICWA programs; coordinating social services policies, programs, and procedures with those of other Federal, State, and local agencies; performing field visits for program reviews and training purposes; making recommendations regarding the social services budget, including staffing, operations, and grant funds; assisting Bureau and tribal staff in improving professional competence; and supervising of the Area ICWA programs.

Central Office Operations (\$576,000; FTE 16): The central office exercises programmatic direction for all functions and systems of the social services program. Responsibilities include policy analysis, formulation, and implementation; management systems development, implementation, and evaluation; program planning, oversight, and evaluation; justification for appropriated funds; analysis of need to determine proper distribution of all grant funds; and coordinating the social services program with other Bureau and Federal agencies programs.

Increase/Decrease from FY 1987 Base:

<u>Program</u>	<u>(dollars in thousands)</u>		
	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Area Office Operations	\$ 1,005	972	- 33
(FTE)	(24)	(22)	(-2)
Central Office Operations	\$ 576	676	+100
(FTE)	(16)	(19)	(+3)
Total	\$ 1,581	1,648	+ 67
(FTE)	(40)	(41)	(+1)

Area Office Operations (-\$33,000; FTE -2): This decrease is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Director to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in overhead funding which were made in FY 1983 through FY 1986.

Central Office Operations (+\$100,000; FTE +3): The increase is required to expand the Bureau's initiative to establish a Quality Control Unit which will monitor and control payment integrity in the general assistance grant program. This initiative will assure that adequate quality control standards are established and put in operation, an accurate caseload and expenditure reporting system is in place, and appropriate regulations and operating manuals are issued and complied with by field organizations. The Quality Control Unit will be responsible for development of standards and procedures for evaluation and monitoring of area offices and agencies; development and testing of instruments to assess accuracy of eligibility determinations and level of payments, degree to which policy, standards and instructions are followed and applied uniformly at the area office and agency levels (administrative-operational reviews); and development of a consistent data base for program management, reporting, program development and planning.

Object Class Distribution - All Other Social Services Program

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+ 1	+\$ 40,000
Personnel Benefits: Civilian.....		+ 4,000
Travel and Transportation of Persons.....		+ 13,000
Supplies and Materials.....		+ 10,000
		<u> </u>
Total.....	+ 1	+\$ 67,000
	<u>=====</u>	<u>=====</u>

B. Welfare Assistance Grants

	(dollars in thousands)				
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp	FY 1987 Base	FY 1987 Estimate	Inc. (+) Dec. (-) From Base
Welfare Assistance Grants (Regular)	\$ 81,807 (FTE) (--)		81,404 (--)	85,237 (--)	+ 3,833 (--)
Solo Parent Program (CW)	\$ 108 (FTE) (--)		108 (--)	108 (--)	-- (--)
Indian Child Welfare Acts (ICWA)	\$ 8,820 (FTE) (--)		8,820 (--)	6,110 (--)	- 2,710 (--)

Objective: To provide welfare assistance to eligible Indians who cannot obtain such assistance from states or local governments; and to provide Indian Child Welfare Act, Title II grants to Indian tribes for family and child services programs designed to maintain the integrity of Indian family life and to keep Indian children in their own homes.

Base Program (\$90,332,000; FTE 0): The Bureau of Indian Affairs provides welfare assistance to otherwise eligible Indians in its administrative jurisdictions when such assistance is not available through State or local public agencies. The Bureau provides services both through Bureau operated programs (which constituted approximately 45% of the entire welfare assistance grants program in FY 1985) and through Public Law 93-638 contracts with tribes (which constituted approximately 55% of the program in FY 1985). Consistent with the September 30, 1985, revision of 25 CFR 20, it is the Bureau's position that, insofar as possible, Indians should have the same right to State public welfare services as non-Indians under similar circumstances. The Bureau does, however, provide welfare assistance and services to eligible Indians when States do not provide for certain needs of Indians who reside on or near reservations. The Bureau therefore may provide services in a given State where State statutes and policies exclude Indians from participation in service programs (e.g., due to the tax-exempt status of Indian lands), and in circumstances where jurisdictional disputes between tribes and States prevent the delivery of services to Indians. In other instances, Federal legislation requires the Bureau to provide social services to specific tribes. An example of this is P.L. 97-429 which directs the Bureau to service the Texas Band of Kickapoos in Maverick County, Texas. With regard to the general assistance program component, the Bureau, by regulation, provides such assistance in States that do not provide general assistance programs to meet essential needs on an on-going basis.

Under regulation the Bureau applies State-established public assistance standards (Aid to Families with Dependent Children-AFDC) to determine individual need and payment levels for Bureau general assistance (welfare) payments and foster home payments for children.

These standards of assistance are used because they are individually drawn up by each State taking into account special conditions within the State in accordance with Social Security Act requirements and subsequently approved by the Department of Health and Human Services (HHS) before implementation. These State standards of assistance are reasonably equitable in determining the amounts of general assistance payments.

Welfare Assistance Grants-Regular (\$81,404,000; FTE 0): There are two types of assistance that are available under the welfare assistance grants program to tribes and tribal members. They are: General Assistance and Child Welfare Assistance. A detailed description of each programs follows:

1. General Assistance (\$66,663,000): The general assistance program consists of:
 - a. Direct Financial Assistance (\$57,581,000): This assistance is currently provided in 18 States to families and individuals to pay living expenses for those whose income is below State standards.

The Bureau provides services in only those States not having a general assistance program available to meet the needs of Indians as defined in 25 CFR 20.21.
 - b. Non-medical Institutional or Custodial Care (\$4,890,000): This assistance is provided to disabled adults who are not eligible for care from Indian Health Service, Medicaid under Title XIX, SSI or any other county, State, or Federal programs. The vast majority of this type of assistance is provided in the State of Arizona because that state does not administer a Title XIX Medicaid program.
 - c. Contracts with Tribes to Run Tribal Work Experience Programs (TWEPE) (\$2,838,000): About 4,300 tribal members who receive general assistance and who work on tribal projects under TWEPE receive \$55 per month for work-related costs over their welfare payments. Examples of work projects include: road repair, building maintenance, facility construction, and housing construction and repairs.
 - d. Miscellaneous Assistance (\$1,354,000): These funds are used to pay burial expenses of indigent Indians or those Indians whose survivors cannot afford funeral expenses. This fund has been used to help Indians meet costs resulting from natural disasters and related emergencies. Examples of how this money is used are: emergency subsistence and shelter in event of weather disasters, relocation and care of flood victims.
2. Child Welfare Assistance (\$14,741,000): The child welfare assistance program provides for the care costs of abandoned, neglected, or handicapped children living in foster homes; private or tribal group care homes; or in residential settings designed to provide special care and programs for the handicapped. These payments are made directly or through contract to the provider and involve those states where the Bureau is authorized under 25 CFR 20.22(c) to have a program. These children are not eligible for care under any other county, State or Federal programs.

Solo Parent Program (\$108,000; FTE 0): This special program is to provide partial funding of the Solo Parent programs at the Flandreau and Sherman off-reservation boarding schools. This is funded under the Social Services activity--Child Welfare Assistance program as a result of the FY 1984 Congressional directive.

Indian Child Welfare Act Grants (ICWA) (\$8,820,000; FTE 0): P. L. 95-608 authorizes discretionary grants used by Indian tribes and organizations in conjunction with other State or tribal funding to establish and operate Indian child and family services programs. These grants are designed to maintain the integrity of Indian family life and thus avoid the unwarranted placement for adoption or foster care of Indian children. In prior years, approximately 160 tribes and Indian organizations operated such programs, which include:

1. Systems to license and regulate Indian foster homes and adoptive homes;
2. Facilities for counseling and treating Indian families and providing temporary custody of Indian children;
3. Programs to train parents on how to care for children in danger of neglect or abuse, and provide respite for parents in stressful situations;
4. Day care facilities;
5. Programs for after school care for high risk children, which emphasizes the cultural, academic, and social needs of children;
6. Programs to provide recreational activities;
7. Programs to provide training of tribal court personnel in the legalities of the Act and in the provision of quality, court related, child welfare services;
8. Adoptive subsidies which provide financial assistance to families for the maintenance or special care of an adoptive child, or for the completion of the adoption process;
9. Legal representation which includes providing counseling to families and consulting with tribes.

Workload Data:

Estimates of caseloads, unit costs and related funding increases provided below have their origin at the agency/reservation/tribal level. In compiling these estimates, the agency/reservation/tribal staff consider such factors as: past, current and projected caseload and unit cost trends; current and projected local employment opportunities; current and projected levels of State AFDC standards and State foster care/special care payment rates; possible natural disaster occurrences; and current and projected cost of obtaining basic living necessities (food, clothing, shelter, utilities). The tables which follow are a consolidation of total cases and expenses nationwide, based upon the information available, and are reflective of the situation at the time they were compiled. Some factors which could affect caseload data include natural disasters, upward or downward economic swings unique to certain reservations, and inflation factors affecting State standards.

	<u>I. Caseload</u>						1986-
	1982	1983	1984	1985 est.	1986 est.	1987 est.	1987 change
1. General Assistance (persons per month):	62,482	68,944	69,800	69,900	70,500	70,800	+ 300
a. TWEF participants	(4,167)	(4,167)	(4,300)	(4,300)	(4,300)	(4,300)	(--)
b. Institutional and Custodial Care	(725)	(800)	(925)	(985)	(985)	(985)	(--)
2. Child Welfare Assistance (persons per month)	3,185	2,855	3,000	3,000	3,000	2,936	-64
a. Foster home care (including family and small group care)	(1,815)	(1,599)	(1,800)	(1,800)	(1,800)	(1,736)	(-64)
b. Residential care for handicapped children	(1,270)	(1,256)	(1,200)	(1,200)	(1,200)	(1,200)	(--)
3. Miscellaneous Assistance							
a. Burials per year	1,325	1,350	1,350	1,350	1,350	1,300	-50

II. Average Benefits (\$)

1. General Assistance - \$ per person per month (TWEF - \$ per participant per month)	74.88 (55.00)	75.68 (55.00)	80.22 (55.00)	79.44 (55.00)	78.80 (55.00)	82.98 (55.00)	+4.18 --
2. Child Welfare Assistance \$ per child per month	335.92	390.35	409.47	409.47	409.47	418.40	+ 8.93
3. Miscellaneous Assistance \$ per burial per year	637.41	642.21	725.00	725.00	725.00	750.00	+25.00

III. Total Welfare Grant Costs by Type (\$000)

1. General Assistance (TWEF)	56,143 (2,750)	62,615 (2,892)	67,191 (2,838)	66,631 (2,838)	66,663 (2,838)	70,496 (2,838)	+3,833 --
2. Child Welfare Asst. (Solo Parent Program)	12,839 --	13,370 --	14,741 (108)	14,741 (108)	14,741 (108)	14,741 (108)	-- --
3. Misc. Assistance*	1,032	870	1,354	1,354	--*	--*	--
Total	70,014	76,855	83,286	82,726	81,404	85,237	+3,833

* In addition to burial costs, this category of assistance has helped tribes to meet costs associated with natural disasters and related emergencies.

** Miscellaneous Assistance funds have been categorized and listed within the General Assistance component. The unit cost for both general assistance and miscellaneous assistance remains the same as shown above.

Most of the Title II Indian Child Welfare Act grant programs are multifaceted social services delivery systems. In FY 1986, an estimated 160 grants will be provided for a variety of different services. Because these are divergent and cannot be realistically categorized by a standard unit cost or servicing format, the data have been represented as follows:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u> <u>est.</u>	<u>1986</u> <u>est.</u>	<u>1987</u> <u>est.</u>	<u>1986-</u> <u>1987</u> <u>change</u>
Number of Grants	163	164	160	160	160	140	-20
Total Dollars (\$000)	9,600	9,700	8,700	8,820	8,820	6,110	-2,710

Increase/Decrease from FY 1987 Base:

<u>Program</u>	<u>(dollars in thousands)</u>		
	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Welfare Assistance Grants	\$ 81,404	85,237	+ 3,833
Indian Child Welfare Acts	<u>8,820</u>	<u>6,110</u>	<u>- 2,710</u>
Total	\$ 90,224	91,347	+ 1,123

Welfare Assistance Grants (+\$3,833,000; FTE 0): Program financial records indicate an additional overall program requirement of \$3,833,000 in order to adequately provide assistance payments to needy Indians. Most reservations and near-reservation locations continue to experience high unemployment, and basic welfare assistance has not been available through other Federal, State, and county programs. The general assistance caseloads have leveled off during the past year, however, AFDC payment levels have increased and are scheduled to increase again on January 1, 1986 thereby increasing total expenditures for general assistance. For example, the State of Arizona has increased AFDC by 29% effective January 1, 1986 and could choose to increase the figure for subsequent years. No increase in FTE is required.

Indian Child Welfare Act Grants (-\$2,710,000; FTE 0): The decrease of \$2,710,000 for the ICWA program is based upon a policy decision to discontinue funding of off-reservation urban organizations nationwide and all ICWA programs in the State of Alaska. The \$710,000 reduction in Alaska reflects the availability of similar programs to meet child welfare needs. Furthermore, the decision to discontinue services to off-reservation urban organizations allows the BIA to focus its resources upon its basic constituency of federally recognized Indian tribes in the continental 48 states. Historically, Indian tribes have had fewer funding sources than urban organizations to draw upon and the quality of reservation ICWA programs should not be penalized by having to fund urban locations.

Object Class Distribution - Welfare Assistance Grants Program

	<u>Amount</u>
Grants, Subsidies, and Contributions.....	+\$ 1,123,000
	=====

Justification of Program and Performance

Activity:		Indian Services				
Subactivity:		Law Enforcement				
(dollars in thousands)						
<u>Program Elements</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Law Enforcement	\$	48,570		2,595	3,101	+ 506
	(FTE)	(526)		(33)	(43)	(+10)
<hr/>						
Total Requirements	\$	48,570	46,481	2,595	3,101	+ 506
	(FTE)	(526)	(526)	(33)	(43)	(+10)

Gramm-Rudman-Hollings Impact

		<u>FY 1986 Enacted to Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp</u>
Law Enforcement	\$	48,570	- 2,089	46,481

As a result of the P.L. 99-177 reduction, the law enforcement programs will be limited in providing services to the tribes and agencies. The filling of much-needed critical staff to maintain day-to-day responsibilities of protection and service to the communities will be delayed. Replacement and upgrading of police vehicles and equipment will be deferred. It will also impact the cost of detentions.

Law Enforcement

Area Offices Operations	\$	483	532	438	-94
	(FTE)	(13)	(13)	(11)	(-2)
Central Office Operations	\$	833	833	833	--
	(FTE)	(13)	(13)	(13)	(--)
Police Academy	\$	835	835	835	--
	(FTE)	(7)	(7)	(7)	(--)
Special Law Enforcement	\$	8,295	395	895	+500
	(FTE)	(--)	(--)	(12)	(+12)
Detention Center Expansions	\$	--	--	100	+ 100
	(FTE)	(--)	(--)	(--)	(--)
Tribe/Agency Operations	\$	38,124	--	--	--
	(FTE)	(493)	(--)	(--)	(--)

Authorization: Law enforcement services are provided under authority of 18 U.S.C. 3055 (Act of June 25, 1948) which provides authority to suppress liquor traffic among Indians and authorizes the Chief Special Officer and his subordinate officers to make arrests.

Objective: Provide or assist in providing law enforcement services for: (A) The protection of life and property in Indian Country and reduction of incidents of crime which adversely affect the quality of life. (B) Development of methods and expertise to resolve conflicts and solve major crimes in Indian Country and through criminal justice remedial actions and rehabilitation reduce recidivism and adverse social effects. (C) Development of preventative and outreach programs which will enhance the public conception of law enforcement responsibilities, through training and development of needed public service skills. (D) Continued assessments and evaluations of individual program accomplishments in reducing crime in Indian Country. (E) Development and provision of levels of training to meet on-going needs of Bureau and tribal law enforcement.

Base Program (\$2,595,000; FTE 33)

Area Office Operations (\$532,000; FTE 13): The functions of the area law enforcement staff are to: (1) assist the Area Director in the management of law enforcement and detention programs on reservations within the jurisdiction of the area office; (2) investigate offenses on reservations in support of, or in lieu of, the responsible Federal agency or tribal law enforcement program investigators and (3) perform on-going program review of Bureau and tribally operated law enforcement programs within the area office's jurisdiction.

Central Office Operations (\$1,668,000; FTE 20)

Central Office Staff (\$462,000; FTE 7): The central office staff provides overall program management, including staff advice and analysis as required by Bureau line officers, regarding operations and policy for law enforcement and detention programs. In addition, the office is responsible for the management and operation of the Indian Criminal Justice Automated Data Information System; providing law enforcement programs with information on modern trends, new techniques, legislation court decisions and other items and providing reports and data system training. In 1984, 669,695 case incident records were received and processed. Non-automated data management and operational reports are processed on a monthly and annual basis. Special reports are also prepared and processed. The central office staff provides supervision and direction over three field operations: the Special Operations Services Unit; the Inspection and Evaluation Unit; and the Indian Police Academy.

(1) Special Operations Services Unit (\$130,000; FTE 3): This is a three-position unit headquartered in Albuquerque, New Mexico, whose primary function is to provide a rapid response and backup to local police departments on reservations where there is a threat of and/or ongoing confrontation or disruption. The secondary function is to provide training to both Bureau and tribal law enforcement units, as well as to keep agency level staff trained on the most up-to-date methods and techniques used in controlling civil disorders. This unit procures and maintains special equipment necessary to handle any emergency situations.

An example of the successful application of this special unit is as follows: In January 1984, the Navajo Area requested assistance for the Fort Defiance Agency. A series of brutal crimes had caused public fear and unrest. Four uniformed police officers and two criminal investigators were detailed to the Navajo Area to assist. The results of intensified patrols, investigative activities and arrests, averted further civil disorder.

(2) Inspection & Evaluation Unit (\$241,000; FTE 3): This small unit is headquartered at Albuquerque, New Mexico. The primary function is to conduct regular inspections and evaluations of area and local Bureau and contract law enforcement programs. Traditionally, 75% of the duties performed involve inspections and evaluations, while 25% of the work involves internal investigations. The percentages fluctuate with the number of reported incidents and requests received from various agencies.

The agencies and contracted programs are evaluated to determine compliance with policies and procedures established through the Bureau's law enforcement manual. Where necessary, corrective actions are prescribed which will bring the agency into compliance with this manual.

(3) Indian Police Academy (\$835,000; FTE 7): The police academy is located at the Evergreen Air Center, Pinal Air Park, Marana, Arizona, and is responsible for providing on-site and outreach training in basic courses for police recruits, and specialized training courses for Bureau and tribal law enforcement officers.

Special Law Enforcement (\$395,000; FTE 0): These funds are used to improve the quality of the law enforcement program. Specifically, they are used to meet unexpected law enforcement needs when they occur, e.g., when:

- a. Judicial decisions award expanded Federal jurisdiction;
- b. States return jurisdiction to the Secretary of the Interior;
- c. Tribes retrocede law enforcement contracts; and
- d. Augmentation of on-site personnel and equipment already in jurisdiction is required because confrontational or disruptive activities arise. This entails putting other agency personnel on special detail to the problem area. Their travel and per diem expenses are paid from this activity. The assisting officers are either detailed until the situation is resolved, or on an intermittent basis utilizing different officers for specified periods of time.

Such situations are often unforeseen and require immediate action. Recent special assignments have been to the Hoopa Agency where criminal investigators, as well as uniformed police officers, have been detailed on numerous occasions because of a fishery controversy. Other special assignments have responded to incidents such as the Navajo-Hopi relocation and land controversy, where police officers and criminal investigators were specially assigned to promote and maintain peace and protection. The Navajo Area requested special assistance in reaction to violent crimes committed against U.S. Public Health Service employees, which entailed special assignment of criminal investigators and uniformed police officers to assist the local law enforcement units. Within 48 hours, after very strenuous and concentrated investigative efforts by the detailed officers, an arrest was effected.

Another example of the application of these funds occurred at the Uintah and Ouray Agency which experienced considerable problems caused by retrocession of the law enforcement contract on very short notice. The Bureau, in order to maintain protection of the public, deployed Bureau officers to that agency. The Bureau was also responsible for re-establishing the office with appropriate personnel, equipment, supplies and materials, etc., through application of Special Law Enforcement funds.

Increase/Decrease from FY 1987 Base:

<u>Program</u>	(dollars in thousands)			
		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
Area Office Operations	\$	532	438	- 94
	(FTE)	(13)	(11)	(-2)
Detention Center Expansions	\$	--	100	+100
	(FTE)	(--)	(--)	(--)
Special Law Enforcement	\$	395	895	+500
	(FTE)	(--)	(12)	(+12)
 Total	 \$	 927	 1,433	 +506
	(FTE)	(13)	(23)	(+10)

Area Office Operations (-\$94,000; FTE -2): This decrease is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in funding which were made in FY 1983 through FY 1986.

Detention Center Expansions (+\$100,000; FTE 0): The Jobs Bill Appropriation provided the funding necessary to design, renovate and expand 14 detention centers which will now require additional equipment which could not be funded under appropriations from the Jobs Bill.

Special Law Enforcement (+\$500,000; FTE +12): The Special Law Enforcement fund increase will permit the addition of 12 criminal investigators to assist various agencies with exceptionally high rates of criminal violations of the Indian Major Crimes Act, 18 U.S.C. 1153. They will focus on the development of major criminal cases for prosecution by the various U.S. Attorneys' offices. They will also supervise and assist other law enforcement officers to develop and present cases with professionalism and expertise, consistent with the criteria and guidelines for prosecution, thereby increasing the number and percentage of successful prosecutions in Indian Country.

Object Class Distribution - Law Enforcement Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+ 10	+\$ 350,000
Personnel Benefits: Civilian.....		+ 35,000
Travel and Transportation of Persons.....		+ 30,000
Supplies and Materials.....		- 9,000
Equipment.....		+ 100,000
 Total.....	 + 10	 +\$ 506,000
	=====	=====

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Self-Determination Services

<u>Program Elements</u>	(dollars in thousands)					Inc. (+) Dec. (-) <u>From Base</u>
	FY 1986	FY 1986	FY	FY		
	Enacted <u>To Date</u>	Adjusted <u>Approp.</u>	1987 <u>Base</u>	1987 <u>Estimate</u>		
A. Training and Technical Assistance	\$ 3,512 (FTE) (77)		1,581 (38)	1,855 (38)	+ 274 (--)	
B. Contract Support Undistributed	\$ 1,940 (FTE) (--)		1,940 (--)	7,586 (--)	+5,646 (--)	
C. Small Tribes Core-Management	\$ 4,500 (FTE) (--)		4,500 (--)	2,821 (--)	-1,679 (--)	
Total Requirements	\$ 9,952 (FTE) (77)	9,524 (77)	8,021 (38)	12,262 (38)	+4,241 (--)	

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted <u>to Date</u>	P.L. 99-177 <u>Reduction</u>	FY 1986 Adjusted <u>Approp</u>
Self-Determination Services	\$ 9,952	- 428	9,524

The P.L. 99-177 reduction will lessen the Bureau's efforts to upgrade its technical assistance delivery capabilities to meet the increased need resulting from the further growth in tribal contracting under P.L. 93-638. The reduction will decrease the actual provision of technical assistance; limit travel required for effective monitoring; and restrict attendance of Bureau field staff at training sessions.

A. Training and Technical Assistance

Area Office Operations	\$ 587 (FTE) (18)	680 (18)	754 (18)	+ 74 (--)
Central Office Operations	\$ 533 (FTE) (11)	533 (11)	533 (11)	-- (--)
TAAS	\$ 368 (FTE) (9)	368 (9)	568 (9)	+200 (--)
Tribe/Agency Operations	\$ 2,024 (FTE) (39)	-- (--)	-- (--)	-- (--)

Authorization: 25 U.S.C. 450, the Indian Self-Determination and Education Assistance Act is the basic authority under which the Secretary provides training and technical assistance to federally recognized tribes.

Objective: Training and technical assistance is provided as prescribed by P.L. 93-638 to assist tribes in assuming management of Bureau programs, services and functions through contracting under the Act.

Specifically, technical assistance is provided to (1) enable tribes to avoid or overcome declination issues related to contract applications and (2) ensure satisfactory performance of contract or grant requirements and to prevent suspension, termination or reassumption by the Bureau of contract programs or grants. Technical assistance is also provided to address urgent, one-time operational needs or problems of tribes. Program funding supports Bureau staff salaries and expenses necessary to administer the self-determination program at the field and central office levels.

Training is provided to tribal staff in such areas as financial management, personnel management, property control and other management systems. Training and orientation are also provided to newly elected tribal officials regarding tribal responsibilities and the procedures for taking advantage of opportunities offered under P.L. 93-638. In addition, Bureau staff receive training and orientation relative to the purpose of the Act and relevant regulatory provisions to ensure proper administration and oversight of contracts and grants.

Base Program (\$1,581,000; FTE 38): Training and technical assistance is provided primarily by Bureau 638 coordinators. Assistance is also provided under cooperative agreements by other Federal and non-Federal staff such as Office of Personnel Management, Department of Agriculture and consulting firms expert in the areas of accounting, management, planning and program operations.

Area Office Operations (\$680,000; FTE 18): Area offices provide assistance to tribes in the preparation of contract and grant proposals and during the negotiation and award period. Assistance is also provided to address contract and grant performance requirements and to meet special one-time tribal requirements such as the award of special contracts to Certified Public Accounting Firms for the purpose of auditing various tribally contracted programs. The technical assistance is tailored to meet the specific and/or unique needs of individual tribes and is provided to allow tribes to meet the requirements of basic legislation and pertinent regulations.

Training is also provided at the request of the tribes, on an as-needed basis, in such areas as the use of OMB Circulars (A-102 and A-87), and in subjects related to basic office management, financial management, forms preparation, personnel systems management, property management, and like subjects.

Central Office Operations (\$533,000; FTE 11): The central office provides overall policy guidance, coordination, direction, and cohesion for Bureau and tribal initiatives involving contract support and grant functions associated with P.L. 93-638. The staff also identifies and defines problem areas, determines issues to be resolved, monitors implementation activities, recommends modifications to policies, procedures, guidelines, systems and structure required in order to be responsive to tribal initiatives.

Tribal and Administrative Accounting Services (TAAS)(\$368,000; FTE 9): TAAS staff provides technical assistance to tribes and tribal governments in the implementation and maintenance of support systems such as accounting, personnel, and property management. The staff performs functions which are programmatically aligned with those performed by the central office staff.

Workload Data: The training and technical assistance program provides funding for the Bureau staff responsible for the coordination of the Self-Determination activities including the Self-Determination grants, contract support and the training and technical assistance aspects of the program. Funding is provided for the agency, area and central office levels. Training and technical assistance is made available at the area and agency levels by Bureau staff generally designated as P.L. 93-638 Coordinators. Training and technical assistance, as stated above, is provided to some 480 tribes eligible for such assistance.

The staffing of a major or large Area Office funded by the technical assistance program is as follows:

Indian Self-Determination Specialist (638 Coordinator)	1 FTE
Secretary (Typing)	1 FTE
Self-Determination Specialists (Number of specialists dependent on tribal needs in Area)	3 to 5 FTE

The coordinators act as a focal point in assisting tribal contractors in the P.L. 93-638 contracting/grant process, dealing with the varied procedures involved in the application, review, negotiation, award and implementation of P.L. 93-638 contracts and grants. They provide a substantial part of the training and assistance requested by tribes in the interpretation and understanding of P.L. 93-638 regulations and assist tribes in addressing technical problems involved in program implementation. They also aid the tribes in identifying and securing assistance needed to overcome such operational difficulties. When the technical assistance requested is beyond the scope of what Bureau staff can provide, the 638 Coordinators aid the tribes in securing the needed assistance.

Specific Functional Activities

The P.L. 93-638 coordinator provides services to tribes and Bureau offices within the area on the following basis with the percent of time spent shown:

Coordination of P.L. 93-638 applications for contracting/grants; e.g., receipt, review, distribution, formulation of appropriate correspondence, interaction with tribal groups and Bureau program staff (non-P.L. 93-638). Ensuring the equitable distribution of contract support funds and proper use of self-determination grant funds at the tribal level.....	80%
Training Bureau staff in P.L. 93-638 policies and procedures on an areawide basis.....	5%
Training tribal groups and personnel in P.L. 93-638 policies and procedures on an areawide basis.....	10%
Assisting tribes and tribal organizations with difficulties encountered in the P.L. 93-638 process.....	5%

Secretarial assistance is required to provide the P.L. 93-638 coordinator with support in all of the activities listed above.

Additional training and technical assistance provided to the tribes includes the development of financial management, procurement, property management, personnel and recordkeeping systems. These systems have been developed by tribes and tribal organizations through unique contractual and/or grant agreements with the Bureau or through the use of outside contractors. Examples of these systems are:

- \$75,000 Hopi Tribe - Computerized Financial Management System
- \$ 5,000 Paiute Indian Tribe of Utah - Centralized Accounting System, Personnel System and related training activities.

Similar activities exist in each of the other area offices.

Increase from FY 1987 Base:

<u>Program</u>	(dollars in thousands)		
	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
Area Office Operations	\$ 680 (FTE) (18)	754 (18)	+ 74 (--)
TAAS	\$ 368 (FTE) (9)	568 (9)	+200 (--)
Total	\$ 1,048 (FTE) (27)	1,332 (27)	+274 (--)

Area Office Operations (+\$74,000; FTE 0): This increase is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in funding which were made in FY 1983 through FY 1986.

Tribal Accounting and Administrative Services (TAAS) (+\$200,000; FTE 0): The increase in funding will allow travel and per diem for the TAAS group, as well as for contract technical assistance required to manage the increased workload under P.L. 98-502, the Single Agency Audit Act. Approximately 350 Indian tribes currently contract for the operation of Bureau programs in an amount of approximately \$260,000 under the authority of P.L. 93-638. The majority of tribes also receive grants or enter into contracts with other Federal agencies (IHS, ANA, HUD, etc.) for an amount exceeding the level of contracting with the Bureau. The Single Audit Act, P.L. 98-502, as implemented by OMB Circular A-128, requires state or local governments, including Indian tribes, to obtain audits on a scheduled basis and that sanctions be imposed when audit noted deficiencies are not corrected. The frequency of the audits is governed by the amount of funds the governmental unit receives.

The Bureau has determined that the impact of the Act on TAAS will be a substantial increase in requests for pre- and post-audit technical assistance. Based on a 1983 analysis of tribal management system weaknesses, the Bureau anticipates 250 to 275 requests for technical assistance from different Indian tribes. Approximately 120 requests were received in FY 1985, of which the Bureau has addressed 30 to date. In view of the sanctions suggested by the Act and in the Circular, technical assistance will assume increasing importance, and additional funds will be needed to provide such assistance in order for the Bureau to avoid having to reassume the operation of contracted programs from the tribes.

The requested increase will be used to initiate such things as (1) model accounting systems development; (2) examination and definition of specific technical assistance needs; (3) location of technical assistance sources outside the Bureau and arranging for access to such sources; and (4) administration of technical assistance contracts with professional firms or organizations (funds for such contracts to come from sources identified and accessed through TAAS).

Object Class Distribution - Training and Technical Assistance Program

	<u>Amount</u>
Travel and Transportation of Persons.....	+\$ 140,000
Supplies and Materials.....	+ <u>134,000</u>
Total.....	+\$ 274,000 =====

B. Contract Support

<u>Program Elements</u>	(dollars in thousands)				
	FY 1986	FY 1986	FY	FY	Inc. (+)
	Enacted	Adjusted	1987	1987	Dec. (-)
	<u>To Date</u>	<u>Approp</u>	<u>Base</u>	<u>Estimate</u>	<u>From Base</u>
Contract Support (Undistributed)	\$ 1,940		1,940	7,586	+5,646
	(FTE) (---)		(---)	(---)	(---)
Employee Displacement Cost	\$ (200)		(200)	(200)	(---)
	(FTE) (---)		(---)	(---)	(---)
Indirect Cost	\$ (1,740)		(1,740)	(7,386)	(+5,646)
	(FTE) (---)		(---)	(---)	(---)

Authorization: 25 U.S.C. 450, the Indian Self-Determination and Education Assistance Act, is the basic authority under which the Secretary provides services including Contract Support to federally recognized Indian tribes.

Objective: To pay tribes and/or tribal organizations for costs reflected in tribal contractor indirect cost rates or negotiated amounts for overhead/administrative costs incurred as a result of new contracts to operate Bureau programs, and to provide funding for costs such as severance pay and lump sum leave payments relative to displacement of Federal employees because of contracting with Indian tribes and/or tribal organizations.

Base Program (\$1,940,000; FTE 0): The Bureau, in compliance with Congressional directives, transferred Contract Support Funds to program accounts in FY 1985 for continuation contracts using FY 1984 contracting experience.

An additional amount of funds was requested to cover contract support costs of new FY 1984 and FY 1985 contracts. The FY 1985 appropriations, resulting after the 2% reduction is applied, included a total of \$37,032,000 in contract support funds under the various program activities and \$1,466,000 in the Contract Support line item for new FY 84 and FY 85 contracts. Subsequently, a redistribution of the FY 1985 appropriations based upon FY 1984 contracting experience has resulted in \$1,276,000 being distributed to the base for pre-1985 contracts with \$190,000 remaining in the Contract Support line item for new FY 1985 contracts.

Workload Data:

Trends in Tribal Contracting
Under P.L. 93-638 FY 1980 - FY 1987

<u>Fiscal Year</u>	<u>No. of Tribal Contractors</u>	<u>No. of Contracts</u>	<u>Direct Program Dollar Volume of Contracts</u>
1980	371 <u>a/</u>	1,292 <u>a/</u>	\$204,000,000
1981	382 <u>a/</u>	1,265 <u>a/</u>	213,000,000
1982	295 <u>b/</u>	1,152	235,000,000
1983	302 <u>c/</u>	1,305	240,283,000
1984	334 <u>c/</u>	1,413	232,233,000 <u>d/</u>
1985	340	1,430	285,870,000 <u>e/</u>
1986 Estimate	343	1,445	280,000,000 <u>f/</u>
1987 Estimate	340	1,435	278,000,000 <u>g/</u>

a/ Includes approximately 100 Indian Action Team contracts subsequently combined into other programs or discontinued.

b/ Includes 14 Native organizations and 6 Johnson-O'Malley/Education Committees in Alaska which represent 138 Native Villages.

c/ Includes 49 Native organizations in Alaska which serve approximately 220 Native Villages.

d/ The FY 1984 contracting level is less than previous years because of discontinuance of one-time Jobs Bill effects on FY 1983 (\$37.1 million) and Ak Chin irrigation project on FY 1982 (\$17.1 million).

e/ Includes \$15,000,000 in construction contracts for which no CSF funds are provided. The project funds pay both direct and indirect costs.

f/ Includes the effects of eliminating \$15,000,000 one-time only construction contracts; 1986 reduction to Johnson O'Malley (JOM) program (-\$4,000,000 estimated); and estimated new contracts (+\$13,000,000).

g/ Includes effects of transferring JOM program (-\$15,000,000) and estimated new contracts (+\$13,000,000).

Increase from FY 1987 Base:

<u>Program</u>	(dollars in thousands)		
	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>+/- Difference</u>
Contract Support Undistributed \$	1,940	7,586	+5,646
(FTE)	(--)	(--)	(--)

Contract Support for New FY 1986 and 1987 Contracts (+\$5,646,000; FTE 0): Fiscal Year 1985 marked the first year in which distribution of Contract Support Funds (CSF) for continuing contracts was made using a "grandfathering in" method. This calculation was a completely new procedure using the FY 1984 contracted program amounts and FY 1984 unadjusted indirect cost rates. The purpose of this procedure was to determine amounts of CSF to be added to the appropriate program accounts which would establish total base amounts for each contract to be used in future years. Analyses, compilation and calculations were necessary, involving over 1,400 separate contracts and related material. The amounts identified for pre-1985 and new contracts have been merged into direct program accounts.

Because of the complexities involved in determining the distribution of all available funding for FY 1985, adjustments will be required to correct the errors and omissions which resulted from the process. Of the \$5,646,000 requested increase, \$818,000 will be used to correct these errors and omissions for pre-FY 85 continuing contracts. Of the proposed increase \$2,256,000 will be used to establish a 92.5% funding level for FY 1985 new contracts. The FY 1985 appropriation request for new FY 1985 contracts was an estimate based on a projected \$5,000,000 of new contracts using a percentage rate of 15.5 percent; while actual new contracting was over \$15,000,000. Funds for these contracts will be distributed as a one-time addition to program accounts and added to continuing contracts during the FY 1988 budget cycle and no additional contract support funds will be requested for such contracts in future years.

For FY 1986 and FY 1987, additional CSF requirements of \$511,000 and \$2,061,000 respectively are projected to cover CSF needs for each year. These projections are in line with our actual FY 1985 new contract activity which has increased at over \$15,000,000. We believe that projecting new CSF needs using most current experience provides the most accurate data available. Accordingly, FY 1986 and FY 1987 projected new CSF needs reflect estimates using this approach.

In summary, the FY 1987 request for CSF is as follows:

	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>(+) Increase</u>
Continuing pre-1985 contracts....	\$ --	\$ 818,000	+\$ 818,000
New 1985 contracts.....	190,000	2,446,000	+ 2,256,000
New 1986 contracts.....	1,550,000	2,061,000	+ 511,000
New 1987 contracts.....	--	2,061,000	+ 2,061,000
Employee Displacement Cost.....	<u>200,000</u>	<u>200,000</u>	<u>--</u>
TOTAL.....	\$1,940,000 =====	\$7,586,000 =====	+\$5,646,000 =====

Object Class Distribution - Contract Support Program

	<u>Amount</u>
Other Services.....	+\$5,646,000 =====

C. Small Tribes Core Management

<u>Program Element</u>	(dollars in thousands)				
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp	FY 987 Base	FY 1987 Estimate	Inc. (+) Dec. (-) From Base
Small Tribes Core Management	\$ 4,500 (FTE) (--)		4,500 (--)	2,821 (--)	-1,679 (--)

Authorization: 25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act).

Objective: To provide small tribes (1,500 and less population) with core management capability to enable them to administer tribal affairs and programs in a competent and responsible manner. This program will supplement and complement existing self-determination grants and other management resources of a tribe to insure coordinated or integrated utilization of available resources to achieve the necessary tribal management capability.

Base Program (\$4,500,000; FTE 0): Many small tribes have lacked sufficient financial resources to meet basic management needs because the level of funding for most Federal assistance grants is based on population size. The Small Tribes Core Management program, which started in FY 1983 with a \$2,500,000 budget, expanded to \$3,500,000 in FY 1984 and was increased to \$5,000,000 in FY 1985, is intended to address this problem. Core management grants enable small tribes with limited resources to overcome specific problems associated with governmental operations and the administration of tribal and Federal programs, with particular emphasis placed on strengthening financial accountability. Through such support, this program has contributed to the stability of small tribal governments and has set a climate for community and economic development and other activities designed to reduce tribal dependency and promote small tribes' exercise of self-determination.

Status of Program: Approximately 80 of the 110 FY 1984 grantees were awarded renewal grants in FY 1985, thereby allowing additional tribes to participate in the program. During FY 1985, there were also 40 new tribal grantees. Under the maintenance level status of the program, we expect fewer new grantees but will make concerted efforts to provide first time grants to tribes which meet need criteria but lack the organizational capability and/or administrative personnel of current grantees. Most grantees cited multiple problems and needs, such as financial management problems and the need to improve program and tribal operations by hiring accountants/bookkeepers, administrative/management staff and support personnel. Reports from the 10 participating area offices indicate program grantees made satisfactory progress toward accomplishing their program purposes. Some small tribes made exceptional progress in accomplishing program objectives.

Area reports indicate that small tribes that lack funds for administration and receive very small self-determination grants, operate few or no programs and thus do not receive contract support or indirect cost funds. With no administrative staff, these tribes cannot establish the management or planning systems necessary to apply for contracts or grants. Core Management (CM) grants have filled this void and, as a consequence, generated considerable enthusiasm among leaders of small tribes and Bureau field staff. A majority of the recipient tribes made progress toward resolving financial management problems, developing management systems and/or addressing program operational deficiencies during the FY 1983 - FY 1985 program cycles.

A number of grantees accomplished exceptional results with relatively small grants in such administrative areas as establishing certified financial management systems, closing out contracts and grants, negotiating indirect cost rates, resolving audit problems, and improving program operations.

Overall program success in FY 1984 and FY 1985, according to area office monitoring/evaluation reports, was approximately 90 percent. That is, 9 out of 10 Core Management grantees made substantial progress in overcoming identifiable problems and/or improving their management/administrative capabilities.

Summary of FY 1985 Program Accomplishments: The data listed below covers approximately 60 percent of FY 1985 grantees based on monitoring and evaluation reports.

- Approximately 100 of 130 grantees have improved the administration and operation of all tribal programs.
- 95 of 130 grantees are considered to have been fully successful in performing grant objectives; the remaining grantees were partially successful or made progress toward their objectives.
- 146 contract and grant close outs, along with 75 audits, were accomplished in FY 1985.
- Most grantees developed personnel and property control systems in FY 1985.
- Tribal member employment has increased in excess of 215 new hires, not including core management staffing, as a result of achieving grant objectives, as reported by 64 grantees in FY 1985.

The FY 1986 program is largely a continuation of the FY 1984 - FY 1985 program. One hundred renewal and 30 new grants currently have been awarded in FY 1986. Tribes receiving renewal grants have solidified gains made in FY 1984 - FY 1985 and, in most instances, expanded on management improvement objectives for FY 1986. According to area monitoring and evaluation reports, small tribes made substantial progress toward improving program operations, as well as strengthening administrative functions and concentrating on grantsmanship.

Workload Data (estimated participation): The FY 1987 grants awarded under this program will require no additional Bureau staff; present agency and area office personnel will administer and monitor the program.

	<u>Estimated Number</u>	<u>Estimated Avg. Cost</u>	<u>Estimated Total Cost</u>
Small Tribe Consortium (Individual population of less than 400 persons)	14	\$65,000	\$ 910,000
Tribal Participants (Individual grants to tribes with populations 400 to 1,500 as well as tribes receiving grants under the exceptions @ \$278.22)	116	\$30,928	\$3,590,000

Decrease from FY 1987 Base:

<u>Program</u>	(dollars in thousands)		
	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Small Tribes Core Management	\$ 4,500 (FTE) (--)	2,821 (--)	-1,679 (--)

Small Tribes Core Management (-\$1,679,000; FTE 0): This decrease in funding to Small Tribes Core Management program reflects the Bureau's awarding of grants to small tribes at "maintenance" levels and the phase out of the program in the Juneau Area (-\$679,000). The Juneau Area will rely on the self-determination grant program to assist Alaska Natives. Nationwide, the program is being phased down as envisioned with the introduction of the program. The Alaska reduction reflects discontinuation of a waiver from existing regulations which has permitted the use of part of these funds to assist corporations organized under the Alaska Native Claims Settlement Act. Native corporations will no longer be served by this program. The funding requested allows the Bureau to continue to operate the program for small tribes at the "maintenance" level, as the Core Management program is accomplishing its stated purpose in a cost-effective manner. The Bureau has determined that program participants have made exceptional progress toward the improvement of their management and operation of programs. Furthermore, many tribes are now entering contracts with the Bureau where they did not prior to the inception of the program and are also successfully applying for grants from other Federal agencies.

Under the proposed FY 1987 funding level, area offices may adjust the program by awarding fewer grants, reducing the level of individual grants, or a combination of reducing the number of grants, as well as the funding level of grants.

Object Class Distribution - Small Tribes Core Management Program

	<u>Amount</u>
Grants, Subsidies, and Contributions.....	-\$1,679,000 =====

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Navajo-Hopi Settlement Program

Program Element	(dollars in thousands)				
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp	FY 1987 Base	FY 1987 Estimate	Inc. (+) Dec. (-) From Base
Navajo-Hopi Settlement Program	\$ 2,931 (FTE) (63)		2,931 (63)	2,931 (63)	--- (--)
Total Requirements	\$ 2,931 (FTE) (63)	2,805 (63)	2,931 (63)	2,931 (63)	--- (--)

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted to Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp
Navajo-Hopi Settlement Program	\$ 2,931	- 126	2,805

As a result of the P.L. 99-177 reduction, one range water development and water storage facility will be eliminated.

Authorization: The Act of December 22, 1974 (P.L. 93-531, 88 Stat. 1712), and the Act of July 8, 1980 (P.L. 96-305, 94 Stat. 929), (The Navajo-Hopi Settlement Act of 1974, as amended in 1980).

Objective: To carry out provisions of the above-cited Acts which require the Secretary of the Interior to protect the rights of relocatees, to reduce stock to carrying capacity, and restore the management and grazing capacity of rangelands lying within the former Navajo-Hopi Joint Use Area.

Base Program (\$2,931,000; FTE 63): The initial stock reduction program of 160,000 sheep units has been completed on both the Navajo and Hopi Partitioned Lands. Most of the excess livestock now on Hopi Partitioned Lands (HPL) consists of livestock belonging to individuals involved in the court case Zee v. Watt, and trespass animals from outside the HPL. To keep the number of animals within the authorized carrying capacity, herd growth is limited. Trespass action is required on all livestock migrating into the area. Livestock control will continue in FY 1987. As a result of livestock reduction and range restoration of several areas on Hopi Partitioned Lands, the stocking rate has increased 145 percent over the 1973 stocking rate.

Range restoration and range development were initiated at a later date on Navajo Partitioned Lands. FY 1987 plans will emphasize range restoration, range development management units, and continued fencing of the exterior and interior boundaries. The Navajo Partitioned Lands Office is presently using existing funds to develop a livestock relocation plan to the newly acquired lands. The Navajo-Hopi Relocation Commission is coordinating the project to complete their overall plans for new lands.

The statute requires that all relocation activity be completed by July 6, 1986. However, there are still Navajo Indians to be relocated from Hopi land, although there are presently no Hopi Indians located on Navajo land. The FY 1986 appropriation language did not extend the July 6, 1986, deadline to relocate Navajos, but there is a stipulation that Navajos cannot be relocated until new housing is available. Sufficient new housing for all potential relocatees probably will not be available by July 6, 1986; therefore, as necessary grazing permits issued to eligible Navajo relocatees will be extended and the Hopi Partitioned Land Office will not be terminated until all Navajos are relocated. The rangeland restoration effort for Navajo and Hopi Partitioned Lands is only half completed because of court cases and decisions and operational problems in 1982 and 1983, and the relocation of Navajos. The FY 1987 funding level will provide for the partial completion of the restoration effort.

Activity Summary

(dollars in thousands)

Activity: Economic Development & Employment

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
Employment Development	25,504	26,698	25,550	3,099	2,593	(506)
Business Enterprise Development	20,924	13,775	13,183	10,474	11,643	1,169
Road Maintenance	21,890	23,069	22,077	319	314	(5)
Economic Dev./Empl. Contract Support	2,684	0	0	0	0	0
Total	71,002	63,542	60,810	13,892	14,550	658

EA-101

Justification of Program and Performance

Activity: Economic Development and Employment Programs
 Subactivity: Employment Development
 Element: Employment Assistance

<u>Program Elements</u>	(Dollar amounts in thousands)					Inc. (+) Dec. (-) From Base
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate		
A. Direct Employment	\$ 4,624 (FTE) (25)		378 (7)	393 (5)	+ 15 (-2)	
B. Adult Vocational Training	\$ 22,074 (FTE) (71)		2,721 (2)	2,200 (2)	-521 (--)	
Total Requirements	\$ 26,698 (FTE) (96)	25,550 (96)	3,099 (9)	2,593 (7)	-506 (-2)	

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.
Employment Development	\$ 26,698	- 1,148	25,550

As a result of the P.L. 99-177 reduction, there will be a reduction in providing technical assistance to Employment Assistance Contractors at the tribe/agency levels. The Bureau may also reduce job placement services and vocational training efforts, thereby reducing the number of individuals served.

A. Direct Employment

Area Office Operations	\$ 199 (FTE) (4)	104 (4)	119 (2)	+ 15 (-2)
Central Office Operations	\$ 175 (FTE) (3)	175 (3)	175 (3)	-- (--)
United Sioux Tribes Development Corporation	\$ 99 (FTE) (--)	99 (--)	99 (--)	-- (--)
Tribe/Agency Operations	\$ 4,151 (FTE) (18)	-- (--)	-- (--)	-- (--)

Authorization: Direct Employment - 42 Stat. 208.

Objective: To provide job placement assistance to Indians and Alaska Natives in order to promote economic self-sufficiency for tribal and Alaska Native people and their governments.

Base Program (\$378,000; FTE 7): Direct Employment (Job Placement) services are provided to members of federally recognized Indian tribes. This program assists those Indians who have an employable skills and need employment. The end result is to assist individual Indians to find, based on their level of skills, suitable employment.

The program funds are used for personnel and support services for staff at the area and central office levels and for services performed under a contract.

Area Office Operations (\$104,000; FTE 4): The staff is responsible for the development and operation of the Direct Employment (Job Placement) programs at the area level. This office provides technical assistance to tribes who are interested in contracting the program. They work closely with the agencies and tribes under their jurisdiction in the actual placement of program participants in training and employment.

Central Office Operations (\$175,000; FTE 3): The central office staff provides overall planning, technical supervision, and evaluation of the Direct Employment programs. They are responsible for establishing program direction and policy, regulations, and procedures for administration of Bureau-wide operations. The central office also provides indepth expertise and advice to the BIA at a national level and to the Bureau's top administrators, and performs liaison with other agencies at the national level.

United Sioux Tribes Development Corporation (\$99,000; FTE 0): USTDC provides job development in those fields of employment which permit the client to adopt a lifestyle consistent with his/her desires within the community as a whole. It also provides placement and follow-up services, including counseling services, which will enhance the client's opportunity to adjust in his/her new environment.

Increase from FY 1987 Base:

<u>Program</u>	<u>(dollars in thousands)</u>		
	<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Area Office Operations	\$ 104	119	+ 15
(FTE)	(4)	(2)	(-2)

Area Office Operations (+\$15,000; FTE -2): This increase is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in overhead funding which were made in FY 1983 through FY 1986.

B. Adult Vocational Training

(dollars in thousands)

		FY 1986 Enacted <u>To Date</u>	FY 1986 Adjusted <u>Approp.</u>	FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	Inc. (+) Dec. (-) <u>From Base</u>
Area Office Operations	\$	132		154	130	- 24
	(FTE)	(2)		(2)	(2)	(--)
Papago Tribe's Skill Center	\$	142		--	--	--
	(FTE)	(--)		(--)	(--)	(--)
United Tribes Educational Technical Center	\$	1,231		1,633	1,633	--
	(FTE)	(--)		(--)	(--)	(--)
Crownpoint Institute of Technology	\$	497		497	--	- 497
	(FTE)	(--)		(--)	(--)	(--)
National Indian Ironworkers Training Program	\$	437		437	437	--
	(FTE)	(--)		(--)	(--)	(--)
Tribe/Agency Operations	\$	19,635		--	--	--
	(FTE)	(69)		(--)	(--)	(--)

Authorization: Adult Vocational Training - P.L. 84-959 (70 Stat. 986) as amended by P.L. 88-230 (77 Stat. 471; 25 U.S.C. 309).

Objective: To provide adult vocational training to Indians and Alaska Natives in order to promote economic self-sufficiency for tribal and Alaska Native people and their governments.

Base Program (\$2,721,000; FTE 2): The adult vocational training program provides for vocational counseling or guidance, institutional training in any recognized vocation or trade, apprenticeship and on-the-job training.

Area Office Operations (\$154,000; FTE 2): The area office is responsible for the development and operation of the Adult Vocational Training program and works closely with the agencies and tribes under its jurisdiction in the actual placement of program participants in training.

Central Office Operations (\$0.0; FTE 0): The central office staff is funded from and shown under direct employment. The staff covers both programs. The staff provides overall planning, technical supervision, and evaluation of the AVT program. The staff also provides expert advice to management for policy, strategy, and decision making.

United Tribes Educational Technical Center (\$1,633,000; FTE 0): The United Tribes Educational Technical Center under contract with the Bureau provides the Indian applicant an opportunity for training in one of eleven vocational skills area, plus job placement assistance upon completion of training. The Center, through counseling and testing, assists the applicants in making a career choice. This career choice, in most instances, is in line with the manpower and skills need of the applicant's tribe.

Crownpoint Institute of Technology (\$497,000; FTE 0): This was a one-time grant to provide the Crownpoint Institute of Technology the opportunity to update the equipment used by the students for their vocational training, and to equip the library for full accreditation. Their institution offers 13 programs in vocational training to disadvantaged students living on or near the Navajo Reservation. It also provides job placement assistance upon completion of training. No funds are requested for FY 1987.

National Ironworkers Training Programs (\$437,000; FTE 0): This program provides an opportunity for the Indian participants to learn the ironworker trade. The program conducts three 14 week classes each year, with approximately 40 trainees in each class. Trainees receive classroom and shop instruction. Each graduate trainee is credited with one full-year of work experience toward his/her three years of apprenticeship training. Upon completion of training, the trainees are placed with a union near their home area. Between 1982 and 1984, 282 trainees completed the program and were placed in employment. After one year of placement, 95 percent have retained their employment.

Workload Data:

<u>Vocational Training Program</u>	<u>AVT Completions 1983 - 1985</u>	<u>% Placed in Employment</u>	<u>% Retained on-the-job After 1 Year*</u>
National Ironworkers Training Program	347	90	95
United Tribes Educational Technical Center	480	90	85

* Does not include FY 1985 participants. This group has not been on-the-job for one year.

Increase/Decrease from FY 1987 Base:

<u>Program</u>	<u>(dollars in thousands)</u>			<u>+/- Difference</u>
	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>		
Area Office Operations	\$ 154 (FTE) (2)	130 (2)		- 24 (--)
Crownpoint Institute of Technology	\$ 497 (FTE) (--)	-- (--)		- 497 (--)
Total	\$ 651 (FTE) (2)	130 (2)		- 521 (--)

Area Office Operations (-\$24,000; FTE 0): This decrease is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in overhead funding which were made in FY 1983 through FY 1986.

Crownpoint Institute of Technology (-\$497,000; FTE 0): This is a one-time grant to provide the Crownpoint Institute of Technology the opportunity to update the equipment used by the students for their vocational training, and to equip the library for full accreditation. Their institution offers 13 programs in vocational training to disadvantaged students living on or near the Navajo Reservation. It also provides job placement assistance upon completion of training.

Object Class Distribution - Employment Development Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	- 2	- 45,000
Personnel Benefits.....		- 5,000
Supplies and Materials.....		+ 41,000
Grants, Contributions & Subsidies.....		<u>- 497,000</u>
Total.....	- 2	<u>-\$506,000</u>
	=====	=====

Justification of Program and Performance

Activity:	Economic Development and Employment Programs
Subactivity:	Business Enterprise Development
Element:	Economic Development Grant Program

<u>Program Element</u>	(Dollar amount in thousands)				
	<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Economic Development					
Grant Program	\$ 7,922		7,432	8,500	+ 1,068
	(FTE) (--)		(--)	(--)	(--)
Total Requirements	\$ 7,922	7,582	7,432	8,500	+ 1,068
	(FTE) (--)	(--)	(--)	(--)	(--)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted To Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Business Enterprise Development (EDGP) \$	7,922	340	7,582

As a result of the P.L. 99-177 reduction, one tribal grant at an average cost of \$225,000 and five individual grants at an average cost of \$25,000 will not be made.

Authorization: 25 U.S.C. 1523 (The Indian Financing Act of 1974, as amended).

Objective: To provide conditional grants to Indian tribes and Indian individuals for the purpose of: (1) initiating business development of tribal resources; (2) encouraging non-Federal investment; (3) promoting sound business principles; (4) reducing tribal dependence on the Federal Government; and (5) promoting private sector development on reservations.

Base Program (\$7,432,000; FTE 0): Many Indian reservations lack a private sector economy in that they do not have the industries, retail outlets, financial institutions (banks, savings and loans, etc.), or private sector employers common to non-Indian communities. This lack of a private sector economy has contributed significantly to the high unemployment rate and low per capita income plaguing Indian reservations. Past economic development efforts to promote sound business development on reservations have had only limited success.

Previous Indian economic development was subsidized almost totally with Federal funds, with little or no involvement of the private sector. Furthermore, tribal contributions, which encourage entrepreneurial skills and insure successful business ventures, were not applied. This was partially the case because tribes have traditionally had difficulty in obtaining loans from private investment sources because of: (1) the unique trust status of tribal resources, limiting their use as collateral; (2) the lack of equity capital; (3) prior commitments of tribal funds; and (4) questions relating to ability of outside lenders and investors to enforce security rights in tribal, Federal, or State courts.

Notwithstanding these impediments, Indian tribes are becoming increasingly aware of the potential of their assets in land holdings, water, energy resources, minerals, forestry, oil, and natural gas and are desirous of developing them. Tribes and individuals are also interested in expanding into non-resource based business opportunities. To assist in this development, grant funds are used to attract non-Federal investments for economic development projects on or near reservations. The Economic Development Grant program began in FY 1983, with a budget of \$5 million, and was limited to tribes through FY 1985. In FY 1986 the program is being operated under the authority of the Indian Financing Act of 1974, and its 1984 amendments, and is open to individual Indian applicants as well. The major purposes of these Indian Business Development Grants are to: (a) provide equity capital for the establishment or expansion of locally chosen economic enterprises which generate income and employment opportunities for participating tribes; (b) serve as an inducement, when combined with a tribe's financial and other resources, to attract private sector investment capital for the development of a tribe's resources; and (c) reduce tribal dependence on the Federal Government over the long term through economic development projects which contribute to a stable private sector reservation economy.

Specific economic development activities to be financially assisted through this program are selected from proposals initiated and developed by Indian tribes or Indian individuals. Applications for Indian Business Development Grants are accepted only from tribes or individuals which are unable to meet their total financing needs from their own resources and/or by loans or equity investment from private, non-Federal sources. Tribes participating in this program must provide evidence of a stable tribal governmental structure ensuring continuity of the enterprise, through submission of records demonstrating fiscal responsibility and completion of a formal application. Indian individuals must also submit evidence of ability to effectively manage their businesses, such as business development plans, previous experience documentation, etc.

The role of Indian tribes in this program activity is: (1) to decide whether to seek development of their tribal resources and to determine the nature of the economic development suitable for their individual reservations; (2) to provide the basic services of local government; and (3) to foster an atmosphere of governmental stability that promotes confidence and attracts private sector capital. Individual Indians receiving grants are expected to create a positive influence on the economy of the reservation, in terms of jobs created or sustained, outside financing invested, and turnover of funds within the Indian community.

Credit and financing personnel handle the day-to-day oversight responsibility for approved grants. Agency credit officers are responsible for initial grant application review, with guidance, support and assistance provided by area offices. Agency superintendents monitor the program. Control at the central office level is administered through the Division of Financial Assistance in the Office of Indian Services. In FY 1983, FY 1984, and FY 1985, approximately 5% of the available funds were used for: (1) costs related to management and technical assistance contracts awarded to provide assistance for grantees to develop proposals; and (2) costs incurred by a review panel of business representatives from the private sector who performed impartial evaluations of grant proposals. The review panel ranks the applications, makes an analysis of feasibility, and lists specific needs for technical assistance. These funds are proposed for transfer to the credit and financing portion of the budget to cover technical assistance requirements under the Indian Financing Act.

Workload Data and Estimated Participation: Area Office credit personnel administer and monitor individual projects in their respective areas. Currently, at the central office, two staff members have overall responsibility for the grant program. Grant applications from individual Indians will significantly increase workloads of Bureau field staffs. Estimates for FY 1987 are as follows:

	<u>Number</u>	<u>Estimated Total Cost</u>
Economic Development Grants	130	\$7,432,000

At an average cost of about \$225,000, at least 16 grants out of an estimated 50 applications will be awarded to tribes in FY 1986, and 150 grants out of an estimated 300 applications will be awarded to individuals at an average cost of \$25,000. Based on the amount of private sector financing attracted by present projects, the Bureau anticipates that the \$7.4 million program will result in an additional \$30 to \$40 million in private capital investment in Indian economies.

	<u>FY 1984 Grants</u>	<u>FY 1985 Grants</u>
Number of applications received	30	34
Amount requested	\$ 9,337,074	\$ 10,587,942
Total project amounts	\$ 63,235,554	\$107,659,856
Number actual grants funded	16	16
Total amount awarded	\$ 4,686,588	\$ 4,715,020
Total project amounts	\$ 26,604,347	\$ 55,999,309

The number of applications for grants from tribes fell below the projected number during the first part of FY 1985. On this basis the Bureau requested a reprogramming of funds from this activity which was approved by Congress. However, in August 1985, eight additional grant requests, totaling over \$3.5 million, were received indicating a demand for the program more in line with original estimates. Seven of these grant applications were carried over to FY 1986.

In FY 1986, \$2.4 million will be allotted initially to the areas for individual grants. To date, all 12 areas are reporting high demands for applications, indicating the probability that funds will be obligated early in the fiscal year. Additionally, the total demand for individual grants is also anticipated to be significant. Adjustments to area allotments will be made during the year, based on demand and need for individual grants.

Increase from FY 1987 Base:

	(dollars in thousands)		
	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>+/- Difference</u>
Economic Development Grant Program	\$ 7,432	8,500	+ 1,068
(FTE)	(--)	(--)	(--)

Economic Development Grant Program (+\$1,068,000; FTE 0): This increase in funding will allow the Bureau to make three tribal grants at an average cost of \$225,000 and 16 individual grants at an average cost of \$25,000.

Object Class Distribution - Economic Development Grant Program

	<u>Amount</u>
Grants, Subsidies, and Contributions.....	+\$1,068,000 =====

Justification of Program and Performance

Activity: Economic Development and Employment Programs
 Subactivity: Business Enterprise Development
 Element: Credit and Financing

<u>Program Element</u>	(Dollar amounts in thousands)				
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc. (+) Dec. (-) From Base
Credit and Financing	\$ 4,970 (FTE) (99)		2,159 (33)	2,260 (36)	+ 101 (+3)
Total Requirements	\$ 4,970 (FTE) (99)	4,756 (99)	2,159 (33)	2,260 (36)	+ 101 (+3)

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.
Business Enterprise Development (C&F)	\$ 4,970	214	4,756

As a result of the P.L. 99-177 reduction, services to loan clientele will be reduced, cancellation of travel will be effected, and filling of all but the most critical vacancies will be delayed. Adjustments to accommodate the reduction in the area of loan servicing may cause delinquencies to rise. Processing of loan and grant applications may also be delayed due to staff shortages and increased workload.

Credit and Financing

Area Office Operations	\$ 863 (FTE) (22)	863 (22)	964 (25)	+ 101 (+3)
Central Office Operations	\$ 600 (FTE) (11)	600 (11)	600 (11)	-- (--)
Technical Assistance	\$ 206 (FTE) (--)	696 (--)	696 (--)	-- (--)
Tribe/Agency Operations	\$ 3,301 (FTE) (66)	-- (--)	-- (--)	-- (--)

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921).

Objective: To assist federally recognized Indian tribes, Indian organizations, Alaska Natives and individual Indians in developing and utilizing their resources to improve their economies through: (1) direct loans from the Revolving Fund for Loans; (2) guaranteed loans from the Loan Guaranty and Insurance Fund; and (3) assistance in obtaining financing from economic development program grants and other government and private sources.

Base Program (\$2,159,000; FTE 33): The majority of Indian reservations are economically depressed resulting in unemployment and lack of business. Indian reservations have not enjoyed the same opportunities for economic development as surrounding communities. Since Indian land is held in trust by the United States Government, Indian tribes cannot mortgage their trust land as security for loans. Also, because of the lack of State jurisdiction over most reservations and problems encountered with tribal court systems, private lenders are discouraged from making loans on reservations. To help alleviate this situation, the Congress has enacted legislation to provide financial assistance.

The 1934 Indian Reorganization Act is the earliest legislation enacted for this purpose. Two of the main provisions provided for: (1) Indian tribes to be organized as tribal governments; and (2) tribal governments to be allowed to become federally chartered business corporations. Other legislation has been enacted, the latest of which is the Indian Financing Act of 1974 and its 1984 amendments. Other programs authorized by Congress which are utilized to the greatest extent possible by both tribes and individual Indians are those administered by the Small Business Administration and the Farmers Home Administration.

Area Office Operations (\$863,000; FTE 22): The area offices, in coordination with the central office, oversee the general operations of the Revolving Fund for Loans, Loan Guaranty program, and Indian Business Development Program grants. Some of the area offices perform the functions of the agency offices where agency-level credit staff does not exist. These offices make, monitor, and collect the loans made under the loan programs. Direct loans to tribes up to \$250,000 and individual loans up to \$100,000 are approved at the area office level. All business development grants to individuals are approved at the area level. Also, area credit office personnel are usually responsible for the monitoring of P.L. 93-638 credit programs which have been contracted at the agency level, and offer guidance and assistance to those agencies with credit program officers.

Central Office Operations (\$600,000; FTE 11): The central office provides overall policy guidance, coordination, and supervision of lending/grant programs which are administered under the Indian Financing Act of 1984, including the Revolving Loan Fund, Indian Business Development Grants, and Guaranteed and Insured Loans. All direct tribal loans over \$250,000 and individual loans over \$100,000, guaranteed loans, and tribal business development grants are approved at the central office level. The central office also provides technical assistance designed to aid Indians in obtaining adequate capital for development of Indian resources. This includes assistance to obtain funds from conventional and government sources to finance Indian economic self-development, including loans for housing, education and Indian governmental purposes, and in the wise investments and use of their own monies for the same purposes. The staff negotiates subsidy provisions; performs financial counseling and analysis; and provides organizational, accounting, and management services. Further information on the operation of programs is contained in the Revolving Fund for Loans and Indian Loan Guaranty and Insurance Fund portion of the budget justification.

Technical Assistance (\$696,000; FTE 0): This program is to fund Buy-Indian contracts for services to tribes requiring help in developing business ventures which qualify for assistance under the Indian Financing Act. The \$490,000 transferred from the Economic Development Grant Program is used to assist potential and actual grantees in assessing their grant proposals, to finance travel relating to grant projects, and to fund private sector review of grant proposals in accordance with the Indian Financing Act and amendments.

Increase from FY 1987 Base:

<u>Program</u>	(dollars in thousands)		
	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$ 863 (FTE) (22)	964 (25)	+ 101 (+3)

Area Office Operations (+\$101,000; FTE +3): This increase in funding and FTE is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate funding decisions made in FY 1983 through FY 1986. The major portion of the increase will be distributed to Billings Area which will receive \$70,000 and additional two FTE and Eastern Area which will receive \$17,000 and one additional FTE.

Object Class Distribution - Credit and Financing Program

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+ 3	+\$ 75,000
Personnel Benefits (Civilian).....		+ 8,000
Travel and Transportation of Persons.....		+ 6,000
Transportation of Things.....		+ 10,000
Supplies and Materials.....		+ 2,000
 Total.....	 + 3 =====	 +\$101,000 =====

Justification of Program and Performance

Activity: Economic Development and Employment Programs
 Subactivity: Business Enterprise Development
 Element: Indian Arts and Crafts Board

		(Dollar amounts in thousands)				
<u>Program Element</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimated</u>	<u>Inc. (+) Dec. (-) from Base</u>
Indian Arts and Crafts Board	\$ (FTE)	883 (16)		883 (16)	883 (16)	--- (--)
Total Requirements	\$ (FTE)	883 (16)	845 (16)	883 (16)	883 (16)	--- (--)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted To Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Business Enterprise Development (IACB) \$	883	-38	845

As a result of the P.L. 99-177 reduction, purchases of American Indian artwork will be deferred, and travel for on-site consultation with Native museums will be reduced.

Authorization: P.L. 74-355 (25 U.S.C. 305), which created the Indian Arts and Crafts Board and specifies its powers.

Objective: To promote the development of Native American arts and crafts--the creative work of Indian, Eskimo, and Aleut people in order to improve the economic status of Native Americans, to ensure the continuing vitality of a valuable American heritage, and to:

- (1) increase Native American participation and control in the growing Native American fine arts and handicrafts business;
- (2) enable Native Americans to realize the full potential for employment and income from the demand for their creative work; and
- (3) assist Native American cultural leaders who are developing an institutional framework to support the preservation and evolution of tribal cultural activities.

Base Program (\$883,000; FTE 16): The Board is a unique arts agency whose activities are not duplicated in either the Federal or private sectors. It is the only Federal agency that is consistently and exclusively concerned with responding to the cultural needs of Native American people. The Board's policies are determined by its five commissioners, who serve without compensation. A professional staff is employed to carry out Board responsibilities. For administrative convenience, funds for Board expenses and staff are in the Bureau of Indian Affairs budget.

The Board provides business and personal professional advice, information, and promotion to Native American artists and craftsmen and their organizations. As an integral part of its professional services, the Board operates a coordinated system of three regional museums located in reservation areas.

These three museums are the Southern Plains Indian Museum, Anadarko, Oklahoma; the Sioux Indian Museum, Rapid City, South Dakota; and the Museum of the Plains Indian, Browning, Montana. The museums are cultural focal points for residents of the area; are primary vehicles for the delivery of services; and function as staging points for regional and national promotions.

Annual sales of Native American arts and handicrafts total several hundred million dollars, but Native American interests currently control only a small portion of this market. To support and expand those interests in FY 1987, the Board will promote Native American arts and crafts primarily through:

- over 200 Native-owned and operated craft marketing enterprises (an increase of 35% during the past three years);
- a consumer directory that is an established marketing link between these Native craft enterprises and the more than 100,000 consumers annually who request it;
- approximately 30 one-person sales exhibitions in the Board's museums;
- several group sales exhibitions of outstanding contemporary Native art work presented in the Board's museums and at other institutions through cooperative arrangements; and
- concentrated management advice to some 100 developing Native museums.

The Board focuses its efforts on those activities that most directly benefit Native American artists and craftsmen; however, it will continue to assist the National Endowment for the Arts, the Institute of Museum Services, the U.S. Information Agency, other government agencies, and the general public, who are substantial ancillary beneficiaries of the Board's information and museum activities. The Board answers over 10,000 written and telephone inquiries annually from the public.

Justification of Program and Performance

Activity: Economic Development and Employment Programs
 Subactivity: Road Maintenance

<u>Program Element</u>		(dollars in thousands)				Inc. (+) Dec. (-) From Base
		<u>FY 1986 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	
Road Maintenance	\$	23,069		319	314	- 5
	(FTE)	(388)		(2)	(2)	(--)
Total Requirements	\$	23,069	22,077	319	314	- 5
	(FTE)	(388)	(388)	(2)	(2)	(--)

Gramm-Rudman-Hollings Impact

		<u>FY 1986 Enacted To Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Road Maintenance	\$	23,069	- 992	22,077

The major impact of P.L. 99-177 reductions will be in Tribe/Agency funds, which cover actual road maintenance activities Bureau-wide. The Bureau's 27 agencies currently with low maintenance priorities may have to reconsider these maintenance efforts in order to continue to meet requirements of the Federal Highway Trust Fund for Construction authority. Adjustments will be made where necessary within the program to assure minimal maintenance in the spring, summer and fall.

Road Maintenance

Area Office Operations	\$	54	54	49	- 5
	(FTE)	(1)	(1)	(1)	(--)
Central Office Operations	\$	51	51	51	--
	(FTE)	(1)	(1)	(1)	(--)
Road "Sealing"	\$	214	214	214	--
	(FTE)	(--)	(--)	(--)	(--)
Tribe/Agency Operations	\$	22,750	--	--	--
	(FTE)	(386)	(--)	(--)	(--)

Authorization: 25 U.S.C. 318a, authorizes "material, equipment, supervision and engineering . . . in . . . maintenance of Indian reservation roads. . . ."

Objective: To repair and maintain 23,000 miles of public roads serving Indian reservations in order to promote safety and convenience for reservation residents, with particular emphasis on school bus routes and arterial highways. To protect the Government investment by preventing or repairing damage by rain and wind on 18,000 miles of roads on the Bureau system which were graded and surfaced under the Road Construction Program. To plan, schedule and provide maintenance repairs and service in accordance with the standards of the American Association of State Highway and Transportation Officials (AASHTO). To perform maintenance repairs and service in such a manner as to protect the environment of the reservation, adjacent lands, individual Indian lands, and to prevent premature failure of asphalt pavements constructed with Highway Trust Funds.

Base Program (\$319,000; FTE 2): Priorities and funding levels for road maintenance are set by tribal governments in consultation with Bureau administrators and engineers. Consideration is given to degree of use, public safety and convenience. On improved roads, an additional consideration is the preservation of the Government's investment in construction, since inadequate maintenance accelerates deterioration and increases road reconstruction costs. The replacement cost for approximately 18,000 miles of improved roads on the Bureau system is estimated to exceed \$2 billion.

Area Office Operations (\$54,000; FTE 1): Staff in area offices advise and assist agency road maintenance forces in repairing and maintaining 23,000 miles of public roads serving Indian reservations, with particular emphasis on school bus routes and arterial highways. Since it has been determined that these are activities directly related to agency operations, area personnel performing these functions are instructed to charge to the appropriate agency program.

Central Office Operations (\$51,000; FTE 1): Provides salary and expenses for a Maintenance Engineer who performs the tasks of updating BIA manuals and instructional materials for use by the Agencies; reviews Agency programs for compliance with regulations and policy; and compiles information for use of administrators in policy making and budget justification.

Road "Sealing" (\$214,000; FTE 0): Provides funds to those reservations needing to seal roads constructed with Highway Trust Funds (HTF) since FY 1983. The Surface Transportation Assistance Act of 1982 requires Federal Highway Administration (FHWA) disapproval of construction projects in jurisdictions failing properly to maintain HTF constructed roads. Formerly funded as "construction" in Interior budgets prior to FY 1983, road sealing is now defined as "maintenance" by FHWA and is ineligible for HTF. Interior funded pavements must either be sealed with agency maintenance funds, allowed to return to a gravel surface or reconstructed using HTF funds.

Decrease from FY 1987 Base:

<u>Program</u>	(dollars in thousands)		
	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$ 54 (FTE) (1)	49 (1)	- 5 (--)

Area Office Operations (-\$5,000; FTE 0): This decrease is a direct result of the application of the Indian Priority System (IPS). The IPS allows the Area Directors to establish program funding levels and to rank, in order of priority, program packages. In FY 1985, FY 1986, and FY 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in funding which were made in FY 1983 through FY 1986.

Object Class Distribution - Road Maintenance Program

	<u>Amount</u>
Supplies and Materials.....	<u><u>-\$ 5,000</u></u>

Activity Summary

 (dollars in thousands)

Activity: Natural Resources Development

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
Forestry & Agriculture	99,477	101,997	97,612	31,161	19,712	(11,449)
Minerals & Mining, Irrigation & Power	20,830	17,529	16,775	15,781	15,328	(453)
Natural Resources Dev. Contract Support	4,612	0	0	0	0	0
Rescission (Sec. 2901)	(818)	0	0	0	0	0
Total	124,101	119,526	114,387	46,942	35,040	(11,902)

BIS-118

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Forestry and Agriculture

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1986 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Natural Resources, General	\$ (FTE)	2,407 (5)		1,291 (5)	1,570 (5)	+279 (--)
B. Agriculture	\$ (FTE)	29,223 * (35)		8,935 * (35)	2,819 (36)	-6,116 (+1)
C. Forestry	\$ (FTE)	33,801 (438)		10,283 (265)	6,061 (265)	-4,222 (--)
D. Water Resources	\$ (FTE)	10,783 (--)		1,965 (--)	465 (--)	-1,500 (--)
E. Wildlife and Parks	\$ (FTE)	25,783 (43)		8,687 (43)	8,797 (43)	+110 (--)
Total Requirements	\$ (FTE)	101,997 * (521)	97,612 * (--)	31,161 (348)	19,712 (349)	-11,449 (+1)

Gramm-Rudman-Hollings Impact

		<u>FY 1986 Enacted to Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Forestry & Agriculture	\$	96,033 *	\$ -4,129	\$ 91,904
Emergency Hay Relief	\$	5,965	- 256	5,708
Total	\$	101,997	\$ -4,385	\$ 97,612

The result of P.L. 99-177 reductions would be in providing less effective program review and oversight for all programs in the Forestry and Agriculture sub-activity; reduce 638 contracting with tribes; delay the procurement of essential supplies and equipment resulting in lower production levels and decreasing tribal employment/economies; and scheduled maintenance and repairs would be severely hindered at all of the tribal fish hatcheries.

* Includes Emergency Hay relief.

A. Natural Resources, General

		<u>FY 1986</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Area Office	\$	243	243	274	+31
Operations:	(FTE)	(5)	(5)	(5)	(--)
 <u>Field Operations:</u>					
Indian Integrated Resources					
Information Program	\$	1,048	1,048	1,296	+248
	(FTE)	(--)	(--)	(--)	(--)
Tribe/Agency	\$	1,116	--	--	--
Operations:	(FTE)	(6)	(5)	(5)	(--)

Objective: To provide direction and support in the planning and management of renewable natural resources for those operations which span multi-resource disciplines in order to protect, inventory, manage, and develop Indian natural resources and to implement a systems approach to planning and management, using spatial data analysis, remote sensing, and automated cartography on 53 million acres of Indian lands held in trust by the United States.

Base Program (\$1,291,000; FTE 5):

Area Office Operations (\$243,000; FTE 5): This program provides funding for multidisciplinary activities not readily identified with one particular natural resource program. Assistant Area Directors, at some areas, who may direct several natural resources functions, are included in this program.

Indian Integrated Resources Information Program (IIRIP \$1,048,000; FTE 0): The Bureau has the responsibility to provide assistance in the management of Indian natural resources covering large land areas. An integral portion of this responsibility requires awareness of the resources which are available on these lands, to plan for their development, management and protection. The resources involved are water, wildlife, fish, agriculture, forestry, grazing and minerals. The Office of Trust Responsibilities (OTR) has initiated a Geographic Information System (GIS) that will acquire available data of different dates, location, accessibility, scale and other factors. The GIS will compile and analyze these data for use by the various programs responsible for the management of resources listed.

The funds are being utilized for data-base development on 33 reservations in the Aberdeen, Albuquerque, Billings, Phoenix and Portland Areas; providing GIS coordination; and training programs for tribe, agency, and area office personnel. These efforts will result in the development of at least seven data categories which will support all the OTR programs in integrated resource planning and development and will aid in obtaining the benefits of improved resources management, increased income and employment. Additional data categories will be added to the data-base as the BIA becomes more proficient in use of the GIS approach.

The increasing size and complexity characterizing the modern resource management organization has made the classical managerial functions of planning, organizing,

and controlling more difficult to execute. The GIS approach provides the basic essentials for accommodating the complexity of resource management. The concept of IIRIP uses spatial data analysis, remote sensing and existing BIA tabular data systems to provide a systematic approach to natural resources planning and management on Indian lands.

Workload Data: Results of actions supported by funding from Natural Resources, General are included under the appropriate Sub-Activity, i.e., Agriculture, Forestry, Water Resources, Wildlife and Parks, etc. Workload data includes assistance in establishing policy, regulations, and procedures; developing budget and financial planning; providing advice and counsel to tribes; and supporting, directing and overseeing administrative matters affecting Natural Resource programs.

The IIRIP provides Bureau and tribal resources managers accurate and timely information on the extent, distribution and quality of natural resources, to use in making realistic and effective resource management decisions. The program provides a working tool on a day-to-day basis for coordination of land productivity, capability, and ecological status and can be used to solve a single resource management problem, or to develop a total reservation plan. It provides a data base common to all resource managers, allowing them to integrate a variety of data from different sources.

Current uses of the program include: forest management planning at Hoopa; fisheries management planning at Tulalip; range management, land appraisal and lease payout at Fort Berthold; irrigation planning at Lower Brule and Crow Creek; wildlife management at the Bureau's interagency fire center at Boise; total reservation planning at Hopi; transportation road atlas updating, nationwide; and support of water negotiations, nationwide.

The following Areas currently have digital data bases in development: Portland (26); Albuquerque (4); Phoenix (9); Billings (2); Aberdeen (4); Sacramento (3); Minneapolis (1); and Navajo has made a commitment to development of a GIS program that is consistent with IIRIP.

There are presently available approximately 1,400 topographic maps (7.5 minute quadrangles) covering 53,000,000 acres of trust lands. It has been determined that these quadrangles at a scale of 1:24,000 are best suited for project level planning. Thematic data is being digitized at USFWS, BLM, USGS and BIA facilities. These thematic map layers consist of public land survey, hydrography, transportation, cultural features, ownership status, vegetation (timber type or range type), soil type and topography. Presently, 379 quadrangles have been completed with an additional 136 quadrangles to be completed in FY 1985, 150 in FY 1986, and 240 in FY 1987.

Increase from FY 1987 Base:

(Dollar amounts in thousands)

		FY 1987 Base	FY 1987 Estimate	Difference
Area Office Direct	\$	243	274	+31
Operations:	(FTE)	(5)	(5)	(--)
Indian Integrated Resources	\$	1,048	1,296	+ 248
Information Program	(FTE)	(--)	(--)	(--)
Total	\$			+ 279

Area Office Direct Operations (+\$31,000; FTE 0): All increases/decreases at Area Offices are the direct result of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank program packages in order of priority.

In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in funding which were made in fiscal years 1983, 1984, 1985 and 1986.

Indian Integrated Resources Information Program (+\$248,000; FTE 0): The estimated distribution of the increase of \$248,000 is as follows:

\$ 141,000	Data base construction of additional quadrangles.
10,000	Training of resource personnel (Foresters, range conservationists, realty specialists, etc.).
52,000	Completion of a regional-wide data base,
<u>45,000</u>	Applications development.
\$ 248,000		

The increase, together with the \$500,000 of funds requested in ADP Services for equipment, will permit the completion of an additional 90 quadrangles, training of 70 resource personnel (i.e., agency foresters, range conservationists, realty specialists, etc.) and provide for a more complete national level data base to be used for policy direction and management of the Bureau resources. This increase in data base development will bring 100 reservations on line, with automated data bases for the day-to-day planning and management of the trust resources. These automated data bases will also provide the inputs into total reservation planning needed for economic development of the reservation. These data bases on a regional/national scale will assist in determining what percentages of total. The Indian resource base has for such national issues as timber supply, energy/ mineral reserves, range and forage production, and agriculture production.

The program can be used to show actual land use versus proposed land uses. Archeological finds can be superimposed over a proposed resource management opportunities map for mitigating archeological impacts. The program provides habitat typing for wildlife management; can show reservation insect infestation and changes over time; and can provide information on fire occurrence, density, slope and vegetative types in fire management. It is used in range management, woodland inventory, and for mapping of resources potential.

The variety and accessibility of services that this program can provide to all resource programs of the Bureau impact on improving trustee management to the benefit of all bureau offices and all tribes. These accomplishments can be managed at this level of funding for only a few years, after which the funding can be reduced to a maintenance level to continue staff services and ongoing operations.

If the program is held at this proposed level, the rigorous initial activities of obtaining equipment and providing training can be accomplished in approximately four years, after which the program funding could be reduced by half, and those funds redirected to other Bureau programs.

The Bureau currently utilizes cooperative and interagency agreements to accomplish GIS and remote sensing activities, with FWS, USGS, and BLM; and participates with other DOI agencies and committees, coordinating to assure

a unified/standardized system throughout, and a mechanism for data transfer. The program provides assistance Bureauwide in the protection and management of Indian natural resources and encourages greater opportunity for tribes to develop their reservation economies.

B. Agriculture

		FY 1986 Enacted <u>To Date</u>	FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	Inc.(+) Dec.(-) <u>From Base</u>
Area Office	\$	1,140	1,174	1,136	-38
Operations:	(FTE)	(30)	(30)	(31)	(+1)
Central Office	\$	297	297	297	--
Operations:	(FTE)	(5)	(5)	(5)	(--)
<u>Field Operations:</u>					
Prairie Dog	\$	1,500	1,500	1,386	-114
Control	(FTE)	(--)	(--)	(--)	(--)
Emergency Hay	\$	5,964	5,964	--	-5,964
Relief	(FTE)	(--)	(--)	(--)	(--)
Tribe/Agency	\$	20,322	--	--	--
Operations:	(FTE)	(441)	(--)	(--)	(--)

Objective: To protect, conserve, restore, improve and enhance the agronomic and range resource values of Indian lands; preserve the land in a perpetually productive state to ensure continuous production; develop the renewable resources to provide income and employment to Indians; regulate water runoff and minimize soil erosion; preserve and develop other values, such as wildlife and recreation; provide technical assistance to Indian farmers and ranchers; and assist Indian landowners in leasing their farmland and rangeland for the highest economic return, consistent with prudent management and conservation practices.

Base Program (\$8,935,000; FTE 35): The Agriculture and Range program provides technical assistance of a kind that will encourage and motivate increased use of agricultural resources by Indians and bring about improved management activities. Multiple-use program planning and technical assistance are designed to: protect the renewable natural resources against erosion and soil deterioration; restore eroded and depleted areas; stabilize runoff and protect sediment on land areas; improve cover with adapted crop species on farmland, forest, pasture and rangeland; and retain water for farm and ranch use and water management. These accomplishments can only be made through implementation of modern inventory and management techniques designed to interpret and determine potential for present and future use of the resources.

The Bureau's basic Agriculture and Range program has not changed appreciably over the past 30 years. However, tribal goals and objectives have changed on many reservations. To identify current tribal goals and objectives, the Bureau proposes to review agriculture program policy, identify problem areas and propose policy changes to enhance delivery of services to tribes, landowners and land users.

Within the Bureau, management of agronomic and range resources is decentralized, with professional staff located at 11 Area Offices and 76 Agency Offices in 26 States, providing technical assistance to 284 Indian reservations encompassing over 52 million acres. Agriculture and Range staff also provide technical assistance, support and resources to develop and implement the wildlife and parks program on the reservations. The staff initiates environmental reviews for trust lands, except forested land, and reviews all environmental assessments completed by other agencies.

Central Office Operations (\$297,000; FTE 5): The Central Office provides staff assistance and advice to the Director, Office of Trust Responsibilities in matters relating to establishment of program standards, policy and procedures for the Bureauwide Agriculture and Range programs which include: agriculture, range, and soil and moisture conservation. This staff provides advice for all activities related to the planning, management, conservation, development and utilization of the Indians' soil, water, and rangeland resources; administers the Bureau's pesticide, herbicide and animal damage control program on Indian lands; and directs the Bureau's flood plains management program. They maintain liaison and close working relations with other Federal agencies, and Area and Agency officials on matters affecting Indian renewable natural resources. These staff also provide budget planning and development for all of these activities as well as assistance to Area Office staff in carrying out oversight and program review functions for the Assistant Secretary-Indian Affairs.

Area Office Operations (\$1,174,000; FTE 30): The Area Offices are responsible for implementing policy and procedures for the Agriculture and Range programs. Program staff provide assistance and advice to the Area Director on matters relating to planning, management, conservation, development and utilization of Indian soil, water and rangeland resources; administer pesticide programs on Indian lands and direct the flood plains management program. Technical assistance is provided for establishing and overseeing grants or contracts under P.L. 93-638.

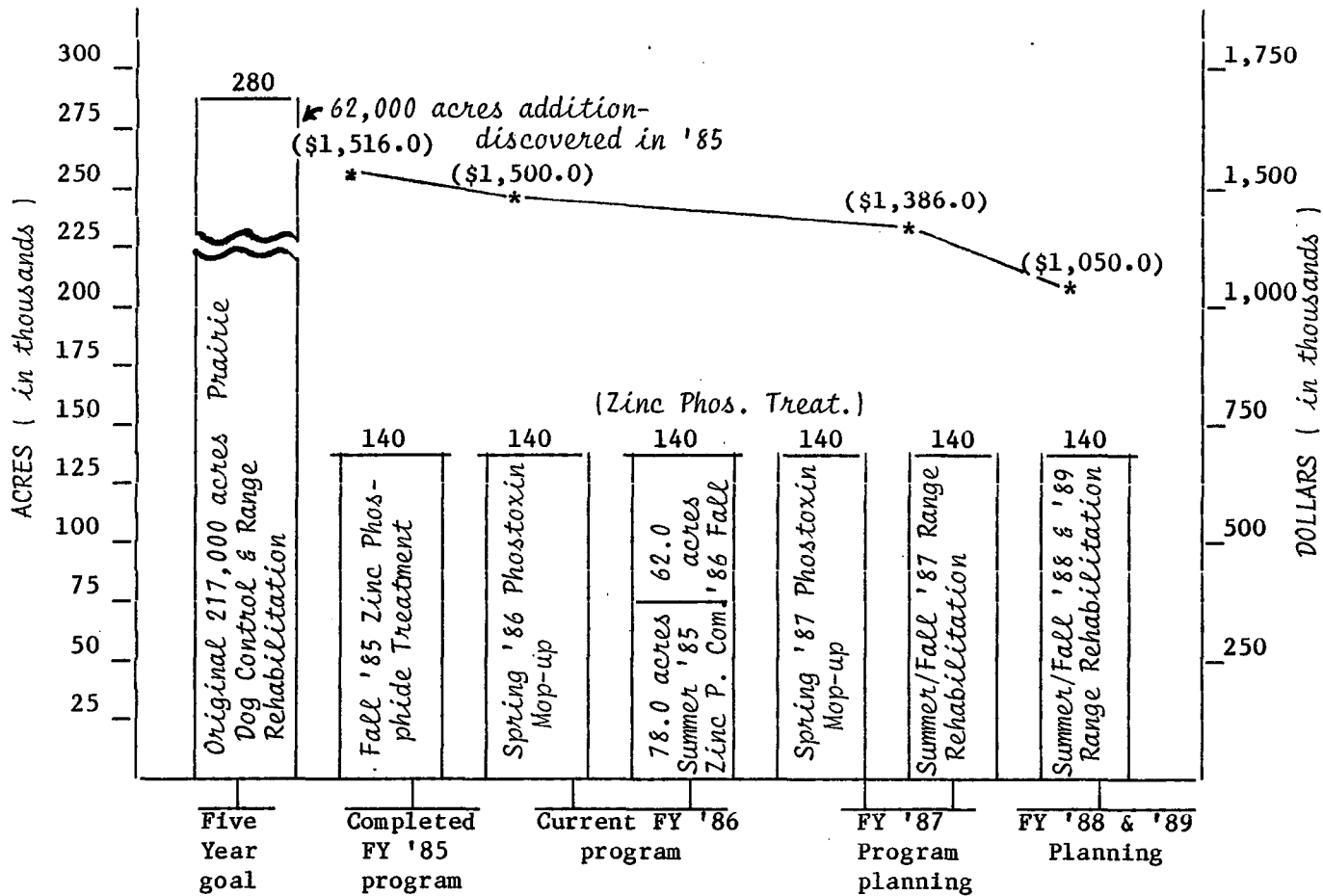
Field Operations (\$7,464,000; FTE 0):

Prairie Dog Control (\$1,500,000; FTE 0): A Five-Year Plan was initiated in FY 1985 to control prairie dogs on the Pine Ridge Indian Reservation, as stipulated by the U.S. Federal Court for the District of South Dakota (Civil No. 80-5070). The plan calls for a combination of prairie dog control and range rehabilitation. During FY 1986, the prairie dog control program on the Pine Ridge Indian Reservation will result in treatment of an additional 140,000 acres. The program will include range restoration and rehabilitation of land previously treated in 1985. The FY 1987 program will involve the use of the best available technology to improve soil and water retention in areas cleared of prairie dogs, in preparation for range rehabilitation and improvement.

In FY 1987, the Prairie Dog Control program will be in the consolidation phase of the five-year plan, which began in FY 1985. FY 1987 funds will be spent for control purposes (\$1,230,000), plus \$156,000 for the initial phase of range rehabilitation. This phase will involve the application of zinc phosphide bait on the remaining 62,000 acres of the infested acres and a mop-up program in areas cleared of prairie dogs in FY 1985 and FY 1986. The treatment will conclude the reservation-wide control effort, and begin the range restoration or "maintenance phase" of the five-year plan.

The following chart illustrates the status of the prairie dog control program on the Pine Ridge reservation.

STATUS OF THE PRAIRIE DOG CONTROL PROGRAM, PINE RIDGE RESERV.



--January '86

Emergency Hay Relief (\$5,964,000; FTE 0): This appropriation was included in Public Law 99-190 enacted December 19, 1985. The funds were used for the purchase and transportation of hay for Indian subsistence livestock in Montana, North Dakota and South Dakota. The Act provided for specific deadlines and conditions, and a report to be submitted to Congress by September 1, 1986. All available funds were obligated by January 18, 1986, and are to be expended by March 15. It is anticipated that an initial report to be received by February 5, 1986, with weekly status reports to be submitted thereafter, will maintain effective and complete monitoring of the funds for the intended purpose.

Decrease from 1987 Base:

(Dollar amounts in thousands)

Program

		FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	<u>Difference</u>
B. Agriculture				
Area Office Operations:	\$ (FTE)	1,174 (30)	1,136 (31)	-38 (+1)
Prairie Dog Control	\$ (FTE)	1,500 (--)	1,386 (--)	-114 (--)
Emergency Hay Relief	\$ (FTE)	5,964 (--)	-- (--)	-5,964 (--)
Total	\$ (FTE)			6,116 (+1)

Area Office Operations (-\$38,000; FTE +1): All increases/decreases at Area Offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank, in order of priority, program packages. In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in funding which were made in Fiscal Years 1983, 1984, 1985 and 1986.

Prairie Dog Control (-\$114,000; FTE 0): The funding decrease in Prairie Dog Control is the result of completing the active control poisoning effort and the reduced cost of mopping-up in those areas.

Emergency Hay Relief (-\$5,964,000; FTE 0): The emergency hay relief funding was a one-time program in FY 1986.

C. Forestry and Fire Suppression Equipment

		<u>FY 1986</u> <u>Enacted</u> <u>To Date</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(+)</u> <u>From Base</u>
Area Office	\$	1,268	1,725	1,668	-57
Operations:	(FTE)	(19)	(41)	(41)	(--)
Central Office	\$	649	1,193	1,193	--
Operations:	(FTE)	(22)	(27)	(27)	(--)
<u>Field Operations:</u>					
Forest Development	\$	8,150	5,750	2,000	-3,750
	(FTE)	(--)	(--)	(--)	(--)
Timber Sale	\$	5,700	--	--	--
Administration	(FTE)	(200)	(--)	(--)	(--)
Forest Invent./Plans	\$	1,200	1,200	1,200	--
	(FTE)	(--)	(--)	(--)	(--)
Fire Suppression	\$	415	415	--	-415
Equipment	(FTE)	(--)	(--)	(--)	(--)
Fire Suppression	\$	--	--	--	--
	(FTE)	(197)	(197)	(197)	(--)
Tribe/Agency	\$	16,419	--	--	--
Operations:	(FTE)	(461)	(--)	(--)	(--)

Authorization: The Federal Government has a trust responsibility to provide forest management under the principles of sustained yield and to protect Indian forest lands. This trust responsibility is stated in treaties with individual tribes, and in Federal legislation, particularly 25 U.S.C. 406 and 407 (The Act of June 25, 1910); 25 U.S.C. 466 (The Indian Reorganization Act of June 18, 1934); and 18 U.S.C. 1853, 1855 and 1856. It has been reiterated and supported by numerous legal decisions from Federal courts, up to and including the Supreme Court.

Objective: The principal objective of the forestry program is to maximize forest productivity (increase board foot growth per acre, per year) to sustained yield levels through state-of-the-art forest management practices to achieve the resulting benefit of returning to the Indian owners maximum income and employment from the utilization of their forest resources.

Base Program (\$10,283,000; FTE 265):

Area Office Operations (\$1,725,000; FTE 41): Execution of the forestry program involves the planning and scheduling of Area-wide forestry activities, exercise of program oversight to ensure that regulatory and policy requirements are followed, and that technical standards of sound forest management are upheld. In carrying out the technical and administrative activities of the forestry program,

active working relationships are maintained with other governmental and private organizations concerned with forestry problems of mutual interest.

Technical functions include the formulation and implementation of policies for the activities of appraisal and sale of timber, preparation and revision of multi-use management plans for the forest land base, forest inventories and subsequent analysis of inventory data, forest improvement projects and forest protection.

Central Office Operations (\$1,193,000; FTE 27): The function and role of the Forestry program is to protect and develop the forest resources of Indian trust property. In areas of program administration, procedures, delegations of authority and manual directives controlling the Bureau's forestry operations are developed, reviewed and kept current. Legislation is prepared and reports on legislation are drafted to facilitate management of Indian forest resources. Staff assistance is provided in preparing budget justifications and backup information for Congressional appropriations and other hearings.

In carrying out the technical and administrative activities of the forestry program, active working relationships are maintained with other governmental and private organizations concerned with forestry problems of mutual interest. These funds include support for the Forestry Intern Program, oversight and management of the aviation program, and forest and range fire protection and suppression efforts.

Field Operations (\$7,365,000; FTE 197):

Forest Development (\$5,750,000; FTE 0): Funds are allocated and monitored by the Central Office, through the Area Offices, and are expended on Indian forest land as silvicultural treatments or other forest development practices, primarily by means of tribal contracting mechanisms. The Forest Development Program includes all activities of reforestation and timber stand improvement necessary to properly manage the commercial Indian forest for sustained yield of desired forest products. Activities conducted in this program are: site preparations, seed/cone collection, planting, greenhouse operations, protection of young forest stands, pre-commercial thinning, fertilization, weeding, release, and species conversion. These activities include all the scheduled periodic silvicultural treatments applied to a forest to bring a forest to commercial size quality. Through intensive forest development practices, allowable annual cuts may be increased, and improved forest products may be presented for sale, bringing higher profits to the individual Indians and tribal landowners.

Forest Inventories/Plans (\$1,200,000; FTE 0): These funds are to implement a portion of a plan for completion of backlogged inventories and plans. Funds are allocated and monitored by the Central Office, through the Area Offices, and are expended on inventory projects according to the priority schedules set by the December 31, 1983, "Status of Inventories and Needs Assessment." That report is a schedule for completion of forest information segments which, when combined with social, economic and historical factors and considerations of the tribes, builds a forest management plan for the reservation. These segments encompass aerial photography, mapping, field forest management inventories, re-inventories, growth studies, allowable annual cut calculations, and all aspects of the development, preparation and/or revision of multiple-use forest management plans, including inventory analysis, environmental assessment and forest history.

Fire Suppression Equipment (\$415,000; FTE 0): These funds will be used to update and replace unsafe and inefficient equipment, standardize equipment and develop an orderly replacement schedule. In accordance with the priority

schedule, unsafe and inefficient equipment was proposed for replacement in FY 1986, in the Billings, Phoenix, and Minneapolis Areas.

Fire Suppression (\$000; FTE 197): The funding for these FTE are transferred from no-year funds from within the Department and/or Bureau. FY 1987 is the actual year these FTE will be used.

Workload Data: There is an inter-relationship between all forestry program activities so that banded and non-banded workloads cannot be precisely delineated. Workload is generally categorized as follows:

		<u>Estimate FY 1985</u>	<u>Estimate FY 1986</u>
Allowable annual cut	(MBM)	1,020,000	1,020,000
Reforestation completed	(acres)	20,000	17,000
Timber Stand Improvement completed	(acres)	40,000	34,000
Volume of timber harvested	(MBM)	660,000	660,000
Value of timber harvested	(\$)	48,000,000	50,000,000
Timber sales volume offered	(MBM)	800,000	700,000
Timber sales contracts supervised	(No.)*	200	200
Forest products permits issued	(No.)*	6,000	6,000
Forest and range area protected	(acres)	59,314,800	59,314,800
Number of fires suppressed (calendar-year figures)	(No.)	3,250	3,250
Acres burned - forest/non-forest		70,000	70,000
Employment generated (direct, indirect and induced)	(MY)	9,900	9,900
Employment generated income	(\$)	163,000,000	163,000,000
Timber Cruises for Appraisal purposes	(No.)	315	315
Forest Inventories and Plans **		9	7.5

* Previously, all sales and permits were reported. This shows those on which there is or may be current activity. SOURCE: FY 1983 Annual Forestry Report.

** These are estimated inventory and planning segments that will be accomplished during the year, such as field inventory, mapping, management planning, histories, etc. (See Figure B for additional details).

Increase from FY 1987 Base:

(Dollar amounts in thousands)

<u>Program</u>		FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	<u>Difference</u>
C. <u>Forestry</u>				
Area Office Operations:	\$ (FTE)	1,725 (41)	1,668 (41)	-57 (--)
Forest Development	\$ (FTE)	5,750 (--)	2,000 (--)	-3,750 (--)
Fire Suppression Equipment	\$ (FTE)	415 (197)	-- (197)	-415 (--)
Total	\$ (FTE)	7,890 (238)	3,668 (238)	-4,222 (--)

Area Office Operations (-\$57,000; FTE 0): All increases/decreases at Area Offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank, in order of priority, program packages.

In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the significant reductions in funding which were made in Fiscal Years 1983, 1984, 1985 and 1986.

Forest Development (-\$3,750,000; FTE 0): The reduction in funding will have the near term effect of reducing field capability (contracting and employment) in thinning and reforestation. This will proportionately extend the target date to eliminate the forest development backlog of record at the beginning of the program in FY 1977. However, considerable funding for forest development is budgeted under the Tribe/Agency Operations program.

Fire Suppression/Capitalized Equipment (-\$415,000; FTE 0): In lieu of these funds proposed in FY 1986 for the orderly replacement of unsafe and inefficient equipment, the Bureau will continue the procedures of the past, i.e., replacing equipment as rapidly as resources may permit within the funds available in the regular Tribe/Agency Forestry program.

D. Water Resources

		<u>FY 1986</u> <u>Enacted</u> <u>To Date</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From Base</u>
Central Office	\$	465	465	465	--
Operations:	(FTE)	(--)	(--)	(--)	(--)
<u>Field Operations:</u>					
Water Mgmt. & Development	\$	8,753	1,500	--	-1,500
	(FTE)	(--)	(--)	(--)	(--)
Tribe/Agency Operations:	\$	1,565	--	--	--
	(FTE)	(6)	(--)	(--)	(--)

Objectives: The objectives of the Water Resources program are to conduct technical studies on Indian reservations for the purposes of assisting tribes in developing comprehensive guides for the orderly development of water resources; and to assist Indians in conserving, developing and using their water resources.

Base Program (\$1,965,000; FTE 0):

Central Office Operations (\$465,000; FTE 0): Provides the Bureau, Department, and Tribes with analyses and evaluations of water resource studies and managerial services in water planning. Emphasis is on policy initiatives, dealing with funding allocations, establishment of reporting systems, maintaining liaison and coordination with other segments of the Department and with other federal agencies, proposing regulations and procedures for operation of the programs, and development of contract specifications and memorandums of agreement, as appropriate, in advancement of the program.

Water Management and Development (\$1,500,000; FTE 0): In 1978, in response to the perceived need to find a more efficient way to address the explosive growth in conflicts involving Indian water rights, a plan to review Indian water claims was initiated; it was completed in 1980. Under the plan, initial efforts were to obtain information and identify both present and future water requirements of Indian tribes necessary to ensure the maintenance of permanent and productive tribal homelands. A primary purpose of this plan was to prepare Indian tribes for water claims settlements. The plan also envisioned the use of the information collected to be used for water development and management purposes.

This activity allows tribes to engage in functions necessary to develop and put tribal water to beneficial use. These functions may be contractible under PL 93-638 and might include, for example, further development of agricultural or stock water ponds; monitoring water quality or instream flows, etc.

Indian tribes engaged in water policy implementation activities would utilize the information and data collected under the aforementioned plans as a basis for further development and management of tribal water resources.

The successful implementation of the Water Resources Program is dependent, in large measure, on the ability of the professional staff to produce and enforce analytical guidelines of fixed criteria of reservation water plans,

to monitor contractor performance, assure active consultation with tribes, and to review and approve final products. It is anticipated that six water development plans may be completed with these funds in FY 1986.

(The FY 1987 program reflects the transfer of the water claims resolution portion of the former Water Policy Implementation program, to a new line item in the Rights Protection Activity, entitled Water Rights Negotiation/Litigation.)

Decrease from FY 1987 Base:

<u>Field Operations:</u>		FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	<u>Difference</u>
Water Management & Development	\$ (FTE)	1,500 (--)	-- (--)	-1,500 (--)

Water Management and Development (-\$1,500,000; FTE 0): The major portion of this program was transferred to the new, combined Water Rights Negotiation/Litigation program in the Indian Rights Protection part of the budget. A balance of \$1.5 million, intended for water planning and development use by tribes as anticipated in the original Water Policy/Implementation Plan, is in the FY 1987 Base program. The \$1.5 million has been deleted in FY 1987 because of non-availability of funds for developing active water use and therefore no immediate need for water development planning funds.

E. Wildlife and Parks

		FY 1986 Enacted <u>To Date</u>	FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	Inc. (+) Dec. (-) <u>From Base</u>
Central Office	\$	445	445	445	--
Operations:	(FTE)	(2)	(2)	(2)	(--)
<u>Field Operations:</u>					
Special Fish					
Mgmt. Programs	\$	12,895	6,123	6,303	+180
	(FTE)	(--)	(--)	(--)	(--)
Fish Hatchery					
Operations	\$	4,711	347	--	-347
	(FTE)	(--)	(--)	(--)	(--)
Former USFWS					
Hatcheries	\$	453	--	--	--
	(FTE)	(41)	(--)	(--)	(--)
Other Fish and					
Wildlife Mgmt.	\$	2,860	710	710	--
	(FTE)	(--)	(--)	(--)	(--)
FWS Technical					
Assistance	\$	--	1,062	1,339	+277
	(FTE)	(--)	(41)	(41)	(--)
Tribe/Agency					
Operations:	\$	4,419	--	--	--
	(FTE)	(16)	(--)	(--)	(--)

Authorization: Treaties between Indian tribes and the Federal Government, protected by Article VI of the U.S. Constitution, form the foundation of the Federal Government's trust responsibility for protecting treaty rights, including the right to utilize fish and wildlife resources. Through numerous court interpretations of Indian treaties, e.g., U.S. v. Oregon, U.S. v. Washington, and Lac Courte Oreilles v. Voight, tribes are obligated or mandated to take various actions necessary for the management, conservation and enhancement of fish and wildlife resources.

The Snyder Act of 1921 (42 Stat. 208; 25 U.S.C. 13), as broadened by the Indian Reorganization Act of 1934 (48 Stat. 948; 25 U.S.C. 461 et seq.) and the Indian Self Determination and Education Assistance Act of 1975 (188 Stat. 2203; 25 U.S.C. 450), provide basic authority for the Secretary of the Interior to provide services to federally-recognized Indian tribes. Other authorities include the negotiated settlement of the U.S. v. Michigan case (Entry of Consent Order M26-73-CA' 1985), the U.S.-Canada Pacific Salmon Treaty Act of 1985 (99 Stat. 7; P.L. 99-5), the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3101; 94 Stat. 2371), the American Indian Religious Freedom Act of 1978 (45 U.S.C. 1946), the Anadromous Fish Conservation Act of 1965 (16 U.S.C. 757; 79 Stat. 1125), the Bald Eagle Act of 1940 (16 U.S.C. 668; 54 Stat. 250), the Black Bass Act of 1926 (16 U.S.C. 851; 44 Stat. 576), the Endangered Species Act (16 U.S.C. 1531; 87 Stat. 884), the Fish and Wildlife Coordination Act of 1934 (16 U.S.C. 661;

48 Stat. 401), the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801; 90 Stat. 3310), the Great Lakes Fishery Act of 1956 (16 U.S.C. 931; 70 Stat. 242), the Lacey Act of 1900 (16 U.S.C. 701; 31 Stat. 187; 32 Stat. 285), the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361; 86 Stat. 1027), the Migratory Bird Conservation Act of 1929 (16 U.S.C. 715; 45 Stat. 1222), the National Environmental Policy Act of 1969 (42 U.S.C. 4321; 83 Stat. 852), the Pacific Northwest Electric Power Planning and Conservation Act of 1980 (16 U.S.C. 839), and the Salmon and Steelhead Conservation Act of 1980 (16 U.S.C. 3301; 94 Stat. 3275).

Objectives:

The goal of the Fish, Wildlife and Recreation Program is to fulfill and execute the Federal Government's trust responsibility relating to fish, wildlife and recreational resources that are important to the sustenance, cultural enrichment and economic support of Indians, including protection of Indian hunting and fishing rights, and the conservation, development and utilization of these resources for the maximum benefit of Indians, now and in the future. This goal is addressed by focusing program resources in four primary areas:

- ° Protection of hunting, fishing, and gathering rights guaranteed to federally-recognized tribes by the United States through treaty, statute or Executive Order, including providing for the fulfillment of tribal co-management responsibilities associated with the exercise of such rights.
- ° Development of full tribal capability in the management of fish, wildlife and recreational resource programs through tribal contracting.
- ° Development and maintenance of a dynamic administrative environment which assures that fish, wildlife and recreational resource programs are conducted effectively, efficiently, and in compliance with established objectives, laws, regulations, court decisions, and other directives.
- ° Support for technical fish and wildlife assistance and fish stocking services to tribes which have not yet developed full capability for assuming responsibilities associated with such programs.

Base Program (\$8,687,000; FTE 43): Most of the more than 53 million acres of trust land in the United States represents suitable habitat, supporting diverse ecosystems and a multitude of fish, wildlife and recreational resources. Resource programs on these reservations contribute significantly toward meeting national demands for hunting, fishing and outdoor recreation, in threatened and endangered species recovery efforts, and in conserving other important fish, game, and non-game species. Fish and wildlife resources also serve as a base for sustenance, cultural enrichment and economic development for many tribes, and assist in maintaining tribal social structures and stability by providing gainful and meaningful employment in desirable and traditional occupations throughout the year. Moreover, several tribes rely on taxes collected from fishermen and income generated from recreational development programs to support tribal governmental operations. Improper management of fish and wildlife resources, both on and off-reservation, could impair not only the resources themselves, to the detriment of all users, but the functioning of tribal societies and governments.

Since the mid-1950's, fish and wildlife resource programs have been established on approximately 125 Indian reservations, primarily by FWS. Some have expanded through accelerated development of tribal capabilities. Many, however, especially fisheries programs on inland reservations, have been terminated since the mid-1970's. The Bureau's Fish, Wildlife and Recreation program began in the mid-1970's in response to these decisions and as a result of various landmark treaty hunting and fishing rights decisions which granted comanagement status to tribes in addressing complex, inter-jurisdictional resource issues of national and international significance.

Currently-funded programs provide for valuable and diverse fishing, hunting and outdoor recreation opportunities throughout the Country, accounting for millions of recreational use days annually. Tribal fish hatcheries account for approximately 25 percent of the steelhead and 17 percent of the salmon propagated in western Washington, and result in the production of tens of millions of walleye annually in the Great Lakes states. Species listed as threatened or endangered which receive management assistance include the bald eagle, grizzly bear, black-footed ferret, Lahontan cutthroat trout, cui-ui lakesucker and peregrine falcon.

The Bureau has six professional biologists assigned to the program, two of whom are located in the Central Office. Tribal programs contracted through the Bureau, provide for most of the on-the-ground work. The Central Office provides contracting officers and other Bureau personnel with technical advice essential to effective administration and monitoring of the many fish and wildlife management program activities.

Central Office Staff Operations (\$445,000; FTE 2): Professional personnel in the Central Office are responsible for establishing program goals, objectives, policies, strategies, and procedures necessary for effective and efficient program administration. They coordinate program planning, assist in budget formulation and execution processes, propose systems for the effective delivery of program services, establish evaluating procedures and serve in a program oversight capacity. Central Office staff also coordinate program responsibilities among area offices, agencies, tribes and inter-tribal organizations, analyze policy and legislation, prepare briefings and issue papers, respond to information inquiries, conduct special projects, perform internal control reviews of potential waste, fraud and abuse, and provide expertise and advice to the Bureau's executive managers. Finally, they perform liaison with other Federal and State agencies, participate in national and international meetings and negotiations, and assist in the overall management of the trust responsibilities.

Field Operations (\$8,242,000; FTE 41):

(Changes have been made in the composition of items within this listing, as well as in Wildlife and Parks in the Natural Resources Development subactivity, and Hunting and Fishing Rights in the Trust Responsibilities subactivity.)

- I. Special Fish and Wildlife Management programs (\$6,123,000; FTE 0): A number of court cases decided in favor of Indian treaty hunting and fishing rights in recent years have resulted in increased attention toward nationally and internationally significant fish and wildlife resources in ceded off-reservation areas, typically falling under the jurisdiction of a variety of management entities, and serving the needs of a variety of interest groups. Under stringent management standards prescribed by the Federal Courts, these resources, and the Indians' right to utilize them, are protected through complex inter-jurisdictional programs aimed at assessing stock abundance and

allowable harvests on an annual basis, and the population dynamics and stock/recruitment parameters of important stocks. This program assists four inter-tribal organizations (Northwest Indian Fisheries Commission, Columbia River Intertribal Fish Commission, Great Lakes Indian Fish and Wildlife Commission, and Chippewa-Ottawa Treaty Fishery Management Authority) and their member tribes in the Pacific Northwest and the Great Lakes states, involved in important treaty hunting and fishing rights co-management activities. These inter-tribal bodies represent effective and efficient mechanisms for serving member tribes in complex treaty rights negotiations and implementation programs, involving complex inter-jurisdictional resources. It also assists the terminated Klamath Tribe in Oregon in the protection of treaty hunting, fishing and gathering rights.

- A. Western Washington Fisheries Management (\$1,050,000; FTE 0): The Boldt Decision of 1974 in U.S. v. Washington reaffirmed that Stevens Treaty tribes in the State of Washington hold a valid treaty right to fish in all of their usual and accustomed places, and upheld the position that the affected tribal governments must participate in the management of resources involved. This decision prompted the establishment of the Northwest Indian Fisheries Commission (NWIFC) in 1974 by the treaty fishing tribes of western Washington to develop and coordinate sound resource management programs.

The NWIFC is directed by Commissioners who represent all treaty tribes in the case area. \$805,000 of this amount is used to coordinate the efforts of tribal biologists, hatchery personnel, computer specialists and managers in formulating harvest management, population assessment, stock enhancement and data gathering programs. The NWIFC serves as spokesman for the member tribes on fishing issues and has authority to represent them before state and Federal agencies. The united inter-tribal voice facilitated through the NWIFC and the joint management plans and programs which result, promote effective co-management of the complex inter-jurisdictional resources involved.

\$245,000 of this amount is to allow the Jamestown-Klallam Tribe to develop their resource management capabilities required in support of their treaty fishing rights. The Jamestown-Klallam was a "new tribe" and had not been party to U.S. v. Washington and thus, had not been permitted to exercise treaty fishing rights to the extent of the Case tribes.

- B. Columbia River Fisheries Management (\$1,454,000; FTE 0): In U.S. v. Oregon (1969 and subsequent supplemental decisions), Judge Belloni reaffirmed the rights of the four Columbia River Basin treaty tribes (Yakima, Umatilla, Warm Springs and Nez Perce) to a fair share of the fisheries resources. The decision resulted, in 1977, in a court approved five-year management and allocation agreement between the parties, and in the creation of the Columbia River Inter-tribal Fish Commission (CRITFC) to serve as a coordinating body for the four tribes. The BIA contracts with CRITFC to fulfill tribal responsibilities and obligations in the management and enforcement of tribal fisheries, and in the overall protection, development, and management of the Columbia River fisheries while working cooperatively with the States and the Department of the Interior. The CRITFC is pursuing an active policy and technical role in the management of the Columbia River System. Substantial co-management of the fisheries resource is required by Federal Court order and Federal law through a multi-State, inter-tribal and Federal agency network. Maintenance of tribal fishery programs allows the Tribes and the States to jointly manage and regulate Indian and non-Indian fisheries within the Columbia River basin.

The CRITFC staff of hydrologists, biologists, policy analysts, law enforcement officers, and administrative personnel promotes a "gravel-to-gravel" management philosophy for salmon and steelhead, requiring management involvement through the entire life cycle of the fish. Extensive efforts are directed toward rebuilding upriver runs that have been depleted by overharvest, habitat degradation, and hydropower and flood control development. The CRITFC coordinates with operators of the 13 mainstream Columbia/Snake River dams to facilitate upstream and downstream fish passage, and has been designated coordinator for the tribes in implementing the Water Budget Program. The CRITFC Enforcement Program employs a full-time staff of 15 patrol officers and dispatchers to enforce tribal fishing regulations.

- C. Voigt Case Area Management (\$1,374,000; FTE 0): In 1982, six bands of the Lake Superior Chippewas not involved in the U.S. v. Michigan case, but with commercial fishing rights on the Great Lakes, formed the Great Lakes Indian Fish Commission. After the Seventh Circuit Court of Appeals reaffirmed reserved rights of several bands of Lake Superior Chippewas to hunt, fish, trap and gather on public lands and waters ceded to the United States under the Treaties of 1837 and 1842 (Lac Courte Oreilles v. Voigt, 1983), the "Voigt" tribes, in 1984, joined with the Great Lakes Indian Fisheries Commission, forming the Great Lakes Indian Fish and Wildlife Commission (GLIFWC). The GLIFWC provides an inter-tribal mechanism for implementing the Voigt decision through the securing of technical biological expertise, the development of sound natural resource management plans, the development of hunting and fishing regulations, and the strengthening of the tribal enforcement capability and court system. The Commission also affords member tribes the opportunity to negotiate with the States of Michigan, Minnesota, and Wisconsin, in co-managing fish and wildlife resources as a unified entity. By sharing the expertise available, the Commission provides substantial improvement in the overall efficiency of the tribes to manage and regulate the use of fisheries resources of the Great Lakes, and of inland fish and wildlife resources of the Great Lakes states.

Member tribes must identify resources, provide biological services, enforce codes, have the capacity to develop, promulgate and apply tribal off-reservation hunting and fishing regulations, and train personnel to provide effective enforcement in the field and through tribal court systems.

- D. Klamath Conservation Program (\$145,000; FTE 0): The Klamath Tribe, Oregon, retains hunting, fishing and gathering rights under the Treaty of 1864, despite termination of the Federal supervision over the property and members of the tribe. Decisions of the United States Court of Appeals for the Ninth Circuit and subsequent denials (Kimball v. Callahan) recognized the continued existence of the Klamath Tribe and the basis for requirements of resources to preserve and protect the retained treaty rights of the tribe. A 1981 consent decree and order (Civil No. 73-155) identifies tribal responsibilities for the conservation and management of fish and wildlife resources through an agreement between the tribe, State of Oregon and the United States. A 1985 decision by the Supreme Court in Oregon Department of Fish and Wildlife v. Klamath Indian Tribe, involved the exercise of hunting and fishing rights on approximately 621,000 acres of ceded lands, as per the 1901 Cession Agreement between the tribe and the U.S. Government. Although the court held that the tribe's exclusive right to hunt and fish on lands reserved in the 1864 treaty did not survive as a special right to be free of state regulation in the ceded lands that were outside the reservation after the 1901 agreement, tribal conservation and enforcement efforts are still a need on the 1.1 million acre former reservation.

The Klamath Tribal Executive Committee, as governing body of the Klamath Tribe, is responsible for implementing the tribe's treaty rights and conservation program. The Klamath Indian Game Commission assists in planning, coordination and implementation of biological, conservation enforcement, liaison and administrative aspects of the program. The \$145,000 will support a skeleton staff to perform the highest priority biological and conservation enforcement programs.

- E. Michigan (Great Lakes) Fisheries Management (\$700,000; FTE 0): In 1981, fishing rights of three Michigan tribes (Sault Ste. Marie, Bay Mills and Grand Traverse) covered by the Treaty of 1836 were affirmed in Federal Court. Also, in 1981, the three tribes established the Chippewa/Ottawa Treaty Fishery Management Authority (COTFMA) to provide uniform joint regulations governing tribal fishing activities, to act as a coordinating body for enforcement activities, to coordinate initiatives regarding enhancement of the fishery and to provide a forum for resolving policy issues among the tribes. The COTFMA is advised on technical fishery matters, fishing regulations, harvest and status of the fishery stocks by the joint Inter-Tribal Fisheries and Assessment Program which carries out stock assessment and research studies, recommends harvest quotas, prepares data for negotiations/litigation and works with other tribal, state, federal and academic biologists throughout the Upper Great Lakes area. A joint biological committee, the Tripartite Technical Working Group, consisting of biologists from the Inter-Tribal Fisheries and Assessment Program, the State of Michigan and the U.S. Fish and Wildlife Service, assesses the status of important fish stocks, and establishes annual Total Allowable Catches for use by the State of Michigan and COTFMA in regulating fisheries. Tribes also participate on the Lake Trout and Chub Technical Committees of the Great Lakes Fishery Commission, established by the treaty between the United States and Canada for Great Lakes fisheries restoration purposes.

In 1985, a negotiated fisheries agreement, signed by all parties to the U.S. v. Michigan litigation, was formalized through Federal Court action. The Agreement provides for fisheries zonation plans for Lakes Superior, Michigan, and Huron, a fisheries enhancement program, further development of cooperative management measures, expanded conservation enforcement programs, a tribal economic development program, and a comprehensive lake trout management program.

The \$700,000 is estimated to be spent as follows:

- \$ 480,000 - to support conservation enforcement programs of the three tribes,
- 60,000 - to support the conservation court system administered by the Bay Mills tribe,
- 110,000 - to support the fisheries program administered by the Sault Ste. Marie tribe,
- 50,000 - for administration of the COTFMA.

Under a separate section of this budget submission, \$1.5 million is being requested as an FY 1986 supplemental appropriation to meet the Federal Government's commitment of funds for a Treaty Waters Fisheries Management Fund, to be invested, with the interest earned to be used by the three tribes to support various fisheries management activities.

Fish Hatchery Operations (\$347,000; FTE 0): The total fish hatchery operations funding for FY 1986 was \$4,711,000. Of that amount, \$4,170,000 has been transferred to Tribe/Agency; \$194,000 has been transferred to Fish and Wildlife Technical Assistance. The balance is the \$347,000 add-on by the Congress in FY 1986. The following table illustrates how the \$347,000 was distributed:

<u>Tribe/State</u>	<u>FY 1986 Request</u>	<u>Congressional Add-on</u>	<u>Totals</u>
Hoh, WA	\$ 22,000	\$ + 2,000	\$ 24,000
Lummi, WA	404,000	+ 36,000	440,000
Makah, WA	36,000	+ 3,000	39,000
Muckleshoot, WA	100,000	+ 9,000	109,000
Nisqually, WA	118,000	+ 11,000	129,000
Nooksack, WA	28,000	+ 2,000	30,000
Point No Point, WA	303,000	+ 27,000	330,000
Puyallup, WA	53,000	+ 5,000	58,000
Quileute, WA	44,000	+ 4,000	48,000
Quinault, WA	240,000	+ 21,000	261,000
Skagit Systems Coop, WA	55,000	+ 5,000	60,000
Squaxin Island, WA	74,000	+ 7,000	81,000
Stillaguamish, WA	54,000	+ 5,000	59,000
Suquamish, WA	199,000	+ 18,000	217,000
Tulalip, WA	300,000	+ 27,000	327,000
Bad River, WA	45,000	+ 4,000	49,000
Lac du Flambeau, WI	270,000	+ 24,000	294,000
Metlakatla (Tamgas Creek), AK	315,000	+ 28,000	343,000
Pyramid Lake, NV	990,000	+ 88,000	1,078,000
Red Lake, MN	45,000	+ 4,000	49,000
Mescalero, NM	194,000	+ 17,000	211,000
	\$ 3,889,000	+\$347,000	\$ 4,236,000 *

* These totals do not include \$475,000 contract support funds, which will be distributed based on contract support experience in FY 1984.

- G. US/Canada Pacific Salmon Treaty (\$1,400,000; FTE 0): Through representation on the Pacific Salmon Commission and panels created by the United States - Canada Pacific Salmon Treaty and implementing legislation of 1985, Northwest treaty tribes apply their management expertise in assessing and rebuilding salmon stocks of mutual concern to both countries. The treaty commits each country to prevent over-fishing and provide for optimum production, and creates a national and international forum through which cooperative management of salmon stocks can occur. The United States obligation to implement the treaty includes providing for fiscal support in the areas of management, administration, information collection/analysis and enhancement.

The \$1,400,000 would be divided between the Columbia River Inter-Tribal Fish Commission and the Northwest Indian Fish Commission for work not currently being conducted under other contracts. Programs to be conducted include inseason management, data sharing, stock identification, and stock monitoring, focusing on salmon stocks originating in U.S. waters and intercepted in Canadian waters.

II. Other Fish, Wildlife, and Recreation Management Assistance (\$710,000; FTE 0): Indian tribes throughout the country continue to develop considerable interest and concern for the protection and conservation of their fish and wildlife resources. Many tribes have progressed to the point where they are fully capable of managing their resources, but require financial support from time to time to maintain projects and/or implement special biological investigations. Through this activity, to the extent that funds may be available, tribes are able to collect baseline inventory data, implement fish and wildlife management plans, promote the training of tribal members in fish and wildlife conservation, conduct special studies, and assume responsibility for programs previously conducted by the Fish and Wildlife Service. Included in this amount is \$20,000 provided for maintenance services at the Wildhorse Reservoir, Nevada; \$120,000 for NWIFC and \$79,000 for the CRITFC (both to assume work previously performed by the Fish and Wildlife Service); \$50,000 for the Gallup Fisheries Assistance Office, various funding amounts for the Flathead, Montana and Lower Brule, South Dakota fish and wildlife programs. Also, we have provided some of these funds in the past to cover deficiencies in or directed additions to, the technical assistance provided by the Fish and Wildlife Service as described in the following section.

III. Technical Assistance-Fish and Wildlife Service (\$1,062,000; FTE 41): This base program establishes a new line item which incorporates all elements of reimbursable assistance requested by the Bureau of the Fish and Wildlife Service (FWS), and includes transfers of available base funds from other sections of the budget. The proposed program includes reimbursing the FWS for technical assistance on fish and wildlife resource matters and fish production activities to tribes not yet able to perform such services, with the understanding that, as tribes develops the capabilities to assume such programs, funding will be transferred to the tribes. The services to be provided are described in a Memorandum of Agreement (MOA) negotiated annually between the two agencies.

Included in this section is the Quinault hatchery, which supplements efforts of Federal and state agencies involved in enhancement of Pacific Northwest Salmonid resources; and the Mescalero, Williams Creek and Alchesay hatcheries whose contributions are necessary to support tribal fishing programs in Arizona, New Mexico and Colorado, through which economic benefits are derived. Funding is provided for the Fish Health Center to conduct fish disease control work at tribal hatcheries in the Pacific Northwest. Technical assistance offices located at Parker and Pinetop, Arizona; Lander, Wyoming; Vernal, Utah; Valentine, Nebraska and Kalispel, Montana, serve tribes requiring training and assistance in developing fish and wildlife management programs and capabilities.

Increase/Decrease from FY 1987 Base: (Dollar amounts in thousands)

		<u>FY 1987</u>	<u>FY 1987</u>	<u>Difference</u>
<u>Field Operations:</u>		<u>Base</u>	<u>Estimate</u>	<u>(+ or -)</u>
Michigan Settlement	\$	700	1,280	+580
US/Canada Treaty	\$	1,400	1,000	-400
FWS Technical Assistance	\$	1,062	1,339	+277
Fish Hatchery Operations	\$	<u>347</u>	<u>--</u>	<u>-347</u>
Total	\$	3,509	3,619	+110

Michigan Settlement (+\$580,000; FTE 0): Agreement was reached on March 26, 1985, between the parties who have been involved in the 15-year old U.S. v. Michigan litigation concerning fishing in the Great Lakes. The agreement provides for implementation of a Great Lakes Trout Rehabilitation Plan, prohibition of treaty gillnet fishing in key sportfishing areas, and establishment of a Treaty Waters Conservation Office to ensure cooperation among the parties.

The \$580,000 is estimated to be spent as follows:

- \$180,000 - Expanded conservation enforcement
- 75,000 - COTFMA administration
- 20,000 - Public Relations program
- 70,000 - Biological assessment
- 35,000 - Landing site development
- 200,000 - Establishment of the Treaty Waters Management

United States/Canada Pacific Salmon (-\$400,000; FTE 0): The United States' obligation to implement the U.S.-Canada Pacific Salmon Treaty can be met by dividing the \$1,000,000 for FY 1987 between the Columbia River Inter-tribal Fish Commission (CRITFC) and the Northwest Indian Fish Commission (NWIFC), to support additional work not covered under other contracts, focusing on salmon stocks originating in U.S. waters and intercepted in Canadian waters. Because FY 1986 funds are provided to the Commissions under a P.L. 93-638 contract, they can carry-over into FY 1987.

FWS Technical Assistance (+\$277,000; FTE 0): These funds are required to establish a reasonable base of funding to cover the estimated costs of services provided to BIA and the tribes by the FWS, and to ensure continued operation of these important hatcheries and technical assistance offices. The current estimated requirement to continue technical services and hatchery operations during FY 1987 is \$1,339,000, as follows:

<u>Facility</u>	<u>Funding Level</u>
Quinault FH	\$ 284.0
Mescalero FH	219.0
Williams Creek FH	>
Alchesay FH	> 369.0
NW Fish Health Center	66.0
Lander TAO	174.0
Pinetop TAO	90.0
Parker TAO	42.0
Vernal TAO	32.0
Valentine TAO	16.0
Kalispel TAO	<u>38.0</u>
	\$ 1,339.0

Fish Hatchery Operations (-\$347,000; FTE 0): In the FY 1987 Base budget, all hatchery operations funds have been transferred to the Tribe/Agency part of the budget. This reduction reflects deletion of an add-on by the Congress of \$347,000 in FY 1986. The reduction is generally of increases that have been added to the the program in recent years. When prorated to all hatchery operations, there are no severe detrimental effects to any one hatchery. Economies in operations should be able to handle the various reductions; low priority maintenance items will be delayed. (The reductions will be taken exactly as the add-on was distributed, as shown in the Base Program).

Object Class Distribution - Forestry and Agriculture Subactivity Amounts

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation (FTE)	+ 1	\$ + 35
Personnel Benefits, Civilian	-0-	+ 3
Travel & Transportation of things	-0-	- 20
Other Services	-0-	- 4,982
Supplies & Materials	-0-	- 106
Equipment	-0-	- 415
Grants, subsidies, & contributions	-0-	- 5,964
 Total	 + 1	 \$-11,449

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Minerals and Mining/Irrigation and Power

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1986 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Minerals and Mining	\$ 9,589 (FTE) (49)		7,841 (13)	7,741 (13)	-100 (--)
B. Irrigation and Power	\$ 7,940 (FTE) (17)		7,940 (17)	7,587 (17)	-353 (--)
Total Requirements	\$ 17,529 (FTE) (66)	16,775	15,781 (30)	15,328 (30)	-453 (--)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted To Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Minerals and Mining	\$ 17,529	\$ -754	\$ 16,775

As a result of the P.L. 99-177 reduction, portions of proposed mineral inventory projects will be delayed, affecting the projects under agreement with the US Geological Survey and Bureau of Mines, or the 638 contracts with the tribes. Within the Irrigation O & M program, the sequestered funds would cause lower priority operation and maintenance actions to be deferred, and a lessening in the extent of staff survey of the systems which would, if such reductions continue, eventually require major expenditures in Irrigation construction funds to rehabilitate deteriorated systems.

A. Minerals and Mining

	<u>FY 1986 Enacted To Date</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office Operations:	\$ 663 (FTE) (13)	663 (13)	663 (13)	-- (--)

<u>Field Operations:</u>		FY 1986	FY	FY	Inc. (+)
(Continued)		Enacted	1987	1987	Dec. (-)
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From Base</u>
Energy and Mineral Resources	\$ (FTE)	7,078 (--)	6,360 (--)	5,400 (--)	-960 (--)
Hopi Coal Lease Renegotiation	\$ (FTE)	100 (--)	100 (--)	-- (--)	-100 (--)
Tribe/Agency Operations:	\$ (FTE)	1,748 (36)	-- (--)	-- (--)	-- (--)
Linowes Positions	\$ (FTE)	-- (--)	468 (--)	468 (--)	-- (--)
Special Projects	\$ (FTE)	-- (--)	250 (--)	1,210 (--)	+960 (--)

Objective: To provide technical, economic, and land-use data and advice to Indian landowners, and to Bureau and Department personnel who are assisting Indian owners seeking to manage and develop their mineral resources. To cooperate in the planning, management and development of mineral resources with tribes, other agencies, councils and commissions. To assist tribes in achieving the maximum income and employment return from utilization of their mineral resources.

Base Program (\$7,841,000; FTE 49): The Bureau of Indian Affairs is the responsible arm of Government for protecting the interests of Indian land owners in the development of the mineral resources on Indian lands. Title to these lands is held in trust or restricted status by the United States. The Bureau supports the Administration's policy of self-determination for Indian tribes and will assist the tribes to attain the maximum benefits which can be derived from developing their resources. However, the final decision to develop their resources or not is left to the tribes and individual Indian landowners.

More than 53 million acres of land are held in trust for Indians. As of September 30, 1984, tribes or individual Indians had 4,862,713 acres under mineral leases with a total income to Indians of over \$230.7 million. Oil, gas and minerals are extracted through about 17,599 leases and permits. Most of the revenue is from oil and gas leases. The following table displays by Area Offices, the leases, acreage and income for FY 1984 (latest data available) and comparable income for FY 1983.

Area	No. Leases FY 1984	Acreage FY 1984	Income	
			(\$) FY 1983	(\$) FY 1984
Aberdeen	530	91,015	1,555,783	2,302,471
Albuquerque	556	818,050	36,958,804	23,000,476
Anadarko	3,976	250,762	35,589,139	33,522,754
Billings	4,614	1,294,271	40,756,199	35,138,219
Eastern	--	--	400,511	--
Juneau	--	--	--	--
Minneapolis	1	19	4,000	--
Muskogee [Non-add]	5,284	1,091,820	NA*	58,256,871
Navajo	909	614,878	45,679,510	46,578,453
Phoenix	1,584	417,698	20,844,222	29,302,218
Portland	142	10,366	1,982,650	2,370,374
Sacramento	3	812	205,165	243,485
Totals	17,599	4,589,691	\$183,975,983**	\$230,715,321

* NA = Not Available. No lease information was received from the Muskogee Area Office for FY 1983. MMS computerized accounting systems did not allow for FY 1983 reporting. All other Area Office reports were completed manually.

** Without Muskogee Area information.

Mineral development will mean financial independence for some tribes and individual members. For others, it will provide a substantial contribution to their economic needs.

Central Office Operations (\$663,000; FTE 13): In order to oversee these extensive ventures, the Bureau has Central Office personnel located in Washington, D.C. and Lakewood, Colorado; and other staff located in Area and Agency offices. These employees are geologists, geophysicists, petroleum and mining engineers. They organize minerals information and coordinate with tribes, the Minerals Management Service, the Bureau of Land Management and industry. They also perform economic analyses of leases and other types of development agreements, and prepare and hold competitive bid lease sales.

The Division of Energy and Minerals provides staff assistance and technical advice in the coordination of Bureau-wide Indian energy and mineral resource policies, standards, goals and objectives and management of Indian energy and mineral resources. They recommend procedures for application by Area and Agency offices in activities pertaining to the conservation, leasing and development of mineral resources on Indian lands; provide technical advice to Bureau management on mineral related issues; review mineral accounting procedures and supervise the mineral assessment program. They also monitor all contracts, production programs in oil and gas, provide economic analysis reports related to coal, oil, gas, uranium, copper, molybdenum, tungsten, and other mineral resources.

This Division is responsible for direct assistance to field offices in the negotiation of agreements and monitoring compliance with terms of the agreements, as well as liaison with the Bureau of Mines, the U.S. Geological Survey, the Minerals Management Service, the Bureau of Land Management, and the Office of Surface Mining. Over the past three years, directives from Congressional hearings, recommendations in the Inspector General's investigation on royalty management within the Bureau, and recommendations in the Linowes Commission

reports have imposed added responsibilities on the Bureau. These added responsibilities have increased our workload and imposed obligations to improve oil and gas lease management and royalty distribution.

Field Operations (\$7,178,000; FTE 0):

Mineral Assessments (\$6,360,000; FTE 0): This program began in FY 1975 and consists primarily of work done under interagency agreements with the Bureau of Mines and the Geological Survey. The general structure of the program under the interagency agreements consists of three levels or phases:

Phase I Level is a literature search to collect publicly available mineral data, specific to a reservation, for compilation into a single informational volume.

Phase II Level programs are undertaken if favorable conditions for significant mineral occurrences have been identified on a reservation, but require additional on-site data collection for validation and assessment. This new data is acquired by application of modern exploration techniques, as required, such as geological mapping, geochemical analysis, assays, geophysical studies, drilling, exploratory excavations or other means.

Phase III Level studies apply still more sophisticated procedures to quantify the economically valuable resource, establish value of the resource in place, determine viability of economic production, perform market and economic analysis and possibly provide operational and design recommendations.

Phase II and Phase III Level programs are performed, if warranted, on those reservations where tribes request this level of mineral assessment for use in orderly development of tribal mineral resources.

From the BIA studies, it is believed that enough detail will be available in certain areas so that individual tribes will be adequately aware of what minerals occur on their lands, and the associated problems and benefits of development. As a result of these studies, the following estimated resources have been delineated: 32,241 million tons of coal, 1,353 million tons of lignite, 6,442 million tons of zeolites, 9.5 million pounds of uranium, 712 million tons of bentonite, 1,252 million pounds of copper, 44,500 ounces of gold, 1,440 million pounds of molybdenum, and 1,842 million tons of phosphate. These mineral resources are estimated to have an in-place value of over \$747,850 million.

The Energy and Mineral Resources Division has the capability to perform computer program economic evaluations on existing and proposed mineral leases, profit sharing agreements, or other types of contracts. The purpose of this assistance is to provide tribes with a higher level of economic information concerning mineral agreements, to enhance their development negotiating position. The work consists of computer-generated discounted cash flow returns on investment, and analyses of the economics of mineral recovery operations. Results are comprised of tables and graphs which display the changes in financial benefits due to changes in economic variables. The Division can also provide selected information on current oil and gas activity. This work consists of data compilations, on oil and gas drilling activities, well completions, identification of lessees, and the generation of maps to portray the current oil and gas activities on or near Indian lands. Summary reports are prepared at the request of the tribes. Information contained in the reports is not made public without the tribe's written permission.

It takes from 5 to 10 years of exploratory and development work prior to commencement of commercial mineral production. Considering the present market conditions in the mineral industry, mineral assessment work should be done now in order to be ready to develop resources as soon as market conditions improve. In this way, the tribes may increase their return by taking advantage of that part of the time cycle during which market conditions are most favorable. For example, the Pine Ridge, Hualapai, Colville, San Carlos, Walker River and Laguna Tribes are at the moment actively being approached by mining companies. This mineral industry interest can be attributed to the availability of geologic information generated by BIA mineral assessment programs. In addition, data from the assessment programs enhances negotiation of mineral agreements, in that tribes can negotiate from a point of knowledge about their mineral resources.

One of the primary reasons for choosing the U.S. Geological Survey and Bureau of Mines to take the lead in performing this mineral assessment work is that these organizations are composed of highly trained geologists and engineers whose work is of professional quality. Our ability to coordinate, assist and inspect the activities of these agencies in all phases of mineral resource development was greatly enhanced with the establishment of the Energy and Mineral Resources Office in Lakewood, Colorado.

For fiscal years 1986 and 1987, funding distribution for mineral assessments and related special projects would be as follows:

	<u>FY 86</u>	<u>Estimated FY 87</u>
Bureau of Mines	\$1,537,000 <u>a/</u>	\$1,356,000 <u>a/</u>
U.S. Geological Survey	3,906,000 <u>b/</u>	3,612,000 <u>b/</u>
Tribal Projects	<u>485,000</u>	<u>0</u>
Total	\$5,928,000	\$4,968,000

a/ includes \$60,000 for mineral economic analysis to be completed on the Bureau of Mines Mineral Availability System (MAS).

b/ includes \$60,000 for Petroleum Information Service, Inc.

Plans for FY 1986 include the following reservations. (Adjustments have been made from the list appearing in the FY 1986 President's budget, based on updated information):

	<u>Reservation</u>	<u>Amount</u>
Phase II	In Progress:	
	Cherokee, NC	\$ 243,000
	Fort Hall	418,000
	Hualapai	825,000
	San Carlos	875,000
	Ute Mountain Ute	255,000
	Southern Ute	271,000
	Standing Rock	270,000
	* Southern California:	123,000
	- La Jolla	
	- Pauma	
	- Pala	
	- San Pasqual	
	- Manzanita	
	Great Lakes:	149,000
	- Fond Du Lac	
	- Lac du Flambeau	
	- White Earth	
	- L'Anse	
	* Ft. McDermitt/	
	* Summit Lake	71,000
	Annette Island	400,000
New Phase II Projects		
	Colville (PL 93-638)	290,000
	Fort Belknap (PL 93-638)	195,000
	* Hopi	80,000
	* Coeur d'Alene	101,000
	Northern Cheyenne	15,000
	Eastern Tribal Land	50,000
	Pequot, Narragansett, Seneca, St. Regis Mohawk and Choctaw	
	* Puget Sound Project	75,000
	Nineteen Reservations	
Phase III	In Progress:	
	* Duck Valley	165,000
	Laguna	75,000
	* Flathead	50,000
	* Rocky Boy's	50,000
	* Acoma	105,000
	* Laguna	160,000
	* Colorado River	475,000
	* Tule River	22,000
		<u>\$5,808,000</u>

* Mineral Assessment Projects performed by Bureau of Mines.

The following Mineral Assessment Projects are proposed to be undertaken in FY 1987:

Phase II	In Progress:	<u>Reservation</u>	<u>Amount</u>
		Cherokee	250,000
		Fort Hall	200,000
		Hualapai	500,000
		San Carlos	500,000
		Great Lakes:	210,000
		Fond Du Lac	
		White Earth	
		Ute Mountain Ute	200,000
		Annette Island	400,000
		Standing Rock	250,000
		Southern Ute	200,000
		* Southern California	\$110,000
		- La Jolla Mission	
		- Pala Mission	
		- Pauma Mission	
		- San Pasqual Mission	
		- Manzanita Mission	
	 New Projects		
		* Coeur d'Alene	125,000
		Northern Cheyenne	100,000
		* Puget Sound Project	65,000
		Nineteen Reservations	
		Lower Brule	71,000
		Crow Creek	71,000
		* Chemeheuvi	100,000
		* Warm Springs	150,000
		* Fort McDowell	125,000
		Cheyenne River	250,000
		Turtle Mountain	100,000
		Nevada Project;	250,000
		- Fallon, Ely Colony,	
		- Moapa, Goshute,	
		- Pyramid Lake, Walker River and Washoe	
 Phase III	 In Progress		
		* Acoma	150,000
		* Laguna	246,000
		* Colorado River	100,000
		* Rocky Boy's	<u>125,000</u>
			 \$4,848,000

* Mineral Assessment Projects performed by Bureau of Mines.

Special Projects (\$250,000; FTE 0): This program continues minimum funding for projects such as the Colville mineral surveys and the Pine Ridge sand and gravel project. Some of these funds will be used to support the expenses incurred by the Bureau as a participant in the Secretary's Task Force on royalty management, which addresses improvements in accounting, disbursements, and lease management.

Hopi Coal Lease Renegotiation (\$100,000; FTE 0): The \$100,000 was a one-time Congressional add-on to the FY 1986 budget to assist the Hopi tribe in its efforts to renegotiate the royalties on a long-term coal lease with the Peabody Coal Company.

Council of Energy Resource Tribes (\$432,000; FTE 0): The Bureau of Indian Affairs may also provide funding for the Council of Energy Resource Tribes, Inc. (CERT) from this activity. CERT is a consortium of thirty-nine (39) tribes upon whose lands are located much of this Nation's oil, gas, coal, uranium and other energy resources. In Fiscal Years 1985 and 1986, the Bureau provided funds to support CERT's broad mandate to assist member tribes to assess, develop and manage their energy resources in a manner that maximizes financial return to the tribes and that is consistent with tribal cultural traditions and tribal environmental priorities. Bureau support for priority projects of the 39 CERT member tribes is enhanced by financial support from the Department of Energy, the Administration for Native Americans, and the Environmental Protection Agency. The management and program efficiencies of interagency coordination through a single contract to 39 tribes that are geographically dispersed, increases the results from limited resources. The final amount will be determined at negotiation time for contract renewal.

Linowes Positions (\$468,000; FTE 16): This is a new line item to identify specifically the funding for positions that were established as a result of recommendations of the Linowes Commission on improving royalty, energy and minerals management. As a result, this program continues minimum funding for the 16 positions provided. The positions have been funded from available Bureau funds since 1984. The FTE for these position are not separately identified and are part of the Central Office, Area Office and Tribe/Agency staff shown elsewhere in this justification.

Workload Data:

Table 1 following this narrative displays the funding of the various phases of the Mineral Assessment Program throughout its history.

TABLE 1
MINERAL ASSESSMENT PROGRAM FUNDING
(\$000)

<u>Bur. of Mines</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986*</u>	<u>1987*</u>
Phase I	243	93	93	180	113	345	500	123	0	0	0	0	0
Phase II	0	180	280	490	585	648	501	323	246	321	329	194	110
Phase III	<u>0</u>	<u>0</u>	<u>0</u>	<u>425</u>	<u>250</u>	<u>64</u>	<u>545</u>	<u>1,095</u>	<u>1,218</u>	<u>469</u>	<u>1,151</u>	<u>1,343</u>	<u>1,246</u>
Subtotal	243	273	373	1,095	948	1,057	1,546	1,541	1,464	790	1,480	1,537	1,356
<u>US Geological Survey</u>													
Phase I	243	93	93	180	112	345	500	125	0	0	0	0	0
Phase II	0	200	280	1,616	3,196	3,845	2,800	3,125	2,976	2,380	4,060	3,706	2,710
Phase III	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>129</u>	<u>35</u>	<u>200</u>	<u>902</u>
Subtotal	243	293	373	1,796	3,308	4,190	3,300	3,250	2,976	2,509	4,095	3,906	3,612
TOTAL BOM Projects	243	273	373	1,095	948	1,057	1,546	1,541	1,464	790	1,480	1,537	1,356
" USGS Projects	<u>243</u>	<u>293</u>	<u>373</u>	<u>1,796</u>	<u>3,308</u>	<u>4,190</u>	<u>3,300</u>	<u>3,250</u>	<u>2,976</u>	<u>2,509</u>	<u>4,095</u>	<u>3,906</u>	<u>3,612</u>
GRAND TOTAL	<u>486</u>	<u>566</u>	<u>746</u>	<u>2,891</u>	<u>4,256</u>	<u>5,247</u>	<u>4,846</u>	<u>4,791</u>	<u>4,440</u>	<u>3,299</u>	<u>5,575</u>	<u>5,443</u>	<u>4,968</u>

* Proposed distribution

Increase/Decrease from 1987 Base

(Dollar Amounts in thousands)

		<u>1987</u>	<u>1987</u>	<u>Difference</u>
<u>Field Operations</u>		<u>Base</u>	<u>Estimate</u>	
Mineral Inventories	\$	5,928	4,968	-960
	(FTE)	(--)	(--)	(--)
Special Projects	\$	250	1,210	+960
	(FTE)	(--)	(--)	(--)
Hopi Lease Negotiation	\$	100	--	-100
	(FTE)	(--)	(--)	(--)
Total		6,278	6,178	-100
	(FTE)	(--)	(--)	(--)

Mineral Inventories (-\$960,000; FTE 0): This reduction reflects deletion of the additional projects funded in FY 1986.

Special Projects (+\$960,000; FTE 0): The addition of \$960,000 will cover expenses associated with corrective actions to resolve royalty payment problems from producing oil and gas leases, problems with other lease payments, land ownership records and integrated records management, with information, and use. These needs include the total scope of effort envisioned in the Reference Handbook for Management Planning, dated June 1985, which covers the basic problems to be addressed. These problems deal not only with royalty payments on oil and gas leases, but the basic records required for all leases and related payments.

Hopi Lease negotiations (-\$100,000; FTE 0): These funds were a one time add-on in FY 1986 for the specific purpose of offsetting expenses of the Hopi tribe associated with an attempt to adjust the monetary terms of a current lease with Peabody Coal Company on the Black Mesa Mine.

B. Irrigation Operation and Maintenance

Authorization: Authority for the operation and maintenance of existing irrigation systems is specifically covered in the Synder Act (25 U.S.C. 13). Other laws (25 U.S.C. 385) authorize the Secretary to charge and collect for those services. Additional legislation (34 Stat. 1024; 39 Stat. 142 and 68 Stat. 1026) relates to the collection of charges on specific projects. The general regulations for administration of these services appear in 25 CFR Part 171.

Objective: To financially assist Indian landowners, through supplementing water user collections, in order to conserve water and to properly operate and maintain the irrigation water delivery systems on 71 Indian irrigation projects in a safe, economical, beneficial, and equitable manner.

Base Program (\$7,940,000; FTE 17): The Irrigation & Power O&M program provides funds to pay the operation and maintenance assessment for those Indians who are financially unable to pay their assessments and where the United States is required to provide these services at no cost to the Indian users. Paying these assessments assures adequate and proper operation and maintenance service for all users, including Indians and non-Indians, who have paid their assessments. (Non-Indian users of the Indian irrigation systems pay the full assessment in advance, as do Indians who are able to pay the full assessment). Adequate funds are essential to properly maintain the delivery system for all users, to avoid costly crop failures for Indians and non-Indians, and to also avoid unnecessary major rehabilitation costs to the Government.

Collections are deposited in the operation and maintenance receipt account and are available for operating and maintaining the respective projects pursuant to the provisions of the Act of August 7, 1946 (60 Stat. 895). These collections include payments by Indian and non-Indian water users, and payments made on behalf of Indian water users who are financially unable to pay their assessments for current annual operation and maintenance. Collections from Indian water users for prior year assessments which have previously been paid from reimbursable appropriated funds are deposited directly into the Treasury, to the Miscellaneous Receipts Account as a repayment of reimbursable indebtedness. Where non-Indians receive water services from Indian irrigation systems, they are required to pay the full per acre cost.

Indian irrigation systems and projects fall into the following categories:

- (1) Projects where the repayment capabilities of the land will permit landowners and water users as a whole to pay the full annual cost of the operation and maintenance of the system. The lands have characteristics to produce crops under sustained irrigation. Assessment rates on these projects are fixed to return the full operation maintenance costs. Any unpaid assessment becomes a lien against the land for which the assessment is paid.

No funds are requested for payment of assessments under this category pursuant to Congressional directive; however, in the past, such funds were used, when necessary, to pay into the Collection Account that part of the uncollectible current annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover such unpaid assessments become reimbursable debts due the United States.

(2) Projects where the repayment capabilities of the land will not permit payment of the full annual operation and maintenance costs. Assessment rates for Indian water users on these projects are based on the ability of the Indian to pay and do not cover the full cost of operation and maintenance. All or any part of any unpaid assessment becomes a lien against the land for which such assessment is not paid.

Funds requested for payment of costs under this category will be used when necessary to pay into the Collection Account that part of the annual operation and maintenance cost on Indian-owned lands in excess of the annual assessment and any part of the uncollectable annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover these costs become reimbursable debts due the U.S. when used to pay all or any part of the annual costs included in the assessment rate. Costs in excess of the assessment rate are non-reimbursable.

(3) Irrigated areas, such as subsistence garden tracts and tracts of a few acres which do not represent economical units, but provide Indian landowners with a means of supplementing their livelihood. Because of the low income of the Indian landowners and water users on these irrigated areas and tracts, it is not feasible from an economic standpoint to assess these lands. Accordingly, the operation and maintenance costs are non-reimbursable and do not become a lien against the lands benefitted.

Funds requested for payment of costs under this category will be used, when necessary, to pay into the Collection Account the total cost for operation and maintenance of these subsistence garden tracts and irrigated areas, or if no Collection Account has been established, and it is not desirable or proper to establish such an account, the funds will be expended, when necessary, directly from the appropriation account.

(4) Irrigation systems and reservoirs serving Indian-owned lands located within and operated by various private and public irrigation districts and water user associations. Assessments for operation and maintenance of the irrigation systems and reservoirs serving these Indian-owned lands are made by the irrigation district or water users association embracing and serving such Indian-owned lands.

Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account for payment to private and public irrigation districts and water users associations for operation and maintenance costs assessed for Indian-owned lands included within such irrigation districts and water users associations. Funds used for payment of assessments covering these costs are reimbursable and become debts due the U.S., except for those payments that are non-reimbursable by legislation.

(5) Projects that are operated by the Bureau at no cost to the Indian landowners and water users, as provided for under legislation or court decree. Funds requested for payment of assessments under this category will be used, when necessary, to pay into the Collection Account appropriated funds for irrigation projects operated by the Bureau at no cost to the Indian water users, as provided by legislation or court decree.

Following is a summary for the 1982 crop year latest data available of irrigation project acreage and estimated value of crops grown:

Land Ownership in Projects	Acreage	Gross Crop Value (\$ Millions)
Indian Owned Land	523,000	\$ 95.0
Indian Farmed	(201,000)	(45.5)
Non-Indian Farmed	(245,000)	(49.5)
Idle	(77,000)	(-0-)
Non-Indian Owned/Farmed	154,000	21.0
Grand Total	677,000	\$ 116.0

The 71 Indian irrigation projects are distributed throughout the West as follows:

<u>BIA Area</u>	<u>No. of Projects</u>
Albuquerque	23
Billings	6
Navajo	1
Phoenix	29
Portland	7
Sacramento	5

71

The Appropriation Act for FY 1984, P. L. 98-146, authorized the Secretary of the Interior to invest irrigation and power operation and maintenance collections. The initial investments were made on November 10, 1983. For the period November 10, 1983, to September 30, 1984, the investment program produced \$1,062,485.33 of interest from an investment of \$23.3 million of collections. Information is not yet available for the period October 1, 1984, to September 30, 1985. Through March 31, 1985, interest of \$940,202.72 was realized from approximately \$25 million invested.

On March 31 and September 30 of each year, the interest earnings are apportioned to each participating project in direct proportion to the amount of investment by each project. A preliminary review of the more prominent projects indicates a fiscal impact of about 5 % of the total Irrigation Operation and Maintenance requirements of the projects.

The estimated breakdown by category for FY 1986 and FY 1987 appropriations is as follows (dollars in thousands):

Category	No. of Projects	Estimate FY 1986	Estimate FY 1987
(1)	9	-0-	-0-
(2)	8	262	279
(3)	43	1,348	1,038
(4)	5	242	317
(5)	5	2,716	2,950
(NIIP).....	1	3,372	3,003
Total	71	\$ 7,940	\$ 7,587

Activity Summary
(\$ in 000)

Activity: Trust Responsibilities

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Revised Estimate	FY 1987 Base	FY 1987 Estimate	Inc. (+) or Dec. (-) 1986 Est. over 1987 Base
Indian Rights Protection	17,938	20,550	20,329	19,565	19,290	-275
Real Estate & Financial Trust Services	27,665	23,301	28,326	28,713	31,160	+2,447
Trust Respons. Contract Support	---	797	797	Distrib.	---	---
TOTAL	45,603	49,648	49,452	48,278	50,450	+2,172

BIA 156

Increase/Decrease from 1987 Base

(Dollar Amounts in thousands)

<u>Program</u>		<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Difference</u>
Irrigation O & M	\$	7,940	7,587	- 353
	(FTE)	(17)	(17)	(--)

Irrigation O & M (-\$353,000; FTE 0): This reduction will be prorated to various projects, so that no single location will be severely impacted. Lower priority operation and maintenance actions can be delayed and the number of surveys of the systems may be reduced. It is also taken in anticipation of possible increased interest earnings on invested Irrigation and Power collections.

Object Classification Distribution - Minerals and Mining Subactivity Amounts

Other Services \$ - 453

Activity Summary

(dollars in thousands)

Activity: Trust Responsibilities

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
Indian Rights Protection	21,873	21,408	20,488	22,495	17,408	(5,087)
Real Estate/Financial Trust	28,601	29,852	28,568	8,262	12,851	4,589
Trust Respons. Contract Support	861	0	0	0	0	0
Total	51,335	51,260	49,056	30,757	30,259	(498)

BIA-158

Justification of Program and Performance

Activity: Trust Responsibilities
Subactivity: Indian Rights Protection

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1986 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Environmental Quality	\$	1,400		776	561	-215
	(FTE)	(17)		(3)	(3)	(--)
B. Indian Rights Protection	\$	20,008		21,719	16,847	-4,872
	(FTE)	(125)		(51)	(21)	(-30)
Total Requirements	\$	21,408	20,488	22,495	17,408	-5,087
	(FTE)	(142)		(54)	(24)	(-30)

Gramm Rudman Hollings Impact

		<u>FY 1986 Enacted to Date</u>	<u>P.L.99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Indian Rights Protection	\$	21,408	\$ - 920	\$ 20,488

As a result of the P.L. 99-177 reduction, there will be fewer survey and testing activities at Hazardous Waste sites, a reduced number of site visits to perform emergency archeological surveys for projects, and the resulting delays in completing all current projects. In Alaska items, there will be a lessening of coordination, consultation, and monitoring in the subsistence and allotment program; the Historical and Cemetery Site Inspections activity and all Selection Costs payments will be further delayed. The Litigation Support/Attorney Fees reductions would result in delaying all ongoing cases, curtail activities to those with less critical demand or those facing pending court deadlines. The Unresolved Indian Rights Issues activities will be slowed in the research and survey areas including Old Age Assistance actions.

A. Environmental Quality Services

		<u>FY 1986 Enacted to Date</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office Operations:	\$	167	167	167	--
	(FTE)	(3)	(3)	(3)	(--)
Archeological Clr.	\$	294	294	394	+ 100
	(FTE)	(--)	(--)	(--)	(--)
Hazardous Waste	\$	315	315	--	- 315
	(FTE)	(--)	(--)	(--)	(--)
Tribe/Agency Operations:	\$	624	--	--	--
	(FTE)	(14)	(--)	(--)	(--)

Authorization: 42 U.S.C. 4321, et. seq. "The National Environmental Policy Act," January 1, 1970, requires Federal agencies to consider environmental impacts of proposed Federal actions and issue environmental impact statements for actions significantly affecting the human environment prior to decisions to proceed. 16 U.S.C. 470 et. seq. and 16 U.S.C 470aa et. seq. "The National Historic Preservation Act" and "The Archeological Resources Protection Act", establish national policy for the management, preservation and protection of cultural and archeological resources.

Executive Order 12088, October 1978, "Federal Compliance with Pollution Control Standards," implemented by Departmental Manual 516 DM 4, requires all Bureaus to comply with Federal environmental pollution control laws, regulations and standards affecting air, water, and noise, and those applicable provisions of other laws, regulations and standards. These include the Clean Water Act (P.L. 92-500); Clean Air Act (P.L. 84-159); Resource Conservation and Recovery Act; (P.L. 94-580); Comprehensive Environmental Response, Compensation and Liability Act, or "Superfund" (P.L. 96-510); Endangered Species Act (P.L. 93-205); and Federal Environmental Pesticide Control Act (P.L. 92-516), as amended.

Objectives: The objectives of the Environmental Quality program are: (1) to ensure that proposed Bureau actions affecting the reservation environment comply with procedural and substantive requirements of the National Environmental Policy Act (NEPA); (2) to review and comment on other Federal agency NEPA documents for proposals that may have potential impacts on Indian people and trust lands; (3) to comply with environmental protection laws in the areas of air, water, and noise pollution, safe drinking water, storage and disposal of nuclear, toxic and hazardous wastes and pesticide management on the Indian reservations; (4) to comply with the National Historic Preservation Act, the Archeological Resources Protection Act and the American Indian Religious Freedom Act to protect Indian archeological, historic and cultural resources and values on Indian trust lands; and (5) to comply with Executive Order 12088 and applicable Departmental policies and procedures in the prevention, control and abatement of environmental pollution in Federal facilities and activities under the control of the Bureau.

The National Environmental Policy Act, as well as the National Historic Preservation Act, Fish and Wildlife Coordination Act, and the Archeological Resources Protection Act, require the examination of proposed actions on Indian lands to determine if they may affect the quality of the human environment or resources which are protected by specific statutes. These activities include coal mining, oil and gas exploration, uranium mining, timber harvesting, and other surface-disturbing activities. When the examination or assessment indicates a significant impact, then an environmental impact statement (EIS) is prepared to insure that Indian people and Bureau officials are aware of impacts on the environment, resources, tribal cultural heritage, and social welfare. These documents are planning tools to be used as an aid in the decision-making process.

Base Program (\$766,000; FTE 3):

Central Office Operations (\$167,000; FTE 3): Staff at this level provide guidance and assist in solving problems associated with preparation of Environmental Impact Statements; prepare and review Federal Register Notices; provide coordination with other Interior Agencies, to ensure documents meet the needs and requirements of each agency; review controversial Environmental Assessments (EA); gather documents which may affect Indian lands and forward them to the appropriate area office for review; and obtain comments from the field for final review and consolidation before forwarding the comments to the Agency which initiated the project.

Central Office staff are also responsible for overall guidance of the Bureau's Archeology Program. This includes establishing procedures for archeological clearances and establishing an approach for compliance with the various archeological laws, while taking the complex issues of tribal ownership and trust land status into account. All major policy, and coordination with other federal agencies, is generated at this level.

This staff is also responsible for establishing, managing and providing guidance for the Bureau's Hazardous Waste Program (HWP). The basic steps of the HWP are survey, testing, prioritizing and cleanup of sites. The HWP is a five-year management plan, of which Fiscal Year 1986 will be the first year of effort, utilizing the \$315,000 earmarked by the Congress for surveys and testing. The main objective during FY 1986 will be additional surveys, testing of known or suspected sites and making arrangements for cleanup of emergency sites.

Area Office staff are primarily responsible for coordinating the preparation of EIS's. Additionally, review documents prepared by third party contractors. They are also responsible for setting up public hearings and gathering and responding to public comments on the EIS documents. The Area Offices prepare most of the major EA's required under their jurisdiction and give guidance to the tribe/agency level in the preparation of less controversial EA's.

Area Office Staff prepare permits and give necessary guidance for the completion of day-to-day archeological activities. In addition, clearances are reviewed and processed. Actual field work is performed to ensure compliance with archeological laws and protection of sites to the maximum extent possible. Emergency site discovery situations are also handled at this level.

Area Office staff are also responsible for gathering information and conducting questionnaire surveys about hazardous waste sites. There are occasions when Area Office personnel perform sampling for tests and act as on-site coordinators during cleanup situations. They are also responsible for contracting associated with testing and cleanup of the sites.

Workload Data: Environmental Impact Statements (EIS) which are required by the Bureau are usually prepared by consulting firms and cost approximately \$300,000 each. Funding for impact statements is not included in this request since they are normally funded by the project applicant or by the program responsible for management of the resources proposed for development.

Not all environmental work is accomplished by staff in this program. Efforts by staff of other programs (minerals, forestry, real estate, etc.) are required in environmental examinations and reviews. Funding for those activities is provided by those programs. In addition, there are major environmental assessments or impact statements which must be contracted. Funding is usually provided by the program involved.

	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>
Environmental Examinations	60,000	65,000	67,500	67,500
" Assessments	750	800	825	825
" Impact Statement	6	6	4	4
" Reviews	1,600	1,700	1,700	1,700

The Bureau encourages tribes to carry out environmental programs on their respective reservations with assistance from the Bureau, the Environmental Protection Agency and cooperating states. However, the majority of tribes do not have the resources to carry out environmental programs, and therefore rely on Federal assistance through the Bureau.

Archeological Clearance (\$294,000; FTE 0): The Archeological Program is designed to examine areas on trust and Federal lands being considered for construction or modification, for the presence of significant historic, archeological or cultural sites and features. If any of these features are found, measures are outlined to preserve, maintain or salvage the resources involved. The tribes are consulted during this process.

Hazardous Waste (\$315,000; FTE 0): Several sites have been found on reservations, thus far, with varying degrees of potential impact. When these sites are discovered, there is a need for sampling, testing, and protection (such as fencing), as appropriate. These steps will enable the Bureau to determine if there is an imminent hazardous situation involved, its extent, and possible mitigative measures to be taken. The sites can then be prioritized so those posing a threat to human health are cleaned up first.

Thus far, the Bureau has cleaned up a polychlorinated biphenyl (PCB) site at the San Carlos Irrigation project in Arizona at a cost of \$180,000, a PCB spill on the Flathead Irrigation project in Montana at a cost of \$80,000 and two Arsenic sites on the Northern Cheyenne reservation (Montana) at a total cost of \$50,000. The Environmental Protection Agency (EPA), using its "Superfund" money, recently cleaned up the Celtor Chemical site on the Hoopa Indian reservation in California. The cost for this cleanup was approximately \$340,000.

Increase/Decrease from 1987 Base:

(Dollar amounts in thousands)

<u>Field Operations:</u>		<u>FY 1987</u> <u>Base</u>	<u>FY 1987</u> <u>Estimate</u>	<u>Difference</u>
Archeological Clearances	\$ (FTE)	294 (--)	394 (--)	+ 100 (--)
Hazardous Waste	\$ (FTE)	315 (--)	-- (--)	-315 (--)
Total	\$ (FTE)	609 (--)	394 (--)	-215 (--)

Archeological Clearances (+\$100,000; FTE 0): This funding will be used for surveys, excavations and mitigations needed to ensure that Bureau projects are not delayed and to provide archeological services in Oklahoma, and for the Washington Office. An efficient clearance process is necessary; especially to handle "discovery situations" which occur as projects are being carried out.

In Oklahoma, the Bureau is relying on BLM to perform archeological clearances on oil and gas leases only. This leaves the Bureau to develop additional means of compliance for various other projects with limited resources.

The Bureau's program is being directed toward granting the tribes maximum authority for cultural resources management. The Bureau has 20 full time archeologists, in seven area offices who need guidance in this effort.

Hazardous Waste (-\$315,000; FTE 0): In FY 1986, \$315,000 was appropriated as a one-time earmarking of funds as directed by the Congress for the hazardous waste program, which allowed for surveys and testing of known and suspected sites. However, it will be possible to conduct further surveys and address emergency situations without these additional funds, with existing resources.

B. Indian Rights Protection

		FY 86 Enacted <u>To Date</u>	FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	Inc.(+) Dec. (-) <u>From Base</u>
Central Office Operations:	\$ (FTE)	549 (9)	549 (9)	549 (9)	-- (--)
Area Office Operations:	\$ (FTE)	535 (12)	535 (12)	463 (12)	-72 (--)
<u>Field Operations</u>					
ANILCA Programs	\$ (FTE)	1,372 (10)	1,372 (10)	672 (--)	-700 (-10)
Native Group Grants	\$ (FTE)	412 (--)	412 (--)	-- (--)	-412 (--)
Land Selection Costs	\$ (FTE)	750 (--)	750 (--)	-- (--)	-750 (--)
ANCSA Cem/Hist Sites	\$ (FTE)	1,568 (20)	1,568 (20)	-- (--)	-1,568 (-20)
Litigation Support	\$ (FTE)	5,300 (--)	2,200 (--)	1,180 (--)	-1,020 (--)
Water Rights Negotiation/ Litigation	\$ (FTE)	-- (--)	10,353 (--)	10,353 (--)	-- (--)
Attorney Fees	\$ (FTE)	1,850 (--)	1,850 (--)	1,500 (--)	-350 (--)
Unresolved Rights Issues	\$ (FTE)	1,470 (--)	1,470 (--)	1,470 (--)	-- (--)
Hunting & Fishing Rights	\$ (FTE)	660 (--)	660 (--)	660 (--)	-- (--)
Michigan Settlement	\$ (FTE)	700 (--)	-- (--)	-- (--)	-- (--)
Tribe/Agency Operations:	\$ (FTE)	4,842 (74)	<u>a/</u> (--)	-- (--)	-- (--)

a/ Funding and FTE for the Tribe/Agency is shown under the new OIP budget activity titled Tribe/Agency Operations.

Authorization: 28 U.S.C. 2415 (Statute of Limitations) provides that the United States initiate claims for money damages in behalf of a recognized tribe, band or group of American Indians. This section also allows for similar actions for, or on behalf of, an individual whose land is held in trust or restricted status.

P.L. 97-394, the "Indian Claims Limitation Act of 1982," was included in the Bureau of Indian Affairs' Administrative Provisions of the Appropriation Act for FY 1983. The Act extended the deadline for resolving claims.

P.L. 96-487, the Alaska National Interest Lands Conservation Act (ANILCA), provides for subsistence protection for Alaska Natives, conveyance of title to Alaska Native allotment applicants, and economic development grants to Native groups.

The Alaska Native Claims Settlement Act (ANCSA), P.L. 92-203, provides for the investigation and certification of cemetery and historical sites and their transfer to Native Regional Corporations.

Objective: To protect those rights which the United States guaranteed the various federally recognized Indian tribes through treaty, statute or Executive Order, and to preserve the resources upon which the exercise and benefits of the rights depend. To provide for tribes the financial ability to become involved through legal or legislative advocacy; to address all unresolved issues, i.e., trespass, water rights, fishing and hunting rights, tribal sovereignty; and to bring potentially contesting parties together on a broad scale to consider Indian rights issues and seek areas of common interests and goals.

Base Program (\$21,719,000; FTE 51): In performing its fiduciary responsibilities, the Bureau of Indian Affairs, as the Federal agency with primary responsibilities, must meet whatever challenges may occur and initiate action necessary for the protection and continued viability of those rights. Many of the cases filed to date will be active, requiring research and evidence gathering efforts. Unresolved Indian Rights issues will continually be identified and resolved, and evidence will be gathered for Statute of Limitations active claims for many years to come until the claims are resolved.

Within the Federal Government, in addition to the Bureau of Indian Affairs, the Department of the Interior Solicitor and the Department of Justice both have key roles in rights protection. The Department of Justice usually represents the Indian interest in cases under adjudication. The Interior Solicitor provides legal advice to the Bureau and to tribes concerning rights issues and prepares litigation reports for consideration by the Department of Justice. If the Federal Government were to withdraw from requesting funds for and supporting Indian tribes in rights protection efforts, few tribes would be able to afford the extremely high costs of litigation or negotiation. Consequently, land, water, and other resources belonging to a tribe would often be diverted to non-Indian use. However, court rulings sometimes require the Federal Government to provide the protection needed because of treaty or statutory requirements.

It is incumbent upon the Federal Government, by virtue of its fiduciary responsibility, to ensure that Indian rights are not abrogated, lost, or infringed

upon. A majority of the tribes are not financially able to undertake the programs necessary to protect their rights and resources. As pressures mount on scarce resources, especially water, program efforts must assure that Indian rights are effectively protected.

Central Office Staff Operations (\$549,000; FTE 9): This element provides the Bureau of Indian Affairs professional, technical and managerial personnel to administer rights protection activities at the national level, to undertake policy initiatives, to initiate and review legislation, to make allocation determinations for centrally controlled rights protection funds and to issue and monitor contracts for rights protection research on a multi-regional or national basis.

Area Office Operations (\$535,000; FTE 12): The rights protection activity provides the Bureau of Indian Affairs with problem-solving staff and technical support services at the regional level for the protection of the multi-billion dollar estate which the United States administers on behalf of the Nation's Indian tribes. This includes support to meet challenges to tribal rights and interests that are protected by treaty, statute, or Executive Order, as well as the initiation of those actions required of a prudent trustee to clarify the nature of, and to ensure the continued viability of, those rights. Where negotiated agreements are not possible, this activity provides the historical, technical, scientific, and other professional expertise necessary for the Government to litigate challenges to Indian rights which the United States has guaranteed through treaty or statute.

Field Operations (\$20,635,000; FTE 30): The major costs for services required in the protection of Indian rights are funded in the subactivities listed below; i.e., Litigation Support, Attorney Fees, Unresolved Indian Rights Issues, Hunting and Fishing Rights, and Water Rights. Those subactivities are programmed at the Central Office, based on information provided by the tribes and Agency and Area Offices. The funds are used to support rights protection activities, on a priority basis, considering the relative importance and urgency of the controversy being negotiated or litigated.

Water Rights Negotiation/Litigation (\$10,353,000; FTE 0): This is a new line item under Indian Rights Protection for water rights negotiation/litigation, and will serve to facilitate the collection of evidence/data necessary to effectively protect the reserved water rights of Indian tribes and their members. By combining the funds in one activity, they can be used more effectively in support of Indian water claims, whether they are in negotiation or litigation.

A plan to review Indian water claims was completed in 1980 in response to the growing number of conflicts involving Indian Water Claims. The plan defined fixed criteria to analyze and evaluate technical data used in the identification and documentation of potential tribal water resources. Under the plan, determinations are made concerning the extent of data necessary to support a tribal water claim, whether through negotiation or litigation should negotiation prove unsuccessful.

This activity provides the data/evidence gathering capability required by the United States, acting as trustee on behalf of Indian tribes, to successfully litigate or support a tribal water claim when settlement options are being explored. In either case, all baseline data/evidence will have to be collected. This data/evidence includes complete historical, hydrologic, engineering, soil classification, and economic identification of both present and future water needs of a tribe.

Funding expenditures are made on a priority basis with those in active litigation and/or negotiation receiving first priority. Amounts identified and expended in each case vary, based on the data/evidentiary needs identified by the Department of Justice, Interior Department Solicitors, BIA staff, and the affected Indian tribe. All work performed under this activity is done through the Federal procurement process and all data/evidence is made available to the subject tribe. The Secretary has placed a high priority on the resolution of federally reserved water rights, including Indian reserved water rights. It is the policy of the Administration and this Department to encourage Indian tribes to negotiate settlement of their water claims. In furtherance of this policy, funds from this activity may also be used to fund direct tribal participation in the preparation of the tribal water claim process. A key element of this tribal involvement is tribal review of contract proposals and the scope of studies proposed, as well as assistance in contractor selection. This will allow tribes to monitor work as it is being conducted and to suggest modifications of the studies as they feel necessary. Moreover, the information and data which is collected in the preparation of a tribal water claims package is made available to the tribe so that the tribe may make an informed decision about its water rights claims.

There are over 60 currently pending general stream adjudications in which Indian water rights are being quantified, most of which involve more than one tribe. Virtually all negotiation of Indian water rights is occurring in the context of either pending or threatened litigation. Any failure of negotiations means the Federal Government will be required to litigate the federally reserved water rights of the Indian tribes. Thus, studies now being prepared for negotiations are also being prepared in anticipation of litigation and will be used for litigation if negotiations fail.

In FY 1987, it is anticipated that 25-30 cases will either be involved in active litigation or negotiation. Inadequate collection of the necessary data/evidence required by each case area will increase the risk of loss of Indian reserved water rights and could possibly place the United States in a position of possible liability for failure to adequately perform the fiduciary duties as trustee of Indian trust resources.

Other Litigation Support (\$2,200,000; FTE 0): This activity provides the information and evidence gathering capability required by the United States to successfully defend the Government's position in litigation involving Indian rights issues. In some instances, the United States is suing in actions brought on its own behalf or on behalf of the Indian tribes. In other cases, the United States is a named defendant in actions brought by third parties; and in others, it is a named defendant in actions brought against the United States by Indian tribes.

Litigation support is also provided to the tribes in cases where they are separately represented because other interests of the United States conflict with those of the affected tribe. In such cases, a trust relationship or fiduciary obligation still exists. Much of the activity conducted in support of litigation is actually directed towards negotiated settlement of lawsuits. Cases include: trespass; title questions, such as property line disputes; rights-of-way; allotment claims; mineral entry; pollution issues; and activities which have harmed or could harm the health and safety of the reservation population.

Cases are addressed on a priority basis, with those either in court, or due to be in court within a short period of time, receiving first consideration.

Amounts expended for each case vary based upon the actions involved, or data needed.

Attorneys Fees (\$1,850,000; FTE 0): Decisions of the Comptroller General and Court of Appeals for the 10th Circuit have ruled that it is appropriate to expend appropriated funds to enable a tribe to retain independent counsel in situations in which the United States cannot represent the tribes as contemplated by 25 U.S.C. 175, or where separate representation is required due to inherent conflicts of interest because the United States is representing its own proprietary interests, or because several tribes with conflicting interests are involved in the same case.

Regulations (25 CFR 89) that govern the expenditure of appropriated funds for the fees of private attorneys representing tribes in cases being litigated, or where the tribe is initiating litigation, have been revised for clarity and specificity. Also, guidelines and procedures are being issued to assist tribes and Bureau staff in processing these requests. The existing policy guidelines determining priority classification of eligibility for attorney fee funding are as follows:

- (a) The Bureau's first priority funding of a tribe's attorney fees will be applied in cases where a tribe is sued directly and must defend its immunity from suit, as well as on the merits, and the Attorney General declines to defend the tribe.
- (b) In the event that the United States is sued and a tribe's (or tribes') rights and interests (e.g., Winters right) are challenged by the action and, in addition, other identified interests of the United States (BuRec, BLM, etc.) or the rights and interests of another tribe conflict with those of the affected tribe, such facts will constitute the Bureau's second-priority funding of a tribe's (or tribes') attorney fees.
- (c) In the event that the actions (or inactions) of another party detrimentally affect the rights and interests of a tribe, and the Attorney General declines to bring suit to enjoin such action, thus forcing the affected tribe to bring suit to protect its rights and interests, such facts will constitute the Bureau's third-priority funding of a tribe's attorney fees. All attorney fee requests are reviewed by the Attorney Fee Review Committee, consisting of the Deputy Assistant Secretary; the Director, Office of Trust Responsibilities; and the Associate Solicitor. Fee payments recommended by the Committee are reviewed and approved by the Assistant Secretary-Indian Affairs and by the Solicitor.

Unresolved Indian Rights Issues/Statute of Limitations (\$1,470,000; FTE 0): The Unresolved Indian Rights Issues activity provides for research that is requisite to the identification and resolution of issues necessary for the protection and preservation of Indian rights associated primarily with natural resources. The Statute of Limitations (28 U.S.C. 2415) activity originally provided for the identification, research and filing of claims for money damages against third party actions taking place prior to 1966. Until the amendatory Indian Claims Limitation Act of 1982, this activity was governed by a time limit after which the United States was forever barred from pursuing said claims through litigation. On December 30, 1982, Congress extended the Statute of Limitations until the Secretary had defined the universe of all such claims. With the publication of two lists in the

Federal Register, in compliance with the 1982 act, a universe of approximately 36,000 claims cases has been established, and the United States is now barred from filing suit on any claim not appearing therein. With respect to those claims appearing on either of these lists, the Statute of Limitations is now indefinitely extended until such time as the United States files litigation, formally rejects the claims for litigation or legislative solution, or submits legislation to the Congress to resolve such claims. A considerable amount of research remains to be done on the approximate 6,000 claims appearing on the second list, said claims having been submitted by tribes since the publication of the first list on March 3, 1983. The work no longer focuses on the identification of Statute of Limitations claims, but rather on the resolution of said claims. On October 19, 1984, the Old Age Assistance Claims Settlement Act, P.L. 98-500, was enacted, which will resolve several thousand Statute of Limitations claims. In excess of 2,400 trust estates have been identified as qualifying for settlement under this statute. These, together with the amount of reimbursement that was actually paid from them to the states have been published in the Federal Register. The identification and location of those individuals to be compensated (an estimated 9,000 in number), and the amount of compensation due each of them, including interest, must now be determined.

This joint activity is designed to protect Indian rights and to avoid government liability for failure to discharge the fiduciary responsibilities of the United States. Information generated by the activity is used primarily to seek and obtain negotiated settlements or other administrative remedy; failing these, it can be used to support the initiation of litigation and for legislative resolution. The issues addressed include, but are not limited to, those involving title to land, trespass, water rights, mineral entry, renewable problems of pollution, and activities which endanger reservation persons or property.

Hunting and Fishing Rights (\$660,000; FTE 0): This activity supports tribes engaging in or anticipating litigation to define the scope of their hunting and fishing rights, participating in negotiations with other co-management interests in lieu of further litigation, and initial implementation of court orders/decisions. Courts maintain continuing jurisdiction over natural resource management related to Indian hunting and fishing rights. Direction received from the courts, or settlements negotiated with other co-management entities provide the basis for determining the nature and extent to which Indian hunting and fishing rights may be exercised in the context of overall resource allocation and conservation.

Tribes prepare for and participate in litigation and negotiation proceedings directly, or through inter-tribal coordinating bodies (e.g., Northwest Indian Fish Commission, Columbia River Inter-Tribal Fisheries Commission, Great Lakes Indian Fish and Wildlife Commission, and Chippewa-Ottawa Treaty Fishery Management Authority). The United States and the Indian tribes must have information necessary to determine the extent to which treaty hunting and fishing rights may be asserted or exercised, including stock recruitment data, population abundance information and data allowing for the establishment of total allowable catch levels. Such information provides a basis for management by tribes, in demonstrating to the satisfaction of the States and the courts that they have the capacity to regulate their members' exercise of treaty hunting and fishing rights in a manner which assures appropriate conservation and utilization of the resources for the benefit of all concerned. Tribes and inter-tribal bodies require programs in the areas of fish and wildlife management, regulation setting, conservation enforcement, and tribal

court systems. Failure to develop an effective tribal co-management capability could lead to increased State control and diminution of Indian hunting and fishing rights. Once these cases go beyond the litigation or negotiation phase, funds are transferred to the Wildlife & Parks account for implementation of the decisions made or agreements reached.

ANCSA Site Surveys (\$1,568,000; FTE 20): This funding provides field support units for investigation and certification of cemetery sites and historical places authorized by the Alaska Native Claims Settlement Act (ANCSA). Most of the sites are remote and accessible only by helicopter. Travel is an integral part of the ANCSA program, absorbing about 1/3 of annual funding requirements. Field Support units for FY 1985 were located mostly in the Calista and Aleut Regions. An enlarged field unit was located on Amchitka Island in the Aleutians, and one field unit each at Alakanuk, St. Mary's, and Tuntutuliak in the Calista Region. At this funding level, 160 sites could be located and additional information gathered and verified.

The National Park Service formerly provided formal consultation services to the Bureau through agreements and contracts with the University of Alaska (which have since been terminated). Historical and cemetery site studies and assessments were conducted, evaluated and reported to the Bureau. Since the Bureau has its own site assessment and evaluation field program, to which the National Park Service reviews were complementary, it was determined that the information provided by the National Park Service could easily be obtained in the same operation by the Bureau. Therefore, a transfer of funds was made, starting in FY 1985, for more efficient operations and better utilization of funds. The National Park Service will continue to consult with the Bureau and comment on cemetery and historic sites located on lands managed by the Service, as needed.

Alaska Lands Act (\$2,534,000; FTE 10): This funding provides for implementation of those activities authorized by P.L. 96-487, the Alaska National Interest Lands Conservation Act (ANILCA).

- a. ANILCA Programs (\$1,372,000; FTE 10): This portion of the ANILCA program provides for effective coordination/consultation with land managing agencies and the State on subsistence preference for Alaska Natives and administration of programs affecting the acquisition of Native allotments. Provisions of subsistence are monitored to assure preservation of rights, resources, immunities and prerogatives to which the U. S. has committed itself by various statutes and regulations. Complaints that preference for subsistence uses is not adequately provided are investigated. Not all of the requests can be responded to each year, within available resources, but all actions are of vital importance in defense of native subsistence rights.

Limited services to facilitate transfer of Alaska Native allotments are provided. A Native Allotment Plan has been drawn up by the Juneau Area Office and although not yet funded, it is intended to facilitate and expedite conveyance of all Native allotments in Alaska through a coordinated, cooperative inter/intra agency six-year plan of action.

Limited administrative services affecting native allotments, villages and corporations are provided upon request or as required, i.e., realty, rights of way, leases, forestry, land transfers, probates, environmental and archeological, natural resources, appraisals, and lease compliance.

- b. Native Group Grants (\$412,000*): Section 14h(2) of the Alaska Native Claims Settlement Act authorizes the Secretary to provide grants to Alaska Native Group Corporations which are too small in number to qualify as Village Corporations. Section 1413 of ANILCA authorized the Secretary to pay each of these groups an amount not more than \$100,000 or less than \$50,000, adjusted according to the population of each Group. Funds authorized may be used only for planning, development, and other purposes for which Native Groups are organized under ANCSA. The funds will assist the Native Groups to become capable managers of their lands and resources. Of the twenty-seven (27) possible groups to be certified, nine (9) have been declared eligible; others have been denied and have appeals pending with Interior Board of Land Appeals (IBLA); others are pending. The Board has approved applications from five (5) groups, which are listed below, with the grant amounts approved for each. These were paid in FY 1985.

Kian Trie	\$ 90,000
Olsonville	100,000
Gold Creek	67,500
Point Possession	75,000
Nagamuit	<u>87,500</u>
	\$420,000 *

* (Note: The funds available were \$412,000, which reflects the 2 % reduction in 1985. The Bureau provided the additional \$8,000 in order to finalize the payments.)

For FY 1986, we expected additional decisions on certifications and continued the same level of funding to cover anticipated payments to the other four groups that have been declared eligible (\$357,500); with the balance to be used to pay, to the extent possible, others that may be decided. The four that are already eligible are: Caswell Native Association, Alexander Creek, Montana Creek, and Menchumina.

- c. Land Selection Costs (\$750,000): Section 506(d) of ANILCA authorized the Secretary to reimburse the three corporations (Goldbelt, Kootznoowoo and Shee Atika) for costs incurred in determining the validity of land withdrawals on Admiralty Island under section 14(h)(3) of ANCSA, and authorized not to exceed \$2 million for that purpose. Prior to FY 1986, the Congress had appropriated \$1 million for this purpose, and the Bureau had provided an additional \$250,000, leaving this balance of \$750,000 to be appropriated.

Audits of the original claims, supplemental audits of those claims, and audits of reclaims have been accomplished, as well as a reassessment of the question of interest. To date, \$1,197,841 would be required to pay the balance of all presently approved costs; additional authorization would also be required.

Increase/Decrease from FY 1987 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
<u>Indian Rights Protection</u>				
Area Office	\$	535	463	- 72
Operations:	(FTE)	(12)	(12)	(--)
Native Group Grants	\$	412	--	- 412
	(FTE)	(--)	(--)	(--)
ANILCA Programs	\$	1,372	672	- 700
	(FTE)	(10)	(--)	(-10)
Land Selection Costs	\$	750	--	- 750
	(FTE)	(--)	(--)	(--)
ANSCA Cem/Hist. Sites (% NPS)	\$	1,568	--	-1,568
	(FTE)	(20)	(--)	(-20)
Litigation Support	\$	2,200	1,180	- 1,020
	(FTE)	(--)	(--)	(--)
Attorney Fees	\$	1,850	1,500	-350
	(FTE)	(--)	(--)	(--)

Area Offices (-\$72,000; FTE 0): All increases/decreases at Area Offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank, in order of priority, program packages.

In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the significant reductions in funding which were made in fiscal years 1983, 1984, 1985 and 1986.

Native Group Grants (-\$412,000; FTE 0): Based on available information it is estimated that the FY 1986 funding should be sufficient to pay the remaining Native Group Grants. Barring any unforeseen appeal situations, we believe that fiscal year 1986 was the last year of requests for this purpose.

ANILCA Programs (-\$700,000; FTE -10): The reduction in this line-item will reduce funding for the resolution of claims associated with the selection and conveyance of Alaska Native allotments. This need can be met with part of the proposed funding increase for cadastral surveys in Alaska. Claims which are too complex to be resolved as part of the expanded survey program would be dealt with using existing resources available in other elements of the Rights Protection program. Also, it is expected that greater assistance can be solicited from non-federal parties with an interest in resolution of allotment-related claims, e.g. the State of Alaska and various Native organizations.

Land Selection Costs (-\$750,000; FTE 0): The \$750,000 provided in FY 1986 completes appropriations to match the \$2 million authorized for this purpose in ANILCA. Additional appropriations will depend on additional authorization for that purpose. After the \$750,000 is paid out, there is still \$447,841 outstanding in presently approved costs, with the possibility of some additional approved costs, following completion of an on-going audit.

ANSCA Cem/Hist. Sites (-\$1,568,000; FTE -20): This reduction will curtail, but not eliminate, the program to survey and investigate historical and cemetery sites for conveyance to Regional Corporations. The sites are protected by existing Federal and State laws; therefore, there is no urgent need to complete them immediately, in that respect. This will delay the completion of the work five years beyond the present schedule of 1992. Within available tribe/agency funds, approximately 80 sites could be investigated, adjudicated and reported in FY 1987.

Litigation Support (-\$1,020,000; FTE 0): Additional funds were provided in FY 1986 which were to be directed to activities necessary to meet court-ordered deadlines. This reduction is in anticipation of the majority of those needs being accomplished, and that other needs can be met within the amount proposed in FY 1987.

Attorney Fees (-\$350,000; FTE 0): With continuing critical review of requests for attorneys fees, and limitations maintained on hourly rates, we anticipate that this reduction will be acceptable and have no severe impact in meeting tribal needs. It also assumes that the previously imposed limitation on funds for the Navajo/Hopi land case will continue.

Object Class Distribution - Indian Rights Protection Subactivity Amounts

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation (FTE)	-30	\$ - 1,090
Personnel Benefits, Civilian	-0-	- 110
Personnel Benefits (Former Employ.)	-0-	+ 150
Travel	-0-	- 100
Other Services	-0-	- 2,703
Supplies	-0-	- 72
Grants, Subsidies & Contributions	-0-	<u>-1,162</u>
Total	- 30	\$ - 5,087

Justification of Program and Performance

Activity: Trust Responsibilities
Subactivity: Real Estate/Financial Trust Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY86 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Trust Services						
General	\$ (FTE)	1,072 (20)		718 (15)	920 (20)	+202 (+5)
B. Real Estate Services	\$ (FTE)	24,712 (614)		6,817 (159)	10,754 (164)	+3,937 (+5)
C. Financial Trust Services	\$ (FTE)	4,068 (157)		727 (19)	1,177 (13)	+450 (-6)
Total Requirements	\$ (FTE)	29,852 (791)	28,568	8,262 (193)	12,851 (197)	+4,589 (+4)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted to Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Real Estate & Financial Trust Services	\$ 29,852	\$ - 1,284	\$ 28,568

As a result of the P.L. 99-177 reduction, the various effects in this account would result in the delays in program oversight and evaluation activities at the Area and Central Offices, delays in the procurement of equipment and supplies, and restricted travel for program oversight. The Miccosukee Real Estate program will experience a slight operating expense reduction; Cadastral Surveys will be reduced in number or scope, and Lease Compliance activities will be delayed. The survey and compliance reductions will increase the current backlogs of these programs, delay developments and reduce returns to Indian owners.

A. Trust Services, General

		<u>FY 1986 Enacted to Date</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office Operations:	\$ (FTE)	336 (5)	336 (5)	336 (5)	-- (--)
Area Office Operations:	\$ (FTE)	472 (10)	382 (10)	584 (15)	+202 (+5)
Tribe/Agency Operations:	\$ (FTE)	264 (5)	-- (--)	-- (--)	-- (--)

Objective: To provide consistent, high quality and timely direction and assistance in technical operations of all trust responsibilities programs; to direct, formulate and coordinate program policy, planning, development and execution; to provide managerial assistance in the execution of trust services; to provide direction and coordination of geographic information systems in order to expedite delivery of information to tribes in resources planning and development; and to promote efficient and effective use of funds.

Base Program Central and Area Offices (\$718,000; FTE 15): The Trust Services, General, program provides program management and support for trust and natural resources activities in the Central Office, and for limited field office land and trust matters. The responsibilities of staff covered by this element may include all or some of the following activities: environmental services; rights protection; real estate services, appraisals, land use planning and land records improvement; financial trust services; agriculture; range; soil and moisture conservation; forestry; fire suppression; energy and minerals; water resources; wildlife and parks; irrigation construction, operation and maintenance; fish and game management; water policy implementation; cultural resources and archeological clearances; hazardous waste; road construction and maintenance; and other trust-related activities.

In the Central Office, the Office of the Director of Trust Responsibilities provides program direction and support for these programs. Trust Services, General provides funding for the Office of the Director, Trust Responsibilities, including most of the Program Coordination Staff. At Area Offices, funds may be used for Rights Protection staff, studies, contracts, geographic information system agreements and other services that may affect trust responsibilities programs at field offices.

Increase/Decrease from FY 1987 Base:

(Dollar amounts in thousands)

<u>Program</u>		FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	<u>Difference</u>
A. <u>Trust Services, General</u>				
Area Office Direct	\$	382	584	+202
Operations	(FTE)	(10)	(15)	(+5)

Area Office Direct Operations (+\$202,000; FTE +5): All increases/decreases at Area Offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish funding levels and to rank, in order of priority, program packages.

In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in overhead funding which were made in fiscal years 1983, 1984, 1985 and 1986.

The priority of the IPS funds result in a net increase of \$202,000, with the majority of funds (\$100,000) and 3 FTE being directed to the Billings Area, and the Juneau Area receiving (\$116,000) and 2 FTE. These two areas are a part of the total net amount of increases/decreases within all area offices.

B. Real Estate Services

		<u>FY 1986</u>	<u>FY</u>	<u>FY</u>	<u>Inc. (+)</u>
		<u>Enacted</u>	<u>1987</u>	<u>1987</u>	<u>Dec. (-)</u>
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From Base</u>
Central Office	\$	591	591	591	--
Operations:	(FTE)	(11)	(11)	(11)	(--)
Area Office	\$	1,838	1,838	2,019	+181
Operations:	(FTE)	(50)	(50)	(55)	(5)
<u>Field Operations:</u>					
Cadastral Surveys	\$	1,037	1,037	4,075	+3,038
	(FTE)	(--)	(--)	(--)	(--)
Land Titles & Records	\$	--	1,069	1,069	--
Offices	(FTE)	(--)	(48)	(48)	(--)
Land Records	\$	882	882	1,600	+718
Improvement	(FTE)	(--)	(--)	(--)	(--)
Lease Compliance	\$	1,400	1,400	1,400	--
	(FTE)	(50)	(50)	(50)	(--)
Tribe/Agency	\$	18,866	--	--	--
Operations:	(FTE)	(503)	(--)	(--)	(--)

Authorization: The Bureau of Indian Affairs' responsibility under 25 U.S.C. 13 is to provide general administration of Indian property. Additional real estate services are mandated by other codes, statutes and court decisions. These legal requirements include: approval of all contracts related to services on Indian lands (25 U.S.C. 176); consent to the alienation of tribal lands (25 U.S.C. 311-328); extending periods of trust and regulating descent and partition of kinship's interest (25 U.S.C. 398); requirements of P.L. 97-459, Indian Land Consolidation Act; and sub-surface leasing of trust lands (25 U.S.C. 39, and subparts a through g). Under Seminole Nation v. United States (316 U.S.C. 286 (1942)), the Federal Government is charged to exercise its trust responsibilities using the "most exacting fiduciary standards." More recent Federal statutes which real estate services must implement are the National Environmental Policy Act, the Historic Preservation Act, the Archaeological Antiquities Act, and the Archaeological Resources Protection Act of 1979.

Objectives: To protect and enhance the corpus of the Indian trust estate by providing both individual Indian landowners and Indian tribes with the professional, technical, administrative, and protective services required of the United States in its role as trustee of Indian-owned real property. To work with the Indian tribes, Congress and other interested parties toward resolution of the undivided heirship problem of allotted Indian land in accordance with existing authorities. To provide assistance in land use planning and resource management planning to those tribal entities which have requested and demonstrated a need for these services. To facilitate economic use of land by developing a capability to provide accurate and timely land record information and boundary delineation.

Base Program (\$6,817,000; FTE 159):

Central Office Operations (\$591,000; FTE 11): Central Office staff formulate real estate services policy, provide advice, handle appeals and perform title research required at the national level; provide budget services; implement training initiatives; produce directives for implementation of new legislation; establish and review regulations.

Area Office Operations (\$1,838,000; FTE 50): The Area Offices provide technical support and general policy direction as well as administrative review of agency real property management services. Technical support services include appeals assistance, review of development initiatives, performance of appraisals and land use planning.

Field Operations (\$4,388,000; FTE 98):

- a. Cadastral Surveys (\$1,037,000; FTE 0): Funding for surveys (other than Alaska) in the amount of \$1,037,000 will provide approximately 1,600 miles of boundary surveys in FY 1986. Survey of Indian lands, as specified in 25 U.S.C. 176, must be accomplished by the Bureau of Land Management. The program is directed toward accomplishing tribally-identified survey priorities, particularly in the areas of energy and energy-related mineral development, where lack of a correctly identified boundary constrains management and/or development of resources. The following table shows accomplished [a] and estimated [e] number of miles of cadastral surveys performed by the Bureau of Land Management in the specified fiscal years:

<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
600 [a]	1,146 [a]	1,200 [a]	1,965 [a]	1,900 [e]	1,600 [e]

Accomplishment of the estimated 1,600 miles of surveyed boundary is possible because the three cadastral survey "project offices" established by interagency agreement between the Bureau of Indian Affairs and the Bureau of Land Management will be maintained. These project offices, which are responsible for most of the surveyed miles noted above, are operated on the Navajo Reservation in Arizona; for the Penobscot and Passamaquoddy Indians in Maine; and recently, at White Earth, Minnesota. A "project office" is a "temporary" BLM organization, established for a minimum period of time (usually three years) to survey a given (and usually large) area of land. The project office's survey crew is dedicated to that survey for the duration of the project office and does not move from one reservation to another, as is the case with non-project office survey efforts. In addition to BLM's acquiring an intimate knowledge of the land to be surveyed and thus completing surveys more efficiently, the BIA realizes significant administrative cost savings by not having to pay per diem and travel costs for BLM surveyors. The result is that a large number of miles are surveyed at a given funding level. Without such project offices, accomplishments would drop off sharply.

Additionally, topographic considerations affect the number of miles surveyed. The 1,965 miles in 1984, and the estimated 1,900 in 1985 reflect surveys of relatively homogeneous topography on the Navajo Reservation where "line of sight" is good, and natural obstacles are few. As priorities shift to less hospitable (e.g., wooded or canyon) lands in 1986, output will likely decrease.

- b. Lease Compliance (\$1,400,000; FTE 50): The resources allocated to this activity are used by the Bureau for systematic lease compliance monitoring. Terms and conditions of approximately 18,000 leases are enforced through these efforts. In many cases, actions taken by the Bureau in response to noncompliance will result in recovery of funds for the Indian landowner. The basic real estate program will continue to provide for routine inspections required to assure the integrity of trust lands management responsibilities. Leases to be given priority under this compliance activity are oil and gas, mining, agricultural (developmental stipulations), and rights-of-way.

The basis for systematic lease monitoring is agency lease files. Approximately 20% of leases expire each year. These leases are selected as the first priority for inspection. Lease compliance personnel, sometimes acting in conjunction with other land operations, forestry or mineral personnel, physically inspect the leased premises for compliance with the lease terms and stipulations, ranging from proper fencing and cropping patterns to oil and gas well royalty accounting procedures. These activities are undertaken by agency level compliance specialists at the direction of the Agency Superintendent.

Current benefit/cost ratios for the program show that 3.0 to 3.5 dollars are recovered for every dollar that is expended. Benefits from enhanced land base and improvements that result are not counted at this stage of the program. The favorable ratio is achieved by economies of scale (better coordination, multiple inspections and inspectors on the same trip, etc.).

Business and energy-related leases involve auditing of corporate books by professional auditors. Because of the nature of the work, contracted services are used. As tribal priorities are identified (such as a program for monitoring production of producing oil and gas wells), the short response time-frames require contracting as opposed to hiring new personnel. It is anticipated that the Southwest and the Dakotas will be primary targets of emphasis in this program since resource extraction activities in these locations have intensified during the past few years.

- c. Lands Records Improvement (\$882,000; FTE 0): This program will continue land title examinations and verifications, primarily by contract, with Bureau realty personnel at the Areas and agencies providing oversight. The land records improvement effort has resulted in the examination, to date, of over 100,000 land titles. This level of funding would complete the title backlog on the previously identified 200,000 tracts in two additional years. One of the next major steps in the process will be the microfilming of land title documents so that the originals can be returned to the National Archives. Also, while we have been addressing the old backlog; however, other titles that need to be brought current have been increasing in number. The requirement of keeping titles and records current will receive major attention in FY 1986 and 1987. The need to keep information current must be addressed or the efforts of past years will be wasted.
- d. Land Titles and Records Offices (\$1,069,000; FTE 48): The Bureau has five Title Plants. Staff are responsible for many activities beyond the receiving and recording of land records information. They provide information and services that are necessary for the Bureau to carry out its management responsibilities on more than 53 million acres of land.

as a cost effective way to survey large and numerous requests for surveys. Also, the Title Plant staff perform functions analogous to those of a title plant. All title documents are recorded. In the Bureau, there are 28 types of title documents, each utilizing five procedural steps that must be recorded. Beyond provision of vital statistics, our title plant staff must also provide information relating to births, deaths, marriages, divorces, and adoptions. They also function as title companies, title attorneys, title insurance companies or abstract companies in that they provide copies or records in a chain of title; furnish opinions as to ownership as well as sufficiency of documents; and provide ownership maps. In addition, they provide land use maps, heirship data, historical documents, and property income data for over 200,000 tracts, with an average of 10 owners of undivided interests per tract. Records must be kept on each of the tracts, as well as separate records on 2 million ownership interests. The current, on-board staff consists of 30-35 people.

These title plants have received uneven attention in the budget of their respective areas, some of which is the effect of the Indian Priority System. Because the present Land Records System is a National System, because of the basic and critical nature of the information it provides to all Bureau programs, and the trust responsibility involved in Land Title and Records, the Title Plants will be put under Central Office control in FY 1987, rather than on the Indian Priority system.

Increase from FY 1987 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
B. <u>Real Estate Services</u>				
Area Office	\$	1,838	2,019	+181
Operations:	(FTE)	(50)	(55)	(+5)
Cadastral/Alaska				
Surveys	\$	1,037	4,075	+3,038
	(FTE)	(--)	(--)	(--)
Land Records	\$	882	1,600	+718
Improvement	(FTE)	(--)	(--)	(--)
		<hr/>	<hr/>	<hr/>
Total	\$	3,757	7,694	+3,937
	(FTE)	(50)	(55)	(+5)

Area Office Direct Operations (+\$181,000; FTE +5): All increases/decreases at area offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank program packages in order of priority.

In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the changes in funding which were made in fiscal years 1983, 1984, 1985 and 1986.

The priority of the IPS funds results in a net increase of \$181,000 with the majority of funds being directed to the Anadarko, Billings and Navajo Areas.

The Anadarko Area would receive \$140,000 and 2 FTE; the Billings Area Office would receive \$50,000 and 2 FTE, and the Navajo Area receiving \$55,000 and 1 FTE. These three areas are part of the total net amount of increases and decreases within all area offices.

Cadastral and Alaska Surveys (+\$3,038,000; FTE 0):

Lower 48 - Cadastral Surveys (+\$500,000; 0 FTE): Funding for cadastral surveys in the "lower 48" states will provide for approximately 2,000 miles of boundary surveys in FY 1987. The increase would provide for one additional project office which, depending on the terrain to be surveyed, would result in some 100-400 miles of boundary being surveyed. This would enable the Bureau to assist a number of individual landowners as well as some tribes to resolve long-standing instances of trespass over disputed or uncertain boundaries; and would enable the existing project office on the Navajo Nation to accelerate surveying of the reservation by adding one additional survey crew. The proposed new project office will be established in either New Mexico or Arizona depending on the survey situation at the time appropriations are received and a determination is made by the BIA and BLM as to which location can be most effective in use of funds and in output.

The increased level of funding will assist more tribes in pursuing economic development of reservation lands by establishing exterior and interior boundaries. Without precise and legally defensible boundary identification, resources (timber, coal, oil, natural gas, uranium, molybdenum, copper, lead, zinc, tungsten, gold, silver, etc.) management and development is severely retarded, if not rendered impossible. The potential for delaying resource development on Indian lands is significant, considering the estimated backlog of approximately 28,000 miles of required cadastral surveys.

The creation of "project offices" for large scale survey needs (such as on the Navajo Indian Reservation) has, by eliminating certain administrative costs like per diem and travel expenses, resulted in a larger number of miles being surveyed at a given funding level than would have been the case without these offices. The surveys also enable tribes to manage land for a comprehensive range of land use planning functions, including, but not limited to, residential and commercial purposes.

However, not all critical survey needs are large enough to justify creation of a project office. For example, trespass is a recurring problem on lands where boundaries are not precisely known and identified. Often these lands involve surveying of several sections or a township, and a project office would not be cost effective. The economic loss to landowners from trespass (primarily unauthorized timber cutting and wrongful grazing) requires immediate attention and correction in order for the landowner to may receive maximum economic benefit and use of the land.

Alaska Surveys (+\$2,538,000; FTE 0): Funding for Alaska surveys in the amount of \$2,538,000 will provide for surveys of approximately 200 native allotments (\$700,000 for pre-survey work on allotments and townsites and \$1,838,000 for cadastral surveys).

To appreciate the enormity of the backlog of native allotment surveys required in Alaska, it is necessary to think in terms of short and long-term solutions. This is necessitated by the BLM program for surveying lands in Alaska, which is based on a geographic "window" approach. This approach is now called the

Patent Planning Process (PPP). The "windows" are large blocks of land, ranging from three to as many as forty townships, which contain lands either administered or claimed by Federal agencies, the State of Alaska, and Regional and Native Corporations, as well as individual allottees. The BLM established this method as a cost effective way to survey large and numerous requests for surveys multiple clientele who often have competing priorities. While the Bureau understands the administrative value of such a system to the BLM, the system does not enable the Bureau of Indian Affairs to deliver services to the individual allottees in a timely manner.

We support the system as an ideal vehicle for solving our long-term survey needs, and believe that the BLM FY 1986 estimated expenditure of some 20 percent of its \$15.1 million Alaska survey program on native allotments to be adequate to meet that need. However, short term needs are not addressed by the system, and the proposed BIA total funding of \$2,538,000 is required to meet those needs as well as to supplement resolution of long-term problems to be solved by the BLM survey system. Two elements make up the short term survey needs: (1) surveys which fall outside BLM's present patent planning process and (2) pre-survey technical assistance.

As individual allottees have begun to accelerate the selection of their lands, certain "hardship" cases have emerged. Typical are septuagenarian allottees who are told that their allotments do not fall within a current or projected "window" and that they may have to wait a decade before their land is surveyed and can be conveyed for use. The proposed funding will enable some of these "non-window" needs to be met.

A portion of the funding (\$700,000) will be directed to pre-survey technical assistance services (correcting legal descriptions, gathering heirship data, etc.) which must occur before selections and surveys can occur. Individual allottees will avail themselves of this service.

In order to facilitate the accomplishment of the "non-window" surveys and to establish standard procedures for attaining economy and efficiency of operations, a memorandum of agreement (MOA) will be negotiated by the Area and Staff Offices of BIA and BLM, respectively, for implementation beginning in FY 1987.

Land Records Improvement (+\$718,000; FTE 0): Land ownership information is the basic necessity for many essential Bureau program activities. The program provides information for use in leasing, forestry, agriculture, range, minerals and others activities. Correct, current ownership status information is critical to owner consent and distribution of income. It is utilized in all programs, including oil and gas leasing and royalty management. It is a cornerstone to resolving at least part of our current problem with distribution of oil and gas income, and to resolution of other income distribution, such as range, lease, right-of-way, timber and land sale payouts, and for proper accomplishment of probate activities and estate distributions.

This Bureau initiated on a Land Records Improvement System (LRIS) in 1977 to clear backlogs and to maintain current and accurate land records. Because of an increase in workload which was primarily generated by the Indian Land Consolidation Act, and continually increasing costs, the backlog has not been cleared. It is proposed in 1987 to take central control of the Area Land Title and Records Offices so that the entire effort can be uniformly managed throughout the Bureau.

The Bureau intends to institute a systems modernization effort, designed to streamline royalty management and Management Information Systems within BIA with full implementation of the Integrated Records Management System (IRMS). A special

task group set up to review land records and other associated problems has stated that efforts to implement IRMS depend on getting the LRIS updated and kept current. A Configuration Management Committee has been established to begin addressing leasing this critical basic need.

A portion of the increase will be used to contract more of the title examination and verification work that remains to be done to eliminate the backlog, and to address the goal of having all records/information current. Within available funds, we will upgrade our present limited effort to microfilm records so that they can be safely stored and protected. The General Services Administration (GSA) and National Archives and Records Service (NARS) have studied our situation and indicated which areas lack sufficient resources and what is needed to protect basic documents (ancient maps, for example, that are deteriorating rapidly). The estimated distribution of the increase is as follows:

Overtime, training, office equipment, & supplies	\$218,000
Contract Services for allotment title examination/verification	400,000
Contracting for/or in-house, microfilming	<u>100,000</u>
Total	\$718,000

These funds are necessary to establish and protect the rights of Indian individuals and tribes in their trust property; to provide the backup information of property development and use; to protect the rights of heirs; and to protect and preserve the records that contain the evidence to support these rights of ownership, income and inheritance.

C. Financial Trust Services

		FY 1986 Enacted <u>To Date</u>	FY 1987 <u>Base</u>	FY 1987 <u>Estimate</u>	Inc. (+) Dec. (-) <u>From Base</u>
Central Office Operations:	\$ (FTE)	727 (19)	727 (19)	1,177 (13)	+ 450 (-6)
Area Office Operations:	\$ (FTE)	85 (--)	-- (--)	-- (--)	-- (--)
Tribe/Agency Operations:	\$ (FTE)	3,256 (138)	-- (--)	-- (--)	-- (--)

Authorization: The Act of June 24, 1938, 25 U.S.C. 162a, authorizes the Secretary of the Interior to invest tribal trust funds.

Objective: To provide individual Indians and Indian tribes the same or equivalent technical, administrative and protective services that are expected and duly rendered to a beneficiary under any lawful trust created or imposed to protect, maintain or enhance the corpus of the trust estate. To properly manage and be accountable for tribal funds and individual Indian monies held in trust by

the Bureau as the fiduciary trustee.

Base Program (\$727,000; FTE 19):

C. O. Staff - Investments and Trust Fund Services (\$317,000; FTE 13): This program provides various services, including accounting for and disbursing of tribal and Individual Indian Monies (IIM), derived from the sale or lease of tribal resources such as land, timber, minerals and water; disbursing per capita payments, judgments, awards and claims; producing trust fund histories and carrying-out research projects involving special fiscal problems; providing special financial reports for use in litigation cases; and compiling trust fund data for legislative acts and recommendations for the execution of the acts. The program is also responsible for investing the various trust fund revenues to maximize returns while protecting the funds, and providing, through an automated accounting system, monthly reports for the appropriate tribes and individuals. Income from investments is a direct economic benefit to Indian tribes and individuals. Actions are currently in progress to implement accepted and affordable recommendations contained in a recent study of Investment and Trust Fund operations conducted by Price Waterhouse.

C.O. Staff - Trust Fund Accounting (\$410,000; FTE 6): The Bureau has given priority attention to its management of trust funds. Staff and resources have been dedicated to trust fund accounting improvement, and an initiative is currently underway to reconcile all trust account balances. This effort will continue concurrently with the development of an accounting system for trust funds and will enable the Bureau to bring accurate balances into the new data base.

During FY 1986, the Bureau plans to complete development of a new separate Trust Fund Accounting System, which will be interfaced with the IIM and IRMS systems. The completed system is expected to provide the capability for electronic nationwide input of all trust and IIM accounting transactions, receipts, disbursements and refund related adjustments. This will enable the Bureau to maintain timely and accurate daily balances of individual Indian monies and tribal accounts for the investment program and to compute and distribute correct interest earnings.

Workload Data:

		<u>FY 1983</u>	<u>FY 1984</u>
<u>Investments</u>			
Total Invested	(\$)	\$1.6 billion	1.62 billion
Per annum Earnings	(\$)	\$171.4 million	\$171.1 million
Tribes Serviced	(No.)	262	254
Individual Indian Money Accts.	(No.)	250,000	250,000

Increase/Decrease from FY 1987 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
Financial Trust Services:				
C.O. Staff - Investment & Trust Fund Services	\$ (FTE)	317 (13)	467 (7)	+150 (-6)
C.O. Staff - Trust Fund Accounting	\$ (FTE)	410 (6)	710 (6)	+300 (--)
Total	\$ (FTE)	727 (19)	1,177 (13)	+ 450 (-6)

C.O. Staff - Investments and Trust Fund Services (+\$150,000; FTE -6): The additional funds in this account, together with \$350,000 requested in the ADP account are to maintain sufficient staffing and ongoing efforts, including implementation of Price-Waterhouse study recommendations, to provide timely investment services to Indian tribes. Plans include an investment advisory service, which is desirable in order to obtain current readings on economic expectations and related information; an automated bidding system to expand the number of institutions with which we do business and to have automatic feed into the accounting system; Cathode-Ray Tubes (CRT's) to provide immediate access to tribal fund and investment information; and a cash collection system to provide daily cash receipts, with information sent to the investment office electronically. The FTE for FY 1987 has been reduced under the assumption that a major portion of the investment function will be operated through a contract rather than by Federal staff.

Estimates for the \$150,000 increase items are:

Advisory investment services	35,000
Contractual Services, Travel, related expenses	<u>115,000</u>
Total	\$150,000

C.O. Staff - Trust Fund Accounting (+\$300,000; FTE 0): To provide for improved accountability in the total management of trust funds, the Bureau will implement a system to properly account for funds of each individual and Tribe which are collected, disbursed, and/or maintained in trust status. An accounts receivable system linked with the Integrated Records Management System (IRMS) discussed above, will enable mineral and other resource revenues to be recorded in the period earned. This will provide timely information for management's assurance in executing the trust responsibility that all revenues due, are received in compliance with the terms of legal agreements. The system will provide the capability to compute and distribute correct investment earnings to each account and to report account information to each beneficiary on a standard and systematic basis.

The system will be implemented at the beginning of FY 1987 and the increase proposed will cover the following implementation costs:

- Extensive training prior to complete Bureau-wide implementation will be essential to the effective operation of the system.
- Funds will be provided for the training of approximately 200 employees, estimated to total \$225,000. The remainder of the requested increase will provide funds for the system maintenance, which is estimated at the industry standard of 15% of the development cost.

Object Class Distribution - Real Estate Services and Financial Trust Subactivity

Amounts

Personnel Compensation	\$ + 140,000
Other Personnel Comp.	+ 100,000 *
Personnel Benefit (Civilian)	+ 15,000
Other Services	+ 4,219,000
Communications, Utilities, & Other Rent	+ 75,000
Supplies	+ 20,000
Equipment	+ 20,000
Total	\$4,589,000

* Land Records

Activity Summary

 (dollars in thousands)

Activity: **Facilities Management**

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
-----	-----	-----	-----	-----	-----	-----
Facilities Management Total	90,616	91,298	87,372	89,730	88,597	(1,133)
	=====					

BIA-185

Justification of Program and Performance

<u>Activity:</u>		<u>Facilities Management</u>				
		<u>(Dollar amounts in thousands)</u>				
<u>Program Elements</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. GSA Rentals	\$	10,240		9,800	9,800	---
B. Facilities Operation & Maintenance	\$ (FTE)	79,722 (1,334)		78,594 (1,318)	77,461 (1,318)	-1,133 (---)
C. Fac. O&M Contract Support	\$ (FTE)	1,336 (---)		1,336 (---)	1,336 (---)	--- (---)
Total Requirements	\$ (FTE)	91,298 (1,334)	87,372	89,730 (1,318)	88,597 (1,318)	-1,133 (---)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted to Date</u>	<u>P.L.99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Facilities Management	\$91,298	\$-3,926	\$87,372

The impact of the P.L. 99-177 reduction will be the provision of less maintenance, repairs and services to the facilities utilized to provide education and services to the Indian people who are clients of the Bureau of Indian Affairs. As these facilities already have a large backlog of deficiencies, this reduction will result in a further increase in deficiencies, some of which could present life safety hazards to the occupants and visitors.

A. GSA RENTALS

Authorization: Public Building Amendments Act of 1972 (P.L. 92-313).

Objective: To provide adequate space and physical facilities in which to operate Bureau programs effectively at locations which do not have adequate Bureau-owned facilities.

Base Program (\$9,800,000; FTE 0): The base program includes funds for 1,212,000 square feet of GSA-provided space serving Bureau programs throughout the country. If space reduction goals are not achieved sufficiently to maintain the total cost of GSA space to the budgeted amount, the programs served will be assessed for additional costs.

B. FACILITIES OPERATION AND MAINTENANCE

Objective: To provide basic facility operating services to existing Bureau-owned and/or operated facilities and previously private schools (institutions now funded by the Bureau which were either operated privately or by tribes in the past) and to maintain these facilities in satisfactory operating condition for the conduct of Bureau programs.

Base Program (\$78,594,000; FTE 1,318):

1. Existing Facilities O&M (\$74,592,000; FTE 1,244): The existing Facilities O&M program provides essential services to about 10,000 buildings containing approximately 30,000,000 square feet at over 400 locations throughout the United States. The types of buildings are varied and include academic facilities, dormitories, kitchen/dining space, law enforcement offices, administrative offices, quarters, recreation facilities and their associated grounds and streets. Costs to the O&M program for providing essential services to the varied facilities include personal services, supplies, materials and equipment. Recurring costs are heating, cooling, electricity, water, sewage, refuse disposal, communications, preventive maintenance, janitorial and protection services.

Within the existing facilities O&M program, funds are included for Bureau contract schools. Services provided to those schools are the same as for the Bureau-operated facilities cited above.

The base program includes funding for the facilities scheduled to become operational in FY 1986.

2. FACCOM, et al, (\$0): Base funding for FACCOM, et al, request (\$794,000) has been moved to the Bureau's Construction Management Program under the Program Management subactivity of this account.

3. Area Office Operations (\$2,454,000; FTE 74): The area office facility management staff provides technical coordination and engineering services, which include developing the agency facility improvement and repair program; furnishing overall guidance to the agency facility operation and maintenance program; distributing available funds within each area; providing technical guidance and inspection and evaluation services to agency staff on facilities; and providing field activities with energy conservation and environmental protection expertise. The area office facility management and engineering section provides engineering survey services and construction management and engineering technical assistance. The area office staff also provides direct support to the execution of the agency level facility program. These direct support activities include supervision and inspection of major repair and improvement projects; inspection and evaluation of specialty systems such as boilers, water and waste disposal, water treatment, and control systems for heating and cooling plants, alarms and communications; performing trouble diagnosis in electrical and mechanical systems; and identifying and developing repair project need, scope and cost. The staff accomplishing these functions consists primarily of area facility managers, engineers, and clerks.

This FTE (74) continues the FY 1985 actual usage level and includes the congressional restoration of 20 FTE originally proposed for elimination in FY 1986.

4. Central Office Staff (\$0): The Central Office Staff base funding (\$334,000) and FTE (16) have been transferred to the Construction Management Program under the Program Management Subactivity of the General Administration activity.

Decreases and Increases from 1987 Base: (dollar amounts in thousands)

		<u>FY 1987</u>	<u>FY 1987</u>	<u>Difference</u>
		<u>Base</u>	<u>Estimate</u>	
1. Existing Facilities O&M	\$	76,140	74,592	-1,548
2. New Facilities O&M	\$	---	415	+415
3. Area Office Operations	\$	<u>2,454</u>	<u>2,454</u>	---
TOTALS	\$	<u>78,594</u>	<u>77,461</u>	<u>-1,133</u>

Existing Facilities O&M (\$-1,548,000; FTE -7): The decrease reflects estimated savings of -\$300,000 for demolition, which offsets an increase justified under the Construction Management portion of this justification. Excess buildings have been abandoned because of uneconomical rehabilitation costs. The buildings are "boarded up"; however, they present a hazard to curious children, vagrants, etc., and should be demolished as soon as possible. The \$300,000 will be used to initiate this program. A survey is underway to identify all abandoned buildings. A reduction of \$-1,248,000 (FTE -7) is also reflected for Alaska agency closures. Given past and proposed program and staff reductions at the Bethel and Nome agencies, as well as the transfer of program resources to Native organizations in these areas through the 638 contracting process, retention of Bureau facilities (e.g. warehouses) at these locations is no longer justified. Instead, space will be confined at both agencies to that presently leased by the GSA.

New Facilities O&M (\$415,000; FTE +7): As construction projects are completed, the facilities are added to the building maintenance inventory. The expected increase in FY 1987 is estimated at 132,995 square feet for a total dollar increase of \$415,000 in new facilities operation and maintenance requirements. A breakdown of these facilities is as follows:

<u>Facility</u>	<u>Sq. Footage</u>	<u>Anticip. Constr. Compl. Date</u>	<u>Estimated O&M Funding Needed</u>
Northern Cheyenne Det. Ctr...		Bal. 86 Proj.	\$ 1,029 (1/4 yr.)
Fort Peck Law & Order Fac....		" " "	1,372 (1/4 yr.)
Wind River L&O Fac.....		" " "	2,681 (1/4 yr.)
Sherman Indian High School...		" " "	2,348 (1/4 yr.)
Pleasant Point School.....		" " "	10,075 (1/4 yr.)
Indian Island School.....		" " "	21,033 (1/4 yr.)
Olympic Peninsula L&O Fac....		" " "	6,793 (3/4 yr.)
Peach Springs Det. Ctr.....		" " "	15,646 (3/4 yr.)
Supai Det. Ctr.....		" " "	1,642 (3/4 yr.)
Indian Township School.....		" " "	40,071 (3/4 yr.)
Mescalero Agency Hdqtrs.....	6,900	09/30/86	16,204 (4/4 yr.)
Hopi Jr./Sr. High School.....	126,095	09/30/86	296,106 (4/4 yr.)
TOTAL	132,995		\$415,000

C. FACILITIES O&M CONTRACT SUPPORT

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$1,336,000): The detailed base program description and justification for contract support funds and their overall purpose is included under the Self Determination Services justification.

The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request and thereafter.

Since contract support funds are to be applied to only those facilities which are operated under contract, the contract support funds for the Facilities Management Program will not be merged with the program funds because distribution of program dollars is based on a square footage formula applied to both contract and noncontract operations. The funds will continue to be shown as a separate line item. Facilities O&M Contract Support funds for FY 1986 are tentatively set at \$1,336,000, and no increase has been requested for FY 1987. However, if an increase in new tribal contracts does occur, the increased need for contract support funds will be funded from the Self-Determination Services.

OBJECT CLASS DISTRIBUTION - FACILITIES MANAGEMENT ACTIVITY

	<u>Amount</u>
Travel and Transportation of Things.....	\$ -18,000
Communication, Utilities, and Other Rent.....	-290,000
Supplies and Materials.....	-235,000
Other Services.....	<u>-590,000</u>
Total.....	<u>\$-1,133,000</u>

Activity Summary

 (dollars in thousands)

Activity: General Administration

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
Management & Administration	48,750	49,240	47,123	30,482	31,530	1,048
ADP Services	17,748	17,934	17,163	18,643	17,651	(992)
Employee Compensation Payments	6,858	7,478	7,156	7,466	7,538	72
Program Management	4,805	4,520	4,325	5,648	6,148	500
Consolidated Training Programs	0	0	0	0	1,350	1,350
Rescission (Sec. 2901)	(391)	0	0	0	0	0
Total	77,770	79,172	75,767	62,239	64,217	1,978

BIA - 190

Justification of Program and Performance

Activity: General Administration
 Subactivity: Management and Administration

<u>Program Elements</u>	(Dollar amounts in thousands)				
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc. (+) Dec. (-) From Base
A. Executive Direction	\$ 10,045 (FTE) (230)		2,820 (56)	2,727 (51)	-93 (-5)
B. Administrative Services	\$ 38,328 (FTE) (975)		27,128 (665)	27,876 (684)	+748 (+19)
C. Safety Management	\$ 697 (FTE) (26)		364 (16)	427 (13)	+63 (-3)
D. Improve Financial Accounting System	\$ 170 (FTE) (---)		170 (---)	500 (---)	+330 (---)
Total Requirements	\$ 49,240 (FTE) (1,231)	47,122	30,482 (737)	31,530 (748)	+1,048 (+11)

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted to Date	P.L.99-177 Reduction	FY 1986 Adjusted Approp.
Management and Administration	\$49,240	\$-2,118	\$47,122

P.L. 99-177 reductions will cause the purchase of needed supplies and equipment to be deferred; the filling of all but the most critical vacancies to be delayed; and the development of systems required to effect administrative improvements to be indefinitely delayed. Delays in vendor payments and decreased competition in acquiring goods and services can also be expected, which will increase overall costs to the government.

A. Executive Direction and EEO

Objective: To provide planning, direction, and line management leadership for the development and implementation of policy initiatives and programs undertaken by the Bureau to ensure achievement of its mission, goals, and objectives.

Base Program (\$2,820,000; FTE 56): This program covers the operation of the immediate office and staffs of the line managers at central office and area office levels of the Bureau. The line managers and their staffs provide for organizational leadership and coordination to ensure that all programs operated at their level are effectively integrated to achieve the overall mission of the Bureau. Basic activities include decision-making, direction, policy formulation and adaptation, public relations, representation of the Bureau to other governmental agencies and private sector organizations, and overall management of assigned resources.

1. Central Office (\$757,000; FTE 19). Programs and support services managed by the Public Affairs, Congressional and Legislative Affairs, Bureau Controlled Correspondence Office, and Equal Employment Opportunity staffs are funded from this activity. These organizations provide professional services to both the program and the administrative organizations which directly support the objective of providing organizational leadership at the headquarters level.

2. Area Office (\$2,063,000; FTE 37). This activity funds the Area Office Director and a limited professional staff at 12 locations to provide for the management and direction of the entire area office structure.

Workload Data: Workload measurement in terms of quantifiable outputs is not appropriate for this activity. The executive direction function encompasses both administrative and programmatic decision-making, directing actions at each organizational level in accordance with delegated authorities, and responding to the external environment in which Indian affairs are conducted. Quantifying output to generate workload indicators would be artificial.

Increase/Decrease from FY 1987 Base: (Dollar amounts in thousands)

<u>Program</u>		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
A. Executive Direction				
Central Office Staff	\$	757	863	+106
Area Office Operations	\$	<u>2,063</u>	<u>1,864</u>	<u>-199</u>
	\$	2,820	2,727	-93
	(FTE)	(56)	(51)	(-5)

Central Office Staff (\$+106,000): This increase will be used to fully fund Executive Direction and Equal Employment Opportunity (EEO), which have been underfunded for many years and have had to rely on funding from other Bureau offices to cover the shortfall. The increase will be used for travel costs by staff to conduct EEO investigations, furnish arbitration assistance on EEO complaints, arrange media coverage and interviews at tribal meetings, speak on legislative issues before national and regional Indian tribal meetings, and provide legislative advice at field hearings. Funding will also be used for procurement, printing and publication of congressional and informational documents, resulting from the tremendous public interest in Indian affairs. Supplies and maintenance of word processors are additional items to be funded. The increased funding will assist in insuring fiscal integrity in the obligation and expenditure of funds for this office.

Area Office Operations (\$-199,000; FTE -5): All increases/decreases at Area Offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank, in order of priority, program packages.

In fiscal years 1985, 1986, and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the significant reductions in funding which were made in fiscal years 1983, 1984, 1985 and 1986.

This decrease is primarily being made at the Albuquerque Area Office, which is reducing Executive Direction funding by \$176,000 and 5 FTE. Most of these funds are being transferred to the Albuquerque Area Administrative Services program as a readjustment in the Area's priorities.

B. Administrative Services

Objective: To manage that portion of the Bureau's program service delivery system which simultaneously provides administrative services to program operations and acts as a control agent to minimize fraud, waste, abuse, and mismanagement.

Base Program (\$27,128,000; FTE 665): The administrative services staffs are an integral part of the Bureau's system established to meet the service needs of Indian and Alaska Native people and to protect, enhance, and develop their trust resources. The function serves as an equal partner with the program functions to accomplish the mission of the Bureau, ensuring that those administrative services necessary for program operations are adequately provided. At the same time, it also provides the foundation for the control and accountability of resources used to achieve its mission. These dual roles must be carefully balanced to ensure that one does not dominate the other and to ensure that the total system operates effectively for the benefit of the Bureau's clientele.

Performing these administrative functions is the responsibility of professional staffs at all three levels of the Bureau's organizational structure. The headquarters staffs provide for the development and coordination of nationwide administrative policies, systems, and procedures. Field office employees implement these systems primarily through the operation of service centers at the area office level with some limited activity at the agency level for the processing of administrative documents originated by program managers.

External activity of the administrative services function has increased as a result of the Indian Self-Determination and Education Assistance Act. Administrative services staffs now provide technical assistance to potential and existing tribal contractors who request help in establishing, improving, changing, or maintaining tribal administrative systems. This technical assistance helps ensure that tribal organizations create and maintain adequate systems for accountability and control of Federal funds and other resources used in administering contracted programs.

1. Central Office (\$14,205,000; FTE 216): The administrative services program at the central office level is primarily involved in the development and implementation of policies and procedures for all administrative functions. The Central Office also manages the Bureau's total intra-governmental program. This amount is \$6,933,000 and includes such services as FTS, postage, Departmental assessment and GSA telegraphic services.

Office of the Director, Administration - The Office of Administration is responsible for providing staff support to the Assistant Secretary - Indian Affairs in the development and management of Bureau programs designed to provide support services to all parts of the Bureau. These programs include the functions of systems development, automatic data processing, budget, finance and accounting, management research and evaluation, personnel management, procurement, property management, contracting, program development and implementation, and safety management. The Office also administers Bureau-wide systems for fiscal accounting and disbursements, payroll and personnel records, and provides for administrative and housekeeping services for the central office, the Eastern Area and the Indian Arts and Crafts Board.

a. Contracting and Grants Management - The Division of Contracting and Grants Administration provides staff support, services and activities in three major areas: policy and systems planning, analysis, formulation, and development;

internal and administrative control reviews for employee and organizational evaluation and compliance; and direct operational services to the Assistant Secretary, Central Office Directorates, and to the Indian Arts and Crafts Board.

The Division staff exercises significant Bureau-wide policy, planning and oversight roles for maintaining and strengthening: (1) the acquisition of goods, services and products; (2) the financial (grants) assistance to individuals and tribal organizations; and (3) the cooperative agreements between the Bureau and other governmental entities. These functions and responsibilities impact over 400 Tribal/Alaska Native governing bodies, their 600,000 reservation constituents located in 22 States, and expend almost 50% of the Bureau's annual appropriation.

The Division staff provides close supportive services to the Bureau's program elements in meeting their procurement needs and requirements for attainment of Bureau mission and goals through various tribal self-development approaches. Executive management and direction are also carried out by on-site peer reviews of 13 field operation sites.

b. Personnel Management - The Division of Personnel Management is responsible for the development, coordination, administration and evaluation of Bureau-wide personnel management programs and policies. The Division formulates objectives, policies and guidelines for personnel management activities; updates the Personnel segments of the BIAM in accordance with constantly changing laws and regulations developed by the Office of Personnel Management and the Department's Office of Personnel; provides expert advice and technical assistance to Area Personnel Offices and to all levels of Bureau management. The Division monitors the Bureau-wide position management and position classification programs in accordance with government-wide standards developed by OPM. It develops standards and criteria for securing and retaining qualified employees, provides guidance to Bureau management on labor-management relations issues and maintains relationships with employee unions recognized by the Bureau on a national basis. It initiates and administers comprehensive management development plans and programs, including training and career development. It oversees employee-management relations to assure that working conditions and employee conduct meet accepted standards. It conducts personnel program reviews and evaluations on a Bureau-wide basis and recommends to management officials methods for improvement.

The Division takes an active part in the development of single agency qualification standards required by the court in the Preston vs. Heckler case, working closely with the Indian Health Service to assure that the standards meet the needs of the Indian people. It provides technical assistance to the Office of Indian Education Programs in the development of policy, procedures and manual issuances pertaining to the personnel and payroll aspects of the contract teacher employment system, and works with the Bureau of Reclamation to resolve system problems encountered in the PAY/PERS system. The Division provides operating personnel services for central office organizations located in Washington, D. C., and other locations in the United States, the Eastern Area Office, and the Indian Arts and Crafts Board.

c. Financial Management - The Office of Financial Management is responsible for the development of policies, programs, systems, and guidelines for financial management functions; for performance of program planning/budgeting, fiscal accounting, compensation, employee data systems; Bureau-wide technical assistance in program evaluation; and provides support services in operating budget and fiscal accounting functions. The office also serves as a coordination point and central source for Indian population data and for special statistical analyses.

(1) Program Development and Implementation - The Division of Program Development and Implementation provides staff assistance to the Assistant Director, Financial Management regarding functions identified with the program planning/budget cycle and program evaluation. The Division implements the Bureau's policies and program goals through the budgeting process; develops instructions for use in annual program plans; reviews program requests on the basis of fiscal reasonableness, feasibility and justifiability; develops Bureau-wide program planning documents; develops budget estimates and justifications; prepares for budget legislative hearings; prepares field planning allowances and tentative allocations. The Division performs budget execution, which has as its primary function fund control for the Bureau. Activities involved are requesting and maintaining apportionments, making fund allotments and distributions Bureau-wide, conducting and monitoring Bureau financial programming, allocating and controlling FTE usage, conducting systematic obligation status reviews to insure compliance with fiscal controls, and developing the policy and providing written guidance to control these activities throughout the Bureau.

(2) Accounting Management - The Division of Accounting Management is responsible for the development, implementation and evaluation of policies, systems, and related procedures for Bureau-wide accounting and fiscal operations. The Division provides centralized financial accounting system operation and reporting, and has technical oversight responsibility for the financial transactions processed through the Bureau's decentralized accounting input stations. The Division provides centralized payroll liaison and coordination, personnel records systems, voucher examination and disbursing services, and financial management systems development and evaluation. The functional responsibilities include all activities related to the establishment and maintenance of accounts and systems which are in compliance with applicable standards and which provide the basis for reporting financial information to internal and external users.

d. Management Services - The Office of Management Services develops policies, programs and guidelines for the general management functions related to property management, safety management, and administrative procedures.

(1) Property Management - The Division of Property Management provides staff assistance regarding programs for all Bureau-owned real and personal properties, space, motor vehicle management, and procurement from directed sources. The Division is responsible for: (1) Developing, modifying, reviewing, evaluating, and implementing Bureau-wide policies and procedures related to management of real and personal property, space and motor vehicles, and procurement from directed sources; (2) maintaining the Bureau property management regulations, incorporating constantly changing Federal and Departmental policies, regulations and procedures promulgated by Federal regulatory agencies; (3) providing Bureau oversight and technical assistance to areas and those offices with operational responsibilities; and (4) providing direct services to Area/Agency Offices and schools. These services include processing all BIA motor vehicle acquisitions, realty disposal actions (e.g., to local governments), requests for leasing of office/facilities space, requests for assignment and acquisition of U.S. Government motor vehicle license tags, data for input to and reporting from the Bureau's automated property inventory systems, and requests for DOD assignment of national stock numbers for cataloging inventory items. The Division performs studies relating to utilization of facilities, disposal systems for excess property and inventory training needs; conducts training in the areas of procurement, property and supply; and provides housekeeping services to Central Office entities located in Washington, D.C., Eastern Area Office, and the Indian Arts and Crafts Board.

(2) Management Research and Evaluation - The Division of Management Research and Evaluation provides staff support to the Assistant Director, Management Services, in the development, coordination, administration, and evaluation of management practices and policies for the Bureau and its area offices. It provides advisory services and technical assistance in management research, organization evaluation and analysis, paperwork management, management systems development, management improvement programs, and managerial operating methods and procedures. The Division performs Bureau-wide organization analysis, including organization planning, structural development and staffing. These responsibilities are carried out in cooperation with the Division of Personnel Management and the Office of Financial Management. It reviews proposed organizational changes and provides analytical support for identifying and evaluating alternative approaches.

The Division provides technical assistance to the Bureau's (12) area offices and to field installations to ensure their organizational structures, functions, and staffing are adequate to conform with current Bureau funding and staffing controls.

It is anticipated that increased emphasis will be placed on Bureau A-123 Internal Controls and an increased overall effort to resolve outstanding unresolved OIG and GAO Audit Reports.

The Division conducts scheduled reviews, performs special management studies on request, and coordinates the managerial control of the following paperwork management elements: correspondence, directives, delegations of authority, reports and forms, mail, files, records disposition, microfilming, vital records, Federal Register requirements, and administration of the Freedom of Information and Privacy Acts.

Financial Management ADP Systems - Funds for the operation of some of the financial management data systems have been budgeted within the Administrative Services program.

a. PAY/PERS System (\$0): The (\$974,000) funds formerly budgeted under this subactivity for the ADP operating systems costs of the payroll/personnel (PAY/PERS) system operated by the Bureau of Reclamation have been transferred in the base to the ADP Services subactivity of this justification. This action consolidates all ADP operating costs in one part of the Bureau's budget request.

b. Indian Priority System (IPS) (\$60,000): The ADP operating costs (\$38,000) for the Indian Priority System have also been transferred in the base to the ADP Services subactivity. The remaining funding (\$60,000) covers estimated FY 1986 costs for managing the Indian Priority System and is used to supplement the funds available to the Division of Program Development and Implementation in carrying out its responsibilities for program planning and budgeting. The IPS data system provides the mechanism for direct tribal government involvement in the setting of relative priorities for the local operating programs during each annual budget cycle.

2. Area Offices (\$12,923,000; FTE 449): The area offices operate as centers for procurement, property management, budgeting and fund control, finance and accounting, and personnel management for all installations under their jurisdiction, as well as all education installations within their area. These centers carry out the workload associated with all administrative authorities with the exception of limited authorities which have been redelegated to the agencies and schools.

Increase from FY 1987 Base:

(dollars in thousands)

<u>Program</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
B. Administrative Services \$ (FTE)	27,128 (665)	28,876 (684)	+748 (+19)

Contract Management System (\$+166,000; FTE +1): During FY 1987 the Bureau will continue its emphasis on the administration of contracts and grants, the volume of which exceeded \$563 million in FY 1984 and is expected to increase as tribes continue to contract for the operation of Bureau programs under P.L. 93-638 and commercial/industrial contracting under OMB Circular A-76 continues. The funds will be used to manage and improve an up-to-date contract management system. Internal as well as external reviews have pointed out the need to improve contract and grant administration at both the area and agency levels and for management to have up-to-date information that will enable it to identify and analyze trends before they become major problems. Since improvement must take place within available staff resources, up-to-date information for management is essential.

The contract/grant management system will provide Bureau contracting officers with the information they need to effectively administer contracts/grants, and it will provide Bureau management with the information it needs to make sound management decisions relative to contract/grant operations and to institute corrective actions before minor trends become major problems. In addition, it will provide the Bureau with a means of responding in a timely fashion to third-party concerns, e.g., OIG, Congress, and tribes. The funds will provide a mechanism for maintaining, monitoring and evaluating data; for assuring compliance with reporting requirements; and for analyzing information received.

The modest initial funding of the effort is possible only because a sister agency, the National Park Service, has cooperated with the Bureau by sharing a system it developed. However, modifications to the system to provide information unique to the Bureau and future development efforts designed to meet Bureau needs are anticipated.

Intra-Governmental Billings (\$+332,000): The FY 1987 program includes an increase of about 5% to finance increased costs of FTS and postage. The increase in Departmental billings is based on the actual FY 1985 assessment. The breakdown in the various categories is as follows (dollars in thousands):

	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
Postage	2,573	2,720	+147
FTS-General	3,780	3,900	+120
GSA-Telegraphic Services	200	200	---
Departmental Billings <u>a/</u>	380	435	+55
Total	6,933	7,255	+322

a/ Departmental billings are those charges by the Department for services provided to the Bureau by programs under the Office of the Secretary. The charges are computed by statistical proration or based upon actual usage. The services provided are: Storage and Shipping; Enforcement and Security Management; Medical and Health; Space Management; Printing; GAO Audit Index Hearings; General Services; EEO Branch of Investigation; Departmental Training; Minority Business Procurement and Policy; and Quarters Management Inventory System.

Central Office Staff -- Financial Management (\$+123,000; FTE +3): This increase is proposed for the Bureau's Office of Financial Management to strengthen and expand the functional areas of fund control and analysis. The Office monitors, evaluates, and acts to control funds and FTE which it allots and distributes to approximately 100 Bureau locations. In carrying out these responsibilities, the office participates in the design and operation of the Bureau's budget, accounting, and finance systems which provide for the recording and control of appropriated dollars, FTE, and funds held in trust for tribes and individual Indians. The primary systems are computerized and afford a distributive network which allows local access and input Bureau-wide. This increase will be used to enhance Financial Management's capabilities in fund control Bureau-wide and its ability to respond more adequately to control problems and requirements and properly do work accomplishment tracking and reporting.

The proposed increases will allow a higher degree of specialization to develop and implement required enhancements in fund control and program analysis. More detailed and complex controls, which have been directed by both the legislative and executive branches of government, as well as the added attention and involvement of tribes in the development and implementation of the Bureau's programs have increased the intensity and volume of the workload associated with these activities.

Excepted Qualifications Standards Study (\$+76,000; FTE 0): The Department of the Interior will establish Excepted Qualifications Standards applicable to positions in the Bureau of Indian Affairs (BIA). The proposed pilot plan for reviewing qualification standards is in accordance with the U.S. Court of Appeals (Preston vs. Heckler) court decision. The Bureau will participate with the Indian Health Service (IHS) in the review and development of qualification standards in series and positions common to both organizations. The Central Office, Division of Personnel Management will be responsible for coordinating the review, revising as appropriate and recommending any changes to the Department of the Interior for approval. Training sessions will be held for individuals who will participate in the study, and travel funds will be made available from this program.

Area Office Operations (\$+61,000; FTE +15): All increase/decreases at area offices are direct results of the application of the Indian Priority System (IPS). This system allows Area Directors to establish program funding levels and to rank, in order of priority, program packages.

In fiscal years 1985, 1986 and 1987, Area Directors are making changes in organizational structure and staffing to accommodate the significant reductions in funding which were made in fiscal years 1983, 1984, 1985, and 1986.

The net increase in FTE (+15) has not resulted in a correspondingly large increase in funding (\$+61,000) due to marginal decreases in funding at those area locations not increasing FTE.

C. Safety Management

Authorization: Numerous authorities exist for the various safety programs operated by the Bureau. These include: Executive Order 12196 requiring Federal Agencies to comply with applicable sections of the Occupational Safety and Health Act (29 U.S.C. 1910), P.L. 89-554 (5 U.S.C. 7901), the Federal Employees' Compensation Act (5 U.S.C. 8101), P.L. 83-766 (40 U.S.C. 491), Federal Aid Highway Act (23 U.S.C. 402), the Snyder Act (25 U.S.C. 13), and the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450).

Objective: To provide a safe and healthful working environment through the management of an aggressive safety and health program which minimizes the loss of human and material resources due to accidents or illnesses.

Base Program (\$364,000; FTE 16): The Safety Management subactivity provides for the development, implementation, and review of a Bureau-wide multifaceted safety program. While the program is primarily executed by program management staff at the operating level, Safety Management employees provide overall program coordination, along with training and technical assistance, to program management. These Safety Management employees administer those programs required by, or established as a consequence of, statutes or other Federal Agency mandates such as the Occupational Safety and Health Act, the Federal Employees Compensation Act, the Indian Highway Safety Program, and the Federal Tort Claims Act.

<u>Distribution:</u>	<u>Area Office</u>	<u>C.O.</u>	<u>Total</u>
\$000	100	264	364
(FTE)	(7)	(9)	(16)

Increase from FY 1987 Base: (Dollars in Thousands)

<u>Program</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
c. Safety Management	\$ 364 (FTE) (16)	427 (13)	+63 (-3)

Area Offices (\$+63,000; FTE -3): The increase in funding and decrease in FTE for Safety Management is a direct result of the application of the Indian Priority System (IPS) at area offices. This system allows Area Directors to establish program funding levels and to rank, in order of priority, program packages. Some areas have increased the funding for travel and other staff support costs rather than for increased FTE so that existing staff may more effectively provide support to the safety program at agency and school sites. Other areas have reduced FTE for the program and assigned the function as a collateral duty to other Administrative Services or Facilities Management positions.

D. Improve Financial Accounting System

Objective: To continue short-term improvements to correct internal control weaknesses and maintain the current operating system concurrently while developing and designing other long-term system upgrades.

Base Program (\$170,000; FTE 0): The Bureau has continued to work on interim maintenance and short-term improvements to its existing Financial Management System pending the completion of the Financial Integration Review for Management (FIRM) study which is being conducted by the Department of the Interior.

Further improvements in the system integrity controls are required to strengthen internal controls. These corrective actions include extensive training of field financial operations staff to improve the competence to an acceptable performance level; cyclical on-site follow-up review to assure actions to correct previously identified material weaknesses are being taken and are effective; and intensive ongoing monitoring of financial system input stations to assure compliance with GAO, the Department of Interior, and Bureau policies and procedures for financial control.

Increase from FY 1987 Base:

(Dollars in Thousands)

<u>Program</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
D. Financial Accounting System	\$ 170	500	+330

The short-term system enhancements, which are in various stages of development and implementation, will require ongoing system maintenance and updating in FY 1987. A standard Department-wide financial accounting system will be defined during FY 1986 based on decisions resulting from the FIRM recommendations. As currently projected, the Bureau would not implement the new system until 1990. The requested increase will be used to improve the effectiveness of the Bureau's Financial Accounting System and correct internal control weaknesses. Specifically, in FY 1987, a commitment accounting system (COM-MIT) will be implemented, which will allow managers to record their fund commitment decisions in the finance system and to track these decisions on an as-needed basis. An accounts receivable sub-system to improve the administrative billings and collection processes will also be implemented.

Object Class Distribution - Management and Administration Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	+11	\$ +425,000
Personnel Benefits.....		+43,000
Travel and Transportation of Persons.....		+100,000
Transportation of Things.....		+50,000
Printing and Reproduction.....		+20,000
Other Services.....		+264,000
Supplies and Materials.....		+146,000
	TOTAL	<u>\$+1,048,000</u>

Justification of Program and Performance

Activity: General Administration
 Subactivity: Automatic Data Processing Services

(Dollar amounts in Thousands)

<u>Program Elements</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Central Management	\$ (FTE)	3,161 (91)		3,161 (91)	3,269 (91)	+108 (---)
B. Central Management System Support	\$ (FTE)	8,173 (---)		8,173 (---)	5,923 (---)	-2,250 (---)
C. Decentralized System Support	\$ (FTE)	2,631 (40)		2,631 (40)	2,631 (40)	--- (---)
D. Bureau Mission System Support	\$ (FTE)	3,666 (---)		4,678 (---)	4,678 (---)	--- (---)
E. Small Computer Pilot Projects	\$ (FTE)	--- (---)		--- (---)	300 (---)	+300 (---)
F. Tribe/Agency Operations	\$ (FTE)	95 (---)		--- (---)	--- (---)	--- (---)
G. Area Office Operations	\$ (FTE)	208 (---)		--- (---)	--- (---)	--- (---)
H. Equipment Acquisition	\$ (FTE)	--- (---)		--- (---)	850 (---)	+850 (---)
Total Requirements	\$ (FTE)	17,934 (131)	17,163 (---)	18,643 (131)	17,651 (131)	-992 (---)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted to Date</u>	<u>P.L.99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Automatic Data Processing Services	\$17,934	\$-771	\$17,163

As a result of the P.L. 99-177 reduction, computer memory and scheduling productivity improvement mandates will be imposed on users of the Martin-Marietta Data System (MMDS) network, and economies will be gained from computer equipment maintenance contract competition.

Objective: To operate a viable, computer-oriented data processing function in support of the Bureau's programs, organizations, and administrative systems.

Base Program (\$18,643,000; FTE 131): The base for the Bureau's automatic data processing services for FY 1987 follows the same structure as that used in FY 1986. The amounts appropriated for direct ADP costs and transfers from other programs have been spread among four categories: Central Management, Central Management System Support, Decentralized System Support, and Bureau Mission System Support.

One additional amount completes Bureau FY 1986 ADP funding: \$579,000 for the Education Management Information System (MIS), which is described and funded as indicated under the School Operations section.

A. Central Management (\$3,161,000; FTE 91): This amount will be allocated for the costs of the central office staff (Washington, D.C. only) and for the National Technical Support Center (NTSC), formerly named the National Computer Center (NCC), in Albuquerque, New Mexico. The central office provides national program direction through the Office of the Director, Policy and Planning Staff, and the ADP Central Management Division. The NTSC, the principal Bureau computer center, provides services of computer operation, production control, and telecommunications management. Both offices incur salaries, benefits, travel, communications, and office expenses.

B. Central Management System Support (\$8,173,000; FTE 0): This amount will be allocated mainly for the costs of these central lifeblood ADP systems: Area and Agency Distributed Interchange Executive (AADIX) and Martin-Marietta Data Systems (MMDS) network accessed via GSA's Teleprocessing Services Program (TSP). AADIX costs are attributed to Burroughs computers (leased equipment and maintenance), Racal-Milgo modems (leased equipment and maintenance), and AT&T telecommunications lines (line usage charges). MMDS (TSP) will provide computer teleprocessing to support Bureau users nationwide. In addition, Central Management System Support funding is planned for data preparation (keystroke transcription), NTSC hardware maintenance and software lease, and software development by "Buy Indian" contractors.

C. Decentralized System Support (\$2,631,000; FTE 40): This amount will be allocated for the ADP Services costs of salary, benefits, travel, training, telecommunications, and office expenses of the six Information Management Centers (IMC's), and a support center in Juneau, Alaska, which provide data processing support to 12 Area Offices.

D. Bureau Mission System Support (\$4,678; FTE 0): This amount will fund systems operated by four organizations which carry out Bureau mission programs: the Offices of Indian Education Programs, Indian Services, Trust Responsibilities, and Administration. The base amount includes a base transfer of \$1,012,000 of ADP operations funding formerly requested under Management and Administration for Financial Management Systems.

Funding for the Office of Indian Education Programs is included within this program, as previously indicated. Funding for the Office of Indian Service's ADP systems (Social Services, Law Enforcement, Tribal Government Services, Financial Assistance, Judicial, and Self-Determination) will cover computer processing at the Bureau of Mines, including telecommunications terminals and line usage, data preparation, and software development contracting. Expenditures for the Office of Trust Responsibilities will fund purchased and leased equipment and data processing services provided commercially and from state and Federal agencies, which support the functions of land record information for real estate services, bridge and road design, appraisals and statute research, and investment analysis.

F. & G. Tribe/Agency and Area Office Operations(0): A total of \$95,000 for Tribe/Agency operations and \$208,000 for area office operations were transferred in the base to the Tribe/Agency and area office priority systems to correct budgeting errors made in FY 1986. These funds have been added to the Administration portions under those activities.

Overall BIA ADP Program

The Office of Data Systems (ODS) was established within the Bureau in October 1983 by Secretarial Order No. 3098, dated October 24, 1983, as directed in the FY 1984 House Appropriations report language, to direct the Bureau's ADP program. This office is charged with restructuring the Bureau's resources to meet the requirements for ADP services and to respond to the directives and guidance of the Congress and the Department to correct identified deficiencies in ADP management throughout the Bureau.

As staffing continues to bring the office up to its authorized FTE level, steps are being taken to permit the selective, controlled introduction of microcomputers and ensure cost avoidance through cancellation of existing leases, return of unneeded equipment and supplies, and the conversion of leases to purchases where cost-effective. Elimination of six Harris computers saves \$46,000 annually. Lease cancellation of excess equipment and lease-to-purchase conversion of AADIX hardware yields a FY 1985 cost avoidance of \$2.4 million and will yield over \$3 million in FY 1986. These savings will be used to supplement systems operations and development costs in FY 1986.

Among the programs or systems supported by the Office of Data Systems are social services (welfare checks), individual Indian monies (payments to beneficiaries of trust funds), forestry (timber sales receipts), land records, real and personal property, irrigation (water user charge receipts), finance/accounting, personnel, and payroll.

The policies, standards, and management direction for the Bureau's ADP services come from the ODS in Washington, D.C. The operation and maintenance of existing data systems for areas, agencies, and tribes is provided primarily through the National Technical Support Center (NTSC) in Albuquerque; the six Information Management Centers (IMC's), which are located in Aberdeen, Albuquerque, Anadarko, Billings, Phoenix and Portland; and a support center in Juneau. Collocation of the Albuquerque IMC with the NTSC eliminated one entire minicomputer. Standardized hardware and operating systems, a new computer usage accounting system, and technical consultant support improved each IMC.

Technical assistance in, and administrative control of, Bureau computer information, technology, and hardware support is accomplished through ODS. This organization directs the implementation and operation of a cost-effective, modern information resources capability within the Bureau, and it will be the basis for institutionalizing the operations of the teleprocessing system, serviced under contract with Martin-Marietta Data Systems, and the social service system operated on the Bureau of Mines (BOM) computer. Enhanced information resources include a Bureau Property System, Financial Accounting and Documentation System, an access switch to the BOM computer, and continuing development of a nationwide Oil and Gas Royalty Distribution System.

The Director of ODS continues need assessment reviews with each program and area director to measure the priorities and scope of ADP services currently being provided from all sources and to direct a user-oriented, cost-effective program of ADP services throughout the Bureau. Management improvement plans and standard procedures and forms for requests for data services, project planning, and programming requests have been established.

The Bureau believes the organization and management strategies being implemented are the best ways to resolve specific issues and to correct the many ADP problems which have developed in the past decade. The Bureau will continue to provide

reports to the Appropriations Committees on the progress of our ADP services program. The Bureau will also report to the Committees on indirect ADP expenditures (those costs covered through Bureau contracts) so that the total cost of the ADP program is available for review.

As plans evolve in FY 1986 and economies are realized, some readjustments may be necessary. A subdivision of ADP costs for FY 1987 based on an anticipated total funding level of \$18,191,000 is as follows:

<u>ADP Category</u>	<u>FY 1987 Costs</u>
A. Central Management.....	\$3,269,000
B. Central Management System Support.....	5,923,000
AADIX.....	\$ 1,587,000
MMDS (TSP).....	3,250,000
Data Preparation.....	315,000
NTSC Hardware & Software.....	21,000
"Buy Indian" Contractors.....	750,000
C. Decentralized System Support.....	2,631,000
Burroughs Technical Consultants...	861,000
Area Office ADP and IMC's.....	\$ 1,770,000
D. Bureau Mission System Support.....	4,678,000
*Education.....	-0-
Indian Services.....	2,483,000
Trust Responsibilities.....	754,000
Other Direct Funding.....	1,441,000
PAY/PERS.....	(\$1,403,000)
IPS.....	(\$38,000)
E. Small Computer Pilot Projects.....	300,000
H. Equipment Acquisition.....	<u>850,000</u>
 Total Estimated FY 1987 Cost (Direct).....	 <u>\$17,651,000</u>
 <u>Recapitulation - Sources of Funds:</u>	
ADP Services direct funding.....	17,651,000
*Education (School Operations--MIS Program)	540,000
Total ADP funding.....	<u>\$18,191,000</u>

*These applications are described and funded as indicated under the program narratives of other sub-activities.

Increase/Decrease from FY 1987 Base: (dollar amounts in thousands)

<u>Program</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Difference</u>
A. Central Management	\$ 3,161	3,269	+108
B. Central Management System Support	\$ 8,173	5,923	-2,250
E. Small Computer Pilot Projects	\$ ---	300	+300
H. Equipment Acquisition	\$ ---	850	+850

A. Central Management (+\$108,000): This increase is needed to fully fund the ODS central office staff costs which assumes completion of all approved staffing actions during FY 1986.

B. Central Management System Support (-\$2,250,000): ODS anticipates a reduction in the cost of Central Management System Support due to cost savings of \$2,250,000 resulting from lease-to-purchase conversions of computer hardware and peripheral equipment. These savings are partially offset by the increases listed below.

E. Small Computer Pilot Projects (+\$300,000): ODS intends to create small computer pilot projects for individual offices at different organizational levels in the Bureau. The implementation, installation, and training necessary for sixty (60) small computer systems at a cost of \$5,000 per system is proposed for applications including Data Processing, Word Processing, Data Base Management, and Electronic Spreadsheets. Computer users at agencies, schools, area and central offices, and top management components would be provided with stand-alone or AADIX-network-linked computational and information retrieval capabilities.

H. Equipment Acquisition (+\$850,000): The ODS intends to procure \$850,000 in ADP systems equipment: \$500,000 for the Indian Integrated Resource Information Program (IIRIP); and \$350,000 for Trust Funds Management. The \$500,000 for IIRIP, a program which is described and funded as indicated under the Natural Resources, General section, will permit acquisition of Geographic Information System (GIS) hardware. This will consist of microcomputer workstations and a minicomputer to be located at the GIS office in Lakewood, CO, to provide support for GIS field operations and personnel training. The \$350,000 for Trust Funds Management, a program described and funded under the Real Estate and Financial Trust Services section, would obtain contracted analysis, design, hardware, software, training, and implementation of a microcomputer-supported Trust Funds Investment and Analysis System.

Object Class Distribution - ADP Services

	<u>Amount</u>
Travel & Transportation of Persons.....	\$ +50,000
Supplies & Materials.....	+58,000
Other Services.....	-2,100,000
Equipment.....	+1,000,000
Total	<u>\$ -992,000</u>

Justification of Program and Performance

Activity: General Administration
Subactivity: Employee Compensation Payments

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Employee Compensation Payments	\$	5,563		5,551	5,551	---
B. Office of Workers Compensation Prog. (OWCP) Chargeback	\$	---		---	72	+72
C. Unemployment Compensation	\$	1,915		1,915	1,915	---
Total Requirement	\$	7,478	7,156	7,466	7,538	+72

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted to Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Employee Compensation Payments	\$7,478	\$-322	\$7,156

As a result of the P.L 99-177 reduction, funds may have to be reprogrammed within the Operation of Indian Programs Appropriation to reimburse the Department of Labor for expenses of the Employee Compensation Fund incurred during the 1984-85 expense period.

A. Employee Compensation Payments

Authorization: 5 U.S.C. et. seq. 39 Stat. 742. The Federal Employees' Compensation Act of September 7, 1916, as amended, provides compensation for disability or death and full medical care for civilian officers and employees of the U.S. Government who suffer injuries or occupational illnesses in the performance of their duties.

Objective: To provide for repayments of expenses to the Federal Employees' Compensation Fund.

Base Program (\$5,551,000): The base program funding provides reimbursement to the Department of Labor for expenses of the Employees' Compensation Fund incurred during the 1984-85 expense period.

B. Office of Workers Compensation Program Chargeback System

Authorization: 5 U.S.C. et. seq. 39 Stat. 742. The Federal Employees' Compensation Act of September 7, 1916, as amended, provides entitlement to workers compensation benefits for any employee sustaining on-the-job injury or illness. Benefits include payment of medical expenses and compensation for the loss of wages as a result of the illness/injury.

Objective: To provide for repayments of expenses to the Federal Employees' Compensation Fund.

Base Program (\$0): In previous fiscal years, the Bureau has taken this chargeback amount from the Operation of Indian Programs Appropriation.

Increase from FY 1987 Base:

(dollar amounts in thousands)

<u>Program</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Difference</u>
B. Office of Workers Compensation Program	\$ ---	+72	+72

The proposed increase of \$72,000 will be used to establish a chargeback system linking the Department of Labor billings to the specific Bureau organization where the accident/illness occurred. Each quarter the Department of Labor (DOL) transmits a computer generated magnetic tape of data on all employees/ survivors who are receiving these benefits to the Department of the Interior. BIA is proposing to use the DOL data and create a new data base of only Bureau data. Then, using Bureau personnel data, any significant data would be added to the new data base, thereby establishing a final new data base. Two quarterly and year end reports will be generated from the new data base. The first report will indicate all unmatched records with Safety Management Information System (SMIS) Bureau subset. The second report will indicate the dollar amounts of benefits paid, sorted by Areas and Agencies.

This chargeback program will promote safety for the employees and produce significant monetary savings to the Bureau through a reduced Bureau chargeback. Since the money for employee compensation benefits will come out of local budgets, managers will have greater incentive to improve their safety programs in order to reduce this expense.

C. Unemployment Compensation

Authorization: P.L. 96-499. The Omnibus Reconciliation Act of 1980 requires that each Federal agency pay the cost of regular and extended benefits paid to its former employees by State employment security agencies for Federal service performed after December 31, 1980, and deposit such payments quarterly into the Federal Employee Compensation account in the U.S. Treasury.

Objective: To provide repayment of unemployment compensation charges to the Department of Labor.

Base Program (\$1,915,000): The funding provides reimbursement for unemployment compensation payments to former Federal employees who are eligible for compensation benefits if affected by reduction in force, expiration of temporary appointment, or resignation due to permanent change in station.

Object Class Distribution - OWCP

	Amounts
Other Services.....	<u>\$72,000</u>

Justification of Program and Performance

Activity:		General Administration				
Subactivity:		Program Management				
		(Dollar amounts in thousands)				
<u>Program Elements</u>		<u>FY 1986</u> <u>Enacted</u> <u>to Date</u>	<u>FY 1986</u> <u>Adjusted</u> <u>Approp.</u>	<u>FY</u> <u>1987</u> <u>Base</u>	<u>FY</u> <u>1987</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
A.	Construction \$	2,438		3,566	4,066	+500
	Management (FTE)	(61)		(77)	(77)	(---)
B.	Education \$	2,082		2,082	2,082	---
	Program Mgmt. (FTE)	(37)		(37)	(37)	(---)
	Total \$	4,526	4,326	5,648	6,148	+500
	Requirements (FTE)	(98)		(114)	(114)	(---)

Gramm-Rudman-Hollings Impact

	<u>FY 1986</u> <u>Enacted</u> <u>to Date</u>	<u>P.L.99-177</u> <u>Reduction</u>	<u>FY 1986</u> <u>Adjusted</u> <u>Approp.</u>
Program Management	\$4,520	\$-194	\$4,326

The impact of the P.L. 99-177 reduction would be that several vacant positions in the central office staff would not be filled during FY 1986. These positions would normally support the Facilities Improvement and Repair, Design and Construction Program and the Education Program Management function. The result of not filling positions would be that this workload would have to be accomplished by the remaining personnel, leading to delays and increasing potential for errors in work performed.

A. Construction Management

Objective: To provide for the management of a program to plan, design, construct, and repair adequate and safe facilities. Also, to continue to provide the overall supervision and management of the Construction, FACCOM, and Operation and Maintenance programs.

Base Program (\$3,566,000; FTE 77): The base program provides funding and FTE for executing the Construction - Buildings and Utilities portion of this Justification, plus new design and additional construction projects. This responsibility requires funding for personal services, equipment, travel, management and accountability systems, and general logistical needs.

During FY 1986, the Bureau will manage ongoing construction projects. In FY 1987, a similar workload is expected, including the supervision of remaining projects financed by the FY 1983 Jobs Bill to rehabilitate Bureau-owned detention facilities. The facilities improvement and repair projects for FY 1987 require the services of the School Facilities staff to identify and plan future projects, and the Facilities Engineering staff to contract with vendors for design, construction, and construction supervision, which each managing and reviewing all phases of the overall process for which they are responsible.

The School Facilities staff also provides for the proper equipping of school facilities. Bureau architects, engineers, and contract specialists are used in monitoring the contracting activities. The Facilities Engineering staff FACCOM also develop, operate, and maintain management information systems for the Construction (B&U) and Facilities Management (Operation and Maintenance) programs. Eleven FTE are included in the base program for this purpose.

The funds transferred to the FY 1987 base to Construction Management from Facilities Management are as follows:

1. Construction Supervision (\$392,000; FTE 0) - This program, operated through contract, assures that buildings are constructed in accordance with plans and specifications, and reduces the possibilities for fraud, waste, and abuse.
2. Boiler Repair (\$98,000; FTE 0) - This program utilizes the services of professional firms through contracts to provide inspections and certifications of boilers, firetrains, and pressure vessels in Bureau facilities. This critical life safety task must be performed yearly.
3. FACCOM Staff (\$304,000; FTE 6) - The Bureau is currently using the FACCOM/OMS system to provide an accurate, documented update of the Bureau's facility inventory. The FACCOM system will provide information required by management for developing annual budgets, and for making policy and program decisions, provide current information to assist operating or facilities managers to manage programs, and enhance the development of timely reports, as required.
4. Facility O&M Central Office Staff (\$334,000; FTE 10) - This staff coordinates the Bureau's Facilities Management responsibilities, deals with other Federal agencies, evaluates performance of field programs, and develops program policy recommendations for line management. Engineers, communication specialists, technical and clerical support personnel are used in this management function.

Increase for FY 1987:

(dollar amounts in thousands)

<u>Program Elements</u>		FY 1987 Base	FY 1987 Estimate	<u>Difference</u>
Construction Management	\$	3,566	4,066	+500
Facility Safety Inspection		---	(200)	(+200)
Space Utilization/Demolition		---	(300)	(+300)

Justification: This increase represents, in part, the offsetting decrease of \$300,000 from demolitions savings under the Existing Facilities O&M program. This increase will be applied to (1) the Facility Safety Inspection Program (+\$200,000) to perform more frequent inspections through contract to identify life safety work necessary to be corrected in Bureau facilities, and (2) the Space Utilization/ Demolition Program (+\$300,000) to identify, through contract, Bureau facilities that are underutilized or that can be demolished. Excess buildings have been abandoned due to uneconomical rehabilitation costs. The buildings are "boarded up"; however, they present a hazard to curious children, vagrants, etc., and should be demolished as soon as possible. Underutilized or unused facilities are costly to secure and maintain, and the program will result in substantial savings of operation and maintenance costs.

B. Education Program Management

Authorization: 25 U.S.C. 2008-2325, the Education Amendments of 1978 (P.L. 95-561), provide for line authority administration of all Indian Education Programs by the Office of Indian Education Programs (OIEP). The law also mandates responsibility for direct formula funding to Bureau elementary and secondary schools and emphasizes local decision-making for Indian School Boards.

Objectives: To provide Bureau-level direction and control by establishing or revising education policies and/or procedures that will result in the provision of a comprehensive and quality education program meeting specialized learning needs of federally recognized Indian students not attending public or sectarian schools. These needs include bilingual/bicultural education; residential care programs with developmental guidance; fiscal resources for the operation of early childhood, elementary, secondary and postsecondary school programs/services, either directly by the Bureau or by tribal contract; programs for exceptional students; and Chapter I. OIEP also provides direction for: (1) activities for adults through the Adult Education Program; (2) Tribally Controlled Post-Secondary institutions; and (3) Scholarship Programs for both graduate and undergraduate Indian students.

Base Program (\$2,082,000; FTE 37): The Director, Office of Indian Education Programs, provides line direction for all OIEP programs and systems through field line offices and through central office staff. Authorities and responsibilities of the Director, OIEP include policy analysis, formulation, and implementation; management systems development, implementation, and evaluation; program planning, oversight, and evaluation; allocation and expenditure of appropriated and flow-through funds; and personnel management of education staff at all levels of the organization.

The Director, OIEP exercises line authority and control over field office education programs which, in turn, supervise Bureau off-reservation residential schools, peripheral dormitories housing Indian students attending public schools, local on-reservation day and boarding schools, and three Bureau post-secondary institutions. The Director, OIEP is assisted by a Deputy Director, three Assistant Directors, and program support staff at the central office level.

Object Class Distribution - Program Management Subactivity

	Amounts
Other Services.....	<u>\$500,000</u>

Justification of Program and Performance

Activity: General Administration
 Subactivity: Consolidated Training Program

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1986 Enacted to Date</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From 1986</u>	<u>Inc. (+) Dec. (-) From Base</u>
Federal Indian Service Officer Development Program	\$ --- (FTE) (---)	--- (---)	1,350 (---)	+1,350 (---)	+1,350 (---)
Total Requirements	\$ --- (FTE) (---)	--- (---)	1,350 (---)	+1,350 (---)	+1,350 (---)

Objective: To provide a centrally controlled training program to comply with legal and regulatory requirements unique to the Bureau of Indian Affairs. To train and qualify Bureau employees, and specifically Indians, to plan and operate Bureau programs.

Base program: The proposed Federal Indian Service Officer Development Program is described in the Increase section below.

Increase from FY 1987 Base:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>Difference</u>
Federal Indian Service Officer Development	\$ --- (FTE) (---)	1,350 (---)	1,350 (---)

The FY 1985 Senate Appropriation Report Language directs that "...the BIA should supplement the use of proper standards by serious efforts to train and recruit qualified Indians to improve the quality and efficiency of the services provided by the BIA...."

Since the Supreme Court landmark decision in Morton v. Mancari on Indian Preference in employment (1974) and the passage of the Indian Self-Determination and Education Assistance Act (1975), which presented a major cornerstone in the ultimate realization of self-governance, and the Preston v. Heckler court decision concerning special qualification standards for Bureau employees, a new and prominent meaning has been given to government service in Indian Affairs. Over the past decade, the need for competent, highly professionalized personnel to staff the Bureau has greatly accelerated. The Bureau has not fared well in meeting these demanding needs, and the relative value of service to Indian people has lessened. There has, during the past several years, been an appreciable drain on long-term institutional experience at the mid and top grade levels of the Bureau. The retiring and transferring non-Indian employee group constitutes a high percentage of mid-and top-level management staff. Their departure places the Bureau at a disadvantage, since very few Indians have been designated and trained to fill these positions. Therefore, unless this is accomplished immediately, there will be a serious disruption of management continuity. Management

has thus far not been greatly successful in recruiting and developing Indian employees as replacements. As a result, there is expected to be future expertise voids and weaknesses in some grades and job categories unless early corrective action is taken to place management priority on this sensitive organizational need.

During the past four years, the Bureau has taken a number of steps which have been helpful to strengthen employee recruitment and development. Over the short term, a system of better career management can be implemented to meet the basic needs. For the long term, however, the Bureau needs to work on deeper problems of human resource management. There is a pressing need to educate and motivate capable Indians to develop careers in the Federal service. To do this, the Bureau must develop and instill a strong fundamental understanding of the needs of Indian service and the legal, social, and administrative structure upon which such service rests.

The Bureau proposes to establish an education and training program to provide in-service training and formal educational opportunities for Indians who seek successful careers with the Bureau. This approach has been successfully implemented by other Federal agencies which, like the Bureau, have special and immediate needs to train and educate large numbers of people. The Bureau strongly advocates a concept that academic and training institutions provide the best learning opportunities because of their established purpose. In addition, once they have developed a curriculum of study, they can continue to provide and update these courses routinely without new high costs each year. The Bureau has in the past relied heavily on private contractors to meet specialized training needs. The results have generally been minimal and transitory, since there is no guarantee that the same contractor will be available to continue the training in future years. Therefore, this program will rely, where appropriate, on established academic and training institutions to develop and provide curriculum to meet the Bureau's training and education needs. This effort will be reinforced by in-service training and orientation.

The proposed education and training program will be centrally managed. Training and education requirements will be identified, justified and presented to the Assistant Secretary - Indian Affairs for determination of priority.

The proposed funding will be used to develop the plans and curriculum for implementation; for individual training expenses, including course fee/tuition, in some instances, reimbursement of salary, travel, and per diem/subsistence; and for instructors, materials, and facility expenses.

The Bureau will develop an action plan by May 1986 including identification of specialized training/education to be funded in FY 1987. Needs currently include:

- A. Social Worker certification as Masters of Social Work
- B. Departmental Management Development Program
- C. Contracting Officer - warranting at the 1-4 levels
- D. Executive/Management Development
- E. Trust Fund Management
- F. Royalty Management
- G. Entry Level Program (Career Ladder)
- H. Cooperative Education
- I. Understudy Program

Object Class Distribution - Consolidated Training Program

	<u>Amount</u>
Travel and transportation of persons.....	+ 100,000
Other Services.....	+1,200,000
Supplies and Materials.....	+ 50,000
TOTAL	<u>\$+1,350,000</u>

Activity Summary

(dollars in thousands)

Activity: Tribe/Agency Operations

Subactivity (program)	FY 1985 Actual (B.A.)	FY 1986 Approp. Enacted	FY 1986 Adjusted Approp.	FY 1987 Base	FY 1987 Estimate	Inc./ (Dec.) FY 1987 Est. over 1987 Base
Tribe/Agency Operations Total				301,424	295,088	(6,336)

BIA-215

Justification of Program and Performance

Activity: Tribe/Agency Operations

<u>Program Elements</u>	(dollar amounts in thousands)					Inc. (+) Dec. (-) From Base
	FY 1986 Enacted to Date	FY 1986 Adjusted Approp. 1/	FY 1987 Base	FY 1987 Estimate		
General Operations	\$ -- (FTE) (--)	-- (--)	187,356 (1,393)	184,646 (1,432)	-2,710 (+39)	
Trust Operations	\$ -- (FTE) (--)	-- (--)	92,931 (1,825)	92,980 (1,785)	+49 (-40)	
Management Operations	\$ -- (FTE) (--)	-- (--)	18,147 (494)	17,462 (496)	-685 (+2)	
New Tribes Funding	\$ -- (FTE) (--)	-- (--)	2,990 a/ (--)	-- (--)	-2,990a/ (--)	
Total Requirements	\$ -- (FTE) (--)	-- (--)	\$301,424 (3,712)	\$295,088 (3,713)	-6,336 (+1)	

Gramm-Rudman-Hollings Impact 1/

	FY 1986 Enacted To Date	P.L. 99-177 Reduction	FY 1986 Adjusted Approp.
Tribe/Agency Operations	--	--	--

1/ In FY 1986, all funding and FTE for this proposed activity are included in the other budget activities in the OIP account. Therefore, the Gramm-Rudman-Hollings Impacts are recorded in those budget activities.

Objective: To provide for local operations and direct delivery of services to tribes, individual Indians, and Native Alaskans.

Base Program (\$301,424,000): In 1987, it is proposed that all funding for tribe/agency operations which are included in the base funding under the Indian Priority System (IPS) be justified under one budget activity rather than under each separate activity and subactivity contained in this Appropriation. This allows the Bureau to display and justify in total all funding which supports stable and continuing programs that are subject to local tribal priorities rather than programmatic and national priorities. It also provides a vehicle for funding consolidated (block) grants/contracts/agreements requested by tribes pursuant to P.L. 93-638.

The funds requested to support the Tribe/Agency Operations activity are grouped under three categories supporting three major roles and responsibilities which are inherent in the Bureau's mission.

1. General Operations--to provide services to Indians as a surrogate for those tribes who have neither the resources nor governmental capabilities to carry out such governmental services.

a/ The New Tribes funding has been distributed by program using the priorities of the tribes involved.

2. Trust Operations--to carry out the trust responsibilities which the Federal Government has identified for itself; of protecting and developing Indian owned natural resources; and managing the income derived from these resources.
3. Management Operations--to act as the public trustee and overall manager for Federal resources used to provide services described under the Tribe/Agency Operations activity.

The direct involvement of tribal government in the development of the Bureau of Indian Affairs annual budget requests was initiated in the early 1970's and is in keeping with the provisions of the Indian Reorganization Act of 1934 (48 Stat. 948; 25 U.S.C. 461 et seq.) and the Indian Self-Determination and Education Assistance Act of 1975 (188 Stat. 2203; 25 U.S.C. 450).

Section 16 of the Indian Reorganization Act (25 U.S.C. 476) includes language as follows:

"The Secretary of the Interior shall advise such tribe or its tribal council of all appropriation estimates or Federal projects for the benefit of the tribe prior to the submission of such estimates to the Bureau of the Budget [now OMB] and the Congress."

The Tribe/Agency Operations request for FY 1987 includes funding for local service programs which are planned and operated at the Tribe/Agency level and some programs which are consolidated at the area office level but offer direct services to tribes and individuals. The funding levels for these local programs are determined during the annual budget development process in consultation with the tribes being served. The tribal consultation effort for FY 1987 was carried out during May and June, 1985. The tribe(s) served by each agency office is (are) offered the opportunity to be directly involved in establishing funding levels for each program and ranking each program in terms of relative priority. Based upon the funding and staffing "base" information provided in the FY 1986 President's request for tribal priority programs, each Agency Superintendent consulted with the tribal government(s) on the levels of funding to be requested in FY 1987. The tribe(s) was asked to set priorities by ranking four alternative funding and staffing "packages" for each program. Unless either the Superintendent or Area Director believed that essential Federal responsibilities could not be met by the tribal priorities, changes were not made to the tribes' program rankings. Any decision by these line officials contrary to the tribe's wishes can be appealed by the tribe(s) to the Central Office for resolution during the planning process.

The funding, staffing, priority, and other explanatory data developed during the planning process at the Tribe/Agency level are entered into the Bureau's computer based budget development system which is called the Indian Priority System (IPS). These data are used at the national level to determine the programmatic distribution of funding for the Tribe/Agency Operations portion of the Bureau's annual budget request.

To the extent possible, the priorities expressed by the tribes are maintained unchanged throughout the budget process. The national decisions affect only the overall funding level for all Tribe/Agency Operations programs as a group and usually do not adjust individual program requests. At times programs are added or removed from the tribal priority process, usually based upon legislative action. Appropriation action on the base year budget also affects program funding amounts which may require adjustments during the planning year.

Tribal priorities are considered for the consolidated programs operated at the Area Office level which provide direct services to the reservation or tribal level. However, the involvement of tribes in setting priorities is less direct. Each Area Director has established consultation procedures to obtain as much advice as possible on the program priorities of each tribe being served. This advice is consolidated and used to develop the funding levels and priority of of these consolidated operations which are referred to as Area Field Operations programs. Area Field Operations data are also entered into the IPS data base for use at the national level. The Area Field Operations programs are consolidated with the programs operated at the Tribe/Agency level for purposes of overall budget development.

The overall funding level requested each year for these programs as a group is decided at the national level. The priority data contained in the IPS data base are used to determine the specific amounts requested at each Tribe/Agency location for each program included in the tribal priority process. In FY 1987, the overall funding level for Tribe/Agency Operations (including Area Field Operations) has been adjusted to include all funds which support stable and continuing programs at the tribe/agency level. The overall amount of the Bureau budget was not increased in making this transfer of funds to this budget activity.

The summarized program base FTE and funding levels and the narrative base program descriptions follow.

	<u>FTE</u>	<u>\$000</u>
<u>General Operations</u>	<u>(1,393)</u>	<u>(187,356)</u>
1. Scholarships.....	--	29,367
2. Adult Education.....	21	3,543
3. TCCC's Supplement to Grants.....	--	892
4. Community Services, General.....	3	1,093
5. Agric. Extention Services.....	--	680
6. Other Aid to Tribal Gov' t.....	106	11,503
7. Tribal Courts.....	22	9,234
8. Social Services.....	170	21,311
9. Law Enforcement.....	493	45,965
10. Self-Determination Grants.....	--	11,385
11. Trng./Tech. Assistance.....	39	2,000
12. Community Fire Protection.....	--	828
13. Credit and Financing.....	66	3,301
14. Adult Vocational Training.....	69	19,311
15. Other Empl. Assistance (DE).....	18	4,193
16. Road Maintenance.....	386	22,750
 B. <u>Trust Operations</u>	 <u>(1,825)</u>	 <u>(92,931)</u>
1. Natural Resources, General.....	6	1,116
2. Agriculture.....	441	20,279
3. Forestry.....	634	23,509
4. Water Resources.....	6	1,565
5. Wildlife & Parks.....	16	17,796
6. Minerals and Mining.....	36	1,738
7. Trust Services, General.....	5	354
8. Environmental Quality Services.....	14	582
9. Other Rights Protection.....	74	4,832
10. Real Estate Appraisals.....	94	3,839
11. Other Real Estate Services.....	361	13,958
12. Financial Trust Services.....	138	3,363
 C. <u>Management Operations</u>	 <u>(494)</u>	 <u>(18,147)</u>
1. Executive Direction.....	174	7,225
2. Administrative Services.....	310	10,589
3. Safety Management.....	10	333
 D. <u>New Tribes Funding</u> (details determined by 1987 priorities)	 <u>(--)</u>	 <u>(2,990)</u>
 TOTAL TRIBE/AGENCY 1987 BASE.....	 <u>(3,712)</u>	 <u>301,424</u>

A. General Operations

1. Scholarships

Base Program (\$29,367,000; FTE 0): The Higher Education Program provides financial aid to eligible Indian/Alaska Native students to attend accredited post-secondary institutions which will enable them to meet their educational goals, develop leadership abilities, and increase their employment opportunities in professional fields so that they may contribute to the economic and social goals and objectives of the various tribes.

The program provides for grants to students who meet the following eligibility criteria: (1) Indian, Eskimo, or Aleut whose blood quantum is one-fourth degree or more; (2) member of tribe(s) which is federally recognized; (3) admitted for enrollment in an accredited college or university program leading primarily to a baccalaureate degree; and (4) financial need as determined by the institution's financial aid officer. A Certificate of Degree of Indian Blood or other proof of Indian blood certified by the Tribal Enrollment Office of the Bureau must be a part of the student's application. School operations staff at the Area and Agency office level provide supervision for this program. The funding level for this program is set by tribes through the Indian Priority System. Table 1 provides statistical and historical data for selected years (1949, 1960, and 1970) and for 1979 through 1987 to indicate the increasing importance of this program for Indian/Alaska Natives. The table also reflects the rising cost of education and the related tribal contract program direction costs.

The financial aid "package", completed and certified by the institution's financial aid officer, serves as the principal basis for determining the Bureau grant amount. The Bureau grant award, combined with the package of any other assistance, cannot exceed the institution's determination of the student's need as stated in 43 CFR 674.15, and 676.15, Coordination with Bureau of Indian Affairs Grants in-Aid.

The extent of unmet need, loans, and work-study portions of the financial aid package is dependent upon the priority budgeted amount from tribes and the number of eligible students expected to apply from a particular tribe. Thus, students would be provided proportionately less when a larger than anticipated number of eligible students apply. Table 2 shows the estimated distribution of the funding sources for Indian students at the post-secondary level. The Bureau contribution is approximately 37 percent of the total assistance required in FY 1986.

Workload Data:

TABLE 1 - HIGHER EDUCATION GRANT PROGRAM

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>No. of Students Assisted</u>	<u>Average Grant Size a/</u>	<u>No. of Graduates</u>	<u>No. of Tribal Contracts</u>	<u>Tribal Contracts Program Direction Costs (\$ and as % Appropriation)</u>	
1949 <u>b/</u> \$	9,390	78	\$ 120	1	0	\$ --	--
1960	250,000	612	408	65	0	--	--
1970	3,848,000	4,271	873	286	6	120,000	(3.1%)
1979	26,575,600	14,904	1,695	1,965	32	1,310,000	(4.9%)
1980	27,398,300	15,895	1,626	1,420	38	1,556,000	(5.7%)
1981	26,918,700	15,724	1,587	1,290	48	1,964,640	(7.3%)
1982	27,371,000	16,100	1,569	1,289	57	2,110,364	(7.7%)
1983	26,357,000	14,946	1,546	1,295	88	3,256,000	(12.4%)
1984	26,197,000	15,600	1,461	1,310	91	3,404,000	(13.0%)
1985	26,868,000	16,000	1,461	1,380	96	3,500,000	(13.0%)
1986	29,203,000 <u>d/</u>	15,600 <u>c/</u>	1,450	1,450	96	3,645,000	(12.5%)
1987	29,367,000 <u>d/</u>	15,600 <u>c/</u>	1,456	1,500	100	3,817,000	(13.0%)

- a/ Calculated by subtracting program direction costs and indirect costs from "Appropriation" and dividing by "No. of Students Assisted".
- b/ First year of the Higher Education Grant Program.
- c/ Estimated.
- d/ Both direct costs and contract support funds are included in these totals beginning in FY 1986.

TABLE 2 - SOURCES OF FUNDING FOR HIGHER EDUCATION STUDENTS

	<u>1985 Estimate</u>	<u>1986 Estimate</u>	<u>1987 Estimate</u>
Total BIA Grant Awards <u>a/</u>	\$23,368,000 (40%)	\$22,562,000 (37%)	\$22,554,000 (35%)
Family & Student Contr. <u>b/</u>	11,688,000 (20%)	12,000,000 (19%)	12,500,000 (20%)
College Based Awards <u>c/</u>	19,610,000 (33%)	22,450,000 (36%)	23,000,000 (36%)
Other Public Sources <u>d/</u>	4,000,000 (7%)	5,000,000 (8%)	5,500,000 (9%)
	<u>\$58,666,000</u>	<u>\$62,012,000</u>	<u>\$63,554,000</u>

- a/ The total BIA Grant Award is the amount appropriated minus the program direction costs and indirect costs.
- b/ Parent, student contributions.
- c/ Pell Grant, Supplementary Educational Opportunity Grant, National Direct Student Loans, and College Work Study.
- d/ Social Security, Veterans Administration, Welfare, State Grants, and Tribal Awards.

2. Adult Education

Base Program: Adult Education (\$3,543,000; FTE 21): The Adult Education program provides educational opportunities and learning experiences to enable adult Indian/Alaska Natives to complete high school graduation requirements, acquire basic literacy skills, and gain new skills and knowledge to improve their functioning as individuals and as members of the community. The funding level for this program is set by tribes through the tribal priority system. Typical of the courses offered are: Adult Basic Education (ABE); preparation for the General Educational Development Test (GED); life coping skills courses such as budgeting, filling out applications, drivers training, and consumer awareness; instructional information services from federal, state, and tribal programs (i.e., medicare, social security, filing of federal and state taxes, entitlements, real estate, and trust services); continuing education courses designed to update the knowledge and skills of the participants (i.e., typing, shorthand, computer literacy, etc.); and community education classes of personal interest. This education program also encompasses special programs for the elderly.

Program staff members conduct needs assessment surveys, recruit participants, teach some of the courses, provide guidance and counseling with regard to educational, career, and employment opportunities, and coordinate the Bureau adult education program with other existing Federal and non-Federal programs and activities to develop occupational and related skills for Indian adults to enable them to become employable and productive members of society.

Workload Data:

In FY 1985, 75 tribes administered the Adult Education Program under P.L. 93-638 contracts; 13 programs are administered by Bureau Agency offices.

TABLE 1 - Appropriations, Number of Adult Education Programs and Participants, and Average Cost/Participant

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>No. of Adult Educ. Programs</u>	<u>No. of Adult Partic.</u>	<u>Average Cost per Participant</u>
1982	\$ 4,659,000	77	13,859	\$ 336
1983	3,697,500	68	12,899	287
1984	3,747,100	88	14,607 ^{a/}	257
1985	3,474,000	88	13,520	257
1986	3,543,000 ^{b/}	92	12,800	277
1987 (est.)	3,543,000 ^{b/}	91	13,000	273

^{a/} 1,958 adults were enrolled in Adult Basic Education,
3,480 adults were in GED preparation,
3,954 adults were in continuing education,
2,808 adults were in life coping skills, and
2,407 adults were receiving counseling.
14,607

^{b/} Includes contract support.

3. Tribally Controlled Community Colleges

Base Program: Tribally Controlled Community Colleges, Supplement to Grants (\$892,000; FTE 0):

The Indian Self-Determination and Education Assistance Act (P.L. 93-638) states the role of the Federal Government is to provide comprehensive education programs and services for Indian/Alaska Natives. Community colleges are governed by a local board of regents, a majority of whom are Indian. This enables the sponsoring tribes to pursue educational goals for their people compatible with the needs and assessments of the tribes.

The Tribally Controlled Community College Assistance Amendments Act, 1983 (P.L. 98-192) authorizes grants to the colleges for academic and administrative purposes and for the operation and maintenance of the colleges.

Some tribes choose to supplement Bureau funding of the Tribally Controlled Community Colleges with funds available through the Indian Priority System. This amount totals \$1,183,000 for FY 1987.

Workload Data:

Funding charts and student participation (ISC) data are provided in the Central Office/Area Office section under Continuing Education, Tribally Controlled Community Colleges.

4. Community Services, General

Base Program (\$1,093,000; FTE: 3): This program provides funds primarily for staff at agencies who oversee all of the various Indian Services programs. Some agency funding is used for consolidated human resource programs that are operated by tribes under P.L. 93-638 contracts.

5. Agriculture Extension Services

Base Program (\$680,000; FTE: 0): This program is one which the Bureau contracts with either State land grant colleges and universities or with the tribes. During FY 1985 the Bureau contracted with 9 colleges to provide technical advice and assistance in areas such as agriculture, soil restoration, crop rotation, animal husbandry, use of controlled substances, home extension services, and 4-H Club activities. Indian tribes which do not contract with State universities and colleges usually use the funding to hire their own extension agents and home economists. Approximately 100 tribes will benefit from this program during FY 1987.

6. All Other Aid to Tribal Government

Base Program (\$11,503,000; FTE: 106): Approximately 75 percent of the tribe/agency funding is used for contracts between the Bureau and the tribes. During FY 1985 approximately 120 tribes and Alaska Native villages contracted with the Bureau in the following areas:

Program Areas

No. Tribes w/All Other Aid to
Tribal Government Contracts

Comprehensive Planning	5
Tribal Enrollment	16
Tribal Administration - General	80
Work/Learn Programs	20

The Comprehensive Planning program is aimed at assisting the tribal governments to prepare or revise a plan that outlines a program of priorities and action for the development of all sectors of the community or reservation. The Tribal Enrollment program enables tribes to maintain and update tribal enrollment records for the purpose of making tribal per capita/dividend distributions, hold secretarial and tribal elections, and to identify tribal members for the purpose of exercising off-reservation treaty rights; i.e., hunting and fishing. The Tribal Administration-General program enables tribes to develop and update tribal government documents, develop policy, legislation and regulations in administrative support. The Work/Learn program is a cleanup program in and around Indian villages. In addition to cleaner villages, the program provides work opportunities and experience to Indian youth who are at least 13 years old, and not more than 20 years old, and are enrolled in high school. For programs operating during the summer, students who have completed the 8th through the 12th grades are eligible.

<u>Workload Data:</u>	<u>Actual FY 1985</u>	<u>Estimated FY 1986</u>	<u>Estimated FY 1987</u>
Judgment Fund			
Per Capita Payment Rolls	94	90	90
Tribal Rolls	182	183	180
Tribal Constitutions	185	200	200

7. Tribal Courts

Base Program (\$9,234,000; FTE: 22): This program pays the personnel and administrative costs for the operation of 128 tribal courts and 20 courts of Indian offenses (courts established and operating pursuant to 25 CFR Part 11). These courts all enforce and adjudicate the criminal provisions of tribal law and order codes and, as is the case with courts of Indian offenses, the criminal provisions found in 25 CFR Part 11. They also adjudicate civil disputes based upon the same authorities cited above. The criminal and civil adjudication provisions enforced by Indian courts vary considerably in their coverage, sophistication and procedures. The main efforts to upgrade these tribal codes are assumed by the tribes themselves, with assistance provided by Bureau staff primarily at the area and central office program levels.

The courts of Indian offenses (which use Federal employees) differ from tribal courts only with respect to their jurisdictional authority for existence. Whereas the authority for the establishment and existence of tribal courts is generally found in tribal constitutions, courts of Indian offenses have no such authorization. They have been established by the Bureau of Indian Affairs primarily based upon a determination that a tribe has, or must, exercise civil and criminal jurisdiction over its members and a further finding that the traditional agencies for the enforcement of tribal law and customs have become inoperative, and no adequate substitute has been provided for them under Federal or State law. In instances where there has been such a declaration and finding, a ready-made set of laws and procedures has been provided for utilization until such time as the tribe, itself, adopts a tribal law and order code and begins

enforcing that law. At the tribal level these funds are provided to pay for judges, prosecutors, defenders, clerks of court, probation officers, juvenile officers and a variety of other court-support personnel. Additionally, the program pays for the administrative operational expenses incurred in running a court system. At the start of the FY 1987 planning cycle, \$115,000 was taken out of the "Special Tribal Courts" program and added to tribe/agency operations for new ongoing courts.

Tribal Courts

<u>Workload Data:</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>Changes</u>
Tribal Court Cases	157,000	185,000	221,000	230,000	+ 9,000
Courts Evaluated	25	25	20	25	+ 5
Tribal Codes Revised	30	30	40	40	

8. Social Services

Base Program (\$21,311,000; FTE 170): The base program provides funds for 170 full-time equivalent Bureau employees as well as for 74 tribal social services contract programs. The breakdown of the Bureau staff FTE is as follows:

Social Workers	124
Clerical	46
Total	170

The tribal contract employee positions are not fixed in number and vary according to changes in contracts. A portion of the \$21,311,000 is required for the general operational expense incurred for administering the entire Bureau-operated programs and by the tribal contract programs. These expenses include: staff development and training; travel; equipment; office operations; etc.

Bureau and tribal staff consist of trained social workers, para-professional social workers and clerical personnel. Their duties include receiving applications for assistance, determining eligibility, computing grant amounts, providing social casework counseling and other services including case review and follow-up. They also refer clientele to other needed non-Bureau programs.

The same staff which administers the overall program also provides:
 1) counseling and other social casework services; and 2) technical assistance and professional expertise to tribal entities in developing tribal social services programs. Since their duties are encompassing and multifaceted, no distinction is made between costs incurred for counseling and costs incurred for administration, etc.

Workload Data: The monthly caseload for counseling is:

<u>Fiscal Year</u>	<u>Number of Persons Counseling</u>
1982 Actual	15,682
1983 Actual	15,726
1984 Actual	15,775
1985 Estimate	15,755
1986 Estimate	16,000
1987 Estimate	16,250

9. Law Enforcement

Base Program (\$45,965,000; FTE 493): Individual treaties with Indian tribes, Congressional enactments, and Federal court decisions have created a unique criminal justice requirement on reservations where State and local units of governments have executive civil and criminal jurisdiction over offenses committed by persons of Indian descent, and for the enforcement of violations of Federal Law.

The development and operation of criminal justice systems by the Federal and tribal governments in providing police, detention and judicial services results from the lack of services by local units of State, county, and city governments. There are 24 states with 161 reservations where the Bureau and tribal governments provide these services to varying degree.

The Bureau uses criminal justice personnel to staff and operate the overall program. Staff include Criminal Investigators, uniformed officers, detention officers and radio dispatchers/clerks. The combined Federal/tribal Law Enforcement staff serve an estimated Indian population of 525,000 and patrol over 100,000 square miles of Indian Country, as well as a number of off-reservation treaty fishery sites.

There are four basic groupings of law enforcement personnel: criminal investigators; uniformed police officers; conservation officers; and non-uniformed personnel such as detention officers and radio dispatchers/clerks. Criminal investigators have the responsibility for investigating, arresting and assisting in the prosecution of Federal law violators. The 1,135 uniformed officers (including 825 tribal officers) provide patrol and protective services within Indian Country, including non-enforcement type services. The 13 Federal conservation officers concentrate primarily on enforcement aspects relating to Federal laws, treaty rights and tribal ordinances regarding hunting, fishing, and trapping within Indian Country and within designated off-reservation areas. Conservation officers are funded through the Wildlife and Parks program with the exception of the Umatilla and Hoopa Reservations where they are funded under the law enforcement program. Funding provided in FY 1987 will provide for approximately 60 patrol officers and supporting equipment. This will enable tribes and the Bureau to increase patrols, cut down in response time, provide police presence as a deterrent to crime.

Seventy-seven (77%) percent of the operating costs at the tribe/agency level are for salaries and benefits of criminal justice staff. The remaining twenty-three (23%) percent is to be used for automative operations and repair; Bureau operated or contracted detention services; travel and per diem evidence purchases; equipment rental; individual training; communications; supplies; etc.

The base also includes \$7,841,000 for special law enforcement needs, intended to improve the overall quality of the law enforcement program. These funds were first appropriated in FY 1985 and were added to the tribal priority system at the beginning of the 1987 planning cycle.

Workload Data: The estimates below are provided as workload data for FY 1985, FY 1986, and FY 1987. The increased workload estimate for FY 1986 and FY 1987 reflects the impact of increased patrols, reduced response time and increased police reserves.

Law Enforcement Estimates:

	<u>FY 1985 Estimate</u>	<u>FY 1986 Estimate</u>	<u>FY 1987 Estimate</u>
Complaints Investigated	155,057	162,810 +5%	167,694 +3%
Non-Enforcement Duties Performed	64,034	665,725 +5%	685,697 +3%
Arrests	95,331	98,191 +3%	103,101 +5%
Traffic Violation Warning	32,908	34,882 +6%	36,626 +5%
Daily Detention Average	904	958 +6%	1,006 +5%
Crime Index Rate	2,025.3	2,127.0	2,191.0

10. Self-Determination Grants

Base Program (\$11,385,000; FTE 0): The Division of Self-Determination Services will establish policy oversight for the grant program. The Division will continue to have responsibility for policy and program development as well as provide guidance and assistance to Central and Area Office Directorates relative to the program. In addition, it will also continue to process tribal appeals and waiver requests as well as monitor area office administration of the Self-Determination Grant program.

Section 104 of P.L. 93-638 authorizes grants to tribal governments as follows:

- a. Strengthening or improving tribal governments primarily through the development and implementation of essential management systems.
- b. Planning, training, evaluation or other activities designed to improve tribal capacity to enter P.L. 93-638 contracts or the additional costs associated with the initial year of program operation under such agreements.
- c. Acquisition of land in connection with (a) and (b) as prescribed in related regulations pertaining to property management.
- d. Tribal planning, designing, monitoring and evaluation of Federal programs serving the Indian tribe, so as to assure that programs presently offered or that could be offered to the tribe are responsive to tribal needs.

Federally recognized tribal governments apply for 638 grants in accordance with 25 CFR 272, "Grants under Indian Self-Determination Act." These regulations provide the procedure and criteria under which 638 grants are awarded to the requested tribe(s). To contract for Federal programs, a tribe must have viable personnel, financial, and property management systems in place and functioning.

Initially, P.L. 93-638 grants were awarded on a tribal population basis. They are now part of the tribal priority system. The amount requested reflects tribal priority needs related to a tribe's contracting capability and basic tribal program operational capacities. Self-Determination grants projects are under two major categories:

1. Projects, which establish or improve the tribe's capability to operate Federal programs under contract/grant/cooperative agreement; and
2. Projects which are designed to establish, maintain, or improve a tribal government's managerial capacity and its ability to act effectively on the number of 638 grants awarded since the inception of P.L. 93-638 has varied from approximately 460-480 per year. Generally, self-determination grants have been used by large established tribes to prepare for the operation of Bureau programs under P.L. 93-638 by undertaking a variety of projects such as: the development, implementation and maintenance of office management systems; financial management and related systems; the orientation and training of tribal policy makers and administrative staff in the implementation and responsibilities of P.L. 93-638; the acquisition of property to augment tribal facilities allowable under the specifications of P.L. 93-638; regulations; and the projects that address the specialized needs inherent in the maintenance and implementation of tribal governmental management structure. Further, larger tribes have used self-determination grants in order to establish and maintain tribal administrative and financial management systems to essential successful contract program administration.

Smaller tribes also use self-determination grants to establish and maintain contract program administration. Smaller, lesser established tribes and rancherias, have used self-determination grants as seed money to enable them to become established governments and to acquire the capability to participate in housing, economic and community development, employee training, and similar available programs through contracts and grants with various Federal agencies.

Workload Data: It is estimated that some 400 self-determination grants will be awarded under the tribal priority system in FY 1987 reflecting tribal priorities under the grant program.

As mentioned above, the majority of self-determination grants are used to strengthen and improve tribal governments, including their ability to manage contracts and grants. Grant officers at the area offices and grant officer representatives at the agency level will continue to administer and monitor the program.

11. Training and Technical Assistance

Base Program (\$2,000,000; FTE: 39): Greater emphasis will be placed on providing training and technical assistance (T/TA) to tribes at the local or tribe/agency level in FY 1987. This will be more responsive to tribal needs for assistance thereby strengthening the Bureau's delivery of training and technical assistance.

Training and technical assistance is provided by Bureau contract officers and/or grant officers representatives (COR/GOR) but assistance is also provided by other Federal and non-Federal staff such as Office of Personnel Management, Department of Agriculture and expert consulting firms in the areas of accounting, management, planning and program operations. Assistance is provided by agency personnel to tribes in the preparation of contract and

grant proposals and during the negotiation and award period. Assistance is also provided to address contract and grant performance needs and to meet special one-time tribal requirements such as the award of special contracts to Certified Public Accounting firms for the purpose of auditing various tribally contracted programs. The technical assistance is tailored to meet the specific and/or unique needs of individual tribes and is provided to allow tribes to meet the requirements of basic legislation and pertinent regulations.

While the COR/GOR is the first and primary contact with tribes for assistance, in those instances where the T/TA needed is not available or of such a magnitude as to be impractical for an agency to provide, the agency will arrange for the provision of assistance. This may involve arranging T/TA from the area office, the Tribal Administrative Accounting Services (TAAS) group or a contractor.

Workload Data: The training and technical assistance program provides funding for Bureau staff at the tribe/agency level for the coordination of Self-Determination activities including grants, contracts and the provision of training and technical assistance under the Self-Determination program. Training and technical assistance activities are carried out at the agency level by Bureau staff designated as contract and/or grant officer representatives (COR/GOR). Training and technical assistance may be provided to some 500 tribes and Alaska Native Villages eligible for such assistance.

12. Community Fire Protection

Base Program (\$828,000; FTE: 0): This program is necessary for those tribes which do not receive community fire protection services from State or local governments. During FY 1985 approximately 60 tribes received funds ranging from \$1,000 to \$80,000 for this program. The larger community fire protection programs provided funds to train volunteer fire fighters, repair existing firefighting equipment, purchase additional equipment, and personnel costs. Funds are used to purchase basic equipment such as smoke detectors, fire extinguishers, fire escapes and emergency lights for public buildings.

Workload Data:

	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>
Training Services	5	5	5

13. Credit and Financing

Base Program (\$3,301,000; FTE: 66): Credit personnel at this level assist federally recognized Indian tribes, Indian organizations, Alaska Natives and individual Indians with developing and utilizing their resources to improve their economies. The programs available are (1) direct loans from the Revolving Fund for Loans; (2) guaranteed loans from the Loan Guaranty program; (3) the Indian Business Development Grant program; and (4) assistance in obtaining financing from other governmental and private sources.

The base program includes support for salaries, travel, and operational expenses for Bureau employees who monitor and collect the loans made under the direct loan program and the guaranty loan program. They also have the responsibility for administering the grant program. It also covers the operating costs of agency credit programs contracted under P.L. 93-638.

Most loans and grants are not approved at the agency level. The area office level has approval authority to limited amounts and in some cases has delegated to the superintendent all or some of the authority on a discretionary basis. However, the credit officer is responsible for reviewing all loan and grant applications, assisting the client in correct preparation where necessary, and making recommendations to the superintendent on whether the proposal should be approved or disapproved.

It is the credit officers' responsibility to review the accounting records maintained by tribes or other Indian organizations covering activities financed by the United States, or with tribal funds used under secretarial regulations, in order to observe and report on their adherence to accepted business practices, procedures, sound credit policies and practices, and regulations.

In addition to their responsibility to loans and grants made by the Bureau, the credit officer assists tribes and individual Indians in obtaining loans from banks and other private sector financial lending sources; working with other Federal funding sources such as Small Business Administration, Veterans Administration, Housing and Urban Development, Economic Development Administration, Department of Defense, Department of Transportation, and Farmers Home Administration in developing economic enterprises on Indian reservations.

Workload Data:

(\$ in millions)
FY 1987

BIA - direct loans - outstanding	\$120.0
BIA - direct loans - new	16.3
Guaranteed and Insured loans - outstanding	189.3
Guaranteed and Insured loans - new	30.0
Economic Development grants - new	8.5

14. Adult Vocational Training

Base Program (\$19,311,000; FTE 69): The Employment Assistance program has two basic activities which are designed to alleviate unemployment on Indian reservations. These two activities are: Adult Vocational Training and Direct Employment (Job Placement). If 83 percent of the participants in these two programs were placed in jobs, the unemployment rate would drop three percent, if all factors remained stable.

In order to address this national problem and to meet the basic and special training needs of Indian applicants, the Secretary is authorized to undertake a program of vocational training that provides for vocational counseling or guidance, institutional training in any recognized vocation or trade, apprenticeship and on-the-job training. Training institutions with a recognized reputation in the field of vocational training and an established record of successfully placing their students in suitable employment upon graduation are utilized. Approximately 400 private vocational training schools are used. These schools offer training to the Indian trainee in courses such as welding, auto mechanics, computer programming, secretarial, registered nursing, cosmetology, x-ray technology, etc.. The period of training is for a maximum 24 month period except for the registered nurse training which cannot exceed 36 months. The program is available to adult Indians, 18-35 years of age, who reside on or near an Indian reservation. Applicants are assisted in the selection of their training program through the interpretation of the General

Aptitude Test Battery (GATB) and personal counseling. This is to insure that all applicants are trained in a field where they can attain the necessary skills to become employable. Employment is provided primarily by the private sector with about 205 of the total placements being in governmental agencies.

Of the \$19,311,000 Adult Vocational Training, FY 1987 Base Funding, approximately \$10,500,000 will be contracted by the tribes and the remaining \$9,183,000 for Bureau operation at the agency levels. Included in the base is \$142,000 for the Papago Skills Center which will be subject to tribal priorities during the FY 1987 budget cycle.

Workload Data: It is anticipated that the average cost per trainee for FY 1987 is estimated at \$5,000 per trainee. Cost per trainee fluctuates from area to area due to cost of living, tuition, etc., which are not all the same.

	<u>FY 1986</u>	<u>FY 1987 Est.</u>
Total Number of Trainees.....	4,103	3,687
Total Completions.....	1,670	1,512
Total Job Placements.....	1,434	1,300

15. Other Employment Assistance (Direct Employment)

Base Program (\$4,193,000; FTE 18): Direct Employment (Job Placement) services are provided to members of federally recognized Indian tribes. This program assists those Indians who have an employable skill and need employment. The end result is to assist the individual Indian to find, become established in, and retain suitable employment. The applicant's skills are identified from information submitted on the application form and through personal counseling. Applicants are then placed in a job that meets their skill level.

A majority of the total Bureau staff in this program is located at the agency level where applications are taken and processed, funds committed, employment counseling and guidance provided, and employment contacts are made. Staff in this program are vocational development specialists who place emphasis on job placement. They maintain contact with employers in the private sector through State and private employment offices and personal contacts. Employment in State and Federal jobs is accomplished through personal contacts with the appropriate personnel office. Screening applicants to be employed is done in accordance with hiring policies of the prospective employer. In most cases, the job placement specialist is acquainted with those hiring policies. Applicants are placed in those fields where jobs are available and where they are qualified for employment.

It is estimated that the number of participants in the Direct Employment Program will continue the gradual decline experienced in recent years. This decline is partially the result of the increased cost of providing job placement services and partially the result of tribes placing more emphasis on training needs accomplished through the Adult Vocational Training Program.

Workload Data: It is anticipated that the average cost per participant for FY 1987 is estimated at \$2,500 per participant. The average cost per trainee fluctuates from area to area due to the mobility of trainees, i.e., some trainees have easier access to places in Arizona and Oklahoma where travel is less difficult than in Alaska or other isolated places.

	<u>FY 1985</u>	<u>FY 1986</u> <u>Estimate</u>	<u>FY 1987</u> <u>Estimate</u>
Total Number Participants	2,295	2,273	1,747
Average Cost Per Participant	\$2,200	\$2,400	\$2,500

16. Road Maintenance

Base Program (\$22,750,000; FTE 386): Priorities and funding levels for road maintenance are set by tribal governments in consultation with Bureau administrators and engineers. Consideration is given to degree of use, public safety and convenience. On improved roads, an additional consideration is the preservation of the Government's investment in construction, since inadequate maintenance accelerates deterioration and increases road reconstruction costs. The replacement cost for approximately 18,000 miles of improved roads on the Bureau system is estimated to exceed \$2 billion.

The program activities include providing for interagency agreements with local governments, counties, State and other Federal agencies for various phases of the road maintenance program.

Maintenance is the preservation of a road or bridge and related elements in the condition that will provide optimum mobility for the intended use. Routine maintenance includes earth and gravel road smoothing, and pavement patching, pothole patching, pothole repair, and crack filling. Cyclical maintenance is periodic sealing to prevent penetration of water through pavement surface. For the purpose of maintenance, the general basic surface types are: paved, gravel, earth, and paths. The surface type is governed by the intended use at the time of construction or reconstruction.

For the purpose of describing and budgeting the maintenance program levels of maintenance are defined in terms of a percentage of the frequency of routine and cyclical maintenance activities necessary to maintain each surface type of road at the optimal level.

Optimum	90 to 100%
Limited	50 to 89%
Occasional	10 to 49%
Little or None	0 to 9%

"Optimal" is that frequency of maintenance which keeps the road in the desired condition at minimum total cost, when considering both cost of maintenance and cost of reconstruction. Bureau road maintenance will average 43% of optimal, based on funds requested in FY 1986. Optimal maintenance costs per mile, per year are:

\$1,100 for unimproved roads
2,200 for earth roads
2,600 for graveled roads
3,300 for paved roads

Program funding is based on the tribal priority setting process, and needs fluctuate from area to area. Individual tribes are expected to take such needs into account when determining seasonal requirements. Those in northern areas and high altitudes, with snow and ice control, should take into account emergency maintenance in their decisions, with the first priority to protect life and property. When this need is not predicted accurately, a reduction in routine or cyclical maintenance should occur. Such is the case also where reopening of roads after landslides or washouts is emergency maintenance.

B. Trust Operations

1. Natural Resources, General

Base Program (\$1,116,000; FTE: 6): At the Tribe/Agency level, this program provides funding for multi-disciplinary activities not readily identified with one particular natural resource program, and other staff who are responsible for administering multi-disciplinary activities, including contracts with Indian tribes, sometimes covering various natural resource programs under a single contract. Accomplishments under tribal contracting include conservation studies and/or inventories in the various natural resource disciplines, which include agriculture, soil and range, irrigation and power operations, fisheries, wildlife, parks, water needs and environmental quality concerns.

Workload Data: Results of actions supported by funding from Natural Resources, General, are reported under the appropriate Sub-Activity, i.e., Agriculture, Forestry, Water Resources, Wildlife and Parks, etc. Workload data includes assistance in establishing policy, regulations, and procedures; developing budget and financial planning; providing advice and counsel to tribes; and supporting, directing and overseeing administrative matters affecting Natural Resources.

2. Agriculture

Base Program (\$20,279,000; FTE 441): The Agriculture program provides tribes, landowners and land users with technical assistance of a kind that will encourage and motivate increased use of agricultural resources by Indians and bring about improvement of their management activities. Multiple-use program planning and technical assistance are designed to protect the renewable natural resources against erosion and soil deterioration; to restore eroded and depleted areas; to stabilize runoff and protect sediment on land areas; to improve cover with adapted crop species on farmland, forest, pasture and rangeland; and to retain water for farm and ranch use and water management. These accomplishments can only be made through implementation of modern inventory and management techniques designed to interpret and determine potential for present and future use of the resources.

The Agriculture staff is responsible for carrying out the trust responsibility on 284 Indian reservations. Within the Bureau, management of agronomic and range resources is decentralized with professional staff located at 11 Area Offices and 76 Agency Offices in 26 States providing technical assistance to 284 Indian reservations encompassing over 46 million acres. The Agriculture staff are also involved in providing technical assistance, support and resources to develop and implement the wildlife and parks program on these reservations. The staff initiate environmental reviews for trust lands, except forested land, and review all environmental assessments completed by other agencies.

The agency staff provide the day-to-day contact with tribes, landowners, and land users on matters relating to planning, management, conservation, development and utilization of Indian soil, water and rangeland resources; administers the agency pesticide program on Indian lands. They also provide technical assistance to tribes who may want to contract for the program under P.L. 93-638.

The following is a profile of the renewable natural resources for farmland, rangeland and water on Indian reservations:

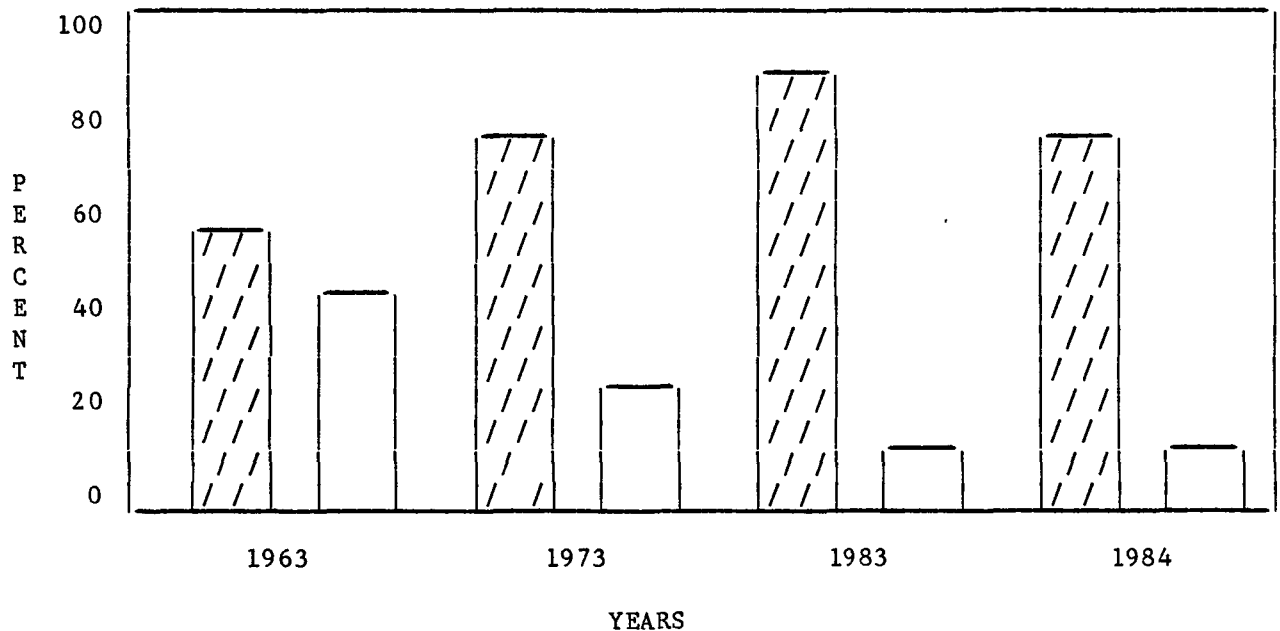
RENEWABLE NATURAL RESOURCES PROFILE
(Agriculture, Range, and Water)

	<u>Units</u>	<u>Amounts</u>
Rangeland/Forest Grazing	(Acres)	43,509,840
Animal Units	(No.)	712,300
Dry Farmland	(Acres)	1,829,118
Irrigation Farmland	(Acres)	917,580
Water Reservoirs/Lakes	(Acres)	1,164,825
Reservoirs/Impoundments	(No.)	45,352
Natural Lakes and Ponds	(No.)	3,199
Perennial Streams	(Miles)	12,000
Coastal Shoreline	(Miles)	122

The farming and ranching operations on most reservations are an important part of the economy and provide considerable employment and income. Over 46 million acres of Indian land are primarily used for farming and grazing by domestic livestock and big game animals. This is approximately four-fifths of their total land area.

The following graph reflects the changes in Indian rangeland use from 1963 to 1984. In 1963, Indian use was 55 percent, while non-Indian use was 45 percent. By 1983 the Indian usage increased to 92 percent while the non-Indian use declined to 8 percent. In 1984, Indian use declined to 80 percent while non-Indian use remained static.

INDIAN RANGELAND USE
1963-1984




Indian
Non-Indian

The following table illustrates the top number of Indian operators broken down by size in animal units for 1983 and 1984.

INDIAN USE BY SIZE OF OPERATION - 1983

Number of Indian Operators

(Animal Units)

<u>Animal Units:</u>	<u>1-50</u>	<u>51-100</u>	<u>101-150</u>	<u>151-200</u>	<u>200+</u>	<u>Total</u>
1983	16,525	2,905	1,026	524	525	21,505
1984	14,455	2,525	925	512	515	18,925

In 1983, Indian rangeland furnished 712,300 animal units of grazing and provided an estimated 8,500 man years of employment. This was distributed among 21,500 Indian ranching operations devoted to raising and tending livestock utilizing 92 percent of the rangeland. About 8 percent of the rangeland, or approximately 4 million acres, was used by non-Indian livestock operators, providing an estimated 500 man years of employment. In 1984, Indian livestock operators utilizing Indian rangeland declined to approximately 80 percent.

A large majority of the non-Indian use is on productive rangeland on reservations in the northern plains and northwestern States where the land ownership is a composite of intermixed tribally and individually owned allotted Indian land, fee patent non-Indian owned land, and State and Federal Government land. Nearly three-fourths of the land used by Indians is almost exclusively tribally owned, on reservations in the States of Arizona, New Mexico, Utah, and Nevada.

INDIAN AND NON-INDIAN USE DISTRIBUTION - 1983/1984

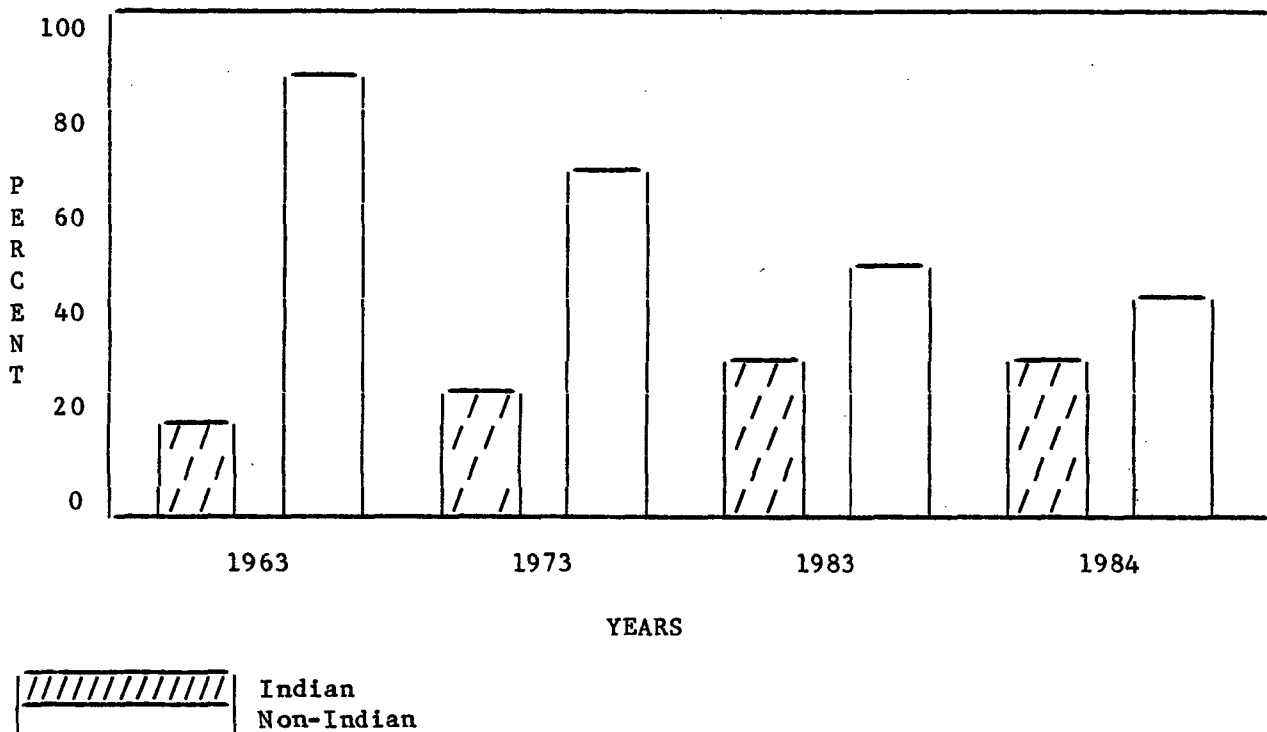
(Rangeland)

<u>Used By:</u>	<u>No. Operations</u>		<u>Acres</u>	
	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>
Indians	21,505	18,925	38,478,110	38,147,693
Non-Indians	500	465	3,900,000	3,825,000
Idle.....	--	--	1,621,890	1,437,493
TOTAL	22,005	19,390	44,000,000	43,410,186

In 1983, Indian families or tribes farmed approximately 932,474 acres, or 36.6 percent of the dry farming and irrigated farming land on reservations. This provided approximately 4,500 man years of Indian employment, distributed among 19,000 Indian farming operations. Approximately 1,479,541 acres, or 57.5 percent of the cropland, was leased by non-Indian farmers, providing an estimated 6,000 man years of employment. An additional 364,446 acres, or 5.9 percent, were idle. In 1984, there were only 932,472 acres, or 33.4 percent of the dry farming and irrigated farmland being farmed by Indian families or tribes. The number of Indian farm operators dropped to 16,530 and the idle land increased to 358,230 acres, or 12.8 percent.

The following graph reflects the increased Indian dry farmland and irrigation land use from 1963 to 1983, however, by 1984 the Indian use decreased slightly along with the non-Indian use.

DRY FARM AND IRRIGATION USE
1963-1984



The following table illustrates dry farmland and irrigated farmland use for 1983 and 1984.

DRY FARMLAND AND IRRIGATION LAND USE - 1983/1984

<u>Used By</u>	<u>No. Operators</u>		<u>Acres</u>	
	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>
Indian	19,000	16,530	932,474	932,472
Non-Indian	18,057	16,005	1,479,541	1,504,069
Idle	--	--	364,446	358,230
Other <u>1/</u>	--	--	204,122	154,302
TOTAL	<u>37,057</u>	<u>32,535</u>	<u>2,980,583</u>	<u>2,949,073</u>

1/ Non-Indian land within irrigation projects.

The tribes have not emphasized funding for Agriculture in their priority setting in recent years because of declining economic conditions and reduced returns from Agriculture program funding. This has affected the Bureau's staffing levels and ability to carry out the Federal Government's trust responsibilities for these programs.

The overall economic conditions throughout the country are partially responsible for the declining rangeland, dry farmland and irrigation farmland operations; however, more serious long-range factors have also been responsible.

In the late 1960's and 1970's lending institutions were approving agriculture loans to Indian operators with little or no collateral. Many operations were undercapitalized and remain in that condition today. Due to this undercapitalization, operators have not been able to expand or become commercial. In the late 1980's, declining land values, coupled with the lending institution's shift to a more positive cash flow system, were the reasons that many operators became overextended and unable to obtain operating capital. In the 1980's, BIA set farming and grazing rental rates based on off-reservation "arms length appraisals" transactions. The Bureau's effort to collect a fair rental rate for Indian land owners further compounded the undercapitalization problem.

See the end of the Agriculture program narrative for the following Tables:

Table 1: Job titles for professional and technical personnel in Agriculture.

Table 2: Funding sources and amounts provided to Indian landowners and land users to accomplish agriculture conservation projects and programs on Indian land, e.g., water systems, fencing, bush control, reseeding, concrete ditch lining, land leveling, strip cropping, terracing, winter cover crop, wind and water erosion control, farm pond development, drainage control and and shelterbelts.

Table 3: Formal commitments between BIA, tribal and individual landowners the Soil and Water Conservation Districts.

The following activities reflect accomplishments performed by the agriculture program.

Inventory and Research (\$1,300,000): Includes soil and range inventory surveys, land evaluation surveys and range utilization surveys.

Soil surveys and investigations are made of Indian trust land resources to provide data base information about soil productivity, erosion, stability problems and other physical land factors needed for program development, conservation planning, and the installation of planned practices. Most Bureau soil surveys are conducted as part of the National Cooperative Soil Survey.

In response to an Inspector General request a soil survey needs inventory was conducted to determine the status of soil survey on Indian trust land. The report indicates that 28,022,536 acres or 52.8 percent of the total 53,053,966 acres of Indian trust land needs a soil survey.

Range inventories are made to identify vegetative cover, soil characteristics, precipitation zones, elevation aspect and past utilization for season of use and type of livestock to be grazed, recommended stocking rate and planning.

The following charts identify inventories and surveys made for land evaluation, inventories (soil and range) and utilization surveys for 1983 and 1984.

Inventories and Surveys

	(Units)	<u>1983</u>	<u>1984</u>	<u>Estimates</u>		
				<u>1985</u>	<u>1986</u>	<u>1987</u>
Land Evaluation	(acres)	2,382,705	828,894	523,500	405,200	400,525
Inventories						
Soil	(acres)	2,822,449	1,482,347	1,200,000	1,150,000	1,075,000
Range	(acres)	5,680,166	3,092,663	1,500,000	1,450,000	1,400,000
Utilization Surveys						
	(acres)	4,943,996	4,212,656	3,750,000	3,520,000	3,500,000
	(number)	1,540	1,393	1,250	979	955

Farm and Range Planning (\$5,500,000): The Bureau provides technical assistance to Indian tribes, landowners and land users through 11 Area Offices and 76 agency offices for planning of renewable natural resources on Indian trust lands for highest and best use. Land management planning is a continuous process that responds to changes in the demands made upon the supply of renewable resources. The Bureau, in cooperation with the Indian landowners, tribal governments and land users, will update and amend land use plans and promote sustained yield management as needed to insure that adequate resources will be available for future generations.

Bureau Soil Scientists, Soil Conservationists, and Range Conservationists participate in investigations and planning of needed soil, water and range conservation systems to achieve a well balanced agriculture program. Personal contacts with individual landowners and/or users are vital to collect and disseminate information for the purpose of improving the management of farming and ranching units.

The land use investigation and planning table reflects a declining number of management contacts made in 1984 due to the declining number of Indian operators, whereas, the number of formal farm and ranch conservation management plans more than doubled. This can be attributed to the increased number of leases coming due in any given year and the Agriculture staff trying to negotiate the re-leasing of idle land.

Land Use Investigation and Planning*

	<u>1983</u>	<u>1984</u>	<u>Estimates</u>		
			<u>1985</u>	<u>1986</u>	<u>1987</u>
Management Contacts					
Farming (number)	40,635	37,855	35,950	34,500	34,250
Ranching (number)	40,143	27,899	27,020	26,950	26,900
Management Plans					
Farming (number)	4,236	10,995	6,575	6,300	6,290
(acres)	757,199	722,844	698,150	691,000	685,000
Ranching (number)	1,445	4,115	1,700	2,100	1,850
(acres)	4,805,777	5,385,171	3,275,000	4,400,000	4,125,000

* Source Natural Resources Information System Reports 1983 and 1984.

Farmland Improvements (\$1,100,000): Technical assistance is provided by the Agriculture staff for farmland improvements which includes preparing and designing land leveling, farm drainage design, fertility recommendations, farm pond specifications, wind and water erosion control recommendations, boundary surveys for fencing, water development engineering and design, special measures for soil and water management necessary to prevent flooding, siltation and agricultural related pollutants and brush and noxious weed control and eradication.

Rangeland Improvements (\$1,529,000): Technical assistance provided for rangeland improvements includes livestock rotation recommendations, feeding requirements, pest control management recommendations, brush and noxious weed control and eradication, reseeding, range management planning, wildlife and parks planning and environmental compliance actions.

Rangeland Protection (\$500,000): Includes all activities concerned with the administration and management of the eradication and control of insects and rodents, and presuppression work and maintenance of readiness conditions for fire suppression.

Leasing and Permitting Services (\$9,600,000): The Agriculture staff supports the leasing and permitting program by servicing lease and permit preparations, modifications, stipulations (protective covenants), changes and enforcement actions on farming and pasture leases. Inspections are made on farming operations directly to evaluate compliance with lease requirements, performance and use.

The Bureau monitors the use of rangeland and modifies grazing permits in order to improve rangeland or changes in ranch operations or land ownership. Stocking rates are adjusted by changing conditions, area site, and changes in land ownership. The total number and acres of leases and permits serviced by the Agriculture staff are itemized in the following table.

LEASE AND PERMIT AND WORK LOAD DATA SERVICED
1983-1984

	Number		Acres	
	1983	1984	1983	1984
Grazing	356,547	355,086	13,880,946	13,133,152
Crossing	346	344	11,527	13,407
Farm	55,126	55,405	2,349,513	2,071,807
Other	9,792	9,162	281,885	220,261
Total	421,811	419,997	16,531,871	15,438,627

Contract Monitoring (\$750,000): The Agriculture staff also provides technical assistance to review tribal Self-Determination contract and grant proposals requested under P.L. 93-638. Whenever the contract or grant is awarded to the recipient tribes, an additional cost will be encountered to provide oversight and to monitor the contract or grant for compliance.

Workload Data:

	<u>Est.</u> <u>FY 83</u>	<u>Est.</u> <u>FY 84</u>	<u>Est.</u> <u>FY 85</u>	<u>Est.</u> <u>FY 86</u>	<u>Est.</u> <u>FY 87</u>
Farmers and Landowners assisted (No.):	19,000	19,000	19,000	23,000	19,350
Ranchers and Landowners assisted (No.):	11,500	11,500	11,300	12,000	11,950
Soil Inventories (M Acres):	2,822	1,482	1,200	1,150	1,125
Ag. Cons. Management and Development (M\$):	22,500*	18,500	18,200	18,200	17,000
Rangeland Cons. Mgmt. and development Measures (M\$):	12,200*	4,200	4,100	5,200	4,900
Farm and Ranch Management Plans (No.):	5,681	15,110	8,275	8,400	8,450
Farm Lease Stipulations Prepared (No.):	7,990	8,071	8,071	8,100	7,800
Compliance Actions (No.):	19,000	19,916	19,200	20,000	19,100
Soil Investigations (M Acres):	700	718	718	700	600
Range Permit Modifications (No.):	1,650	1,650	1,800	2,000	1,920
Range Unit Compliance Inspections (No.):	5,100	5,100	4,900	5,000	4,800
Range Inventories (M Acres):	5,680	3,093	1,500	1,450	1,425

* Includes effects of \$12.5 million of Jobs Bill funding.

TABLE 1

Job Titles

Natural Resources Officer
Natural Resources Specialist
Range Conservationist
Soil Conservationist
Soil Scientist
Agricultural Engineer
Agronomist
Civil Engineer
Civil Engineering Technician

Range Technician
Soil Technician (Conservation)
Survey Technician
Trust Services Specialist
Hydraulic Engineer
Hydraulic Technician
Wildlife Biologist
Pest Controller
Physical Science Technician

TABLE 2

Funding Sources for Agricultural
Projects and Programs for Dry Farmland and Rangeland

	(\$ in millions)				
	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Est. 1986</u>	<u>Est. 1987</u>
USDA <u>1/</u>	2.0 <u>2/</u>	2.0	2.0	2.0	1.9
BIA.....	6.9	6.4	6.4	12.4 <u>3/</u>	6.0
Tribes.....	1.6	1.6	1.6	1.6	1.5
Landowners/Operators Contributions.....	11.2	11.2	11.2	11.2	10.8

1/ USDA/ASCS (Agricultural/Stabilization Conservation Service) - Cost-share funds to landowners and operators for approved conservation practices.

2/ \$4.5 million Job Bill included.

3/ Emergency Hay Program for Montana, North Dakota and South Dakota.

TABLE 3

Status of Cooperation with
Soil and Water Conservation Districts

<u>Agreement</u>	<u>No. of SWCD's</u>	<u>No. of Units</u>	<u>Acres</u>
<u>Formal</u>			
1983.....	166	13,758	14,059,376
1984.....	185	13,444	18,830,071
<u>Informal</u>			
1983.....	98	808	860,221
1984.....	127	422	8,850,641
<u>None</u>			
1983.....	62	832	1,849,820
1984.....	11	28	22,888

3. Forestry

Base Program (\$23,509,000; FTE 634): The Forestry program at the Tribe/Agency level, and at all levels of the budget, addresses the need to provide forest management services on 14.1 million acres of Indian forest land. This is accomplished by employing the most modern inventory and management planning systems, by harvesting the full allowable annual cut with consideration of other use values and tribal objectives, by intensifying forest development activities to eliminate backlog, maintain accruals and enhance forest productivity (growth), and providing assistance to tribes and individual Indians in development and management of forest product industries.

The Bureau's trust responsibility in forestry is extended to approximately 99 trust forested reservations and/or properties in 23 States, with a commercial forest land base of approximately 5.9 million acres that support a total commercial volume of about 45.3 billion board feet and an allowable annual cut of 1.04 billion board feet. In addition to this, technical assistance services in all forestry aspects are provided to Alaska Native Claims Settlement Act (ANCSA) allotted lands, which, when fully conveyed, will comprise a forest land base in Alaska of approximately 300,000 acres. Approximately 6.8 million acres of "woodland area" are considered in multiple-use management planning because of their importance in overall resources management, and a value of forest products other than lumber or veneer. Forestry program staff work closely with several other Bureau programs, including: Agriculture and Range Management; Fish and Wildlife; Environmental Services; Realty particularly appraisals and to obtain ownership (title) information on allotments; Law Enforcement, for assistance in trespass investigations; and Water Resources, for water productivity and protection of groundwater levels.

The Bureau cooperates with the U.S. Forest Service and other Federal and State agencies in the protection of Indian lands and adjacent lands from insects and disease. The Forest Service, by law, is the lead agency for major protective actions and securing the necessary funding for them.

The following information is provided at the end of this Tribe/Agency narrative:
Figure A: Forest Inventory and Plans Activities.

Figure B: Forest Development Backlog Status.

Table 1: Jobs and income generated from the combined effects of direct, indirect, and induced employment of 1983 (depicts a representative level of production), one third of which is Indian.

The following describes the various Forestry Program activities, with estimates of funding utilized in each:

A. Forest Development \$8,364,900

The Tribe/Agency portion of the Forest Development Program includes all activities of Forestation and Timber Stand Improvement necessary to properly manage the commercial Indian forest for a sustained yield of desired forest products. Some activities conducted by tribes in this program are (1) site preparation, (2) seed/cone collection, (3) planting, (4) greenhouse operations, (5) protection of young forest stands, (6) pre-commercial thinning, (7) fertilization, (8) weeding, (9) release, (10) species conversion, and others. These activities include all the scheduled periodic silvicultural treatments applied to a forest to bring a newly planted plantation to commercial harvest size and quality.

B. Timber Sale Administration \$7,988,000

Timber Sale Administration at the agency level comprises all activities concerned with the administration and supervision of timber sales. These include all aspects of sale and contract preparation (cruising, silvicultural prescriptions, appraisals, advertisement, etc.); executing and supervising contracts; marking and scaling timber; and collecting, recording and distributing stumpage receipts.

Also included in this category are former Timber Sale Administration (TSA) add-on funds (\$4,290,000). These funds are generally used for personal services and related travel and operating expenses, as well as for contracts for mapping, data gathering, surveys, etc.

C. Forest Inventory and Plans \$3,187,800

Forest inventory and plans actions at the agency level encompass aerial photography, mapping, field forest management inventories, re-inventories, growth studies, allowable annual cut calculations, and all aspects of the development, preparation and/or revision of multiple-use forest management plans, including inventory analysis, environmental assessment and forest history.

Problems associated with the forestry program include a deficiency in state-of-the-art forest management inventory and planning on some reservations from which the Indian owners can make multiple-use management decisions. Only 31 of the total of approximately 99 trust forested reservations or properties have current forest management or operating plans. The remaining locations continue to operate with no plans or outdated plans. Funds added in FY 1985 were used to update those plans of most critical need or with potential for improving the economic development of the reservations involved.

(Figure B at the end of this narrative gives an estimate of the total planning segments to be completed.)

D. Assistance to Tribal Enterprises \$21,200

Assistance to tribal enterprises consists principally of consultation and technical assistance, upon request, to tribal forest enterprises in all aspects of timber management and the primary/secondary processing of forest wood products, including stumpage appraisals, sale negotiation, contract supervision, disputes and appeals, economic analysis of potential enterprises, etc.

E. Forest Products Permits \$764,000

Forest products permits activities include cruising, product marking, stumpage appraisal, permit preparation and harvest supervision for a total number of permits exceeding 10,000 annually. Included in this number are approximately 2,000 paid permits. The remainder are of the free-use type, which permit the cutting of firewood, house logs, posts and poles, etc., by tribal members for their personal use.

F. Forest Protection \$3,183,100

Forest protection includes all activities engaged in protecting the forest from fire, insects, disease and trespass. With respect to fire management, protection consists of acquisition and maintenance of firefighting equipment, fire detection systems, construction of fire breaks, hazard reduction and fire protection contracts with other agencies. Control of insects and disease encompasses all aspects of detection and evaluation; preparation of project

proposals to secure funding, including project descriptions, environmental assessments/statements, and benefit/cost analysis; field suppression operations; and reports. Timber and fire trespass activities involve field examination and survey, damage appraisal, preparation of reports, assisting in investigations, writing demand letters and giving depositions.

The workload factors and outputs for the total Forestry program are shown in the first section of the budget (Central Office, Area Office & Field Operations). The expenditures for the activities are so interrelated that the workload cannot be specifically identified to each dollar amount distribution.

Figure A

Forest Inventory and Plans encompass the following workload factors. There is an interrelationship between the banded and non-banded forestry activities that cannot be precisely delineated, therefore, the following schedule includes estimated accomplishments with both categories of funding.

	<u>No. of Reservations</u>
Aerial Photography	14
Mapping	15
Field Inventory	17
Inventory Analysis	24
Management Plan	22

Figure B

FOREST DEVELOPMENT

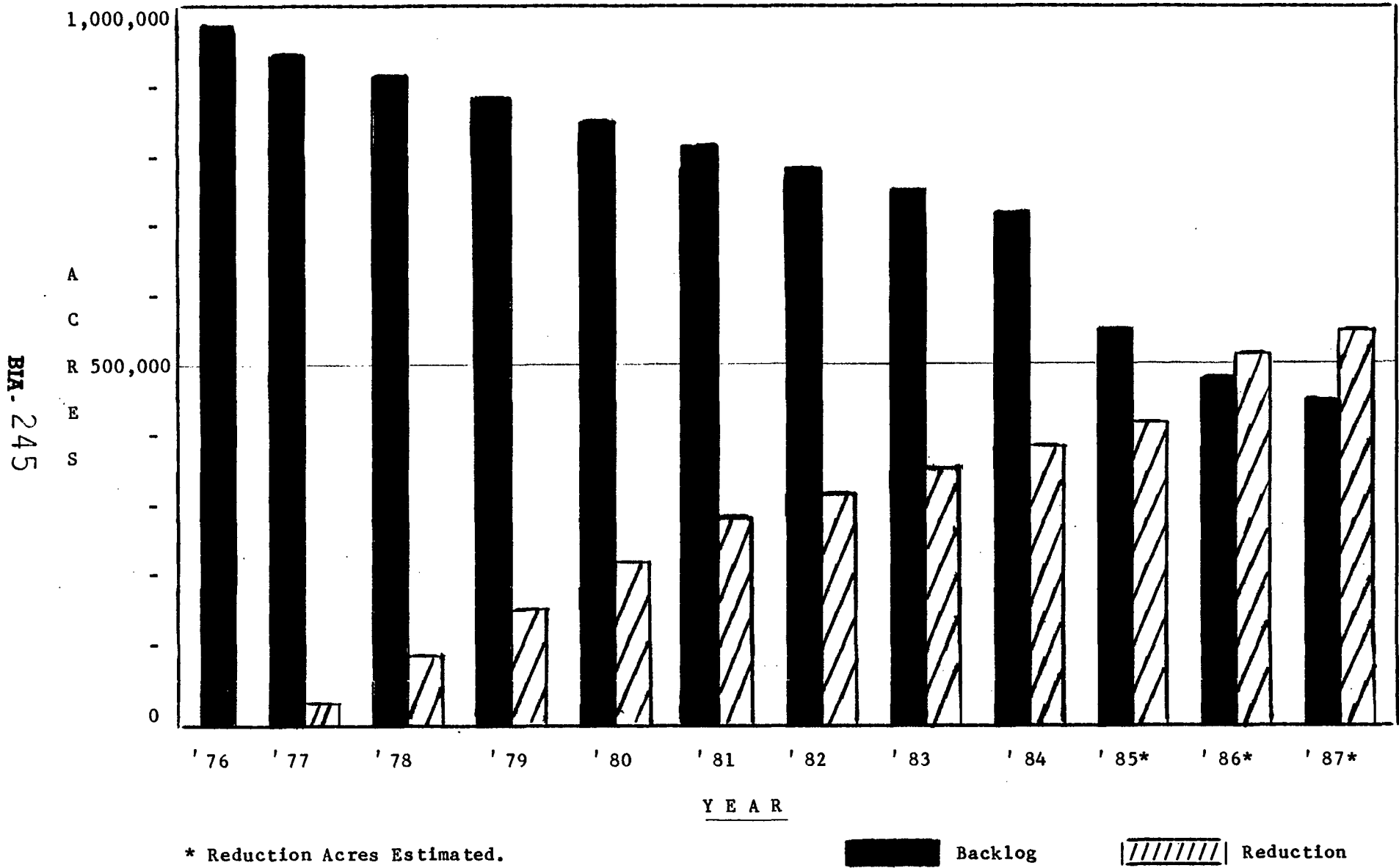


TABLE 1

ESTIMATED NUMBER OF JOBS AND INCOME GENERATED PER MILLION
BOARD OF FEET OF INDIAN TIMBER HARVEST (1983) a/

State/Region	Per Million Bd. Ft.		Volume Harvested ^{b/} (Millions of Bd. Ft.)	Total	
	Jobs ^{c/}	Income ^{d/} \$000		Jobs ^{c/}	Income ^{d/} \$000
Washington.....	17.6	313,200	239	4,206	74,854,800
Oregon.....	15.3	257,520	133	2,035	34,250,160
California.....	14	252,000	14	196	3,528,000
Montana.....	15.6	406,164	28	436	11,372,592
Southwest.....	13.6	315,240	124	1,686	39,089,760
Lake States <u>e/</u>	14	252,000	49	686	12,348,000
Other <u>e/ f/</u>	14	252,000	39	546	9,828,000
Total			626	9,791	185,271,312

a/ All dollars are constant in 1983.

b/ Cash sales only, does not include free-use cutting. Source: BIA Division of Forestry Annual Report, Fiscal Year 1983.

c/ Includes direct, indirect and induced employment.

d/ Data were converted from 1980 to 1983 dollars (to adjust for inflation based on GNP implicit price deflator index values for 1980 and 1983) with the real dollar value formula, U.S. Forest Service Economic and Social Analysis Handbook (8-84 review draft), page 9.

e/ Data not available. After discussions with USFS, used multipliers obtained from other regions.

f/ This includes the residual 4% of all other timber harvest not classified by region. Figures used same as footnote (e).

Source: Table 4 of the "Report to the Secretary of the U.S. Department of the Interior from the Task Force on Administrative Fees in Indian Timber Management," updated with 1983 harvest data and dollars.

4. Water Resources

Base Program (\$1,565,000; FTE 6): Tribes use funding provided in this program for conserving, developing and using their water resources, with particular reference to water resource problems and uses of a special nature.

Funding designated in the Indian Priority System includes range water development functions which provide assistance in identifying, conserving and developing range water resources. The types of work accomplished in this program include range water developments such as wells, storage tanks, pipelines, ponds and deep-pit charcos. A major component of this program is for the Navajo Tribal Waterworks program, which is a vital part of their range conservation/management effort.

5. Wildlife & Parks

Base Program (\$17,796,000; FTE 16): Indian reservations have the potential for contributing significantly toward meeting national fishing, hunting, camping and other recreational demands, while providing critical habitat for important fish, game, non-game and plant species, and a base for cultural enrichment and economic development. This program provides assistance to tribes in the conservation, development and utilization of their fish, wildlife and recreational resources, and promotes their capabilities in resource management, enhancement, regulation and enforcement. Through this program, tribes develop and refine program goals, objectives and strategies, and are able to increase and improve their technical capabilities in order to assume greater responsibility for managing their fish, wildlife and recreation resources.

A number of court cases decided in favor of Indian treaty hunting and fishing rights in recent years has resulted in increased attention toward fish and wildlife resources occupying habitats in ceded off-reservation areas. Through this program, tribes affiliated with four inter-tribal organizations (Northwest Indian Fisheries Commission, Columbia River Inter-Tribal Fish Commission, Great Lakes Indian Fish and Wildlife Commission, and Chippewa-Ottawa Treaty Fishery Management Authority) in the Pacific Northwest and Great Lakes areas have become more involved in important treaty hunting and fishing rights co-management activities.

I. Boldt Case Area Management (\$7,472,000): The Boldt Decision of 1974 in U.S. vs. Washington reaffirmed that Stevens Treaty tribes in the State of Washington hold a valid treaty right to fish in all of their usual and accustomed places, and upheld the position that the affected tribal governments must participate in the management of the resources involved. Contracts are executed with 21 treaty fishing tribes to fulfill their obligations and responsibilities, as decreed by the Federal court in the management of treaty salmon, steelhead, and herring fisheries, coordinated (state/intertribal) enhancement projects, and protection of the salmonoid resources originating in waters on and near their reservations. The tribes conduct management and enhancement activities on 45 stream systems in Puget Sound and on the Washington coast, benefiting both treaty and non-treaty fishers, and regulate the fishing activities of some 1,500 treaty fishers in fresh and marine waters within their usual and accustomed fishing areas.

II. Fish Hatchery Operations (\$4,170,000): Overfishing, habitat degradation and a variety of other factors have contributed to declining populations of salmon, trout, and many warmwater fish species in recent decades. To assist in counteracting this trend, approximately 60 artificial propagation programs have been developed on Indian reservations, targeting on salmon in the Pacific Northwest, rainbow trout in the Southwest, and walleye in the Great Lakes region. Increasing the number of fish available for harvest and establishing reasonable harvest opportunities for Indian and non-Indian fishermen are essential elements in establishing healthy fisheries. These projects increase the supply of available fish to all user groups, provide fish culture training to tribal members, maintain information necessary for continued protection and development of fishery resources, and generate jobs for tribal members.

The current budget provides for operation and maintenance of the following fish hatchery facilities:

<u>Tribe/State</u>	<u>FY 1987 Base*</u>
Hoh, WA	\$ 31,000
Lummi, WA	493,000
Makah, WA	42,000
Muckleshoot, WA	129,000
Nisqually, WA	186,000
Nooksack, WA	35,000
Point No Point, WA	332,000
Puyallup, WA	77,000
Quileute, WA	54,000
Quinault, WA	304,000
Skagit Systems Coop, WA	60,000
Squaxin Island, WA	100,000
Stillaguamish, WA	70,000
Suquamish, WA	264,000
Tulalip, WA	328,000
Metlakatla (Tamgas Creek), AK ...	315,000
Bad River, WI	45,000
Lac du Flambeau, WI	270,000
Red Lake, MN	45,000
Pyramid Lake, NV	990,000

* Above amounts include \$475,000 contract support funds which were distributed in accordance with current directives.

III. Other Fish, Wildlife and Recreation Programs (\$6,154,000): Indian tribes throughout the country continue to develop considerable interest and concern for the protection and conservation of their fish and wildlife resources. Many tribes have progressed to the point where they are fully capable of managing their resources, but require financial support to maintain projects and/or implement special biological investigations. Through this activity, tribes are able to collect baseline inventory data, assess resource development potential, implement fish and wildlife plans, promote the training of tribal members in fish and wildlife conservation, conduct special studies, support resource enhancement, protection, and management related activities, and assume responsibility for programs previously conducted by the Fish and Wildlife Service. In addition to those specific uses designated in the Indian Priority System for \$4,419,000 of this total, the following specific amounts totalling \$1,735,000 are also included as a base transfer:

- A. Summit Lake (\$83,000): Allows for continuation of a program developed to perpetuate a pure strain of the threatened Lahontan cutthroat trout. Provides spawn needed to operate the Summit Lake Tribe's fish hatchery.
- B. Bad River (\$50,000): Enables the Tribe to pursue biological research and carry out cooperative fishery management efforts with the State of Wisconsin. The Tribe has been developing a cooperative relationship with the State and other agencies to protect the fishery resources and provide for their development and enhancement.
- C. Red Cliff (\$313,000): The current program staff consists of one fisheries biologist, a technician, a secretary, and one enforcement officer. Special investigations regarding the Lake Superior fisheries are conducted in cooperation with the State of Wisconsin. The enforcement program enforces tribal fishing regulations on treaty fishing areas and on-reservation waters.
- D. Yakima Fisheries (\$258,000): Enables the Yakima tribal fisheries management program to continue protecting and managing anadromous fishery resources. The Tribe has established itself as a co-manager of the fishery resources in the Yakima and Klickitat Basins and is committed to the restoration of the salmon and steelhead. Numerous on-reservation fishery management activities will be conducted.
- E. Umatilla (\$50,000): Provides funds to address anadromous fish resources through implementation of coordinated strategic plans developed under a joint tribal and Oregon Department of Fish and Wildlife contract with Bonneville Power Administration. The program supports a fishery management biologist to provide technical expertise and supervision of fishery resources that are of social, economic and cultural importance to the Confederated Umatilla Tribes. Planning focuses on the restoration of anadromous fishery resources in four drainage basins of northeast Oregon, in conjunction with the fish and wildlife program required under Section 4(h) of the Pacific Northwest Electric Power Planning and Conservation Act (P.L. 96-501).
- F. Chehalis (\$72,000): The Chehalis Tribe does not have reserved off-reservation treaty fishing rights as do other Washington tribes, but does engage in on-reservation fishing for salmon and steelhead. Because tribal members are generally dependent on the fish stock available within the reservation, efforts to maintain adequate population levels and effective harvest monitoring and habitat enhancement measures are important. These funds support a fisheries enhancement program, a professional fisheries staff, and a conservation enforcement program.
- G. Nez Perce (\$159,000): The Nez Perce Tribe's Fisheries Department provides technical assistance in co-managing fisheries resources on the reservation and in the Tribe's ceded rights area. This funding provides for the full-time services of: 1) the Tribal Fisheries Department director whose major duties are to administer, develop and implement the activities of the Department while coordinating with State and Federal fisheries agencies and providing the Tribe with technical input for management decisions; 2) a fishery biologist focusing on environment/habitat protection through permit and EA/EIS review; 3) a fishery technician focusing on creel census evaluation to determine allowable tribal harvest levels; and 4) clerical services and necessary travel.

- H. Colville (\$106,000): These funds support a fisheries biologist to provide technical assistance in managing the local fishery and to expand a trout stocking program. The program provides subsistence benefits for tribal members and recreational benefits to the non-Indian community.
- I. Metlakatla (\$185,000): Funds support a fisheries biologist and field office positions associated with the Tamgas Creek Hatchery. Studies are initiated to assess stock availability and harvest management options. Information gained promotes continued protection and development of the fisheries resources. Aquaculture training is provided to tribal members.
- J. Red Lake (\$69,000): The Red Lake Reservation comprises 805,845 acres, including 241,296 acres of lakes. Approximately 25 lakes and 22 miles of streams are managed for sport fishing, and the 229,296 acre Red Lake supports an important subsistence and commercial fishery. The Tribe maintains a wildlife refuge on the reservation, and manageable species include the sharp-tail and ruffed grouse, deer, moose, black bear, bald eagle, eastern timber wolf, and a variety of waterfowl and furbearers. This funding is used to support a conservation enforcement program on the reservation, and to develop a fish and wildlife resource management capability within the tribe.
- K. St. Croix (\$22,000): Funds support a part-time Conservation Officer to enforce the tribal code. Less than adequate conservation enforcement by the Tribe could lead to potential loss of treaty rights. The Tribe must assure that the resources are maintained, and that the exercise of rights is not abused by eligible members through the indiscriminate or uncontrolled taking of fish and game.
- L. Lac Courte Oreilles (\$67,000): The Lac Courte Oreilles Tribe of Wisconsin currently maintains a fish and wildlife conservation and enforcement program on the reservation. Studies are conducted to assess stock availability and harvest management options. Information gained promotes the continued protection and development of the fisheries resources. Aquaculture training is provided to tribal members.
- M. White Earth (\$76,000): The White Earth Reservation contains 45,720 acres of open water, 21,920 acres of wetlands, and abundant fish and wildlife resources. A comprehensive five-year plan for managing the reservation's natural resources was submitted by the tribe in 1984 and includes conservation enforcement, research and management elements. Existing tribal law enforcement and biological staffs utilize these funds to implement their five-year plan.
- N. Sault Ste. Marie, Bay Mills, Grand Traverse (\$107,000): These funds provide the three Michigan tribes with fisheries enforcement, management and judicial capabilities to ensure effective utilization and protection of the Great Lakes fishery resources, for which they share responsibility with the State of Michigan. Funds support activities required for the exercise of treaty fishing rights. Programs are designed to reduce the possibilities of illegal fishing, enforce limits, generate biological information on which to base sound management decisions, and facilitate discussions with other co-management jurisdictions.
- O. Minnesota Chippewas (\$66,000): Each of the six bands of Minnesota Chippewas administers fishery and wildlife conservation programs on their reservations. The bands enforce tribal regulations and conduct some management activities. These funds support biological investigations aimed at promoting proper fish and wildlife resources management.

- P. Leech Lake (\$49,000): The Leech Lake Band is one of six Chippewa Bands in Minnesota under the aegis of the Minnesota Chippewa Tribe. The Reservation contains 232 lakes totalling over 274,000 acres. Sport fishing and tourism activities are vital to the Tribe and the economy of the area. These funds are provided to the Leech Lake Division of Resources Management which is responsible for conservation enforcement, maintenance of a judicial system for trying alleged violations of the Tribe's conservation code, and for participating with State officials in fisheries resources management investigations.
- Q. Contract Support (\$3,000): For distribution to Jamestown Klallam in accordance with current Bureau directives.

6. Minerals and Mining

Base Program (\$1,738,000; FTE 36): Funds at this level are used for the complete scope of program operations, including personal services, travel, contracting, training, and other needs. At the present time, tribe/agency funds appear at a limited number of locations (approximately 15 in 1986). These are locations that have on-going programs, such as Spokane, Navajo, Osage, and others where leasing activities are in progress. As more Phase II studies are completed in the Field Operations part of the budget, we expect that more tribes will give priority to minerals and mining funding in their future budgets.

Funds are presently utilized for such things as the mineral leasing and accounting staff at Osage; for 638 contracts for feasibility studies and mining plans; geologists; exploration and development; lease compliance on oil and gas contracts; oil and gas assignments; environmental reviews; training on such things as communication agreements; travel, and reproduction of materials.

7. Trust Services, General

Base Program (\$354,000; FTE 5): The Trust Services, General program provides program management and support for trust and natural resources activities in field office land and trust matters. The responsibilities of staff supported in whole or in part by this program are in the following activities: environmental services; rights protection; real estate services; appraisals; land use planning and land records improvement; financial trust services; water policy implementation; cultural resources and archeological clearances; environmental matters, and other trust related activities.

Funds may also be used for studies, contracts, geographic information system agreements and other services that may affect trust responsibilities programs at the field level.

8. Environmental Quality Services

Base Program (\$582,000; FTE 14): Funds at the Tribe/Agency level are used to prepare most of the minor and less controversial Environmental Assessments (EA's); assist Area Office staff in obtaining details and gathering information for preparation of more extensive EA's and Environmental Impact Statements (EIS's); review actions at earliest stages to determine if they are categorically excluded or need further documentation to comply with the National Environmental Policy Act (NEPA).

Agency staff work with Area Office staff to determine impacts of Federal projects proposed by other agencies, which may impact Indian lands, and aid the Area Office in determining location and existence of hazardous waste sites. They are responsible for setting up on-site inspection and testing of sites; and to help Area and Central Offices in monitoring cleanup activities. They also work with Area Office archeologists in locating sites which may be impacted by a proposed action; help in determining areas of cultural or religious importance which should be avoided; and monitor projects as they proceed to ensure that agreed upon treatment of the site is carried out.

9. Other Rights Protection

Base Program (\$4,832,000; FTE 74): At the Tribe/Agency level, the rights protection activity provides the Bureau of Indian Affairs with the coordination, problem solving staff, and technical support services that are required for the protection of the multi-billion dollar estate which the United States administers on behalf of the Nation's Indian tribes. This includes support to meet challenges to tribal rights and interests that are protected by treaty, statute, or Executive Order, as well as the initiation of those actions required of a prudent trustee to clarify the nature of, and to ensure the continued viability of those rights.

This activity provides for the historical, technical, scientific, and other professional assistance necessary for the Government to litigate challenges to Indian rights which the United States has guaranteed through treaty or statute. Field staff utilize funds provided from the Field Operations part of the budget, primarily in contracts, to obtain the required services or information needed in pursuing protection of Indian rights. They assist in addressing Statute of Limitations and Unresolved Indian Rights Issues activities, as well as in environmental requirements.

The major costs for services required in protection of Indian rights are programmed by the Central Office, in the Field Operations subactivities of Litigation Support, Attorney Fees, Unresolved Indian Rights Issues, and Hunting and Fishing Rights, based on information provided by the tribes and by the Agency and Area Offices. The funds are used by field staff to support rights protection activities, on a priority basis, considering the relative importance and urgency of the controversy or claim being negotiated, litigated, or researched.

10. Real Estate Appraisals

Base Program (\$3,839,000; FTE 94): The Code of Federal Regulations requires formal appraisals to document and support actions taken by Bureau officials who give approval, or disapproval, to real estate transactions involving properties held in trust by the United States Government for individual Indians and Indian tribes.

Each year, approximately 30,000 new cases are processed by the Bureau. These include real estate developments, sales, partitionments, exchanges, leases and easements. Most of these cases require some kind of appraisal service, which is the only evidence the Bureau has that the Indian landowners have been fairly compensated for their lands.

Between 60 and 70 Bureau Appraisers provide appraisal services in support of Bureau realty actions. These services require extensive market data research and analysis. We are currently implementing an ADP plan that will give Appraisers the tools to better meet the Bureau's appraisal needs.

Workload Data:

At the present time, Bureau Appraisers are doing only about 10,000 reports per year; whereas, the Bureau has a need for about 30,000 per year. The following data taken from the Bureau's Natural Resource Information System (NRIS) gives a good indication of the Bureau's workload requirements.

1984 BIA NEW CASE TOTALS FOR ALL AREA OFFICES TO SHOW NUMBER OF POTENTIAL APPRAISAL REQUESTS:

Land Sales	13,345
Land Acquisitions	9,388
Market Value *.....	13,945
Rights of Way	1,886
Agricultural Leases	6,452
Business Leases	838
Other Leases	4,464
Fee Patents	<u>1,142</u>
 Total Potential Appraisals	 28,727

* Many cases reported as acquisitions are also reported as sales. These only require one appraisal. Therefore, the market value column was created to reflect the number of appraisals required. It counts only the larger of the two numbers (sales versus acquisitions) and thus avoids a double counting of potential appraisal requests.

11. Other Real Estate Services

Base Program (\$13,958,000; FTE 361): Staff at the Agency level provide daily real property management services, counseling, and land use and management planning for individual Indian allottees and 517 federally recognized tribal entities, including Alaska, which own a beneficial interest in over 53 million acres of trust land. Various decision making processes are developed through cooperative efforts with the Indian landowners for the proper utilization, development and enhancement of Indian trust lands.

Some of the major functions include surface and sub-surface leasing, lease compliance, rights-of-way, land surveys, land acquisition and disposal, probates and land ownership recordkeeping.

The overall aim of these interrelated activities is to provide Indian land owners the essential data and assistance in support of the management and development of their surface and sub-surface land resources in keeping with the trust management role of the Federal Government. As a result, trust land leasing activities are a major part of the real estate program and provide a major source of income to the Indians. Approximately \$300,000,000 was derived from farm, business, oil, gas and mineral leases for the fiscal year ending September 30, 1984. In addition, land owners derive millions of dollars in added land values from land improvement and conservation stipulations contained in Bureau leases.

Agency staff perform initial land ownership (title) recordkeeping, which becomes more complicated each day because of the heirship problem and segregated surface and sub-surface ownership. There are over 200,000 tracts of trust land with an average tract ownership of ten undivided interest owners in allotted tracts, resulting in over 2,000,000 separate undivided interests on which to keep records.

The preparation and administration of probates are required in the administration of trust property and are essential functions of our basic program. This has also caused, and continues to cause, the mounting Indian land heirship problem. Work with governmental and tribal entities to utilize existing authorities to resolve this problem will continue to be pursued.

Included in the base is \$98,000 for the Miccosukee real estate services program formerly not on the tribal priority system. Excluded from the base is \$1,069,000 from Area Office Field Operations to fund the Land Titles and Records Offices as a centrally controlled program.

12. Financial Trust Services

Base Program (\$3,363,000; FTE 138): The Bureau is charged by various laws and regulations with the trust responsibility of accounting for and disbursing of individual Indian monies which come into the custody of Bureau officials as a result of administering trust or restricted properties of individual Indians, and through per capita payments, judgments, awards, and claims. Deputy Indian Service Special Disbursing Agents are designated to carry out these responsibilities. The major portion of this effort is carried out at the field level, and funded in the Tribe/Agency part of the budget. The staff serve as contacts with the Indians at the reservation level and perform work connected with activities concerned with administration of trust properties.

Activities included are: accounting for and disbursing of tribal and individual Indian monies deriving from the sale or lease of tribal resources such as land, timber, minerals and water; disbursing per capita payments, judgments, awards and claims; providing research involving special fiscal problems, and trust fund data for legislative acts and recommendations for the execution of the acts; assisting in investment of the various revenues so as to maximize returns; and providing appropriate reports and responses to individual Indians or tribes.

Funds are used to maintain the accounting, bookkeeping, and direct assistance services accomplished by the Indian Service Special Disbursing Agent field personnel in collecting and disbursing funds for resources held in trust on behalf of Indian tribes and individuals. There are 55 disbursing stations spread throughout the Bureau. Each time a judgment/award/claim is involved, the number of individual Indian money accounts increases, generating increased basic operating costs at the agency level. The Government has a fiduciary obligation to collect and disburse those funds in the most expeditious manner possible, while maintaining a creditable file and record system.

C. Management Operations

1. Executive Direction

Base Program (\$7,287,000; FTE 174): The executive direction is defined as the immediate office of the agency superintendent. Funding at this level is determined by the priority setting process. None of the activities of this program are contracted.

2. Administrative Services

Base Program (\$9,899,000; FTE 310): The base program at the agency level should include one or more of the five functions listed and described below:

Personnel Services: (1) Provides assistance/advice to employees/managers regarding benefits, grievances, incentive awards, etc; (2) assists in writing position descriptions, developing performance standards, initiating personnel requests, etc; and (3) insures that working personnel files/records are properly maintained and secured.

Property Management: (1) Manages, safeguards, and accounts for all agency owned or leased assets, including personal property and equipment, motor vehicles, and real property; (2) reviews and recommends the requisition, transfer/conveyance, and disposal of property and equipment; (3) maintains property controls, inventories, and reporting systems; and (4) provides direct property management supports to tribal contractors and grantees.

Purchasing: (1) Procures all supplies, materials, equipment, and services necessary for the operation of agency programs; (2) reviews purchase orders for compliance with Federal procurement regulations; (3) evaluates goods and services for acceptability; and (4) maintains procurement files and records.

Budget and Finance: (1) Performs budget planning, recommends adjustment of funds, performs fund control and related activities involving the tribes in setting budgetary priorities and goals (formerly separately funded as Program Development and Budget (Reservation Programs); (2) prepares and processes vouchers and other obligation documents, operates imprest cash and cash collection, resolves payroll problems; (3) maintains position and FTE control; and (4) insures that fiscal records and accounts are properly maintained.

General Services: Performs a variety of work or duties which are essential to the daily operation of the agency and involve considerable staff time and dollar outlay. Such services include but are not limited to: (1) directives/forms/reports management and control; (2) Privacy Act and Freedom of Information Act coordination and reporting; (3) mail/correspondence management and control; and (4) moving of equipment or office furniture.

3. Safety Management

Base Program (\$276,000; FTE 10): The base program provides for the development, implementation, and review of the agency level safety program. This program is not considered contractible under the Indian Self-Determination Act, P.L. 93-638. As the role of the Federal employee decreases, the Safety Management function decreases.

D. New Tribes Funding

Base Program (\$2,990,000; FTE 0): The New Tribes program provides the initial source of funding for newly acknowledged tribes, enabling them to begin with regular federally funded operations under their proposed budgets. New tribes are expected to assess their needs, design or propose operational programs to meet their needs, and submit proposed budgets to implement their proposed programs. New Tribe funding is used to support a wide variety of needs expressed by the newly acknowledged tribe. These needs cover such things as social services, enrollment, housing improvement, adult vocational training, natural resources conservation, reservation planning, higher education scholarships and development of tribal organic documents.

These funds have been added to the Tribe/Agency Operations priority setting process for the first time in the FY 1987 cycle. They will continue to be allocated as "New Tribes" funds during the FY 1986 operating year but has been redistributed in FY 1987 according to the priorities of the tribes involved. The base amount of \$2,990,000 has been distributed by tribe as follows:

<u>New Tribes</u>	<u>Amount</u>
Texas Kickapoo	\$ 200,000
Pequot	350,000
Poarch Creek	840,000
Penobscott	16,000
Passamaquoddy	39,000
Cow Creek	355,000
Grand Ronde	555,000
Northwestern Band of Shoshone	145,000
Coos, Lower Umpqua and Suislaw	270,000
Jamestown Klallam	70,000
Timba Sha Shoshone	135,000
Pleasant Point	15,000

Tribe/Agency Operations

Decrease From FY 1987 Base:

<u>Program</u>		<u>FY 1987 Base</u>	<u>FY 1987 Estimate</u>	<u>+/- Difference</u>
Tribe/Agency	\$000	301,424	295,088	-6,336
	(FTE)	(3,712)	(3,713)	(+1)

Alaska Reduction (\$-6,336,000; FTE -32)

In FY 1987 a total reduction of \$12,038,000 and 72 FTE is proposed for Alaska operations. Of this reduction, \$6,336,000 and 32 FTE has been taken in programs included in the Indian Priority System. The programs involved are:

	<u>\$000</u>	<u>FTE</u>
Scholarships.....	-1,002	--
Adult Education.....	-498	--
Agricultural Extension Services.....	-42	--
Other Aid to Tribal Government.....	-497	-5
Social Services.....	-400	-2
Self-Determination Grants.....	-400	--
Training/Technical Assistance.....	-300	-5
Adult Vocational Training.....	-1,216	--
Other Employment Assistance.....	-517	-1
Road Maintenance.....	-150	-1
Agriculture.....	-288	-1
Water Resources.....	-45	--
Wildlife and Parks.....	-38	--
Minerals and Mining.....	-86	--
Executive Direction.....	-273	-5
Administrative Services.....	-584	-12
Total	-\$6,336	-32

Alaska has only one reservation; over 30 percent of Alaska Natives live in urban areas, and the remainder live in villages, which can receive State revenue sharing under Alaska State law to meet needs. Given the improvement in the State's economy which has benefited the Native economic status; the absence of large blocks of trust land that the United States has statutory responsibility to fully manage; the absence of any tribal treaty rights to be protected; and improved Bureau operating efficiencies; the administration believes that Alaska Natives no longer require the levels of financial support that the Federal Government provided in the past. In the recent past, the State has taken on greater responsibility for serving Alaska Natives with educational and welfare assistance programs.

The justification for each of the program reductions listed above is as follows:

Scholarships: The effect of the proposed reduction will be alleviated because of the availability of substantial state-funded scholarship and loan programs in Alaska.

Adult Education: Recently the federal government turned responsibility for the elementary and secondary education of Alaska natives over to the State. The absence of a federal role in adult education is a reasonable next step.

This small program serves fewer than one in seventy Natives and offers services which are duplicative of those funded by the Department of Education as well as other Bureau programs.

Agricultural Extension Services: This program is supplemental in nature and limited to only two of five agency locations. The University of Alaska extension service programs and other State of Alaska programs are available to meet this need.

Other Aid to Tribal Government: This reduction will be made possible by implementation of a proposed Juneau Area reorganization plan which calls for the establishment of a consolidated service center. Implementation of the plan will decrease the number of Bureau personnel but is not expected to affect the level of funding for P.L. 93-638 contracts in this activity.

Social Services: This decrease reflects a reduced need for monitoring and technical assistance personnel due to the proposed elimination of funding for the Indian Child Welfare Act grant program in Alaska and anticipated cost savings in efficiencies of Bureau operations.

Self-Determination Grants: The majority of this reduction consists of the elimination of funding for five urban communities which currently receive a relatively large share of available self-determination funds. This proposed reduction will bring the Alaska program in line with policy applied in the lower 48 states.

Training/Technical Assistance: Over the last few years, the Juneau Area has directed extra effort and resources towards assuring successful implementation of the Self-Determination Act. This has resulted in a relatively high proportion of P.L. 93-638 contracting of the Area's programs (about double the Bureauwide average). It should now be possible to provide a maintenance level for self-determination training and technical assistance. The proposed reduction also reflects some savings associated with the Area reorganization/consolidation plan.

Adult Vocational Training and Other Employment Assistance: This reduction is proposed in recognition of the positive effects the improvement to the Alaska economy has had on Native incomes and poverty rates. The situation is materially different from the situation among Indians in the lower 48 states, for whom unemployment and poverty rates have remained relatively static. Similar services are available from other Federal and State agencies.

Road Maintenance: The Bureau currently maintains 55 miles of roads in Alaska. These roads will be turned over the State or to the local entities, which benefit from their presence.

Agriculture: The Bureau's agriculture program was designed for the reservation system in the lower 48 states. In Alaska, there is little trust land on which federal oversight must be exercised. The proposed reduction would curtail agriculture activities other than the reindeer program.

Water Resources: The national guidelines for this program were developed for reservations and are not readily applicable in Alaska. Therefore, funding for the program has been eliminated.

Wildlife and Parks: This reduction in the existing program reflects decisions to eliminate some travel funding and to withhold technical assistance related to one of several fishery development proposals.

Minerals and Mining: The funding for this program is proposed for elimination because there is virtually no trust property in Alaska on which to explore for minerals. Moreover, Native allotments (which are held in restricted status) are not granted where there is known mineral potential, in accordance with the 1906 Allotment Act (as amended).

Executive Direction: The proposed reduction reflects the reduced need for executive direction associated with the program reductions and reforms described above.

Administrative Services: The proposed reduction reflects the reduced need for administrative services associated with the program reductions and reforms described above.

Self-Determination Grants (-\$4,000,000; FTE 0)

The proposed reduction will partially offset the \$5,646,000 increase being proposed for P.L 93-638 Contract Support Funding under the Indian Services budget activity. The Self-Determination grants were established to provide funds to tribes to improve their governments, capacity to enter into P.L. 93-638 contracts, to acquire land, and to evaluate program operations. The tribes have used these grants extensively during the last twelve years to accomplish the stated purposes. Positive strides have been made in these areas and as originally envisioned in the law authorizing the grants, the program can be gradually phased out. Furthermore, as tribes increase their contracting, indirect cost provisions allow recovery of their costs of administering and supporting contract operations.

Overall Increase (+\$4,000,000; FTE +1)

The overall increase to this activity has been distributed by using the automated priority ranking system so that those programs which have received a high priority ranking will benefit. The increase was made to maintain current service program levels and has been distributed only to tribes located in the lower 48 states.

This small program serves fewer than one in seventy Natives and offers services which are duplicative of those funded by the Department of Education as well as other Bureau programs.

Agricultural Extension Services: This program is supplemental in nature and limited to only two of five agency locations. The University of Alaska extension service programs and other State of Alaska programs are available to meet this need.

Other Aid to Tribal Government: This reduction will be made possible by implementation of a proposed Juneau Area reorganization plan which calls for the establishment of a consolidated service center. Implementation of the plan will decrease the number of Bureau personnel but is not expected to affect the level of funding for P.L. 93-638 contracts in this activity.

Social Services: This decrease reflects a reduced need for monitoring and technical assistance personnel due to the proposed elimination of funding for the Indian Child Welfare Act grant program in Alaska and anticipated cost savings in efficiencies of Bureau operations.

Self-Determination Grants: The majority of this reduction consists of the elimination of funding for five urban communities which currently receive a relatively large share of available self-determination funds. This proposed reduction will bring the Alaska program in line with policy applied in the lower 48 states.

Training/Technical Assistance: Over the last few years, the Juneau Area has directed extra effort and resources towards assuring successful implementation of the Self-Determination Act. This has resulted in a relatively high proportion of P.L. 93-638 contracting of the Area's programs (about double the Bureauwide average). It should now be possible to provide a maintenance level for self-determination training and technical assistance. The proposed reduction also reflects some savings associated with the Area reorganization/consolidation plan.

Adult Vocational Training and Other Employment Assistance: This reduction is proposed in recognition of the positive effects the improvement to the Alaska economy has had on Native incomes and poverty rates. The situation is materially different from the situation among Indians in the lower 48 states, for whom unemployment and poverty rates have remained relatively static. Similar services are available from other Federal and State agencies.

Road Maintenance: The Bureau currently maintains 55 miles of roads in Alaska. These roads will be turned over the State or to the local entities, which benefit from their presence.

Agriculture: The Bureau's agriculture program was designed for the reservation system in the lower 48 states. In Alaska, there is little trust land on which federal oversight must be exercised. The proposed reduction would curtail agriculture activities other than the reindeer program.

Water Resources: The national guidelines for this program were developed for reservations and are not readily applicable in Alaska. Therefore, funding for the program has been eliminated.

Wildlife and Parks: This reduction in the existing program reflects decisions to eliminate some travel funding and to withhold technical assistance related to one of several fishery development proposals.

Minerals and Mining: The funding for this program is proposed for elimination because there is virtually no trust property in Alaska on which to explore for minerals. Moreover, Native allotments (which are held in restricted status) are not granted where there is known mineral potential, in accordance with the 1906 Allotment Act (as amended).

Executive Direction: The proposed reduction reflects the reduced need for executive direction associated with the program reductions and reforms described above.

Administrative Services: The proposed reduction reflects the reduced need for administrative services associated with the program reductions and reforms described above.

Self-Determination Grants (-\$4,000,000; FTE 0)

The proposed reduction will partially offset the \$5,646,000 increase being proposed for P.L. 93-638 Contract Support Funding under the Indian Services budget activity. The Self-Determination grants were established to provide funds to tribes to improve their governments, capacity to enter into P.L. 93-638 contracts, to acquire land, and to evaluate program operations. The tribes have used these grants extensively during the last twelve years to accomplish the stated purposes. Positive strides have been made in these areas and as originally envisioned in the law authorizing the grants, the program can be gradually phased out. Furthermore, as tribes increase their contracting, indirect cost provisions allow recovery of their costs of administering and supporting contract operations.

Overall Increase (+\$4,000,000; FTE +1)

The overall increase to this activity has been distributed by using the automated priority ranking system so that those programs which have received a high priority ranking will benefit. The increase was made to maintain current service program levels and has been distributed only to tribes located in the lower 48 states.

In consultation with tribes and by applying the priority data contained in the Indian Priority System, the \$4,000,000 increase, along with off-setting internal increases/decreases results in the following program funding and FTE levels

	<u>\$000</u>	<u>FTE</u>
Scholarships.....	+1,551	--
Adult Education.....	+203	+3
Tribally Controlled Community Colleges.....	+291	--
Community Services, General.....	-246	+1
Agriculture Extension Services.....	+47	--
Other Aid to Tribal Government.....	+1,976	+10
Tribal Courts.....	+571	--
Social Services.....	+287	+13
Law Enforcement.....	+82	+2
Self-Determination Services, Grants.....	+376	--
Self-Determination Services, Training & Technical Assistance.....	+663	+2
Community Fire Protection.....	+189	--
Credit and Financing.....	+352	+7
Adult Vocational Training.....	+340	-6
Other Employment Assistance.....	-255	+1
Road Maintenance.....	-115	+20
Natural Resources General.....	-56	--
Agriculture.....	-278	+3
Forestry.....	-16	+5
Water Resources.....	-18	-2
Wildlife and Parks.....	+884	+8
Minerals and Mining.....	-20	+3
Trust Services General.....	-94	--
Environmental Quality Services.....	+42	-1
Other Rights Protection.....	-617	-5
Real Estate Appraisals.....	-360	-12
Other Real Estate Services.....	+863	+49
Financial Trust Services.....	+176	-87 <u>a/</u>
Executive Direction.....	+335	+9
Administrative Services.....	-106	+11
Safety Management.....	-57	-1
New Tribes (Distributed among above changes).....	<u>-2,990</u>	<u>--</u>
Total.....	+4,000 <u>b/</u>	+33 <u>b/</u>

a/ Assumes partial contracting of this program, FTE reduction only.

b/ These are the changes as recorded from the Indian Priority System.

These figures are adjusted in the overall increase/decrease for Tribe/Agency Operations by: -\$6,336,000, -32 FTE for Alaska Reduction; and, -\$4,000,000 in self-determination grants.

Overall the increases reflect emphasis on human services programs and the credit and financing program (economic development) with a major decrease occurring in only one trust program. Those programs which show a greater than 10 percent deviation from base are: tribally controlled community colleges, community services (general), other aid to tribal governments, training and technical assistance, community fire protection and credit and financing. Only one trust program, other rights protection, has a greater than 10 percent decrease (17%).

Tribes continue to place emphasis on higher education; training and technical assistance in P.L. 93-638 activities such as developing and implementing contracted program and improving tribal administration; and, oversight and administration for economic development loans and grants. Major funding is available for rights protection activities from funds not part of the tribal priority system; and significant increases have been proposed for other trust and related programs such as, real estate services and wildlife and parks.

Object Class Distribution - Tribe/Agency Operations

	<u>FTE</u>	<u>\$000's Amount</u>
Personnel Compensation (FTE).....	+1	+\$30,000
Personnel benefits.....		+3,000
Travel and transportation of persons.....		-500,000
Transportation of things.....		-37,000
Communications, utilities, and other rent.....		+295,000
Other services.....		-1,234,000
Supplies and materials.....		-69,000
Equipment.....		-800,000
Grants, subsidies, and contributions.....	—	<u>-4,024,000</u>
 Total.....	 +1	 <u><u>-\$6,336,000</u></u>

Bureau of Indian Affairs
 Summary of Requirements by Object Class
 (dollar amounts in thousands)

Appropriation: Operation of Indian Programs (Direct Program Only)

Object Class:	1987 Base		1987 Estimate		Inc. (+) or Dec. (-)	
	FTE	Amount	FTE	Amount	FTE	Amount
Personnel compensation:						
11.1 Permanent positions.....	8,716	205,086	8,554	201,304	-162	-3,782
11.3 Positions other than permanent.....	3,898	56,860	3,843	55,814	-55	-1,046
11.5 Other personnel compensation.....	--	11,132	--	10,928	--	-204
11.9 Total personnel compensation.....	12,614	273,078	12,397	268,046	-217	-5,032
12.1 Personnel benefits.....		33,807		33,157		-650
13.0 Benefits for former personnel.....		1,914		1,889		-25
21.0 Travel and transportation of persons.....		11,415		11,000		-415
22.0 Transportation of things.....		7,827		7,827		--
23.1 Standard level of users charge.....		9,800		9,800		--
23.3 Communications, utilities and other rent..		14,500		14,500		--
24.0 Printing and reproduction.....		1,244		1,244		--
25.0 Other services.....		306,971		307,663		+692
26.0 Supplies and materials.....		74,084		74,009		-75
31.0 Equipment.....		7,976		7,176		-800
32.0 Lands and structures.....		743		743		--
41.0 Grants, subsidies, and contributions.....		136,458		124,891		-11,567
42.0 Insurance claims and indemnities.....		115		115		--
Total Requirements.....	12,614	879,932	12,397	862,060*	-217	-17,872

* Does not include obligations relating to unobligated balances carried forward (\$1,000,000) for the multi-year funds in Continuing Education and Navajo-Hopi Settlement Program.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 Program and Financing (in thousands of dollars)

14-2100-0-1-999	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
Direct program:			
00.01 Education.....	276,529	269,860	217,308
00.02 Indian services.....	218,756	220,270	118,001
00.03 Economic development and employment programs.....	69,232	63,542	14,550
00.04 Natural resources development.....	136,164	119,526	35,040
00.05 Trust responsibilities.....	50,124	51,260	30,259
00.06 Facilities management.....	91,312	91,298	88,597
00.07 General administration.....	76,790	79,172	64,217
00.08 Tribe/Agency operations.....	---	---	295,088
00.91 Total direct program.....	918,907	894,928	863,060
01.01 Reimbursable program.....	42,463	35,678	36,000
10.00 Total obligations.....	961,370	930,606	899,060
<u>Financing:</u>			
Offsetting collections from:			
11.00 Federal funds.....	-36,904	-34,678	-35,000
14.00 Non-Federal sources.....	-2,890	-1,000	-1,000
21.40 Unobligated balance available, start of year.....	-39,532	-31,173	-28,075
24.40 Unobligated balance available, end of year.....	31,173	28,075	27,075
25.00 Unobligated balance lapsing.....	2,472	98	---
39.00 <u>Budget authority</u>	915,689	891,928	862,060
<u>Budget authority:</u>			
40.00 <u>Appropriation</u>	903,539	897,312	862,060
40.00 Reduction pursuant to Public Law 98-473.....	---	-5,384	---
41.00 Transferred to other accounts.....	-12,850	---	---
42.00 Transferred from other accounts....	25,000	---	---
43.00 <u>Appropriation (adjusted)</u>	915,689	891,928	862,060

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 Program and Financing (in thousands of dollars)

14-2100-0-1-999	1985 Actual	1986 Estimate	1987 Estimate
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	921,576	894,928	863,060
72.40 Obligated balance, start of year.....	250,424	198,894	183,822
74.40 Obligated balance, end of year.....	-198,894	-183,822	-183,882
77.00 Adjustments in expired accounts.....	-19,368	---	---
90.00 Outlays.....	953,738	910,000	863,000

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 PERSONNEL SUMMARY

14-2100-0-1-999	1985 Actual	1986 Estimate	1987 Estimate
<u>Direct:</u>			
Total number full-time permanent positions.....	8,712	8,805	8,643
Total compensable workyears:			
Full-time equivalent employment...	11,681	11,766*	11,549*
Full-time equivalent of overtime and holiday hours.....	350	352	346
<u>Reimbursable:</u>			
Total full-time permanent positions.	351	361	361
Total compensable workyears:			
Full-time equivalent employment...	868	878	848
Full-time equivalent of overtime and holiday hours.....	17	17	17

*FTE differs from Appendix, includes 25 transferred from Education Passthru to ADP Services.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 Object Classification (in thousands of dollars)

14-2100-0-1-999	1985 Actual	1986 Estimate	1987 Estimate
<u>Direct obligations:</u>			
<u>Personnel compensation:</u>			
11.1 Full-time permanent.....	202,920	205,086	201,304
11.3 Other than full-time permanent.	57,518	56,860	55,814
11.5 Other personnel compensation...	11,087	11,132	10,928
11.8 Special personal services payments.....	8,032	---	---
11.9 Total personnel compensation.	279,557	273,078	268,046
12.1 Personnel benefits: Civilian...	34,627	33,807	33,157
13.0 Benefits for former personnel..	1,973	1,926	1,889
21.0 Travel and transportation of persons.....	11,802	11,415	11,000
22.0 Transportation of things.....	9,117	7,827	7,827
23.1 Standard level user charges....	12,907	10,240	9,800
23.3 Communications, utilities, and other rent.....	21,231	14,500	14,500
24.0 Printing and reproduction.....	1,570	1,244	1,244
25.0 Other services.....	401,791	330,659	308,663
26.0 Supplies and materials.....	54,024	74,084	74,009
31.0 Equipment.....	10,901	7,976	7,176
32.0 Lands and structures.....	656	743	743
33.0 Investments and loans.....	3	---	---
41.0 Grants, subsidies, and contributions.....	78,722	127,314	124,891
42.0 Insurance claims and indemnities.....	26	115	115
99.0 Subtotal, direct obligations.....	918,907	894,928	863,060
99.0 Reimbursable obligations	42,463	35,678	36,000
99.9 Total obligations.....	961,370	930,606	899,060

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)

14-2100-6-1-999	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
10.00 Total obligations.....	---	- 38,396	---
<u>Financing:</u>			
25.00 Unobligated balance lapsing.....	---	43	---
40.00 Budget Authority.....	---	- 38,353	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	- 38,396	---
72.40 Obligated balance, start of year...	---	---	- 7,264
74.40 Obligated balance, end of year.....	---	7,264	---
90.00 Outlays.....	---	- 31,132	- 7,264

OBJECT CLASSIFICATION

<u>Direct Obligations:</u>			
92.0 Undistributed.....	---	- 38,396	---
99.0 Subtotal, direct obligations.....	---	- 38,396	---

CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

For construction, major repair and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and [construction, repair,] repair and improvement of Indian housing, [\$101,054,000] \$59,155,000 to remain available until expended. [Provided, That no funds shall be expended for land acquisition on behalf of the Covelo Indian Community until the Community has sufficient non-Federal funds, which when combined with the Federal funds, will complete the land acquisition: Provided further, That such amount includes \$22,000,000 for use by the Secretary to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974. (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), and to ensure that a priority for the use of these funds is given to Navajo families who are actual, physical residents of the Hopi Partioned Lands on the date of enactment hereof, and to expedite relocations and construction under this proviso (1) with respect to any lands acquired pursuant to section 11(a) of the Act of December 22, 1974 (25 U.S.C. 640d-10(a)), the Secretary shall not be required to enter into contracts under section 102 of the Indian Self-Determination Act (88 Stat. 2206; 25 U.S.C. 450f) in carrying out this proviso, (2) the Secretary's authority under section 106(a) of the Indian Self-Determination Act (88 Stat. 2210; 25 U.S.C. 450j(a)) shall apply for contracts for construction under this proviso without regard to the status of the contractors with respect to any lands acquired pursuant to section 11(a) of the Act of December 22, 1974 (25 U.S.C. 640d-10(a)), (3) the Secretary may carry out construction and lease approvals or executions under this proviso without regard to the Commission's regulations and under such administrative procedures as the Secretary may adopt without regard to the rulemaking requirements of any law, executive order, or regulation, (4) an action under this proviso is not a major Federal action for the purpose of the National Environmental Policy Act of 1969, as amended, and (5) after January 1, 1986, the Secretary may issue leases and rights-of-way for housing and related facilities to be constructed on the lands which are subject to section 11(h) of the Act of December 22, 1974, as amended (25 U.S.C. 640d-10(h)).]

(Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190.)

Justification of Proposed Language Change

1. Addition: "...buildings, utilities, and other facilities..."

This language is necessary to cover major repair and improvement of BIA buildings, utilities, and other facilities, as authorized by law.

2. Addition: "...repair..."

This language is necessary to cover repair of Indian housing, which is authorized by law.

3. Deletion: "Provided, That no funds shall be expended for land acquisition on behalf of the Covelo Indian Community until the Community has sufficient non-Federal funds, which when combined with the Federal funds, will complete the land acquisition:"

This language pertains specifically to funding provided in Fiscal Year 1986. Therefore, the language is no longer necessary.

4. Deletion: "Provided further, That such amount includes \$22,000,000 for use to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974 (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), and to ensure that a priority for the use of these funds is given to Navajo families who are actual, physical residents of the Hopi Partioned Lands on the date of enactment hereof, and to expedite relocations and construction under this proviso (1) with respect to any lands acquired pursuant to section 11(a) of the Act of December 22, 1974 (25 U.S.C. 640d-10(a)), the Secretary shall not be required to enter into contracts under section 102 of the Indian Self-Determination Act (88 Stat. 2206; 25 U.S.C. 450f) in carrying out this proviso, (2) the Secretary's authority under section 106(a) of the Indian Self-Determination Act (88 Stat. 2210; 25 U.S.C. 450j(a)) shall apply for contracts for construction under this proviso without regard to the status of the contractors with respect to any lands acquired pursuant to section 11(a) of the Act of December 22, 1974 (25 U.S.C. 640d-10(a)), (3) the Secretary may carry out construction and lease approvals or executions under this proviso without regard to the Commission's regulations and under such administrative procedures as the Secretary may adopt without regard to the rulemaking requirements of any law, executive order, or regulation, (4) an action under this proviso is not a major Federal action for the purpose of the National Environmental Policy Act of 1969, as amended, and (5) after January 1, 1986, the Secretary may issue leases and rights-of-way for housing and related facilities to be constructed on the lands which are subject to section 11(h) of the Act of December 22, 1974, as amended (25 U.S.C. 640d-10(h))."

The wording "after January 1, 1986," makes the deleted language permanent law. Therefore, the language is no longer necessary.

Appropriation Language and Citations

1. For construction, major repair and improvement of irrigation and power systems,

For construction, major repair and improvement of irrigation and power systems involving irrigation canals, wells, hydro-electric dams, and water and electrical distribution systems.

25 U.S.C. 13
25 U.S.C. 631(2)

25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including construction of facilities, to support operating programs to federally recognized Indians. This Act also provides for the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies. In addition, most of the major projects have specific authorizations.

25 U.S.C. 631(2), In order to further the purposes of existing treaties with the Navajo and Hopi Indians to provide facilities essential in combating hunger, disease, poverty, and demoralization among its members, section 2 includes the following:

- (2) Completion and extension of existing irrigation projects, and completion of the investigation to determine the feasibility of the proposed San Juan-Shiprock irrigation project.

2. buildings utilities, and other facilities,

For construction, major repair, and improvement of all BIA buildings, utilities, and other facilities, including demolition of obsolete structures and consolidation of underutilized facilities.

25 U.S.C. 13
25 U.S.C. 450
25 U.S.C. 631(12)(14)

25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act) in Section 458 authorizes construction of public school facilities serving Indian children and permits expending not more than 25 percent of any funds appropriated for construction of previously private schools.

25 U.S.C. 631 (12)(14), In order to further the purposes of existing treaties with the Navajo and Hopi Indians to provide facilities essential in combating hunger, disease, poverty, and demoralization among its members, sections 12 and 14 include the following:

(12) School buildings and equipment, and other educational measures.

(14) Common service facilities.

3. including architectural and engineering services by contract;

The construction program includes the advertisement for architectural and engineering services through the Buy Indian Act, P.L. 93-638, and open market contracts.

25 U.S.C. 13
25 U.S.C. 450 (P.L. 93-638)

4. acquisition of lands and interests in lands;

The program includes the acquisition of land and interests in lands, as directed by Congress and the judicial decisions.

25 U.S.C. 465

The Secretary of the Interior is hereby authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted allotments, whether the allottee be living or deceased, for the purpose of providing land for Indians.

5. preparation of lands for farming;

The construction program includes functions relating to preparation of lands for farming and irrigation, such as cleaning, leveling, terracing, and installation of irrigation systems.

25 U.S.C. 13
25 U.S.C. 465

6. and repair and improvement of Indian housing,

The construction program also includes funds for housing improvement and development to provide decent, safe, and sanitary housing to Indian communities.

25 U.S.C. 13

7. \$, to remain available until expended:

No Specific Authority

This appropriation involves construction projects which require more than a one-year cycle from their beginning stages through the actual construction of facilities. Therefore, funds are to remain available until expended.

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: Construction 14X2301

FY 1986 Budgetary Status

Budget Authority Available:	
Appropriation realized.....	\$105,348
Prior-year unobligated balance brought forward.....	41,691
Anticipated recovery of prior-year obligations.....	---
Total available for obligation.....	147,039
Less anticipated obligations (by activity):	
1. Buildings and Utilities.....	\$-44,990
2. Irrigation systems.....	-30,346
3. Housing.....	-37,884
4. Land acquisition.....	-3,615
Total anticipated obligations.....	\$-116,835

FY 1987 Request

Anticipated unobligated balance brought forward.....	\$30,204
Plus increases proposed (by activity):	
1. Buildings and Utilities.....	+\$28,960
2. Irrigation systems.....	+13,900
3. Housing.....	+16,295
4. Land acquisition.....	---
Total increase proposed.....	\$ 59,155
Total Anticipated BA available for obligation.....	\$ 89,359

Analysis of Budgetary Resources by Activity
(Dollar Amounts in Thousands)

Account: Construction

Activity	FY 1985 Approp.	FY 1986 Approp.	FY 1987 Approp.	FY 1987 (+)/(-) from 1986 Approp.
1. Buildings & Utilities				
BA available for obligation:				
Appropriation.....	56,509	35,365	28,960	-6,405
Unoblig. bal. brt. fwd....	24,013	17,872	8,247	-9,625
Total BA available.....	80,522	53,237	37,207	-16,030
Less obligations.....	50,150	44,990	32,750	-12,240
Subtotal.....	30,372	8,247	4,457	-3,790
Transfer out.....	-12,500*	---	---	---
Unoblig. bal. brt. fwd.....	17,872	8,247	4,457	-3,790
2. Irrigation Systems				
BA available for obligation:				
Appropriation.....	25,853	18,221	13,900	-4,321
Unoblig. bal. brt. fwd....	37,168	19,711	12,486	-7,225
Total BA available.....	63,021	37,932	26,386	-11,546
Less obligations.....	43,660	30,346	22,100	-8,246
Subtotal.....	19,361	7,586	4,286	-3,300
Transfer in.....	12,850**	4,900***	---	---
Transfer out.....	-12,500*	---	---	---
Unoblig. bal. brt. fwd.....	19,711	12,486	4,286	-3,300
	(FTE) (81)	(81)	(81)	(--)
3. Housing				
BA available for obligation:				
Appropriation.....	22,736	44,476	16,295	-28,181
Unoblig. bal. brt. fwd..	1,035	2,879	9,471	+6,592
Total BA available...	23,771	47,355	25,766	-21,589
Less obligations.....	20,892	37,884	21,600	-16,284
Subtotal.....	2,879	9,471	4,166	-5,305
Transfers.....	---	---	---	---
Unoblig. bal. brt. fwd....	2,879	9,471	4,166	-5,305
	(FTE) (65)	(71)	(68)	(-3)
4. Land Acquisition				
BA available for obligation:				
Appropriation.....	2,394	2,386	---	-2,386
Unoblig. bal. brt. fwd....	1,167	1,229	---	-1,229
Total BA available....	3,561	3,615	---	-3,615
Less obligations.....	2,332	3,615	---	-3,615
Subtotal.....	1,229	---	---	---
Transfers.....	---	---	---	---
Unoblig. bal. brt. fwd....	1,229	---	---	---

Continued - Account: Construction

Activity	FY 1985 Approp.	FY 1986 Approp.	FY 1987 Approp.	FY 1987 (+)/(-) from 1986 Approp.
<u>Account Totals</u>				
BA available for obligation:				
Appropriation.....	107,492	100,448	59,155	-41,293
Unoblig. bal. brt. fwd....	63,383	41,691	30,204	-11,487
Total BA available.....	170,875	142,139	89,359	-52,780
Less obligations.....	117,034	116,835	76,450	-40,385
Subtotal.....	53,841	25,304	12,909	-12,395
Transfers.....	-12,150	+4,900	---	---
Unoblig. bal. brt. fwd.....	41,691	30,204	12,909	-12,395
	(FTE)	(146)	(152)	(149)
				(-3)

* Transfer of \$25,000,000 to OIP account for FY 1985 fire suppression costs.

** Transfer of \$12,850,000 from OIP account to repay FY 1984 fire suppression cost.

*** Transfer of \$4,900,000 from National Park Service to repay 1984 fire suppression cost.

Program and Performance

1. Building and Utilities - This activity consists of construction and additions to Bureau facilities.
2. Irrigation systems - This activity provides for the construction, extension and rehabilitation of irrigation projects and related power systems on Indian reservations.
3. Housing - This program provides for the repair of housing for needy Indians.

Justification for Construction

Account: Construction
 Activity: Buildings & Utilities

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1986 Enacted To Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Enacted</u>
A. Advance Planning & Design	\$	1,100		---	-1,100
	(FTE)	(---)		(---)	(---)
B. Facility Improvement & Repair	\$	37,265		28,960	-8,305
	(FTE)	(---)		(---)	(---)
Program Offset (FY 1985 Deferral)	\$	-3,000		---	+3,000
	(FTE)	(---)		(---)	(---)
Total Requirements	\$	35,365	33,844	28,960	-6,405
	(FTE)	(---)	(---)	(---)	(---)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted to Date</u>	<u>P.L.99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Buildings and Utilities	\$35,365	\$-1,521	\$33,844

As a result of the P.L. 99-177 reduction, the options that would be considered in the Advance Planning and Design for FI&R projects will be reduced. The Facility Improvement and Repair program will be reduced by the renovation of at least one school site.

A. Advance Planning and Design

No funds are requested in this category for FY 1987 since the planning and design work for construction projects funded through FY 1987 has been completed.

B. Facility Improvement and Repair Program

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including improvement and repair of facilities to support operating programs, to federally recognized Indians.

Objectives:

1. To reduce facility improvement and repair needs, with emphasis on critical life safety needs as they arise;
2. To consolidate underutilized facilities, particularly school plants, to maximize use of existing facilities and to eliminate or reduce some of the continuing costs of repair, operation, and maintenance;
3. To repair or refurbish facilities (e.g., renovations, improvements, demolitions, or additions) in lieu of total new construction; and
4. To continue the boiler repair and emergency repair programs.

Justification (\$28,960,000): The Bureau of Indian Affairs manages over 10,000 structures at approximately 400 locations throughout the United States. The improvement and repair of these structures is a continuing effort. There are opportunities for cost savings through consolidation of facilities which are underutilized. Also, unused facilities that are unsafe or determined to be in excess of Bureau needs will be disposed of by transfer, sale, or demolition. The major thrust of the Construction - Buildings and Utilities subactivity has shifted from building new facilities to improving and repairing existing facilities. Further studies of schools and other facilities on or near reservations will continue to be undertaken to determine which facilities can be consolidated and/or closed and which should be repaired or remodeled. In addition to accomplishing needed repairs and improvements, correcting functional deficiencies, and modernizing to meet today's standards, there are requirements for compliance with mandated programs concerning safety, environmental protection, energy conservation, and the handicapped. Included in this activity is the separation of juveniles and adults under the Law and Order program. Repair tasks include: updating buildings and utilities to correct existing functional, unsafe, and/or unsanitary conditions, and bringing various structures up to regulatory requirements. Immediate repairs will be required on some facilities to correct unforeseen damage which prevents the operation of the Bureau programs housed therein. Some structures, because of prohibitive costs to update or renovate, will be demolished and replaced. The installation of equipment will be required in instances where facilities are expanded or functionally changed in order to meet program requirements.

The need for FI&R projects will continue until all Bureau facilities can be maintained under a normal maintenance program and all antiquated but still-needed facilities are replaced. The annual boiler inspection program will continue, with funds needed for boiler repair or replacement and for continued safe operations. Funds are also provided for advance design to facilitate implementation of future-year repair and improvement projects. The status of the FY 1985 projects is shown in the table on the next page. The FY 1986 FI&R program list will be published in the Federal Register at a later date.

The status of the FY 1985 projects is:

(dollars in thousands)

<u>Project</u>	<u>Oblig.</u> <u>FY 1985</u>	<u>Oblig.</u> <u>FY 1986</u>	<u>Contract</u> <u>Change Order</u> 6/	<u>% Const.</u> <u>Compl.</u>
Oglala Community School	\$1,722,709			68
Little Wound/Kyle Elem.	1,261,655			81
Ft. Yates Law and Order	1,739,500			7
Kyle and Wamblee Sewers	198,930			25
Marty Indian School	800,000			95
Crow Creek Ind. Sch Sewer	-0- 1/			0
Oglala Sch Interim Repairs	229,636			95
Browning Headquarters	761,574		(3) \$35,460	99
Red Lake Law and Order	-0- 2/			0
Sherman Indian High Sch.	1,838,200		(3) 12,682	100
Isleta Day Sch.				13
Zia Day Sch.	1,938,000 3/		(1) 36,236	22
Laguna Elem. Sch.				1
Acomita Day Sch.				34
Ramah Sch. Meters	200,000			100
Ft. Wingate Elem. Sch.		1,066,500		18
Many Farms High Sch.	3,860,000			32
Chi-chil-tah Day Sch.	-0- 4/			0
Chuska-Tohatchi Sch		4,412,000		4
Sanostee School K-1	531,657		(5) 106,251	100
Pleasant Point Sch.	2,212,122		(12) 115,038	99
Indian Township Sch.	3,086,000		(3) 24,338	61
Subtotal	<u>\$20,379,983</u>	<u>\$5,478,500</u>	<u>\$330,005</u>	
Chinle Boarding Sch		<u>2,960,855</u> 5/		
		<u>\$8,439,355</u>		
TOTAL OBLIGATIONS AGAINST FY 85				
FI&R CONSTRUCTION ACCOUNT		\$28,819,338		
Many Farms Relocatable Classrooms		249,908		
TOTAL		<u>\$29,069,246</u>		

NOTES:

- 1/ Crow Creek project on hold due to land acquisition delays. The land is required for the sewer lagoon site. Winter snows preventing land survey for legal description.
- 2/ Red Lake Law & Order is currently under negotiation with SBA 8(a) contractor.
- 3/ Isleta, Zia, Laguna, Acomita project sites were combined into one construction project and awarded as such.
- 4/ Chi-chil-tah Day School was moved from the FY 85 FI&R program to the FY 86 FI&R program.
- 5/ Chinle Boarding School, FY 86 FI&R project, was awarded using FY 85 FI&R funds pending receipt of FY 86 FI&R advice of allotment. FY 85 program will be reimbursed upon receipt of FY 86 advice of allotment in order to accomplish the Red Lake L&O and Crow Creek Sewer projects.
- 6/ Numbers in parentheses indicate number of change orders.

FACILITY IMPROVEMENT & REPAIR PROGRAM JUSTIFICATION FOR FY 1987

Description:

Construction.....	\$20,260,000
Construction Support.....	8,700,000
TOTAL FY 1987 PROGRAM	<u>\$28,960,000</u>

The \$20,260,000 requested is the amount required to fund estimated FI&R construction contract awards. The \$8,700,000 requested for support finances includes design and engineering costs; the emergency, boiler, and minor improvement repair programs; and equipment, construction contingency, and management inspection costs. Planning for the FY 1987 FI&R Priority Listing is underway. As soon as the FY 1986 program is finalized, a more definitive listing of projects proposed for FY 1987 can be determined.

Construction (\$20,260,000)

Work to be performed in FY 1987 will consist of design and construction improvements, which may be categorized as follows (not all types of work will be performed on each project):

General Repair: This work includes all items needing repair, but which do not involve safety codes or proper functional use of the building. Examples: replacing deteriorated roofing, siding, flooring.

Functional Deficiency Correction: This work involves correcting those deficiencies that interfere with the intended functional use of the structure. Examples: moving partitions to provide proper traffic patterns or better classroom space, upgrading electrical circuits, providing adequate lighting.

Code Deficiency Correction: This work involves correcting those deficiencies related to building codes which are not considered to be of imminent danger to the occupants. Examples: improving ventilation, adding bathrooms and drinking fountains.

Life Safety or Environmental Hazards Correction: This type of work involves correcting all items that threaten the lives of occupants under normal or emergency circumstances. Examples: providing fire-rated exits, fire alarms, and emergency lighting, removal of asbestos.

Energy Efficiency Improvement: This type of work involves modifications and remodeling to reduce energy loss through the shell of the building or to increase the efficiency of heat generation and distribution. Examples: installing insulation, replacing deteriorated utility systems.

Handicapped Accessibility Improvement: These improvements are made by modifications, remodeling, or providing additions to make occupied portions of the structure accessible to handicapped people in wheelchairs. Examples: installation of ramps, modifications of restrooms.

Demolition: Structures which are unsafe or otherwise unfit for use and which cannot be economically restored to useful service are demolished.

Construction Support (\$8,700,000)

Emergency Repair (\$600,000): Emergency Repair needs result from unforeseen occurrences and require immediate corrective action to allow the day-to-day operations of the various Bureau programs to continue. These funds are administered by the Facilities Engineering Staff and are channeled through the Area Facilities Management Offices to the facility location for accomplishment of the work. The projects are then completed via force account or emergency contract for the work involved. Examples: repairing or replacing mechanical and utility system components, correcting fire or storm damage.

Boiler Repair (\$1,500,000): The Bureau has approximately 2,600 boilers and 500 L.P. tanks at 215 facilities. To insure the safe, proper, and efficient use of these boilers, the Bureau provides for operator training, annual inspections, routine maintenance, and necessary repairs. Funds for the boiler repair program will be programmed to locations identified by the annual boiler inspection. The Bureau estimates that during the fiscal year approximately 40 facilities will need major repair work, involving some 100 boilers. The repairs are estimated to average about \$15,000 per repair, for a total of approximately \$1,500,000.

The Boiler Repair Program is performed by the Bureau's Area and Agency Offices, with oversight provided by the Facilities Engineering Staff. (Routine maintenance of boilers is a part of the Bureau's Operation and Maintenance program, not the FI&R program, but it is mentioned here to provide a total picture of the Bureau's boiler-related activities.)

Minor Repair (\$2,500,000): Minor repair involves correcting all items, including asbestos abatement in BIA and contract schools, needing repair which can be accomplished at the local level without engineering or design assistance, and which are beyond the capacity of the Operation and Maintenance Program. Examples: repairing water tanks, windows, roofs.

Advance Planning and Design (\$600,000): Funds for advance planning and design will be used to provide project working drawings and specifications for FI&R construction during the following fiscal year. When a project design is completed in advance, construction contracts can be awarded in the first and second quarters of the fiscal year. In addition, projects can be coordinated and phased to minimize classroom disruption, to allow for climatic considerations (e.g., northern states have a short construction season), and to provide for modifications required by curriculum changes.

The remaining amount (\$3,500,000) for Construction Support includes funds for project contingency (\$1,500,000); management and inspection (\$1,500,000); and equipment (\$500,000).

Justification for Construction

Account: Construction
 Activity: Irrigation Systems

(Dollar amounts in thousands)

	FY 1986 Enacted to Date	FY 1986 Adjusted Approp.	FY 1987 Estimate	Inc. (+) Dec. (-) From Enacted
San Carlos Rehab/Herbicide	\$ 2,500		---	-2,500
Papago (P.L. 97-293)	\$ 2,500		1,500	-1,000
Flathead Irrigation Rehab.	\$ ---		1,000	+1,000
Ak-Chin (P.L. 95-328)	\$ 1,400		---	-1,400
Dam Safety	\$ 9,200		9,155	-45
Surveys and Designs	\$ 876		500	-376
Engineering and Supervision	\$ 1,745		1,745	---
(FTE)	(81)		(81)	---
 Total Requirements	 \$ 18,221	 17,438	 13,900	 -4,321
(FTE)	(81)	(--)	(81)	(--)

Gramm-Rudman-Hollings Impact

	FY 1986 Enacted to Date	P.L.99-177 Reduction	FY 1986 Adjusted Approp.
Irrigation Systems	\$18,221	\$-783	\$17,438

The effect of P.L. 99-177 will be slight reductions in Engineering and Supervision and in Survey and Design work of the Bureau, as well as in the San Carlos rehabilitation project. A more substantial reduction in Safety of Dams funding will result in a reduced number of inspections of low-hazard dams and slippage of some lesser structural modifications to a later time.

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides for the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies. In addition, most of the major projects have specific authorizations.

Objectives: To develop water supplies and the distribution systems needed to irrigate all practicably irrigable Indian lands. This involves the construction of new irrigation systems and the extension and/or rehabilitation of existing irrigation systems so that Indian lands in the arid and semi-arid West can be developed to their full productive capacity. By doing so, this program will provide a means by which Indians can put much of their valuable water to beneficial use.

Program Summary: The estimate of \$13,900,000 will provide \$1,500,000 to implement the Southern Arizona Water Rights Settlement Act; \$1,000,000 to initiate the rehabilitation of the irrigation distribution system of the Flathead Indian Irrigation Project; \$9,155,000 to implement the safety of dams program, as directed by Secretarial Order No. 3048 of February 28, 1980; \$500,000 for surveys and designs to determine the need for rehabilitation work on existing projects; and \$1,745,000 for engineering and supervision.

Justification: Detailed justifications are provided for irrigation construction expenditures identified herein.

Irrigation Construction Projects
Fiscal Year 1987

The detailed project justifications for the irrigation construction expenditures are as follows:

- a. Project Construction.....\$1,000,000
Flathead Project Rehabilitation.....\$1,000,000

On October 2, 1984, the Secretary directed the BIA and the Bureau of Reclamation to conduct a comprehensive examination of the Flathead Indian Irrigation Project. The examination was completed in October of 1985. Based on the report of identified and documented deficiencies of the Project, the Secretary, by memorandum dated November 29, 1985, directed that the Bureau of Reclamation manage the water releases and associated delivery system of the project. He also directed the Assistant Secretaries of Indian Affairs and Water and Science to initiate a program to rehabilitate the irrigation distribution system. This \$1 million request is to start the rehabilitation program. Phasing of the proposed rehabilitation work will consider the results of the ongoing water rights adjudication and further engineering evaluation of the system by the Bureau of Reclamation.

- b. Surveys and Designs.....\$500,000

Surveys and designs are required to provide the planning necessary for extension and rehabilitation of existing projects. Engineering and soil surveys, geological investigations, and water availability determinations are essential in ascertaining physical feasibility of development. Costs and benefits are calculated for proposed developments, and projects are formulated to provide Indian economic development where water is the critical element. These surveys and designs are performed by or under the direction of existing staff at Area and Project Offices. Where necessary, in-house capability will be supplemented by contract.

- c. Engineering and Supervision.....\$1,745,000

This item represents funds for salaries, travel, and operational expenses for project engineering, design, and construction supervision. Most staff employees engaged in these activities are located in Bureau of Indian Affairs field offices and are headquartered in Albuquerque, New Mexico; Billings, Montana; Phoenix, Arizona; Portland, Oregon; Sacramento, California; and Window Rock, Arizona.

- d. Water Settlements.....\$1,500,000

Papago.....\$1,500,000

The Southern Arizona Water Rights Settlement Act (Title III of P.L. 97-293, dated October 12, 1982) prescribes actions required by the Government and by

the Papago Tribe to effectuate the settlement with the Papagos. A total of \$20,490,000 was provided in the FY 1983 Supplemental Appropriations Act (\$20,250,000 to establish two trust funds directed by the Act, and \$240,000 to commence activities associated with fulfillment of responsibilities directed by the Act). Other available funds totaling \$315,000 were also assigned to these activities in FY 1983. For FY 1984, \$1,850,000 was approved for reprogramming; \$4,180,000 was provided in FY 1985; and \$2,500,000 was appropriated in FY 1986 to continue required implementation measures. The following activities are required during FY 1987 to maintain the implementation schedule:

Complete the water resources inventory and exploration on the main reservation at Sells, Arizona, at a cost of \$1,500,000, as follows:

1. Deep well drilling & testing, 16 wells @ \$70,000 each	\$1,120,000
2. Aquifer Modeling	200,000
3. Water Quality testing and evaluation	80,000
4. Geotechnical Services	<u>100,000</u>
	Total \$1,500,000

e. Safety of Dams.....\$9,155,000

In recognition of a need to assess and address dam safety deficiencies of structures being managed and operated by the Bureau of Indian Affairs, the Assistant Secretary - Indian Affairs, on May 5, 1978, executed a Memorandum of Understanding with the Commissioner of Reclamation to provide technical expertise in the field of dam safety inspection, consultation, and related activities. Subsequently, dam safety deficiencies were identified as a Department-wide concern, and on February 28, 1980, Secretarial Order 3048 was issued in recognition of this program need. The Memorandum of Understanding executed in 1978 continued to be utilized as the primary instrument in implementing the Secretarial Order. The Bureau of Reclamation, on a reimbursable basis, provides initial inspections and evaluations of the high and significant hazard-potential dams and follows up with required periodic inspections and reevaluations of structures that are the responsibility of the Bureau of Indian Affairs. The first round of initial on-site inspections was completed in FY 1984, with a number of evaluations and reports completed in FY 1985; however, four additional dams were identified for review in terms of need for initial on-site inspection and confirmation of downstream hazard potential: Canyon Diablo, Round Rock, and Wauneka Dams in the Navajo Area and Meneger's Dam in the Phoenix Area.

The Bureau of Indian Affairs has designated an irrigation program engineer at each Area Office and at the Central Office to perform safety of dam activities as a collateral duty.

The funding required for structural modifications for 52 structures will be updated and/or ascertained in FY 1986. Schedules for corrective work have been developed and priorities have been established, based upon the severity of the identified safety deficiencies, among other factors, as they relate to public safety.

The summary of proposed Safety of Dams funding for FY 1987 is as follows:

High-hazard potential dams - intermediate inspections and evaluations	\$ 300,000
Low-hazard potential dams - inspections and evaluations, and program coordination	225,000
Early Warning Systems	250,000
Structural modifications, in priority order:	
Blackrock (Zuni Agency, New Mexico)	1,780,000
Weber (Nevada Agency, Nevada)	1,025,000
Tabor (Flathead Agency, Montana)	645,000
Pablo (Flathead Agency, Montana)	500,000
Oglala (Pine Ridge Agency, South Dakota)	240,000
Ganado (Navajo, Arizona)	635,000
Parmelee (Rosebud Agency, South Dakota)	455,000
Picacho (San Carlos Agency, Arizona)	550,000
He Dog (Rosebud Agency, South Dakota)	550,000
Ponca (Rosebud Agency, South Dakota)	535,000
Tufa Stone (San Carlos Agency, Arizona)	475,000
Aassyi (Navajo, Arizona)	540,000
Elgo (San Carlos Agency, Arizona)	450,000
Total	<u>\$9,155,000</u>

- (1) High-hazard potential dams - intermediate inspections and evaluations (\$300,000): The intermediate inspections at 3-year intervals and the formal SEED inspections at 6-year intervals constitute the ongoing inspection activity in the dam safety program. In FY 1985, thirteen structures were scheduled for intermediate inspection and evaluation.
- (2) Low-hazard potential dams - inspections and evaluations, and program coordination (\$225,000): Inspections and evaluations of 228 low-hazard dams have not proceeded as rapidly as those for high-hazard dams. Funds are provided to continue this work in FY 1987. Program coordination will be a continuing need for ongoing work with the Bureau of Reclamation, with field staff assigned dam safety responsibilities, and to provide or to attend training sessions and other meetings on dam safety.
- (3) Early Warning Systems (\$250,000): Funds will be used to provide early warning systems at approximately 10 dams. Final reports are not complete at this time; however, based on preliminary evaluations, the systems will be installed at: Ray Lake Dam, Black Lake Dam, Equalizer Dam, Jocko Dam, Lower Mundo Dam, Captain Tom Dam, Kickinghorse Dam, Ninepipe Dam, Round Rock Dam, and Meneger's Dam. Absent final reports, the structures have not been prioritized. The cost of the systems will range from \$15,000 to \$30,000.
- (4) Structural Modifications:

Blackrock (\$1,780,000): The funds will be used to complete the modification work of enlarging the spillway capacity and constructing a new cutoff and slurry trenches.

Weber (\$1,025,000): Funds will be used to complete the work to enlarge the spillway and/or to raise the dam and to provide a downstream stability berm.

Tabor (\$645,000): \$145,000 will provide for the modification analysis and preparation of the conceptual and final designs; \$500,000 will start

the construction phase of the modification - replace outlet works, extend downstream toe of the dam, and enlarge the spillway capacity. An additional \$662,250 will be needed to complete the work.

Pablo (\$500,000): \$125,000 will provide for the modification analysis and preparation of the conceptual and final designs; \$375,000 will start the modification work of replacing outlet works, cutoff and slurry trenches, and extend the downstream toe of the dam. An additional \$500,000 will be needed to complete the work.

Oglala (\$240,000): Funds will complete the modification work started in FY 1986 to either enlarge the spillway and/or raise the dam.

Ganado (\$635,000): \$85,000 will provide for the modification analysis and preparation of conceptual and final designs; \$550,000 will start the actual modification work of enlarging the spillway capacity and replacing the outlet works. An additional \$31,750 will be needed to complete the work.

Parmelee (\$455,000): Funds will complete the modification work started in FY 1986 to enlarge the spillway capacity, extend the outlet works, and provide a downstream stability berm.

Picacho (\$550,000): \$100,000 will provide for the modification analysis and the preparation of the conceptual and final designs; \$450,000 will start the modification work on enlarging the spillway capacity and providing a downstream stability berm. An additional \$552,000 will be needed to complete the work.

He Dog (\$550,000): \$75,000 will provide for the modification analysis and the preparation of conceptual and final design; \$475,000 will provide for the modification work of enlarging the spillway capacity, extending the outlet works, and extending the downstream toe of the dam.

Ponca (\$535,000): \$85,000 will provide for the modification analysis and the preparation of conceptual and final designs; \$450,000 will start the modification work of rehabilitating the primary spillway structure, enlarging the auxiliary spillway, and rehabilitating the outlet works. An additional \$100,000 will be needed to complete the work.

Tufa Stone (\$475,000): \$75,000 will provide for the modification analysis and the preparation of conceptual and final designs; \$400,000 will provide for the modification work of enlarging the downstream toe of the dam and rehabilitating and extending the outlet works.

Aassyi (\$540,000): \$105,000 will provide for the modification analysis and the preparation of conceptual and final designs; \$435,000 will start the modification work of enlarging the spillway capacity and/or raising the dam. An additional \$478,500 will be needed to complete the work.

Elgo (\$450,000): \$70,000 will provide for the modification analysis and the preparation of conceptual and final designs; \$380,000 will provide for the modification work of enlarging the spillway capacity.

Justification for Construction

Account: Construction
 Activity: Housing

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1986 Enacted to Date</u>	<u>FY 1986 Adjusted Approp.</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From Enacted</u>
Housing				
Housing Development	\$ 2,599		2,449	-150
Housing Improvement Program	\$ 19,884		13,723	-6,161
Training	\$ 123		123	---
Navajo/Hopi Housing Construction	\$ 21,870	---	---	-21,870
Total Requirements	\$ 44,476 (FTE) (71)	42,564	16,295 (68)	-28,181 (-3)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Enacted to Date</u>	<u>P.L. 99-177 Reduction</u>	<u>FY 1986 Adjusted Approp.</u>
Housing	\$ 44,476	\$-1,912	\$42,564

As a result of the P.L. 99-177 reduction, 115 fewer repairs will be made and 21 fewer houses will be built. In addition, hiring of staff will be delayed by several weeks to a month.

Housing

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including housing, to federally recognized Indian tribes.

Objectives: To provide decent, safe, and sanitary housing for Indians in Indian communities.

Justification: The Housing program requirements are based on the FY 1985 Indian housing inventory. This new inventory shows the following needs:

Service populations (families)	176,080
Less: Existing dwellings in standard condition	<u>-85,840</u>
Families in need of housing assistance: (total need)	90,240
Houses suitable for renovation to standard	(40,600)
New homes required	(49,640)

Following the Congressional direction contained in the FY 1984 Department of the Interior and Related Agencies Appropriations Conference Report, the Bureau of Indian Affairs (BIA) developed a new system of allocation of Housing Improvement Program (HIP) funds. This system became effective beginning in FY 1986.

The allocation of funds is based on a country-wide inventory of tribal needs. The tribal submissions to the BIA Central Office revealed a demand for housing services of approximately \$44 million for FY 1986. The Bureau's Division of Housing Assistance reviewed these submissions and allocated the HIP funds appropriated for FY 1986 in proportion to the need.

Because demand for services exceeds the amount of funds available, the BIA prorated the amounts appropriated relative to the need. In some instances where the needs are relatively small and can be met within one to two years, the Bureau will allocate enough funding for the tribal HIP to be completed within that time span. Since not enough funds will be available for all small projects to be undertaken in a given fiscal year, after consultation with tribes affected, these projects are handled on a rotation basis.

The funding requested for FY 1987 will be allocated among reservations/tribes in accordance with the new distribution system. The primary goal is to reduce or eliminate substandard housing on a planned basis, recognizing priorities and available resources. This planned effort will achieve a balance between a sustained housing improvement effort in those places with larger needs while rotating funds to complete the effort in those areas with smaller needs.

The Housing program is divided into two components--the Housing Improvement Program (HIP) and Housing Development. Housing Development is the staff component of the Bureau's Housing program. There are no separate FTE's for these components.

1. Housing Development (\$2,449,000): The Housing Development component consists of Bureau staff whose responsibilities are: (a) to implement, monitor, inspect and coordinate the HIP, especially with the IHS sanitary facilities construction program; and (b) to a lesser extent, to assist Indian tribes in working with other Federal agencies--Housing and Urban Development (HUD) and the Farmer's Home Administration (FmHA)--involved in producing Indian housing. This assistance is provided in accordance with an Interdepartmental Agreement among HUD, IHS, and the Bureau, which lists Bureau responsibilities.

The Housing Development staff will carry out the new HIP directions, which consist of two main elements: (1) distribution of HIP funds on the basis of tribal inventory of housing needs and (2) establishment of a more cost-effective program. The implementation of a more cost-effective program will be accomplished by adequate monitoring and inspection, and carrying out the BIA housing administration and technical assistance functions. Thus, a new housing staffing pattern has been put in place. The restructured staffing pattern places heavier emphasis on personnel knowledgeable in standard construction practices, including engineering assessments, and includes much greater emphasis on construction management experience, construction progress scheduling, cost accounting, architectural and engineering technical experience, and housing program development experience.

2. Housing Improvement Program (\$13,723,000): The Housing Improvement Program (HIP) is the major component of the Bureau's housing program. In FY 1987, it will provide for repairs, renovations, or additions to existing homes. Two types of repair categories are in use: (a) repairs to houses that will remain substandard but will need repairs for the health and/or safety of the occupants; and (b) repairs to bring housing to standard condition. The renovation effort, which is an important element in reducing the total cost of achieving the goal of eliminating substandard Indian housing, benefits Indian families by providing decent, safe, and sanitary shelter, thus reducing the health and social costs created by an unsafe and unsanitary environment. In addition, it generates employment and business activities.

Whenever possible, HIP funding is combined with funding from other programs in order to stretch the housing dollar and to provide as much housing as possible. Under this arrangement, HIP generally provides the construction material while other programs, except for the IHS programs, furnish the necessary labor. During FY 1985, \$7,775,400 was contributed to the HIP in the form of labor and materials.

The following chart shows the number of housing units constructed and repaired:

NEW HOMES AND REPAIRS CONSTRUCTED
FY 1963 through FY 1984

HUD ownership.....	34,170
HUD rental.....	23,008
Housing improvement, new homes.....	10,446
Flood rehabilitation.....	397
Built with judgment funds.....	805
Built with credit loans.....	2,975
Other.....	8,147
Total, New Homes.....	<u>79,948</u>
Housing improvement, repairs.....	64,726

The following is a breakdown of FY 1984 and FY 1985 contributions to HIP by other sources:

<u>Source</u>	<u>FY 1984</u>	<u>FY 1985</u>
Indian Health Service.....	\$4,701,600	\$5,121,200
Tribal appropriated funding.....	595,100	637,400
Individual (includes materials and labor costs).....	306,400	304,300
Other Bureau programs (IAT, TWEP, etc.)	149,000	---
Department of Labor programs (Mainstream, CETA, etc.).....	383,600	519,900 ^{1/}
Department of HHS (excludes IHS).....	105,900	79,500
Other (HUD, CDBG, FmHA, DOE, etc.).....	1,875,300	1,113,100
Total, other programs.....	<u>\$8,116,900</u>	<u>\$7,775,400</u>

^{1/} Department of Labor Mainstream and CETA programs have been replaced by JPTA (Jobs Partnership Training Act). Some of the trainees in the JPTA Programs are working on HIP projects.

In FY 1985, the program was approximately 79% contracted, with the value of contracts amounting to \$15,468,000 out of the HIP funds of \$19,580,000.

Program Accomplishments: During FY 1985, the Bureau provided financing for 347 new housing units and for the repair and renovation of 2,487 existing units. FY 1986 program accomplishments are estimated to be approximately 322 new units and 2,565 repairs. The number of new units and repairs that the Bureau provided in FY 1985 and an estimate of those to be provided in FY 1986 and FY 1987 are as follows:

	<u>Actual FY 1985</u>	<u>Est. FY 1986</u>	<u>Est. FY 1987</u>
New	347	322	-0-
Repairs	2,487	2,565	2,734

The cost factors derived for FY 1986 HIP operations and for the FY 1987 proposed level are as follows:

	<u>Fiscal Year</u>	<u>Estimated Average Cost</u>	<u>No. of Units</u>	<u>Total Cost a/</u>
Repairs to standard	1986	\$ 8,000	1,160	\$ 9,277,125
	1987	8,000	1,329	10,630,625
Non-standard repairs	1986	2,200	1,405	3,092,375
	1987	2,200	1,405	3,092,375
New construction	1986	\$36,000	167	5,994,450
	1987	36,000	-0-	-0-
Down payments	1986	4,300	155	666,050
	1987	4,300	-0-	-0-

a/ Detail may not compute exactly due to rounding of the average cost factors.

Workload Data: The last column below shows FY 1987 workload based on the proposed funding level:

	<u>Actual FY 1982</u>	<u>Actual FY 1983</u>	<u>Actual FY 1984</u>	<u>Actual FY 1985</u>	<u>Estimate FY 1986</u>	<u>Estimate FY 1987</u>
New house starts (HIP)	524	581	637	347	322	-0-
Repairs	3,667	3,881	4,058	2,487	2,565	2,734

3. Housing Training (\$123,000): No FTE's are involved in the operation of the housing training. The Bureau will continue to offer the HIP management and HIP reporting system training to tribal HIP Coordinators and Bureau staff involved in the implementation of the Housing Improvement Program.

4. Navajo/Hopi Housing Construction (\$0): Funds in the amount of \$21,870,000 were appropriated for the Navajo/Hopi Housing Construction program in FY 1986. These funds will allow the Bureau to construct approximately 300 houses for Navajos residing or previously residing on Hopi partitioned lands. To carry out this work, the Assistant Secretary - Indian Affairs has appointed a Housing Specialist, who will assist him in working with the Navajo and Hopi Relocation Commission in planning how this work can be accomplished in the most expeditious way possible to best meet the needs of the relocatees. The Assistant Secretary also intends to involve the relocatees in the decision-making process.

Decreases for FY 1987:

1. Housing Development (\$-150,000; -3 FTE): The proposed decrease of \$150,000 reflects a reduction of three positions for Alaska, including salaries and travel for those positions.

2. Housing Improvement Program (\$-6,161,000): The proposed decrease of \$6,161,000 reflects a policy determination to hold construction programs to a minimum. Thus, consistent with this policy, the FY 1987 HIP activities will be at a reduced level, with new construction to be deferred in favor of continued rehabilitation and repair.

The \$6,161,000 decrease includes a \$647,000 reduction for Alaska. The Alaska decrease is proposed in conjunction with a reduced BIA role in providing services to Alaska Natives. The general improvement of the State's economy has had a positive impact on the Alaska Native socioeconomic status.

2. Navajo-Hopi Construction (\$-21,870,000): No funds are requested for this construction in FY 1987. It is expected that the construction of the housing and related infrastructure work for which funds were appropriated in FY 1986 will continue into FY 1987.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Programming and Financing (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
Direct Program:			
1. Buildings and utilities.....	50,150	44,990	32,750
2. Irrigation systems.....	43,660	30,346	22,100
3. Housing.....	20,892	37,884	21,600
4. Land acquisition.....	2,332	3,615	---
Total direct program	117,034	116,835	76,450
Reimbursable Program:			
1. Buildings and utilities.....	---	500	500
2. Irrigation systems.....	617	1,500	1,500
Total reimbursable program.....	617	2,000	2,000
10.00 Total obligations.....	117,651	118,835	78,450
<u>Financing:</u>			
11.00 Offsetting collections from:			
Federal funds.....	-617	-2,000	-2,000
21.40 Unobligated balance available, start of year.....	-63,383	-41,691	-30,204
24.40 Unobligated balance available, end of year.....	41,691	30,204	12,909
25.00 Unobligated balance restored...	12,850	---	---
39.00 Budget Authority.....	108,192	105,348	59,155
<u>Budget Authority:</u>			
40.00 Appropriation.....	107,492	101,054	59,155
40.00 Reduction pursuant to P.L.99-190	---	-606	---
41.00 Transfer to other accounts	-25,000	---	---
42.00 Transfer in.....	12,850	---	---
43.00 Appropriation (adjusted)	95,342	100,448	59,155
50.00 Reappropriation.....	12,850	---	---
62.00 Transferred from other accounts	---	4,900	---
63.00 Appropriation (adjusted).....	---	4,900	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	117,034	116,835	76,450
72.40 Obligated balance, start of year	104,847	103,532	107,367
74.40 Obligated balance, end of year..	-103,532	-107,367	-85,817
90.00 Outlays.....	118,349	113,000	98,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Object Classification (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1985 Actual	1986 Estimate	1987 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	3,025	3,138	3,081
11.3 Other than full-time permanent..	911	958	935
11.5 Other personnel compensation....	107	72	71
11.9 Total personnel compensation....	4,043	4,168	4,087
Personnel benefits:			
12.1 Civilian.....	468	482	473
21.0 Travel and transportation of persons.....	384	390	395
22.0 Transportation of things.....	70	100	100
23.2 Communication, utilities & other rent.....	---	150	150
24.0 Printing and reproduction.....	22	25	25
25.0 Other services.....	38,064	31,708	25,982
26.0 Supplies and materials.....	4,072	5,000	4,000
31.0 Equipment.....	2,340	2,500	1,000
32.0 Lands and structures.....	42,672	45,000	20,000
41.0 Grants, subsidies & contributions	21,732	22,000	20,000
99.0 Subtotal, direct obligations	113,867	111,523	76,212
Reimbursable Obligations:			
25.0 Other Services.....	617	2,000	2,000
ALLOCATION TO BUREAU OF RECLAMATION			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	700	398	114
11.3 Other than full-time permanent..	14	10	---
11.5 Other personnel compensation....	28	19	8
11.9 Total personnel compensation	742	427	122
Personnel benefits:			
12.1 Civilian.....	112	67	19
21.0 Travel and transportation of persons.....	32	27	5
22.0 Transportation of things.....	157	17	---
23.1 Standard level user charges.....	110	82	15
23.2 Communications, utilities & other rent	119	140	5
24.0 Printing and reproduction.....	24	27	9
25.0 Other services.....	1,186	1,706	53
26.0 Supplies and materials.....	462	50	5
31.0 Equipment.....	223	20	5
32.0 Lands and structures.....	---	2,749	---
99.0 Subtotal, direct obligations, allocation account.....	3,167	5,312	238
Reimbursable Obligations:			
99.91 Total obligations.....	117,651	118,835	78,450

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Personnel Summary (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1985 Actual	1986 Estimate	1987 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct:			
Total no. of full-time permanent positions.....	107	111	109
Total compensable workyears:			
Full-time equivalent employment..	146	152	149
Full-time equiv. overtime and holiday hrs.....	4	5	5
 ALLOCATION TO BUREAU OF RECLAMATION			
Total no. of full-time permanent positions.....	32	15	---
Total compensable work years:			
Full-time equivalent employment....	30	14	---

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 CONSTRUCTION
 P.L. 99-177 Sequestration

Programming and Financing (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
10.00 Total obligations.....	---	-4,530	---
<u>Financing:</u>			
40.00 Budget Authority.....	---	-4,530	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	-4,530	---
72.40 Obligated balance, start of year	---	---	-3,489
74.40 Obligated balance, end of year..	---	3,489	2,356
90.00 Outlays.....	---	-1,041	-1,133

Object Classification

<u>Direct Obligations:</u>			
92.0 Undistributed.....	---	-4,530	---
99.0 Subtotal, direct obligations	---	-4,530	---

ROAD CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs[: Provided, That \$3,200,000 of the contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund for road construction to serve the Navajo Reservation shall be used by the Secretary of the Interior for road construction projects to serve land transferred or acquired under the Act of December 22, 1974, as amended (88 Stat. 1712; 25 U.S.C. 640d et. seq.): Provided further, That the foregoing shall not alter the amount of funds or contract authority that would otherwise be available for road construction to serve any Indian reservation or land other than the Navajo reservation].

(Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190.)

Justification of Proposed Language Changes

1. Deletion: "Provided, That \$3,200,000 of the contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund for road construction to serve the Navajo Reservation shall be used by the Secretary of the Interior for road construction projects to serve land transferred or acquired under the Act of December 22, 1974, as amended (88 Stat. 1712; 25 U.S.C. 640d et. seq.): Provided further, That the foregoing shall not alter the amount of funds or contract authority that would otherwise be available for road construction to serve any Indian reservation or land other than the Navajo reservation."

The language pertains specifically to contract authority provided in Fiscal Year 1986. Therefore, the language is no longer necessary.

Appropriation Language and Citations

Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.

25 U.S.C. 13, 318a
23 U.S.C. 203

25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including road construction, to federally recognized Indians. 25 U.S.C. 318a authorizes "material, equipment, supervision and engineering ... in survey, improvement, construction ... of Indian reservation roads...." 23 U.S.C. 203 provides that "Funds authorized for ... Indian reservation roads shall be available for contract upon apportionment"

The Federal Aid Highway Act, of various years, has authorized funds to be appropriated for Indian reservation roads and bridges.

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: ROAD CONSTRUCTION

FY 1986 Budgetary Status

Appropriation realized.....	\$	---
Prior year unobligated balance brought forward.....		10,911,000
Estimated collections during fiscal year.....		<u>6,300,000</u>
Total, Available for Obligation.....	\$	17,211,000
Less anticipated obligations.....		<u>-10,331,000</u>

FY 1987 Request

Anticipated unobligated balance brought forward.....	\$	6,880,000
Plus increases proposed:		
New Budget Authority.....		---
Estimated collections during fiscal year.....		<u>6,300,000</u>
Total available for obligation.....	\$	13,180,000

Justification for Road Construction

Account:	Road Construction
Activity:	Road Construction

(Dollar amounts in thousands)

		FY 1986 Enacted to Date	FY 1986 Adjusted Approp.	FY 1987 Estimate	Inc. (+) Dec. (-) From Enacted
Program Total:	\$	---	---	---	---
Equipment Pool Operations (Reimbursement)	(FTE)	(33)	(---)	(33)	(---)
Allocation From FHWA	(FTE)	(682)	(---)	(682)	(---)

Authorization: P.L. 97-424, the Surface Transportation Assistance Act (STAA) of 1982, provides for funds available for Indian reservation roads to be used by the Secretary of the Interior (23 U.S.C. 204).

Objective: To provide roads on Indian reservations for safe and convenient transportation of people and goods.

Program Justification: Project Funds (subject to Congressional reauthorization of the Federal Aid Highway Act in Fiscal Years 1987 through 1990) are included in contract authority from the Highway Trust Fund of the Federal Lands Highway Program, Department of Transportation, and are not included in the Bureau's budget. The Bureau will finance all costs of the Indian Road Construction program through this contract authority. These include funds for Central Office program management and for program supervision by the area/agency offices, not to exceed 5% of the total contract authority allocation.

In addition to awarding road construction contracts to private contractors, the Bureau operates a road construction equipment pool to undertake projects in isolated or high-cost areas where such a "force account" operation is more economical than private contracting. The equipment pool is financed by a revolving fund which collects equipment rentals charged to projects funded from the Highway Trust Fund. Federal cost principles currently permit the Bureau to establish equipment rental rates based on actual direct and indirect operating costs and an allowance for depreciation. Charging rentals at rates based on these cost principles generates sufficient revenues to permit replacement of existing equipment. Current estimated rentals are \$10,000,000 annually.

Thirty-three (33) FTE are financed in this account for the field equipment pool operations. All other program FTE (682) are expected to be available from the FHWA allocation account to carry out work under the funding provided by FHWA.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Program and Financing (in thousands of dollars)

		1985	1986	1987
Indentification Code: 14X2364-01-452		Actual	Estimate	Estimate
<u>Program by activities:</u>				
	Direct program.....	1,900	5,000	---
	Reimbursable program.....	2,762	5,331	6,300
10.00	Total obligations.....	4,662	10,331	6,300
<u>Financing:</u>				
Offsetting collections from:				
11.00	Federal sources.....	-4,089	-5,300	-5,300
14.00	Non-federal sources.....	-700	-1,000	-1,000
21.40	Unobligated balance available, start of year.....	-4,904	-10,911	-6,880
24.40	Unobligated balance available, end of year.....	10,911	6,880	6,880
39.00	Budget authority.....	5,880	---	---
<u>Budget authority:</u>				
40.00	Appropriation.....	6,000	---	---
40.00	Reduction pursuant to Public Law 98-473.....	-120	---	---
43.00	Appropriation (adjusted).....	5,880	---	---
<u>Relation of obligations to outlays:</u>				
71.00	Obligations incurred, net....	-127	4,031	---
72.40	Obligated balance, start of year	8,979	5,177	10,708
74.40	Obligated balance, end of year	-5,177	-10,708	-10,708
90.00	Outlays.....	3,676 ^{a/}	-1,500	---

a/ Does not add due to rounding.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Object Classification (in thousands of dollars)

Identification Code: 14-2364-01-542	1985 Actual	1986 Estimate	1987 Estimate
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	278	50	---
11.3 Other than full-time permanent	7	8	---
11.5 Other personnel compensation.....	10	12	---
11.9 Total personnel compensation.....	295	70	---
12.1 Personnel benefits: civilian....	---	36	---
22.0 Transportation of things.....	71	20	---
24.0 Printing and reproduction.....	---	10	---
25.0 Other services.....	1,263	2,350	---
26.0 Supplies and materials.....	---	50	---
32.0 Lands and structures.....	271	2,464	---
99.0 Subtotal, direct obligations...	1,900	5,000	---
99.0 Subtotal, reimbursable oblig...	2,762	5,331	6,300
99.9 Total obligations.....	4,662	10,331	6,300

PERSONNEL SUMMARY

Total number of full-time permanent positions.....	31	26	26
Total compensable work years:			
Full-time equivalent employment.....	39	33	33
Full-time equivalent of overtime and holiday hours.....	1	1	1

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 ROAD CONSTRUCTION
 P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)

Indentification Code: 14X2364-01-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
10.00 Total obligations.....	---	-43	---
<u>Financing:</u>			
25.00 Unobligated balance lapsing..	---	43	---
39.00 Budget authority.....	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net....	---	-43	---
72.40 Obligated balance, start of year	---	---	---
74.40 Obligated balance, end of year	---	---	---
90.00 Outlays.....	---	-43	---

Object Classification

<u>Direct Obligations:</u>			
92.0 Undistributed.....	---	-43	---
99.9 Total obligations.....	---	-43	---

EASTERN INDIAN
SETTLEMENT

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 14-2202-0-1-806

EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND

Program and Performance

Rhode Island Indian Claims Settlement Fund. Payments were made to the fund as authorized by P.L. 95-395, September 30, 1978, for settlement of certain Indian land claims in the State of Rhode Island.

Program and Financing (in thousands of dollars)

Identification Code: 14-2202-0-1-806	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
Rhode Island Indian claims settlement fund.....	---	---	---
10.00 Total obligations (obj class 32)	---	---	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	-54	-54	-54
24.40 Unobligated balance available, end of year.....	54	54	54
40.00 Budget Authority.....	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
PAYMENT TO ALASKA NATIVE ESCROW ACCOUNT

[For the Federal contribution to the Alaska Native Escrow Account related to proceeds received by Federal agencies from lands or resources of lands after the date of withdrawal of the land for Native selection as authorized by Public Law 94-204; an amendment to the Alaska Native Claims Settlement Act (43 U.S.C. 1631-1641; 89 Stat. 1476), and Public Law 96-487, the Alaska National Interest Lands Conservation Act (94 Stat. 2497), \$7,877,000: Provided, That those funds appropriated hereunder which represent proceeds received from lands which have been conveyed on or before the date of enactment of this Act shall be distributed to the appropriate Native corporations pursuant to Public Law 96-487 immediately upon receipt in the escrow account: Provided further, That those funds which represent proceeds received from lands withdrawn for Native Selection but not yet conveyed on the date of the enactment of this Act will be held in the escrow account and invested until conveyance, and shall, during the time that such funds are on deposit in the escrow account, be entitled to their share of the interest earned by the escrow account pursuant to the first proviso of section 2(b) of Public Law 94-204.]

(Department of the Interior and Related Agencies Appropriation Act, 1986, as included in Public Law 99-190.)

Justification of Proposed Language Changes

Deletion: "For the Federal contribution to the Alaska Native Escrow Account related to proceeds received by Federal agencies from lands or resources of lands after the date of withdrawal of the land for Native selection as authorized by Public Law 94-204; an amendment to the Alaska Native Claims Settlement Act (43 U.S.C. 1631-1641; 89 Stat. 1476), and Public Law 96-487, the Alaska National Interest Lands Conservation Act (94 Stat. 2497), \$7,877,000: Provided, That those funds appropriated hereunder which represent proceeds received from lands which have been conveyed on or before the date of enactment of this Act shall be distributed to the appropriate Native corporations pursuant to Public Law 96-487 immediately upon receipt in the escrow account: Provided further, That those funds which represent proceeds received from lands withdrawn for Native Selection but not yet conveyed on the date of the enactment of this Act will be held in the escrow account and invested until conveyance, and shall, during the time that such funds are on deposit in the escrow account, be entitled to their share of the interest earned by the escrow account pursuant to the first proviso of section 2(b) of Public Law 94-204."

This language pertains specifically to one-time funding in FY 1986 and is therefore no longer required.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 PAYMENT TO ALASKA NATIVE ESCROW ACCOUNT

<u>Program and Financing (in thousands of dollars)</u>			
<u>Identification Code: 14-2366-0-1-806</u>	1985	1986	1987
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Program by activities:</u>			
10.00 Total obligations (O.C. 41.0)...	---	7,830	---
<u>Financing:</u>			
40.00 Budget Authority.	---	7,830	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	7,830	---
72.40 Obligated balance, start of year.....	---	---	---
74.40 Obligated balance, end of year	---	---	---
90.00 Outlays.....	---	7,830	---

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 PAYMENT TO ALASKA NATIVE ESCROW ACCOUNT
 P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)

	1985	1986	1987
Identification Code: 14-2366-0-1-806	Actual	Estimate	Estimate

Program by activities:

10.00 Total obligations.....	---	-337	---
------------------------------	-----	------	-----

Financing:

40.00 Budget Authority.	---	-337	---
------------------------------	-----	------	-----

Relation of obligations to outlays:

71.00 Obligations incurred, net....	---	-337	---
72.40 Obligated balance, start of year.....	---	---	---
74.40 Obligated balance, end of year	---	---	---
90.00 Outlays.....	---	-337	---

Object Class

92.00 Undistributed.....	---	-337	---
99.9 Total Obligations.....	---	-337	---

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 14-2624-0-7-452
 UTAH PAIUTE TRUST FUND

Program and Performance

1. Economic Development Fund - Payments were made to the Utah Paiute Trust Fund pursuant to P.L. 98-219 which establishes an economic development fund, and in accordance with the provisions stated in P.L. 96-227, the "Paiute Indian Tribe of Utah Restoration Act."

2. Tribal Government Fund - Payments were made to the Utah Paiute Trust Fund pursuant to P.L. 98-219 which establishes a tribal government fund, and in accordance with the provisions stated in P.L. 96-227, the "Paiute Indian Tribe of Utah Restoration Act."

UTAH PAIUTE TRUST FUND

Program and Financing (in thousands of dollars)			
Identification Code: 14-2624-0-7-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
1. Economic Development Fund	1,250	---	---
2. Tribal Government Fund	<u>1,250</u>	<u>---</u>	<u>---</u>
10.00 Total obligations (object class 41.0)	2,500	---	---
<hr/>			
40.00 Budget Authority (appropriation)	2,500	---	---
<hr/>			
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net	<u>2,500</u>	---	---
90.00 Outlays	2,500	---	---

ADMINISTRATIVE PROVISIONS

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits; and purchase of not to exceed 150 passenger carrying motor vehicles, of which 100 shall be for replacement only. Provided that not to exceed \$25,063,000 shall be provided from funds appropriated to the Bureau of Indian Affairs for programs and activities in the State of Alaska.

(Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190.)

Justification of Proposed Language Change

Addition: "Provided that not to exceed \$25,063,000 shall be provided from funds appropriated to the Bureau of Indian Affairs for programs and activities in the State of Alaska."

The Bureau is limiting its services in the State of Alaska. The economic status of Alaska Natives has improved since the passage of the Alaska Native Claims Settlement Act. That act withdrew over 40 million acres of lands for Alaska Natives, provided nearly \$1 billion in funding, and established Native Corporations to manage these assets. These lands are not trust lands as are most reservations in the lower 48 states; only one reservation exists in Alaska. The Administration believes that Alaska Natives no longer require the levels of support that the Federal Government provided in the past. Moreover, the State has taken on greater responsibility for serving Alaska Natives by taking over BIA schools and the welfare assistance program.

(Note: This addition was not included in the Appendix to the President's Budget.)

Appropriation Language and Citations

1. Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits; and purchase of not to exceed... passenger carrying motor vehicles, of which... shall be for replacement only.

31 U.S.C. 638a(a)

31 U.S.C. 638a(a) provides "Unless specifically authorized by the appropriation concerned or other law no appropriation shall be expended to purchase or hire passenger motor vehicles for any branch of the Government..."

2. Provided that not to exceed \$25,063,000 shall be provided from funds appropriated to the Bureau of Indian Affairs for programs and activities in the State of Alaska.

25 U.S.C. 13

25 U.S.C 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians.

JUSTIFICATION

Appropriation: Operation of Indian Programs

Activity: Education

Vehicles: School buses - various sizes, 15 for replacement.

Activity: Indian Services

Subactivity: Law Enforcement

Vehicles: Sedans fully equipped for police work, 35 new vehicles and 100 for replacement, at a cost of \$9,000 per vehicle, required to carry out law enforcement throughout the Bureau.

Summary of Proposed Acquisition of Certain Types of Vehicles, FY 1987

Type	Total	New	Replacement
Police	135	35	100
School Buses	15	0	15
	150	35	115

MISCELLANEOUS APPROPRIATIONS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
FY 1987

Program Title: Miscellaneous Appropriations

Description:

1. Claims and Treaty Obligations - \$2,000,000
 - A. Fulfilling treaties with the Senecas of New York - \$6,000. This money is to be paid in equal shares to members of the Seneca Nation as provided by the Act of February 19, 1831 (4 Stat. 442).
 - B. Fulfilling treaties with the Six Nations of New York - \$4,500. The Six Nations are comprised of the Senecas, Tonawanda Band of Senecas, Tuscarora, Onondaga, Oneida, and Cayuga Tribes. This money is allocated as follows: \$2,700 to the New York Indians for the purchase of dress goods, and \$1,800 distributed per capita to the Oneida Indians under the jurisdiction of the Great Lakes Agency, Wisconsin, as provided by the Act of November 11, 1794.
 - C. Fulfilling treaties with the Pawnees of Oklahoma - \$30,000. This money is distributed per capita to the Pawnees as provided by the treaty of September 24, 1857, Article 2.
 - D. Payments to Indians of the Sioux Reservation - \$1,959,500. This is an annual charge against the general fund of the Treasury, the amount being indefinite until individual applications for payments are made and approved. Sioux benefits were originally for articles of farming equipment and stock or, more commonly today, the commuted cash value of such articles. The approved commuted value of an individual share of Sioux benefits for FY 1986 is \$4,129.57. The legal authority for these payments is found in the Act of March 2, 1889, section 17 (25 Stat. 894); Act of June 10, 1896 (29 Stat. 334); and the Act of June 21, 1906 (34 Stat. 326).
2. Operation and Maintenance, Indian Irrigation Systems - \$20,000,000. Funds obtained from the collection of assessments against water users on various projects are deposited in the Treasury to the credit of the respective projects. Funds are used for such purposes as annual cleaning of canals and laterals to remove silt, moss, and weed growth; repair and replacement of water control structures; operation and maintenance of reservoirs, dams and pumping plants, including the purchase of electrical energy; payment to operators of non-Bureau irrigation systems that include and benefit Indian lands; repair of flood damage; etc. The various projects located on Indian reservations are thus maintained in good operating condition, permitting the facilities constructed by the government to be fully utilized by the Indian and non-Indian landowners within the project who depend upon proper operation and maintenance of the projects for irrigation farming and subsistence. As authorized by the FY 1984 Appropriation Act (P.L. 98-146, dated November 4, 1983), collections are invested in interest-bearing securities until required for project operations.

3. Power Systems, Indian Irrigation Projects - \$32,000,000. Funds are obtained from earned revenue deposited in the Treasury and credited to the respective projects. Funds are used for the operation and maintenance of two hydro-power generating plants; a diesel power generating plant; transmission lines; distribution systems and pumping plants for project irrigation system; purchase of power for re-sale; and for all necessary expenses for operation of power systems on an actual cost basis. A project power system's primary purpose is to furnish electrical energy to the project for irrigation and drainage pumping and also to furnish energy to mining and milling properties, public utilities and domestic consumers on the project proper, in nearby towns and villages, and in outlying farming areas. The energy supplied by these projects (San Carlos, Colorado River, and Flathead Indian Reservations) in many instances is the only source of electrical energy available to the consumers. Approximately 500 million kilowatt-hours are transmitted over all projects. Annually, the distribution systems serve approximately 27,000 domestic, commercial, and irrigation consumers. As with irrigation collections, power collections and reserves are invested in interest-bearing securities until required for power system operations as authorized by the FY 1984 Appropriation Act (P.L. 98-146, dated November 4, 1983).

4. Lummi Diking Project. Revenues which have been collected for construction, operation, and maintenance, including interest and penalties, against each tract of land within the project which, as of September 17, 1965, were in a trust or restricted status are available to pay assessments made against each such tract (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821). No activity is anticipated for this program in fiscal year 1987.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-9925-0-2-999
MISCELLANEOUS APPROPRIATIONS

Program and Performance

1. Claims and Treaty Obligations. Payments are made to fulfill treaty obligations with the Senecas of New York (Act of February 19, 1831), the Six Nations of New York (Act of November 11, 1794), and the Pawnees of Oklahoma (the Treaty of September 24, 1857); and benefit claims to the Sioux Indians (Acts of March 2, 1889; June 10, 1896; and June 21, 1906).
2. Operation and Maintenance, Indian Irrigation Systems. Revenues derived from charges for operation and maintenance of Indian irrigation projects are used to defray, in part, the cost of operating and maintaining these projects (60 Stat. 895). The Secretary of the Interior is authorized to invest the funds, derived from collections, in interest-bearing securities until required for project operations, pursuant to P.L. 98-146, dated November 4, 1983.
3. Power Systems, Indian Irrigation Projects. Revenues collected from the sale of electric power by the Colorado River, Flathead, and San Carlos power systems are used to operate and maintain these systems (60 Stat. 895; 65 Stat. 254). The Secretary of the Interior is authorized to invest the funds, derived from collections, in interest-bearing securities until required for power system operations, pursuant to P.L. 98-146, dated November 4, 1983.
4. Lummi Diking Project. Revenues which have been collected for construction, operation, and maintenance, including interest and penalties, against each tract of land within the project which, as of September 17, 1965, were in a trust or restricted status and are available to pay assessments made against each such tract. (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821.)

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1985 Actual	1986 Estimate	1987 Estimate
--------------------------------------	----------------	------------------	------------------

Program by activities:

1. Claims and Treaty Obligations...	1,069	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	14,733	16,300	20,000
3. Power Systems, Indian Irrigation Projects.....	23,493	24,500	30,000
4. Lummi Indian Diking Project.....	0	---	---
10.00 Total Obligations.....	39,295	42,800	52,000

Financing:

21.00 Unobligated balance available, start of year.....	-17,488	-25,083	-31,211
24.00 Unobligated balance available, end of year.....	25,083	31,211	33,211
25.00 Unobligated balance lapsing....	---	2,072	---
60.00 Budget authority appropriation (Permanent, indefinite).....	46,890	51,000	54,000

Relation of obligations to outlays:

71.00 Obligations incurred, net.....	39,295	42,800	52,000
72.40 Obligated balance, start of year.....	7,269	8,383	8,983
74.40 Obligated balance, end of year	-8,383	-8,983	-9,983
90.00 Outlays.....	38,181	42,200	51,000

Distribution of budget authority by account:

1. Claims and Treaty Obligations...	928	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	17,178	19,000	20,000
3. Power Systems, Indian Irrigation Projects.....	28,784	30,000	32,000
Total.....	46,890	51,000	54,000

Distribution of outlays by account:

1. Claims and Treaty Obligations...	1,072	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	15,130	15,000	19,000
3. Power Systems, Indian Irrigation Projects.....	21,979	25,200	30,000
Total.....	38,181	42,200	51,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Object Classification (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1985 Actual	1986 Estimate	1987 Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	9,350	10,238	12,438
11.3 Other than full-time positions.	559	556	676
11.5 Other personnel compensation...	280	334	406
11.9 Total personnel compensation.	10,189	11,128	13,520
Personnel Benefits:			
12.1 Civilian.....	1,514	1,712	2,080
21.0 Travel & transportation of persons.....	76	76	76
22.0 Transportation of things.....	546	428	520
23.2 Communications, utilities, and other rent.....	9,512	10,272	12,480
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	10,040	11,085	13,569
26.0 Supplies and materials.....	5,957	6,420	7,800
31.0 Equipment.....	346	346	346
32.0 Lands and structures.....	48	48	48
41.0 Grants, subsidies, and contributions.....	1,066	1,284	1,560
99.9 Total obligations.....	39,295	42,800	52,000

Personnel Summary

Total number of permanent positions..	451	450	450
Total compensable work years.....	472	469	469
Full-time equiv. of overtime and holiday hours.....	14	14	14

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1985 Actual	1986 Estimate	1987 Estimate
--------------------------------------	----------------	------------------	------------------

Program by activities:

1. Claims and Treaty Obligations...		-86	
2. Operation and Maintenance, Indian Irrigation Systems.....		-843	
3. Power Systems, Indian Irrigation Projects.....		-1,264	
4. Lummi Indian Diking Project.....			
10.00 Total Obligations.....		-2,193	

Financing:

21.40 Unobligated balance available, start of year.....			-2,107
24.40 Unobligated balance available, end of year.....		2,107	2,107
25.00 Unobligated balance lapsing....			
60.00 Budget authority appropriation (Permanent, indefinite).....		-86	

Relation of obligations to outlays:

71.00 Obligations incurred, net.....		-2,193	
72.40 Obligated balance, start of year.....			-738
74.40 Obligated balance, end of year		738	
90.00 Outlays.....		-1,455	-738

Object Classification

Direct Obligations:

92.0 Undistributed.....		-2,193	
99.9 Total obligations.....		-2,193	

OPERATION & MAINTENANCE
QUARTERS

Justification of Program and Performance

Activity: Operation and Maintenance of Quarters
(Dollar amounts in Thousands)

<u>Program Elements</u>		<u>FY 1986 Estimate</u>	<u>FY 1986 Revised Estimate</u>	<u>FY 1987 Estimate</u>	<u>Inc. (+) Dec. (-) From 86</u>
Operation and Maintenance of Quarters (FTE)	\$	8,000 (20)		9,000 (20)	+1,000 (--)
Total Requirements	\$ (FTE)	8,000 (20)	7,656	9,000 (20)	+1,000 (--)

Gramm-Rudman-Hollings Impact

	<u>FY 1986 Estimate</u>	<u>P.L.99-177 Reduction</u>	<u>FY 1986 Adjusted Estimate</u>
Operation and Maintenance of Quarters	\$8,000	\$-344	\$7,656

As a result of the P.L. 99-177 reduction, \$344,000 will be sequestered under the Operation and Maintenance of Quarters account. This will result in projects being deferred to subsequent fiscal years.

Authorizations: Public Law 88-459 (Federal Employees Quarters and Facilities Act of 1964) is the basic authority under which the Secretary utilizes quarters rental funds to defer the costs of operation and maintenance incidental to the employee quarters program. P.L. 988-473 established a special fund, to remain available until expended, for the operation and maintenance of quarters.

Objectives: The Bureau's Operation and Maintenance of Quarters Program objectives are to:

1. Reduce quarters operation and maintenance needs, with emphasis on critical life safety needs as they arise;
2. Repair or refurbish quarters and appurtenant structures, such as streets and associated utilities within the boundaries of a quarters site, through alternative consideration of the quarters program (e.g., major repair, renovation, and improvements);
3. Provide operation cost of quarters while vacant; and
4. Consolidate underutilized quarters to maximize use of existing facilities and to defer some of the continuing costs of repair, operation, and maintenance. Further planning studies are to be undertaken to continue progress toward meeting the Bureau's goal of reducing its quarters stock.

Description: The Operation and Maintenance of Quarters Program is funded through collections from quarters rental. Public Law 98-473 provided that "... after September 30, 1984, rents and charges collected by payroll deduction or otherwise for the use or occupancy of quarters of agencies funded by this Act shall thereafter be deposited in a special fund in each agency, to remain available until expended, for the maintenance and operation of the quarters of that agency...."

This Act further stipulated that beginning in FY 1985 and thereafter, the amounts collected were to be expended in the agency unit or subunit where the funds were collected, and that up to 10 percent of the funds collected could be transferred to another unit within the same agency. An agency or subunit was defined as park, refuge, hatchery, forest, agency office, school, service unit, hospital, or clinic. In prior years, these funds were available for uses other than the operation and maintenance of quarters, and any obligated balances remaining at the fiscal year's end were returned to the Treasury.

Positive control of this Bureau program, instituted in FY 1982 and continued through FY 1986, has totaled approximately \$32,000,000. Rental receipts for FY 1987, anticipated at approximately \$9,000,000, will continue to be expended for quarters operation and maintenance. Categories of work include general repair, repair of quarters buildings, and code and regulatory efforts (providing for handicapped use and accessibility, improvement of energy efficiency, and correction of immediate life safety discrepancies). Site improvements, including utility repair and replacement, street and general access repair, along with the purchase of much needed repair and sanitation equipment, will be provided.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification Code: 14-5051-6-2-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
10.00 Total Obligations.....	3,666	9,000	9,500
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	---	-4,032	-3,032
24.40 Unobligated balance available, end of year.....	4,032	3,032	2,532
60.00 <u>Budget authority</u>	7,698	8,000	9,000
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	3,666	9,000	9,500
72.40 Obligated balance, start of year.....	---	1,259	3,259
74.40 Obligated balance, end of year	-1,259	-3,259	-3,759
90.00 Outlays.....	2,407	7,000	9,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION & MAINTENANCE OF QUARTERS

Object Classification (in thousands of dollars)

Identification Code: 14-5051-6-2-452	1985 Actual	1986 Estimate	1987 Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	392	392	392
11.3 Other than full-time positions.	38	38	38
11.5 Other personnel compensation...	14	14	14
11.9 Total personnel compensation.	444	444	444
Personnel Benefits:			
12.1 Civilian.....	58	58	58
21.0 Travel & transportation of persons.....	11	33	33
22.0 Transportation of things.....	29	87	87
23.3 Communications, utilities, and other rent.....	224	578	611
25.0 Other services.....	903	2,394	2,531
26.0 Supplies and materials.....	650	1,734	1,832
31.0 Equipment.....	63	189	189
32.0 Lands and structures.....	1,277	3,462	3,694
42.0 Insurance claims and indem.....	7	21	21
99.9 Total obligations.....	3,666	9,000	9,500

Personnel Summary

Total number of permanent positions..	18	18	18
Total compensable work years.....	20	20	20
Full-time equiv. of overtime and holiday hours.....	1	1	1

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION AND MAINTENANCE OF QUARTERS
 P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)			
Identification Code: 14-5051-6-2-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
10.00 Total Obligations.....	---	-344	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	---	---	-344
24.40 Unobligated balance available, end of year.....	---	344	344
60.00 <u>Budget authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	-344	---
72.40 Obligated balance, start of year.....	---	---	-271
74.40 Obligated balance, end of year	---	271	---
90.00 Outlays.....	---	-71	-271
Object Classification			
<u>Direct Obligations:</u>			
92.0 Undistributed.....	---	-344	---
99.9 Total obligations.....	---	-344	---

MISCELLANEOUS REVOLVING
FUNDS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

During Fiscal Year [1986] 1987, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed [\$16,300,000] \$16,320,000. [:Provided, That notwithstanding section 102 of the Indian Financing Act of 1974, as amended (25 U.S.C. 1462) and regulations restricting the purposes for loans under the Act, the Secretary may make a loan under title I of that Act to the Zuni Pueblo for the acquisition in trust for the Pueblo of private lands in the area known as Zuni Heaven in an amount not to exceed \$1,470,000.]

(Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190.)

Appropriation Language and Citations

This language is an administrative limitation required by OMB Circular A-11, 31.5, and is not required by law.

Authorization: The Bureau's revolving loan fund was authorized by the Indian Reorganization Act of 1934 (25 U.S.C. 4070). It has been amended and expanded several times adding new programs and authorizing additional funds.

25 U.S.C. 470: Authorized \$20,000,000 to be established as a revolving fund to make loans to Indian chartered corporations for the purpose of promoting the economic development of such tribes and their members. Repayments of amounts loaned under this authorization shall be credited to the revolving fund and shall be available for further loans.

25 U.S.C. 470a: Interest or other charges shall be credited to the revolving loan fund and should be available for making loans to individual Indians and associations or corporate groups of Indians in Oklahoma.

25 U.S.C. 471: Authorized to be appropriated funds not to exceed \$250,000 annually for loans to Indians for payment of tuition and expenses in recognized vocational and trade schools.

25 U.S.C. 631-634: Established a revolving loan fund for the Navajo and Hopi Indians.

25 U.S.C. 70n-1: Authorized to be appropriated the sum of \$1,800,000 for the establishment of a revolving fund from which the Secretary of the Interior may make loans to Indian tribes and bands and to other identifiable groups of American Indians for use in obtaining expert assistance for the preparation and trial of claims pending before the Indian Claims Commission. All claims were transferred to the Court of Claims in 1978 when the Indian Claims Commission terminated.

25 U.S.C. 1461-1469: Authorized an additional \$50,000,000 of which \$41,000,000 has been appropriated. Administered as a single Indian Revolving Loan Fund sums from diverse sources; availability of funds for loans to Indians and for administrative expenses.

REVOLVING FUND FOR LOANS
Program and Performance

This fund, established by the Indian Financing Act of 1974, provides a source of financing for Indians who cannot borrow from other Government credit agencies or from ordinary commercial lenders because of their low economic status, isolated geographic location, lack of bankable security or other reasons. Loans are made to tribes and other Indian organizations for relending to individual members and groups of members, and to finance tribal business enterprise. Loans are also made to tribes for use by them in obtaining expert assistance to prepare and argue claims pending before the Court of Claims. Direct loans are made for any purpose that will promote the economic development of the borrower including loans for education purposes.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

	FY 1985 Available	FY 1986 Available	FY 1987 Requested	FY 1987 Compared With FY 1986
Revolving Fund for Loans	-0-	-0-	-0-	-0-

Revolving Fund for Loans: FY 1986: -0-; FY 1987: -0-, 0 FTE.

Proposal: No new funds are requested in fiscal year 1987. It is anticipated that the FY 1987 loan program will amount to \$16.3 million, which will be funded by collections into the fund during the year and carry-over funds.

Loan activity continues at an increased level, with more requests received than can be funded. Since loans can only be made as collections are received, there is currently a waiting list for funds. The decline in interest rates has encouraged tribes and individuals to expand present operations and to start new businesses. This trend should continue as long as the economy improves and will be spurred on by the Indian Financing Act Amendments of 1984, which broadened the eligibility criteria for individuals. Larger loans are being requested. The Bureau is experiencing increased demands from cattle operators who have previously been financed primarily by the Farmers Home Administration and by the Production Credit Associations.

Program Description: The Indian Revolving Loan Fund was established as three separate funds by the Indian Reorganization Act and other related acts, with periodic appropriations of \$26.5 million over a period of years. Of this amount, \$4.1 million was used for administrative purposes before 1962, leaving \$22.4 million available for lending purposes. The Indian Financing Act of 1974 (P.L. 93-262) combined these funds into one fund and authorized an additional appropriation of \$50 million for the fund, bringing to \$76.5 million the total authorization of the fund. From 1975 to 1985, \$115.6 million has been loaned from the fund. A total of 77 new tribal enterprises were started at an average cost of \$444,243. A breakdown by area and purpose is included in Table I. The FY 1987 program will provide \$16.3 million in direct loans to Indian tribes and organizations, individual Indians, and Alaska Natives for economic development purposes, and loans to tribes for relending to tribal members through their credit programs. In addition, the program will include funding for loans for expert assistance to tribes in the preparation and litigation of claims pending before the Court of Claims.

Over the history of the program, \$197.7 million has been loaned with \$7.8 million of the principal written off, about 4.0 percent of total loans. A \$5 million loan was transferred from another fund. Interest in the amount of \$48.6 million has been earned in this program. As of September 30, 1985, outstanding loans totaled \$105.3 million. Delinquent payments total \$11.4 million, or about 11% of loans outstanding. This includes \$3.6 million of loans made to Southeast Alaska Native communities for the fishing industry which are currently being considered for cancellation.

SUMMARY OF ACTIVITY - REVOLVING FUND FOR LOANS
 BUREAU OF INDIAN AFFAIRS
 Through September 30, 1985

	<u>Collections</u>			<u>Loans</u>	
	<u>Loaned</u>	<u>Principal</u>	<u>Interest</u>	<u>Cancelled</u>	<u>Outstanding</u>
Through September 30, 1984	\$179,987,714	\$79,742,462	\$42,488,891	\$7,590,098	<u>\$92,655,154</u>
FY 1985	<u>17,720,554</u>	<u>4,864,239</u>	<u>6,078,547</u>	<u>234,110</u>	
Through September 30, 1985	197,708,268	84,606,701	48,567,438	7,824,208	105,277,359
Cumulative					

Comparison of Fund Balances
 FY 1984 and FY 1985

	<u>General Fund</u>	<u>Expert Assistance</u>	<u>Total</u>
Through September 30, 1984	<u>11,730,973</u>	<u>1,731,269</u>	<u>13,462,242</u>
Through September 30, 1985	<u>4,610,636</u>	<u>2,008,026</u>	<u>6,618,662</u>

TABLE I

REVOLVING FUND FOR LOANS
Funds Allotted to Areas by Purpose
Selected data for FY 1975-1985
(in thousands of dollars)

AREA	RELENDING	TRIBAL ENTERPRISES		LAND	COOPERATIVES & INDUSTRIAL	CREDIT ASSOCI- ATIONS	DIRECT TO INDIVIDUALS	TOTAL
		New	Existing					
Aberdeen	\$6,192.0	\$5,724.9	\$7,120.1	\$1,445.0			\$4,605.0	\$ 25,087.0
Albuquerque	900.0	3,724.8	4,421.0				2,987.2	12,033.0
Anadarko		1,150.7	467.6	840.7			647.4	3,106.4
Billings	4,415.0	300.0	1,530.0	3,268.0			1,001.2	10,514.2
Eastern	810.0	775.0					950.2	2,535.2
Juneau	1,215.0	5,071.0	1,603.0		\$1,590.0	\$300.0		9,779.0
Minneapolis	1,000.0	3,418.3	2,307.2	1,125.0			1,036.1	8,886.6
Muskogee		1,175.0	429.9			2,710.0	1,316.3	5,631.2
Navajo		2,700.0	946.4					3,646.4
Phoenix	1,500.0	4,318.0	5,445.0	190.0		500.0	555.4	12,508.4
Portland	1,425.0	5,622.0	5,399.6	4,898.7	13.6**		2,915.8	20,274.7
Sacramento		227.0					1,336.0	1,563.0
TOTALS	\$17,457.0	\$34,206.7*	\$29,669.8	\$11,767.4	\$1,603.6	\$3,510.0	\$17,350.6	\$115,565.1

*77 new tribal enterprises were started at an average cost of \$444,243.

**\$13,600 for industries at Portland.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

Program and Financing (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities</u>			
10.00 Total obligations (obj. class 33.0)	18,439	16,300	16,320
<u>Financing:</u>			
14.00 Offsetting collections from Non-Federal sources:			
Collections on loans.....	-4,869	-5,500	-6,500
Revenues.....	-6,143	-7,000	-8,917
21.98 Unobligated balance available, start of year: Fund balance....	-12,130	-4,703	-903
24.98 Unobligated balance available, end of year: Fund balance.....	4,703	903	---
39.00 <u>Budget Authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	7,428	3,800	903
72.98 Obligated balance, start of year: Fund balance.....	1,332	1,916	---
74.98 Obligated balance, end of year: Fund balance.....	-1,916	---	---
90.00 Outlays	6,844	5,716	903

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS-
REVOLVING FUND FOR LOANS

STATUS OF DIRECT LOANS (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Position with respect to limitation on obligations:</u>			
1111 Limitation on direct loans to the public.....	18,600	16,300	16,320
1112 Unused balance of limitation expiring.....	-162	---	---
1150 Total direct loan obligations..	18,438	16,300	16,320
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	92,693	105,445	113,161
1231 New loans: Disbursements for direct loans.....	17,854	18,216	16,320
1251 Repayments: Repayments and prepayments.....	-4,868	-5,500	-6,500
1262 Adjustments: Write-offs for default.....	-234	-5,000	-3,000
1290 Outstanding, end of year.....	105,445	113,161	119,981

Revenue and Expense (in thousands of dollars)

Loan Program:

Revenue.....	6,143	7,000	8,917
Expense.....	---	-5,000	-3,000
Net operating income, total	6,143	2,000	5,917

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 REVOLVING FUND FOR LOANS

P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities</u>			
10.00 Total obligations (obj. class 33.0)	---	-701	---
<u>Financing:</u>			
21.98 Unobligated balance available, start of year: Fund balance....	---	---	-701
24.98 Unobligated balance available, end of year: Fund balance.....	---	701	701
39.00 <u>Budget Authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	-701	---
90.00 Outlays	---	-701	---

STATUS OF DIRECT LOANS

Position with respect to limitation
on obligations:

1111 Limitation on direct loans to the public.....	---	-701	---
1150 Total direct loan obligations..	---	-701	---
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	---	---	-701
1231 New loans: Disbursements for direct loans.....	---	-701	---
1290 Outstanding, end of year.....	---	-701	-701

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

FINANCIAL CONDITION (in thousands of dollars)

<u>Assets:</u>	<u>FY 1984</u> <u>Actual</u>	<u>FY 1985</u> <u>Actual</u>	<u>FY 1986</u> <u>Estimate</u>	<u>FY 1987</u> <u>Estimate</u>
Fund balance with Treasury.....	13,462	6,619	1,604	701
Loans receivable, net.....	84,136	97,122	104,137	110,957
Total assets.....	97,598	103,741	105,741	111,658
 <u>Liabilities:</u>				
Selected liabilities, accounts payable	1,332	1,916	---	---
 <u>Government equity:</u>				
Selected equity Unexpended budget authority:				
Unobligated balance.....	12,130	4,703	1,604	701
Invested capital.....	84,136	97,122	104,137	110,957
Total Government equity.....	96,266	101,825	105,741	111,658
 <u>Analysis of Changes in Government Equity:</u>				
Paid in capital:				
Opening balance.....		75,282	75,282	75,282
Closing balance.....		75,282	75,282	75,282
Retained income:				
Opening balance.....		22,316	28,459	30,459
Transactions: Net operating income		6,143	2,000	5,917
Closing balance.....		28,459	30,459	36,376
Total Government equity end of year..		103,741	105,741	111,658

This table includes the effects of P.L. 99-177.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-4320-0-3-452

Liquidation of Hoonah Housing Project Revolving Fund

Program and Performance

This fund was transferred from the Housing and Home Finance Agency to the Secretary of the Interior under the provisions of Public Law 85-806. The Secretary uses the funds transferred from the Housing and Home Finance Agency, along with any other revenues that may be received from the Hoonah Housing Project, for the purpose of liquidating this Project in accordance with the provisions of the Law.

LIQUIDATION OF HOONAH HOUSING PROJECT REVOLVING FUND

Program and Financing (in thousands of dollars)			
Identification Code: 14-4320-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
Program by activities:			
10.00 Total Obligations (Object Class 42.0).....	10	15	---
Financing:			
21.98 Unobligated balance available,.. start of year: Fund balance.....	-25	-15	---
24.98 Unobligated balance available,.. end of year: Fund balance.....	15	---	---
39.00 Budget authority.....	---	---	---
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	10	15	---
72.40 Obligated balance, start of year	---	---	---
72.40 Obligated balance, end of year..	-10	---	---
90.00 Outlays.....	---	15	---

LOAN GUARANTY

C

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-4410-0-3-452

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974 as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), [2,210,000] \$2,485,000, to remain available until expended: Provided, That during fiscal year [1986] 1987, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed [resources and authority available] \$30,000,000.

(Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190).

Appropriation Language and Citations

This language is an administrative limitation required by OMB Circular A-11; 31.5, and is not required by law.

Authorization: The Bureau's loan guaranty program was authorized by the Indian Financing Act of April 12, 1974, as amended.

25 U.S.C. 1481-1512: Authorized a loan guaranty and insurance program not to exceed \$200 million to provide access to private money sources which otherwise would not be available to Indian tribes or organizations and individual Indians. No more than 90 percent of a loan may be guaranteed or insured.

25 C.F.R. 1541: Authorizes competent management and technical assistance for loan recipients.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-4410-0-3-452

INDIAN LOAN GUARANTY AND INSURANCE FUND

Program and Performance

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to support a program of guaranteeing or insuring loans made by commercial lending institutions to Indians and to tribes and other Indian organizations for economic development purposes. An interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest. The purpose of this program is to provide an incentive to the private lending sector to make loans to Indians which would not otherwise be made.

BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

	FY 1985 Available	FY 1986 Available	FY 1987 Estimate	Change----- FY 1987 Compared with FY 1986
Loan Guaranty and Insurance Program	-0-	2,197	\$2,485	+288
Loan Guaranty and Insurance Program: FY 1986, 2,197,000; FY 1987, \$2,485,000; 0 FTE.				

Proposal: The amount of \$2,485,000 is requested in FY 1987 to support the Bureau's guaranteed loan programs. The Indian Financing Act Amendments of 1984 authorize yearly appropriations for interest subsidy, management and technical assistance, and losses on defaulted loans. The funds are to be used as follows: \$1.785 million for interest subsidy; and \$0.7 million for management and technical assistance. A \$30 million loan guaranty program is proposed for FY 1987. To support loans guaranteed for FY 1985, 1986, and 1987, \$2.185 million is estimated to be needed for interest subsidies; \$400,000 would come from collections to the fund. A reserve for losses is maintained to pay defaulted guaranteed loans. As of September 30, 1985, \$7.9 million has been paid for defaulted loans since 1975. As of the end of FY 1987, it is estimated that \$13.1 million will be in the reserve. This amount will represent 8% of the \$165.2 million in contingent liability for guaranteed loans expected to be outstanding at the end of FY 1987. The contingent liability will be approximately 87.3% of outstanding loans of \$189.3 million.

Collections during FY 1987 are estimated at \$0.9 million from premiums on guaranteed loans, and \$0.3 million from sale of assets acquired in liquidation and loan repayments, making an estimated \$1.2 million available for programming for administrative expenses, interest subsidies, and to support the reserve for losses. There will be no available carryover funds from the previous year.

Program Description: The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to provide access to private money sources through guaranteeing or insuring loans which otherwise would not be available to Indian tribes and organizations, individual Indians, and Alaska Natives for economic development purposes. Prior to FY 1986, appropriations were made to the fund of \$20 million, \$10 million, and \$15 million in 1975, 1976, and 1977, respectively, making a total of \$45 million available for the administration of this program.

To encourage the use of private capital, an interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest to the rate charged on direct loans from the Revolving Fund for Loans. Previously obligated funds will be disbursed for loans approved prior to FY 1985 to pay interest subsidy, leaving a balance at the end of FY 1985 of \$7.2 million. This balance will decrease each year as the loans are repaid. Under the 1984 amendments, subsidy funds will be requested and obligated on a yearly basis for new loans. It is estimated that \$2.185 million will be necessary for interest subsidies in FY 1987 to support loans approved since passage of the Indian Financing Act Amendments. Since 1976, borrowers have paid lending institutions \$28.8 million in principal, and \$37.8 million in interest, a total of \$66.6 million. The Bureau has paid \$8.4 million in interest subsidies to support these loans.

If necessary, as authorized by Section 302 of the Indian Financing Act of 1974, funds will be used to pay administrative expenses in connection with processing and collecting loans, evaluating field processing, and ADP costs to support the program.

The first loan guaranty under the program was approved in August 1975. As of September 30, 1985, guarantees were approved on 233 loans totaling \$178.1 million. The breakdown by fiscal year and current status is shown in Table I. Of the total loans, 75 were to Indian tribes, 53 to Indian-owned corporations, and 105 to Indian individuals. To date, 220 lenders have been approved for participation in the program. As of September 30, 1985, 117 loans were outstanding, 44 had been paid off, and 43 loans had defaulted. The total payout for the defaulted loans, including interest, was \$7.9 million, or 5.0% of the total dollar amount guaranteed to September. This information is broken down by area in Table II. Of the 43 loans defaulted, 4 have been repaid either by the borrower or liquidation, 16 have been cancelled, 7 are repaying, and 16 are in process of settlement.

TABLE I

LOAN GUARANTY ACTIVITY
FY 1976 - FY 1985

<u>Loans Guaranteed</u>							
<u>Year</u>	<u>No.</u>	<u>Amount</u>	<u>Defaulted</u>	<u>Repaid</u>	<u>Cancel</u>	<u>Modified</u>	<u>Current</u>
1976	58	\$14,863,405	20	18	5	5	10
1977	44	42,872,532					
+ Mod. <u>a/</u>	3	331,211	15	14	7	2	9
*1978	13	8,215,875					
+ Mod. <u>a/</u>	3	129,585	4	6	2	1	3
1979	6	1,640,000					
Additional loan <u>b/</u>		624	1	1			4
1980	1	8,500,000					
Additional loan <u>b/</u>		10,094		1			0
1981	1	1,000,000		1			0
1982	8	25,880,000	1	1			6
1983	14	12,953,869		3			11
Additional loan <u>c/</u>		800,000					
1984	35	18,789,448	2		1	3	29
Additional loan <u>c/</u>		203,900					
1985	47	31,603,258		1		1	45
Additional loans <u>c/</u>		10,123,457	—	—	—	—	—
Total	233	177,917,258	43	46	15	12	117
NEW	(227)						
MOD.	(6) <u>a/</u>						

* The Loan Guaranty Program was closed November 1978 to new loan applications. Loan applications on hand and commitments to guarantee \$36 million in new loans required reserving all available program funds. In FY 1981, the program was reopened, since two proposed guarantees for large loans were cancelled.

a/ Six original loans were completely modified and additional funds advanced.

b/ Funds were added to existing loans for protective advances.

c/ Funds were added to existing loans.

TABLE II

Status of Loan Guarantees as of September 30, 1985

AREA	NO.	FACE AMOUNT	CURRENT		AMOUNT WHEN DEFAULTED		MODIFIED OR PAID OFF		GUARANTY CANCELLED	
			NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
Aberdeen	25	7,526,602	11	3,590,215	4	1,742,881	9	1,963,000	1	3,870
Albuquerque	20	21,826,035	8	19,949,689	4	906,569	6	249,652	2	81,000
Anadarko	28	2,545,661	6	427,790	11	492,828	8	554,254	3	856,131
Billings	22	10,509,532	12	5,814,663	3	2,138,798	6	1,524,000	1	250,000
Eastern	21	17,690,900	13	11,017,770	5	2,476,057	3	3,539,709		129,291
Juneau	10	36,304,000	5	32,637,504			3	11,618	2	1,098,382
Minneapolis	20	19,309,910	11	17,962,309	4	68,710	5	684,935		24,816
Muskogee	14	1,606,485	2	60,111	5	850,214	4	211,329	3	278,611
Navajo	4	35,975,000	2	10,561,093			1	8,500,000	1	8,200,000
Phoenix	6	8,524,000	1	5,500,000	1	13,308	3	1,641,154	1	1,364,846
Portland	59	15,085,733	44	10,195,440	4	158,582	10	3,105,092	1	652,302
Sacramento	4	1,013,400	2	861,920	2	110,072				
TOTALS	233	177,917,258	117	118,578,504	43	8,958,019	58	21,984,743	15	12,939,249

BIA 531

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND
Summary of Program and Funding Data

	(\$ in millions)		
	Actual FY 1985	Estimate FY 1986 FY 1987	
Funds Available for Reserves and Costs:			
1 Fund Balance, start of year	8.0	3.4	0.0
2 Collections	.3	.7	.9
3 Liquidation of assets	.1	.3	.3
4 Appropriation	.0	2.2	2.5
5 Total Available	<u>8.4</u>	<u>6.6</u>	<u>3.7</u>
Less:			
6 Net Reserves for loan losses (line 23 less 24)	-3.5	-.4	3.1
7 Reserves for interest subsidies (line 15)	0	-1.7	-2.1
8 Mgmt. & tech. assistance cost	-.7	-.6	-.7
9 Defaulted loan costs	0	-.1	-.1
10 Other Expenses	0	-.3	-.1
11 Purchase of default loans	-.8	-3.5	-3.8
12 Total needs for reserve and costs	<u>-5.0</u>	<u>-6.6</u>	<u>-3.7</u>
13 Fund Balance, end of year	<u>3.4</u>	<u>0.0</u>	<u>0.0</u>
Status of reserves and obligations:			
<u>For Interest Subsidies:</u>			
14 Obligated Balance, start of year	8.2	7.2	6.5
15 Obligated during year	0	1.7	2.1
16 Expenditures	-1.0	-2.4	-2.8
17 Obligated Balance, end of year	<u>7.2</u>	<u>6.5</u>	<u>5.8</u>
<u>For Other Expenses:</u>			
18 Obligated Balance, start of year	.3	.6	.4
19 Obligated during year	.3	.1	.1
20 Expenditures	0	-.3	-.2
21 Obligated Balance, end of year	<u>.6</u>	<u>.4</u>	<u>.3</u>
<u>For Defaults (Administrative commitments):</u>			
22 Reserve for losses, start of year	12.3	15.8	16.2
23 Reserved during year	5.5	3.6	0
24 Reduction to the reserve during year	-2.0	-3.2	-3.1
25 Balance, end of year	<u>15.8</u>	<u>16.2</u>	<u>13.1</u>
Total reserves and obligations	<u>23.6</u>	<u>23.1</u>	<u>19.2</u>
Total Program Outlay:			
Mgmt. & tech. assistance (line 8)	.7	.6	.7
Defaulted loan costs (line 9)	0	.1	.1
Purchase of default loans (line 11)	.8	3.5	3.8
Interest subsidy expenditures (line 16)	1.0	2.4	2.8
Other expenses (line 20)	0	.3	.2
Total Outlay	<u>2.5</u>	<u>6.9</u>	<u>7.6</u>
Less collections (line 2)	-.3	-.7	-.9
Less liquidation of assets (line 3)	-.1	-.3	-.3
Net Total Program Outlay	<u>2.1</u>	<u>5.9</u>	<u>6.4</u>
Guaranteed Loans:			
Outstanding, start of year	92.8	118.6	171.7
New loans during year	41.7	62.7	30.0
Repayments during year	-13.9	-6.0	-7.6
Defaults during year	-1.3	-3.6	-4.8
Guarantees Cancelled	-.7	-	-
Outstanding, end of year	<u>118.6</u>	<u>171.7</u>	<u>189.3</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by activities:</u>			
Operating expenses:			
1. Interest subsidy expense.....	609	1,551	2,180
2. Technical assistance.....	672	634	700
3. Other expenses.....	11	50	100
Total operating expenses.....	1,292	2,235	2,980
Adjustment of Prior Year Capital			
Investments ^{1/}	(618)		
Capital investment.....	827	3,940	3,800
10.00 Total obligations.....	1,501	6,175	6,780
<u>Financing:</u>			
14.00 Offsetting collections from:			
Non-federal sources:.....	-402	-953	-1,260
21.98 Unobligated balance available, start of year.....	-20,293	-19,194	-16,169
24.98 Unobligated balance available, end of year.....	19,194	16,169	13,134
39.00 <u>Budget Authority</u>	---	2,197	2,485
<u>Budget Authority:</u>			
40.00 Appropriations.....	---	2,210	2,485
40.00 Reduction pursuant to P.L. 99-190.....	---	-13	---
43.00 Appropriation (adjusted).....	---	2,197	2,485
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net....	1,099	5,222	5,520
72.98 Obligated balance, start of year.....	8,423	7,578	6,900
74.98 Obligated balance, end of year	-7,578	-6,900	-6,050
90.00 Outlays.....	1,944	5,900	6,370

^{1/} This schedule does not agree with the President's budget due to adjustments of prior year capital.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

Status of Direct Loans (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
--------------------------------------	----------------	------------------	------------------

Position with respect to limitation
on obligations:

Obligations exempt from limitation:			
1131 Direct loans to the public....	---	300	100
1132 Defaulted guaranteed loan claims.	827	3,640	3,700
1150 Total direct loan obligations	827	3,940	3,800

Cumulative balance of direct
loans outstanding:

1210 Outstanding, start of year.....	5,924	6,340	7,140
New loans:			
1231 Direct loans disbursements.....	---	300	100
1232 Disbursements for guaranty loan claims.....	827	3,640	3,700
Repayments:			
1251 Repayments and prepayments.....	-51	-90	-100
1252 Repayments of defaulted guaranteed loans.....	-24	-250	-300
Adjustments:			
1262 Write-offs for default.....	-338	-2,500	-2,500
1264 Other adjustments, net 1/.....	+2	-300	-250
1290 Outstanding, end of year.....	6,340	7,140	7,790

1/ Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

OBJECT CLASSIFICATION (in thousands of dollars)

23.0 Other expenses.....	---	50	100
25.0 Other services.....	672	634	700
33.0 Investments and loans	827	3,940	3,800
41.0 Grants, subsidies, and contributions	2	1,551	2,180
99.9 Total Obligations.....	1,501	6,175	6,780

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

Status of Guaranteed Loans (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Position with respect to limitation on commitments:</u>			
2111 Limitation on guaranteed loans by private lenders	---	---	30,000
2131 Guaranteed loan commitments exempt from limitation.....	41,727	62,720	---
2150 Total guaranteed loan commitments	41,727	62,720	30,000
<u>Cumulative balance of guaranteed loans outstanding:</u>			
2210 Outstanding, start of year.....	84,551	118,579	171,732
2231 Disbursements of new guaranteed loans.....	49,266	62,720	30,000
2251 Repayments and prepayments.....	-13,916	-6,010	-7,572
<u>Adjustments:</u>			
2261 Terminations for default.....	-802	-3,557	-3,658
2264 Other adjustments, net 1/.....	-520	---	-1,200
2290 Outstanding, end of year.....	118,579	171,732	189,302
<u>MEMORANDUM:</u>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	105,115	152,208	165,196

1/ Purchased less than 100% participation in guaranteed loan.

REVENUE AND EXPENSE (in thousands of dollars)

Loan Guaranty and Insurance Fund

<u>Program:</u>			
Revenue.....	333	667	855
Expense.....	-1,451	-3,612	-4,141
Write-offs.....	-338	-2,500	-2,500
Adjustment.....	---	---	---
Net operating loss, total.....	-1,456	-5,445	-5,786

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN LOAN GUARANTY AND INSURANCE FUND

P.L. 99-177 Sequestration

Program and Financing (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
--------------------------------------	----------------	------------------	------------------

Program by activities:

10.00 Total obligations.....	---	-94	---
------------------------------	-----	-----	-----

Financing:

40.00 <u>Budget Authority</u>	---	-94	---
-------------------------------------	-----	-----	-----

Relation of obligations to outlays:

71.00 Obligations incurred, net....	---	-94	---
72.98 Obligated balance, start of year.....	---	---	-45
74.98 Obligated balance, end of year	---	45	---
90.00 Outlays.....	---	-49	-45

OBJECT CLASSIFICATION (in thousands of dollars)

92.0 Undistributed.....		-94	
-------------------------	--	-----	--

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

P.L. 99-177 Sequestration

Status of Guaranteed Loans (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Position with respect to limitation on commitments:</u>			
2131 Guaranteed loan commitments exempt from limitation.....	---	-2,697	---
2150 Total guaranteed loan commitments	---	-2,697	---
<u>Cumulative balance of guaranteed loans outstanding:</u>			
2210 Outstanding, start of year.....	---	---	-2,697
2231 Disbursements of new guaranteed loans.....	---	-2,697	---
2290 Outstanding, end of year.....	---	-2,697	-2,697
<u>MEMORANDUM:</u>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	---	-2,427	-2,427

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

FINANCIAL CONDITION (in thousands of dollars)

Assets:	1984 Actual	1985 Act.	1986 Est.	1987 Est.
Selected assets:				
Fund balance with Treasury.....	28,715	26,771	23,024	19,184
Advances.....	154	181	---	---
Assets acquired through default....	5,330	5,791	6,426	7,010
Total assets.....	34,199	32,743	29,450	26,194

Liabilities:				
Selected liabilities:				
Accounts payable.....	245	258	---	---

Government equity:				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	20,293	19,194	16,169	13,134
Undelivered orders.....	8,331	7,500	6,855	6,050
Invested capital.....	5,330	5,791	6,426	7,010
Total Government equity.....	33,954	32,485	29,450	26,194

Analysis of Changes in Government Equity:				
Paid in capital:				
Opening balance.....		45,000	45,000	47,103
Appropriation.....		---	2,103	2,485
Closing balance.....		<u>45,000</u>	<u>47,103</u>	<u>49,588</u>
Retained income:				
Opening balance.....		-10,801	-12,257	-17,653
Transaction: Net operating loss...		<u>-1,456</u>	<u>-5,396</u>	<u>-5,741</u>
Closing balance.....		<u>-12,257</u>	<u>-17,653</u>	<u>-23,394</u>
Total Gov't equity (end of year).		<u>32,743</u>	<u>29,450</u>	<u>26,194</u>

This table includes the effects of P.L. 99-177.

COOPERATIVE FUND
(PAPAGO)

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 TRUST FUNDS
 14-8366-0-7-452

COOPERATIVE FUND (PAPAGO)

Program and Performance

This Cooperative Fund, established by section 313 of the Southern Arizona Water Rights Settlement Act, P.L. 97-293 (96 Stat. 1274-1285), provides a source of funds for the Secretary of the Interior to carry out the obligations of the Secretary under sections 303, 304 and 305 of the Act. Only interest accruing to the fund may be expended. However, the law provides that no such interest can be spent prior to the earlier of 1992 or the completion of the main project works of the Central Arizona Project.

Program and Financing (in thousands of dollars)

Identification Code: 14-8366-0-7-452	1985 Actual	1986 Estimate	1987 Estimate
<u>Program by Activities:</u>			
10.00 Total Obligations (Object Classification 33.0)...	37	---	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year:			
Treasury balance.....	991	-2	-2
U.S. Securities (par).....	-8,155	-12,825	-13,885
24.40 Unobligated balance available, end of year:			
Treasury balance.....	2	2	2
U.S. Securities (par).....	12,825	13,885	15,035
60.00 Budget Authority (appropriation) (permanent, indefinite).....	5,700	1,060	1,150
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	37	---	---
90.00 Outlays.....	37	---	---

MISCELLANEOUS TRUST FUNDS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

TRIBAL TRUST FUNDS

MISCELLANEOUS TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated not to exceed [\$4,000,000] \$1,000,000 from tribal funds not otherwise available for expenditure.

(Department of the Interior and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190.)

Appropriation Language and Citations

25 U.S.C. 123 provides that no money shall be expended from Indian tribal funds without specific appropriation by Congress except as follows: Equalization of allotments, education of Indian children in accordance with existing law, per capita and other payments, all of which are hereby continued in full force and effect: Provided, That this shall not change existing law with reference to the Five Civilized Tribes.

25 U.S.C. 123a provides that funds of any tribe of Indians under the control of the United States may be used for payments of insurance premiums for protection of the property of the tribe against fire, theft, tornado, hail, earthquake, or other elements and forces of nature, and for protection against liability on account of injuries or damages to persons or property and other like claims.

25 U.S.C. 123b provides that on and after May 9, 1938, tribal funds shall be available for appropriation by Congress for traveling and other expenses, including supplies and equipment for members of tribal councils, business committees, or other tribal organizations, when engaged in business for the tribes.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-9973-0-7-999
TRUST FUNDS

Program and Performance

1. TRIBAL TRUST FUNDS (14X8365)-- Tribal funds are deposited into a consolidated account in the U.S. Treasury pursuant to: (1) general or specific acts of Congress enacting the judgment awards of the Indian Claims Commission and the Court of Claims; 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 are subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, or groups. Tribal funds may be used for the conduct of tribal financial programs, enterprises, businesses, per capita payments, and other tribal affairs. These funds are not Federal monies as the funds belong strictly to the tribes. The Bureau only invests and monitors the numerous tribal accounts in fulfilling its trust responsibility as the respective trustee of the United States. These funds are reported annually in the budget schedules to give Congress the opportunity to review the activity conducted under the authorities extended to the Secretary of the Interior.
2. FUNDS CONTRIBUTED FOR THE ADVANCEMENT OF THE INDIAN RACE (14X8563)-- This program accounts for any contributions, donations, gifts, etc., which are to be used for the benefit of American Indians in accordance with the donor's wishes (82 Stat. 171).
3. BEQUEST OF GEORGE C. EDGETER (14X8060)-- This account consists of a bequest, the principal of which is invested in U.S. Treasury bonds and notes, and the interest is to be used for the relief of American Indians (82 Stat. 171), as specified by the donor's wishes.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 14-9973-0-7-999
 TRUST FUNDS

Analysis of Changes in Requirements
 (in thousands of dollars)

	<u>Budget Authority</u>	<u>Outlays</u>
FY 1985 Total.....	\$424,431	\$347,846
 <u>Increases</u>		
Program increases:		
Direct Program.....	+540	+540
Other Trust.....	+73	+89,215
Miscellaneous Permanents (Tribal).....	<u>+7,413</u>	<u>-844</u>
FY 1986 Total.....	\$432,457	\$436,757
 <u>Increases</u>		
Program increase:		
Miscellaneous Permanents (Tribal).....	<u>+34,996</u>	<u>+46,243</u>
FY 1987 Total.....	\$467,453	\$483,000

TRIBAL TRUST FUNDS

Highlight Statement

Tribal funds are deposited into a consolidated account in the U.S. Treasury pursuant to: (1) general or specific acts of Congress enacting the judgment awards of the Indian Claims Commission and the Court of Claims; and (2) Federal management of tribal real properties, the titles to which are held in trust for the tribes by the United States. These two sources of funds contribute approximately 35% and 65%, respectively, of the tribal trust fund income. Approximately 300 Indian tribes, bands, or identifiable groups maintain funds in the U.S. Treasury account; these monies are separately identified and controlled in some 700 accounts by the BIA.

Tribal funds are available to the respective tribal groups for various purposes, under various acts of Congress, and are subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, or groups. Tribal funds may be used for the conduct of tribal financial programs, enterprises, businesses, per capita payments, and other tribal affairs.

The Act of October 19, 1973 (87 Stat. 466), provides general authority for the distribution of funds appropriated in satisfaction of judgments of the Indian Claims Commission and the Court of Claims, subject to certain conditions, including the development of a plan for the use of the funds. Funds derived from the management of tribal trust properties are available for tribal use in accordance with approved budgets under annual/definite, or permanent/indefinite authorizations.

Funds programmed under annual/definite authorizations are not otherwise available for expenditure without Congressional action, and the \$1 million requested for Fiscal Year 1987 is to provide the Secretary of the Interior with expenditure authority for the implementation of programs for those tribes which are not sufficiently organized to be represented by a recognized governing body, or to permit disbursements through a Treasury Regional Disbursing Office when no other legislative authority exists. Expenditures made under this authority are individually made through the Regional Disbursing Offices, subject to the same regulations and procedures as appropriations from the general fund of the Treasury.

Funds programmed under permanent/indefinite authorization are made available under legislation which provided permanent authority for the Secretary of the Interior to withdraw from tribal accounts in the Treasury those funds needed to carry out programs designed by a particular tribe and approved by the Secretary for the conduct of tribal operations, including but not limited to management of tribal resources and other programs designated to improve the situation of the general membership. Funds can be disbursed through either the Regional Disbursing Office or the Indian Service Special Disbursing Agents' accounts, or funds can be advanced to tribes for disbursement by their bonded tribal treasurers under approved plans of operation. Although these funds do not require annual approval by Congress they are reported annually in the budget schedule to give Congress an opportunity to review the activity conducted under the authorities extended to the Secretary of the Interior.

No part of the funds contained in this estimate represents a charge upon the Federal Treasury. This item reflects the disbursement of funds to the credit of Indian tribes or bands under numerous special acts of Congress in compliance with the terms of the various trusts and for carrying out tribal programs recommended by the tribal governing bodies with the approval of the Assistant Secretary for Indian Affairs.

The budget schedule under the Permanent Authorization reflects disbursements from the tribal trust funds authorized by permanent legislation and, under the Annual and Definite Authorizations, amounts requested annually by the various tribes for carrying out various tribal activities.

The estimate, therefore, is restricted to the funds requested annually, as required by section 27 of the Act of May 18, 1916 (39 Stat. 158).

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ANNUAL DEFINITE AUTHORIZATION - TRIBAL FUNDS

Statement Relating to FY's 1985, 1986 & 1987 Programs

1985 Appropriation.....	\$4,000,000
1986 Budget Estimate.....	4,000,000
Total Appropriation for 1986.....	4,000,000
Total Estimate for 1987.....	<u>\$1,000,000</u>

Analysis of Annual Definite Authorization, Tribal Trust Funds, by Activity:

ACTIVITY/SUBACTIVITY	Actual 1985	Appro- priation 1986	1987 Budget Estimate	Inc(+)/Dec(-) 1985 Compared w/ 1986
1. Education & Welfare Services	-0-	-0-	-0-	-0-
2. Resources Management	-0-	-0-	-0-	-0-
3. Construction & Land Acquisition	-0-	2,000,000	500,000	-0-
4. General Tribal Affairs	<u>455,213</u>	<u>2,000,000</u>	<u>500,000</u>	-0-
Total	<u>\$ 455,213</u>	<u>\$4,000,000</u>	<u>\$1,000,000</u>	<u>-0-</u>

Summary of Trust Fund Budget Authority

	1985 <u>Actual</u>	1986 <u>Estimate</u>	1987 <u>Estimate</u>
A. Tribal Funds:			
1. Annual Definite Authorization	\$ 455,213	\$4,000,000	\$1,000,000
2. Permanent Authorization	423,771,454	428,180,000	466,176,000
B. Other Trust Funds - (Permanent Indefinite):	<u>204,000</u>	<u>277,000</u>	<u>277,000</u>
 TOTAL	 <u>\$424,430,667</u>	 <u>\$432,457,000</u>	 <u>\$467,453,000</u>

Tribal Funds - Annual Definite: Fiscal Year 1986, \$4,000,000; Fiscal Year 1987, \$1,000,000.

STATUS OF PROGRAMS

Funds programmed under the annual definite authorization as shown on the following tabulation are to be used for various education and welfare programs, resources management, construction and land acquisition, and general tribal affairs, including taxes and attorneys' fees. All amounts in the FY 1986 estimate have been requested by the Indian tribal groups except the sum of \$787,575 for miscellaneous tribes. The amount under "miscellaneous tribes" is requested to provide for additional tribal requests that are anticipated during the fiscal year.

COMPARATIVE STATEMENT OF ANNUAL DEFINITE AUTHORIZATIONS BY TRIBE

<u>STATE-AGENCY TRIBE</u>	<u>ACTUAL FY 1985</u>	<u>ESTIMATE FY 1986</u>	<u>ESTIMATE FY 1987</u>
<u>California</u>	\$42,084	35,000	35,000
<u>Agua Caliente</u>	42,084	35,000	35,000
<u>Washington</u>	414,892	177,425	192,425
<u>Colville</u>	19,926	38,000	38,000
<u>Yakima</u>	393,203	139,425	154,425
<u>Arizona</u>	---	---	25,000
<u>White Mountain</u>	---	---	25,000
<u>Miscellaneous Tribes</u>	---	3,787,575	747,575
<u>Grand Total</u>	\$455,213	4,000,000	1,000,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1985 Actual	1986 Estimate	1987 Estimate
Program by activities:			
1. Direct program (limitation)..... (tribal funds)	460	4,000	1,000
2. Miscellaneous permanent.....	346,260	432,257	481,506
3. Other trust funds.....	459	500	500
10.00 Total obligations.....	347,179	436,757	483,006
Financing:			
21.40 Unobligated balance available, start of year:			
Treasury balance.....	-889,051	-989,808	-982,600
U.S. Securities (par).....	-205,847	-182,342	-185,250
24.40 Unobligated balance available, end of year:			
Treasury balance.....	989,808	982,600	957,847
U.S. Securities (par).....	182,342	185,250	194,450
39.00 Budget authority.....	424,431	432,457	467,453
Budget authority:			
Current:			
40.00 Appropriation.....	460	4,000	1,000
Permanent:			
60.00 Appropriation (indefinite).....	423,971	428,457	466,453
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	347,179	436,757	483,006
72.40 Obligated balance, start of year.....	967	300	+300
74.40 Obligated balance, end of year	-300	-300	-306
90.00 Outlays.....	347,846	436,757	483,000
Distribution of budget authority by account:			
Indian tribal funds.....	424,227	432,180	467,176
Indian moneys, proceeds of labor....	4	---	---
Funds contributed for the advancement of the Indian race.....	194	270	270
Request of George C. Edgeter.....	6	7	7

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1985 Actual	1986 Estimate	1987 Estimate
Distribution of outlays by account:			
Indian Tribal funds.....	346,725	436,707	482,950
Indian moneys, proceeds of labor.	1,184	---	---
Funds Contributed for the advancement of the Indian race.	-63	50	50

OBJECT CLASSIFICATION

Personnel compensation:			
11.1 Full-time permanent.....	118	---	---
11.3 Other than full-time permanent	39	---	---
11.5 Other personnel compensation.	27	---	---
11.8 Special pers. svcs. payments..	---	---	---
11.9 Total pers. compensation...	184	---	---
Personnel Benefits:			
12.1 Civilian.....	14	---	---
21.0 Travel and trans. of persons.	1	---	---
22.0 Transportation of things.....	---	---	---
23.2 Communications, utilities, and other rent.....	---	---	---
24.0 Printing and reproduction....	10	---	---
25.0 Other Services.....	119,131	---	---
26.0 Supplies and materials.....	57	---	---
31.0 Equipment.....	---	---	---
32.0 Lands and structures.....	---	---	---
44.0 Refunds.....	227,782	436,757	483,006
99.9 Total obligations.....	347,179	436,757	483,006

Personnel Summary

Total number of full-time permanent positions.....	5	---	---
Total compensable workyears:			
Full-time equivalent employment...	7	---	---
Full-time equivalent of overtime and holiday hours.....	---	---	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS

	<u>1985</u> <u>Actual</u>	<u>1986</u> <u>Estimate</u>	<u>1987</u> <u>Estimate</u>
ES-6.....	1	1	1
ES-5.....	1	2	2
ES-4.....	8	8	8
ES-3.....	1	1	1
ES-2.....	3	3	3
ES-1.....	<u>1</u>	<u>3</u>	<u>3</u>
Subtotal.....	15	18	18
GS/GM-15.....	35	35	34
GS/GM-14.....	186	186	184
GS/GM-13.....	308	310	308
GS-12.....	655	660	655
GS-11.....	1,009	1,019	1,008
GS-10.....	26	26	25
GS-09.....	1,147	1,147	1,117
GS-08.....	100	112	112
GS-07.....	472	502	482
GS-06.....	733	733	703
GS-05.....	1,052	1,052	1,045
GS-04.....	1,908	1,908	1,890
GS-03.....	381	400	390
GS-02.....	<u>14</u>	<u>16</u>	<u>15</u>
Subtotal.....	8,026	8,106	7,968
Ungraded.....	<u>2,126</u>	<u>2,147</u>	<u>2,121</u>
Total permanent positions.....	10,152	10,253	10,089
Unfilled Position, end-of-year.....	<u>-812</u>	<u>-820</u>	<u>-807</u>
Total permanent employment, EOY..	<u><u>9,340</u></u>	<u><u>9,433</u></u>	<u><u>9,282</u></u>

APPENDICES

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

(Supplemental now requested, existing legislation)

For an additional amount for "Operation of Indian Programs", not to exceed \$26,500,000, of which \$1,500,000 shall be transferred to the Chippewa-Ottawa Treaty Fishery Management Authority (COTFMA) to provide the Federal contribution related to the compromise agreement resulting from the U.S. v. Michigan fishery litigation: Provided, That these funds shall be made available to COTFMA after receipt and approval by the Secretary or his designated representative of an investment plan for establishing a fund, which shall be invested at interest; Provided further, That only the interest income, from such fund, is to be available for fisheries management activities by the Chippewa-Ottawa Treaty Fishery Management Authority: Provided further, That those funds appropriated hereunder shall be repaid to the Federal government after a fifteen (15) year period: Provided further, That should the Chippewa-Ottawa Treaty Fishery Management Authority dissolve at any time during the fifteen (15) year period, those funds appropriated hereunder shall immediately be repaid to the Federal government.

Program and Financing (in thousands of dollars)

Identification code: 14-2100-1-1-452		1985 actual	1986 est.	1987 est.
Program by activities:				
10.00	Total obligations (object class 25.0).....	--	1,500	--
Financing:				
39.00	Budget authority.....	--	1,500	--
Budget authority:				
40.00	Appropriation.....	--	26,500	--
41.00	Transferred to other accounts.....	--	-25,000	--
43.00	Appropriation (adjusted)	--	1,500	--
Relation of obligations to outlays:				
71.00	Obligations incurred, net....	--	1,500	--
90.00	Outlays.....	--	1,500	--

This supplemental request would provide funds to reimburse \$25 million transferred from the Bureau of Indian Affairs' "Construction" account in 1985 to finance obligations incurred for fire suppression and for emergency rehabilitation of burned-over areas.

The remainder of the request would be paid to the Chippewa-Ottawa Treaty Fishery Management Authority to establish a fund to be invested at interest. The interest would be available for fisheries management activities.

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

(Supplemental now requested, existing legislation)

Program and Financing (in thousands of dollars)

Identification code: 14-2301-1-1-452	1985 actual	1986 est.	1987 est.
Program by activities:			
10.00 Total obligations.....	--	--	--
Financing:			
21.40 Unobligated balance, start of year.....	--	--	-25,000
24.40 Unobligated balance, end of year.....	--	25,000	25,000
39.00 Budget authority.....	--	25,000	--
Budget authority:			
42.00 Transferred from other accounts.....	--	25,000	--
43.00 Appropriation (adjusted).....	--	25,000	--
Relation of obligation to outlays:			
71.00 Obligations incurred, net....	--	--	--
90.00 Outlays.....	--	--	--

This schedule reflects the transfer of \$25 million from the Bureau of Indian Affairs' "Operation of Indian Programs" account to reimburse funds transferred to that account in 1985 to finance obligations incurred for fire suppression and for emergency rehabilitation of burned-over areas.

JUSTIFICATION

PAYMENT TO THE CHIPPEWA-OTTAWA TREATY FISHERY MANAGEMENT AUTHORITY: \$1,500,000

The Treaty fishing rights of the Sault Ste. Marie, Bay Mills, and Grand Traverse tribes were affirmed in Federal Court in calendar year 1981. In March of 1985, a compromise agreement was signed by parties to the 15-year old U.S. v. Michigan litigation, which will assist in stabilizing the fishery, reducing political, legal and social conflicts and allow the tribes the necessary time to pursue the economic development and enhancement of the fishery. The agreement provides for implementation of a Great Lakes Trout Rehabilitation Plan, prohibition of treaty gillnet fishing in key sport fishing areas, and establishment of a Treaty Water Conservation Office to ensure cooperation among the parties.

As provided for by the agreement, the three Michigan tribes established the Chippewa-Ottawa Treaty Fishery Management Authority (COTFMA) to provide uniform joint regulations governing tribal fishing activities, to act as a coordinating body for enforcement activities, to coordinate initiatives regarding enhancement of the fishery and to provide a forum for resolving policy issues among the tribes. The COTFMA is advised on technical fishery matters, fishing regulations, harvest and status on the fishery stocks by the joint Inter-Tribal Fisheries and Assessment Program which carries out stock assessment and research studies, recommends harvest quotas, prepares data for negotiations/litigation and works with other tribal, state, federal and academic biologists throughout the Upper Great Lakes area. A joint biological committee, the Tripartite Technical Working Group, consisting of biologists from the Inter-Tribal Fisheries and Assessment Program, the State of Michigan and the U.S. Fish and Wildlife Service, assesses the status of important fish stocks, and establishes annual total allowable catches for use by the State of Michigan and COTFMA in regulating fisheries.

A part of the compromise agreement established a Treaty Waters Fisheries Management Fund. The Federal government is committed to provide \$1,500,000 to this fund which is to be invested at interest. The authorizing language assumes reversion of the principal amount to the Federal government after 15 years or upon any previous dissolution of the COTFMA organization prior to that time. Only the interest earned from the invested \$1,500,000 principal amount will be utilized for COTFMA management operational costs.

The State of Michigan is also to provide no less than \$1,500,000 for the Treaty Waters Fisheries Management. These State funds will be separately invested by the State. The State interest will be made available to COTFMA for management operational costs as concurred in by the State.

JUSTIFICATION

FIRE SUPPRESSION, SUPPRESSION, AND EMERGENCY REHABILITATION \$25,000,000

Need for Increase:

The estimate of \$25 million is required to repay the Construction account for a fiscal year 1985 transfer to cover cost of prevention, presuppression and suppression of fires on or threatening forest and range lands of Indian reservations, and the emergency rehabilitation of Indian forest and range lands that have been burned over by wildfires.

Program Objectives:

The major objectives of this program are to maintain a state of preparedness to combat wildfires promptly and efficiently, and to restore productivity of burned over lands.

Program Justification:

To achieve these objectives, comprehensive programs of fire prevention, presuppression and suppression must be planned, organized, trained for, and vigorously executed. The proposed supplemental is required to cover the Bureau's FY 1985 cost of emergency prevention, presuppression, and suppression of fires on or threatening forest and range lands on Indian reservations, and the emergency rehabilitation of Indian forest and range lands that have been burned over by wildfires. Obligations for these activities in total for the past six fiscal years were as follows:

<u>Fiscal Year</u>	<u>Total Obligations</u>
1981	13,719,632
1982	14,017,275
1983	15,277,650
1984	22,221,039
1985	22,622,282

The pattern of steadily increasing man-caused fire occurrence is expected to continue over the long term, due to factors such as increasing accessibility because of expanded timber harvest and other road building activities, and more emphasis on outdoor recreation.

The following comparison between the CY 1985 fire season and the five-year average indicates a significant increase in man-caused fires compared to total fires.

	<u>Total Fires</u>	<u>Man-Caused</u>	<u>Acres</u>
BIA 5-Year Average (1981-85)	3,072	2,384	124,333
BIA 1985 Fire Season	2,918 (-5%)	2,512 (+5%)	224,957 (+81%)

Rehabilitation is necessary for lands which will not or have not reseeded early enough to prevent soil erosion, loss of watershed and other economic values. Rehabilitation of the lands also reduces noxious annual weeds and grasses of the flash-fuel type which aggravate the fire hazard of the area. Costs of rehabilitating burned areas are substantially less if done promptly.

Obligations for fire prevention, presuppression and suppression for FY 1984 were approximately \$22.2 million. Obligations for FY 1985 were \$25.6 million. The fire season in 1985 in all parts of the country was high to extreme. Large destructive fires occurred throughout the West, Mid-West, and Southeast states. Much of the Bureau's expenditures were the result of assistance provided to other Federal Agencies.

(Dollars Amounts in Thousands)

	<u>Actual FY 1984</u>	<u>Actual FY 1985</u>
Fire Presuppression.....	10.0	11.5
Fire Suppression	11.7	13.5
Emergency Rehabilitation.....	<u>0.5</u>	<u>0.6</u>
TOTAL.....	22.2	25.6

Obligations in the Operation of Indian Programs for FY 1985 were covered by transferring funds from the Construction account in accordance with the provisions of Sec. 102 of the Interior Appropriations Act. This FY 1986 supplemental is being requested to restore the funds to the Construction account.