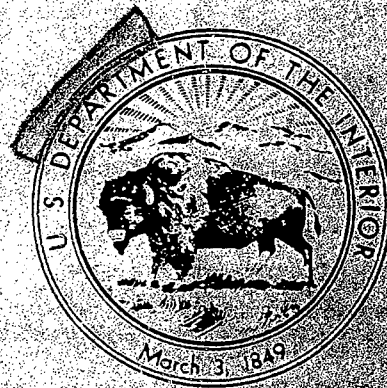


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F.Y. 1989



BUREAU OF INDIAN AFFAIRS

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 through the Office of Budget of the Department of the Interior.

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Marelle Morey

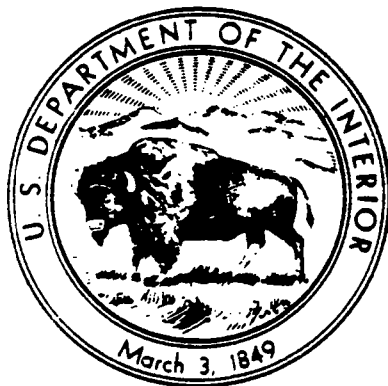
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DEPARTMENT OF THE INTERIOR
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DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Budget Justification, Fiscal Year 1989
Congressional Submission

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DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

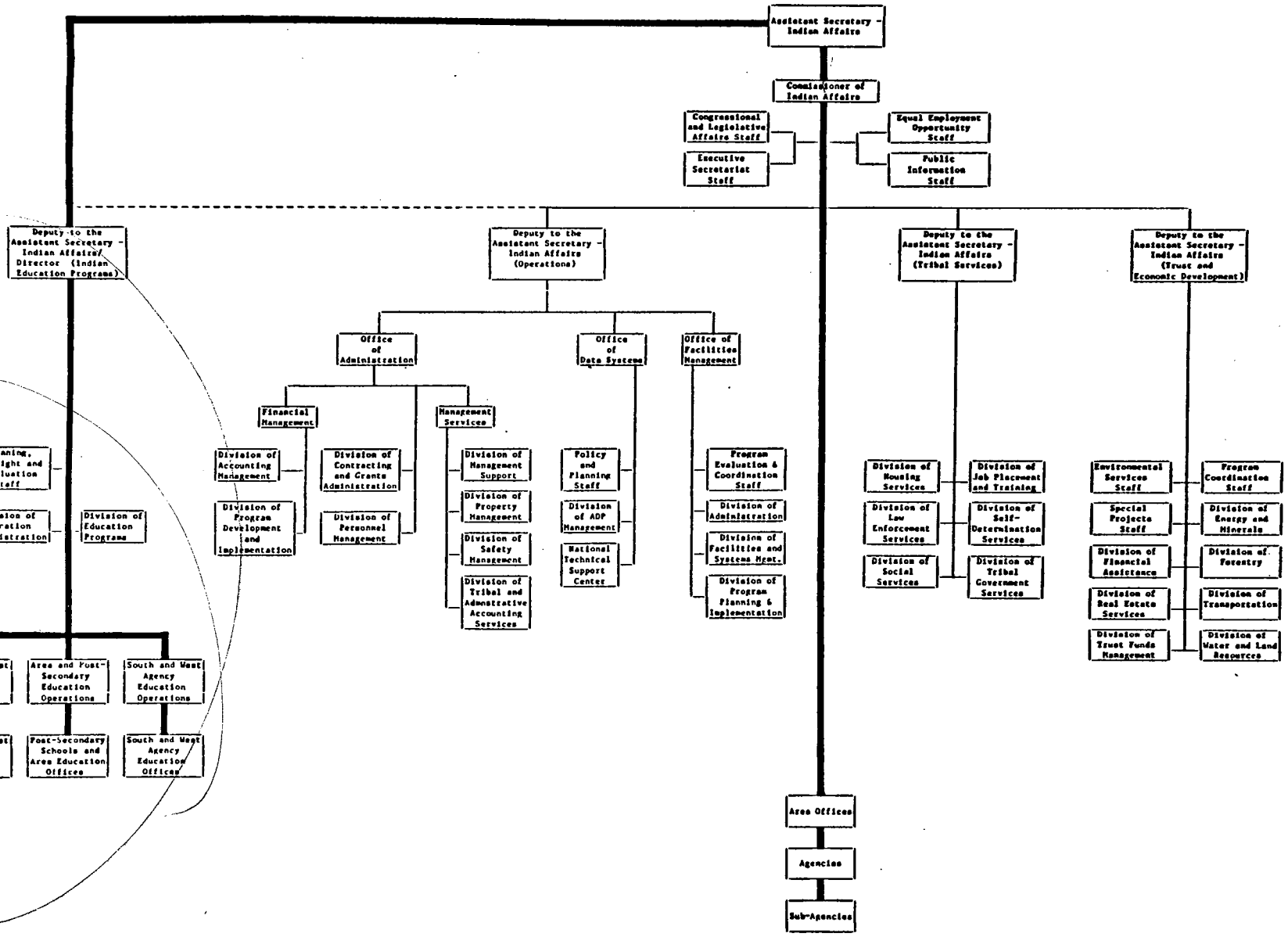
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Bureau of Indian Affairs

6/23/87 #2750
Replaces 12/31/86 #2722



BIA - 1

GENERAL STATEMENT

The Bureau of Indian Affairs, created in the War Department in 1824, was transferred to the Department of the Interior in 1849. 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 with Native groups. The bureau, therefore, as an agent of the U. S. Government, recognizes a fundamental responsibility to American Indian tribes, Alaska Native groups, and the tribal form of government. The bureau's mission is to: (1) recognize and preserve the inherent rights of tribal self-government; (2) strengthen tribal capacity for self-government; (3) provide resources for tribal government programs; (4) protect the rights of Indian people in dealing with other governmental entities and the private sector; and (5) 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 (45 Stat. 984; 25 U.S.C. 461 et seq.); by the Indian Financing Act of 1974 as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.); by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450); by Title XI of the Elementary and Secondary Education Amendments Act of 1978 (92 Stat. 2316; 25 U.S.C. 2001 et seq.); by the Indian Child Welfare Act of 1978 (92 Stat. 3069; 25 U.S.C. 1901 et seq.); by the Tribally Controlled Community College Assistance Act of 1978, as amended (85 Stat. 646; 25 U.S.C. 640a); and by the Anti-Drug Abuse Act of 1986 (P.L. 99-750).

The Central Office of the Bureau of Indian Affairs is located in Washington, D.C., but the majority of headquarters staff work in Albuquerque, New Mexico with smaller staff contingents located in other western states. The Bureau has 12 area offices, 83 agencies, 2 sub-agencies, 6 field stations, 3 irrigation project offices, 2 post-secondary institutions, 111 day schools, 57 boarding schools, and 14 dormitories. These totals include 70 schools which are funded by the bureau and operated by tribes under contract pursuant to P.L. 93-638.

It provides services to 864,000 Indians, Eskimos, and Aleuts who reside in 30 states. The bureau carries out the government-to-government functions for the Federal Government with 310 Indian tribes in the "lower 48 states" and with 197 Alaskan Native Organizations. The bureau administers 42,385,031 acres of tribally-owned land and 10,226,180 acres of individually-owned land which is held in trust status. It also administers 442,755 acres of federally-owned land.

The summary on the following page provides a comparison between the 1988 appropriations enacted to date and the 1989 request.

SUMMARY TABLE
(Dollar amounts in thousands)

<u>Appropriation</u>	FY 1988 Enacted to date	FY 1989 Estimate	(+)(-) from Enacted	Permanent Employment 1/7/87
<u>Federal Funds:</u>				
Operation of Indian Program.\$ (FTE)	970,756 (12,038)	938,416 (12,013)	-32,340 (-25)	12,068
Construction.....\$ (BIA FTE)	83,225 (131)	56,793 (131)	-26,432 (--)	120
(Non-Add Allocation to FTE BurRec)	[10]	[10]	[--]	[10]
Road Construction.....\$ (Reimbursable FTE)	1,000 (31)	-- (31)	-1,000 (--)	28
(Allocation fr. FHWA FTE)	(502)	(526)	(+24)	498
Miscellaneous Payments to Indians...\$ (FTE)	13,340 (29)	13,955 (29)	(+615) (--)	27
Indian Direct Loan Subsidies.....\$	--	3,175	+3,175	
Indian Loan Guaranty and Insurance Fund.....\$	<u>3,085</u>	<u>13,868</u>	<u>+10,783</u>	
Sub-Total, Appropriations Requested.....\$ (FTE)	1,071,406 (12,731)	1,026,207 (12,730)	-45,199 (-1)	
<u>Permanent and Trust Funds:</u>				
Miscellaneous Permanents....\$ (FTE)	48,000 (410)	48,000 (410)	-- (--)	405
Trust Funds.....\$	334,032	337,098	+4,066	
Cooperative Fund (Papago)...\$	1,175	1,269	+94	
Quarters O&M.....\$ (FTE)	7,000 <u>(110)</u>	7,000 <u>(110)</u>	-- <u>--</u>	<u>102</u>
Budget Authority, <u>Total BIA</u> \$ (FTE)	1,461,613 (13,251)	1,419,574 (13,250)	-43,039 (-1)	13,239

HIGHLIGHTS OF THE FY 1989 BIA FUNDING REQUEST

The FY 1989 request for federal funds totals \$1,026,207,000, a decrease from the FY 1988 enacted level of \$45,199,000. The FY 1989 estimate includes an increase of \$6,293,000 for bureau and tribal contractors' pay increases, and a reduction of \$8,596,000 based on re-estimates of the cost of the Federal Employees Retirement System. Both the bureau and the tribal contractors will absorb six-tenths of one percent of the two percent cost-of-living adjustment that became effective January 1988.

Effective Schools

The fiscal year 1989 budget continues the emphasis on improving the quality of educational opportunities for students enrolled in bureau-funded schools. The bureau will propose a framework and a set of procedures to all education superintendents, tribal officials, schools principals and others to implement the "effective school" process. This will address issues of educational leadership at all levels, curriculum development, improved student performance, in-service training, and related areas.

Employment Assistance Readiness Net

In an effort to determine the best method(s) for reducing welfare dependency on Indian reservations, funds are requested to continue a three-year demonstration project on eight reservations. The data derived from these projects during the fiscal years 1988-1990 will be used to assess the current bureau program and to determine what modifications are required to best support individual self-sufficiency.

Institute for Tribal Government

The bureau proposes to (1) provide training for tribal government and bureau staff in tribal government management and administration, government operations Federal Indian law and policies, and management of tribal assets; (2) provide specialized technical assistance in these fields to tribal governments to facilitate strengthening of tribal government capability; and (3) establish an information and research center. The institute will be located so as to be accessible by air and ground transportation and it will be operated in conjunction with an institution of higher education.

Social Services

The bureau will use state standards to establish staffing levels for all bureau and tribal child welfare programs and will provide increased training to social services personnel. These improvements are needed to address the serious problems of child abuse and neglect on Indian reservations.

Tribally-Designed Budgets

The bureau has proposed bill language which would allow implementation of budgets supported by federal funds which reflect locally determined needs. The planning for these budgets is proceeding in FY 1988 with ten tribes. Periodic reports will be provided to Congress on the progress of this effort.

Road Maintenance

An increase of \$6,327,000 is requested to maintain roads and bridges on Indian reservations in an effort to better protect the government's investment in the

reservation road network. Increased maintenance on existing roads permits the use of a greater proportion of the Highway Trust funding to be used to expand the road network, rather than to rebuild deteriorating existing roads.

Data Management

Increases are requested for the Indian integrated resources inventory program, for the land records improvement system, and to replace data processing equipment in the field in an effort to provide improved management tools to both bureau staff and to tribal governments.

Construction

Funds are requested to replace the St. Francis Indian High School and to continue the facilities improvement and repair program. The FY 1989 Facilities Improvement and Repair project list is included in this justification. Work will continue to be focused on addressing critical health and safety requirements, particularly in bureau-funded schools. Funds requested in the FY 1989 budget will be used to continue a major effort begun in FY 1988 to improve the safety of dams on Indian lands. The bureau will also continue rehabilitation work on homes of Indian families to reduce the number of substandard homes on Indian reservations.

Guaranteed Loans

The FY 1989 budget includes sufficient resources to guarantee \$45 million in loans to tribes and individuals. This is an increase of \$11.5 million over the amount of loans guarantees expected to be issued in FY 1988. Also included in the budget are funds to implement the credit reform proposal which will be formally transmitted to Congress at a later date.

Bureau of Indian Affairs
Authorizing Statutes

General Authorizations:

- 25 U.S.C. 13 (The Snyder Act of November 2, 1921) P. L. 67-85
- 25 U.S.C. 461 et seq. (The Indian Reorganization Act of 1934) P. L. 73-383
- 25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act)
P.L. 93-638

In addition to the general authorizations listed above, the following programs have specific authorizing legislation as shown below:

Education

- School Operations 25 U.S.C. 2001-2019 (The Education Amendments of 1978) P. L. 95-561, as amended 1979, 1984, and 1985
- 25 U.S.C. 2008 (The Quarter Blood Amendment) P. L. 99-228
- 25 U.S.C. 2401 et seq. Part 4 of the Anti-Drug Abuse Act of 1986, Subtitle C (The Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986) P. L. 99-570
- Johnson-O'Malley 25 U.S.C. 452 (The Johnson-O'Malley Act of April 16, 1934) P. L. 73-167
- Continuing Education 25 U.S.C. 1801 et seq. (The Tribally Controlled Community College Assistance Act) P. L. 95-471, as amended

Tribal Services

- Aid to Tribal Government 25 U.S.C. 1721 et seq. (The Maine Indian Claims Settlement Act of 1980) P. L. 96-420
- 25 U.S.C. 1401 et seq. (The Indian Judgment Funds Distribution Act of 1973, as amended) P. L. 93-134
- Tribal Courts 25 U.S.C. 1721 et seq. (The Maine Indian Claims Settlement Act of 1980) P. L. 96-420
- Welfare Assistance 25 U.S.C. 1901 et seq. (Indian Child Welfare Act) P. L. 95-608
- Law Enforcement 18 U.S.C. 3055 (Act of June 25, 1948) P. L. 80-772
- 25 U.S.C. 2401 et seq. Part 4 of the Anti-Drug Abuse Act of 1986, Subtitle C (The Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986) P. L. 99-570
- Employment 25 U.S.C. 309 (Vocational Training) P. L. 84-959, as amended

Navajo-Hopi Settlement	25 U.S.C 640 et seq. (The Navajo-Hopi Settlement Act of December 22, 1974) P. L. 93-531, as amended
Economic Development	25 U.S.C. 1523 (The Indian Financing Act of 1974) P. L. 93-262, as amended
Indian Arts and Crafts Board	25 U.S.C. 305 (The Act of August 27, 1935) P. L. 74-355
Road Maintenance	25 U.S.C. 318a (The Act of May 26, 1928) P. L. 70-519
<u>Trust Responsibilities:</u>	
Indian Rights Protection	28 U.S.C. 2415 (Statute of Limitations; The Indian Claims Limitation Act of 1982) P. L. 97-394
	16 U.S.C. 3101 (The Alaska National Interest Lands Conservation Act) P. L. 96-487
	43 U.S.C. 1601 (The Alaska Native Claims Settlement Act) P. L. 92-203
Real Estate Services	25 U.S.C. 176 (Reorganization Plan No. 3 of 1946) 60 Stat. 1100
	25 U.S.C. 311 (The Act of March 3, 1901) P. L. 56-832, 31 Stat. 1084
	25 U.S.C. 393 (The Act of March 3, 1921) P. L. 66-359, 41 Stat. 1232
	25 U.S.C. 2201-2211 (Indian Land Consolidation Act), P.L. 97-459, as amended by P. L. 98-608
Financial Trust Services	25 U.S.C. 162a (The Act of June 24, 1938) P. L. 75-714
<u>Natural Resources:</u>	
Forestry	25 U.S.C. 406 & 407 (The Act of June 25, 1910) 36 Stat. 857
	18 U.S.C. 1853 (The Act of June 25, 1910) 62 Stat. 787; 18 U.S.C. 1855-1856, 62 Stat. 788
Wildlife and Parks	16 U.S.C. 3631 (The U.S.-Canada Pacific Salmon Treaty Act of 1985), P. L. 99-5, 99 Stat. 7
	16 U.S.C. 3101 (The Alaska National Interest Lands Conservation Act of 1980), P. L. 96-487, 94 Stat. 2371
	42 U.S.C. 1996 (The American Indian Religious Freedom Act of 1978) P. L. 95-341, 92 Stat. 469
Irrigation Operation and Maintenance	25 U.S.C. 385 (The Act of April 4, 1910) P. L. 61-114
	25 U.S.C. 385 (The Act of August 1, 1914) P. L. 63-160

<u>Construction</u>	25 U.S.C. 631(2)(12)(14) (The Act of April 19, 1950) 64 Stat. 44 as amended by P.L. 85-740
	25 U.S.C. 465 (The Act of June 18, 1934) 48 Stat. 985
<u>Road Construction</u>	25 U.S.C. 318a (The Act of May 26, 1928) P.L. 70-520 45 Stat. 750
	23 U.S.C. 104(b)(5)(A) (The Surface Transportation and Uniform Relocation Assistance Act of April 2, 1987) P.L. 100-17, 101 Stat. 145
<u>Eastern Indian Land Claims Settlement Fund</u>	25 U.S.C. 1701 (The Act of September 30, 1978) P.L. 95-395, 92 Stat. 813
<u>Miscellaneous Payments to Indians</u>	
White Earth Reservation Claims Settlement Act	25 U.S.C. 331 (The Act of March 24, 1986) P.L. 99-264 100 Stat. 61
Old Age Assistance Claims Settlement Act	25 U.S.C. 2301 (The Act of October 19, 1984) P.L. 98-500, 98 Stat. 2317
Gila Bend Indian Reserva- tion Lands Replace- ment Act	43 U.S.C. 1521, et seq. (The Act of October 20, 1986) P.L. 99-503, 100 Stat. 1798
<u>Miscellaneous Permanent Appropriations</u>	
Claims and Treaty Obligations	Act of February 19, 1831 Treaty of November 11, 1794 Treaty of September 24, 1857 Acts of March 2, 1889; June 10, 1896; June 21, 1906
Operation and Maintenance, Indian Irrigation Systems	25 U.S.C. 162a (The Act of November 4, 1983) P.L. 98-146, 60 Stat. 895
Power Systems, Indian Irrigation Projects	25 U.S.C. 162a (The Act of November 4, 1983) P.L. 98-146, 60 Stat. 895, 65 Stat. 254
Lummi Diking Project	25 U.S.C. 386a (The Act of September 17, 1965) P.L. 89-190, 79 Stat. 821
<u>Operation and Maintenance of Quarters</u>	5 U.S.C. 5911 (Federal Employees Quarters and Facilities Act of August 20, 1964) P.L. 88-459, as amended by P.L. 98-473

Indian Loan Guaranty and
Insurance Program

25 U.S.C. 1451 et seq. (The Indian Financing Act of
April 12, 1974) P.L. 93-262 as amended by P.L. 98-449

Cooperative Fund
Papago

25 U.S.C. 386a (Section 313, Southern Arizona Water
Rights Settlement Act) P.L. 97-293, 96 Stat. 1274-1285

Miscellaneous Trust
Funds

25 U.S.C. 123 et seq. (The Act of May 18, 1916)
P.L. 64-80, 39 Stat. 158

Appropriations Language

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

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, [\$970,756,000, of which not less than \$47,587,000 shall remain available until expended for contract support for contracts entered into under Public Law 93-638; and] \$938,416,000 of which not to exceed [\$51,121,000] \$68,104,000 for higher education scholarships, adult vocational training, and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), [and \$25,000,000 for firefighting] shall remain available for obligation until September 30, [1989] 1990, and \$18,700,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, as contained in Public Law 100-202, shall remain available until expended, and the funds made available to tribes and tribal organizations through contracts 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, [1989] 1990: 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; and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640(d)8 (a)), [\$1,971,000] \$1,997,000, to remain available until expended: 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 [: Provided further, That the amounts available for assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall be distributed on the same basis as such funds were distributed in fiscal year 1986: Provided further, That notwithstanding any provision of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act, the amounts appropriated for fiscal year 1988 for the Bureau of Indian Affairs for the Institute of American Indian Arts shall be available to operate the Institute until the Board of Regents and President of the Institute have been named and had an opportunity to organize, and for use under part A of that Act: Provided further, That the savings realized by the Bureau of Indian Affairs from the transfer of fish hatcheries to the United States Fish and Wildlife Service shall be available for cyclical maintenance of tribally-owned fish hatcheries and related facilities]: Provided further, That no part of any appropriations to the Bureau of Indian Affairs shall be made 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 none of the funds contained in this Act shall be available for any payment to any school to which such school would otherwise be entitled pursuant to section 1128(b) of Public Law 95-561, as amended [, until after July 1, 1988 Provided further, That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until the Congress has specifically approved the school closure or provided for disposal of the property in legislation: Provided further, That none of the funds in this Act shall be used by the Bureau of Indian Affairs to transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled, and the tribe or individual has been provided with an accounting of such funds, and the appropriate Committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement: Provided further, That none of the funds in this Act shall be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' higher education grant program that were not in effect on March 1, 1987: Provided further, That none of the funds in this Act shall be used to implement proposed initiatives to transfer any school operated by the Bureau to the control of any tribe, State, or local government agency (except that this prohibition shall not apply with respect to the transfer of a Bureau-operated school to the control of an Indian tribe under a contract entered into under the Indian Self-Determination and Education Assistance Act if the governing body of the Indian tribe approves of the transfer); to charge tuition at Bureau post-secondary schools; to implement the proposed economic self-assistance initiative (except for a limited demonstration program); to change the method of funding tribal contractor indirect costs, including imposition of a flat rate for contract support costs; to make available to the Bureau administrative deductions collected from Indian timber sales; to contract out the administration of the Bureau forestry program or any other Bureau-operated programs without prior approval of the Committees on Appropriations; or to implement any reorganizations, including "regionalization" of programs, without the prior approval of the Committees on Appropriations: Provided further, That Public Law 99-349 is amended by deleting under the heading "Bureau of Indian Affairs, Operation of Indian Programs" the second, third, and fourth provisos and substituting: " Provided further, That the funds appropriated hereunder shall be used pursuant to the consent decree and subsequent court orders in United States v. Michigan (M-26-73).": Provided further, That \$120,000 of the amounts provided for education program management shall be available for a grant to the Close-Up Foundation]: Provided further, That all funds otherwise available to the Bureau of Indian Affairs to support projects and activities for the benefit of the Rosebud Sioux Tribe, the Mescalero Apache Tribe, the Mille Lacs Reservation, the Red Lake Tribe, the Confederated Salish and Kootenai Tribes, the Quinault Tribe, the Hoopa Valley Tribe, the Lummi Tribe, the Tlingit and Haida Indians, and the Jamestown Klallam Tribe may be used to support voluntary intergovernmental agreements with such tribes to carry out programs and activities designed to meet tribally-determined needs so long as such activities are authorized by law: Provided further, That funds available for trust services to individual Indians on these reservations are available to support such voluntary intergovernmental agreements only to the extent that such agreements provide for the same trust services to be provided to individual Indians by the tribe: Provided further, That the voluntary agreement shall also include a clear delineation of trust responsibility functions assumed by the tribe and those retained by the U.S. government: Provided further, That with respect to trust responsibility functions assumed by the tribe, the United States shall not be responsible or liable for any act or omission by the named tribe or their contractors, subcontractors or others acting on behalf of the named tribe in carrying out that agreement, including but not limited to responsibilities for trust functions, contract damages or tort liability: Provided further, That if the actual amounts required in this account for costs

of the Federal Employee Retirement System in fiscal year 1989 are less than amounts estimated in the Budget, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts.

(Department of the Interior and Related Agencies Appropriation Act, as included in Public Law 100-202)

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 Indian tribes, Alaskan Native groups, and individual Native Americans. Special emphasis is placed on tribal participation and involvement. Activities that support these services are:

1. Education - This activity provides funding for bureau-operated and contracted elementary and secondary schools. Through the continuing education component, financial assistance is provided to Indian students to pursue post-secondary education opportunities. Funds are also made available to support community adult education programs and for the operation of tribally-controlled community colleges.
2. Tribal Services - This activity provides support for many local government activities such as law enforcement, tribal courts, welfare assistance, and employment development programs.
3. Economic Development - This activity provides technical assistance to assist individual Indians and tribes to secure financing to improve economic conditions on the reservations. Road maintenance is also included under this activity.
4. Natural Resources Development - This activity provides for the conservation, development, enhancement, and use of Indian land, water, mineral, and other resources.
5. Trust Responsibilities - This activity provides for the protection of Indian rights and property, and for 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 for payments to the General Services Administration for bureau-leased space.
7. General Administration - This activity includes executive direction, administrative services, safety management, automatic data processing services, employee compensation payments, construction management, and education program management.

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 carry out special service programs for Indians; and for miscellaneous goods and services provided to others.

Justification of Proposed Language Changes

BUREAU OF INDIAN AFFAIRS

Operation of Indian Programs

1. Deletion: "of which not less than \$47,587,000 shall remain available until expended for contract support for contracts entered into under Public Law 93-638; and"

Funds made available to tribes under Public Law 93-638, including contract support costs attain a two-year availability under existing language. There is no requirement to make these funds available until expended, as the one year carry-over is sufficient.

2. Addition: ", adult vocational training,"

This language would provide two year availability for the obligation of adult vocational education funds which would remedy current problems in providing support for students enrolled in programs which extend into the subsequent fiscal year.

3. Deletion: ", and \$25,000,000 for firefighting"

Alternative language is proposed below to clarify the fact that funds provided for firefighting are to repay other accounts.

4. Addition: ", and \$18,700,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, as contained in Public Law 100-202, shall remain available until expended"

This language allows the use of funds to repay bureau construction accounts the amounts transferred during fiscal years 1987 and 1988 under the section 102 authority.

5. Deletion: ": Provided further, That the amounts available for assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall be distributed on the same basis as such funds were distributed in fiscal year 1986"

It is anticipated that a new funding distribution formula will be in place for FY 1989.

6. Deletion: ": Provided further, That notwithstanding any provision of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act, the amounts appropriated for fiscal year 1988 for the Bureau of Indian Affairs for the Institute of American Indian Arts shall be available to operate the Institute until the Board of Regents and President of the Institute have been named and had an opportunity to organize, and for use under part A of that Act"

The Institute of American Indian Arts will have achieved independent status by FY 1989.

7. Deletion: ": Provided further, That the savings realized by the Bureau of Indian Affairs from the transfer of fish hatcheries to the United States Fish and Wildlife Service shall be available for cyclical maintenance of tribally-owned

fish hatcheries and related facilities"

As the hatcheries transferred in FY 1988 are included in the Bureau's budget for FY 1989, there will be no savings available for cyclical maintenance.

8. Deletion: "until after July 1, 1988"

The deletion would continue the limitation on payments pursuant to section 1128(b) of Public Law 95-561 through the 1989 fiscal year.

9. Deletion: ": Provided further, That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until the Congress has specifically approved the school closure or provided for disposal of the property in legislation"

It is anticipated that Congress will authorize the closure of the Phoenix Indian school prior to FY 1989.

10. Deletion: ": Provided further, That none of the funds in this Act shall be used by the Bureau of Indian Affairs to transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled, and the tribe or individual has been provided with an accounting of such funds, and the appropriate Committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement"

The bureau will comply with the conditions imposed by the Congress during FY 1988.

11. Deletion: ": Provided further, That none of the funds in this Act shall be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' higher education grant program that were not in effect on March 1, 1987"

Revision of outdated regulations is needed in education to comply with changes in legislation and court orders.

12. Deletion: ": Provided further, That none of the funds in this Act shall be used to implement proposed initiatives to transfer any school operated by the Bureau to the control of any tribe, State, or local government agency (except that this prohibition shall not apply with respect to the transfer of a Bureau-operated school to the control of an Indian tribe under a contract entered into under the Indian Self-Determination and Education Assistance Act if the governing body of the Indian tribe approves of the transfer); to charge tuition at Bureau post-secondary schools; to implement the proposed economic self-assistance initiative (except for a limited demonstration program); to change the method of funding tribal contractor indirect costs, including imposition of a flat rate for contract support costs; to make available to the Bureau administrative deductions collected from Indian timber sales; to contract out the administration of the Bureau forestry program or any other Bureau-operated programs without prior approval of the Committees on Appropriations; or to implement any reorganizations, including "regionalization" of programs, without the prior approval of the Committees on Appropriations"

None of the items specified in the bill language are included as initiatives in the FY 1989 budget, therefore, the language is unnecessary. It should also be noted that the prohibition on contracting "any other Bureau-operated programs

without the prior approval of the Committees on Appropriations" would, if strictly applied, require Congressional approval of all contracts with tribes for the operation of Indian programs.

13. Deletion: ": Provided further, That Public Law 99-349 is amended by deleting under the heading "Bureau of Indian Affairs, Operation of Indian Programs" the second, third, and fourth provisos and substituting: " Provided further, That the funds appropriated hereunder shall be used pursuant to the consent decree and subsequent court orders in United States v. Michigan (M-26-73)."" This language was adopted in the fiscal year 1988 appropriations bill and is no longer required.

14. Deletion: ": Provided further, That \$120,000 of the amounts provided for education program management shall be available for a grant to the Close-Up Foundation"

No funds are included in the FY 1989 budget for this grant, therefore, the language is unnecessary.

15. Addition: ": Provided further, That all funds otherwise available to the Bureau of Indian Affairs to support projects and activities for the benefit of the Rosebud Sioux Tribe, the Mescalero Apache Tribe, the Mille Lacs Reservation, the Red Lake Tribe, the Confederated Salish and Kootenai Tribes, the Quinault Tribe, the Hoopa Valley Tribe, the Lummi Tribe, the Tlingit and Haida Indians, and the Jamestown Klallam Tribe may be used to support voluntary intergovernmental agreements with such tribes to carry out programs and activities designed to meet tribally-determined needs so long as such activities are authorized by law: Provided further, That funds available for trust services to individual Indians on these reservations are available to support such voluntary intergovernmental agreements only to the extent that such agreements provide for the same trust services to be provided to individual Indians by the tribe: Provided further, That the voluntary agreement shall also include a clear delineation of trust responsibility functions assumed by the tribe and those retained by the U.S. government: Provided further, That with respect to trust responsibility functions assumed by the tribe, the United States shall not be responsible or liable for any act or omission by the named tribe or their contractors, subcontractors or others acting on behalf of the named tribe in carrying out that agreement, including but not limited to responsibilities for trust functions, contract damages or tort liability"

This language is proposed to implement the funding of programs based on locally determined priorities for the ten named tribes. Planning for such implementation was approved by Congress in FY 1988.

16. Addition: ": Provided further, That if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year 1989 are less than amounts estimated in the Budget, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts"

As it is not possible to accurately predict the exact cost of the retirement system by account, all retirement funds for the new system are included in this account. The language will allow the bureau to use these funds to meet the costs of the retirement system in the other two accounts.

Appropriation Language Citations

BUREAU OF INDIAN AFFAIRS

Appropriations: Operation of Indian Programs

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

25 U.S.C. 13
25 U.S.C. 450f(a) and 450h(a)
31 U.S.C. Chapter 63

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

25 U.S.C. 450f(a) directs the Secretary, upon the request of any Indian tribe, to enter into a contract or contracts to plan, conduct, and administer programs which the Secretary is otherwise authorized to administer.

31 U.S.C. Chapter 63 provides procedures to be followed in the preparation of 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. 309 and 309a
25 U.S.C. 452-457
25 U.S.C. 640b
25 U.S.C. 1801-1815
25 U.S.C. 2001-2020
25 U.S.C. 2401-2416
25 U.S.C. 2431-2434

25 U.S.C. 309 and 309a authorize vocational training and counseling programs and appropriations therefor.

25 U.S.C. 452-457 authorize contracts for educational and welfare services.

25 U.S.C. 640b authorizes grants to the Navajo Community College.

25 U.S.C. 1801-1815 authorize grants to Tribally-Controlled Community Colleges.

25 U.S.C. 2001-2020 provide for the operation of elementary and secondary schools, either directly or by contract.

25 U.S.C. 2401-2416 authorize coordinated efforts to address alcohol and substance abuse problems.

25 U.S.C. 2431-2434 authorizes special alcohol and substance abuse programs targeted for Indian youth.

3. maintenance of law and order

25 U.S.C. 13
25 U.S.C. 2441-2442
25 U.S.C. 2451-2455

25 U.S.C. 13 authorizes the employment of Indian police and judges for the suppression of trafficking in intoxicating liquor and deleterious drugs.

25 U.S.C. 2441-2442 authorize the control of illegal narcotics traffic on the Papago reservation and authorizes the eradication of marijuana plants on Indian lands.

25 U.S.C. 2451-2455 authorize law enforcement training, the operation of juvenile detention centers, and the development of a model Indian juvenile code.

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

7 U.S.C. 1651-1656
16 U.S.C. 583, 590a, 590f, and 594
25 U.S.C. 13
25 U.S.C. 372
25 U.S.C. 500

7 U.S.C. 1651-1656 provide for the protection of the livestock industry from losses caused by the poisonous weed Halogeton Glomeratus.

16 U.S.C. 583, 590a, 590f, and 594 provide for forest management, soil and moisture conservation, and for the protection of lands 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. 372 provides for determination of heirs, sale and disposition of allotments of deceased Indians, and for leasing of allotments.

25 U.S.C. 500 provides for acquisition and organization of a reindeer industry for Alaskan Natives.

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 the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for the development of water supplies.

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

25 U.S.C. 385 provides for the establishment of maintenance charges and further provides that federal expenditures shall be reimbursable where Indians have adequate funds to repay the government.

49 Stat. 887 authorizes the Secretary to enter into an agreement with Middle Rio Grande Conservancy District for maintenance and operation costs on reclaimed Pueblo Indian lands.

52 Stat. 80 amends the rate of payments of irrigation construction costs of the Wahpeto Irrigation Project.

54 Stat. 707 provides for payment of costs of providing additional water for the Wahpeto Irrigation Project.

6. advances for Indian industrial and business enterprises

25 U.S.C. 13
25 U.S.C. 1451-1543

25 U.S.C. 13 authorizes industrial assistance and advancement to be provided by the Bureau of Indian Affairs.

25 U.S.C. 1451-1543 authorizes technical assistance, direct loans, interest subsidies, guaranteed loans, and grants to Indian tribes and individuals.

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

25 U.S.C. 305-305c

25 U.S.C. 305-305c established the Indian Arts and Crafts Board to promote the economic welfare of Indian tribes and individuals through the development of arts and crafts and through the expansion of the market for such products.

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 authorizes general and incidental expenses in connection with the administration of Indian Affairs.

9. \$938,416,000, of which not to exceed \$68,104,000 for higher education scholarships, adult vocational training, 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, 1990

25 U.S.C. 13a

25 U.S.C. 13a authorizes the carryover of funds which were not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such sums were appropriated.

10. and of which \$18,700,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, shall remain available until expended

Section 102 of Public Law 100-202

Section 102 of Public Law 100-202 authorizes the Secretary to transfer unobligated balances from no-year accounts for fire suppression and requires that such funds be replenished by subsequent appropriations.

11. and the funds made available to tribes and tribal organizations through contracts 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, 1990: 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

25 U.S.C. 13a

25 U.S.C. 13a authorizes the carryover of funds which were not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such sums were appropriated.

12. and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640d-18(a)), \$1,997,000, to remain available until expended

25 U.S.C. 640(d)-18(a)

25 U.S.C. 640(d)-18(a) authorizes the Secretary to reduce livestock in the former joint use area and to institute conservation practices to improve the grazing potential of the area.

13. 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 limitation prevents duplication of funding for vocational educational programs which are funded under separate authority.

14. 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 limitation precludes the provision of general assistance payments in Alaska until otherwise determined by Congress.

15. Provided further, That none of the funds contained in this Act shall be available for payment to any school to which such school would otherwise be entitled pursuant to section 1128(b) of Public Law 95-561

This limitation precludes payments to schools funded by the BIA based on

the level of federal funding provided to public schools in the district.

16. Provided further, That all funds otherwise available to the Bureau of Indian Affairs to support projects and activities for the benefit of the Rosebud Sioux Tribe, the Mescalero Apache Tribe, the Mille Lacs Reservation, the Red Lake Tribe, the Confederated Salish and Kootenai Tribes, the Quinault Tribe, the Hoopa Valley Tribe, the Lummi Tribe, the Tlingit and Haida Indians, and the Jamestown Klallam Tribe may be used to support voluntary intergovernmental agreements with such tribes to carry out programs and activities designed to meet tribally-determined needs so long as such activities are authorized by law: Provided further, That funds available for trust services to individual Indians on these reservations are available to support such voluntary intergovernmental agreements only to the extent that such agreements provide for the same trust services to be provided to individual Indians by the tribe: Provided further, That the voluntary agreement shall also include a clear delineation of trust responsibility functions assumed by the tribe and those retained by the U.S. government: Provided further, That with respect to trust responsibility functions assumed by the tribe, the United States shall not be responsible or liable for any act or omission by the named tribe or their contractors, subcontractors or others acting on behalf of the named tribe in carrying out that agreement, including but not limited to responsibilities for trust functions, contract damages or tort liability

25 U.S.C. 450f

25 U.S.C. 450f authorizes the Secretary to enter into contracts with any tribe or tribes to carry out any program the Secretary is authorized to administer.

17. Provided further, That if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year 1989 are less than amounts estimated in the Budget, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts"

This language is necessary to meet the additional cost of the Federal Employee Retirement System in accounts other than the Operation of Indian Programs account.

BUREAU OF INDIAN AFFAIRS
Summary of Requirements

Appropriation: Operation of Indian Programs

	(Dollar amounts in thousands)			
	FTE	Amount	FTE	Amount
Appropriation currently available, 1988.....			12,038	\$970,756
Adjustments to base and built-in changes:				
Transfer of the Institute of American Indian Arts to independent status.....	-47	-\$2,656		
Adjustment based on revised estimates of requirements for the Federal Employee Retirement System.....		- 8,231		
Adjustment for January 1988 Pay Increase.....		+ 6,191		
Transfers:				
Internal transfer of scholarships, adult education and TCCC's Supplements from Tribal Services tribe/agency to Education tribe/agency.....		+32,882		
Internal transfer of Drug Abuse Coordination Office from law enforcement to tribal government services.....		+ 250		
Internal transfer of judicial services support from all other aid to tribal government to the Judicial Services Center....		+ 139		
Internal transfer from special tribal courts to tribe/agency..		+ 326		
Internal transfer from tribe/agency to road maintenance.....		+23,471		
Internal transfer from tribe/agency (agriculture extension service) to Aberdeen Area direct operations.....		+ 121		
Internal transfer of forest protection from Albuquerque Area direct operations to tribe/agency (Northern Pueblos).....		+ 51		
Internal transfer from land titles and records to other real estate services.....		+ 85		
Internal transfer from tribe/agency environmental quality services to Aberdeen Area (other real estate services).....		+ 48		
Internal transfer from tribe/agency executive direction to GSA rentals.....		+ 5		
Internal transfer from tribe/agency to Eastern Area adminis- trative services.....		+ 195		
Internal transfer from Area direct operations to tribe/agency to correct distribution of FY 1988 pay costs.....		+ 5		

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Transfers (continued):

Internal transfer from tribe/agency to Area direct operations to correct restoration of the proposed FY 1987 Alaska reductions.....	+ 94		
Internal transfer from tribe/agency trust responsibilities to Anadarko Area for executive direction and administrative services.....	+ 51		
Internal transfer of new facilities operation and maintenance.	+ 513		
	<hr/>		
Subtotal, adjustments to base and built-in changes.....		-47	<u>-4,696</u>
1989 Base Budget.....		11,991	966,060
Program Changes.....		<u>+22</u>	<u>-27,644</u>
Total Requirements (1989 Estimate).....		12,013	\$938,416

Summary of Requirements

	1988 Appropriation		1989 Base Budget		1989 Estimate		Change from Base		Change from 1988	
	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount
Education:										
School Operations.....	3,823	189,443	3,823	186,985	3,658	187,502✓	0	517	(165)	(1,941)
Johnson O'Malley.....	0	20,351	0	20,400	0	20,400✓	0	0	0	49
Continuing Education.....	290	28,640	243	25,816	243	24,191	47	(1,625)	(47)	(4,449)
→ Tribe/Agency Operations.....	0	0	18	32,882	23	32,551	(18)	(331)	23	32,551
Subtotal, Education.....	4,113	238,434	4,084	266,083	3,924	264,644	(160)	(1,439)	(189)	26,210
Indian Services:										
Tribal Government Services....	82	8,976	82	8,841	83	9,002	1	161	1	26
→ Social Services.....	50	93,210	50	93,206	54	88,883	4	(4,323)	4	(4,327)
Law Enforcement.....	63	4,286	63	4,016	65	4,029	2	13	2	257
Self-Determination Services...	21	52,677	21	52,754	22	50,149	1	(2,605)	1	(2,528)
Employment Development.....	7	2,473	7	2,465	9	2,227	2	(238)	2	246
→ Tribe/Agency Operations.....	1,079	153,605	1,061	120,986	1,151	116,336	90	(4,650)	72	(37,269)
Subtotal, Indian Services.	1,302	315,227	1,284	282,268	1,384	270,626	100	(11,642)	82	(44,601)
Navajo/Hopi Settlement Program..	56	1,971	56	1,997	56	1,997	0	0		26
Economic Development										
Business Enterprise Develop...	47	10,561	47	10,525	51	3,636	4	(6,889)	4	(6,925)
Road Maintenance.....	1	1,267	418	24,737	407	31,064	(11)	6,327	406	29,797
→ Tribe/Agency Operations.....	486	27,715	69	3,960	69	3,538	0	(422)	(417)	(24,177)
Subtotal, Econ. Dev.....	534	39,543	534	39,222	527	38,238	(7)	(984)	(7)	(1,305)
Natural Resources Development										
Forestry & Agriculture.....	400	67,738	400	67,867	370	46,132	(30)	(21,735)	(30)	(21,606)
Minerals & Min/Irr. & Power...	30	15,898	30	15,978	30	14,528	0	(1,450)	0	(1,370)
Tribe/Agency Operations.....	1,104	62,374	1,104	61,792	1,133	59,310	29	(2,482)	29	(3,064)
Subtotal, Natural Res. Dev..	1,534	146,010	1,534	145,637	1,533	119,970	(1)	(25,667)	(1)	(26,040)

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Trust Responsibilities										
Indian Rights Protection.....	91	12,738	91	12,725	88	18,761	(3)	6,036	(3)	6,023
Real Estate/Financial Trust....	208	17,793	208	17,634	216	19,309	8	1,675	8	1,516
Tribe/Agency Operations.....	614	24,864	614	24,438	614	23,627	0	(811)	0	(1,237)
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Subtotal, Trust Respons.....	913	55,395	913	54,797	918	61,697	5	6,900	5	6,302
Facilities Management.....	1,206	82,141	1,206	81,405	1,206	81,711	0	306	0	(430)
General Administration										
Management & Administration...	765	37,469	765	37,180	797	38,316	32	1,136	32	847
ADP Services.....	144	16,814	144	16,761	166	19,631	22	2,870	22	2,817
Employee Compensation Pmts....	0	11,503	0	15,130	0	14,962	0	(168)	0	3,459
Program Management.....	128	6,023	128	5,934	128	5,814	0	(120)	0	(209)
Consolidated Training Pgms....	0	840	0	840	0	840	0	0	0	0
→ Tribe/Agency Operations.....	563	19,386	563	18,806	594	19,970	31	1,164	31	584
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Subtotal, General Admin.....	1,600	92,035	1,600	94,651	1,685	99,533	85	4,882	85	7,498
Subtotal Direct Program.....	11,258	970,756	11,211	966,060	11,233	938,416	22	(27,644)	(25)	(32,340)
Reimbursable Program.....	780	0	780	0	780	0	0	0	0	0
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TOTAL, APPROPRIATION.....	12,038	970,756	11,991	966,060	12,013	938,416	22	(27,644)	(25)	(32,340)
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

Justification of Adjustments to Base

Adjustments

Continuing Education.....(FTE: -47) - \$2,656,000

This base reduction reflects the transfer to independent status of the Institute for American Indian Arts.

Adjustments for January 1988 Pay Increase..... + 4,302,000

Total cost in 1988 of pay increase.....	\$4,545
Adjustment for full-year 1989 costs	
of the 1988 pay increase.....	+1,576
Total adjustment for 1988 pay increase.....	\$6,121
Less <u>absorbtion</u>	-1,819
Net adjustment for 1988 pay increase.....	\$4,302

The adjustment is for the 2 percent Federal pay raise effective in January 1988. The total 1988 cost of the pay raise, \$4,545,000, was fully absorbed.

Adjustment for Tribal Contractors Pay Increase.....+ 1,889,000

Total cost in 1988 of pay increase.....	\$2,040
Adjustment for full-year 1989 costs	
of the 1988 pay increase.....	+ 510
Total adjustment for 1988 pay increase.....	\$2,550 ←
Less absorbtion.....	661
Net adjustment for 1988 pay increase.....	\$1,889

Section 106(h) of Public Law 93-638 requires the Secretary to provide an equivalent amount of funding to tribal contractors as would be required for direct bureau operation of the programs.

Adjustment for Federal Employees Retirement System.....- 8,231,000

This adjustment is for the decrease in estimated retirement costs from the FY 1988 enacted level to the FY 1989 requested level, and reflects changes in actuarial, switch rate, and thrift plan assumptions used to calculate agency contributions for FERS. Previous switch rate and thrift plan contribution rate assumptions had resulted in an overestimate of the base adjustments for FERS costs included in the 1988 enacted level. Actual experience indicates, for example, that the switch rate will be significantly lower than the previous 40 percent assumption and is now assumed to be 5 percent.

Internal Transfers

Tribe/Agency Transfers.....+32,882,000

Transfers funds for scholarships, adult education, and TCCC's supplementary grants from Tribal Services to Education.

<u>Drug Abuse Coordination Office</u>	+ 250,000
Transfers funds for drug abuse coordination from law enforcement to tribal government services.	
<u>Judicial Services</u>	+ 139,000
Transfers funds for judicial support from aid to tribal government to the Judicial Services Center.	
<u>Tribal Courts</u>	+ 326,000
Transfers funds from special tribal courts to tribe/agency tribal courts (Anadarko: \$240,000; Ft. Belknap: \$15,000; Hualapai: \$50,000; and Northern Cheyenne: \$21,000).	
<u>Road Maintenance</u>	+ 23,471,000
Transfers funds from tribe/agency to field operations.	
<u>Agriculture Extension Service</u>	+ 121,500
Transfers funds in the Aberdeen Area from tribe/agency to area direct operations for: agriculture extension service (\$81,500); training and technical assistance (\$20,000); and administrative services (\$20,000).	
<u>Forest Protection</u>	+ 51,400
Transfers funds from Albuquerque Area Office direct operations to tribe/agency for the Northern Pueblos.	
<u>Real Estate Services</u>	+ 85,000
Transfers funds from land titles and records offices to Albuquerque Area Office for real estate services...	
<u>Environmental Quality Services/Real Estate Services</u>	+ 48,200
Transfers funds to Aberdeen Area direct operations from tribe/agency.	
<u>GSA Rentals</u>	+ 5,000
Transfers funds from tribe/agency executive direction to GSA rentals to meet costs at the Wewoka Agency.	
<u>Administrative Services</u>	+ 195,500
Transfers funds from tribe/agency (Maine, General) to Eastern Area Office.	
<u>Pay Transfers</u>	+ 5,000
Transfers funds from area direct operations to field operations to correct distribution of FY 1988 pay costs in the Anadarko Area.	

Alaska Transfers.....+ 94,100

Transfers funds from tribe/agency to area direct operations to correct distributions made in restoration of the proposed budget reductions in FY 1987.

Anadarko Transfers.....+ 51,100

Transfers funds from tribe/agency trust responsibilities to area direct general administration (\$36,600) and executive direction (\$14,500) to properly reflect costs.

Facilities Management.....+ 513,000

Transfers funds from new facilities operations and maintenance to existing facilities operations and maintenance.

Activity Summary

(Dollar amounts in thousands)

Activity: Education

<u>Subactivity</u>	<u>FY 1987 Actual Approp.</u>	<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- From Base</u>
School Operations	190,594	189,443	186,985	187,502	+517
Johnson-O'Malley Educational Assistance	22,824	20,351	20,400	20,400	0
Continuing Education	58,965	28,640	25,816	24,191	-1,625
Tribe/Agency Operations <u>1/</u>	0	0	32,882	32,551	-331
Substance/Alcohol Abuse <u>2/</u>	<u>5,400</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	277,783	238,434	266,083	264,644	-1,439

1/ Shown in Tribal Services, Tribe/Agency, in FY 1988.

2/ Included in School Operations in FY 1988 and FY 1989.

Justification of Program and Performance

Activity: Education
 Subactivity: School Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988</u> Enacted <u>To Date</u>	<u>FY</u> 1989 <u>Base</u>	<u>FY</u> 1989 <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1988</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
A. Indian School Equalization Program (ISEP):						
1. ISEP Formula	\$	161,582	159,350	159,350	-2,232	--
	(FTE)	(3,431)	(3,431)	(3,277)	(-154)	(-154)
2. Indian School Program Adjustments	\$	1,538	1,538	2,355	+ 817	+ 817
B. Education Standards						
	\$	300	300	--	-300	-300
C. Institutionalized Handicapped						
	\$	1,428	1,428	1,428	--	--
D. School Boards:						
1. Expenses	\$	723	723	723	--	--
2. Training Fund	\$	512	512	512	--	--
E. Student Transportation						
	\$	11,962	11,852	11,852	-110	--
	(FTE)	(163)	(163)	(151)	(-12)	(-12)
F. Solo Parent Program						
	\$	108	108	108	--	--
G. Technical Support:						
1. Agency & Area Offices	\$	8,466	8,348	8,348	-118	--
	(FTE)	(176)	(176)	(177)	(+1)	(+1)
2. Education MIS	\$	424	424	424	--	--
	(FTE)	(3)	(3)	(3)	(--)	(--)
H. Substance/Alcohol Abuse Counselors						
	\$	2,400	2,402	2,402	+2	--
	(FTE)	(50)	(50)	(50)	(--)	(--)
Total Requirements	\$	189,443	186,985	187,502	-1,941	+517
	(FTE)	(3,823)	(3,823)	(3,658)	(-165)	(-165)

Distribution:

Education and Training, General (Area/Agency Technical Support)	\$ (FTE)	8,890 (179)	8,772 (179)	8,772 (180)	-118 (+1)	-- (+1)
School Operations	\$ (FTE)	179,318 (3,644)	176,978 (3,644)	177,495 (3,478)	-1,823 (-166)	+517 (-166)
School Boards	\$	<u>1,235</u>	<u>1,235</u>	<u>1,235</u>	<u>--</u>	<u>--</u>
Total Requirements	\$ (FTE)	189,443 (3,823)	186,985 (3,823)	187,502 (3,658)	-1,941 (-165)	+517 (-165)

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 Indian students attending public schools; (3) to meet the needs of Indian students and address those problems intensified among Indian children because of their situation, such as bilingual needs, counseling, and guidance; (4) to provide operational funding to elementary and secondary schools under contract to tribes; and (5) to enhance local control of school operations.

A. Indian School Equalization Program

Base Program (\$159,350,000; FTE 3,431): According to data provided by the U.S. Department of Education, approximately 82% of Indian students are served by state-operated public schools and 7% are served by private and parochial schools. The remaining 11% 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 54% of the average daily membership (ADM) in bureau-funded schools in FY 1987 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 U.S. Department of Education such as P.L. 94-142 and Chapter I of P.L. 97-35. Chapter I provides supplemental financial assistance to schools for programs designed to raise the academic level of targeted 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 educational 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, extra-curricular activities and special curricula including vocational courses.

BILINGUAL EDUCATION - Special programs to help children of limited English proficiency to improve their ability to read, write, speak, and understand English.

EXCEPTIONAL CHILD PROGRAMS - Educational programs to meet the needs of handicapped Indian children in existing, approved programs at no cost to the parents. This includes classroom instruction, instruction in physical education, home tutoring, instruction in hospitals and institutions, and related service programs.

RESIDENTIAL PROGRAMS - These programs provide for the housing and care of students, including room and board, recreation, libraries, tutoring and other programs required in 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 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 1989, will operate, either directly or by contract, 168 elementary and secondary schools and 14 dormitories. These federally-operated and contracted schools will serve an estimated 39,592 students in 23 states in FY 1988. This figure includes 37,917 students in the basic instructional programs and 1,675 students in the dormitory program for students who attend public schools. The types of educational facilities include:

Day Schools which provide basic elementary and secondary education programs to children who reside at home;

On-Reservation Boarding Schools which are located within the boundaries of an Indian reservation and provide residential care in addition to the education program;

Off-Reservation Boarding Schools (ORBS) which are located outside the boundaries of an Indian reservation and provide residential care in addition to the education program;

Dormitories which provide residential care for students attending public schools; and

Contract Schools which are funded by the bureau and operated by the tribes under contract with the Bureau of Indian Affairs pursuant to P.L. 93-638.

A major bureau initiative in FY 1988 was to improve the quality of education for Indian children and to continue to move the management of education to the local level. In FY 1988, 38% of all bureau-funded schools are contracted to tribes, and seven schools operate under formal cooperative agreements with public schools. In FY 1989, the emphasis on quality education will continue with the Effective Schools movement.

SUMMARY OF FISCAL YEAR 1988 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>				\$58,192,980
Bureau Operated (57)	10,808	13,963	--	
Contracted (54)	7,889	10,591	--	
<u>On-Reservation Boarding Schools</u>				79,494,540
Bureau Operated (40)	13,725	17,133	9,600	
Contracted (10)	3,093	4,082	2,727	
<u>Off-Reservation Boarding Schools</u>				15,819,750
Bureau Operated (6)	2,182	2,940	3,187	
Contracted (1)	220	294	254	
<u>Dormitories</u>				5,913,150
Bureau Operated (9)	1,019	---	1,412	
Contracted (5)	656	---	1,083	
<u>Grand Total (182)</u>	<u>39,592</u>	<u>49,003</u>	<u>18,263</u>	<u>\$159,420,420</u>

Total includes WSUs calculated
for small school adjustment

(485) (229)

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 Program (ISEP) Formula. Monies used to fund other educational support and administrative school services are provided apart from the formula. An explanation of the FY 1988 formula distribution is presented on the following page.

Calculating the Base Student Value - Under the Indian School Equalization Program 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 WSUs 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.

Summary of Weighted Student Units by Program

		<u>Actual FY 1988</u>	
		<u>ADM</u>	<u>WSUs</u>
<u>I. Instructional Programs</u>			
A.	Basic	37,917 <u>a/</u>	42,677
B.	Exceptional Child	6,541	3,988
C.	Bilingual	9,263	<u>1,853</u>
Total Instructional WSUs.....			48,518
 <u>II. Residential Programs</u>			
<u>A. Boarding Schools</u>			
1.	Basic	11,333	14,492
2.	Exceptional Child Residential	413	202
3.	Intensive Residential Guidance	2,050	1,025
 <u>B. Dormitories</u>			
1.	Basic	1,675 <u>a/</u>	2,095
2.	Intensive Residential Guidance	422	211
3.	Exceptional Child Residential	15	<u>8</u>
Total Residential WSUs.....			18,033
Total Formula Program WSUs.....			<u>66,551</u>
Small School Adjustment.....			<u>715</u>
GRAND TOTAL.....			67,266

a/ The "Basic" student ADM numbers for Instructional and Dormitories are added together to obtain the total unduplicated, unweighted ADM (39,592 for FY 1988).

The following table provides a funding history of the Indian School Equalization Formula from FY 1982 - FY 1989.

	<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	180	40,280	69,899	\$ 2,103
FY 1987	181	39,911	68,055	\$ 2,230
FY 1988	182	39,592	67,266	\$ 2,370
FY 1989 (estimated)	182	39,100	66,400	\$ 2,400 (est.)

Indian School Program Adjustments

Base Program (\$1,538,000; FTE 0): Program adjustments include special programs, new activities, and other costs not considered in the ISEP formula. Any savings throughout the year in these items will be added to the amount available for ISEP and distributed to the schools by formula. Base funding for FY 1989 includes the following:

Start up Costs for New or Expanded Programs.....\$100,000
Western Cheyenne River Consolidated School will open for school year 1988-89.

School Closure Costs.....211,000
The bureau anticipates Congressional approval to close Phoenix Indian School after school year 1987-88.

Declining Enrollment Adjustment.....400,000
Schools which experience a greater than 10% decline in enrollment from one year to the next are allowed to average the enrollment of the two years for funding purposes. This transition year funding allows the school to adjust staffing and other costs to reflect the lower enrollment.

Gifted and Talented.....150,000
Bureau efforts for gifted and talented Indian children have lagged far behind state policies regarding the education of such children. In FY 1986, the bureau began four pilot projects. In FY 1988, the bureau will develop a gifted and talented program for all bureau-funded schools.

Furniture Repair Program.....150,000
The furniture repair program was successfully implemented in two agencies in school year 1987-1988. As a result of this program, twelve hundred mattresses were purchased for Eastern Navajo and Shiprock Agency schools. A contract with a nearby federal prison was used to facilitate this effort.

Repair of auditorium seats for one high school in school year 1988-89 will be accomplished through the furniture repair program. The high school was completed and opened in 1964 and still has the original chairs.

Maine Indian Education.....397,000
In FY 1988, Congress added \$397,000 for the three bureau-funded schools operated by Maine Indian Education to help the schools meet the newly established state academic standards.

Law Enforcement - Chemawa.....80,000
Law enforcement activities at Chemawa are complex, 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. Although 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. There is no adjustment factor within ISEP for such a situation. Chemawa, in addition to its normal security staff, employs one criminal investigator and two law enforcement officers at an annual cost of \$80,000.

Law Enforcement - Riverside.....\$ 50,000
 Law enforcement services at Riverside Indian School are needed particularly in the evening. Anadarko authorities have no jurisdiction over the school, because it is outside of the city limits and the county does not maintain the manpower to provide timely and adequate service to the school. In an agreement with the area director at Anadarko, Riverside has two law enforcement positions. In FY 1987, Education paid for one position and Law Enforcement paid for one position. In FY 1988, Congress added \$25,000 to Education to pay for the second position. No decrease was made to Law Enforcement.

Total, Indian School Program Adjustments.....\$1,538,000

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989</u> <u>Base</u>	<u>FY 1989</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Indian School Equalization Program (ISEP) Formula	\$ (FTE)	159,350 (3,431)	159,350 (3,277)	-- (-154)
Indian School Program Adjustments:	\$			<u>+817</u>
Gifted and Talented Program		150	400	+250
Textbook Upgrade		--	300	+300
Recognition of Exemplary Schools		--	450	+450
Staff Training		--	500	+500
School Closure Costs		211	--	-211
New School Start-up Costs		100	50	-50
Maine Indian Education		397	--	-397
Law Enforcement-Riverside		50	25	-25

Indian School Equalization Program (ISEP) Formula (FTE -154): The reduction in FTE reflects the continuing trend for tribes to contract schools or to contract specific programs at a school. There is no impact on formula dollars since contract schools and bureau-operated schools receive formula funds on the same basis.

Gifted and Talented Program (+\$250,000; FTE 0): The increase for the Gifted and Talented program when combined with base funding will provide a total of \$400,000 to be distributed to qualified schools based on the following criteria:

- The school must demonstrate that it has screened students who constitute a pool of students possibly qualified for differentiated instruction.
- Screening must include use of a checklist of behavioral scales or characteristics of the gifted, scores obtained on system-wide standardized achievement tests, teacher/parent/self-nomination, and scores obtained from other screening instruments.
- The school must base identification of these students on an assessment of intelligence or aptitude test scores, standardized achievement test scores and student performance based on grades, demonstrated skills or products. A weighted point value will be assigned to scores on IQ, aptitude, and achievement tests. Students with point totals of at least 90 out of 100 will be considered eligible for placement in the Gifted and Talented program.

- The school must provide a curriculum which is specifically designed to provide services and instructional learning activities, above and beyond the regular classroom offerings. This curriculum must demonstrate a differentiated approach to meeting the identified students' needs, and should consider special accelerated summer programs, weekend and after-school programs, and enrichment programs run by institutions as possible curriculum offerings for the gifted students.

- The school must develop an education plan for students as a group or individually which contains the goals and objectives of the program, methods and procedures for determining that goals have been met, evaluation of students' performance, and documentation of opportunities for parents to participate in the placement of their child.

The bureau anticipates funding the Gifted and Talented program as a part of ISEP. The weighting factor established will be published as part of the ISEP regulations during 1988.

Textbook Upgrade (+\$300,000; FTE 0): A school may apply for funds for textbook upgrade and may be funded if it meets the following criteria: (1) the school must provide a 50 percent funding match for the textbooks it will replace; (2) priority will be given in the following order: science textbooks; math textbooks; social studies materials (maps, globes, newspapers and periodicals); dormitory reading materials; language arts textbooks; and reference materials for libraries including encyclopedias, dictionaries and other materials; (3) the school must plan to replace textbooks on a five-year to eight-year cycle; (4) the school must have some method for control of the use of textbooks; and (5) the school must use state adopted textbooks. The task force to validate compliance to the standards found that in 1986, 63% of the schools visited lacked current textbooks.

Recognition of Exemplary Schools (+\$450,000; FTE 0): In FY 1988, criteria for evaluating exemplary schools will be established for bureau-funded schools, and the program will be implemented in FY 1989. In developing the criteria, the bureau will consider the following: (1) comprehensive review of test scores for the past three years in the areas of reading, math and language arts; (2) review of the schools' financial plans to determine which schools are financially sound and that adequate budgeting principles are in place; (3) indications that there has been professional growth in the school staff through efforts in training or staff development; and (4) evidence of community/parental involvement and input into the school's program demonstrated by changes in the atmosphere and attitude of that community toward the school. It is anticipated that ten schools will be identified in FY 1989 to receive additional funds as a reward for superior performance. The increased funds would be used to support specific school proposals to further academic excellence.

The second part of this program would match outstanding schools with schools identified as having difficulties. Funds would be directed to both sets of schools for the purpose of helping the second school show improvement. Over a two year period, it is anticipated that ten additional schools can be brought closer to academic excellence. Specifically, funds would be used for: (1) employing personnel an additional two weeks to refine and prepare for publication examples of materials they use in their program; (2) printing and distribution of materials; (3) conducting workshops or demonstrations by teachers from the exemplary schools at a fall and spring bureauwide meeting for furthering academic excellence; (4) supporting travel costs associated with meetings, review of programs, or attendance at workshops; (5) purchasing commercial curriculum materials designed to further academic achievement; and (6) providing matching funds for new and innovative approaches to teaching.

Staff Training (+\$500,000; FTE 0): The National Governors Association's 1986 report calls for using Effective Schools principles to promote excellence in schools. The Effective Schools research indicates that strong emphasis must be placed on basic skills, training of teachers and other educational staff, and most importantly on educational leadership. This leadership is primarily concentrated in the school principal and emphasizes clear goals and extensive involvement in the instructional delivery process.

The highest priority of the Office of Indian Education Programs in FY 1988 will be to develop an effective schools program to be implemented in FY 1989. The funds for staff training will be spent for extensive on-going staff development training for educational personnel at all levels. The goals of the training will include:

- developing effective leadership,
- developing a quality curriculum emphasizing instructional leadership,
- establishing high expectations for student success,
- establishing a clear school mission,
- monitoring of student progress, and
- promoting parental involvement in the education process.

School Closure Costs (-\$211,000; FTE 0): No school closures are anticipated during FY 1989.

Start-up Costs for New or Expanded Programs (-\$50,000; FTE 0): The \$50,000 requested for startup costs will be sufficient for Western Cheyenne River since it is a consolidation of existing schools.

Maine Indian Education (-\$397,000; FTE 0): The FY 1988 Congressional add-on for Maine Indian Education was a one-time supplement to help the schools meet state academic standards.

Law Enforcement - Riverside (-\$25,000; FTE 0): In FY 1987, law enforcement services at Riverside Indian School were funded by Education (\$25,000) and Law Enforcement (\$25,000). In FY 1988, Congress added \$25,000 to Education for the full cost of the program but made no reduction to Law Enforcement. In FY 1989, the law enforcement services will again be funded jointly.

B. Education Standards (Implementation)

Base Program (\$300,000; FTE 0): Title XI of the Education Amendments of 1978 (Public Law 95-561 enacted November 1, 1978) required 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 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 comply with the standards, obtain accreditation, or be a candidate for accreditation.

The \$300,000 provided in FY 1988 was used for in-service training for current professional staff.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989</u> <u>Base</u>	<u>FY 1989</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Education Standards	\$	300	- 0 -	-300

In FY 1989, no funds are requested for teacher certification or training of school personnel, as staff training is budgeted under Indian School Program Adjustments.

C. Institutionalized Handicapped Program

Base Program (\$1,428,000; 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. All possible alternative placements are examined to determine the least restrictive appropriate environment. Referral, identification, evaluation, and placement services are in compliance 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 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 educational/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. On average, approximately 200 children are served in about 25 facilities. Based on four years of actual placement data, it is estimated that approximately 15 new placements will be made during school year 1988/1989.

D. School Boards

Base Program (\$1,235,000; FTE 0): Public Law 95-561, the Education Amendments of 1978, directed 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 educational planning and decision making. In FY 1988, the \$723,000 budgeted for school board expenses provided 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 who can assist in the training of others. The implementation of the academic and dormitory standards will require significant school board involvement.

School board training funds are used for centralized training. During the last several years national, regional and local workshops have been conducted by the National Indian School Board Association; the Navajo Area School Board Association; Association of Contract Tribal Schools; state school board associations; local universities and community colleges; and other groups and individual consultants. 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.

The bureau distributes school board expense funds on the weighted formula basis described below. The amount allotted to each school board is a ceiling on its expenditures for meetings, including agency school board meetings, association dues, and legal fees.

Local school boards receive a weight for instructional programs based on their ADM and an additional weight of 1.0 if they have a residential program:

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

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 weighted units and a maximum of 4.6 weighted 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 (\$11,852,000; FTE 163): Student transportation funding includes personal services costs for vehicle operators, GSA vehicle rental, vehicle supplies and equipment, vehicle maintenance and repair, and other transportation support costs.

Funds are allocated to day schools that 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 (estimated to be \$1.27 in FY 1988).

Transportation funds are allocated to boarding schools to provide for boarding 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 are used to transport students, the bureau reimburses the actual cost of four trips.

Because adverse road conditions increase transportation costs, miles driven on unimproved roads, particularly on the Navajo Reservation, are weighted by a factor of 1.2 before multiplying by the established rate. In FY 1989, this adjustment for unimproved roads will be expanded to include other areas and agencies.

Change from FY 1989 Base:

(Dollar amounts in thousands)

	FY 1989 <u>Base</u>	FY 1989 <u>Estimate</u>	+/- <u>Difference</u>
Student Transportation	\$ 11,852	11,852	--
(FTE)	(163)	(151)	(-12)

The reduction in FTE reflects the continuing trend for tribes to contract schools or to contract specific programs such as transportation.

F. Solo Parent Program

Base Program (\$108,000; FTE 0): The Solo Parent Program, operated at Sherman Indian School and Flandreau Indian School, provides single parents the opportunity to complete their high school education while living at the school with their children. The parents are provided instruction in home management, child development and child care, in addition to the regular school curriculum. Day care is provided for the children, and medical services are provided by the Indian Health Service. The schools also receive ISEP funding for these students to cover their basic instructional and boarding costs.

G. Technical Support - Area and Agency Offices

Base Program (\$8,772,000; FTE 179): Technical Support includes educational Management Information Systems (MIS) activities; 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.

Area and Agency Offices (\$8,348,000; FTE 176): 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 for compliance to the standards; formulating budgets and financial programs; providing technical assistance and advice to subordinate programs and organizations; and taking responsibility with local school boards and tribal contractors for school operations.

Management Information Systems (\$424,000; FTE 3): During FY 1988, the Office of Indian Education Programs evaluated its system needs and developed a priority list which was coordinated with the bureau's Office of Data Systems. As a result, the major initiatives of the Management Information Systems (MIS) Program in FY 1989 will include: (1) implementing the Student Enrollment and Attendance System (SEAS); (2) developing Education's personnel system; (3) developing the curriculum information system; (4) developing the continuing Education system and, (5) implementing a nation-wide electronic mail and file transfer system. In FY 1989, 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.

1. Student Enrollment and Attendance System (SEAS): The SEAS will be fully operational in all bureau-funded schools for school year 1988, and student count will be fully automated. During 1987, each school and education line office was equipped with a microcomputer and modem to record statistical information and to communicate that information to a mainframe. The system will be used to provide statistical information for studies, analysis, and reports to Congress.

2. Personnel Information System: The personnel information system will be developed in FY 1988 and will be fully implemented in FY 1989. The system will provide information, such as degrees and certification of individual teachers, the number of teachers by subject area, the teacher shortage areas and teacher turn-over rates, which is not available on the bureau's current personnel system.

3. Curriculum Information System: In FY 1988, the preliminary plans for a curriculum information system were designed. This system will focus on the curriculum offerings at both elementary and secondary schools. It will also automate compliance reports.

4. Continuing Education System: This system will provide a data base for the administration of the three components in Continuing Education: Higher Education, Tribally Controlled Community Colleges (TCCC), and Adult Education. These three programs will have an automated reporting system which will allow the bureau to aggregate information for reporting purposes, compare student achievement, compare funding levels to forecast financial need, track students through undergraduate and graduate programs, and provide information on the types and categories of programs students have completed.

5. Electronic Mail System: This system will enable the bureau to collect reports and data and to communicate directly with education line officers and schools, shortening response time and increasing efficiency.

The following is the estimated breakdown of the MIS FY 1989 budget estimate:

	<u>FY 1988</u>	<u>FY 1989</u>
1. System Development.....	\$230,000	\$164,000
2. ADP Services.....	60,000	60,000
3. MIS salaries, materials and supplies, data communication line, travel, equipment maintenance and repair.....	<u>134,000</u>	<u>200,000</u>
Total	\$424,000	\$424,000

Change from FY 1989 Base:

	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Technical Support			
Agency and Area Offices (FTE)	(176)	(177)	(+1)

In FY 1989, three positions will be located in the field to provide computer assistance and other technical support to schools and the Area/Agency Offices. Two FTE will come from existing staff and the additional FTE requested will allow for full geographic coverage.

H. Substance/Alcohol Abuse Education Programs

Objective: The objective of education programs in substance and alcohol abuse is to provide bureau-funded schools with curriculum materials and technical assistance in developing and implementing alcohol and substance abuse programs in the areas of prevention, assessment, identification, and crisis intervention through the use of referrals and additional counselors at the schools.

Base Program (\$2,402,000; FTE 50): Section 1121 of P.L. 99-570, the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986, requires all schools funded by the Bureau of Indian Affairs to include within the curriculum a program of instruction relating to alcohol and substance abuse prevention and treatment. The bureau provided the technical assistance necessary to develop and implement such a program for students in grades K-12 in FY 1987. These funds are used to hire certified counseling personnel in grades K-12 to provide counseling, treatment, prevention intervention and follow-up.

Object Class Distribution - School Operations Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	-165	-\$ 4,125,000
Personnel Benefits.....		- 672,000
Supplies and Materials.....		+ 317,000
Other services.....		<u>+ 4,997,000</u>
Total.....	<u>-165</u>	<u>+\$ 517,000</u>

Justification of Program and Performance

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

(Dollar amounts in thousands)

Program Elements	FY 1988	FY	FY	Inc. (+)	Inc. (+)
	Enacted	1989	1989	Dec. (-)	Dec. (-)
	To Date	Base	Estimate	From 1988	From Base
Johnson-O'Malley Educational Assistance	\$ 20,351	20,400	20,400	+49	--
Total Requirements	\$ 20,351	20,400	20,400	+49	--

Johnson-O'Malley Educational Assistance Program

Objective: The Johnson-O'Malley Educational Assistance program provides funding for supplemental educational programs for eligible Indian students in public schools and programs for three and four-year-old children to meet their special needs as determined by contractors and local Indian education committees.

Base Program (\$20,400,000): Indian children attending public schools sometimes have special educational needs resulting from disadvantaged economic and social backgrounds or from different cultural backgrounds. The Federal Government under the authority of the Johnson-O'Malley Act of 1934, as amended, provides financial assistance through the BIA to contractors for eligible students attending public schools to supplement the regular school programs and address these problems. The types of supplemental activities provided by the JOM program relate to educational needs, teacher support, and parental costs. The most popular programs are home-school coordinators and academic remediation. The home-school coordinators are effective in working with students and parents on an individual basis to encourage and motivate students to remain in school and to further develop their potential by attending post-secondary schools. Academic remediation is usually carried out during the school year, in or out of the school setting, by certified teachers, teacher aides and occasionally by upper class students.

Public Law 99-228 changed the definition of Indian students eligible for service under JOM from "an individual with at least 1/4 degree of Indian blood of a federally-recognized tribe" to "a member of a tribe, or a descendent of a member who has at least 1/4 degree of Indian blood of a federally-recognized tribe." This new definition took effect with the FY 1988 student count in October of 1987; the result was a 13% increase in service population.

In FY 1988, the JOM program funded approximately 201,162 students in 28 states and operated under 306 contracts.

Type of Contractor	1987	1988
Tribes	160	165
Tribal Organizations	54	60
Public School Districts	69	75
State Departments of Education	6	6
Total Contracts	289	306

In 1986, federally-recognized tribes voted to change the method of distributing JOM funds to an equal per pupil distribution instead of the weighted distribution based on the higher of the state or national average per pupil costs. FY 1987 and FY 1988 appropriation acts have included language which prohibits the bureau from changing the distribution method.

The FY 1988 language further directs the bureau to submit a study to the appropriation committees by June 1, 1988 making recommendations on the methods of distributing JOM funds in an equitable way.

In FY 1988, the bureau will study distribution methods used for similar programs, the distribution formula proposed in S.373, and other possible approaches. The bureau's recommendations will be submitted to the committees by June 1, and the FY 1989 distribution of JOM will be on the basis agreed to by the committees.

FY 1988 JOM DISTRIBUTION BY STATE

	(1) <u>a/</u>	(2) <u>b/</u>	(3)	(4)	(5) <u>b/</u>	(6)
STATE	STATE AVG. PER PUPIL COST	STATE WEIGHTING FACTOR	NUMBER OF STUDENTS SERVED	WEIGHTED STUDENT UNIT (2) X (3)	STATE JOM PER STUDENT AMOUNT (2) X 86.52	STATE ALLOCATION (5) X (3)
ALASKA	\$8,183	2.24	23,831	53,471	194.12	\$ 4,626,100
ARIZONA	3,007	1.00	41,876	41,876	86.52	3,622,900
CALIFORNIA	3,458	1.00	3,753	3,753	86.52	324,700
COLORADO	3,911	1.07	742	796	92.78	68,800
FLORIDA	3,417	1.00	452	452	86.52	39,100
IDAHO	2,417	1.00	1,809	1,809	86.52	156,500
IOWA	3,552	1.00	536	536	86.52	46,400
KANSAS	3,761	1.03	732	755	89.22	65,300
LOUISIANA	3,053	1.00	102	102	86.52	8,800
MAINE	3,387	1.00	248	248	86.52	21,500
MICHIGAN	4,065	1.11	2,707	3,018	96.43	261,000
MINNESOTA	3,872	1.06	5,109	5,424	91.85	469,300
MISSISSIPPI	2,169	1.00	408	408	86.52	35,300
MONTANA	3,999	1.10	8,507	9,328	94.87	807,100
NEBRASKA	3,553	1.00	1,758	1,758	86.52	152,100
NEVADA	3,384	1.00	3,477	3,477	86.52	300,800
NEW MEXICO	3,080	1.00	30,328	30,328	86.52	2,623,900
NEW YORK	5,829	1.60	2,041	3,262	138.28	282,200
NORTH DAKOTA	3,386	1.00	3,061	3,061	86.52	264,800
OKLAHOMA	3,078	1.00	41,359	41,359	86.52	3,578,200
OREGON	4,051	1.11	2,387	2,651	96.10	229,400
RHODE ISLAND	4,566	1.25	375	469	108.32	40,600
SOUTH DAKOTA	2,947	1.00	9,853	9,853	86.52	852,400
TEXAS	3,191	1.00	249	249	86.52	21,500
UTAH	2,351	1.00	3,118	3,118	86.52	269,800
WASHINGTON	3,794	1.04	6,243	6,495	90.00	561,900
WISCONSIN	4,093	1.12	4,859	5,453	97.10	471,800
WYOMING	5,051	1.38	1,242	1,720	119.82	148,800
TOTALS			201,162	235,229		\$20,351,000

a/ State average Per Pupil Cost is provided by the Center for Statistics, "Average Daily Attendance, Current Expenditures, and Exclusions for P.L. 97-35 Purposes, 50 States and District of Columbia." National Average Per Pupil Cost is \$ 3,647.

b/ Columns 2 and 5 are rounded and displayed in two digits, but calculations actually use figures to 12 decimal points.

Justification of Program and Performance

Activity: Education
 Subactivity: Continuing Education

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc.(+) Dec.(-) From Base</u>
A. Post-Secondary Schools	\$ (FTE)	13,862 (290)	11,038 (243)	11,038 (243)	-2,824 (-47)	-- (--)
B. Special Higher Education Scholarships	\$	1,910	1,910	1,500	-410	-410
C. Tribally Controlled Community Colleges:						
Operational Grants	\$	12,368	12,368	11,653	-715	-715
Endowments	\$	<u>500</u>	<u>500</u>	<u>--</u>	<u>-500</u>	<u>-500</u>
Total Requirements	\$ (FTE)	28,640 (290)	25,816 (243)	24,191 (243)	-4,449 (-47)	-1,625 (--)

A. Post-Secondary Schools

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

Base Program (\$11,038,000; FTE 243): The base program includes educational costs to operate the two schools as well as the costs for maintaining the facilities. Some Indian/Alaskan 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/Alaskan Natives is a major concern which is strongly stressed and provided in bureau post-secondary schools.

The post-secondary schools' dormitories continue to be filled to capacity, and the number of day students is limited since neither school is located near large populations of Indians. Table 1 shows data on the number of students enrolled by semester. Dormitories 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.

Haskell Indian Junior College (HIJC) (\$7,210,000; FTE 162): Haskell is located in Lawrence, Kansas, and has operated as a junior college since 1970. The college provides both an academic and a residential program for Indian students from across the country and operates the usual student services such as a dining hall, a health clinic (through the Indian Health Service), a financial aid office, a counseling center and an activities office.

Haskell is accredited by the North Central Association of Colleges and Schools and awards Associate of Arts degrees and Associate of Applied Science degrees. 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. The business and vocational-technical education programs are primarily designed to prepare students for immediate employment.

In FY 1986 and 1987, Haskell placed a total of 65 students with the Forest Service. As a result of the summer program, both the BIA Division of Forestry and the Forest Service assisted Haskell in initiating a pre-professional natural resources program which will prepare Haskell graduates for entering four-year colleges and completing professional level degrees in natural resource fields. Both agencies have met with the Haskell administration and the administration of six universities in the southwest and northwest to formalize transfer agreements between Haskell and these institutions.

The summer programs of the BIA and the Forest Service provide the potential for employment of a greater number of Native Americans in these agencies. Such programs will relieve some of the unemployment on reservations and provide almost \$200,000 in summer employment for college students. Private corporations also look to Haskell for promising Native American college students. For example, Bell Laboratories, an AT&T research facility in Illinois, hired six Haskell electronics students over the past summer at wages above \$10 per hour.

Haskell is working with the BIA to explore the development of degree programs in special education and early elementary education, law and order specialties, and other professions. Preliminary plans are being made in conjunction with the University of Kansas, Northern Arizona University, Idaho State University, Colorado State University, and Montana State University to provide comprehensive four-year degree options for Haskell students. If these plans are successful in FY 1988 and FY 1989, Haskell would be providing a substantial number of Native American professionals to the BIA by 1992.

Southwestern Indian Polytechnic Institute (SIPI) (\$3,828,000; FTE 81):

Southwestern Indian Polytechnic Institute is located in Albuquerque, New Mexico, and opened in September of 1971 with the purpose of providing Indian students with post-secondary education programs in high demand vocational and technical fields. The Institute provides both an academic and residential program for Indian students from more than 30 Indian tribes and offers a certificate program in 32 occupational areas.

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.

One of SIPI's most successful programs is optical technology, which trains students in the design, manufacture and dispensing of prescription eye glasses and contact lenses. Over ninety percent of its 1986 graduating students were placed in jobs with national firms.

A new component of the electronics program is the television broadcast systems course which prepares students to enter the field of television broadcasting. SIPI has entered into a cooperative agreement with the three major television stations in the Albuquerque area whereby all students in this course receive extensive on-the-job training.

TABLE 1 - NUMBER OF STUDENTS ENROLLED

	DORM CAPACITY	FY 1987 Actual		FY 1988 Estimate		FY 1989 Estimate	
		Fall 1986	Spring 1987	Fall 1987	Spring 1988	Fall 1988	Spring 1989
Haskell	700	713	604	756	700	740	700
SIPI	<u>512</u>	<u>501</u>	<u>476</u>	<u>465</u>	<u>480</u>	<u>500</u>	<u>520</u>
Total	1,212	1,214	1,080	1,221	1,180	1,240	1,220

The number of Indian/Alaska Native students awarded Associate Degrees or certificates of completion from the three schools is shown in Table 2.

TABLE 2 - NUMBER OF GRADUATES

	FY 1987		FY 1988 Act.		FY 1989 Est.	
	Fall 1986	Spring 1987	Fall 1987	Spring 1988	Fall 1988	Spring 1989
Haskell	24	113	35	85	30	80
SIPI	<u>42</u>	<u>81</u>	<u>58</u>	<u>71</u>	<u>45</u>	<u>75</u>
Total	66	194	93	156	75	155

B. Special Higher Education Scholarships

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

Base Program (\$1,910,000; 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. Pre-law students, or those requiring graduate studies to qualify to enter professional career fields, may also be assisted from this program.

Table 1 reports the number of applicants and the number of scholarships awarded for the summer of 1987 and academic year 1987-88.

Table 1

Applicants and Scholarships

	<u>Summer School 1987</u>	<u>Academic Year 1987-88</u>
Applicants Funded by		
Field of study:		
Law	34	115
Education	13	61
Business	3	24
Health Professions	10	52
Engineering	--	4
Natural Resources	1	--
Other Fields	<u>2</u>	<u>27</u>
Total Students Funded	63	283

Since the September 30, 1986, ruling of the U.S. Court of Appeals for the Ninth Circuit (Zarr v. Barlow), there has been a 10% increase in the number of eligible applicants requesting assistance from the Special Higher Education program.

Historically, students receiving Special Higher Education grants have been required to apply for all available financial aid offered at the graduate level. As this pool of resources is very limited, students generally seek educational loans as well as grant funds. The individual's budget is then submitted by the college financial aid officer to the Special Higher Education Program (SHEP) with "unmet" need recommendations. The maximum dollar amount available under this program is \$10,000 per academic year; however, no individual grant may exceed the calculated "unmet need" recommendation submitted by the college financial aid office. If the unmet need exceeds the maximum allowance, the student must then apply for additional loans. Using the maximum allowance criteria, approximately 30 to 35 percent of the SHEP grant budget has been available to fund students in other than the six priority fields. Funding of students in non-priority fields will be phased out in contract year 1988 - 1989.

Beginning in FY 1989, only applicants in the priority fields of study will be eligible for funding, and the 30 to 35 percent of funding previously distributed for other fields of study will be used to increase the maximum allowance criteria for the students' unmet needs.

C. TRIBALLY CONTROLLED COMMUNITY COLLEGES

	FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc.(+) Dec.(-) From 1988	Inc. (+) Dec. (-) From Base
Title I	\$ 8,189	8,189	7,724	-465	-465
Title II (NCC)	\$ 4,063	4,063	3,813	-250	-250
Technical Assistance	\$ 116	116	116	--	--
Endowments	\$ 500	500	-0-	-500	-500
Totals	\$ 12,868	12,868	11,653	-1,215	-1,215

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

Base Program (\$12,868,000; FTE 0): 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 members compatible with the needs and assessments of the tribes. 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 (NCC). Title II grants are authorized only for NCC for an amount necessary for operating and maintaining the College, including, but not limited to, administrative, academic, and operation and maintenance costs.

In FY 1988, the bureau began to use a revised method of counting students for Title I TCCCs as the basis for distribution of grant funds. "Full Time Equivalent" (FTE) was 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. Summer school hours are also included in the count. Colleges not offering vocational courses or summer school could be adversely affected by the ISC formula.

An operational grant is provided to each tribal college eligible for funding. Table 1 shows the list of Title I Tribally Controlled Community Colleges and the comparative data on the number of FTE/ISC Indian students, number of graduates, accreditation status, and the types of degrees and certificates awarded by each college for fiscal years 1986-88. Technical assistance funds in the amount of \$116,000 are provided to assist the tribal colleges in gaining full accreditation and maintaining quality programs.

TABLE 1 - FTE/ISC and Graduates

<u>Tribal College</u>	<u>FY 1986 FTE</u>	<u>FY 1987 FTE</u>	<u>Est. FY 1988 ISC a/</u>	<u>Accred-b/ itation</u>	<u>Degrees or Certificate Offered c/</u>	<u>FY 1987 Graduates</u>
Blackfeet	207	213	183	Accred	AA, AAS, Voc.Cert.	26
Cheyenne River	42	49	58	Cand	AA, AS, Voc.Cert.	2
College of Ganado	135	(Closed in FY 1987)				
D-Q University	108	112	125	Accred	AA, AS	5
Dull Knife	95	100	92	NA	AA, AAS	22
Fort Belknap	85	89	113	Cand	AA	15
Fort Berthold	106	113	117	Cand	AA, Voc.Cert.	7
Fort Peck	100	126	171	Cand	AA, AAS, Voc.Cert.	7
Lac Courtes Oreilles Ojibwa	85	76	123	Cand	AA	2
Little Big Horn	84	92	105	Cand	AA, Voc. Cert.	7
Little Hoop	83	85	89	Cand	AAS, Voc.Cert.	9
Lummi	150	175	224	Cand	AS	13
Nebraska	157	144	127	Accred	AA, AS, AAS, Voc. Cert.	11
Oglala Lakota	467	473	675	Accred	AA, BS, Voc.Cert.	175
Salish Kootenai	268 <u>d/</u>	272	318	Accred	AA, AAS, Voc.Cert.	21
Sinte Gleska	291	278	291	Accred	AS, AAS, BS, Voc. Cert.	27
Sisseton-Wahpeton	110	87	82	Cand	AA, Voc.Cert.	16
Standing Rock	227	215	235	Accred	AA, AAS, AS, Voc. Cert.	30
Stone Child	-- <u>d/</u>	123	128	NA	AA, AAS	--
Turtle Mountain	<u>259</u>	<u>240</u>	<u>305</u>	Accred	AA, AAS	<u>54</u>
TITLE I Totals	<u>3,059</u> =====	<u>3,062</u> =====	<u>3,561</u> =====			<u>449</u> ===

(Footnotes are on the next page.)

a/ ISC figures are for the fall term of the 1987-1988 academic year. These figures were reported by the individual colleges and have not been verified or audited.

b/ 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 as amended.

c/ 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).

d/ Stone Child students were counted at Salish-Kootenai in FY 1986.

TABLE 2 - Navajo Community College (Title II)

	<u>FY 1986 Enrollment</u>		<u>FY 1987 Enrollment</u>		<u>FY 1988 Enrollment</u>	
	<u>Full- Time</u>	<u>Part- Time</u>	<u>Full- Time</u>	<u>Part- Time</u>	<u>Full- Time</u>	<u>Part- Time</u>
Navajo Community College	542	1,034	538	881	745	938

(Fall and Spring enrollment were averaged for calculation of number of full-time and part-time students).

The enrollment figures for Navajo Community College were provided by the college and have not been verified or audited by the bureau.

Change from FY 1989 Base:

(Dollar amounts in thousands)

	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Special Higher Education Scholarships	\$ 1,910	1,500	-410
Tribally Controlled Community Colleges:			
Operational Grants	\$ 12,368	11,653	-715
Endowments	\$ <u>500</u>	<u>--</u>	<u>-500</u>
Total	\$ 14,778	13,153	-1,625

Special Higher Education Scholarships (-\$410,000): Law is a priority field of the Special Higher Education program and represents over 40% of total scholarships awarded. Therefore, the bureau did not continue the FY 1988 Congressional add-on of \$160,000 for the summer law programs. The further decrease of \$250,000 reflects the bureau's decision to fund only students who are studying in priority fields. This change will maximize the available dollars in support of the priority fields and also lighten the financial burden on individual students. There will be no impact on the amount of grants for these priority field students.

TCCC Operating Grants (-\$715,000): The bureau did not continue the FY 1988 Congressional add-ons for Title I colleges and the Navajo Community College. The grants provided to Tribally Controlled Community Colleges were never intended to pay the full operating costs of these institutions. The bureau encourages the colleges to seek other sources of funding from private foundations, other grants, or tuition charges.

TCCC Endowments (-\$500,000): The endowment program was initiated in FY 1988 and was implemented under a Federal Register Notice since regulations on the Tribally Controlled Community Colleges had not been finalized. During FY 1989, the bureau will evaluate the effectiveness of the endowment program and the process used. Until this review is completed it is premature to request continued funding.

Object Class Distribution - Continuing Education Subactivity

	<u>Amount</u>
Other Services.....	-\$ 410,000
Grants, subsidies and contributions.....	<u>- 1,215,000</u>
Total	<u><u>-\$1,625,000</u></u>

Justification of Program and Performance

Activity: Education
 Subactivity: Tribe/Agency Operations

Program Elements	(Dollar amounts in thousands)					
		FY 1988 Enacted to date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
A. Scholarships	\$ (FTE)	-- a/ (--)	28,806 (--)	28,477 (3)	+28,477 (+3)	-329 (+3)
B. TCCC's Snyder Act Supplement	\$	-- a/	932	932	+932	--
C. Adult Education	\$ (FTE)	-- a/ (--)	3,144 (18)	3,142 (20)	+3,142 (+20)	-2 (+2)
Total Requirements	\$ (FTE)	-- (--)	32,882 (18)	32,551 (23)	+32,551 (+23)	-331 (+5)

a/ These programs were funded under Indian Services - Tribe/Agency Operations in FY 1988.

Base Program (\$32,882,000; FTE 18): The base funding to support the tribe/agency operations for Educational programs provides services to Indians whose tribes have neither the resources nor governmental capabilities to provide such services. The base program funding and description of Education programs under tribe/agency operations are as follows:

A. Scholarships

Base Program (\$28,806,000; FTE 0): The Higher Education Program provides financial aid to eligible Indian/Alaskan 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) Indians, Eskimos, or Aleuts who are members of a tribe which is federally recognized; (2) admitted for enrollment in an accredited college or university program leading primarily to a baccalaureate degree; (3) financial need as determined by the institution's financial aid officer; and (4) 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. Education staffs at the area and agency offices provide supervision for this program. Table 1 provides statistical and historical data for selected years (1949, 1960, and 1970) and for 1979 through 1988.

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 34 percent of the total assistance required in FY 1988.

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</u>	
						<u>Direction Costs (\$)</u>	<u>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	27,398,000	15,895	1,626	1,420	38	1,556,000	(5.7%)
1981	26,918,000	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	(12.4%)
1983	26,357,000	14,946	1,546	1,295	88	3,256,000	(13.0%)
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>	14,500	1,676	1,450	96	3,645,000	(13.0%)
1987	31,168,000 <u>d/</u>	15,200 <u>c/</u>	1,800	1,500	98	3,817,000	(12.2%)
1988	28,770,000	17,800 <u>c/</u>	1,402	1,600	100	3,817,000	(13.3%)
1989	28,477,000						

a/ Calculated by subtracting program direction costs and indirect cost from "Appropriation" and dividing by "no. of Students Assisted".

b/ First year of the Higher Education Grant Program.

c/ Estimated increase resulting from Zarr vs. Barlow case which did away with the requirement for 1/4 degree of Indian blood for eligibility.

d/ Both direct costs and contract support funds are included in these for FY 1986 and FY 1987.

TABLE 2 - SOURCES OF FUNDING FOR HIGHER EDUCATION STUDENTS

	<u>1988 Estimate</u>
Total BIA Grant Awards <u>a/</u>	\$24,953,000 (34%)
Family & Student Cont. <u>b/</u>	14,500,000 (19%)
College Based Awards <u>c/</u>	28,000,000 (38%)
Other Public Sources <u>d/</u>	<u>6,500,000 (9%)</u>
	\$73,953,000

a/ The total BIA Grant Award is the amount appropriated minus the program direction costs.

b/ Parent, student contributions.

c/ Pell Grant, Supplementary Education Opportunity Grant, National Direct Student Loans, and College Work Study.

d/ Social Security, Veterans Administration, Welfare, State Grants, and Tribal Awards.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Scholarships	\$	28,806	28,477	-329
	(FTE)	(--)	(3)	(+3)

Scholarships (-\$329,000; FTE +3): The change in scholarships results from the application of the Indian Priority System at the tribe/agency level.

B. Tribally Controlled Community Colleges Supplement

Base Program (\$932,000; FTE 0): Under the authority of the Tribally Controlled Community College Assistance Amendments Act (P.L. 98-192), the bureau provides grants to 21 tribal colleges for academic and administrative purposes and for the operation and maintenance of the colleges. These 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 which are compatible with the needs of their people. Funding charts and student participation data are provided under Continuing Education, Tribally Controlled Community Colleges.

Some tribes choose to supplement the bureau grants with funds available through the Indian Priority System. The following table compares the FY 1988 and FY 1989 supplemental funding provided to the listed colleges in addition to their grant from Education.

<u>AREA/Agency</u>	<u>Tribal College</u>	<u>FY 1988</u>	<u>FY 1989</u>
<u>Aberdeen Area:</u>			
Rosebud Agency	Sinte Gleska Community College	\$140,100	\$142,000
Pine Ridge Agency	Oglala Lakota Community College	308,900	312,000
Turtle Mountain Agency	Turtle Mountain Community College	81,700	94,000
Fort Berthold Agency	Fort Berthold Community College	55,200	50,000
<u>Billings Area:</u>			
Northern Cheyenne Agency	Dull Knife Memorial College	326,800	334,000
Blackfeet Agency	Blackfeet Community College	<u>5,000</u>	<u>--</u>
		\$917,700	\$932,000

C. Adult Education

Base Program (\$3,144,000; FTE 18): The Adult Education program provides educational opportunities and learning experiences to enable adult Indian/Alaskan 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.

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 (e.g., 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 (e.g., typing, shorthand, computer literacy); 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 more employable and productive.

Workload Data:

In FY 1988, 75 tribes will administer the Adult Education Program under P.L. 93-638 contracts; 13 programs will be 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	3,697,000	68	12,899	287
1984	3,747,100	88	14,607	257
1985	3,474,000	88	13,520	257
1986	3,391,000 <u>a/</u>	88	12,800	265
1987	3,496,000 <u>a/</u>	88	13,000	269
1988	3,141,000	88	12,000	262
1989	3,142,000			

a/ Included contract support funds.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Adult Education	\$	3,144	3,142	-2
	(FTE)	(18)	(20)	(+2)

Adult Education (-\$2,000; FTE +2): The changes to adult Education result from the application of the Indian Priority System at the tribe/agency level.

Object Class Distribution - Education Tribe/Agency Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+5	+\$125,000
Personnel Benefits.....		+ 20,000
Grants, Subsidies and Contributions.....		- 329,000
Other Contractual Services.....		- 147,000
Total	+5	-\$331,000

Activity Summary

(Dollar amounts in thousands)

Activity: Tribal Services

<u>Subactivity</u>	FY 1987 Actual Approp.	FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	+/- From Base
Tribal Government Services	33,125	8,976	8,841	9,002	+161
Social Services	114,718	93,210	93,206	88,883	-4,323
Law Enforcement	54,363	4,286	4,016	4,029	+13
Self-Determination Services	21,698	52,677	52,754	50,149	-2,605
Employment Development	--	2,473	2,465	2,227	-238
Tribe/Agency Operations	--	153,605	120,986	116,336	-4,650
Navajo/Hopi Settlement Program	<u>2,490</u>	<u>1,971</u>	<u>1,997</u>	<u>1,997</u>	<u>--</u>
Total	226,394	317,198	284,265	272,623	-11,642

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Tribal Government Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Aid to Tribal Government	\$ (FTE)	6,285 (82)	6,337 (82)	6,278 (80)	-7 (--)	-59 (-2)
B. Tribal Courts	\$ (FTE)	2,691 (--)	2,504 (--)	2,724 (3)	+33 (--)	+220 (+3)
Total Requirements	\$ (FTE)	8,976 (82)	8,841 (82)	9,002 (83)	+26 (--)	+161 (+1)

A. Aid to Tribal Government

Community Services,
General:

Area Office Operations	\$ (FTE)	271 (6)	261 (6)	255 (6)	-16 (--)	-6 (--)
Central Office Operations	\$ (FTE)	323 (7)	321 (7)	321 (7)	-2 (--)	-- (--)
Substance Abuse Coordination Office	\$	--	250	250	+250	--

All Other Aid to
Tribal Government:

Area Office Operations	\$ (FTE)	1,319 (37)	1,291 (37)	1,238 (32)	-81 (-5)	-53 (-5)
Central Office Operations	\$ (FTE)	1,372 (32)	1,214 (32)	1,214 (32)	-158 (--)	-- (--)

New Tribes -
Undistributed

\$	3,000	3,000	2,500	-500	-500
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Institute for
Tribal
Government

\$ (FTE)	-- (--)	-- (--)	500 (3)	+500 (+3)	+500 (+3)
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Total	\$ (FTE)	6,285 (82)	6,337 (82)	6,278 (80)	-7 (-2)	-59 (-2)
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Objective: The objective of this program is to: (1) improve tribal governments' operational capabilities through the provision of technical and financial assistance so they can better serve tribal members and communities; (2) insure the timely submission of judgment plans assuring, to the greatest extent practicable, that tribal plans for utilization of the money are adopted; and (3) 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 (\$6,337,000; FTE 82): The Aid to Tribal Government program contains a number of separate and distinct program elements providing technical and/or financial assistance to Indian tribes.

Community Services, General (\$832,000; FTE 13):

Area Office Operations (\$261,000; FTE 6): This program provides, at the area office level, staff specialists and program and policy advisors to the area directors on all matters related to the entire Tribal Services program.

Central Office Operations (\$321,000; FTE 7): This program provides, at the central office level, staff specialists and program and policy advisors to the Assistant Secretary-Indian Affairs on all matters related to the entire Tribal Services program.

Substance Abuse Coordination Office (\$250,000; FTE -0-): This office was established in compliance with Public Law 99-570, the "Anti-Drug Abuse Act of 1986". The primary focus of the office is that of coordination and oversight of all bureau programs, including those involving construction activities, concerning the use and abuse of alcohol and drugs. The major bureau prevention activities include identification, crisis intervention, referral, and followup. The office also provides oversight of activities concerned with trafficking, interdiction, and eradication of addictive substances. Additionally, the office works very closely with the Indian Health Service through a Memorandum of Agreement to coordinate all programs and resources available to tribes.

All Other Aid to Tribal Government (\$5,505,000; FTE 69)

Area Office Operations (\$1,291,000; FTE 37): The majority of the area office funding is used to provide technical assistance to 308 federally-recognized Indian tribes in the lower 48 states and 197 Alaskan Native groups. The area staffs assist the tribes/groups 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 provides technical assistance in developing proposals for the use of judgment funds and conducts the Hearings of Record. 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 (\$1,214,000; FTE 32): In addition to providing overall program management, the central office staff 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 ethnohistorical 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 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 an individual's right 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 arising from the rejection of applications for membership or enrollment at the tribal and/or area level. It also reviews cases where individuals have questioned the degree of Indian blood shown for them or their ancestors in the official records affecting their eligibility for membership and/or for services and benefits.

The Tribal Relations 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. The program processes petitions from tribal members for Secretarial action, such as calling an election to adopt a constitution, and processes appeals from administrative actions relating to tribal government. Intratribal disputes are closely monitored for possible program involvement requiring mediating resolution efforts, or when resolution efforts fail, recommending specific action to bureau line officials.

The Acknowledgment and Research program is responsible for 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 are used to evaluate these petitions. There are approximately 237 unrecognized groups in the nation, of which 108 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. The program has evaluated petitions for 21 groups. Acknowledgment has been granted to 7 groups, denied 11 groups and

proposed findings have been issued for 3 others.

Supervision of the Special Tribal Courts program and the Judicial Services Center is also funded under this activity. 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; 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 Department of Justice 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 Indian organizations associated with the tribal 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 staff 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.

New Tribes - Undistributed (\$3,000,000; FTE -0-): The New Tribes program provides the initial source of funding for newly acknowledged tribes, enabling them to begin federally funded operations. Currently agency and area office staff help new tribes to assess their needs, design or propose operation programs to meet their needs, and submit proposed budgets to implement their proposed programs. The bureau will develop a standard, uniform format for determining the needs of newly recognized tribes to ensure that all new tribes are treated equitably. New tribes funding is used to cover such needs as social services, tribal enrollment, adult vocational training, natural resources conservation, reservation planning, higher education scholarships and development of tribal organic documents.

Funding for newly acknowledged tribes which have approved budgets is shown under the Undistributed category until such time as the funding level can be reflected in the Tribe/Agency base. At that time, their funding is transferred to the Indian Priority System. The Undistributed category is reduced accordingly. In FY 1988, the base amount of \$3,000,000 will be used to provide services and funding to the following tribes: Klamath (\$1,500,000), Wampanoag (\$550,000), Alabama-Coushatta (\$475,000), and Ysleta del Sur (\$475,000).

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY</u> <u>1989</u> <u>Base</u>	<u>FY</u> <u>1989</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Community Services, General				
Area Office	\$	261	255	-6
Operations	(FTE)	(6)	(6)	(--)
All Other Aid to Tribal Government				
Area Office	\$	1,291	1,238	-53
Operations	(FTE)	(37)	(32)	(-5)

New Tribes -				
Undistributed	\$	3,000	2,500	-500
Institute for Tribal Government	\$	--	500	+500
	(FTE)	(--)	(3)	(+3)
Total	\$	4,552	4,493	-59
	(FTE)	(43)	(41)	(-2)

Area Office Operations (-\$59,000; FTE -5): The decrease of \$59,000 and 5 FTE for Aid to Tribal Government at the area offices is based on priorities established by the area directors.

New Tribes (-\$500,000; FTE -0-): The \$1,500,000 provided to the Klamath Tribe in FY 1988 included \$500,000 for development of the economic self sufficiency plan which is a one time project due to Congress in August of 1988.

Institute for Tribal Government (+\$500,000; FTE +3): This increase is to create and initiate administrative and curriculum development activities for a training center which will promote the self-sufficiency and improvement of tribal governmental and Bureau of Indian Affairs operations by strengthening the policy development and management capabilities at the local, regional, and national level utilizing up-to-date political, managerial, administrative, and corporate theories and practices. The training will be focused in such areas as governmental operations, human and political relations, management and administration, corporate management of tribal assets and enterprises, conflict resolution, and policy development, and will be provided through high-quality, graduate-level seminars and policy forums ranging from introductory levels to the more advanced levels. The site for the center will be at a location easily accessible by public transportation, in conjunction with an existing institution of higher learning, and near a top governmental and business community with adequate public accommodations.

B. Tribal Courts

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Special Tribal Courts	\$	2,391	2,065	2,065	-326	--
Judicial Services Center	\$	--	139	359	+359	+220
	(FTE)	(--)	(--)	(3)	(+3)	(+3)
Substance/Alcohol Abuse	\$	300	300	300	--	--
Total Requirements	\$	2,691	2,504	2,724	+33	+220
	(FTE)	(--)	(--)	(3)	(+3)	(+3)

Objective: The objective of this program is 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 (\$2,504,000; FTE 0):

Special Tribal Courts (\$2,065,000; 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 1987, continued emphasis was placed on increasing the capabilities of existing tribal court systems and improving judicial, administrative, and prosecution functions. The bureau has provided an average of 12 training sessions per year for approximately 700 to 750 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, juvenile law; etc. Since the turnover rate for all judicial personnel is high, it is essential that training sessions be held on a regular basis.

Judicial Services Center (\$139,000; FTE -0-): The base funding will be used to develop the framework for the establishment of a Judicial Services Center which will be located in the field. The Central Office staff of the Branch of Judicial Services will, in addition to performing the day to day function of the branch, design, develop and initiate the base establishment and operations of the Center by providing basic tribal court review and limited on-site training services. A plan for the implementation of a data collection center and repository will be developed.

Substance/Alcohol Abuse (\$300,000; FTE -0-): Training is provided for court personnel on dealing with substance/alcohol abuse issues such as appropriate court orders relative to treatment and/or placements as well as recognition of mitigating circumstances as related to sentencing within the judicial system. Training has been provided in most areas and will continue to be available through the bureau's national contract for training court personnel.

In FY 1987, technical reviews of tribal court systems were performed to address administrative and technical deficiencies. Tribes were encouraged to evaluate and set priorities for their own court systems through the implementation of the Court Improvement Plans. The Court Improvement Plan also served as a self-assessment to be used by the Indian Courts to quantify their needs. Funding was provided to 23 "Needy Indian Courts". The Indian Law Reporter was purchased for 138 tribal and CFR courts.

Workload Data:

	<u>Actual</u> <u>1987</u>	<u>Estimate</u> <u>1988</u>	<u>Estimate</u> <u>1989</u>
<u>Special Tribal Courts Training</u>			
Training Sessions (in-house)	3	3	3
Training Sessions (contract)	12	12	10
Trainees	900	850	850
Judges	300	250	250
Other Court Personnel	600	600	600

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY</u> <u>1989</u> <u>Base</u>	<u>FY</u> <u>1989</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Judicial Services Center	\$	139	359	+ 220
	(FTE)	(--)	(3)	(+3)

Judicial Services Center (+\$220,000; FTE +3): The increase will permit staffing and operation of the Judicial Services Center as a field entity of the Central Office Branch of Judicial Services. The staff of the Center will direct the development and conduct of programs for the continuing education and training of court personnel; the compilation of information and data concerning court activities; the provision of technical assistance to court systems; and the evaluation of tribal judicial systems.

Object Class Distribution - Tribal Government Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+ 1	+\$ 25,000
Personnel Benefits.....		+ 4,000
Other Services.....		+ 132,000
Total.....	+ 1	+\$ 161,000
	=====	=====

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Social Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. All Other Social Services	\$	2,163	2,140	2,149	-14	+9
	(FTE)	(50)	(50)	(54)	(+4)	(+4)
B. Welfare Assistance Grants	\$	91,047	91,066	86,734	-4,313	-4,332
Total Requirements	\$	93,210	93,206	88,883	-4,327	-4,323
	(FTE)	(50)	(50)	(54)	(+4)	(+4)

A. All Other Social Services

Area Office Operations	\$	1,127	1,111	1,120	-7	+9
	(FTE)	(24)	(24)	(28)	(+4)	(+4)
Central Office Operations	\$	796	785	785	-11	--
	(FTE)	(16)	(16)	(16)	(--)	(--)
Field Operations	\$	240	244	244	+4	--
	(FTE)	(10)	(10)	(10)	(--)	(--)
Total	\$	2,163	2,140	2,149	-14	+9
	(FTE)	(50)	(50)	(54)	(+4)	(+4)

Objective: To provide bureauwide direction and control of the Social Services program by establishing or revising policies and procedures that will result in the provision of comprehensive and quality programs that provide protective, financial, and counseling services, as well as home or institutional care for eligible Indian adults and children.

Base Program (\$2,140,000; FTE 50): The central office and area offices are responsible for providing direction on 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 (\$1,111,000; FTE 24): The area offices have responsibility for technical supervision of the social services programs within their area jurisdictions. Responsibilities include: development and operation of the area social services program; areawide provision of technical assistance and consultation to social services staff, tribes, and Indian organizations with respect to Indian Child Welfare Act (ICWA) programs; coordination of social services policies, programs, and procedures with those of other federal, state, and local agencies; performance of field visits for program reviews and training purposes; making recommendations regarding the social services budget, including staffing, operations, and grant funds; assistance to bureau and tribal staff in improving professional competence; and supervision of area ICWA programs.

Central Office Operations (\$785,000; FTE 16): The central office exercises programmatic direction for all functions and systems of the social services activity. 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 coordination of social services program with other bureau and federal agencies' programs.

Field Operations (\$244,000; FTE 10): The staff, in coordination with the area office, has responsibility for program evaluation and monitoring. This quality control effort complements the work of the central office Quality Control Unit. Follow-up corrective action at the area level is required on an on-going basis to insure that identified quality control problems are corrected. Other projects which have been initiated and which will impose additional workload include (1) joint BIA-IHS initiatives in child welfare, drug and alcohol abuse, pregnancy prevention, and placement of the mentally ill; (2) increased involvement in protective services for children; and (3) increased coordination of Indian Child Welfare Act activities, including scheduling panels for rating proposals, monitoring progress of grantees, and providing technical assistance.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989 Base	FY 1989 Estimate	+/- Difference
Area Office	\$	1,111	1,120	+9
Operations	(FTE)	(24)	(28)	(+4)

Area Office Operations (+\$9,000; FTE +4): The increase of \$9,000 and 4 FTE for All Other Social Services at the area offices is based on priorities established by the area directors.

B. Welfare Assistance Grants

(Dollar amounts in thousands)

		FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Welfare Assistance Grants (Regular)	\$	82,237	82,256	77,856	-4,381	-4,400
EARN Demonstration	\$	--	--	2,000	+2,000	+2,000
Indian Child Welfare Act (ICWA)	\$	8,810	8,810	6,878	-1,932	-1,932
Total Requirements	\$	91,047	91,066	86,734	-4,313	-4,332

Objective: This program provides welfare assistance to eligible Indians who cannot obtain such assistance from states or local governments; and provides 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 reunite Indian children with their own families in situations where they had previously been separated.

Base Program (\$91,066,000; FTE 0): The Bureau of Indian Affairs provides General Assistance (G.A.) payments to eligible Indians when such assistance is not available through the state or local public agencies. In other instances, federal legislation requires the bureau to provide social services to specific tribes. For example, Public Law 97-429 requires the bureau to serve the Texas Band of Kickapoos in Maverick County, Texas. The bureau also provides foster home payments for Indian children and provides grants to Indian tribes and organizations through the Indian Child Welfare Act.

Welfare Assistance Grants-Regular (\$82,256,000; FTE 0): There are two types of assistance that are available to tribes and tribal members under the welfare assistance grants program: General Assistance and Child Welfare Assistance.

General Assistance (\$67,506,000): The general assistance program consist of:

a. Direct Financial Assistance (\$57,893,000): This assistance is currently provided in 18 states to Indian individuals and families to pay basic living expenses for those whose income is below current state standards.

The bureau provides services only in 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 (\$5,800,000): This assistance is provided to disabled adults who are not eligible for care from Indian Health Service, Title XIX, SSI or any other county, state, or federal programs. The vast majority of this assistance is provided in Arizona because that state does not administer a Title XIX Medicaid program.

c. Contracts with Tribes to Operate Tribal Work Experience Programs (TWEP) (\$2,838,000): About 4,300 tribal members who receive general assistance and who work on tribal projects under TWEP receive \$55 per month for work-related costs in addition to their welfare payments. Examples of work projects include: road repair, building maintenance, facility construction, and housing construction and repairs.

d. Burial Assistance (\$975,000): These funds are used to pay burial expenses of deceased indigent Indians whose survivors do not have resources available to meet funeral expenses.

Child Welfare Assistance (\$14,750,000): The child welfare assistance program provides for the care 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 provides funding for programs for the handicapped. These payments are made directly or through contract to the provider in states where the bureau is authorized under 25 CFR 20.22(c) to administer a program. These children are not eligible for care under any other county, state or federal programs.

Workload Data: Estimates of caseloads, unit costs for institutional and custodial care, child welfare assistance, and burial assistance provided on the following pages have their origin at the agency level. In compiling these estimates, the agency staff considers such factors as past, current and projected caseload and unit cost trends.

The Bureau anticipates that it may be one or two years before a decline in the General Assistance caseload specifically attributable to EARN will become evident.

<u>I. CASELOAD</u>	1987 <u>Actual</u>	1988 <u>Est.</u>	1989 <u>Est.</u>
1. <u>General Assistance</u> (persons per month).....	66,867	66,900	66,000
a. TWEP participants.....	(4,300)	(4,300)	(4,300)
b. Institutional and Custodial Care.....	(850)	(850)	(750)
2. <u>Child Welfare Assistance</u> (persons per month).....	2,936	2,875	2,875
a. Foster home care (including family and small group care).....	(1,736)	(1,720)	(1,720)
b. Residential care for handicapped children.....	(1,200)	(1,155)	(1,155)
3. <u>Burial Assistance</u> (burials per year).....	1,300	1,300	1,300
 <u>II. AVERAGE BENEFITS (\$)</u>	 1987 <u>Actual</u>	 1988 <u>Est.</u>	 1989 <u>Est.</u>
1. <u>General Assistance</u> (\$ per person per month).....	81.62	81.41	81.41
(TWEP - \$ per participant per month).....	(55.00)	(55.00)	(55.00)
2. <u>Child Welfare Assistance</u> (\$ per child per month).	418.40	427.28	427.28
3. <u>Burial Assistance</u> (\$ per burial).....	750.00	750.00	750.00
 <u>III. TOTAL WELFARE GRANT COSTS BY TYPE (\$000)</u>	 1987 <u>Actual</u>	 1988 <u>Est.</u>	 1989 <u>Est.</u>
1. <u>General Assistance</u>	65,493	65,356	64,476
Prior Year carryover.....	--	(2,000)	(2,140)
Carried forward.....	2,000	2,140	770
Proposed for EARN.....	--	2,000	--
General Assistance Request.....	67,493	67,496	63,106
(TWEP)	(2,838)	(2,838)	(2,838)
2. <u>Child Welfare Assistance</u> (Solo Parent Program)	14,741 (108)	14,741 --	14,750 --
3. <u>Burial Assistance</u>	-- a/	-- a/	-- a/
Total	82,234	82,237 ^{b/}	77,856

a/ Burial 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.

b/ The proposed \$2 million reprogramming for EARN will be offset by an approximate \$2 million carryover of FY 1987 funding in tribal Social Services contracts.

Employment Assistance Readiness Net (EARN): Many general assistance recipients lack the most basic skills and work habits that would make them likely candidates for successful, long-term employment. Although largely untapped, potential reservation workforces are among the greatest of tribal resources. It is the vocational development and social support of that workforce that is the focus of this program.

In FY 1988, the bureau has requested a reprogramming of \$2 million from General Assistance to establish the Employment Assistance Readiness Net (EARN). If the reprogramming is approved, the bureau will initiate a three-year, community-based demonstration project designed to enable Indian individuals who receive general assistance to achieve sustained and meaningful work and to develop skills. Under EARN, six tribal projects have been selected for funding over a three-year period. These six projects will give the tribes the opportunity to create local public assistance systems that suit their own community needs. When operational, these local demonstration projects will produce data that will be used in developing a national framework within which local public assistance systems will be modified and operated. Each project will have a built-in evaluation process and will participate in a national independent research evaluation system selected by the bureau for the purpose of measuring efficiency and effectiveness. The multi-year approach was chosen because it affords tribes the opportunity to undertake long-range planning and continuing development, unlike what can be achieved readily in a single annual plan or project. As these projects will be initiated on a demonstration basis, the bureau has not revised its regulations or manuals but will waive certain requirements in order to implement this demonstration project.

Indian Child Welfare Act Grants (ICWA) (\$8,810,000; FTE -0-): P.L. 95-608 authorizes discretionary grants to 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, 100-160 tribes and Indian organizations operated such programs, including:

Systems to license and regulate Indian foster homes and adoptive homes;

Facilities for counseling and treating Indian families and providing temporary custody of Indian children;

Programs to train parents on how to care for children in danger of neglect or abuse, and provide respite for parents in stressful situations;

Day care facilities;

Programs for after-school care for high-risk children which emphasize the cultural, academic, and social needs of children;

Programs to provide recreational activities;

Programs to provide training of tribal court personnel in the legalities of the Act and in provision of quality, court-related, child welfare services;

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; and

Legal representation which includes providing counseling to families and consultation with tribes.

Workload Data: Most of the Title II Indian Child Welfare Act grant programs are multifaceted social services delivery systems. In FY 1989, an estimated 100 grants will be provided for a variety of different services. Because these grants differ in size and purpose, they cannot be realistically categorized by a standard unit cost or servicing format. The summary historical data follows:

	1987 <u>Actual</u>	1988 <u>Est.</u>	1989 <u>Est.</u>
Number of Grants.....	128	128	100
Total Dollars (\$000).....	8,810	8,810	6,878

In FY 1989, the Bureau will begin another multi-year grant cycle under the Indian Child Welfare Act (ICWA) program. All grants in FY 1989 will be awarded on a multi-year basis.

Change from FY 1989 Base:

(Dollar amounts in thousands)

	FY 1989 <u>Base</u>	FY 1989 <u>Estimate</u>	+/- <u>Difference</u>
Welfare Assistance Grants-Regular	\$ 82,256	77,856	-4,400
EARN Demonstration	\$ --	2,000	+2,000
Indian Child Welfare Act	\$ <u>8,810</u>	<u>6,878</u>	<u>-1,932</u>
TOTAL	\$ 91,066	86,734	-4,332

Welfare Assistance Grants-Regular (-\$4,400,000; FTE 0): This decrease reflects anticipated savings in the cost of providing institutional care services (a component of general assistance) in the State of Arizona. Arizona is the only state that does not provide institutional care services under Title IX of the Social Security Act; therefore, the bureau has long met the costs of providing such care to Indian people in that state. In October 1988, however, the Arizona Health Care Cost Containment System (AHCCCS) is to be phased in, and will provide comprehensive institutional care services to eligible residents of the state, including Indians. The decrease further reflects a provision in existing regulations (25 CFR 20.21(f)(3)) which requires that all lease income available to general assistance recipients be counted as available to meet need. Moreover, it is anticipated that legislation will be enacted to clarify that the \$2,000 income disregard for per capita payments is an annual, rather than a per payment, income disregard.

EARN Demonstration (+\$2,000,000; FTE 0): If the FY 1988 reprogramming is approved, the \$2 million in FY 1989 will be used to continue the demonstration projects. If the reprogramming is disapproved, the demonstration projects will be initiated in FY 1989. This increase will support six tribal demonstration projects and two bureau demonstration projects in the second year of the three-year project which is designed to create local public assistance systems which suit community needs. The six tribal demonstration projects will each be funded at a maximum level of \$285,000. There will also be two projects operated by the bureau at a maximum level of \$100,000 per project. An outside evaluation of the eight projects will be conducted at a cost of \$90,000.

Indian Child Welfare Act (-\$1,932,000; FTE 0): The requested level will fund approximately 100 tribes and organizations at the same grant level distributed in FY 1988.

Object Class Distribution - Social Services Subactivity

	<u>FTE</u>	<u>AMOUNT</u>
Total Personnel Compensation.....	+ 4	+\$ 100,000
Personnel Benefits.....		+ 16,000
Travel and Transportation of Persons.....		+ 7,000
Rent, Communications, and Utilities.....		+ 6,000
Supplies and Materials.....		+ 10,000
Grants, Subsidies, and Contributions.....		<u>- 4,462,000</u>
Total.....	+ 4	<u>-\$4,323,000</u>

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Law Enforcement

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Law Enforcement- Regular	\$ (FTE)	3,036 (50)	3,015 (50)	3,028 (52)	-8 (+2)	+13 (+2)
B. Substance/ Alcohol Abuse	\$ (FTE)	1,250 (13)	1,001 (13)	1,001 (13)	-249 (--)	-- (--)
Total Requirements	\$ (FTE)	4,286 (63)	4,016 (63)	4,029 (65)	-257 (+2)	+13 (+2)

A. Law Enforcement-Regular

Area Offices Operations	\$ (FTE)	522 (12)	511 (12)	524 (14)	+2 (+2)	+13 (+2)
Central Office Operations	\$ (FTE)	1,355 (25)	1,348 (25)	1,348 (25)	-7 (--)	-- (--)
Police Academy	\$ (FTE)	849 (7)	844 (7)	844 (7)	-5 (--)	-- (--)
Special Law Enforcement	\$ (FTE)	310 (6)	312 (6)	312 (6)	+2 (--)	-- (--)
Total	\$ (FTE)	3,036 (50)	3,015 (50)	3,028 (52)	-8 (+2)	+13 (+2)

Objective: This program provides or assists in providing law enforcement services for: protection of life and property in Indian Country and reduction of incidence of crime which adversely affects the quality of life; develops methods and expertise to resolve conflicts and solve major crimes in Indian Country; provides criminal justice remedial actions and rehabilitation; promotes the reduction of recidivism and adverse social effects; develops preventive and outreach programs which will enhance the public conception of law enforcement responsibilities, through training and development of needed public service skills; assesses and evaluates individual program accomplishments in reducing crime in Indian Country; develops and provides training.

Base Program (\$3,015,000; FTE 50)

Area Office Operations (\$511,000; FTE 12): The area office law enforcement staff functions 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 (\$1,348,000; FTE 25)

Central Office Staff (\$477,000; 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 Integrated Police/Law Enforcement Management System. This system provides law enforcement programs with information on modern trends, new techniques, legislation, court decisions and other information, and provides reports and data system training. 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 general supervision and direction over two field operations: the Law Enforcement Services Unit and the Branch of Training (Indian Police Academy).

Law Enforcement Services Unit (\$871,000; FTE 18): This special unit of criminal investigators and staff experts, located in Albuquerque, New Mexico, assists various bureau and federal agencies with exceptionally high rates of criminal violations of the Indian Major Crimes Act, 18 U.S.C. 1152 and 1153. This organization includes two functional law enforcement branches: Criminal Investigations Branch and Police Operations Branch.

Criminal Investigations Branch (\$500,000; FTE 12): This branch is responsible for the development of major criminal cases involving narcotic violations, (i.e. production, distribution, and sale), sexual abuse, and child abuse or exploitation cases for prosecution by the various U.S. Attorneys' offices. The members of this branch are specially trained and are assigned to supervise and assist other law enforcement officers to develop and present criminal 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.

Police Operations Branch (\$371,000; FTE 6): This branch is responsible for oversight of all bureau police and detention operations to insure compliance with established policy and standards. It monitors tribal and contracted police and detention operations to determine effectiveness with respect to overall law enforcement programs. It develops and recommends policy, procedures, standards and techniques for the operation of bureau police and detention facilities and contracts with tribes for law enforcement programs. The branch is responsible for insuring, on short notice, the availability of trained law enforcement officers to respond nationwide to emergency situations which may threaten the safety of lives, property and tranquility on Indian reservations. The branch is responsible for the bureau's firearms policies and standards including the accountability for firearms and ammunition. It conducts inspections and evaluations of bureau law enforcement programs and recommends corrective actions on program deficiencies, establishes guidelines for self-inspection to assist tribal police organizations in evaluating program performance and insures that they are adequately administered.

Police Academy (\$844,000; FTE 7): The training branch is located at the Indian Police Academy, Federal Law Enforcement Training Center (Marana Operations), Pinal Air Park, Marana, Arizona. The branch is responsible for providing on-site and outreach training in basic courses for bureau and tribal police recruits, and specialized advanced training courses (i.e. drug law enforcement; eradication

techniques; undercover operations; sexual and child abuse investigations; jail and command management; and tactical police training) for bureau and tribal law enforcement officers.

Special Law Enforcement (\$312,000; FTE 6): These funds are used to improve the quality of the law enforcement program and to meet unexpected law enforcement needs such as:

- a. Judicial decisions which award expanded federal jurisdiction;
- b. States returning jurisdiction to the Secretary of the Interior;
- c. Tribes retroceding law enforcement contracts;
- d. Conditions which require additional law enforcement personnel and equipment because confrontational or disruptive activities arise; or
- e. Special narcotic control investigations.

Such situations are often unforeseen and cannot be included in the normal planning cycles. Some are critical and life threatening in nature while others may be budgetary in nature as when funding is inadequate due to retrocession of contracts, withdrawal of supplemental law enforcement funding by a tribe, or unique requirements such as operational support and workload increases placed on law enforcement officers by neighboring jurisdictions.

Over sixty tribal and bureau police officers were trained in Special Officer Survival and Safety Tactics to be available in each area for response to emergency situations such as threatened takeover of bureau or tribal complexes, crowd control, and special requirements which cannot be met by bureau or tribal police units. One special team was called in after two tribal police officers were shot and the suspects fled into a nearby wooded area. The suspects were apprehended by the special team after being tracked for eighteen hours. Another team was called in to sweep an area for mines and booby traps when a federal warrant was to be served. After clearing the area, the team assisted the tribal police in executing the warrant and seizing over fifty weapons and a quantity of cultivated marijuana.

Special Law Enforcement funds were used to detail police officers to a reservation in Utah so that the entire police department could attend two weeks training for Utah State Police Certification. As a result, cross-deputization agreements with surrounding county police departments were executed to fill the law enforcement needs on the reservation.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989 Base	FY 1989 Estimate	+/- Difference
Area Office Operations	\$	511	524	+13
	(FTE)	(12)	(14)	(+2)

Area Office Operations (+\$13,000; FTE +2): An increase of \$13,000 and 2 FTE for Law Enforcement at the area offices is based on priorities established by the area directors.

B. Substance/Alcohol Abuse

(Dollar amounts in thousands)

		FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Substance/ Alcohol Abuse	\$ (FTE)	1,250 (13)	1,001 (13)	1,001 (13)	-249 (--)	-- (--)
Total Requirements	\$ (FTE)	1,250 (13)	1,001 (13)	1,001 (13)	-249 (--)	-- (--)

Objective: This program develops and implements programs to eliminate illegal trafficking of narcotics and controlled substances on Indian reservations.

Base Program (\$1,001,000; FTE 13): These funds are used to continue training for law enforcement officers in Indian country in detection, investigation, and eradication of illegal cultivation of marijuana, and to conduct operations to reduce the supply of narcotics, marijuana, and other illegal substances on Indian reservations.

Funding, in the amount of \$250,000, is being provided under Community Services, General in FY 1989 for a Drug Coordination Office.

Object Class Distribution - Law Enforcement Subactivity

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation.....	+ 2	+\$50,000
Personnel Benefits.....		+ 8,000
Other Services.....		- 45,000
Total.....	+ 2	+\$13,000

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Self-Determination Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Training and Technical Assistance	\$	1,090	1,167	1,083	-7	-84
	(FTE)	(21)	(21)	(22)	(+1)	(+1)
B. Contract Support	\$	47,787	47,787	46,266	-1,521	-1,521
C. Small Tribes Core Management Grants	\$	<u>3,800</u>	<u>3,800</u>	<u>2,800</u>	<u>-1,000</u>	<u>-1,000</u>
Total Requirements	\$	52,677	52,754	50,149	-2,528	-2,605
	(FTE)	(21)	(21)	(22)	(+1)	(+1)

A. Training and Technical Assistance

Area Office Operations	\$	540	623	539	-1	-84
	(FTE)	(12)	(12)	(13)	(+1)	(+1)
Central Office Operations	\$	550	544	544	-6	--
	(FTE)	<u>(9)</u>	<u>(9)</u>	<u>(9)</u>	<u>(--)</u>	<u>(--)</u>
Total	\$	1,090	1,167	1,083	-7	-84
	(FTE)	(21)	(21)	(22)	(+1)	(+1)

Objective: To provide training and technical assistance to tribes in assuming management of bureau programs, services and functions.

Specifically, technical assistance is provided to (1) enable tribes to avoid or overcome declination issues related to contract applications; (2) ensure satisfactory performance of contract or grant requirements; and (3) 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 (\$1,167,000; FTE 21): Training and technical assistance are provided primarily by bureau P.L. 93-638 coordinators. Assistance is also provided under cooperative agreements by other federal and non-federal staff such as the Office of Personnel Management, the Department of Agriculture and private industry con-

sulting firms expert in the areas of accounting, management, planning and program operations.

Area Office Operations (\$623,000; FTE 12): 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 needs of individual tribes and is provided to allow tribes to meet the legislative and regulatory requirements.

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, and property management.

Central Office Operations (\$544,000; FTE 9): The central office provides overall policy guidance, coordination, direction, and cohesion for bureau and tribal initiatives involving contract 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 structures required in order to be responsive to tribal initiatives.

Workload Data: The coordinators act as focal points 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 operational difficulties. When the technical assistance requested is beyond the scope of what bureau staff can provide, the P.L. 93-638 coordinators aid the tribes in securing the needed assistance from other sources.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989 Base	FY 1989 Estimate	+/- Difference
Area Office Operations	\$	623	539	- 84
	(FTE)	(12)	(13)	(+1)

Area Office Operations (-\$84,000; FTE +1): The decrease of \$84,000 and an increase of one FTE for Training and Technical Assistance at the area offices is based on priorities established by the area directors.

B. Contract Support

(Dollar amounts in thousands)

		<u>FY 1988</u> Enacted to Date	<u>FY</u> 1989 Base	<u>FY</u> 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Contract Support	\$	47,387	47,387	45,866	-1,521	-1,521
Employee Displacement Costs	\$	400	400	400	--	--
Total Requirements	\$	47,787	47,787	46,266	-1,521	-1,521

Objective: To pay tribes and tribal organizations for overhead/administrative costs incurred as a result of contracts to operate bureau programs, and to fund costs such as severance pay and lump sum leave payments to federal employees who are displaced because of contracting with Indian tribes and tribal organizations.

Base Program (\$47,787,000; FTE 0): The bureau utilizes P.L. 93-638 contractor indirect cost rates to determine the amounts needed by contractors to meet overhead/administrative costs. Since the inception of contracting under P.L. 93-638, the Office of the Inspector General has had primary responsibility for the negotiation of tribal indirect cost rates.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989</u> Base	<u>FY 1989</u> Estimate	+/- Difference
Contract Support	\$	47,787	46,266	-1,521

Contract Support (-\$1,521,000; FTE 0): In FY 1989, the bureau will discontinue payment of contract support on funds which "pass through" the bureau from the Department of Education. Legislative/administrative restrictions limit the amounts some federal agencies may pay for tribal administrative costs. These limitations should not be circumvented by the bureau's using contract support funds to supplement the budgets of other federal agencies.

Beginning with FY 1989, the Office of the Secretary will assume responsibility for the negotiation of indirect cost rates. As part of this shift of responsibility, the concept of "reasonable" costs in addition to "allowable" costs will become the basis for rate determination.

C. Small Tribes Core Management Grants

(Dollar amounts in thousands)

	FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Small Tribes Core Management Grants	\$ 3,800	3,800	2,800	- 1,000	- 1,000
Total Requirements	\$ 3,800	3,800	2,800	- 1,000	- 1,000

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 to provide technical assistance necessary to enable certain tribes to become functional, independent entities; and to assist tribes in the movement toward self-determination.

Base Program (\$3,800,000; FTE 0): The Small Tribes Core Management Grants program allows approximately 230 eligible tribes and Alaskan Native villages to address their management, administrative, and operational needs or problems. Funds are used for staff support and for the maintenance of a program office.

Regardless of population, specialized technical assistance is provided to tribes experiencing serious management problems or needing to improve program and tribal operations such as: (1) unresolved audit deficiencies which indicate severe and/or longstanding management problems; (2) near insolvency or bankruptcy; (3) internal political turmoil which paralyzes the tribal government or hinders delivery of services to tribal members; (4) lack of opportunities for future economic viability of the tribe; and (5) lack of expertise and resources to address problems where assistance needed is not available at the bureau field level.

A tribe's request for technical assistance must include a commitment by the tribe to make serious efforts to address and resolve its problems. When a tribe seeks assistance, an on-site review is conducted by professional staff to determine the specific type of assistance needed and initiate an agreement with the tribes on a proposed plan of action.

Emphasis is placed on the utilization and development of existing resources available to the tribe rather than on new funding. Overall, the plan of corrective action is central to accomplishing the objectives of the technical assistance program. Thus, the plan will not only correct problems, it will contain provisions to prevent the recurrence of problems.

Change from FY 1989 Base:

(Dollar amounts in thousands)

	FY 1989 Base	FY 1989 Estimate	+/- Difference
Small Tribes Core Management Grants	\$ 3,800	2,800	- 1,000

Small Tribes Core Management Grants (-\$1,000,000; FTE 0): The decrease in funding for this program is a result of a phase-down of grants to small tribes to "maintenance" level. The bureau will continue to operate the program for small tribes at a scaled back level. This program is accomplishing its stated purpose in a cost effective manner. That is, program participants have made exceptional progress toward the improvement of their management and operation of all program and tribal governmental affairs. Furthermore, many tribes are now entering into contracts with the bureau where they did not prior to the inception of the program and are successfully applying for grants from other Federal agencies. The specialized technical assistance effort is also being scaled down as a result of increased involvement of bureau field staff under OMB Circular A-128 or single audit corrective action planning.

Object Class Distribution - Self-Determination Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+1	+\$ 25,000
Personnel Benefits.....		+ 4,000
Other Services.....		- 1,634,000
Grants, Subsidies, and Contributions.....		<u>- 1,000,000</u>
Total.....	+1	<u>-\$2,605,000</u>
	=====	=====

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Employment Development

(Dollar amounts in thousands)

Program Elements	FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
A. Direct Employment \$ (FTE)	332 (4)	325 (4)	321 (4)	-11 (--)	-4 (--)
B. Adult Vocational \$ Training (FTE)	2,141 (3)	2,140 (3)	1,906 (5)	-235 (+2)	-234 (+2)
Total Requirements \$ (FTE)	2,473 (7)	2,465 (7)	2,227 (9)	-246 (+2)	-238 (+2)

A. Direct Employment

Area Office Operations \$	50	45	--	-50	-45
Central Office Operations \$ (FTE)	183 (4)	181 (4)	222 (4)	+39 (--)	+41 (--)
United Sioux Tribes Development Corporation \$	99	99	99	--	--
Total Requirements \$ (FTE)	332 (4)	325 (4)	321 (4)	-11 (--)	-4 (--)

Objective: This program provides job placement assistance to Indians and Alaskan Natives in order to promote economic self-sufficiency for individual tribal and Alaskan Native people.

Base Program (\$325,000; FTE 4): Direct Employment (job placement) services are provided to members of federally-recognized Indian tribes who have an employable skill and need assistance to find suitable permanent employment based on their level of skills. The program funds are used for staff and support services at the area and central office levels and for services performed under a contract.

Area Office Operations (\$45,000; FTE 0): The area staff, funded under Adult Vocational Training, is responsible for the development and operation of the Direct Employment (job placement) program at the area level. These offices provide 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 (\$181,000; FTE 4): The central office staff provides overall planning, technical supervision, and evaluation of the Direct Employment and Adult Vocational Training programs. It is responsible for establishing program direction and policy, regulations, and procedures for administration

of bureauwide operations. The central office also provides expertise and advice to the bureau at the national level and to the bureau's top administrators, and provides liaison with other agencies.

United Sioux Tribes Development Corporation (\$99,000; FTE 0): USTDC, under a contract with the bureau, provides services consisting of job development, job placement, counseling, and guidance in community adjustment. It also provides follow-up services after job placement, including job counseling to enhance the client's opportunity to retain his/her employment.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989 Base	FY 1989 Estimate	+/- Difference
Area Office Operations	\$	45	--	-45
Central Office Operations	\$	181	222	+41
Total Requirements	\$	226	222	-4

Area Office Operations (-\$45,000): The decrease of \$45,000 for Direct Employment at the area offices is based on priorities established by the area directors.

Central Office Operations (+\$41,000): The increase of \$41,000 will provide for necessary travel costs associated with field internal control reviews as mandated by OMB Circular A-123.

B. Adult Vocational Training

(Dollar amounts in thousands)

<u>Program Elements</u>		FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Area Office Operations	\$ (FTE)	206 (3)	205 (3)	231 (5)	+25 (+2)	+26 (+2)
United Tribes Educational Technical Center	\$	1,498	1,498	1,238	-260	-260
National Ironworkers Training Program	\$	437	437	437	--	--
Total Requirements	\$ (FTE)	2,141 (3)	2,140 (3)	1,906 (5)	-235 (+2)	-234 (+2)

Objective: To provide adult vocational training to Indians and Alaskan Natives in a field where they can obtain the necessary skills to become employable.

Base Program (\$2,140,000; FTE 3): The adult vocational training program provides vocational counseling, institutional training in any recognized vocation or trade, apprenticeships, and on-the-job training.

Area Office Operations (\$205,000; FTE 3): The area offices are responsible for the development and operation of the adult vocational training program and work closely with the agencies and tribes in the actual placement of program participants in training and in employment upon completion of training.

United Tribes Educational Technical Center (\$1,498,000; FTE 0): The United Tribes Educational Technical Center, under contract with the bureau, provides the Indian applicant an opportunity for training in one of ten vocational skill areas, 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 needs of the applicant's tribe.

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 30 trainees in each class. Trainees receive classroom and shop instruction. Each graduate trainee is credited with one year of work experience toward his/her three years of apprenticeship training.

Workload Data:

<u>Vocational Training Program</u>	<u>AVT Completions 1985 - 1986</u>	<u>% Placed in Employment</u>	<u>% Retained on-the-job After 1 Year</u>
National Ironworkers Training Program	350	85	90
United Tribes Educational Technical Center	675	80	85

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$ (FTE)	205 (3)	231 (5)	+26 (+2)
United Tribes Educational Technical Center	\$	<u>1,498</u>	<u>1,238</u>	<u>-260</u>
Total	\$ (FTE)	1,703 (3)	1,469 (5)	-234 (+2)

Area Office Operations (+\$26,000; FTE +2): The increase of \$26,000 and 2 FTE for Adult Vocational Training at the area office is based on priorities established by the area directors.

United Tribes Educational Technical Center (-\$260,000): The FY 1988 Congressional add-on of \$260,000 was to replace equipment and instructional materials, a one-time expense, and is not continued in FY 1989.

Object Class Distribution - Employment Development Subactivity

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation.....	+ 2	+\$ 50,000
Personnel Benefits.....		+ 8,000
Travel and Transportation of Persons.....		+ 41,000
Rent, Communications, and Utilities.....		- 6,000
Other Services.....		- 316,000
Printing and Reproduction.....		- 5,000
Supplies and Materials.....		- 10,000
	<hr/>	<hr/>
Total.....	+ 2	-\$238,000
	=====	=====

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Tribe/Agency Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Scholarships ^{a/}	\$	28,770	--	--	-28,770	--
	(FTE)	(--)	(--)	(--)	(--)	(--)
TCCC's Supplement ^{a/}	\$	918	--	--	-918	--
Adult Education ^{a/}	\$	3,141	--	--	-3,141	--
	(FTE)	(18)	(--)	(--)	(-18)	(--)
A. Adult Vocational Training	\$	18,839	18,797	17,727	-1,112	-1,070
	(FTE)	(65)	(65)	(70)	(+5)	(+5)
B. Other Employment Assistance-Direct Employment	\$	2,932	2,944	2,790	-142	-154
	(FTE)	(19)	(19)	(14)	(-5)	(-5)
C. Community Services- General	\$	2,003	2,013	1,571	-432	-442
	(FTE)	(4)	(4)	(6)	(+2)	(+2)
D. Community Fire Protection	\$	890	892	1,081	+191	+189
	(FTE)	(--)	(--)	(1)	(+1)	(+1)
E. Tribal Courts	\$	9,256	9,650	9,515	+259	-135
	(FTE)	(34)	(34)	(32)	(-2)	(-2)
F. Other Aid to Tribal Government	\$	15,009	15,005	17,324	+2,315	+2,319
	(FTE)	(125)	(125)	(127)	(+2)	(+2)
G. Social Services	\$	17,602	17,603	18,939	+1,337	+1,336
	(FTE)	(182)	(182)	(265)	(+83)	(+83)
H. Law Enforcement	\$	46,937	46,872	44,825	-2,112	-2,047
	(FTE)	(594)	(594)	(595)	(+1)	(+1)
I. Self-Determination Grants	\$	3,000	3,000	--	-3,000	-3,000
J. Self-Determination Training and Tech- nical Assistance	\$	3,108	3,010	2,564	-544	-446
	(FTE)	(38)	(38)	(41)	(+3)	(+3)
K. Tribally Designed Budget Initiative	\$	1,000	1,000	--	-1,000	-1,000
L. Chitimacha	\$	200	200	--	-200	-200
Total Requirements	\$	153,605	120,986	116,336	-37,269	-4,650
	(FTE)	(1,079)	(1,061)	(1,151)	(+72)	(+90)

^{a/} Transferred to Education, Tribe/Agency Operations.

Base Program (\$120,986,000; FTE 1,061): The base funding to support the tribe/agency operations for Indian Services programs provides services to Indians whose tribes have neither the resources nor governmental capabilities to provide such services. The base program funding and description of Tribal Services programs under tribe/agency operations are as follows:

A. Adult Vocational Training

Base Program (\$18,797,000; FTE 65): The Employment Assistance program has two basic activities which are designed to alleviate unemployment on Indian reservations: Adult Vocational Training and Direct Employment (Job Placement).

In order 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. Approximately 400 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 used. These schools offer courses to the Indian trainee in areas such as welding, auto mechanics, computer programming, secretarial, registered nursing, cosmetology, and x-ray technology. The period of training is for a maximum 24 months 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 \$18,797,000 Adult Vocational Training, FY 1989 base funding, approximately \$11,607,000 will be contracted by the tribes and the remaining \$7,190,000 is for bureau operation at the agency levels.

Workload Data:

It is anticipated that the average cost for FY 1989 will be \$5,000 per trainee. Cost per trainee fluctuates from area to area due to cost of living, tuition, and other training expenses.

	FY 1988 <u>(Est.)</u>	FY 1989 <u>(Est.)</u>
Total Number of Trainees.....	3,687	3,594
Total Completions.....	1,512	1,550
Total Job Placements.....	1,300	1,400

The bureau anticipates that with stricter rules on repeat services, the number of completions will increase by an estimated 2.5 percent. It is further anticipated that with the increase in the number of completions, the number of job placements will increase. Furthermore, the bureau will be placing greater emphasis on job development and job placement.

B. Other Employment Assistance (Direct Employment)

Base Program (\$2,944,000; FTE 19): 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 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.

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. 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.

Workload Data:

It is anticipated that the average cost for FY 1989 will be \$2,650 per participant. The average cost per trainee fluctuates from area to area due to the mobility of trainees, e.g., some trainees have easier access to places in Arizona and Oklahoma where travel is less difficult than in Alaska or other isolated areas.

	FY 1987 <u>Actual</u>	FY 1988 <u>Estimate</u>	FY 1989 <u>Estimate</u>
Total Number Participants	2,295	910	859
Average Cost Per Participant	\$2,200	\$2,500	\$2,650

C. Community Services, General

Base Program (\$2,013,000; FTE 4): This program provides support at agencies which oversee all of the various Tribal Services programs. Some agency funding is used for consolidated human resource programs that are operated by tribes under P.L. 93-638 contracts.

D. Community Fire Protection

Base Program (\$892,000; FTE 0): This program is necessary for those tribes which do not receive fire protection services from state or local governments. During FY 1988, tribes under 15 agencies received funds ranging from \$1,000 to \$120,000 for this program. The larger community fire protection programs provided funds to train volunteer fire fighters, repair existing firefighting equipment, purchase additional equipment, and meet personnel costs. Funds are used to purchase basic equipment such as smoke detectors, fire extinguishers, fire escapes and emergency lights for public buildings.

E. Tribal Courts

Base Program (\$9,650,000; FTE 34): This program pays the personnel and administrative costs for the operation of 127 tribal courts and 21 courts of Indian offenses (courts established and operating pursuant to 25 CFR Part 11). These courts 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 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 use 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.

<u>Workload Data:</u>	FY 1987	FY 1988	FY 1989
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Tribal Court Cases	221,000	230,000	240,000
Courts Evaluated	20	20	20
Tribal Codes Revised	40	56	75

F. All Other Aid to Tribal Government

Base Program (\$15,005,000; FTE: 125): Approximately 75 percent of the tribe/agency funding is used for contracts between the bureau and the tribes. During FY 1988 approximately 120 tribes and Alaska Native villages contracted with the bureau in the following areas:

<u>Program Areas</u>	<u>Number of Agencies with All Other Aid to Tribal Government Contracts</u>
Comprehensive Planning	6
Tribal Enrollment	23
<u>Tribal Administration - General</u>	<u>67</u>
Work/Learn Programs	18

The Comprehensive Planning program is aimed at assisting 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, to hold secretarial and tribal elections, and to identify tribal members for the purpose of exercising off-reservation treaty rights. 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 enrolled in high school and between 13 and 20 years old. For programs operating during the summer, students who have completed the 8th through the 12th grades are eligible.

Workload Data:

	<u>Actual FY 1987</u>	<u>Estimated FY 1988</u>	<u>Estimated FY 1989</u>
Judgment Fund			
Per Capita Payment Rolls	90	90	82
Tribal Rolls	183	180	185
Tribal Constitutions	200	200	200

G. Social Services

Base Program (\$17,603,000; FTE 182): The base program provides funds for 182 full-time equivalent bureau employees as well as for 76 tribal social services contract programs. The breakdown of the bureau staff FTE is as follows:

Social Workers	132
Clerical	50
Total	<u>182</u>

The tribal contract employee positions are not fixed in number and vary according to changes in contracts. The program also funds general operational expenses incurred for administering the entire bureau-operated program and by the tribal contract programs. These expenses include: staff development and training; travel; equipment; and office operations.

Bureau and tribal staffs include 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 with specific needs to other non-bureau programs.

The same staffs who administer the overall program also provide: 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 multifaceted and encompass all program functions, no distinction is made between costs incurred for counseling and costs incurred for administration.

Workload Data: The monthly caseload for counseling is:

<u>Fiscal Year</u>	<u>Number of Persons Counseled</u>
1983 Actual	15,726
1984 Actual	15,775
1985 Actual	15,755
1986 Actual	16,000
1987 Actual	16,250
1988 Estimate	16,853
1989 Estimate	17,110

H. Law Enforcement

Base Program (\$46,872,000; FTE 594): Individual treaties with Indian tribes, legislation, 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 government and tribal governments in providing police, detention and judicial services result from the lack of services by local units of state, county, and city governments. There are 28 states with 224 reservations where the bureau and tribal governments provide these services to varying degrees.

The bureau uses criminal justice personnel to staff and operate the overall program. Staff includes criminal investigators, uniformed officers, detention officers and radio dispatchers/clerks. The combined federal/tribal law enforcement staff serve an estimated Indian population of 861,570 and patrol approximately 100,000 square miles of Indian Country, as well as a number of off-reservation treaty fishery sites.

Criminal investigators have the responsibility for investigating in combination with the FBI, tribal police, county sheriffs, and state police; arresting; and assisting in the prosecution of federal law violators. The 1,349 uniformed officers (including 861 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.

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 automotive operations and repair; bureau-operated or contracted detention services; travel and per diem; evidence purchases; equipment rental; individual training; and communications and supplies.

Workload Data: The estimates below are provided as workload data for FY 1987, FY 1988, and FY 1989. The increased workload estimates reflect the impact of increased patrols, reduced response time, and increased police resources.

	<u>FY 1987</u> <u>Estimate</u>	<u>FY 1988</u> <u>Estimate</u>	<u>FY 1989</u> <u>Estimate</u>
Complaints Investigated	167,694	184,463 (+10%)	204,454 (+11%)
Non-Enforcement Duties Performed	685,697	706,268 (+ 3%)	741,581 (+ 5%)
Arrests	103,101	110,318 (+ 7%)	119,143 (+ 8%)
Traffic Violation Warnings	36,626	38,457 (+ 5%)	41,149 (+ 7%)
Daily Detention Average	1,006	1,076 (+ 7%)	1,162 (+ 8%)
Crime Index Rate	2,191	2,297.1	2,447.2

I. Self-Determination Grants

Base Program (\$3,000,000): The \$3,000,000 constitutes the completion of the phaseout of the self-determination grant program. The program has been under the Indian Priority System for the past several years and has become a lesser priority to many tribes who have redirected the self-determination grant funds to other programs.

J. Self-Determination - Training and Technical Assistance (T/TA)

Base Program (\$3,010,000; FTE: 38): In order to provide assistance in accounting, management, planning, and program operations, training and technical assistance is provided by bureau contract officers and/or grant officers representatives (COR/GOR) as well as by other federal and non-federal staff such as Office of Personnel Management, Department of Agriculture and expert consulting firms. 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 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 Alaskan Native Villages eligible for such assistance.

K. Tribally-Designed Budget Initiative

Base Program (\$1,000,000): This program was designated for funding in FY 1988 by Congress and consists of a planning process whereby a group of selected tribes would complete plans for a self-governance demonstration project. The \$1,000,000 was for the planning phase and with completion of this phase in FY 1988, no further funding is required.

L. Chitimacha

Base Program (\$200,000): Funding for the Chitimacha Tribe was added by Congress in FY 1988. In FY 1989, funding for the Chitimacha Tribe will again be determined under the Indian Priority System (IPS).

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989 Base	FY 1989 Estimate	+/- Difference
Adult Vocational Training	\$	18,797	17,727	-1,070
	(FTE)	(65)	(70)	(+5)
Other Employment Assistance (Direct Employment)	\$	2,944	2,790	-154
	(FTE)	(19)	(14)	(-5)
Community Services- General	\$	2,013	1,571	-442
	(FTE)	(4)	(6)	(+2)
Community Fire Protection Protection	\$	892	1,081	+189
	(FTE)	(--)	(+1)	(+1)
Tribal Courts	\$	9,650	9,515	-135
	(FTE)	(34)	(32)	(-2)
Other Aid to Tribal Government	\$	15,005	17,324	+2,319
	(FTE)	(125)	(127)	(+2)
Social Services	\$	17,603	18,939	+1,336
	(FTE)	(182)	(265)	(+83)
Law Enforcement	\$	46,872	44,825	-2,047
	(FTE)	(594)	(595)	(+1)
Self-Determination Grants	\$	3,000	--	-3,000
Self-Determination Training and Technical Assistance	\$	3,010	2,564	-446
	(FTE)	(38)	(41)	(+3)
Tribally-Designed Budget Initiative	\$	1,000	--	-1,000
Chitimacha	\$	200	--	-200
Total	\$	120,986	116,336	-4,650
	(FTE)	(1,061)	(1,151)	(+90)

Social Services (+\$1,336,000; FTE +83): The net increase is composed of a decrease of \$158,000 and 3 FTE based on tribal priorities and a general increase of \$1,494,000 and 80 FTE to reduce the bureau and contract caseload levels for child welfare assistance to those established by state standards. This will result in lower caseload ratios for those cases which are life threatening such as child protection cases.

Self-Determination Grants (-\$3,000,000; FTE 0): No funds were included in the FY 1989 planning base for Self-Determination Grants. Those tribes most needing assistance are small tribes which may receive support under the Small Tribe Core Management Grant Program.

Tribally-Designed Budget Initiative (-\$1,000,000; FTE 0): In FY 1988, the Bureau is working with ten tribes to formulate budgets based on local priorities. Bill language is included with this budget request to allow these tribes to use funds they would otherwise receive from the Bureau for specific programs for those activities that best meet the needs of the individual tribes. Reports will be provided to the Committees on Appropriations of the progress made in planning for implementation of this demonstration project.

Other tribes have expressed an interest in participating in this process. The information gained from the FY 1988 planning process can be used by other interested tribes in developing their proposals which could be implemented in FY 1990.

Chitimacha (-\$200,000; FTE 0): No additional funds were included in the FY 1989 planning base to continue the Congressional add-on for the Chitimacha Tribe.

Tribe/Agency Operations-Tribal Services (-\$1,786,000; FTE +7): The other changes result from the application of the Indian Priority System at the tribe/agency level.

Object Class Distribution - Tribal Services - Tribe Agency Operations

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+90	+\$2,250,000
Personnel Benefits.....		+ 370,000
Travel and Transportation of Persons.....		- 800,000
Transportation of Things.....		- 60,000
Rent, Communications, and Utilities.....		- 470,000
Other Services.....		- 1,730,000
Supplies and Materials.....		- 110,000
Equipment.....		- 1,100,000
Grants, subsidies & contributions.....		<u>- 3,000,000</u>
	+90	-\$4,650,000
Total.....	=====	=====

Activity Summary

(Dollar amounts in thousands)

Activity: Tribal Services

<u>Subactivity</u>	<u>FY 1987 Actual Approp.</u>	<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- From Base</u>
Tribal Government Services	33,125	8,976	8,841	9,002	+161
Social Services	114,718	93,210	93,206	88,883	-4,323
Law Enforcement	54,363	4,286	4,016	4,029	+13
Self-Determination Services	21,698	52,677	52,754	50,149	-2,605
Employment Development	--	2,473	2,465	2,227	-238
Tribe/Agency Operations	--	153,605	120,986	116,336	-4,650
Navajo/Hopi Settlement Program	<u>2,490</u>	<u>1,971</u>	<u>1,997</u>	<u>1,997</u>	<u>--</u>
Total	226,394	317,198	284,265	272,623	-11,642

Justification of Program and Performance

Activity: Navajo-Hopi Settlement Program
 Subactivity: Navajo-Hopi Settlement Program

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Navajo-Hopi Settlement Program	\$	1,971	1,997	1,997	+26	--
	(FTE)	<u>(56)</u>	<u>(56)</u>	<u>(56)</u>	<u>(--)</u>	<u>(--)</u>
Total Requirements	\$	1,971	1,997	1,997	+26	--
	(FTE)	(56)	(56)	(56)	(--)	(--)

Objective: This program carries out the provisions of the Navajo-Hopi Settlement Act of 1974, as amended, which requires the Secretary of the Interior to protect the rights of relocatees, to reduce stock to carrying capacity, and to restore the management and grazing capacity of rangelands lying within the former Navajo-Hopi Joint Use Area.

Base Program (\$1,997,000; FTE 56): 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 Navajo Relocatees 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 or driven into the area. Livestock control will continue in FY 1989. 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 (NPL). FY 1989 plans will continue to emphasize range restoration, development of range management units, implementation of grazing permits for all livestock, and continued fencing of the interior management unit boundaries.

The statute required that all relocation activity be completed by July 6, 1986, however, there are still Navajo Indians to be relocated from Hopi land. There are presently no Hopi Indians located on Navajo land. While the FY 1986 appropriation language did not extend the July 6, 1986, deadline to relocate Navajos, there was a stipulation that Navajos living on Hopi land cannot be relocated until new housing is available. Development of water, construction of new housing and roads for all potential relocatees should be near completion in the fourth quarter of FY 1988; 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 approximately 60 to 70 percent completed because of (1) court cases and decisions and operational problems in 1982 and 1983, and (2) the relocation of Navajos.

Restoration of Hopi Partitioned Lands was originally scheduled for completion in FY 1988-89. However, with the relocation of Navajo families, and restoration of areas formerly occupied by them, the restoration of all lands (NPL and HPL) will not be completed until FY 1991. On NPL, new grazing regulations have been published in the Federal Register, however, they have not been approved by the Navajo Tribe.

Activity Summary

(Dollar amounts in thousands)

Activity: Economic Development Programs

<u>Subactivity:</u>	<u>FY 1987 Actual Approp.</u>	<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- From Base</u>
Employment Development <u>1/</u>	26,367	0	0	0	0
Business Enterprise Development	14,432	10,561	10,525	3,636	-6,889
Road Maintenance	23,593	1,267	24,737	31,064	+6,327
Tribe/Agency Operations	<u>0</u>	<u>27,715</u>	<u>3,960</u>	<u>3,538</u>	<u>-422</u>
Total	64,392	39,543	39,222	38,238	-984

1/ Transferred to Tribal Services in FY 1988.

Justification of Program and Performance

Activity:	Economic Development Programs
Subactivity:	Business Enterprise Development
Element:	Indian Business Development Program

(Dollar amounts in thousands)

<u>Program Element</u>		FY 1988	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1989	1989	Dec. (-)	Dec. (-)
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
Indian Business Development Program Grants	\$	7,000	7,000	--	-7,000	-7,000
Total Requirements	\$	7,000	7,000	--	-7,000	-7,000

Objective: The Indian Business Development Program provides 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 (\$7,000,000; FTE 0): The Economic Development Initiative Grant program was established in FY 1983 under the authority of the Snyder Act, with a budget of \$5 million, and was limited to grants to tribes. The 1984 Indian Financing Act Amendments reauthorized the original Indian Business Development Program and allowed grants to both tribes and individuals.

The major purposes of the Indian Business Development Program grants have been to: (1) provide equity capital for the establishment or expansion of locally chosen economic enterprises which generate income and employment opportunities for participating tribes and individuals; (2) serve as an inducement, when combined with applicants' financial and other resources, to attract private sector investment capital for the development of viable economic enterprises; and (3) reduce tribal dependence on the Federal Government over the long term through economic development projects which contribute to a stable private sector reservation economy.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989	FY 1989	+ or -
		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>
Indian Business Development Grants	\$	7,000	--	-7,000

No funds are requested for this activity in FY 1989 as the Bureau will be emphasizing its loan programs and increasing the volume of loans on reservations as the primary means of boosting Indian economies. Eligible applicants will be directed to the bureau's Guaranteed Loan Program which is open to both tribes and individuals and requires no "in-kind" or "matching" funding as leverage. The amounts provided in the Guaranteed Loan Program will support increased loans of \$11,500,000 over the FY 1988 level. Applicants will be provided additional technical assistance, through increases being proposed in the credit and financing program, to identify potential sources of private sector financing.

Object Class Distribution - Indian Business Development Program

	<u>Amount</u>
Grants, Subsidies, Contributions.....	<u>-\$7,000,000</u>
Total.....	<u>-\$7,000,000</u> =====

Justification of Program and Performance

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

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Credit and Financing	\$	2,646	2,621	2,732	+86	+111
	(FTE)	(31)	(31)	(35)	(+4)	(+4)
Total Requirements	\$	2,646	2,621	2,732	+86	+111
	(FTE)	(31)	(31)	(35)	(+4)	(+4)

Distribution:

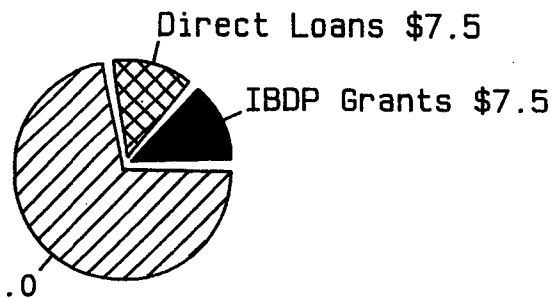
Area Office Operations	\$	905	886	922	+17	+36
	(FTE)	(20)	(20)	(24)	(+4)	(+4)
Central Office Operations	\$	620	614	614	-6	--
	(FTE)	(11)	(11)	(11)	(--)	(--)
Technical Assistance	\$	696	696	1,196	+500	+500
Grant to Michigan Tribes	\$	425	425	--	-425	-425

Objective: The credit and financing program assists federally-recognized Indian tribes, Indian organizations, Alaska Natives and individual Indians in developing and using 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; (3) grants from the Indian Business Development Program; and (4) funds from other government and private sources.

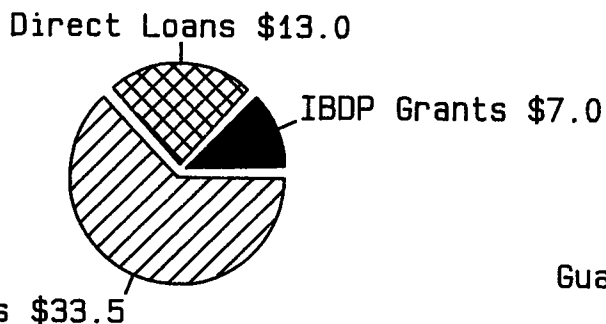
Base Program (\$2,621,000; FTE 31): The majority of Indian reservations are economically depressed, resulting in unemployment and lack of business. Indian reservations have not enjoyed the same opportunities for economic development as have surrounding communities. Since Indian land is held in trust by the United States Government, Indian tribes cannot mortgage trust land as security for loans. Because of the lack of state jurisdiction over most reservations, and problems encountered with tribal court systems, private lenders are hesitant to make loans on reservations. To help alleviate this situation, legislation has been enacted to provide financial assistance to Indian tribes, Indian-owned businesses and corporations, Alaska Natives, and individual Indians.

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 become federally-chartered business corporations. Other programs authorized by Congress which are used by both tribes and individual Indians are those administered by the Small Business Administration and the Farmers Home Administration.

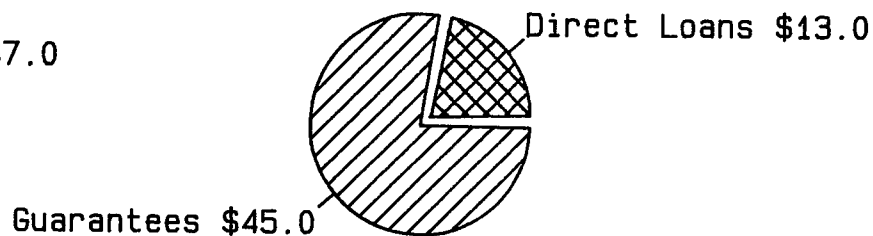
ECONOMIC DEVELOPMENT PROGRAMS
 BUSINESS ENTERPRISE DEVELOPMENT
 CREDIT AND FINANCING



FY 1987 PROGRAMS
 Actual \$54.0 Million



FY 1988 PROGRAMS
 Estimated \$53.5 Million



FY 1989 PROGRAMS
 Estimated \$58.0 Million

Area Office Operations (\$886,000; FTE 20): The area offices, in coordination with the central office, oversee the general operations of the (1) Revolving Fund for Loans, (2) Loan Guaranty and Insurance Fund, and (3) Indian Business Development Program. Agency offices make, monitor and collect the loans under these programs. Where an agency does not have a credit staff, the area office performs the functions of the agency office. Direct loans of up to \$250,000 to tribes and up to \$100,000 to individuals are approved at the area office level. Business development grants of up to \$50,000 to individuals and tribes are approved at the area level. Area credit office personnel are also 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 (\$614,000; FTE 11): The central office provides overall policy guidance, coordination and supervision of lending and grant programs which are administered under the Indian Financing Act of 1974, as amended, including the Revolving Fund for Loans, the Indian Business Development Program, and the Loan Guaranty and Insurance Fund. All loans and grants above the area office level of authority are approved at the central office. The central office provides technical assistance to aid Indians in obtaining adequate capital for resource development. This includes assistance in obtaining funds from conventional and government sources to finance Indian economic development, including loans for housing, education and Indian governmental purposes; and in the wise investment 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 other portions of the budget discussing the Revolving Fund for Loans, the Loan Guaranty and Insurance Fund, and the Indian Business Development Program.

Technical Assistance (\$696,000; FTE 0): This program funds contracts for services to tribes and individuals requiring help in developing business ventures which qualify for assistance under the Indian Financing Act, as amended. The management and technical assistance is furnished to: (1) assist potential and previously approved businesses in assessing their business proposals; (2) finance travel relating to technical assistance to business projects; and (3) procure private sector assistance for businesses previously funded through loans or grants whose operations are in need of such assistance.

Grant to Michigan Tribes (\$425,000; FTE 0): Funds were used for a one-time grant to the Michigan tribes for activities included in the proposal of the American Indian Business Development Consortium with the State of Michigan. Funds were not to be used for internships and promotional materials.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+ or - Difference</u>
Area Office Operations	\$	886	922	+36
	(FTE)	(20)	(24)	(+4)
Technical Assistance	\$	696	1,196	+500
Grant to Michigan Tribes	\$	<u>425</u>	<u>--</u>	<u>-425</u>
Total	\$	2,007	2,118	+111
	(FTE)	(20)	(24)	(+4)

Area Office Operations (+\$36,000; FTE +4): The increase is a result of priorities established by area directors.

Technical Assistance (+\$500,000; FTE 0): This increase in management and technical assistance will be used to assist potential clients to find outside financing for projects and to assist tribes and individuals in packaging loan requests in an effort to encourage private sector investment on Indian reservations.

Grant to Michigan Tribes (-\$425,000; FTE 0): The grant for the Michigan tribes was a Congressional add-on in FY 1988 to allow the Michigan tribes to pursue activities included in the proposal of the American Indian Business Development Consortium with the state of Michigan. Continued funding is not required.

Object Class Distribution - Credit and Financing

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+4	+\$ 100,000
Personnel Benefits.....		+ 16,000
Other Services.....		+ 420,000
Grants, Subsidies, Contributions.....		- 425,000
	<hr/>	<hr/>
Total.....	+4	+\$ 111,000
	=====	=====

Justification of Program and Performance

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

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Indian Arts and Crafts Board	\$	915	904	904	-11	--
	(FTE)	(16)	(16)	(16)	(--)	(--)
Total Requirements	\$	915	904	904	-11	--
	(FTE)	(16)	(16)	(16)	(--)	(--)

Objective: The Indian Arts and Crafts Board was created to promote the development of Native American arts and crafts--the creative work of Indian, Eskimo, and Aleut people--in order to: (1) improve the economic status of Native Americans; (2) ensure the continuing vitality of a valuable American heritage; (3) increase Native American participation and control in the growing Native American fine arts and handicrafts business; (4) enable Native Americans to realize their full potential for employment and income from the demand for their creative work; and (5) assist Native American cultural leaders who are developing an institutional framework to support the preservation and evolution of tribal cultural activities.

Base Program (\$904,000; FTE 16): The board's activities are not duplicated in either the federal or the private sector. 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 included 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, primary vehicles for the delivery of services, and 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 1989, the board will promote Native American arts and crafts primarily through:

- over 250 Native-owned and operated craft marketing enterprises (an increase of 70% during the past seven 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 20 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. Annually, the board answers over 10,000 written and telephone inquiries from the public.

Justification of Program and Performance

Activity: Economic Development Programs
 Subactivity: Road Maintenance

(Dollar amounts in thousands)

<u>Program Element</u>		FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Road Maintenance	\$	1,267	24,737	31,064	+29,797	+6,327
	(FTE)	(1)	(418)	(407)	(+406)	(-11)
Total Requirements	\$	1,267	24,737	31,064	+29,797	+6,327
	(FTE)	(1)	(418)	(407)	(+406)	(-11)

Distribution:

Central Office Operations	\$	53	52	52	- 1	--
	(FTE)	(1)	(1)	(1)	(--)	(--)

Field Operations:

Road Sealing	\$	1,214	1,214	7,973	+6,759	+6,759
Road Maintenance	\$	-	23,471	23,039	+23,039	-432
	(FTE)	(-)	(417)	(406)	(+406)	(-11)

Objective: The goal of the Road Maintenance program is to provide safe and accessible public roads to aid in the educational, social and economic development of Indians. Funds are used to:

- Repair and maintain 21,000 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.
- Protect the government investment by preventing or repairing damage by rain and wind on 18,000 miles of roads within the bureau system which were graded or surfaced under the Road Construction program.
- Meet the requirements of the Surface Transportation Assistance Act of 1982, to properly maintain roads constructed with Highway Trust Funds, and to avoid loss of availability of these funds for Indian roads construction.

Further goals of the program are to:

- Plan, schedule and provide maintenance repairs and services in accordance with the standards of the American Association of State Highway and Transportation Officials (AASHTO).
- 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.

Base Program (\$24,737,000; FTE 418): In FY 1988, priorities for road maintenance were recommended by tribal governments, in consultation with bureau administrators and engineers. The Road Maintenance Program was included in the Indian Priority System (IPS) which allows tribes to determine allocation of funds among numerous activities. The result of this priority setting process was that some locations had too much road maintenance funding and others had too little based on acceptable standards of road maintenance.

In December 1987, the Department of the Interior's Office of the Inspector General issued an audit on the Road Maintenance Program which was highly critical of the inequitable funding. The audit recommended that Road Maintenance funds be removed from the IPS so that funds could be distributed on the basis of need. This was accomplished in the FY 1989 planning process.

Each year, the tribes provide information on road maintenance and road sealing needs on the reservations. The agency and area offices will provide the tribes with guidelines which are designed to promote nationwide comparability, and to assure that Highway Trust Funds (HTF) constructed roads are properly maintained. Special needs related to a particular reservation may also be presented, with supporting justification. This process requires decisions on funding for road maintenance and road sealing to be made at the national level, considering the requirements of the Surface Transportation Assistance Act, and the maintenance still required on roads constructed with Interior appropriations.

The bureau has developed a Road Improvement Plan to reduce annual expenditures on earth and gravel road maintenance, with no major reduction in service, because of increased efficiency, and to increase maintenance of paved roads. The increase in efficiency is expected to be accomplished through greater tribal participation in implementation of the program; P.L. 93-638 contracts; Buy-Indian contracts; better program guidelines from the central office, and improved management and training by the areas and agencies.

Central Office Operations (\$52,000; FTE 1): The central office maintenance engineer: (1) initiates and monitors the improvement plan by developing and implementing program guidelines; (2) performs the tasks of updating BIA manuals and instructional materials for use by the agencies; (3) reviews area and agency programs for compliance with regulations and policy; and (4) compiles information for use of administrators in policy making and budget justification.

Field Operations (\$24,685,000; FTE 417): This program ensures the repair, maintenance, and improvement of the road system serving Indian people through the following activities.

Road Sealing (\$1,214; FTE 0): Funding to seal roads constructed since FY 1983 with HTF was originally established in the bureau budget in FY 1986. The Surface Transportation Assistance Act of 1982 requires Federal Highway Administration (FHWA) disapproval of construction projects in jurisdictions failing to properly maintain HTF constructed roads. Though funded as "construction" in Interior budgets prior to FY 1983, road sealing is defined as "maintenance" by FHWA and is ineligible for HTF.

Road Maintenance (\$23,471,000; FTE 417): Within available funding, allocations will be made to reservations on the basis of need. In addition to maintenance activities, the program includes 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 a condition that will provide optimum mobility for the intended use. Routine maintenance includes earth and gravel roads and shoulder smoothing; drainage maintenance; pavement patching; pothole repair; and crack filling. Cyclical maintenance includes the addition of gravel to replace losses due to traffic, and periodic pavement sealing to prevent penetration of water through pavement surface. Emergency maintenance includes snow and ice control and repair of landslides and washouts. For maintenance purposes, the general basic surface types are paved, gravel, earth and unimproved earth.

The base funding will permit emergency maintenance of \$3,500,000 (the 5 year average) and routine maintenance at the following \$ per mile rates:

Pavements	\$1,800
Gravel	\$1,000
Earth	\$ 700
Unimproved	\$ 200

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1989 Base	FY 1989 Estimate	+/- Difference
Road Sealing	\$	1,214	7,973	+6,759
	(FTE)	(-)	(-)	(-)
Road Maintenance	\$	23,471	23,039	-432
	(FTE)	(417)	(406)	(-11)
Total	\$	24,685	31,012	+6,327
	(FTE)	(417)	(406)	(-11)

Road Sealing (+\$6,759,000; FTE 0): The increase is requested to insure future construction funding from the Highway Trust Fund by meeting required maintenance standards. 23 U.S.C. 116 provides sanctions in the road construction program, if road maintenance is not properly done on roads constructed with Highway Trust Funds. Lack of proper maintenance could result in the loss of the bureau's road construction funding from HTF. For this reason, HTF pavement sealing is the first priority, Interior pavement sealing is second, then routine maintenance of pavements, gravel and earth roads. Emergency maintenance is done when necessary and does not depend upon priority.

Requirements for road sealing and pavement maintenance will increase steadily for the next decade, at which time it is anticipated that stable proportions of Indian roads will be earth, gravel and pavement with 8,000 miles paved. Funding requirements for road sealing are expected to reach an annual level of approximately \$20,000,000. The funds requested in FY 1989 will seal approximately 550 miles of roads.

Road Maintenance (-\$432,000; FTE -11): This decrease in road maintenance funds recognizes the shift of emphasis from earth and gravel roads to paved roads. As mileage of the bureau's paved roads increases and other miles decrease, pavement sealing and routine pavement maintenance will become an increasing proportion of the budget.

Object Class Distribution - Road Maintenance Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	- 11	-\$ 275,000
Personnel Benefits.....		- 45,000
Other Services.....		+ 6,675,000
Supplies and Materials.....		- 28,000
	<hr/>	<hr/>
Total.....	- 11	+\$6,327,000
	=====	=====

Justification of Program and Performance

Activity:	Economic Development Programs
Subactivity:	Business Enterprise Development
Element:	Tribe/Agency Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Credit and Financing	\$ (FTE)	4,002 (69)	3,960 (69)	3,538 (69)	-464 (--)	-422 (--)
B. Road Maintenance	\$ (FTE)	23,713 (417)	-- (--)	-- (--)	-23,713 (-417)	-- (--)
Total Requirements	\$ (FTE)	27,715 (486)	3,960 (69)	3,538 (69)	-24,177 (-417)	-422 (--)

A. Credit and Financing

Base Program (\$3,960,000; FTE: 69): Credit personnel at the agencies assist federally-recognized Indian tribes, Indian organizations, Alaska Natives and individual Indians with developing and utilizing resources to improve the economies. The programs available are: (1) direct loans from the Revolving Fund for Loans; (2) guaranteed loans from the Loan Guaranty and Insurance Fund; (3) grants from the Indian Business Development 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 guaranteed loan program, and who administer the grant program. Available funds also cover the operating costs of credit programs which are operated by tribes under contract with the bureau.

Most loans and grants are not approved at the agency level. The area office level has approval authority up to limited amounts, and in some cases has delegated to the superintendent some, or all, of the authority on a discretionary basis. However, the agency 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.

It is the agency credit officer's responsibility to review the accounting records maintained by tribes or other Indian organizations covering activities financed by the United States Government, or with tribal funds used under Secretarial regulations, in order to observe and report on adherence to accepted business practices and procedures, sound credit policies and practices, and regulations.

In addition to responsibilities for 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 and works 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) <u>FY 1988</u>
BIA - direct loans - outstanding	\$107.7
BIA - direct loans - new	13.0
Guaranteed and Insured loans - outstanding	168.9
Guaranteed and Insured loans - new	33.5
Economic Development grants - new	7.0

Change from FY 1989 Base:

(Dollar amounts in thousands)

	<u>FY 1989</u> <u>Base</u>	<u>FY 1989</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Credit and Financing	\$ 3,960	3,538	-422
(FTE)	(69)	(69)	(--)

Tribe/Agency Operations (-\$422,000; FTE 0): The change results from the application of the Indian Priority System at the tribe/agency level.

Object Class Distribution - Tribe/Agency Operations

	<u>Amount</u>
Travel & Transportation of Persons.....	-\$ 28,000
Other Services.....	- 374,000
Supplies and Materials.....	- 20,000
Total.....	-\$ 422,000 =====

Activity Summary

(Dollar amounts in thousands)

Activity: Natural Resources Development

<u>Subactivity</u>	FY 1987 Actual Approp.	FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	+/- From Base
Forestry & Agriculture	126,261	67,738	67,867	46,132	-21,735
Minerals & Mining	18,167	15,898	15,978	14,528	-1,450
Tribe/Agency Operations	<u>-0-</u>	<u>62,374</u>	<u>61,792</u>	<u>59,310</u>	<u>-2,482</u>
Total	144,428	146,010	145,637	119,970	-25,667

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Forestry and Agriculture

<u>Program Elements</u>		(Dollar amounts in thousands)				
		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Natural Resources, General	\$ (FTE)	1,887 (15)	1,885 (15)	2,794 (8)	+907 (-7)	+909 (-7)
B. Agriculture	\$ (FTE)	4,354 (32)	4,414 (32)	3,537 (33)	-817 (+1)	-877 (+1)
C. Forestry	\$ (FTE)	37,490 (333)	37,423 (333)	27,852 (289)	-9,638 (-44)	-9,571 (-44)
D. Water Resources	\$ (FTE)	9,467 (8)	9,469 (8)	1,069 (8)	-8,398 (--)	-8,400 (--)
E. Wildlife and Parks	\$ (FTE)	14,540 (12)	14,676 (12)	10,880 (32)	-3,660 (+20)	-3,796 (+20)
Total Requirements	\$ (FTE)	67,738 (400)	67,867 (400)	46,132 (370)	-21,606 (-30)	-21,735 (-30)

A. Natural Resources, General

		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Area Office Operations:	\$ (FTE)	591 (15)	589 (15)	423 (8)	-168 (-7)	-166 (-7)
Field Operations: Indian Integrated Resources Information Program	\$	<u>1,296</u>	<u>1,296</u>	<u>2,371</u>	<u>+1,075</u>	<u>+1,075</u>
Total, Natural Resources, General	\$ (FTE)	1,887 (15)	1,885 (15)	2,794 (8)	+907 (-7)	+909 (-7)

Objective: This program provides 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 more than 53 million acres of land under the jurisdiction of the Bureau of Indian Affairs.

Base Program (\$1,885,000; FTE 15):

Area Office Operations (\$589,000; FTE 15): This program provides funding for multidisciplinary activities not readily identified with one particular natural resource program. At some areas, assistant area directors who direct several natural resources functions are included in this program.

Workload Data: For area office operations, results of actions supported by funding from Natural Resources, General, are included under the specific sub-activity, i.e., Agriculture, Forestry, Water Resources, or Wildlife & Parks. Workload 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.

Field Operations:

Indian Integrated Resources Information Program (IIRIP) (\$1,296,000; FTE 0):
The bureau has the responsibility to provide assistance in the management of Indian natural resources covering large land areas. An integral part 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, forests, grazing land, and minerals. The Office of Trust and Economic Development (OT&ED) has initiated a Geographic Information System (GIS) that acquires available data of different dates, location, accessibility, scale and other factors. The GIS compiles and analyzes these data for use by the various programs responsible for the management of resources listed.

The funds are being utilized for: (1) developing data bases on 73 reservations in the Aberdeen, Albuquerque, Billings, Phoenix, Portland, Minneapolis and Sacramento areas; (2) providing GIS coordination (program support and technical services); and (3) training tribal, agency, and area personnel. These efforts will result in the development of at least 11 data categories which will support all the OT&ED 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 bureau 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: The IIRIP provides bureau and tribal resources managers with 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: (1) forest management planning; (2) fisheries management planning; (3) range management/land appraisal/lease payout; (4) irrigation planning; (5) wildfire management; (6) total reservation planning; (7) the nation-wide transportation road atlas updating; (8) support of water negotiations; (9) elk habitat mapping; (10) forest clearcutting; and (11) resource conflict resolution. Seven areas currently have digital data bases in various stages of development: Portland, Albuquerque, Phoenix, Billings, Aberdeen,

Sacramento, and Minneapolis. The Navajo Area has acquired a commercial GIS which is compatible with IIRIP and is currently in use.

Presently, the total data base requirement is topographic map equivalents for 13,500 basic themes, 60,000 special themes, and 45,000 other potential themes. These cover 53 million acres of trust lands. It has been determined that data at a scale of 1:24,000, are best suited for project level planning. Thematic data is being digitized at BLM and BIA facilities. These 1:24,000 thematic map layers consist of public land survey, hydrography, transportation, cultural features, land status, vegetation cover, timber type, range type, soil type, topography, and others. Presently, there are 8,500 map equivalents completed. This includes approximately 2,500 map equivalents completed prior to FY 1985; 2,000 completed in FY 1985; and 4,000 completed in FY 1986. In FY 1987, 1988 and 1989, approximately 5,000 map equivalents will be completed annually.

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.

The bureau currently utilizes cooperative and interagency agreements to accomplish: (1) GIS and remote sensing activities with FWS, USGS, and BLM; (2) on-site support services; (3) contracting; and (4) participation with other DOI agencies and committees to assure a unified/standardized system, and a mechanism for data transfer. The program provides bureauwide assistance in the protection and management of Indian natural resources and encourages greater opportunity for tribes to develop their reservation economies.

Change from 1989 Base:

<u>Program Element</u>	(Dollar amounts in thousands)		
	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>(+ or -) Difference</u>
Area Office Operations:	\$ 589	423	-166
	(FTE) (15)	(8)	(-7)
Field Operations:			
Indian Integrated Resources Information Program	\$ 1,296	2,371	+1,075

Area Office Operations (-\$166,000; FTE -7): The decrease of \$166,000 for Natural Resources, General, at the area offices is based on priorities established by the area directors.

Indian Integrated Resources Information Program (+\$1,075,000): The Indian Integrated Resources Information Program (IIRIP) is the keystone for operational implementation of Geographic Information System (GIS) technology in BIA. This program was initiated three years ago and has been an unqualified success. At this time, digital data bases have been constructed for 97 Indian reservations within seven of the twelve areas. The current data base size is approaching two gigabytes (GB), and is being expanded at the rate of approximately 60 megabytes (MB) per month. New basic map themes are incorporated into the process annually. By FY 1989, more complex themes will be encountered, thereby creating the need to increase the level of digitizing effort, and to begin updating original data bases.

Presently, each area and agency office has designated a GIS coordinator who provides technical management and support at the local level. The number of area office coordinators who are financially supported by IIRIP funding will be increased, from the present five, to twelve in FY 1989. These coordinators require on-site technical expertise in the form of cartographic, computer, and information systems specialists. The central office provides a national program coordinator who directs this bureauwide program. The national program coordinator is located in Lakewood, Colorado, at the center of the Department's information systems programs, and is assisted by a staff of 15 contracted technical specialists who directly support field programs. BIA has two Prime minicomputers, which are installed at the Lakewood office. Currently, there are 21 Prime microcomputers installed in area and agency offices throughout BIA. Acquisition of additional microcomputers is anticipated as this program is implemented at field locations. BIA uses the MOSS family of government GIS software. A transition to a full performance GIS software system is planned starting in FY 1989 and ending in FY 1992. This transition is being orchestrated to correspond with the required updating of existing data bases in MOSS, so that minimal impacts will be experienced by field personnel. A sizable investment will be required to either cost share the development of government software with other Interior bureaus, or to competitively acquire commercial GIS software.

As the program continues to evolve, a plateau will be reached, at which minimal data base development will be required. At that point, the main effort in data bases will switch to maintenance and updating. Similarly, required hardware and software will be in place and subject only to maintenance and eventual replacement as defined by the system's life cycle. The central office support staff and the area and agency staff should also be in place and stable, with respect to total numbers. Thus, budgeted monies will be redirected for continuing support functions, data base upgrades, and systems replacements. In order to achieve the above outlined scenario, the increase is distributed as follows:

(1) GIS coordinators (seven area offices).....	\$ 300,000
(2) Development and/or acquisition of a new generation, full performance GIS software system.....	300,000
(3) Technical specialists services at the field office level...	200,000
(4) Increased digitizing effort of newly defined basic map themes.....	175,000
(5) Acquisition of GIS hardware and peripherals through Department of the Interior contracts.....	<u>100,000</u>
Total.....	\$1,075,000

B. Agriculture

		FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc.(+) Dec.(-) From 1988	Inc. (+) Dec. (-) From Base
Central Office Operations:	\$ (FTE)	307 (5)	304 (5)	304 (5)	-3 (--)	-- (--)
Area Office Operations:	\$ (FTE)	1,112 (27)	1,175 (27)	1,153 (28)	+41 (+1)	-22 (+1)
<u>Field Operations:</u>						
Prairie Dog Control	\$	1,050	1,050	1,050	--	--
Noxious Weeds	\$	730	730	330	-400	-400
Agriculture Technical Assistance Centers	\$	--	--	700	+700	+700
Gila River Farms Project	\$	650	650	--	-650	-650
Havasupai Range Rehabilitation	\$	450	450	--	-450	-450
Nez Perce Soil Fertilization	\$	55	55	--	-55	-55
Total, Agriculture	\$ (FTE)	4,354 (32)	4,414 (32)	3,537 (33)	-817 (+1)	-877 (+1)

Objective: The Agriculture program's objectives are 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 farm-land and rangeland for the maximum economic return, consistent with the objectives of sustained-yield management and conservation of the resource.

Base Program (\$4,414,000; FTE 32): The agriculture and range program provides technical assistance to 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 are 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.

The bureau sponsored the charter convention to establish an Inter-tribal Agriculture Council, a working group advocating and promoting Indian agriculture and providing the necessary forum for tribal leaders. This new council will: (1) further goals and objectives of tribes; (2) promote opportunities for more effective co-management with tribal governing bodies; and (3) increase the visibility and importance of Indian agriculture.

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 303 Indian reservations encompassing over 46 million acres. Agriculture and range personnel also provide technical assistance, support and resources to develop and implement the wildlife and parks program on the reservations. They initiate environmental reviews for trust lands, except forested land, and review environmental assessments completed by other agencies.

Central Office Operations (\$304,000; FTE 5): The central office provides staff assistance and advice to the Deputy to the Assistant Secretary-Indian Affairs (Trust & Economic Development) on matters relating to establishment of program standards, policy and procedures for the bureauwide agriculture and range programs which include agriculture, range, soil and moisture conservation, hazardous waste and the application of pesticides. This staff provides: (1) advice for all activities related to the planning, management, conservation, development and utilization of the Indians' soil, water, and rangeland resources; (2) administration of the bureau's pesticide, herbicide and animal damage control program on Indian lands; and (3) direction of the bureau's flood plains management program. It maintains liaison and close working relations with other federal agencies, and area and agency officials on matters affecting Indian renewable natural resources. The staff also provides 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.

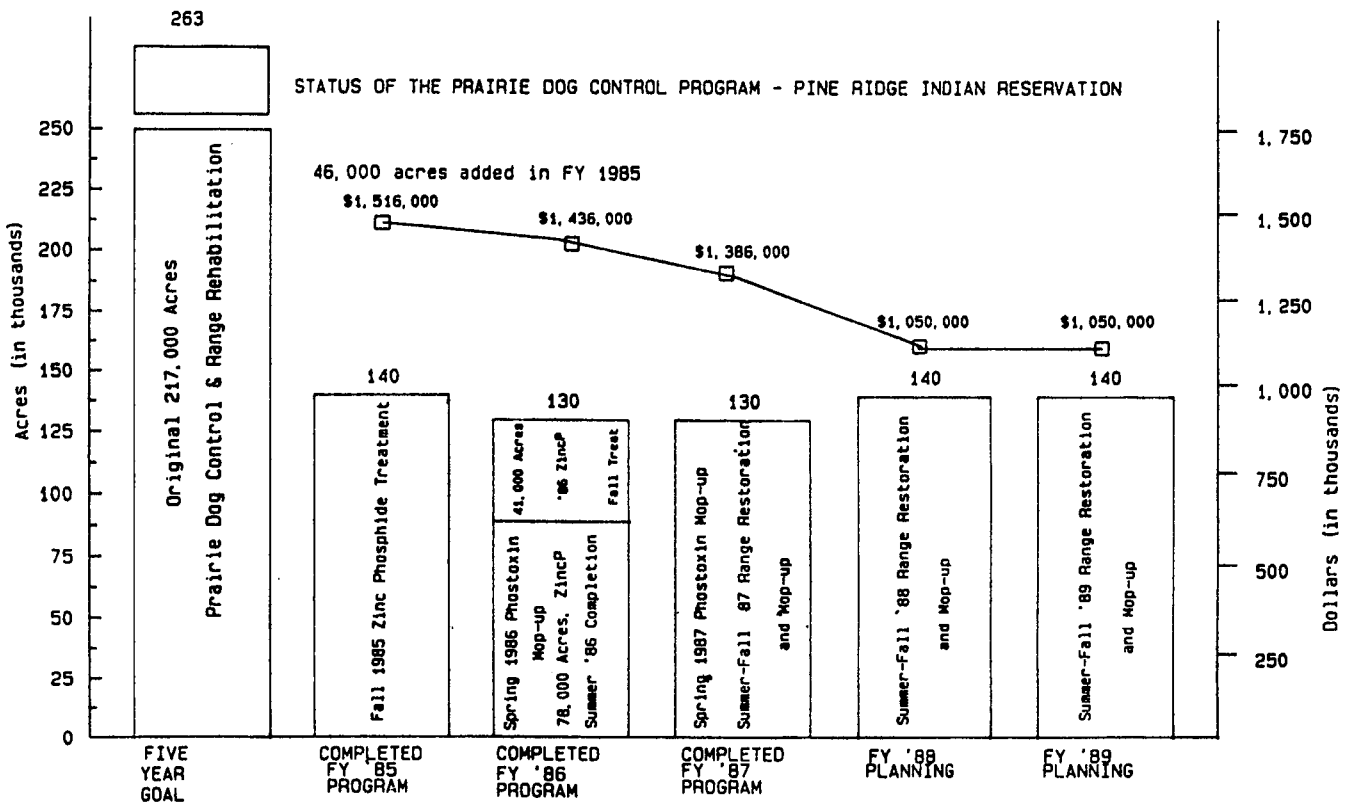
The central office also provides technical assistance to and monitors contracts with the Inter-Tribal Agriculture Council, conducts Indian agriculture symposia to exchange information with Indian farmers and ranchers, conducts quarterly agriculture meetings with BIA agriculture officials, coordinates and administers the Agriculture Intern Program, and disseminates information to tribes on agriculture-related matters and issues through information bulletins.

Area Office Operations (\$1,175,000; FTE 27): The area offices are responsible for implementing policy and procedures for the agriculture and range programs. The program staff provides assistance and advice to the area director and agency superintendents on matters relating to planning, management, conservation, development and utilization of Indian soil, water and rangeland resources; administers pesticide programs on Indian lands; and directs the flood plains management program. Technical assistance is provided for establishing and overseeing grants or contracts under P.L. 93-638.

Field Operations (\$2,935,000; FTE 0):

Prairie Dog Control (\$1,050,000; FTE 0): A five-year program to control prairie dogs on the Pine Ridge Indian Reservation was initiated in FY 1985 as stipulated by the U.S. Federal Court for the District of South Dakota (Civil No. 80-5070). The program has resulted in elimination of prairie dogs on approximately 259,000 acres during FY's 1985, 1986 and 1987. In FY 1988, the program will involve a mop-up using aluminum phosphide (phostoxin) gas to eliminate remaining pockets on approximately 26,000 acres previously treated with zinc phosphide during FY 1987.

The following chart illustrates the status of the Prairie Dog Control program on the Pine Ridge Reservation.



February 1988

Noxious Weeds and Soil Erosion Control (\$730,000; FTE 0): These funds are used to operate a noxious weed control program on Indian trust lands. A committee composed of personnel from the Department of the Interior and the Department of Agriculture will coordinate with county, state and tribal organizations to identify and map out the most serious weed problem areas. Treatment measures will be designed to reduce further spreading of noxious weeds and resultant losses of land and resources on Indian farms, ranches and in other projects. It is estimated that approximately 10-20 thousand acres can be treated, depending on the host weed, the selected control method, and the timing of application needed.

Gila River Farms Projects (\$650,000): The Congress appropriated \$650,000 in FY 1988 to allow the Gila River Tribe to expand their agricultural operation at Sacaton Ranch by diversification into high income specialized crops which can be marketed locally.

Havasupai Range Rehabilitation (\$450,000): The Congress appropriated \$450,000 in FY 1988 for a range rehabilitation and management plan for 185,000 acres of the Havasupai range.

Nez Perce Soil Fertilization (\$55,000): The Congress appropriated \$550,000 in FY 1988 for the Nez Perce Tribe to collect base line soil fertility data for crop production and for soil and water conservation planning purposes.

Change from FY 1989 Base:

		(Dollar amounts in thousands)		
		FY 1989	FY 1989	+/-
		<u>Base</u>	<u>Request</u>	<u>Difference</u>
Area Office Operations	\$	1,175	1,153	-22
	(FTE)	(27)	(28)	(+1)
Field Operations:				
Noxious Weed Eradication	\$	730	330	-400
Agriculture Technical Assistance Center	\$	--	700	+700
Gila River Farms Project	\$	650	--	-650
Havasupai Range Rehabilitation	\$	450	--	-450
Nez Perce Soil Fertilization	\$	55	--	-55

Area Office Operations (-\$22,000; FTE +1): The decrease of \$22,000 and increase of 1 FTE for Agriculture at the area offices is based on priorities established by the area directors.

Noxious Weed Eradication (-\$400,000): FY 1988 is the first year of the noxious weed control program, and a comprehensive survey will be conducted to identify critical weed infested areas on Indian lands. A five-year plan will be prepared with recommendations for control of infested acres. Based on priority control needs and using EPA approved weed control agents, the control program will be initiated in FY 1988 on approximately 20% of the infested areas. The FY 1989 funding level will be used to control approximately 35% of the next priority area and to maintain control of the areas treated in FY 1988.

Agriculture Technical Centers (+\$700,000): Private sector contracts for technical assistance to tribes and individual Indian ranchers and farmers will be made for extension type services, agri-business, soil conservation, range management, and related farming activities. Information and guidance will be provided to improve the economic management of productive land resources. Such assistance to Indian tribes, individuals, and associations will result in better prices for products and allow improvements in their agricultural business management. Extension type assistance will be contracted to tribes, universities, and other organizations. Assistance may also be in the form of workshops, training, and individual farmer and rancher consultations.

Gila River Farms Projects (-\$650,000): The FY 1988 Congressional add-on was for a one-time project and funding is not continued in FY 1989.

Havasupai Range Rehabilitation (-\$450,000): The management rehabilitation plan was developed in FY 1988 and the funds are not necessary in FY 1989.

Nez Perce Soil Fertilization (-\$55,000): The base line soil data was collected in FY 1988 and is now available to the tribe's for planning purposes. Funding in FY 1989 is not required.

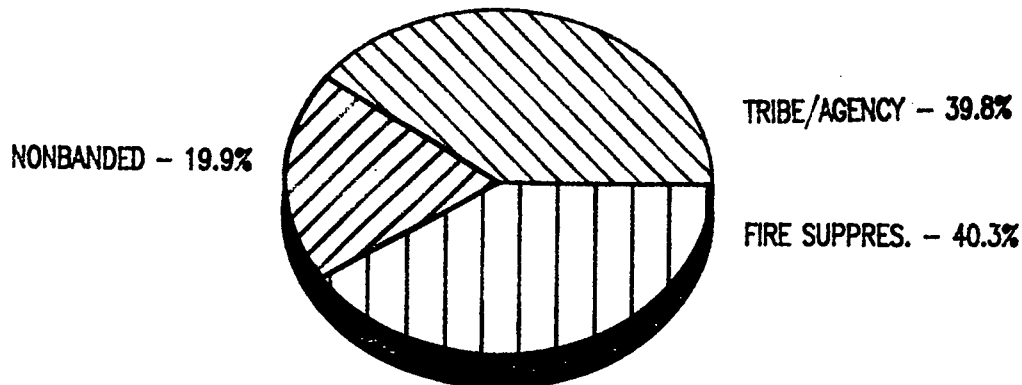
C. Forestry and Fire Suppression

		FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc.(+) Dec.(+) From 1988	Inc. (+) Dec. (-) From Base
Central Office Operations:	\$ (FTE)	1,521 (22)	1,506 (22)	1,506 (22)	-15 (--)	-- (--)
Area Office Operations:	\$ (FTE)	1,381 (27)	1,329 (27)	1,108 (27)	-273 (--)	-221 (--)
<u>Field Operations:</u>						
Forest Development	\$ (FTE)	8,150 (90)	8,150 (90)	5,000 (70)	-3,150 (-20)	-3,150 (-20)
Forest Marketing Assistance	\$	238	238	338	+100	+100
Forest Management Inventories & Plans	\$	1,200	1,200	1,200	--	--
Fire Suppression	\$ (FTE)	25,000 (194)	25,000 (194)	18,700 (170)	-6,300 (-24)	-6,300 (-24)
Total, Forestry	\$ (FTE)	37,490 (333)	37,423 (333)	27,852 (289)	-9,638 (-44)	-9,571 (-44)

Objective: The principal objective of the forestry program is to maximize forest productivity (increase board foot growth per acre, per year) at 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.

Total Forestry Program: The total FY 1989 request for the forestry program is \$45,922,000 which includes \$18,070,000 based on tribal priorities established in the Indian Priority System (IPS) plus \$27,852,000 in this portion of the budget. There is an inter-relationship between all forestry program activities, and workload cannot be precisely delineated. The following table depicts the total program. Refer to the Tribe/Agency - Natural Resources section of the budget for narrative detail on the IPS forestry budget.

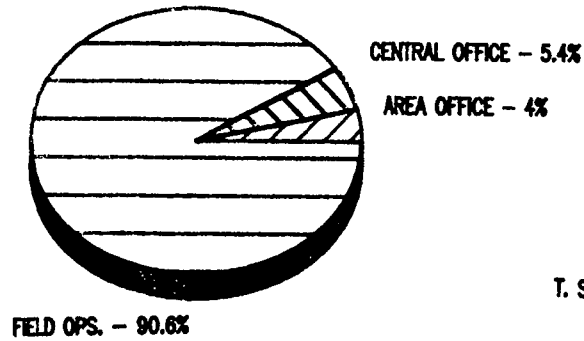
TOTAL FORESTRY PROGRAM



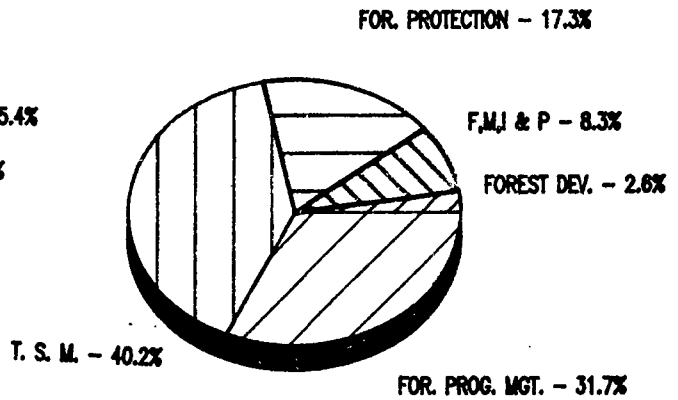
Total Forestry Program

	<u>FY 1989 Request</u>	
	<u>Tribe/Agency</u>	<u>Non-Banded</u>
Central Office	\$ -0-	\$ 1,506,000
Area Offices	-0-	1,108,000
Forest Development	464,000	5,000,000
Forest Management Inventory & Plans	1,493,000	1,200,000
Fire Presuppression, Suppression and Emergency Rehabilitation	-0-	18,700,000
Forest Protection	3,120,000	-0-
Forest Products Marketing Assistance	-0-	338,000
Timber Sales Management	7,264,000	-0-
Forest Program Management	<u>5,729,000</u>	<u>-0-</u>
 Total Forestry	 \$18,070,000	 \$27,852,000

**FORESTRY PROGRAM
NONBANDED**



**FORESTRY PROGRAM
TRIBE/AGENCY**



Base Program (\$37,423,000; FTE 333):

Central Office Operations (\$1,506,000; FTE 22): The function and role of the forestry program is to protect and develop the forest resources of Indian trust property. The central office provides program administration for the bureau's forestry operations through the review and development of procedures and manual directives. Delegations of authority are 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 Forester Intern Program, oversight and management of the bureau's aviation program, and forest and range fire protection and suppression efforts.

Area Office Operations (\$1,329,000; FTE 27): Execution of the forestry program involves: (1) the planning and scheduling of areawide forestry activities, and (2) the 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.

Field Operations (\$34,588,000; FTE 284):

Forest Development (\$8,150,000; FTE 90): This special forest development program continues the initiative begun in FY 1977 to eliminate the backlog of commercial forest acres requiring silvicultural treatment(s) to bring them up to full productive capacity. (See Figure A) Projects are principally reforestation and timber stand improvement. Through intensive forest development practices, allowable annual cuts may be increased, and improved forest products presented for sale, bringing higher profits to the individual Indian and tribal forest landowners.

Forest Marketing Assistance (\$238,000; FTE 0): Prior to FY 1988, the bureau's assistance for marketing for forest products was limited to inventory and appraisal for local markets. To help Indian tribes expand their market for forest products, the bureau began to provide marketing assistance by establishing marketing positions, and through contracts with tribal organizations or private industry. Expanded markets are expected to produce greater profits and more employment for timber tribes. In addition, the expanded market will enhance the economies of the local community.

Forest Management Inventory and Planning (\$1,200,000; FTE 0): The Forest Management Inventory and Planning (FMI&P) program includes all the activities necessary to compile and maintain modern forest management plans for trust forested reservations or properties having a commercial forest land base. Funds are

expended on FMI&P projects in accordance with the 12-year schedule (FY 1984-1995) established in the December 31, 1983, "Report on Status of Inventories and Needs Assessment." That report, and subsequent periodic revisions, includes a schedule for completion of forest inventory and planning segments which, when combined with social, economic and other considerations of the Indian owners, provides the framework for developing the reservation forest management plan. As of September 30, 1987, approximately 37 of the 96 forested reservations or properties have current forest management or operating plans. This equates to approximately 51 percent of the total commercial forest land base of 5,639,331 acres having plans. The remaining locations continue to operate with no plans or with outdated plans. These numbers will vary from year to year as new inventories refine commercial forest acreage, and the status of management planning on a reservation changes because of the need to periodically update and/or revise existing plans.

FY 1989 Estimated Outputs:

<u>FMI&P Segment</u> *	<u>Number of Reservations</u>
Aerial Photography	12
Mapping	19
Field Inventory	18
Inventory Analysis	13
Management Plans	19

* Source: Status of Forest Management Inventories and Planning, Sept. 30, 1987.

Fire Presuppression, Suppression & Emergency Rehabilitation (\$25,000,000):

This funding will be used to reimburse the construction account for funds transferred in FY 1987 under the authority of section 102 for fire suppression, presuppression, and emergency rehabilitation. The presuppression phase of the program is determined through a systematic analysis of values at risk, the standards to which those values are to be protected and the historical pattern of fire occurrence threatening those values. Obligations incurred in the suppression of fires and the rehabilitation of burned-over lands cannot be accurately anticipated due to the unpredictable nature of wildfires, therefore, funding is projected based on historical occurrence.

The 1987 fire season was probably the worst nationwide since 1910. Late season fires resulted in the largest mobilization of firefighters ever documented. Although final figures are not yet available, indications are that the number of fires occurring on Indian lands increased over that experienced in 1986. It should be noted that in 1986 the number of fires reported was approximately 600 less than the previous 5 year average.

Obligations of emergency funds for FY 1986 were \$26.6 million. Of this amount, an estimated \$6 million was spent in support of other federal agencies, based upon a Memorandum of Understanding between the Secretaries of Interior and Agriculture, which stipulates no reimbursement of funds for obligations incurred in federal inter-agency fire suppression.

Total Forestry Program Workload Summary:

	Unit	Actual FY 1987	Estimate FY 1988	Estimate FY 1989
<u>Forest Development:</u>				
- Reforestation	Total (Acres)	10,000	6,000	4,000
	(Tribe/Agency) "	(--)	(2,900)	(400)
	(Field Operations) "	(10,000)	(3,100)	(3,600)
- Timber Stand Improvement	Total (Acres)	30,000	18,000	31,000
	(Tribe/Agency) "	--	(8,700)	(3,100)
	(Field Operations) "	(30,000)	(9,300)	(27,900)
- Growth/Survival Inventories Conducted	Total (No.)	100	60	65
	(Tribe/Agency) "	--	(27)	(10)
	(Field Operations) "	(100)	(33)	(55)
<u>Forest Protection:</u>				
- Forest & Range Land Protected	(Acres)	59,314,000	59,314,000	59,314,000
- Number of Fires Suppressed	(CY)	Data not in	2,700	2,700
- Acres burned		as of 1/28/88	80,000	80,000
<u>Timber Sale Administration:</u>				
- Allowable Annual Cut	(MBM)	1,030,000	1,030,000	1,030,000
- Timber Sale Volume Offered	(MBM)	750,000	800,000	850,000
- Volume of Timber Harvested	(MBM)	712,000	755,000	820,000
- Value of Timber Harvested	\$	67,000,000	77,000,000	79,000,000
- Timber Sale Contracts supervised <u>1/</u>	(No.)	200	200	200
- Forest Products Permits issued <u>2/</u>	(No.)	10,000	10,000	10,000
- Timber Cruises for Appraisal purposes	(No.)	211	211	211
<u>Forest Management Inventories and Plans:</u> <u>3/</u>				
- Aerial Photography	(No. of Reserv.)	4	8	12
- Mapping	(No. of Reserv.)	7	17	19
- Field Inventory	(No. of Reserv.)	9	17	18
- Inventory Analysis	(No. of Reserv.)	8	28	13
- Management Plan	(No. of Reserv.)	7	14	19
<u>General 4/</u>				
- Employment Generated (direct, indirect and induced - MY)	(No.)	14,757	14,757	14,757
- Employment Generated Income	\$	382,838,800	382,838,800	382,838,800
<u>Forest Program Management:</u>				
- Program Reviews		21	25	25
- Quality Control Reviews		4	4	4
- Site Visits		35	50	50

1/ 134 of these contracts have, or may have current activity.

2/ 6,000 of these permits have, or may have current activity.

SOURCE: BIA, Div. of Forestry, 1985 Accomplishment Report.

3/ SOURCE: Status of Forest Management Inventories and Planning, 9/30/86.

4/ SOURCE: A Survey of Economic Benefits from Indian Forest Resources, 1/88.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY 1989</u>	<u>FY 1989</u>	<u>+/-</u>
		<u>Base</u>	<u>Estimates</u>	<u>Difference</u>
Area Office Operations:	\$	1,329	1,108	-221
	(FTE)	(27)	(27)	(--)
<u>Field Operations:</u>				
Forest Development	\$	8,150	5,000	-3,150
	(FTE)	(90)	(70)	(-20)
Forest Marketing Assistance	\$	238	338	+100
Fire Suppression	\$	25,000	18,700	-6,300
	(FTE)	(194)	(170)	(-24)

Area Office Operations (-\$221,000): This decrease is the result of priorities established by the Area Directors.

Forest Development (-\$3,150,000; FTE -20): Scaling back this program at this time will only extend the target date to eliminate forest development backlogs of record at the beginning of the program in FY 1977, from 1996 to 1998. As can be seen from figure A, the number of acres that have received treatment now exceed those that require treatment. Since the highest priority timber stands are being treated first, the remaining untreated acres are approaching 1.0 benefit/cost ratio.

Forest Marketing Assistance (\$+100,000): The increased funding for this program will be used to contract for research into new markets for existing forest products and for evaluating trends which may lead to new product development and new markets.

Fire Presuppression, Suppression, and Emergency Rehabilitation (-\$6,300,000; FTE -24): The FY 1988 appropriation did not fully cover FY 1987 fire suppression transfers. Of the amount requested in FY 1989, \$1,732,000 will be used to reimburse the construction account for monies transferred in FY 1987.

Consistent with the requests in the other land managing bureaus in the Department, the bureau is also requesting funding to repay the FY 1988 emergency fire suppression and pre-suppression costs. Since it is difficult to predict actual 1988 costs in advance, the request is based on an average of several previous fire years resulting in a \$6.3 million decrease. Additional funds will be requested if the \$18.7 million is not sufficient to repay all the 1988 costs.

D. Water Resources

		<u>FY 1988</u>	<u>FY</u>	<u>FY</u>	<u>Inc.(+)</u>	<u>Inc.</u>
		<u>Enacted</u>	<u>1989</u>	<u>1989</u>	<u>Dec.(-)</u>	<u>Dec.</u>
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
Central Office	\$	467	469	469	+2	--
Operations:	(FTE)	(8)	(8)	(8)	(--)	(--)
<u>Field Operations:</u>						
Water Management	\$	9,000	9,000	-0-	-9,000	-9,000
and Development						
Irrigation Drainage	\$	--	--	600	+600	+600
Total, Water	\$	9,467	9,469	1,069	-8,398	-8,400
Resources	(FTE)	(8)	(8)	(8)	(--)	(--)

Objectives: The objectives of the Water Resources program are to: (1) assist tribes in developing comprehensive planning and management capabilities for tribal water resources in a manner consistent with sound economic and conservation principles; (2) assist tribes in developing and sustaining a dynamic tribal administrative environment which assures that tribal water resource programs are conducted in a manner consistent with applicable laws, regulations, court decisions, and negotiated settlements of water rights claims; and (3) increase tribal training opportunities and involvement in all aspects of water resource management to achieve full tribal capability in these matters.

Base Program (\$9,469,000; FTE 8):

Central Office Operations (\$469,000; FTE 8): The central office provides the bureau, department, and the tribes with analyses and evaluations of water resources management planning and development proposals addressed by court actions, legislation, and regulations which may affect tribal water rights and uses. The central office formulates and implements policy initiatives, recommends funding allocations, develops reporting systems, maintains liaison and coordination with other federal agencies via memoranda of agreement, and proposes regulations and procedures for program operations including contracts and grants. Whenever possible, the central office seeks to discuss policy initiatives with tribal water resources managers to assure that the initiatives are compatible with tribal goals and objectives.

Water Management and Development (\$9,000,000): This funding supports the development of tribal water resources management plans and capabilities on reservations. Such projects include agricultural, municipal, rural and industrial water development. Since 1980, Congress has funded the collection of water resources data for the purpose of supporting negotiations and litigation on Indian reserved water rights. To complement the program, the Department has encouraged Indian tribes, during the water rights claims resolution process, to utilize the collected data in their efforts to manage and develop their water resources.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		<u>FY</u> 1989 <u>Base</u>	<u>FY</u> 1989 <u>Estimate</u>	<u>Inc.</u> <u>Dec.</u> <u>From Base</u>
<u>Field Operations:</u>				
Water Management and Development	\$	9,000	-0-	-9,000
Irrigation Drainage	\$	-0-	600	+ 600

Water Management and Development (-\$9,000,000; FTE 0): The major portion of this program, \$7.5 million, has been transferred to the combined Water Rights Negotiation/Litigation program in the Indian Rights Protection activity as resolution of water rights claims is of higher priority. The remaining \$1.5 million has been deleted, since funding intended for water planning and development use by tribes is more appropriately funded with Tribe/Agency resources.

Irrigation Drainage (+\$600,000; FTE 0): A survey of bureau irrigation projects indicates that 11 projects may have possible irrigation-induced water quality problems caused by nearby metal contamination, such as sodium, cadmium, chromium and mercury. Accordingly, and in order to participate in departmental efforts headed by the Irrigation Drainage Task Group, the bureau is proposing to include these irrigation projects for intensive field study to determine whether the projects directly or indirectly cause adverse effects on human health, fish and wildlife resources, or water uses. Currently, the Pine River Irrigation project has been selected for this effort because of heavy concentrations of selenium, and it will be studied in FY 1989. Bureau cost-sharing of \$600,000 during FY 1989 is required to defray costs of field surveys and contamination studies to prescribe operational changes and mitigate existing toxicity problems.

E. Wildlife and Parks

	FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Central Office Operations:	\$ 400 (FTE) (2)	398 (2)	398 (2)	- 2 (--)	-- (--)
<u>Field Operations:</u>					
Special Fish Management Programs	\$ 11,686	11,793	7,374	-4,312	-4,419
Tribal Management/ Development Projects	\$ 1,227	1,246	1,426	+199	+180
Fish Hatchery Maintenance	\$ 857	857	--	-857	-857
FWS Technical Assistance	\$ 370 (FTE) (10)	382 (10)	1,682 (30)	+1,312 (+20)	+1,300 (+20)
Total, Wildlife & Parks	\$ 14,540 (FTE) (12)	14,676 (12)	10,880 (32)	-3,660 (+20)	-3,796 (+20)

Objectives: The goal of the Wildlife and Parks 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. 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 support for 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.
- ° Reimbursement to other federal agencies for technical fish and wildlife assistance and fish stocking services in cases where tribes have not yet developed the capabilities for assuming responsibilities associated with such programs, and where the bureau is unable to provide the technical assistance.

Base Program (\$14,676,000; FTE 12): The Bureau of Indian Affairs has more than 53 million acres of land under its jurisdiction. A large segment of this land represents suitable habitat to support diverse ecosystems and a multitude of fish, wildlife and recreational resources. Tribal resource programs on reservations and in the ceded areas contribute significantly toward: (1) meeting national demands for hunting, fishing and outdoor recreation; (2) recovery

efforts on threatened and endangered species; and (3) conserving other important fish, game, and nongame 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 reservations could impair the resources and the functioning of tribal societies and governments.

Until the mid-1970's, the Fish and Wildlife Service (FWS) supported fish and wildlife programs for Indians, especially fisheries programs on inland reservations. When FWS appropriations were reduced, the bureau established its own Fish, Wildlife and Recreation Program. Such programs now operate on approximately 125 Indian reservations. The bureau's program also evolved in response to various landmark treaty hunting and fishing rights decisions which granted management status to tribes in addressing complex, inter-jurisdictional resource issues of national and international significance.

Current programs provide 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 for the production of tens of millions of walleye annually in the Great Lakes states. Species which receive management assistance because they are listed as threatened or endangered include the bald eagle, grizzly bear, black-footed ferret, Lahontan cutthroat trout, cui-ui lakesucker and peregrine falcon.

The Wildlife and Parks activity supports nine professional biologists assigned to the program. 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 Operations (\$398,000; 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. The staff coordinates program planning, assists in budget formulation and execution processes, proposes systems for the effective delivery of program services, establishes program evaluation procedures and serves in a program oversight capacity. Central office staff also coordinates program responsibilities among area offices, agencies, tribes and inter-tribal organizations; analyzes policy and legislation; prepares briefings and issue papers; responds to information inquiries; conducts special projects; performs internal control reviews for potential waste, fraud and abuse; and provides expertise and advice to the bureau's executive managers. The staff provides liaison with other federal and state agencies, participates in national and international meetings and negotiations, and assists in the overall management of trust responsibilities.

Field Operations (\$14,278,000; FTE 10):

Special Fish and Wildlife Management Programs (\$11,793,000; FTE 0): A number of court cases decided in favor of Indian treaty hunting and fishing rights have resulted in increased attention to nationally and internationally significant fish and wildlife resources in ceded off-reservation areas. These resources typically fall under the jurisdiction of a variety of tribal, state, regional, federal and international management entities and serve the needs of a variety of interest groups. Under management standards prescribed by statute and federal courts, these resources are protected and Indians roles and responsibilities in utilizing and managing them are assured through complex interjurisdictional programs aimed at assessing stock levels, establishing allowable annual harvests, and determining 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 in carrying out resource management roles and responsibilities. These organizations are involved in important national and international co-management activities. These inter-tribal bodies represent effective and efficient mechanisms for serving member tribes in treaty rights negotiations and implementation programs involving complex inter-jurisdictional resources. The program also assists the Klamath Tribe in Oregon in the protection of treaty hunting, fishing and gathering rights.

- A. Western Washington Fisheries Management (\$3,132,000; 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 1975 by the treaty fishing tribes of western Washington. Appropriated funds are contracted to the NWIFC to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities and to facilitate coordination with other management jurisdictions.

The NWIFC is directed by Commissioners who represent all treaty tribes in the case area. Of this amount, \$858,000 is used to coordinate the efforts of tribal biologists, hatchery personnel, computer specialists and managers in formulating harvest management, population assessment, stock enhancement, fish tagging, and data gathering programs. The NWIFC serves as spokesman for the member tribes on fishing issues and has the authority to represent them before state and federal agencies.

- B. Columbia River Fisheries Management (\$1,887,000; FTE 0): Decisions in U.S. v. Oregon 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 Columbia River Inter-tribal Fish Commission (CRITFC) serves as a coordinating body for the four tribes. Appropriated funds will be contracted to the CRITFC to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities and to facilitate coordination with other management jurisdictions. 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 funds include \$79,000 for fish tagging efforts.

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 over-harvest, 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. Klamath Conservation Program (\$523,000; FTE 0): The Klamath Tribe of Oregon, retains hunting, fishing and gathering rights under the Treaty of 1864. 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, the 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 needed on the 1.1 million acre former reservation. The Klamath Tribal Executive Committee, as the 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 \$311,000 will support staff to carry out co-management responsibilities, in cooperation with state and federal resource management authorities.

D. Voigt Case Area Management (\$2,654,000; 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. In 1984, the "Voigt" tribes joined with the Great Lakes Indian Fish Commission, forming the Great Lakes Indian Fish and Wildlife Commission (GLIFWC), 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 GLIFWC provides an inter-tribal mechanism for implementing the Voigt decision through securing of technical biological expertise, development of sound natural resource management plans, development of hunting and fishing regulations, and strengthening of the tribal enforcement capability and court system. The Commission also affords member tribes the opportunity to negotiate with 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.

Appropriated funds will be contracted to the GLIFWC to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities, and to facilitate coordination with other management jurisdictions.

- E. Michigan (Great Lakes) Fisheries Management (\$1,139,000; FTE 0): In 1981, the fishing rights of three Michigan tribes covered by the Treaty of 1836 (Sault Ste. Marie, Bay Mills and Grand Traverse) were affirmed in federal court. Also in 1981, the three tribes established the Chippewa/Ottawa Treaty Fishery Management Authority (COTFMA). The purpose of COTFMA is to provide uniform joint regulations governing tribal fishing activities, act as a coordinating body for enforcement activities, coordinate initiatives regarding enhancement of the fishery, and 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. This program performs 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 InterTribal Fisheries and Assessment Program, the State of Michigan and the 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. Appropriated funds will be contracted to the COTFMA to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities and to facilitate coordination with other management jurisdictions.

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.

- F. US/Canada Pacific Salmon Treaty (\$2,458,000; FTE 0): Through representation on the Pacific Salmon Commission and panels created by the United States/Canada Pacific Salmon Treaty implementing legislation of 1985, the 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, provides 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 support in the areas of management, administration, information collection/analysis and enhancement.

Of the total, \$2,395,000 will be contracted to the Columbia River Inter-Tribal Fish Commission and the Northwest Indian Fish Commission to carry out the program proposed by the Pacific Salmon Commission. 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. Also included is \$63,000 for a salmon tagging project at the Tamgas Creek Fish Hatchery in Metlakatla, Alaska.

Tribal Management/Development Projects (\$1,246,000; FTE 0): In accord with Indian self-determination precepts, the bureau has shaped a Fish, Wildlife and Recreation Program which promotes the development of tribal fish and wildlife resource management capabilities and affords maximum flexibility to tribes in pursuing reservation economic development. Through P.L. 93-638 contracts executed by the bureau, tribes in the Pacific Northwest, Great Lakes states and elsewhere have assembled competent staffs and developed comprehensive programs for conserving, managing and developing Indian fish and wildlife resources, for fulfilling tribal resource management responsibilities assigned through court order and statute, and for interfacing with a host of state, regional and international jurisdictions in addressing the challenges of resource management.

Despite the fact that the great majority of wildlife and parks funds have been contracted to tribes in recent years, many tribes have not developed the capabilities to manage their resource bases. Several tribes continue to depend on federal programs for the delivery of fish and wildlife services; and on many reservations with fish and wildlife resource values and potentials, management programs are inadequate or lacking.

Funds will be applied to develop the professional expertise and multi-disciplinary competence of tribes and inter-tribal fish and wildlife organizations in expanding their reservation economies; in creating job-producing and income-generating programs through the development of fish, wildlife and outdoor recreational resources; and in reducing reliance on federal technical assistance programs. Funds are also directed toward improving the ability of tribes with common resource interests to better coordinate their efforts in dealing with other resource management jurisdictions, and toward achieving self-sufficiency among tribes in all phases of resource management and development.

These funds will be used as follows:

<u>Northwest Indian Fisheries Commission</u> - To develop a fish health diagnostic capability and operation to serve the needs of western Washington State tribes for disease-free certificates involving fish released from tribal fish hatcheries (\$150,000); and continuation of shellfish investigations to evaluate harvest potentials (\$50,000).	\$200,000
<u>Native American Fish and Wildlife Society</u> To support the efforts to educate tribes on how to develop their resource bases and implement biologically sound resource management and development programs.	135,000
<u>Penobscot Nation</u> - To develop tribal capabilities in managing Atlantic salmon and other fish and wildlife resources.	80,000
<u>Blackfeet Reservation</u> - As directed by Congress, \$120,000 was provided to assess grizzly bear status on the reservation and to develop and implement management strategies in conjunction with the National Grizzly Bear Recovery Plan and \$100,000 to establish a tribal fish and wildlife management program.	220,000
<u>Nez Perce</u> - To continue the wildlife management program established in FY 1987.	100,000

For four tribes: \$49,000 each to Crow Creek Sioux Devils Lake Sioux; Crow; and Northern Cheyenne tribes to establish or support tribal fish and/or wildlife biologist positions which will allow the tribes to develop their resource management capabilities and reduce reliance on federal technical assistance programs. The lack of professional biologists on the tribal staffs of reservations that support valuable fish and wildlife resources and public recreation programs has greatly hindered the progress these tribes have been able to make in developing their reservation economies through the expansion of public fishing, hunting, camping, and related programs. Development of professional staff would allow the tribal governments to begin inventorying fish and wildlife resource populations and to use such data in planning and implementing sound resource management and public use programs. \$196,000

Navajo - To develop tribal capabilities in managing fish and wildlife resources and related public use programs on this 14 million acre reservation. 90,000

Zuni - To establish a fisheries management capability for the tribe, thereby allowing the tribe to develop the potential of its resource base for economic gain. 80,000

Cherokee - To develop fish hatchery management capabilities of the tribe, allowing for the expansion of public fishing programs which are dependent on the stocking of catchable rainbow trout, 75,000

Lower Brule - To expand tribal capabilities in managing fisheries and wildlife resources, and related public fishing and big game hunting programs. 70,000

Technical Assistance-Fish and Wildlife Service (\$382,000; FTE 10): This is the estimated amount of funds to be reimbursed to the Fish and Wildlife Service (FWS) for facility operations serving tribes which are not yet able to perform such services for themselves. As tribes develop the capabilities to assume such programs, funding will be transferred to the tribes. Specific services to be provided and Indian reservations to be served will be described in a Memorandum of Agreement (MOA) negotiated annually between the two agencies, and in sub-agreements negotiated between bureau area offices and FWS regional offices. Facilities projected to receive operations funding under the MOA include the Quinault hatchery, which supplements efforts of federal and state agencies involved in the enhancement of Pacific Northwest salmonoid resources, and the technical assistance offices located at Vernal, Utah; Valentine, Nebraska; and Kalispel, Montana, which serve tribes requiring varying degrees of training and assistance in developing fish and wildlife management programs and capabilities. If one or more of the tribes receiving assistance from the FWS develop the capabilities to assume control of the program by FY 1989, a portion of the funds from this account may be transferred to them to support those tribal efforts.

In accordance with Congressional direction, the bureau will work to have the services performed through each facility contracted to the affected tribes as soon as possible.

Fish Hatchery Maintenance (\$857,000; FTE 0): In FY 1988, Congress directed the transfer of six facilities formerly funded through the interagency memorandum of agreement between the bureau and the Fish and Wildlife Service (FWS) to the FWS budget, provided that associated program operations be contracted to the affected tribes when the majority of affected tribes being served by each facility

so request, and that the savings realized by the bureau from such transfer be made available for cyclical-maintenance of tribally-owned hatcheries. The bureau has established uniform definitions and ranking criteria for prioritizing cyclical maintenance projects proposed by the tribes.

The definition established for cyclical maintenance is work that is required at periodic intervals (painting, paving, re-roofing, equipment servicing, etc.) to prolong the life of facility components and associated equipment, and to prevent the need for premature replacement and repair. Criteria established for ranking maintenance project proposals submitted by the tribes are as follows: (1) health, safety and security factors; (2) water quality compliance; (3) economic benefits and values; (4) rights protection and co-management responsibility fulfillment; and (5) resource enhancement and restoration. Funds will be distributed for those projects ranked highest by the bureau's area office and central office staffs.

Change from FY 1989 Base:

(Dollar amounts in thousands)

	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>(+ or -) Difference</u>
Field Operations:			
Special Fish Management Programs	\$ 11,793	7,374	-4,419
Tribal Management/Development Projects	\$ 1,246	1,426	+180
Fish Hatchery Maintenance	\$ 857	--	-857
FWS Technical Assistance	\$ 382	1,682	+1,300
	(FTE) (10)	(30)	(+20)

Special Fish Management Programs (-\$4,419,000): This reduction includes the following decreases:

-\$2,000,000 for the Timber-Fish-Wildlife initiative added by Congress in FY 1988. Future funds to support this initiative should come from the State of Washington and the timber harvesting companies who bear responsibility for the adverse fisheries impacts resulting from past forest practices.

-\$496,000 for the Upper Columbia United Tribes provided on a one-time basis in FY 1988.

-\$210,000 provided in FY 1988 for investigation on threatened sucker species on the Klamath Reservation. Unlike the U.S. Fish and Wildlife Service, the bureau does not receive appropriated funds for work on species of fish and wildlife threatened with extinction. Section 6 of the Endangered Species Act does not provide for grants to Indian tribes, as it does for states in addressing recovery programs for species listed as threatened or endangered. The depressed sucker populations should be dealt with under the broad authorities of the Endangered Species Act.

-\$1,270,000 for the Great Lakes Indian Fish and Wildlife Commission. The bureau believes that \$1,374,000 is an adequate amount to fund the Great Lakes Indian Fish and Wildlife Commission. Increased enforcement should be handled by the 11 member tribes through the tribe/agency budget process.

-\$443,000 for U.S./ Canada Pacific Salmon Treaty implementation, including \$63,000 for a salmon tagging project conducted by the Metlakatla Tribe. The U.S. Section of the Pacific Salmon Commission requested \$2.57 million to implement the Pacific Salmon Treaty in FY 1988. However, given the additional funding which will be made available to the states and Federal agencies for treaty implementation work through the budgets of the Departments of State, Commerce and Interior, \$2,000,000 is a reasonable amount for treaty implementation work.

Tribal Management Development Projects (+\$180,000): An increase of \$80,000 will be provided to the Yakima Tribe to continue deer population investigations that began in FY 1988. In addition, \$50,000 each will be provided to the bureau's Albuquerque and Billings area offices to assist in monitoring new tribal fish and wildlife resource contracts, and to assist the tribes in developing sound fish and wildlife codes, ordinances and programs.

Fish Hatchery Maintenance (-\$857,000): In FY 1988, Congress directed the bureau to use savings realized from the transfer of six facilities funded by the bureau in FY 1987 under a cost-reimbursable arrangement with the U.S. Fish and Wildlife Services to accomplish maintenance on Tribally-owned fish hatcheries. In FY 1989, this funding is restored to the FWS Technical Assistance program. Funds will be applied to support operations at these six facilities, as well as, at the four other facilities retained by the bureau in FY 1988, under a single interagency memorandum of agreement.

Fish hatchery maintenance funds provided in FY 1988 are being applied to address most of the project proposals received from tribes throughout the country. In FY 1989, these funds would be better spent carrying out instructions provided by the Congress in FY 1988 to promote tribal contracting of federal fish and wildlife assistance programs through the Public Law 93-638 process.

FWS Technical Assistance (+\$1,300,000; FTE, +20): This increase incorporates a transfer of \$857,000 from the Fish Hatchery Maintenance account and an additional increase to support operations at the facilities transferred to the U.S. Fish and Wildlife Service's budget by the Congress in FY 1988. Operations of these facilities and the four other facilities retained by the bureau in FY 1988 will be supported through a single interagency memorandum of agreement with the FWS. In FY 1989, the bureau will begin the transition to tribal contracting for these programs, consistent with Congressional direction that these facilities should be managed by the affected tribes when the tribes are ready. The following table compares BIA's FY 1989 request to the funding contained in the FWS budget for FY 1988 by facility:

Facility	1988 level	1989 Level		
	(FWS)	FWS-MOA	Tribes	Total
Williams Creek/Alchesay	539	539	0	539
Mescalero	253	253	0	253
Parker	108	50	58	108
Pinetop	213	100	129	229
Lander	171	171	0	171
Total	1,284	1,113	187	1,300

Many of the tribes being served by these facilities have expressed interest in contracting for the program operations. For an orderly transition to begin, the bureau in FY 1989 will use \$187,000 to contract directly with several tribes being served by the Parker and Pintop offices. The tribes affected are Colorado River, White Mountain Apache and San Carlos Apache. Funds will be used for tribal staff and programs. These staff will serve as liaison between the FWS and respective tribes.

The Department's position is that transition to tribal contracting will be facilitated if implementation funds are maintained in the budget of the agency responsible for initiating such contracting.

Object Class Distribution - Forestry and Agriculture Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	-30	-\$ 750,000
Personnel Benefits.....		- 122,000
Travel.....		- 1,069,000
Other Services.....		-16,517,000
Supplies and Materials.....		- 1,638,000
Equipment.....		<u>- 1,639,000</u>
 Total.....		 -\$21,735,000

Justification of Program and Performance

Activity:	Natural Resources Development
Subactivity	Minerals and Mining/Irrigation Operation & Maintenance

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Minerals and Mining	\$	7,883	7,874	6,824	-1,059	-1,050
	(FTE)	(15)	(15)	(15)	(--)	(--)
B. Irrigation O & M	\$	8,015	8,104	7,704	-311	-400
	(FTE)	(15)	(15)	(15)	(--)	(--)
Total Requirements	\$	15,898	15,978	14,528	-1,370	-1,450
	(FTE)	(30)	(30)	(30)	(--)	(--)

A. Minerals and Mining

		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office	\$	693	682	682	-11	--
Operations:	(FTE)	(15)	(15)	(15)	(--)	(--)
<u>Field Operations:</u>						
Mineral Assessments	\$	1,000	1,000	1,000	--	--
Linowes Positions	\$	468	468	468	--	--
Tribal & Special Projects	\$	<u>5,722</u>	<u>5,724</u>	<u>4,674</u>	<u>-1,048</u>	<u>-1,050</u>
Total, Minerals & Mining	\$	7,883	7,874	6,824	-1,059	-1,050
	(FTE)	(15)	(15)	(15)	(--)	(--)

Objective: The minerals and mining program provides 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. Funds support cooperation in the planning, management and development of mineral resources with tribes, other agencies, councils and commissions and assist tribes in achieving the maximum income and employment return from utilization of their mineral resources.

Base Program (\$7,874,000; FTE 15): The Bureau of Indian Affairs is responsible for protecting the interests of Indian owners in the development of the Indian minerals resources. The bureau assists the tribes and individual Indians in attaining the maximum benefits which can be derived from resource development. The bureau's function is to provide technical assistance and guidance; the final decision on whether to develop resources is made by the tribes and individual Indian landowners.

The bureau will actively and aggressively pursue development of Indian minerals with emphasis on mineral commodities with economic viability in the world market and commodities for which a local market exists or can be developed, such as industrial minerals. Mineral development will result in financial independence for some tribes and individual tribal members. For others, it will provide a substantial contribution toward meeting their economic needs.

Central Office Operations (\$682,000; FTE 15): In order to administer this extensive program, the bureau has central office personnel located in Lakewood, Colorado, and Washington, D.C. with other staff located in area and agency offices. These employees include geologists, geophysicists, petroleum and mining engineers who organize minerals information and coordinate with tribes, the Minerals Management Service, the Bureau of Mines, Geological Survey, Bureau of Land Management, Office of Surface Mining Reclamation and Enforcement, and private industry. The staff performs economic analyses of leases and other types of development agreements.

The Division of Energy and Minerals provides staff assistance and technical advice in the coordination of bureauwide Indian energy and mineral resource policies, standards, goals and objectives and the management and oversight of Indian energy and mineral resources. The Division staff provides direction and procedures for: (1) conservation, leasing and development of Indian mineral resources; (2) provision of technical advice to bureau management on mineral related issues; (3) review of mineral accounting procedures; and (4) supervision of the mineral assessment program. The staff also monitors all interagency agreements, contracts, and oil and gas production programs and provides economic analysis reports related to all mineral resources.

Over the past several years, directives from Congressional reports, recommendations in the Inspector General's investigation on royalty management within the bureau, and recommendations in the Linowes Commission reports have imposed added duties on the bureau. These added responsibilities have increased the bureau's workload in order to meet obligations and respond to directives to improve oil and gas lease management and royalty distribution.

Field Operations (\$7,192,000; FTE 0):

Mineral Assessments (\$1,000,000; FTE 0): The Mineral Assessments program began in FY 1975 and consists of work performed under interagency agreements with the Bureau of Mines and the U.S. Geological Survey and by direct contracting with tribes under P.L. 93-638. The general structure of the program under the interagency agreements consists of three phases:

Phase I is a literature search to collect available data specific to a reservation for compilation into a single information volume.

Phase II efforts are undertaken if favorable conditions for significant mineral development 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 techniques.

Phase III applies more sophisticated procedures to quantify the economically valuable resource, establish value of the resource in place, determine the viability of economic production, perform market and economic analysis and possibly provide operational and design recommendations.

Phase I studies have been completed for all reservations. If warranted, Phase II and Phase III programs are performed on those reservations where tribes request these levels of mineral assessment for use in development of their mineral resources.

Presently, 68 reservations, including over 43 million acres and representing approximately 80% of the trust land base, have had or are currently undergoing a Phase II or Phase III minerals assessment. If less than 50% of the resources delineated in these studies are mineable with a reasonable profit over the cost of mining, it would represent a potential income of several billion dollars to developers and the Indian minerals owners over a period of many years. There is an increased interest in mineral resources on Indian lands, and several tribes are presently being approached by mining companies for possible development of specific minerals on the reservations. This mineral industry's interest is attributed directly to availability of geologic information generated by the Bureau of Indian Affairs' mineral assessment program.

The Energy and Mineral Resources Division performs complex computer program economic evaluations on existing and proposed mineral leases, profit sharing agreements, and other types of contracts. The purpose of this assistance is to provide tribes with a higher level of economic information concerning mineral agreements, thereby enhancing 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. The Division also provides selected information on current oil and gas activity. This work consists of data compilation on oil and gas drilling activities, well completions, identification of lessees, and the generation of maps to portray current oil and gas activities. 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.

Fiscal Year 1989 funding distribution for mineral assessments and related special projects is estimated as follows:

Bureau of Mines

Puget Sound (Phase II in progress).....	\$ 100,000
Colorado River (Phase II in progress).....	180,000
Mineral Economic Analyses to be completed on the Bureau of Mines' Minerals	
Availability System (MAS).....	20,000
Subtotal, Bureau of Mines.....	\$ 300,000

U.S. Geological Survey

Annette Island (Phase II in progress).....	\$ 200,000
Standing Rock (Phase II in progress).....	125,000
Southern Ute (Phase II in progress).....	100,000
Precious Metals project (Nevada, Utah & Arizona).....	200,000
Assist BIA in transferring, storing and re-evaluating geologic data.....	75,000
Subtotal, U.S. Geological Survey.....	\$ 700,000
Total Mineral Assessments.....	\$1,000,000

Linowes Positions (\$468,000; FTE 0): This item includes funding for positions established as a result of recommendations of the Linowes Commission on improving royalty, energy and minerals management. This program provides minimum funding for 16 positions. The FTE for these positions are part of the central office, area office and tribe/agency staff resources shown throughout this justification.

Tribal & Special Projects (\$5,724,000; FTE 0):

1. Oil & Gas Royalty Payment Improvements/IRMS (\$1,210,000; FTE 0): These funds will be used to continue support for the Integrated Records Management System (IRMS) effort being undertaken to address critical problem areas, one of which is the oil and gas royalty management/payment system. The main priority of this effort is to improve management and disbursement of oil and gas revenues. The effort is part of a bureauwide plan covering training in computer and software requirements; hardware and software development; data development, input and maintenance; and administrative support. Problems to be addressed include not only oil and gas lease royalty payments, but also the basic records required for all leases and related payments. Discrete elements of the overall system can be brought up and start producing benefits before the total system is completed.

2. Tribal Projects (\$4,514,000; FTE 0): These funds are to accommodate tribal projects and mineral assessments, primarily through P.L. 93-638 contracts. Since the inception of BIA's mineral assessment program in 1978, the Geological Survey and Bureau of Mines have provided invaluable assistance in the evaluation and assessment of Indian mineral resources. Given the current status of those efforts and increasing tribal interest, the bureau is giving higher priority to assisting Indian tribes to plan, conduct and administer their own mineral resources program.

The bureau will contract directly with tribes to perform Phase II mineral assessments, which were formerly provided by the U.S. Geological Survey and Bureau of Mines. However, tribes will have the option of conducting the minerals studies on their lands themselves through P.L. 93-638 contracts, or having USGS or the Bureau of Mines perform them through interagency agreements with the BIA. If the tribes contract to do the work, they can utilize CERT or other private contractors if they wish to do so.

In conjunction with tribal and special projects, the bureau will continue a data management project which will assemble and collate data specific to Indian energy and mineral development into a single data bank. This information has accumulated within the various Interior branches, industry generated sources, and the BIA's mineral assessment program. The expanded data bank will subsequently be analyzed and summarized to disclose the mineral potential of various Indian lands.

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)

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988*	1989*
<u>Bureau of Mines</u>													
Phase I	93	180	113	345	500	123	0	0	0	0	0	0	0
Phase II	280	490	585	648	501	323	246	321	329	194	169	300	300
Phase III	0	425	250	64	545	1,095	1,218	469	1,151	1,343	498	0	0
Subtotal.....	373	1,095	948	1,057	1,546	1,541	1,464	790	1,480	1,537	667	300	300
<u>U. S. Geological Survey</u>													
Phase I	93	180	112	345	500	125	0	0	0	0	0	0	0
Phase II	280	1,616	3,196	3,845	2,800	3,125	2,976	2,380	4,060	3,706	2,810	700	700
Phase III	0	0	0	0	0	0	0	129	35	200	0	0	0
Subtotal.....	373	1,796	3,308	4,190	3,300	3,250	2,976	2,509	4,095	3,906	2,810	700	700
GRAND TOTAL...	746	2,891	4,256	5,247	4,846	4,791	4,440	3,299	5,575	5,443	3,477	1,000	1,000

* Proposed distribution

B. Irrigation Operation and Maintenance

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 (\$8,104,000; FTE 15): The Irrigation 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, Indians and non-Indians alike, 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 avoid unnecessary major rehabilitation costs to the government.

Collections are deposited into a 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).

Collections from Indian water users for prior year assessments which have previously been paid from reimbursable appropriated funds are deposited directly into the Treasury, as Miscellaneous Receipts, for repayment of reimbursable indebtedness.

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 and 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.

(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 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 nonreimbursable 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.

Following is a summary of irrigation project acreage and estimated value of crops grown. Data for the 1985 crop year is the latest available.

<u>Land Ownership in Projects</u>	<u>Acreage</u>	<u>Gross Crop Value (\$ Millions)</u>
Indian Owned Land	581,558	\$ 106.0
Indian Farmed	207,959	(47.0)
Non-Indian Farmed	289,709	(59.0)
Idle	83,890	(-0-)
Non-Indian Owned/Farmed	149,000	(20.0)
Grand Total	730,558	\$ 126.0

The 71 Indian irrigation projects are distributed throughout the west as follows:

<u>BIA Area Office</u>	<u>No. of Projects</u>
Albuquerque	23
Billings	6
Navajo	1
Phoenix	29
Portland	7
Sacramento	<u>5</u>
Total	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 September 30, 1986 through September 30, 1987, the total interest earned from the investments was \$3,046,000. The irrigation portion was \$1,104,000 and the power portion was \$1,942,000. The interest earnings are having a very small impact in terms of O & M requirements on a project-by-project basis. 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.

The estimated cost breakdown by category for FY 1988 and FY 1989 is as follows:

(Dollar amounts in thousands)

<u>Category</u>	<u>No. of Projects</u>	<u>Estimate FY 1988</u>	<u>Estimate FY 1989</u>
1)	9	\$ -0-	\$ -0-
2)	8	310	310
3)	43	1,038	1,124
4)	5	317	317
5)	5	2,950	2,950
NIIP)	<u>1</u>	<u>3,400</u>	<u>3,003</u>
	71	\$ 8,015	\$ 7,704

Change from FY 1989 Base:

(Dollar amounts in thousands)

	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Minerals and Mining	\$ 7,874	6,824	-1,050
Irrigation O&M	\$ <u>8,104</u>	<u>7,704</u>	<u>-400</u>
Total	15,978	14,528	-1,450

Minerals and Mining (-\$1,050,000): The FY 1988 Congressional add-ons of \$250,000 for the Council of Energy Resource Tribes (CERT) and \$800,000 for tribal mineral projects are not continued in FY 1989. The bureau's funding of CERT was only to continue until the organization became self-sufficient. The requested funding level will fund high priority mineral assessment projects contracted by tribes.

Irrigation O&M (-\$400,000): The FY 1988 Congressional add-on of \$400,000 for the Navajo Indian Irrigation Project (NIIP) is not continued in FY 1989. The FY 1988 funds will be used to replace equipment like water pumps, valves and motors needed for the sprinkler method of irrigation employed at NIIP. These expenses are not annual but are functions of the useful life-spans of the particular pieces of equipment. Irrigation O&M funds will be distributed on the basis of need.

Object Class Distribution - Minerals and Mining Subactivity

	<u>FTE</u>	<u>Amounts</u>
Other Services	-0-	<u>-\$1,450,000</u>

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Tribe/Agency Operations

(Dollars amounts in thousands)

<u>Program Element</u>	<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Natural Resources, General	\$ 1,554 (FTE) (17)	1,554 (17)	1,405 (9)	-149 (-8)	-149 (-8)
B. Agriculture	\$ 20,180 (FTE) (416)	19,933 (416)	20,313 (468)	+133 (+52)	+380 (+52)
C. Agriculture Extension Services	\$ 448	331	473	+25	+142
D. Forestry	\$ 20,842 (FTE) (605)	20,524 (605)	18,070 (582)	-2,772 (-23)	-2,454 (-23)
E. Water Resources	\$ 1,266 (FTE) (3)	1,272 (3)	1,108 (2)	-158 (-1)	-164 (-1)
F. Wildlife & Parks	\$ 16,451 (FTE) (24)	16,563 (24)	16,413 (34)	-38 (+10)	-150 (+10)
G. Minerals & Mining	\$ 1,633 (FTE) (39)	1,615 (39)	1,528 (38)	-105 (-1)	-87 (-1)
Total Requirements	\$ 62,374 (FTE) (1,104)	61,792 (1,104)	59,310 (1,133)	-3,064 (+29)	-2,482 (+29)

Base Program (\$61,792,000; FTE 1,104): All funding for tribe/agency operations dealing with the natural resources programs are justified under this subactivity. This funding supports stable and continuing natural resource programs that are subject to local tribal priorities rather than programmatic and national priorities.

A. Natural Resources, General

Base Program (\$1,554,000, FTE 17): At the tribe/agency level, this program provides funding for multi-disciplinary activities not readily identified with one particular natural resource program and for staff 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.

Workload Data: Workload includes assistance in establishing policy, regulations, and procedures; developing budget and financial plans; providing advice and counsel to tribes; and supporting, directing and overseeing administrative matters affecting Natural Resources.

B. Agriculture

Base Program (\$19,933,000, FTE 416): The Agriculture program provides tribes, landowners and land users with technical assistance to increase the use of agricultural resources and improve 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 activities can only be accomplished through implementation of modern inventory and management techniques designed to interpret and determine potential for present and future use of the resources.

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 staff is also involved in providing technical assistance, support and resources to help develop and implement the wildlife and parks program at the reservation level. Staff initiates environmental reviews for trust lands, except forested land, and review all environmental assessments completed by other agencies.

The agency staff provides the daily contact with tribes, landowners, and land users on matters relating to: (1) planning; (2) management; (3) conservation; (4) development; (5) utilization of Indian soil, water and rangeland resources; and (6) administration of the agency pesticide program on Indian lands. Staff also provides technical assistance to tribes who may want to contract for the program under P.L. 93-638.

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 used primarily for farming and grazing by domestic livestock and big game animals. This is approximately four-fifths of the total trust land area.

In the late 1960's and 1970's, lending institutions approved 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. Declining land values, and the shift by lending institutions to a more positive cash flow system,

are the reasons that many operators are unable to obtain operating capital. The bureau has 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 landowners further compounds the undercapitalization problem.

Table 1 shows 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, brush control, reseeding, concrete ditch lining, land leveling, strip cropping, terracing, winter cover crop, wind and water erosion control, farm pond development, drainage control and shelterbelts.

TABLE 1
Funding Sources for Agricultural
Projects and Programs for Dry Farmland and Rangeland

	(\$ in millions)				
	1985	1986	1987	Est. 1988	Est. 1989
USDA */	2.0	2.0	1.9	1.5	1.5
BIA	6.4	12.4	**/ 6.0	5.8	5.8
Tribes	1.6	1.6	1.5	1.3	1.3
Landowners/Operators					
Contributions	11.2	11.2	10.8	10.0	10.0

*/ USDA/ASCS (Agricultural Stabilization and Conservation Service) - Cost-share funds to landowners and operators for approved conservation practices.

**/ Includes one-time appropriation of \$6 million for Emergency Hay Program for Montana, North Dakota and South Dakota.

The following activities reflect accomplishments of the agriculture program:

Inventory and Research: Soil and range inventory surveys, land evaluation surveys and range utilization surveys are conducted under this program.

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's 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 Indian trust lands need 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.

Farm and Range Planning: The bureau provides technical assistance to Indian tribes, owners and land users 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.

Farmland Improvements: Technical assistance is provided by the Agriculture staff 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: 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: 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: 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 changes in ranch operations or land ownership, and modifies grazing permits in order to improve rangeland resources and their utilization. Stocking rates are adjusted by changing conditions, area site, and changes in land ownership.

Contract Monitoring: The Agriculture staff provides technical assistance to review tribal self-determination contract and grant proposals requested under P.L. 93-638. Whenever a contract or grant is awarded to a tribe, additional costs are encountered to provide oversight and to monitor the contract or grant for compliance.

Workload Data for Agriculture Program

	<u>Unit</u>	<u>FY 85</u>	<u>FY 86</u>	<u>Est.</u> <u>FY 87</u>	<u>Est.</u> <u>FY 88</u>	<u>Est.</u> <u>FY 89</u>
Farmers and Landowners assisted:	(No.)	19,000	23,000	19,000	18,000	18,000
Ranchers and Landowners assisted:	(No.)	11,300	12,000	12,000	10,500	10,500
Soil Inventories	(M Acres)	1,200	1,150	1,125	1,120	1,120
Ag. Cons. Management and Development	(M\$)	18,200	18,200	17,000	16,500	16,500
Rangeland Cons. Mgmt. and Development Measures	(M\$)	4,100	5,200	4,900	4,750	4,750
Farm and Ranch Management Plans	(No.)	8,275	8,400	8,450	8,500	8,500
Farm Lease Stipulations Prepared:	(No.)	8,071	8,100	7,800	7,700	7,700
Compliance Actions	(No.)	19,200	20,000	19,100	19,000	19,000
Soil Investigations	(M Acres)	718	700	600	700	700
Range Permit Modifications	(No.)	1,800	2,000	1,920	2,050	2,050
Range Unit Compliance Inspections	(No.)	4,900	5,000	4,800	4,650	4,650
Range Inventories	(M Acres)	1,500	1,450	1,425	1,400	1,400

C. Agriculture Extension Services

Base Program (\$331,000; FTE 0): This program is one which the bureau generally contracts with either state land grant colleges and universities or with the tribes. The bureau contracts with 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. The 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 1989.

D. Forestry

Base Program (\$20,524,000, FTE 605): The forestry program at the tribe/agency level 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 products industries.

The bureau's trust responsibility in forestry is extended to approximately 115 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 45.1 billion board feet and an allowable annual cut of 1.03 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 increasing 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: (1) Agriculture and Range Management; (2) Fish and Wildlife; (3) Environmental Services; (4) Realty, particularly appraisals, and to obtain ownership (title) information on allotments; (5) Law Enforcement, for assistance in trespass investigations; and (6) Water Resources, for water productivity and protection of groundwater levels.

The bureau cooperates with the 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 describes the various Forestry Program activities, with estimates of funding utilized in each:

Forest Development (\$1,475,000): This component includes all activities of reforestation 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; and (10) species conversion. These activities include all the scheduled periodic silvicultural treatments applied to a forest to bring a newly plantation to commercial harvest size and quality. This program also includes \$2.4 million to continue the special forest development program to eliminate the backlog of deficient commercial forest acres identified in FY 1977. It is estimated that these funds will provide for 2,900 acres of reforestation, 8,700 acres of timber stand improvement and the conduct of 27 growth/survival inventories. (Total output for this program are shown in the workload data in the non-IPS part of the budget.)

Timber Sale Management (\$9,635,000): This activity includes all aspects of sale and contract preparation: (1) cruising, silvicultural prescriptions, appraisals, advertisement, etc.; (2) executing/supervising contracts; (3) marking/scaling timber; and (4) collecting, recording and distributing stumpage receipts. 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.

Forest Management Inventory and Plans (\$1,355,000): This component encompasses: (1) aerial photography; (2) mapping; (3) field forest management inventories; (4) reinventories; (5) growth studies; (6) allowable annual cut calculations; and (7) all aspects of the development, preparation and/or revision of multiple-use forest management plans, including inventory analysis, environmental assessment and forest history.

Forest Program Management (\$5,168,000): Included within this line item are all forestry management and administrative activities not included in other forestry components. These activities include program audit review and followup, program management, and oversight.

Forest Protection (\$2,891,000): This component includes all activities which comprise protection of the forest from fire, insects, disease and trespass. With respect to fire management, protection consists of: (1) acquisition/maintenance of firefighting equipment; (2) fire detection systems; (3) construction of fire breaks; (4) hazard reduction; and (5) fire protection contracts with other agencies.

The control of insects and disease encompasses (1) all aspects of detection and evaluation; (2) preparation of project proposals to secure funding, including project descriptions, environmental assessments/statements, and benefit/cost analysis; (3) field suppression operations; and (4) reports.

Timber and fire trespass activities involve: (1) field examination and survey; (2) damage appraisal; (3) preparation of reports; (4) assisting in investigations; (5) writing demand letters; and (6) giving depositions.

E. Water Resources

Base Program (\$1,272,000; FTE 3): Tribes use these funds for identifying, developing, planning, conserving and managing water resources, with particular reference to water resource problems and uses unique to each reservation.

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 the Navajo Tribal Waterworks program, which is a vital part of the Navajo Nation's range conservation/management effort.

F. Wildlife & Parks

Base Program (\$16,563,000; FTE 24): 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 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 fish, wildlife and recreation resources.

- I. Boldt Case Area Management: 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 fisheries, and regulate the fishing activities of some 1,500 treaty fisheries in fresh and marine waters within usual and accustomed fishing areas.

II. Fish Hatchery Operations: 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 20 fish hatchery facilities:

III. Other Fish, Wildlife and Recreation Programs: 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.

G. Minerals and Mining

Base Program (\$1,615,000; FTE 39): 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 having on-going programs, such as Spokane, Navajo, Osage, and others where leasing activities are in progress. As more Phase II studies are completed with funds in the Field Operations part of the budget, it is expected that more tribes will give priority to minerals and mining funding in their future budgets.

Funds are presently utilized for: (1) the mineral leasing and accounting staff at Osage; (2) feasibility studies and mining plans; (3) geologists; (4) exploration and development; (5) lease compliance on oil and gas contracts; (6) oil and gas assignments; (7) environmental reviews; (8) training on such things as communication agreements; (9) travel; and (10) reproduction of materials.

Change from FY 1989 Base:

		(Dollar amounts in thousands)		
		FY 1989	FY 1989	+/-
		<u>Base</u>	<u>Request</u>	<u>Difference</u>
A. Natural Resources,	\$	1,554	1,405	-149
General	(FTE)	(17)	(9)	(-8)
B. Agriculture	\$	19,933	20,313	+380
	(FTE)	(416)	(468)	(+52)
C. Agriculture				
Extension	\$	331	473	+142
Services	(FTE)	(--)	(--)	(--)
D. Forestry	\$	20,524	18,070	-2,454
	(FTE)	(605)	(582)	(-23)
E. Water Resources	\$	1,272	1,108	-164
	(FTE)	(3)	(2)	(-1)
F. Wildlife & Parks	\$	16,563	16,413	-150
	(FTE)	(24)	(34)	(+10)
G. Minerals & Mining	\$	1,615	1,528	-87
	(FTE)	<u>(39)</u>	<u>(38)</u>	<u>(-1)</u>
Total		61,792	59,310	-2,482
		(1,104)	(1,133)	(+29)

Tribe/Agency, Natural Resources Development (-\$2,482,000; FTE +29): The changes result from the application of the Indian Priority System at the tribe/agency level, with the exception of forestry. In line with Congressional action in FY 1988, the tribes' requests for forest development were reduced by \$2,400,000. All of the funds budgeted to address the backlog of reforestation requirements are displayed under the field operations portion of the Forestry Program justification.

Object Class Distribution - Tribe/Agency Operations

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+29	\$ +725,000
Personnel Benefits.....		+118,000
Travel.....		-345,000
Other Services.....		-1,594,000
Supplies and Materials.....		-694,000
Equipment.....		<u>-692,000</u>
Total.....		\$-2,482,000

Activity Summary

(Dollar amounts in thousands)

Activity: Trust Responsibilities

<u>Subactivity</u>	FY 1987 Actual Approp.	FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	+/- From Base
Indian Rights Protection	18,069	12,738	12,725	18,761	6,036
Real Estate/Financial Trust	33,183	17,793	17,634	19,309	1,675
Tribe Agency Operations	-0-	24,864	24,438	23,627	-811
Total	51,252	55,395	54,797	61,697	6,900

Justification of Program and Performance

Activity: Trust Responsibilities
 Subactivity: Indian Rights Protection

		(Dollar amounts in thousands)				
		FY 1988	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1989	1989	Dec. (-)	Dec. (-)
<u>Program Elements</u>		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
A. Environmental Quality	\$	567	566	666	+99	+100
	(FTE)	(3)	(3)	(3)	(--)	(--)
B. Indian Rights Protection	\$	12,171	12,159	18,095	+5,924	+5,936
	(FTE)	(88)	(88)	(85)	(-3)	(-3)
Total Requirements	\$	12,738	12,725	18,761	+6,023	+6,036
	(FTE)	(91)	(91)	(88)	(-3)	(-3)

A. Environmental Quality Services

		FY 1988	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1989	1989	Dec. (-)	Dec. (-)
		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
Central Office Operations:	\$	173	172	172	-1	--
	(FTE)	(3)	(3)	(3)	(--)	(--)
Archeology and Historic Preservation	\$	394	394	394	--	--
Hazardous Waste	\$	--	--	100	+100	+100
Total Environmental Quality Services	\$	567	566	666	+99	+100
	(FTE)	(3)	(3)	(3)	(--)	(--)

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 the 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 Comprehensive Environmental Response, Compensation and Liability Act (P.L. 96-510), commonly known as "Superfund," requires identification, inventory, evaluation and cleanup of hazardous waste sites resulting from inactive operations on Indian lands. When a site is reported to contain a potential hazardous waste, a field evaluation is performed to determine the nature and extent of contamination, and when necessary, the most cost-effective means of cleanup.

The bureau's Hazardous Waste Program is managed in the central office. The "Superfund" requires inventory of potential sites and submission of reports to the Environmental Protection Agency (EPA) on those sites in violation of the statute which pose a threat to public health, safety and the environment. EPA considers those reported sites for possible listing on the National Priority List (NPL).

Base Program (\$566,000; FTE 3):

Central Office Operations (\$172,000; FTE 3): The staff at this level (1) provides guidance and assists in solving problems associated with preparation of Environmental Impact Statements; (2) prepares and reviews Federal Register Notices; (3) provides constant coordination in those cases involving joint leads with other Interior agencies, to ensure that documents will meet the needs and requirements of each Agency; (4) reviews controversial Environmental Assessments (EA); (5) gathers documents which may affect Indian lands and forwards them to the appropriate area office for review; and (6) obtains comments from the field for final review and consolidation before forwarding the comments to the agency that initiated the project. The staff is also responsible for overall guidance of the bureau's archeology and historic preservation program. This includes establishing strategies for compliance with the various archeological and historic preservation laws and procedures associated with archeological permitting, while taking the complex issues of tribal ownership and trust lands status into account. All major policy and coordination with other federal agencies are generated at this level.

The EPA, in consultation with BIA, will undertake a survey of hazardous waste sites on Indian lands, determining the responsible party and conducting site investigations, as required. For "Superfund" purposes, an Indian tribe is considered a "state," thus, each affected tribe will have direct involvement with the EPA for training, management and technical assistance from the "Superfund." The bureau will facilitate this involvement and assist tribes in accordance with the amendment.

Area office staff is primarily responsible for coordinating the preparation of Environmental Impact Statements (EIS) and for reviewing documents prepared by third party contractors. It is also responsible for scheduling public hearings and gathering and responding to public comments on the EIS documents. The area offices prepare most of the major Environmental Assessments required under their jurisdiction and provide guidance to the tribe/agency level in the preparation of less controversial EA's. Staff also prepares permits and gives necessary guidance for the completion of daily archeological activities and historic preservation compliance cases. Actual field work is performed to ensure compliance with archeological and historic preservation laws and protection of sites to the maximum extent possible. Emergency site discovery situations are also handled at this level.

Area office staff is also responsible for gathering information through questionnaire surveys concerning hazardous waste sites. There are occasions when area office personnel do actual sampling for tests and act as on-site coordinators during cleanup situations. Area personnel are responsible for the contracting associated with testing and cleanup of the sites.

Workload Data: Environmental Impact Statements which are required of the bureau are usually prepared by consulting firms and cost approximately \$400,000 each. Funding for impact statements is not included in this request since costs are borne 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 etc.) are required in environmental examinations and reviews. Funds for those activities are provided by those programs.

The approximate and projected number of cases by category are as follows:

	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Environmental Examinations	65,000	67,500	67,500	70,000	73,000
Environmental Assessments	800	825	825	900	1,100
Environmental Impact Statement ..	6	4	4	4	5
Environmental Reviews	1,700	1,700	1,700	1,500	1,600

The bureau encourages tribes to carry out environmental programs on their respective reservations with assistance from the EPA and cooperating states. Guidance from BIA is provided through the area Environmental Quality staff.

Archeology and Historic Preservation (\$394,000): The archeology and historic preservation program is designed to examine areas on trust and federal lands for the presence of significant historic, archeological or cultural sites and features when construction on or modification of the areas is proposed. If necessary, measures are outlined to preserve, maintain or salvage the resources involved. The tribes are consulted during this process.

Change from FY 1989 Base:

		(Dollars amounts in thousands)		
		<u>FY 1989</u>	<u>FY 1989</u>	<u>+/-</u>
		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>
Hazardous Waste	\$	--	100	+100

Hazardous Waste (+\$100,000): The increase will be used to conduct a study of the potential benefits and drawbacks of BIA's conducting remedial actions for hazardous waste sites on Indian lands which, according to criteria applied by the Environmental Protection Agency, do not present a serious enough public health hazard to merit placement on the National Priority List (NPL) or receipt of emergency response funding in accordance with Section 2(e)(1) of Executive Order 12580 "Superfund Implementation."

B. Indian Rights Protection

		<u>FY 1988</u>	<u>FY</u>	<u>FY</u>	<u>Inc.(+)</u>	<u>Inc.(+)</u>
		<u>Enacted</u>	<u>1989</u>	<u>1989</u>	<u>Dec. (-)</u>	<u>Dec.(-)</u>
		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
Central Office	\$	573	568	568	-5	--
Operations:	(FTE)	(12)	(12)	(12)	(--)	(--)
Area Office	\$	386	380	366	-20	-14
Operations:	(FTE)	(9)	(9)	(8)	(-1)	(-1)

Field Operations:

ANILCA Programs	\$	1,392	1,394	1,394	+2	--
	(FTE)	(33)	(33)	(33)	(--)	(--)
ANCSA Historical Cem. Sites	\$	1,307	1,304	1,104	-203	-200
	(FTE)	(34)	(34)	(32)	(-2)	(-2)
Litigation Support	\$	1,880	1,880	1,180	-700	-700
Water Rights Negotiation/ Litigation	\$	2,853	2,853	10,353	+7,500	+7,500
Attorney Fees	\$	1,650	1,650	1,000	-650	-650
Unresolved Rights Issues	\$	1,470	1,470	1,470	--	--
Hunting & Fishing Rights	\$	660	660	660	--	--
Total Indian Rights Protection	\$	12,171	12,159	18,095	+5,924	+5,936
	(FTE)	(88)	(88)	(85)	(-3)	(-3)

Objectives: 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 assist tribes in achieving involvement in the resolution of their rights; to address all unresolved issues, e.g., trespass, water rights, fishing and hunting rights, tribal sovereignty; and to bring parties together on a broad scale to consider Indian rights issues and seek areas of common interests and goals.

Base Program (\$12,159,000; FTE 88): As the primary federal agency with fiduciary responsibilities for trust resources, the Bureau of Indian Affairs must meet whatever challenges may occur and initiate action necessary for the protection of Indian rights.

Many of the cases filed to date will be active in FY 1989 and will require 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's Solicitor and the Department of Justice both have key roles in Indian 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 funds for rights protection efforts, few tribes would be able to afford the extremely high costs of litigation or negotiation, and would risk immediate loss of their trust resources.

Central Office Staff Operations (\$568,000; FTE 12): This element provides the bureau with 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 regional or national basis.

Area Office Operations (\$380,000; FTE 9): This element provides the bureau with problem-solving staff and technical support services at the area office 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 protected tribal rights and interests, as well as the initiation of actions required to clarify the nature, 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.

Field Operations (\$11,211,000; FTE 67): The major costs for services required in the protection of Indian rights are funded in the subactivities listed below: i.e., Water rights negotiation/litigation, Other litigation support or general rights matters, Attorneys fees, Unresolved Indian rights issues/statute of limitations, Hunting and Fishing rights, and Alaska programs. These subactivities are programmed at the central office, based on information provided by the tribes, agencies and area offices. Funds are made available on a priority basis which considers the relative importance and urgency of the controversy being negotiated, litigated, or researched.

Water Rights Negotiation/Litigation (\$2,853,000): It is the Department's policy to negotiate settlements of Indian reserved water rights claims whenever it is feasible to do so. This policy is based in part on the fact that negotiated settlements cost less in comparison to the high costs of protracted litigation, and on the principle that negotiated settlements result in lasting local stability due to the amicable environment created by the negotiation process, and because negotiating parties can fashion creative remedies which are not available to courts. Notwithstanding the desirability of negotiations, it is recognized that not all negotiable issues lead to acceptable settlements; therefore, claims preparations must also include preparations for prosecution of Indian claims in litigation.

The data/evidence collected includes historical, hydrologic, engineering, soil and land classification, and economic information needed to identify both present and future tribal water needs. The data/evidence collection process is generally the same to support negotiation and litigation, except that litigation usually requires additional documentation.

Costs for claims preparation vary, and estimates are based on the data/evidence needs identified by the Bureau of Indian Affairs, the affected Indian tribes, Interior Department Solicitors, and the Department of Justice.

There are presently over 60 pending stream adjudications in which Indian water rights are being determined. Most of the adjudications impact more than one tribe. Virtually all negotiations of Indian water rights are occurring in the context of either pending or anticipated litigation. In FY 1989, it is anticipated that 40 claims will be in either active litigation or negotiation.

The bureau places a high priority on technical analysis to assure adequate claims presentations to protect Indian reserved water rights, as a trust asset, and insure that the United States is not exposed to liability on the basis of breach of its fiduciary responsibility. (See Table 1 for the status of water studies.)

Other Litigation Support and General Rights Matters (\$1,880,000): 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: (1) trespass; (2) title questions, such as property line disputes; (3) rights-of-way; (4) allotment claims; (5) mineral entry; (6) pollution issues; and (7) activities which have harmed or could harm the health and safety of the reservation population. These funds are also used for Other Rights Protection Matters that do not fall specifically within any one of the other categories, such as general legal services to Alaska Natives, payment of settlements directed by the Courts or by the Department of Justice and Interior Solicitors; and to avoid litigation.

Attorney Fees (\$1,650,000): Decisions of the Comptroller General and Court of Appeals for the 10th Circuit have ruled that it is appropriate to expend federally 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.

The existing policy guidelines determining priority classification of eligibility for attorney fee funding are as follows:

- (1) 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.
- (2) In the event that the United States is sued and a tribe's (or tribes') rights and interests (e.g., Winters' rights) 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.
- (3) 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.

All attorney fee requests are reviewed and fund distributions recommended by the Deputy to the Assistant Secretary-Indian Affairs (Trust & Economic Development), the Associate Solicitor-Indian Affairs, the Solicitor and the Assistant Secretary-Indian Affairs.

Unresolved Indian Rights Issues/Statute of Limitations (\$1,470,000): This activity provides for the field investigations and research requisite to the timely 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 concentrated on the identification,

research, and filing of potential claims for money damages against third parties arising from actions taking place prior to 1966.

A universe of approximately 36,000 claims cases has been established as required by the Indian Claims Limitation Act of 1982. The United States is now barred from filing suit to recover damages associated with any additional pre-1966 damage claims. With respect to those pre-1966 identified claims that have been published in the Federal Register, the Statute of Limitations is extended until such time as the United States files litigation, formally rejects the claims for litigation or legislative resolution, or submits legislation to the Congress to resolve such claims. With respect to damage claims arising after July 18, 1966, the United States may recover only those damages accruing during the six years and ninety days previous to the date on which suit is filed. The work in this program now centers on the resolution of Statute of Limitations claims, including viable post-1966 claims that the bureau continues to identify.

Approximately 1,600 Statute of Limitation claims are considered resolved, and approximately 3,100 more will be resolved through implementation of the Old Age Assistance Claims Settlement Act of 1984, as amended, and the White Earth Reservation Land Settlement Act of 1985, as amended. In addition, approximately 1,500 statements of rejection covering pre-1966 claims have been submitted for formal rejection under the 1982 Act, and an estimated 500 more are ready for submittal. These numbers will continue to increase during 1989 and 1990 as the remaining claims are researched and evaluated.

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 is used primarily to seek and obtain negotiated settlements or other administrative remedies. Failing these, funds 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 resources, problems of pollution, and activities which endanger trust or restricted property.

Hunting and Fishing Rights (\$660,000): This activity supports tribes engaged in or anticipating litigation to define the scope of their hunting and fishing rights. This includes participating in negotiations with other co-management interests in lieu of further litigation, and initial implementation of court orders and decisions. 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. The United States and the Indian tribes must have all of the 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, by demonstrating to the satisfaction of the states and the courts that the tribes 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 situations go beyond the litigation or negotiation phase, funds are transferred to the Wildlife and Parks account for implementation of the decisions made or agreements reached.

Alaska Lands Act (\$2,698,000; FTE 67): This funding provides for implementation of those activities authorized by the Alaska Native Claims Settlement Act (ANCSA), P.L. 92-203, as amended, and the Alaska National Interest Lands Conservation Act (ANILCA), P.L. 96-487.

- (a) ANILCA Programs (\$1,394,000; FTE 33): This portion provides for limited coordination and consultation with land managing agencies and the state on subsistence preference for Alaska Natives, and administration of programs affecting Native allotments.

Subsistence: Provision of subsistence is minimally monitored to determine the preservation of rights, resources, immunities, priorities and prerogatives to which the United States has committed itself by various statutes and regulations. Complaints that preference for subsistence users is not adequately provided, are investigated. This includes development of memoranda of understanding with land resources management agencies (State of Alaska, BLM, NPS, USFS, FWS) to ensure that subsistence provisions are included, that subsistence users have input, and that subsistence is given priority over other uses if the resources are being diminished.

Funding for very limited cooperative studies with the State of Alaska, other agencies and Native organizations is included. Limited assistance to Native users is contemplated, to allow their input via the Marine Mammal Commission, Eskimo Walrus Commission, Eskimo Whaling Commission, Title VIII of ANILCA advisory councils, and resource commissions.

Allotments: The bureau is charged with the responsibility to assist Alaskan Natives to acquire title to the lands they use and occupy. The critical and complex issues to be resolved (e.g., overlapping selection boundaries, conflicting boundaries, determination of heirs, approval of relinquishments, easement location and approval, trespasses, etc.) hinge on an organized approach to resolution, in order to avoid more lengthy court cases and delays in settling the land claims of ANCSA corporations, the State of Alaska, other federal agencies, and private citizens. Approximately 5,000 parcels in about 3,200 applications are still pending before the Department, with many years of research, review, and resolution work to be accomplished before the allotment lands or surrounding lands can be adjudicated, surveyed, and conveyed. Another critical aspect in final conveyance of allotments is the extensive survey work that is required. (Funding for these surveys is included in the Bureau of Land Management budget.)

A Native Allotment project plan has been drawn up by the Juneau Area Office which 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. Actions are being taken to the degree possible, within existing resources, to eliminate the conveyance backlog that is impeding compliance with the settlement laws. The Native Allotment applications (with from 1 to 4 parcels) must be adjudicated and conveyed or denied, before surrounding titles can be finalized and acreage determined. This is being done in conjunction with the Bureau of Land Management's plan for putting a priority on Native Allotment work with the goal of completing them all this century.

In addition, limited technical services to supplement the ongoing real estate services and trust resources services to fulfill the trust responsibility for Native allotments is also provided upon request or as required, in high priority areas of development needs, e.g., title records and status, rights-of-way, leases, land transfer, probates, environmental, archeological, natural resources, forestry and appraisals.

(b) ANCSA Historical and Cemetery Site Investigations (\$1,304,000; FTE 34):

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). Historical and cemetery sites for conveyance to Regional corporations under the ANCSA are protected under existing laws until investigations and surveys are accomplished in these remote areas. As most of the sites are accessible only by helicopter, travel is an integral part of the ANCSA program, absorbing about 1/3 of annual funding requirements. The use of large field support units, which was an efficiency measure in past years, will not work in many instances now, because the remaining sites are too scattered. At the base funding level, the bureau estimates that approximately 150 sites could be located and additional information gathered and verified. Reports could also be written and eligibility determinations made on 200 previously investigated sites. There are about 490 sites remaining (depending on final breakdown of Ahtna region's sites) to be field investigated, and reports left to be completed. At this funding level, completion of the field work will occur by the end of FY 1991.

Change from FY 1989 Base:

		(Dollar amounts in thousands)		
		FY 1989	FY 1989	Difference
		<u>Base</u>	<u>Estimate</u>	<u>(+ or -)</u>
Area Office Operations:	\$	380	366	-14
	(FTE)	(9)	(8)	(-1)
 <u>Field Operations:</u>				
ANCSA Historical Cemetery Sites	\$	1,304	1,104	-200
	(FTE)	(34)	(32)	(-2)
Litigation Support	\$	1,880	1,180	-700
Water Rights Negotiation	\$	2,853	10,353	+7,500
Attorney Fees	\$	<u>1,650</u>	<u>1,000</u>	<u>-650</u>
Total	\$	8,067	14,003	+5,936
	(FTE)	(43)	(40)	(-3)

Area Office Operations (-\$14,000; FTE -1): This decrease is a result of a reduction in claims activity at the Aberdeen Area Office.

ANCSA Historical Cemetery Sites (-\$200,000; FTE -2): Remaining sites are geographically scattered and can be more efficiently investigated through the use of small field teams. Since small field teams cost less to deploy than predecessor large base camp teams, cost savings of \$200,000 are anticipated. It is to be noted that the operations of one team, assigned to investigate Aleutian Chain sites from a contract vessel, could be impeded enroute, due to unpredictable bad weather conditions in

the region. Under such circumstances, team costs would be incurred without the commensurate completion of scheduled investigations. The reduction of 2 FTE reflects the gradual close-out of the site investigation program and will not adversely affect completion of investigations or report preparations.

Litigation Support (-\$700,000): This reduction reflects the one-time costs of the Puyallup land claims renegotiations (-\$400,000) and the deletion of funds (-\$300,000) formerly used for the Alaska Native legal services contract which has been terminated. The \$1,180,000 provided for this activity should be sufficient for requests received in FY 1989.

Water Rights Negotiation/Litigation (+\$7,500,000): The funds will be used by the Secretary to collect necessary data and evidence in the preparation and defense of United States claims for federally reserved water rights of beneficiary tribes, pursuant to the United States trust responsibility to protect Indian water resources from risk of loss. The funds will be allocated on a priority basis, (1) for those cases currently in litigation or negotiation, (2) cases likely to be tried or negotiated within two years, (3) cases likely to be tried or negotiated within 3-4 years, and (4) cases where tribes may be prosecuting claims on their own behalf. It is anticipated that seven priority 1 cases and (23) priority 2 cases, with approximate total costs of \$3 million and \$7 million, respectively, can be funded from a total budget of \$10,353,000.

Given the magnitude of costs associated with the resolution of Indian water rights, it is not possible to pursue the resolution of Indian water rights and, at the same time, fund the development of Indian water resources. Funding for water resources development should only be considered after federally reserved water rights of a significant number of tribes have been resolved. It is to be noted that while such funds are essential for United States preparation of Indian water rights claims, tribes directly benefit from the availability of data and information since it can be applied to tribal water resources management and planning activities.

The chart below reflects the status of studies by area as of July 1987, which have been made available to affected tribes.

Water Policy Implementation Study
Workload Data Summary Sheet - as of July 1987

Area	Number of Reservations Studied	Activity Units*	Completed	Ongoing	Update Required	Studies Not Started
Aberdeen	15	150	25	30	62	33
Albuquerque**	26	260	43	110	14	93
Anadarko	4	40	6	8	1	25
Billings	9	90	24	39	1	26
Eastern	1	10	4	0	0	6
Juneau	3	30	3	1	0	26
Minneapolis	13	130	2	29	2	97
Phoenix	41	410	73	39	65	233
Portland	33	330	114	22	14	180
Sacramento	47	470	218	34	40	178
Totals:	192	1,920	512	312	199	897
Percentage of Activity Units:			26.67%	16.25%	10.36%	46.72%

* Activities include:	Water Supply	Economic
** Includes Navajo	Historical	Livestock and Wildlife
	Hydrology	Municipal and Industrial
	Soils	Instream Flow
	Engineering	Other

Attorney Fees (-\$650,000): The decrease for attorney fees reflects the reduction of \$500,000 to pay outstanding attorneys' fees for the Navajo and Hopi tribes. Based upon request levels received in recent years, a \$1 million level for FY 1989 should be sufficient to meet requests.

Object Class Distribution - Indian Rights Protection Subactivity Amounts

	<u>FTE</u>	<u>Amounts</u>
Personnel Compensation.....	-3	-\$75,000
Personnel Benefits.....		-\$9,000
Other Services.....		+\$6,150,000
Supplies.....		<u>-\$30,000</u>
 Total		 +\$6,036,000

Justification of Program and Performance

Activity: Trust Responsibilities
 Subactivity: Real Estate/Financial Trust Services

		(Dollar amounts in thousands)				
<u>Program Elements</u>		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Trust Services	\$	1,365	1,354	1,070	-295	-284
General	(FTE)	(19)	(19)	(22)	(+3)	(+3)
B. Real Estate	\$	10,346	10,309	11,403	+1,057	+1,094
Services	(FTE)	(118)	(118)	(123)	(+5)	(+5)
C. Financial Trust	\$	6,082	5,971	6,836	+754	+865
Services	(FTE)	(71)	(71)	(71)	(--)	(--)
Total Requirements	\$	17,793	17,634	19,309	+1,516	+1,675
	(FTE)	(208)	(208)	(216)	(+8)	(+8)

A. Trust Services, General

		<u>FY 1988 Enacted to Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office	\$	351	346	346	-5	--
Operations:	(FTE)	(7)	(7)	(7)	(--)	(--)
Area Office	\$	614	608	724	+110	+116
Operations:	(FTE)	(12)	(12)	(15)	(+3)	(+3)
<u>Field Operations:</u>						
Resource Alloc.	\$	400	400	--	-400	-400
Effectiveness Study						
Total Trust Services, General	\$	1,365	1,354	1,070	-295	-284
	(FTE)	(19)	(19)	(22)	(+3)	(+3)

Objectives: To provide consistent, high quality, and timely direction and assistance in technical operations of all Trust and Economic Development 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 resource planning and development; to provide overall direction to the Integrated Records Management System; and to promote efficient and effective use of funds.

Base Program (\$1,354,000; FTE 19):

Central Office (\$346,000; FTE 7) and Area Offices (\$608,000; FTE 12): The Trust Services, General program provides 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 program range among

the following activities: (1) Environmental Services; (2) Rights Protection; (3) Real Estate Services, Appraisals, Land Use Planning and Land Records Improvement; (4) Financial Trust Services; (5) Agriculture; (6) Range; (7) Soil and Moisture Conservation; (8) Forestry; (9) Fire Suppression; (10) Energy and Minerals; (11) Water Resources; (12) Wildlife and Parks; (13) Irrigation Project Construction and Operation and Maintenance; (14) Fish, Wildlife and Recreation Management; (15) Water Policy Implementation; (16) Cultural Resources and Archeological Compliance; (17) Hazardous Waste; (18) Road Construction and Maintenance; (19) Credit & Financing; (20) Economic Development, and other related activities.

In the central office, the Office of the Deputy to the Assistant Secretary-Indian Affairs (Trust & Economic Development) provides program direction and support for all of these programs. In the area offices, funds are used for Rights Protection staff, for studies, contracts, geographic information system agreements, and other services that affect trust responsibilities programs at field offices.

Change from FY 1989 Base:

		(Dollar amounts in thousands)		
		FY 1989	FY 1989	Difference
		<u>Base</u>	<u>Estimate</u>	<u>(+ or -)</u>
Area Office Operations	\$	608	724	+116
	(FTE)	(12)	(15)	(+3)
Field Operations:				
Resource Allocation/ Effectiveness Study	\$	<u>400</u>	<u>--</u>	<u>-400</u>
Total	\$	1,008	724	-284
	(FTE)	(12)	(15)	(+3)

Area Office Operations (+\$116,000; FTE +3): The increase for Trust Services, General, at the area offices will be used to fund salaries, training, and related costs such as travel, supplies, and duplicating services for 3 additional FTE to improve Trust Services management.

Resource Allocation Effectiveness Study (-\$400,000): The major requirements of the study will be accomplished with the funds appropriated in FY 1988. No further funds will be required.

B. Real Estate Services

		FY 1988	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1989	1989	Dec. (-)	Dec. (-)
		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
Central Office	\$	619	608	608	-11	--
Operations:	(FTE)	(14)	(14)	(14)	(--)	(--)
Area Office	\$	1,986	2,081	2,175	+189	+94
Operations:	(FTE)	(52)	(52)	(57)	(+5)	(+5)
<u>Field Operations:</u>						
Cadastral Surveys	\$	1,537	1,537	1,537	--	--

Lease Compliance	\$	1,504	1,468	1,468	-36	--
	(FTE)	(52)	(52)	(52)	(--)	(--)
Land Records Improvement	\$	3,100	3,100	4,100	+1,000	+1,000
Land Titles & Records Offices	\$	1,600	1,515	1,515	-85	--
Total Real Estate Services	\$	10,346	10,309	11,403	+1,057	+1,094
	(FTE)	(118)	(118)	(123)	(+5)	(+5)

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 compliance 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; and to facilitate economic use of land by developing a capability to provide accurate and timely land ownership information and boundary delineation.

Base Program (\$10,309,000; FTE 118):

Central Office Operations (\$608,000; FTE 14): Central office staff formulates Real Estate Services policy, provides advice, handles appeals, and performs title research required at the national level; provides budget services; implements training initiatives; produces directives for implementation of new legislation; and establishes and reviews regulations.

Area Office Operations (\$2,081,000; FTE 52): 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 (\$7,620,000; FTE 52):

- a. Cadastral Surveys, Lower 48 States (\$1,537,000): Cadastral surveys of Indian lands, as specified in 25 U.S.C. 176, must be accomplished by the Bureau of Land Management (BLM). This funding will provide for approximately 2,370 miles of boundary surveys in FY 1989. The program is directed toward accomplishing tribally identified survey priorities, particularly in the areas of mineral development and land use planning 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 BLM in the specified fiscal years:

<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
1,965	1,900	1,600	2,370	2,370	2,370

Accomplishment of the estimated 2,370 miles of surveyed boundary is possible because of the cadastral survey "project offices" established by

interagency agreement between the Bureau of Indian Affairs and the Bureau of Land Management. Three on-going project offices continue the work: (1) Navajo, (2) White Earth, and (3) Southern Ute. The Maine Office, serving the Penobscot and Passamaquoddy Tribes, is scheduled to complete the surveys originally identified in 1982 and 1983. Although some additional acreage, purchased in subsequent years, needs to be surveyed, the aggregated acreage does not justify continuation of a project office effort as the surveys can more efficiently be done on a non-project office basis. A fourth project office will be added to replace the Maine Project Office. Although a selection has not been made at this time, the bureau expects that priority consideration will be afforded to the long-standing request of the ten tribes served by the Olympic Peninsula Agency.

A "project office" is a temporary BLM organization, established for a minimum period of time (usually three years) to survey a specific (and usually large) area of land. The project office's survey crew is dedicated to that survey for the duration of the project 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 Bureau realizes significant administrative cost savings by not having to pay per diem and travel costs for BLM surveyors. This results in a large number of miles being surveyed at a given funding level. Without such project offices, accomplishments would decrease sharply. The project office approach has proven to be the most effective method of accomplishing the surveys with the most efficient fund utilization to date.

Additionally, topographic considerations affect the number of miles surveyed. The estimated 2,370 miles for FY 1989 reflect continuation of surveys in relatively homogeneous topography on the Navajo Reservation, as well as similar terrain for the new project office in Southern Colorado, where "line of sight" is good and natural obstacles are few. To the extent that priorities are shifted to less homogeneous (e.g., wooded or canyon) lands in 1988 or 1989, the number of miles would decrease proportionately.

Efforts to further increase the efficiency of program operations will once again result in a portion of Fiscal Year 1989 funding being dedicated to surveys of exterior reservation boundaries bordering other federal interest lands. Specifically, these efforts will be targeted to boundaries shared between tribes and the Bureau of Land Management, the Forest Service, the National Park Service and other federal adjoiners. Because both parties (the tribes and the adjoining land management agency) benefit from knowing the true location of the common boundaries, it is logical that survey costs should be shared. It is the bureau's position that the administrative economies resulting from cost-share agreements should continue to be encouraged. In FY 1987, seven cost-share arrangements with adjoining land management agencies were negotiated; this is very encouraging, and the bureau expects the special emphasis in this area of cadastral surveys to continue at an approximate funding level of \$100,000 in FY 1989. These seven arrangements, aggregating \$54,200 of BIA funding, resulted in approximately 55 miles of boundary being surveyed. Cost shares have varied from 25/75 to 50/50, with the majority in the latter category. The Forest Service has been particularly receptive to cost-share arrangements. While there are limitations on the applicability of the cost-share agreements (chiefly

involving differing priorities of the respective landowners/land management agencies), the offsetting benefits of: (1) eliminated instances of livestock trespassers; (2) improved management of economic resources (forests, grazing lands, etc.); and (3) more efficient use of program resources are sufficient to justify pursuing these surveys with diligence. The bureau also has responsibilities related to surveys of Native allotments in Alaska. Funding for these surveys is included in BLM's budget. The BIA, within existing program resources, assists and monitors BLM's performance in meeting priority Native allotment surveys. The functions of the bureaus comply with the FY 1987 Conference Committee Report, dated October 15, 1986: "The managers expect the Bureau of Land Management to give proper consideration to the surveying of Alaska Native allotments in the Alaska cadastral survey program, and to work with the BIA in assuring that the highest Native priorities are met."

b. Lease Compliance (\$1,468,000; FTE 52): The resources allocated to this activity are used to ensure that lessees of trust and restricted lands comply with the terms of their leases. Lease compliance personnel, together with Realty, Land Operations, Forestry, and other agency-level staff, perform field inspections to assure that trust resources are protected. Lease violations are noted, and corrective actions are initiated where appropriate. For example, the bureau may employ a professional contractor to audit a commercial lessee's account, or it may independently investigate an agricultural lessee's fencing and cropping patterns.

Many of the bureau's lease compliance activities will be dictated by tribal priorities. Further priority is given to activities involving oil and gas, mining, industrial, business, agricultural, and other income producing leases. Approximately 20 percent of the leases administered by the bureau expire each year, and actions needed to renew these leases (or re-lease the subject properties) are also given priority.

Inter-agency and inter-departmental coordination will be improved to ensure that program funds are utilized efficiently. Automated data systems will be used to ensure that lease rentals are collected and disbursed in a timely manner. Lease compliance efforts will be intensified in those geographical areas where leasing activity has increased in recent years. In many cases, lease compliance activities will result in the recovery of funds for the Indian landowner, and it is estimated that three dollars will be recovered for each dollar expended.

c. Lands Records Improvement (\$3,100,000): This program will continue land title examination, verification, and maintenance by bureau titles and records offices, agency and contract personnel. The land records improvement effort should result in the examination of over 195,000 land titles by the end of FY 1988. This level of funding would complete the title backlog on the previously identified 200,000 tracts by the end of FY 1989. The first priority is bringing records current, and after that verifying with base records to purify the data. One of the next major steps in the process will be completing the title document archive by microfilming land title documents and returning the originals to the National Archives. Bureau personnel have addressed the majority of the backlog; however, new and previously existing titles need to be brought and maintained current. Also, the number of title documents being generated for recording and data entry is steadily increasing.

In addition, the bureau is continuing three major projects begun during the previous fiscal year: (1) recordation and entry into the Land Records Information System (LRIS) of a projected 142,000 unrecorded title and encumbrance documents; (2) performance of protraction surveys on an estimated 10 million acres of unsurveyed trust and restricted land for tract creation and entry into LRIS; and (3) the redesign of LRIS into a unified land records data system providing bureauwide access to data. The requirement of keeping titles and records current is receiving major attention in the Integrated Records Management System and Land Records Information System Implementation Plans.

Land ownership and title information is the basic necessity for many essential bureau program activities. The program provides information for use by leasing the bureau's computer systems and by leasing activities, forestry, agriculture, range, administration, minerals, and others. Correct, current ownership and title status information is critical to owner consent and accounting for and distribution of income. It is utilized by all programs, including oil and gas leasing and royalty management; and it is essential to the proper accomplishment of probate activities and estate distributions.

The bureau embarked on a Land Records Improvement Program in 1977 to clear backlogs and to maintain current and accurate land records. It installed the LRIS to computerize its title records and reporting. Because of an increase in workload, which was primarily generated by the Indian Land Consolidation Act, increasing fractional interests, bureau land records projects, and continually increasing costs, the backlog has not been cleared. The bureau is proposing to take central technical control of the Land Titles and Records Offices so that the entire ownership and title service effort can be uniformly managed throughout the bureau.

- d. Land Titles and Records Offices (\$1,515,000): The bureau has five Titles and Records Offices in five area offices, covering records for nine areas; the Central Office is responsible for titles and record services to the Eastern Area, the Juneau Office for Alaska, and the Muskogee Office for that Area. Staff is responsible for many activities beyond the receiving, recording and computer data entry of land records information. It provides information and services necessary for the bureau to carry out its management responsibilities on almost 53 million acres of trust land. The Titles and Records staff performs functions analogous to those of a county recording office as an official office of record, in that deeds, probates, liens, mortgages, and similar documents are recorded and certified copies issued. In the bureau, there are 28 types of title documents, each utilizing five procedural steps that must be completed before a document is recorded and entered into LRIS. Bureau titles and records staff must provide information relating to births, deaths, marriages, divorces, and adoptions. The offices also function as abstract companies in that they provide copies or records in a chain (or abstract) of title; furnish opinions as to ownership as well as sufficiency of documents; and provide land status maps. And most importantly, the offices function as title companies, in that they verify and certify title ownership and encumbrances for all Indian lands. They also provide land use maps, heirship data, historical or archive title 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 for each tract as well as separate records on two million ownership interests. The current total staff consists of 40-45

permanent bureau employees to perform these functions for almost 53 million acres of trust land.

Change from FY 1989 Base:

		(Dollar amounts in thousands)		
		FY 1989	FY 1989	Difference
		<u>Base</u>	<u>Estimate</u>	<u>(+ or -)</u>
Area Office Operations	\$	2,081	2,175	+94
	(FTE)	(52)	(57)	(+5)
 Field Operations:				
Land Records Improvement	\$	<u>3,100</u>	<u>4,100</u>	<u>+1,000</u>
Total	\$	5,181	6,275	+1,094
	(FTE)	(52)	(57)	(+5)

Area Office Operations (+\$94,000; FTE +5): The increase will be used to fund salaries and related costs of travel, training, and supplies for five additional FTE and an unfunded position, to provide full funding for selected positions whose costs and services are shared with other programs, and to fund operational cost needs at other areas. These resources are needed to reduce backlogs in leasing and caseload areas such as appeals, titles and policy opinions, and information requests; to allow increased onsite reviews; and to support a realignment at the Anadarko Area Office which transfers real estate appraisal work from field to area level.

Land Records Improvements (+\$1,000,000; FTE +5): The Land Records Information System (LRIS) constitutes the official title and ownership maintenance system for the Bureau, the basic records of title and ownership for which the bureau is responsible as trustee. The LRIS generates current surface and subsurface ownership and encumbrance information, which is basic and vital to the management and development of Indian lands and resources; leasing, payment of income, etc., through use by the Integrated Records Management System (IRMS) and other bureau systems. The IRMS and bureau accounting systems are used to allocate receipts and payments from the sale or lease of renewable and non-renewable resources for tribal and allotted lands to the proper ownership, and also for resource management reporting. These funds will be used to accelerate or complete work initiated in FY 1987 to: (1) complete the examination and verification of the backlog of titles including processing unrecorded documents and unsurveyed lands; (2) bring current the record information at all title plants; (3) accomplish the major portion, or possibly complete the microfilming of noncartographic records; (4) make final assessment about the establishment of a single national titles and records office; and (5) provide on-line bureauwide access to title and ownership information for all bureau offices and computer systems. Consistent with the Assistant Secretary's systems modernization effort, LRIS is redesigned and programmed to provide up-to-date, on-line title and ownership information and to streamline royalty management and other information systems within the bureau. The bureau's efforts to implement IRMS and other integrated systems depend on bringing the LRIS to current status and assuring that it is kept current.

C. Financial Trust Services

		FY 1988 Enacted to Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc.(+) Dec. (-) From Base
C.O. Staff - Trust Fund Management:	\$ (FTE)	795 (14)	785 (14)	785 (14)	-10 (--)	-- (--)
C.O. Staff - Trust Fund Accounting:	\$ (FTE)	726 (8)	725 (8)	725 (8)	-1 (--)	-- (--)
Trust Fund Acctg. Contract Support:	\$	925	925	1,790	+865	+865
<u>Field Operations:</u>						
Field Staff:	\$ (FTE)	3,636 (49)	3,536 (49)	3,536 (49)	-100 (--)	-- (--)
Total Financial Services	\$ (FTE)	6,082 (71)	5,971 (71)	6,836 (71)	+754 (--)	+865 (--)

Objectives: 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 (\$5,971,000; FTE 71):

C. O. Staff - Trust Fund Management (\$785,000; FTE 14): This program provides: (1) the full range of investment and investment accounting services for funds held in trust for tribes and individual Indians; (2) trust fund histories and research projects involving special financial trust problems; and (3) special reports for use in litigation and legislative acts. Trust fund revenues are invested to maximize income while protecting the principal. Income from investments is provided directly to the tribes and individual Indians. In FY 1989, the Bureau may receive most of its investment services through a contract with a major private sector financial institution, under investment guidelines established by the bureau. These contract services were sought in order to maximize earnings, enhance the quality of investment accounting, and provide state-of-the-art systems not available in the bureau.

C.O. Staff - Trust Fund Accounting (\$725,000; FTE 8): This program provides management of accounting systems and central control for all funds held in trust for tribes and individual Indians. Efforts are concentrated on field staff training, reconciling balances, streamlining collection and disbursing processes, and providing accurate and timely account information to tribal and individual Indian account holders, as well as to management. Coordination with field offices and other oversight functions will be performed in FY 1989 when the bureau expects to acquire cash concentration and accounting services under contract.

Trust Fund Accounting Contract Supplement (\$925,000): The objective of the proposed contract is to assist the bureau in improving its financial management of the Indian trust funds.

Benefits expected from the contract operations include:

- Improved cash collection, concentration and disbursement of trust funds.
- Improved investment performance.
- Improved deposit and investment accounting for individual and tribal accounts.
- Improved account reporting to tribes, individual account holders and management.

The bureau expects to award the contract in FY 1988 and begin implementation in FY 1989.

Field Operations (\$3,536,000; FTE 49): The bureau is charged by law and regulations with the trust responsibility of accounting for and disbursing Individual Indian Monies (IIM) 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. The staff members serve as contacts with Indians at the reservation level and perform work connected with activities concerned with administration of trust properties. Activities include: (1) accounting for and disbursing of tribal and individual Indian monies derived from the sale or lease of tribal resources such as land, timber, minerals, and water; (2) disbursing per capita payments, judgments, awards, and claims; (3) providing research involving special fiscal problems, and trust fund data for legislative acts, and recommendations for the execution of the acts; (4) assisting in investment of the various revenues so as to maximize returns; and (5) providing appropriate reports and responses to individual Indians or tribes, Treasury Department, General Accounting Office, Congress, and others.

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, disburse, and account for those funds in the most expeditious manner possible.

Change from FY 1989 Base:

	(Dollar amounts in thousands)		
	FY 1989 Base	FY 1989 Estimate	Difference (+ or -)
Trust Fund Accounting	\$ 925	1,790	+865
Contract Support			

Trust Fund Accounting (+\$865,000): The additional funding will be used to pay for the contract services during the transition when the bureau is converting its financial trust services in-house operations to the contractor systems. There will be some parallel processing in the bureau until the accounts are completely converted and fully operational under the contract.

Object Class Distribution - Trust Services General and Real Estate Services
Services Subactivity Amounts

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation.....	+8	\$ +200,000
Personnel Benefits.....		+30,000
Travel.....		+10,000
Rent Communications and Utilities.....		+25,000
Supplies and Materials.....		+40,000
Other Services.....		<u>+1,370,000</u>
		<u>\$+1,675,000</u>

Justification of Program and Performance

Activity:		Trust Responsibilities				
Subactivity:		Tribe/Agency Operations				
(Dollar amounts in thousands)						
Program Element		FY 1988	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1989	1989	Dec. (-)	Dec. (-)
		to Date	Base	Estimate	From 1988	From Base
A. Trust Services, General	\$ (FTE)	373 (8)	372 (8)	395 (8)	+22 (--)	+23 (--)
B. Environmental Quality	\$ (FTE)	692 (15)	669 (15)	659 (14)	-33 (-1)	-10 (-1)
C. Other Rights Protection	\$ (FTE)	3,533 (48)	3,427 (48)	3,167 (57)	-366 (+9)	-260 (+9)
D. Real Estate Appraisals	\$ (FTE)	3,645 (81)	3,566 (81)	3,327 (74)	-318 (-7)	-239 (-7)
E. Other Real Estate Svcs.	\$ (FTE)	16,621 (462)	16,404 (462)	16,079 (461)	-542 (-1)	-325 (-1)
Total Requirements	\$ (FTE)	24,864 (614)	24,438 (614)	23,627 (614)	-1,237 (--)	-811 (--)

A. Trust Services, General

Base Program (\$372,000; FTE 8): 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 subactivities: (1) environmental services; (2) rights protection; (3) real estate services; (4) appraisals; (5) land use planning and land records improvement; (6) water policy implementation; (7) cultural resources and archeological clearances; (8) environmental matters; and (9) 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.

Change from FY 1989 Base:

				(Dollar in thousands)		
		FY 1989	FY 1989	(+ or -)		
		Base	Estimate	Difference		
Trust Services, General	\$	372	395	+23		
	(FTE)	(8)	(8)	(--)		

Program Change: The change results from the application of the Indian Priority System at the tribe/agency level.

B. Environmental Quality Services

Base Program (\$669,000; FTE 15): The funds at the tribe/agency level are used to: (1) prepare most of the minor and less controversial Environmental Assessments (EA's); (2) assist area office staff in obtaining details and gathering information for preparation of more extensive EA's and Environmental Impact Statements (EIS's); and (3) review proposed actions to determine if they are categorically excluded or need further documentation to comply with the National Environmental Policy Act (NEPA).

The agency personnel 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. Agencies are responsible for setting up on-site inspection and site testing and helping area and central offices monitor cleanup activities. Staff 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; and monitor projects to ensure that agreed upon treatment of the site is carried out.

Change from FY 1989 Base:

		(Dollar in thousands)		
		FY 1989	FY 1989	(+ or -)
		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>
Environmental	\$	669	659	-10
Quality Services	(FTE)	(15)	(14)	(-1)

Program Changes: The decrease results from the application of the Indian Priority System at the tribe/agency level.

C. Other Rights Protection

Base Program (\$3,427,000; FTE 48): The rights protection activity provides the bureau 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 liability 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, 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, Hunting and Fishing Rights, and others, 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.

Change from FY 1989 Base:

		(Dollar in thousands)		
		FY 1989	FY 1989	(+ or -)
		<u>Base</u>	<u>Request</u>	<u>Difference</u>
Other Rights Protection	\$ (FTE)	3,427 (48)	3,167 (57)	-260 (+9)

Program Change: The change results from the application of the Indian Priority System at the tribe/agency level.

D. Real Estate Appraisals

Base Program (\$3,566,000; FTE 81): The Code of Federal Regulations requires formal appraisals to document and support actions taken by bureau officials who approve or disapprove 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. 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 services in support of realty actions. More than 30 microcomputers have been installed, and central office staff is providing training and technical support to bureau appraisers to help meet the bureau's appraisal needs.

Workload Data:

The following data taken from the bureau's Natural Resource Information System (NRIS) portrays the bureau's appraisal workload:

BIA NEW CASE TOTALS FOR ALL AREA OFFICES TO SHOW NUMBER OF POTENTIAL APPRAISAL REQUESTS:

Land Sales	16,527
Land Acquisitions	15,855
* Market Value	19,356
Rights of Way	3,668
Agricultural Leases	6,996
Business Leases	1,892
Other Leases	2,529
Fee Patents	1,024
Total Potential Appraisals	35,465 *

* 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.

Change from FY 1989 Base:

		(Dollar in thousands)		
		FY 1989	FY 1989	(+ or -)
		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>
Real Estate Appraisals	\$	3,566	3,327	-239
	(FTE)	(81)	(74)	(-7)

Program Change: The change results from the application of the Indian Priority System at the tribe/agency level.

E. Other Real Estate Services

Base Program (\$16,404,000; FTE 462): Staff at the agency level provides real property management services, counseling, and land use management planning for individual Indian allottees and 517 federally recognized Indian tribal/Alaska Native entities, which own a beneficial interest in almost 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 landowners 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, landowners derive millions of dollars in added land values from land improvement and conservation stipulations contained in Bureau leases.

The agency staff performs initial land ownership 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 a mounting Indian land heirship problem. Work with governmental and tribal entities to utilize existing authorities to resolve this problem will continue.

Change from FY 1989 Base:

		(Dollar in thousands)		
		FY 1989	FY 1989	(+ or -)
		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>
Other Real Estate	\$	16,404	16,079	-325
Services	(FTE)	(462)	(461)	(-1)

Program Change: The change results from the application of the Indian Priority System at the tribe/agency level.

Object Class Distribution-Tribe/Agency Operations

	<u>Amount</u>
Travel.....	-40,000
Supplies and Material	-20,000
Other Services	-751,000
Total	<u>\$-811,000</u>

Activity Summary

(Dollar amounts in thousands)

Activity: Facilities Management

<u>Subactivity</u>	FY 1987 Actual <u>Approp.</u>	FY 1988 Enacted <u>To Date</u>	FY 1989 <u>Base</u>	FY 1989 <u>Estimate</u>	+/- <u>From Base</u>
Facilities Management	<u>91,258</u>	<u>82,141</u>	<u>81,405</u>	<u>81,711</u>	<u>+306</u>
Total	<u>91,258</u> =====	<u>82,141</u> =====	<u>81,405</u> =====	<u>81,711</u> =====	<u>+306</u> =====

Justification of Program and Performance

Activity: Facilities Management

<u>Program Elements</u>	(Dollars amounts in thousands)				
	FY 1988	FY	FY	Inc. (+)	Inc. (+)
	Enacted	1989	1989	Dec. (-)	Dec. (-)
	<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>from 1988</u>	<u>from Base</u>
A. GSA Rentals	\$ 9,936	9,941	9,941	+5	---
B. Facilities Operation & Maintenance	\$ 71,695 (FTE) (1,199)	71,464 (1,206)	71,703 (1,206)	+8 (+7)	+239 (---)
C. New Facilities	\$ 510 (FTE) (7)	--- (---)	67 (---)	-443 (-7)	+67 (---)
Total Requirements	\$ 82,141 (FTE) (1,206)	81,405 (1,206)	81,711 (1,206)	-430 (---)	+306 (---)

Distribution

GSA Rentals	\$ 9,936	9,941	9,941	+5	---
Area Offices (not on IPS)	\$ 2,601	2,558	3,797	+1,196	+1,239
Existing Facilities O&M	\$ 69,094	68,906	67,906	-1,188	-1,000
New Facilities	\$ 510	---	67	-443	+67

A. GSA RENTALS

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 (\$9,941,000; FTE 0): The base program includes funds for 1,212,000 square feet of GSA-provided space serving bureau programs throughout the country. The increase of \$5,000 in the base represents a transfer of funds from the Wewoka Agency for GSA-provided space.

B. FACILITIES OPERATION AND MAINTENANCE

Objectives: 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 (\$71,464,000; FTE 1,206):

1. Existing Facilities O&M (\$68,906,000; FTE 1,112): The existing facilities O&M program provides essential services to approximately 4,000 institutional buildings (including contract schools and excluding quarters) containing approximately 21,700,000 square feet throughout the United States. The various types of buildings are: academic facilities, dormitories, law enforcement offices, administrative offices, recreation facilities and their associated grounds and streets. Costs to the O&M program for providing essential services to the varied facilities include personnel services, supplies, materials, and equipment. Recurring costs are heating, cooling, electricity, water, sewage, refuse disposal, backbone telecommunications, telephone, radio, preventative maintenance, and janitorial and protection services.

The base program includes funding for the new facilities which became operational in FY 1988.

2. Area Office Operations (\$2,558,000; FTE 94): The area office facility management staff provides technical coordination and engineering services, which include developing the agency facility operation and maintenance program; distributing available funds; providing technical guidance, inspection and evaluation services to agency staff; and providing field locations 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 of 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, and alarms; performing trouble diagnosis in electrical and mechanical systems; and identifying and developing repair project needs, scope and cost. The staff performing these functions consists primarily of area facility managers, engineers, communications specialists, and clerks.

Change from FY 1989 Base: (Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
1. Existing Facilities O&M	68,906	67,906	-1,000
2. Area Offices Staff O&M	2,558	3,797	+1,239
3. New Facilities O&M	---	67	+67
TOTALS	\$ 71,464	71,770	+306

Existing Facilities O&M (-\$1,000,000): The decrease in funding for FY 1989 is a result of a transfer of operation and maintenance funds to area office staff (\$1,239,000). This is being proposed in order to more accurately account for area office staff positions. During the review of positions in the field for the proposed reorganization of the facilities program, further analysis of these positions will be done to determine whether other adjustments are required.

Area Offices (+\$1,239,000): The increase is to fund the full costs of supporting facility management FTE's on-board in the area offices (94). A reorganization proposal has been submitted to Congress. If approved, the reorganization could result in a decrease of 5 FTE from the level included in the justification.

New Facilities O&M (+\$67,000;): The increase represents new facilities coming on-line in FY 1989. The full amount of O&M required for the Alcohol Drug Abuse Program has not been determined, although some rehabilitation centers or halfway houses may become operational later in FY 1989. As construction projects are completed, the facilities are added to the building maintenance inventory.

The increase in FY 1989 is approximately 36,100 square feet. A breakdown of these facilities is as follows:

<u>Facility</u>	<u>Sq. Footage</u>	<u>Estimated O&M Funding Needed</u>
Pine Hill School	21,000	\$ 20,000 (1/4 yr.)
Chilchinbeto School	4,000	11,600 (4/4 yr.)
Winnebago Detention Facility	6,000	25,500 (4/4 yr.)
Santa Rosa Ranch School	<u>5,100</u>	<u>9,730</u> (1/2 yr.)
Total	<u>36,100</u>	\$ <u>66,830</u>

Object Class Distribution - Facilities Management Activity

	<u>Amount</u>
Other Services.....	+\$ 306,000
Total.....	<u>+\$ 306,000</u>

Activity Summary

(Dollar amounts in thousands)

Activity: General Administration

<u>Subactivity</u>	FY 1987 Actual Approp.	FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	+/- From Base
Management & Administration	51,080	<u>37,469</u>	37,180	38,316	+1,136
ADP Services	17,650	16,814.	16,761	19,631	+2,870
Employee Compensation Payments	7,538	11,503	15,130	14,962	-168
Program Management	5,985	6,023	5,934	5,814	-120
Consolidated Training Program	840	840	840	840	---
Tribe/Agency Operations	<u>0</u>	<u>19,386</u>	<u>18,806</u>	<u>19,970</u>	<u>+1,164</u>
Total	<u>83,093</u> =====	<u>92,035</u> =====	<u>94,651</u> =====	<u>99,533</u> =====	<u>+4,882</u> =====

Justification of Program and Performance

Activity: General Administration
 Subactivity: Management and Administration

Program Elements	(Dollar amounts in thousands)				
	FY 1988	FY	FY	Inc. (+)	Inc. (+)
	Enacted	1989	1989	Dec. (-)	Dec. (-)
	To Date	Base	Estimate	From 1988	From Base
A. Executive Direction & EEO	\$ (FTE) 2,931 (51)	2,897 (51)	2,874 (54)	-57 (+3)	-23 (+3)
B. Administrative Services	\$ (FTE) 31,170 (704)	30,924 (704)	31,463 (730)	+293 (+26)	+539 (+26)
C. Safety Management	\$ (FTE) 607 (10)	598 (10)	537 (9)	-70 (-1)	-61 (-1)
D. Accounting System Conversion	\$ (FTE) 500 (--)	500 (--)	1,000 (4)	+500 (4)	+500 (4)
E. Payroll/Personnel Services (PAY/PERS)	\$ 2,261	2,261	2,442	+181	+181
Total Requirements	\$ (FTE) 37,469 (765)	37,180 (765)	38,316 (797)	+847 (+32)	+1,136 (+32)

Distribution:

Area Offices	\$ 16,256	16,145	16,033	-223	-112
Central Office	\$ 10,601	10,423	10,892	+291	+469
Indian Priority System	\$ 183	183	183	---	---
Intra-Gov't Billing	\$ 7,468	7,468	7,566	+98	+98
Facility Safety Inspec.	\$ 200	200	200	---	---
Accounting System Conversion	\$ 500	500	1,000	+500	+500
PAY/PERS	\$ 2,261	2,261	2,442	+181	+181

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 (\$2,897,000; FTE 51): This program covers the operation of the immediate office and staff of the line managers at central office and area office levels of the bureau. The line managers and their staff provide for organizational leadership and coordination to ensure that all program levels are effectively integrated to achieve the overall mission of the bureau. Basic activities include decision-making, direction, policy formulation and review, public relations, representation of the bureau to other governmental agencies and private sector organizations, and overall management of assigned resources.

1. Central Office (\$987,000; FTE 19): The Deputy to the Assistant Secretary - Indian Affairs (Operations), his immediate staff, and program support services managed by the Public Affairs, Congressional and Legislative Affairs, Executive

Secretariat Staff Office, and the Equal Employment Opportunity staff 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 leadership at the headquarters level.

Deputy to the Assistant Secretary-Indian Affairs (Operations) (\$161,000; FTE 3): This position is the principal Deputy to the Assistant Secretary - Indian Affairs for the management of activities, programs, and functions which extend across bureau directorates. This deputy is responsible for all functions, programs, and activities assigned to the Offices of Administration, Data Systems, Facilities Management, and Executive Direction.

Congressional and Legislative Affairs Office (\$241,000; FTE 5): This office coordinates all legislative planning and congressional relations activities of the Bureau of Indian Affairs, except those relating solely to appropriations; provides legislative research and staff assistance in planning, developing, and drafting legislation; reviews and analyzes BIA and tribal legislative needs; prepares witness statements and briefing books for congressional hearings on legislation; reviews introduced and draft bills and proposed legislative reports, proposals, and witness statements proposed by other agencies for possible impact on the BIA or tribes; and provides training on the legislative process and the relationship of laws, regulations, manuals, and legislative histories to the BIA's functions.

Public Information Office (\$80,000; FTE 1): This office maintains liaison with the media and the public. Support services are provided through contracting for photography, writing feature stories, updating tribal data, etc. The office prepares speeches for key officials in the bureau, news releases on bureau and tribal activities, and general publications and audiovisual materials in support of the bureau's mission. The office prepares special materials as required to provide closer and more timely communication with Indian groups and organizations. Materials are prepared to be used as correspondence aids in answering repetitive public inquiries on current and historic issues. The public information officer serves as public information consultant to top officials of the bureau and advises them on Indian and other public reaction to planned policies affecting the Indian people. The office maintains a functional relationship with the Office of Public Affairs, Department of the Interior, and acts as the Assistant Secretary's representative for all external activities pertaining to Indian issues in the department.

Executive Secretariat Staff Office (\$117,000; FTE 4): This office was established in FY 1987. The base funding and FTE were transferred from the Bureau Controlled Correspondence Office. This office is responsible for assuring the proper and timely development and coordination of bureau documents requiring review, action and/or signature by the Assistant Secretary - Indian Affairs. The staff ensures that documents, correspondence, or actions generated or acted upon by the bureau and requiring review by the Assistant Secretary are complete, accurate, and timely. The office serves as a clearinghouse for the consolidation of bureau information which requires the Assistant Secretary's action, review or follow-up. The staff is responsible for working closely with the Departmental Executive Secretariat to ensure bureau conformance to Secretarial and Departmental guidance and policies and maintains contact with other Departmental Assistant Secretaries and their senior staff to ensure coordination on issues of multibureau interest and concern.

Equal Employment Opportunity Office (\$388,000; FTE 6): This office develops plans, procedures, and regulations for carrying out the EEO program to promote equal opportunity without regard to race, color, religion, sex, national origin or physical or mental handicap in all organizational units, locations, occupations,

and levels of responsibility. The EEO staff monitors the continued application of the Indian preference policy in all phases of the personnel process including initial hires, promotions, and transfers; coordinates Special Emphasis Programs such as the Federal Women's Program and an Hispanic Employment Program; develops and implements an affirmative action program plan for the recruitment, employment and upgrading of minorities and women; recruits and trains EEO counselors to provide aggrieved persons adequate resources for fair and impartial consideration of complaints involving issues of discrimination; assures timely processing, investigation, and resolution of complaints of discrimination; provides managers and supervisors training on EEO responsibilities; and monitors and assesses the effectiveness of the EEO Program. The central office is responsible for determining the acceptance or rejection of all complaints, investigating the accepted complaints, and coordinating implementation of Section 504 requirements of the Rehabilitation Act of 1973, as amended.

2. Area Office (\$1,910,000; FTE 32). 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.

Change from FY 1989 Base:

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Central Office:	\$ 987 (FTE) (19)	983 (22)	-4 (+3)
Area Office Operations:	\$ 1,910 (FTE) (32)	1,891 (32)	-19 (--)
Total	\$ 2,897 (FTE) (51)	2,874 (54)	-23 (+3)

Central Office (-\$4,000; FTE +3): The funding decrease is the result of a reduction in general operating expenses in the Central Office. The increase of FTE will allow Equal Employment Office to fill additional positions from existing funds.

Area Offices (-\$19,000): The decrease is the result of a reduction in general office expenses in Juneau and Muskogee Area Offices.

B. Administrative Services

Objective: To manage that portion of the bureau's program service delivery system which provides administrative services to program operations and acts as a control agent to minimize fraud, waste, abuse, and mismanagement.

Base Program (\$30,924,000; FTE 704): The administrative services staff is 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 staff at all three levels of the bureau's organizational structure. The headquarters staff provides 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 staff provides 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.

Central Office (\$16,815,000; FTE 251): 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. Further, central office staff is responsible for conducting oversight management reviews.

Office of Administration (\$330,000; FTE 5): This office 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 bureauwide. These programs include the functions of budget, finance and accounting, management support services, personnel management, procurement, property management, contracting, and safety management. The office administers bureauwide systems for fiscal accounting and disbursements, payroll and personnel records, and provides for administrative and housekeeping services for the central office, the Eastern Area Office, and the Indian Arts and Crafts Board. This office also manages the bureau's intra-governmental program, for which the base amount is \$7,468,000 to cover such services as FTS, postage, departmental assessment, and bureauwide printing of manuals and other documents.

Contracting and Grants Management (\$566,000; FTE 8): This division provides staff support, services, and activities in three major areas: policy and systems planning, analysis, formulation, and development; internal and administrative control reviews of the acquisition and grant process, including evaluation to determine compliance with applicable laws, regulations, and procedures; and direct operational services to the Assistant Secretary, central office directorates, and to the Indian Arts and Crafts Board. A major component of policy and systems development involves ascertaining need and implementing automated systems to improve the efficiency and effectiveness of the workforce, including training.

The division staff exercises significant bureauwide 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 765,000 reservation constituents located in 30 states, and expend almost 50% of the bureau's annual appropriation.

The division initiates changes in, as well as operates and maintains, a contract/grants information and management system. The division staff also provides supportive services to the bureau's program staff in meeting its procurement needs and requirements.

Personnel Management (\$1,886,000; FTE 50): This division is responsible for the development, coordination, administration, and evaluation of bureauwide personnel management and organization management programs and policies. The division formulates objectives, policies, and guidelines for personnel management activities; updates the personnel segments of the Bureau of Indian Affairs Manual in accordance with changing laws and regulations developed by the Office of Personnel Management and the Department's Office of Personnel; and provides expert advice and technical assistance to area personnel offices and to all levels of bureau management. The division guides the bureauwide position management and position classification programs in accordance with governmentwide standards developed by OPM. It develops standards and criteria for securing and retaining qualified employees, coordinates filling of all bureau key positions, determines the job categories for which the bureau requires special criteria for recruitment of Indians, develops standards to meet these criteria, 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 bureauwide basis and recommends to management officials methods for improvement. It reviews proposed organization changes, assists in organization planning and development, and accomplishes related studies.

Excepted Qualifications Standards (\$76,000): The division takes an active part in the development of single agency qualifications standards requiring 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 policies, 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.; the Eastern Area Office; and the Indian Arts and Crafts Board.

Financial Management (\$3,635,000; FTE 126): This office 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; for provision of bureauwide technical assistance in program evaluation; and for 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.

Program Development and Implementation (\$1,100,000; FTE 20): This division 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 bureauwide program planning documents; develops budget estimates and justifications; prepares for appropriations hearings; and 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 bureauwide, conducting and monitoring bureau financial programming, allocating and controlling FTE usage, conducting systematic obligation status reviews to insure compliance with fiscal controls, and developing policies and guidance to control these activities throughout the bureau.

Financial Management Data Systems (IPS) (\$183,000): This funding covers estimated FY 1989 costs for managing the Indian Priority System (IPS) and is used to supplement the funds available to the division 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.

Accounting Management (\$2,352,000; FTE 106): This division provides staff assistance regarding the bureau programs designed to provide advice and guidance in the areas of accounting, fiscal operations, financial management, accomplishment reporting, centralized payroll, automated personnel records systems, and directs the employee data and compensation, finance and accounting operations, and financial management systems operations located in Albuquerque, New Mexico. The division develops standards, specifications, and operating procedures. It develops policies, systems, and related procedures to be used throughout the several designated accounting stations of the bureau.

Management Services (\$1,005,000; FTE 34): Management Services staff assists in developing policies, programs, and guidelines for the general management functions related to property management, safety management, and administrative procedures.

Property Management (\$640,000; FTE 21): This division provides staff assistance regarding programs for all bureau-owned real and personal property, mail management, printing and publications management (including copying and duplicating), space, motor vehicle management, small purchasing, and procurement from directed sources. The division is responsible for: (1) developing, modifying, reviewing, evaluating, and implementing bureauwide policies and procedures related to management of the above listed functions; (2) maintaining the bureau property management regulations, incorporating 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, printing/copying and duplicating equipment acquisitions, realty disposal actions (e.g., transfers to local governments and Indian tribes), requests for leasing of office/facilities space, requests for assignment and acquisition of U.S. Government motor vehicle license tags, maintaining and reporting the bureau's automated property inventory systems, and requesting 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 functional responsibilities; and provides related housekeeping services to central office entities located in Washington, D.C.; the Eastern Area Office; and the Indian Arts and Crafts Board.

Management Support (\$365,000; FTE 13): This division provides staff support and technical assistance for the bureau's paperwork management program, audit tracking, and OMB circular A-123 (Internal Controls). The division is responsible for the development and implementation of a bureauwide program for all elements of information resource management, directives, regulations, reports, forms, records, Privacy Act, and Freedom of Information Act. The division acts as the single point manager for the bureau's internal control program under OMB Circular A-123 and is responsible for audit tracking. The division ensures that program staff are properly trained in the A-123 process and provides ongoing technical assistance to ensure proper compliance with guidance from the OMB and the department. The division reviews all internal control actions conducted by program managers, tracks implementation of corrective actions, and reports result to the department. The division reviews incoming audits, assigns audits to appropriate officials for

action, maintains audit data on a microcomputer, follows-up when audit responses are not submitted when due, reviews audit responses, answers selected audits, maintains active liaison with officials in the Office of the Inspector General and the Office of the Assistant Secretary - Policy, Budget, and Administration on audit status and progress.

Records Management Program (\$125,000): This activity is critical in the BIA where an unusually high percentage of the records have been appraised as having a permanent value. The program is designed to bring the bureau into compliance with applicable laws and federal records management regulations. Major deficiencies in records preservation and management were noted in the 1969 and 1980 reports prepared by the National Archives Records Center. During FY 1987, a major effort was undertaken to remove from warehouse storage in Albuquerque, New Mexico, 8,000 cubic feet of records which had been subjected to water damage and general deterioration. The records were carefully researched and those having permanent value were placed in a proper storage environment.

In FY 1989, the bureau will continue to focus its efforts on rewriting and updating the records manual to make it a more useable document. The records program will provide extensive training in records management at a number of locations. The bureau will also develop an automated accession system and a more effective records retirement system.

Contracts/Grants and Personnel Management (\$1,800,000; FTE 28): This program is required for the annualization of the FTE acquired in FY 1988 to improve contracts/grants (15) and personnel (13) management. These positions will be at the field level of operation and not located in the central office.

2. Area Offices (\$14,109,000; FTE 453): The area offices operate as centers for procurement, property management, budgeting and fund control, finance and accounting, and personnel management for all agencies and education installations under their jurisdiction. 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.

Change from FY 1989 Base:

(Dollars amounts in thousands)

<u>Program Element</u>		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Central Office Staff	\$	16,815	17,386	+571
	FTE	(251)	(289)	(+38)
Area Office Operations	\$	14,109	14,077	-32
	FTE	(453)	(441)	(-12)
Total	\$	30,924	31,463	+539
	FTE	(704)	(730)	(+26)

Central Office (+\$571,000; FTE +38): The net increase is composed of the following:

Intra-Governmental Billings (+\$98,000): The Intra-Governmental program includes a decrease in Departmental Billings of -\$20,000 and an increase of +\$2,000 in Bureau Printing Service and an increase in FTS of +\$116,000 for a net increase of \$98,000. These billings are based on actual FY 1988 assessments.

The breakdown in the various categories is as follows:

(Dollar amounts in thousands)

	FY 1989 Base	FY 1989 Estimate	Difference
Postage	2,800	2,800	---
FTS-General	3,828	3,944	+116
Bureau Printing Services	100	102	+2
Departmental Billings <u>a/</u>	740	720	-20
Total	7,468	7,566	+98

a/ Departmental billings are charges by the Department for services provided provided are: Departmental News & Information; O/S Budget Operations; Medical & Health Services; Departmental Human & Resources Development Center; Denver Learning Center; Albuquerque Learning Center; Information Technology Center; Alex Database; Printing & Publications; Enforcement & Security Management; WCF Direction; Fiscal Services; and General Services.

Contracts/Grants and Personnel Management (+\$719,000; FTE +43): This increase is required for the annualization of the FTE acquired in FY 1988 to improve contracts/grants (26 FTE) and personnel positions (17 FTE) management.

Accounting Management, Office of Financial Management (-\$250,000; FTE -5):

Accounting Consolidation (-\$100,000; FTE 0): As a result of the bureau's centralization of some of its accounting functions in FY 1987, and the addition of professional accountants at the central and area office levels to improve its capability to provide accounting supervision, guidance, and assistance an estimated cost reduction of \$100,000 will be realized through economies of scale in finance and accounting operations.

BIA Payroll Operations (-\$150,000; FTE -5): In FY 1986, payroll work formerly performed by the bureau was consolidated into the Departmental Payroll Office, with the bureau retaining a small residual staff to perform liaison functions, a few functions applying only to the bureau, and time and attendance report coordination and processing. During FY 1987, the bureau developed an automated time and attendance input system which eliminates the need for staff to perform the manual review and data entry scheduling for processing. In FY 1988, the system to record time and attendance data at the timekeeper level will be implemented and the central payroll liaison workload will be reduced along with the associated staffing.

Administrative Review Teams (+\$29,000): This increase will support the travel and per diem costs of administrative review teams. The teams are composed of central staff within the Office of Administration. Staff travels to area offices to observe how each performs functions of personnel, accounting and financial management, facilities, research and evaluation, and contracting. Written reports are sent to the area directors for action. The teams also provide follow-up to ensure corrective measures have been implemented. Four reviews are done annually.

Records Management (-\$25,000): This decrease is applied because BIAM revisions and equipment acquisition are one-time costs.

Area Office Operations (-\$32,000; FTE -12): This decrease is due the realignment of the Albuquerque Area Office.

C. Safety Management

Objective: To provide a safe and healthful working environment for employees, to provide safe and healthful schools and dormitories for Indian children, and to assure an optimum level of safety for the visiting public 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 (\$598,000; FTE 10): This division develops and maintains a bureau-wide safety program which: (1) insures safe and healthful work locations; (2) provides technical guidance; (3) conducts research and provides engineering services on bureau safety and health programs; (4) provides technical assistance to Indian tribes and contractors in the establishment and maintenance of safety and health programs; (5) eliminates hazards which may cause accidents; (6) protects lives and physical well-being of bureau employees and users of bureau facilities; (7) promotes greater work efficiency by holding the number of accidents to a minimum; (8) insures lowest possible compensation costs through the administration of the Bureau FECA/OWCP Injury Compensation Program; (9) protects bureau property; and (10) promotes high standards of physical workers on all jobs in the bureau. The division administers the bureau motor vehicle license program, investigates accidents, and reviews Tort Claims for the Solicitor's Office. It has final responsibility for drivers' licenses, defensive driving training, and other training necessary to improve individual capability to meet bureau, state and federal requirements. The division serves as the Bureau Fire Marshall's Office and is responsible for administration of the bureau Fire Protection Program.

It is responsible for safety in the areas of water, transportation and transmission; safety in reservoir and dam areas; and safety in handling of radiological materials. It is the technical advisor on safe handling and use of explosives, pesticides, herbicides, toxic substances, and poison exposure.

It also serves as the bureau's safety and health compliance office and administers safety and health codes and standards which have been adopted including fire codes, boiler and pressure vessel codes, building safety codes, and institutional safety and health standards. The division develops and maintains a data base consisting of statistics on accident, injury, fire and property damage. This information is stored in the main computer and is used to forecast trends, determine trouble areas, etc.

Change from FY 1989 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Central Office	\$	472	472	---
	FTE	(7)	(7)	---
Area Operations	\$	126	65	-61
	FTE	<u>(3)</u>	<u>(2)</u>	<u>(-1)</u>
Total		598	537	-61
		(10)	(9)	(-1)

Area Office Operations (-\$ 61,000; FTE -1): This decrease results from eliminating the safety position at the Portland Area Office.

D. Accounting System Conversion

Objective: To convert Bureau Accounting/Payment Systems to the Federal Financial System acquired by the Department of the Interior and installed at the Geological Survey during FY 1988.

Base Program (\$500,000; FTE 0): The bureau will convert its operations to the Departmental Accounting/Payment System on October 1, 1989. The bureau will continue maintenance of the bureau's accounting system concurrently with completing the tasks necessary to convert to the Departmental Accounting/Payment System. This will include continued emphasis on quality and internal control to insure integrity of accounting information.

Change From FY 1989 Base: (Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
Accounting System Conversion \$	500	1,000	+500
(FTE)	(--)	(4)	(+4)

Accounting System Conversion (+\$500,000; FTE +4): In preparation for this conversion, the bureau must complete: training of key systems personnel; analysis and documentation of bureau procedures; sub-systems interface analysis, programming and testing; historical data validation; data transmission requirements and other telecommunications operational assurances; and training of bureau personnel in operation of the new system. The preliminary work to establish the centralized accounting operational environment to support the Departmental System will be accomplished in FY 1988. The requested funding and staffing will provide the resources necessary to complete all tasks associated with system implementation requirements prior to the October 1, 1989, conversion date.

E. Payroll/Personnel System (PAY/PERS)

Objective: To provide the bureau with efficient payroll and personnel processing services through a Memorandum of Understanding with the Bureau of Reclamation.

Base Program (\$2,261,000): The base program provides funds for the ADP operating systems costs of PAY/PERS operated by the Bureau of Reclamation.

Change From FY 1989 Base: (Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
PAY/PERS \$	2,261	2,442	+181

PAY/PERS (+\$181,000): This increase will fully fund the BIA share of the estimated PAY/PERS operation of the Bureau of Reclamation.

Object Class Distribution - Management and Administration Subactivity

Total Personnel Compensation (FTE).....	<u>FTE</u> +32	<u>Amount</u> \$ +800,000
Personnel Benefits.....		+130,000
Other Services.....		+206,000
	TOTAL	<u>\$ 1,136,000</u>

Justification of Program and Performance

Activity: General Administration
 Subactivity: Automatic Data Processing Services

<u>Program Elements</u>		(Dollar amounts in thousands)				
		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc. (+) Dec. (-) From Base</u>
ADP Services	\$	16,814	16,761	19,631	+2,817	+2,870
	(FTE)	(144)	(144)	(166)	(+22)	(+22)
Total Requirements	\$	16,814	16,761	19,631	+2,817	+2,870
	(FTE)	(144)	(144)	(166)	(+22)	(+22)
Distribution:						
A. Central Management	\$	5,798	5,763	6,263	+465	+500
	(FTE)	(104)	(104)	(125)	(+21)	(+21)
B. Central Management System Support	\$	7,250	7,250	7,350	+100	+100
C. Decentralized System Support	\$	1,866	1,848	1,918	+52	+70
	(FTE)	(40)	(40)	(41)	(+1)	(+1)
D. Equipment Acquisition	\$	500	500	500	---	---
E. Software Development & Training	\$	500	500	700	+200	+200
F. Hardware Requirements Analysis Task Force	\$	400	400	500	+100	+100
G. Systems Improvements Initiatives	\$	500	500	400	-100	-100
H. Field System Equipment Replacement	\$	---	---	2,000	+2,000	+2,000

Objective: To operate a viable, computer-oriented data processing function in support of the bureau's programs, organizations, and administrative systems.

Base Program (\$16,761,000; FTE 144): The bureau's automatic data processing services for FY 1989 follows nearly the same structure as that used in FY 1988.

Central Management (\$5,763,000; FTE 104): This funding will be used for the costs of the central office staff, Washington, D.C., and the National Technical Support Center (NTSC), 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.

Central Management System Support (\$7,250,000): This funding is used for the costs of the central ADP system, Area and Agency Distributed Interchange Executive (AADIX). Costs are attributed to Amdahl and Burroughs computer operations (and maintenance), Racal-Milgo modems (leased equipment and maintenance), and AT&T and regional Bell operating company telecommunications lines (line usage charges). This funding will be used for data preparation (keystroke transcription), NTSC hardware maintenance and software lease, and software development by "Buy Indian" contractors.

Decentralized System Support (\$1,848,000; FTE 40): This funding covers salaries and operating expenses of the six Information Management Centers (IMC's), which provide data processing support to 12 area offices.

Equipment Acquisition (\$500,000): In FY 1988, this funding will permit acquisition of Geographic Information System (GIS) microcomputers for the Indian Integrated Resource Information Program (IIRIP) to be located at agency offices for natural resources planning and management.

Software Development and Training (\$500,000): During FY 1988, ODS will improve the Integrated Records Management System (IRMS) with redesign and programming for Data Base Management Systems (DBMS) access, efficient screen handling, and standardized data elements for nationwide uniformity; to redesign the Social Services System (SSS) (for the Indian Services program) for greater efficiency and easier use; and to conduct end-user training in a variety of systems with increasing new user involvement: IRMS, SSS, Time and Attendance, among others.

Hardware Requirements Analysis Task Force (\$400,000): This funding supports the competitive procurement of the next generation of the ADDIX system. The tasks necessary to permit rational planning and implementation of an upgraded hardware network will involve data collection, travel, workload simulation software development, benchmark computer usage, and contracted analysis support.

Systems Improvement Initiatives (\$500,000): This funding is used to contract bureauwide Internal Control Reviews of major and selected minor applications systems to prevent waste, fraud, and abuse in accordance with OMB Circular A-123 and computer performance studies which will be aimed at enhancing current applications. Since most applications systems will have reached the end of their life cycle, a major initiative must be undertaken to standardize data, modernize application systems to improve performance, and take advantage of Fourth Generation software. In an effort to provide "user-friendly" systems, a study will be conducted to review DBMS software to determine the most suitable interactive product for the BIA. A telecommunications traffic management study will be conducted to provide more comprehensive service at optimal cost.

Overall BIA ADP Program

The Office of Data Systems (ODS) was established within the bureau in October 1983 to direct the bureau's ADP program. ODS 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 deficiencies in ADP management.

As staffing increases continue 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. Among the programs or systems supported by the ODS 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.

This office is responsible for issuing policies, standards, and management direction for the ADP program. The operation and maintenance of existing data systems for areas, agencies, and tribes is provided through the NTSC in Albuquerque and the six IMC's, which are located in Aberdeen, Albuquerque, Anadarko, Billings, Phoenix and Portland.

This office renders technical assistance and administrative control of bureau computer information, technology, and hardware support. ODS 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 and the social service system operated on the Amdahl computer.

This office will continue need assessment reviews 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. Management improvement plans and standard procedures and forms for requests for data services, project planning, and programming requests have been established.

The organization and management strategies to resolve specific issues and to correct the many ADP problems which have developed in the past decade are being implemented. The bureau will provide reports to the Appropriations Committees on the progress of ADP services program and on indirect ADP expenditures (bureau contracts) so that the total cost of the ADP program is available for review.

As plans evolve in FY 1989 and economies are realized, some readjustments may be necessary. A total of ADP costs for FY 1989 based on a requested funding level is \$19,631,000.

<u>Change from FY 1989 Base:</u>		(Dollar amounts in thousands)		
<u>Program Element</u>		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
A. Central Management	\$	5,763	6,263	+500
	(FTE)	(104)	(125)	(+21)
B. Central Management System Support	\$	7,250	7,350	+100
C. Decentralized System Support	\$	1,848	1,918	+70
	(FTE)	(40)	(41)	(+1)
D. Equipment Acquisition	\$	500	500	---
E. Software Development & Training	\$	500	700	+200
F. Hardware Requirements Analysis	\$	400	500	+100
G. System Improvements Initiatives	\$	500	400	-100
H. Field System Equipment Replacement	\$	---	<u>2,000</u>	<u>+2,000</u>
Total	\$	16,761	19,631	+2,870
	(FTE)	(144)	(166)	(+22)

Central Management (+\$500,000; FTE +21): The funds will be used for increased user orientation, training, and consultation due to the complexity of new and improved systems that are in place and those which will be installed.

Central Management System Support (+\$100,000): The funds will be used for telecommunications enhancements, which include Racal-Milgo modems (leased equipment and maintenance) and AT&T and regional Bell operating company telecommunication lines installation and rising line usage charge, needed to support the Law Enforcement System and the IRMS.

Decentralized System Support (+\$70,000; FTE +1): The funds will be used for staffing the new Field Service Centers to meet increased data processing workloads and user support requests.

Software Development & Training (+\$200,000): The funds will be used to increase end-user training in Fourth Generation computer language such as ADABAS and Natural 2, for improved screen-oriented query and retrieval capabilities for users of the IRMS, SSS, Law Enforcement, and Time and Attendance System.

Hardware Requirements Analysis (+\$100,000): The funds will be used to broaden the scope of the study and modeling of bureauwide user workload requirements to include FIRM Federal Financial System subsystem interfaces (whose implementation in FY 1989 was not anticipated heretofore), Fourth Generation language usage, and interbureau connections via GEONET and CompuServe networks.

Systems Improvement Initiatives (-\$100,000): This decrease is the result of economies planned for the telecommunications traffic management study by the use of GEONET and the elimination of underutilized telecommunications lines.

Field System Equipment Replacement (+\$2,000,000): The funds will be used to replace three of the present six Information Management Centers (IMC's) and their present hardware and software configurations with six Field Service Centers. Over a two-year period, each center will be colocated at each area office and equipped with state-of-the-art superminicomputers to support each area office and its related agencies. Funding will permit hardware/software procurement, site preparation, space rental and training. Funds to replace the remaining three IMC's will be sought in FY 1990.

Object Class Distribution - ADP Services

	<u>FTE</u>	<u>Amount</u>
Personnel.....	+22	+ 550,000
Personnel Benefits.....		+ 90,000
Other Services		+ 230,000
Equipment.....		+2,000,000
		<u>2,870,000</u>

Justification of Program and Performance

Activity: General Administration
 Subactivity: Employee Compensation Payments

Program Elements	FY 1988 Enacted To Date	(Dollar amounts in thousands)			
		FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
A. Employee Compensation Payments	\$ 6,004	6,004	5,836	-168	-168
B. Unemployment Compensation	\$ 1,915	1,915	1,915	---	---
C. Federal Employees' Retirement System	\$ ---	7,211	7,211	+7,211	---
D. Employer Contribution-- Thrift Plan	\$ 3,584	---	---	-3,584	---
Total Requirement	\$ 11,503	15,130	14,962	+3,459	-168

A. Employee Compensation Payments

Objective: To provide for repayments of expenses to the Federal Employees' Compensation Fund.

Base Program (\$6,004,000): The base program funding provides reimbursement to the Department of Labor for expenses of the Employees' Compensation Fund incurred during the 1987-88 expense period.

B. Unemployment Compensation

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.

C. Federal Employees' Retirement Systems (FERS)

Objective: To provide funding to cover the bureau's cost of contributing to the Federal Employees' Retirement System (FERS).

Base Program (\$7,211,000): The base program provides funding for the bureau's contribution to FERS costs including thrift savings plan, fiduciary insurance, and Federal Insurance Contributions Act (FICA) contributions.

Change from FY 1989 Base:

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
A. Employee Compensation Payments	\$ 6,004	5,836	-168

Employee Compensation Payments (-\$168,000): The decrease is based on the estimate provided by the Department of Labor from the statement of costs of compensation and medical benefits paid during the expense period July 1, 1986, through June 30, 1987, for injuries or deaths sustained by employees after December 1, 1960.

Object Class Distribution

	Amount
Employee Compensation.....	\$ -168,000

Justification of Program and Performance

Activity: General Administration
 Subactivity: Program Management

<u>Program Elements</u>		FY 1988 Enacted To Date	(Dollar amounts in thousands)			Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
			FY 1989 Base	FY 1989 Estimate			
A. Construction Management	\$ (FTE)	3,742 (88)	3,681 (88)	3,681 (88)	-61 (---)	---	
B. Education Program Mgmt.	\$ (FTE)	2,281 (40)	2,253 (40)	2,133 (40)	-148 (---)	-120 (---)	
Total Requirements	\$ (FTE)	6,023 (128)	5,934 (128)	5,814 (128)	-209 (---)	-120 (---)	

A. Construction Management

Objectives: To manage a program to operate, maintain, plan, design, construct, repair, and equip facilities and ensure compliance with safety and health codes.

Base Program (\$3,681,000; FTE 88): The base program provides funding and FTE for the facilities operations of the bureau. These funds also cover personnel services, equipment, travel management and fiscal accountability systems and general logistical support. The base program includes funds formerly requested under Facilities Management for contract supervision and boiler inspection, as well as the Facilities Construction, Operation and Maintenance (FACCOM) program. The staff includes architects, engineers, computer systems analysts, contract specialists, and technical and administrative personnel for management and clerical support.

The Office of Facilities Management (OFM), supervised by the Director, Office of Construction Management, is located in Albuquerque, New Mexico. The Office of Facilities Management provides: planning, design, architectural, engineering, construction management, contracting, equipping, evaluation and other technical services. The office also develops design and construction specifications; reviews designs; establishes and implements guidelines for selecting equipment; and provides training in the use and maintenance of equipment and care of facilities.

A reorganization proposal has been submitted to Congress. If approved, the reorganization could result in a decrease of 9 FTE from the level included in the justification.

B. Education Program Management

Objectives: To provide bureauwide direction and control by establishing or revising education policies and procedures that will result in the provision of a comprehensive and quality education program. In addition to elementary and secondary schools, the Office of Indian Education Programs (OIEP) also provides direction for: (1) adult activities through the Adult Education Program; (2) tribally controlled community colleges and the two post-secondary institutions; and (3) scholarship programs for both graduate and undergraduate Indian students.

Base Program (\$2,253,000; FTE 40): The Director of OIEP exercises line authority and direction for all OIEP programs and systems through field line officers who

supervise bureau off-reservation boarding schools, peripheral dormitories housing Indian students attending public schools, local on-reservation day and boarding schools, and two bureau post-secondary institutions. Authorities and responsibilities of the director include policy analysis, budget 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.

Change from FY 1989 Base:

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Base</u>	<u>FY 1989 Request</u>	<u>+/- Difference</u>
B. Education Program Management \$	2,253	2,133	-120
(FTE)	(40)	(40)	(---)

Education Program Management (-\$120,000): The decrease is a result of a one year grant in FY 1988 to the Close-up foundation which will not be renewed.

Object Class Distribution - Program Management

	<u>FTE</u>	<u>Amount</u>
Contracts and Grants.....	--	-\$ 120,000
Total.....		<u>-\$ 120,000</u>

Justification of Program and Performance

Activity: General Administration
 Subactivity: Consolidated Training Program

Program Element	(Dollar amounts in thousands)				
	FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Consolidated Training Program	\$ 840 (FTE) (---)	840 (---)	840 (---)	--- (---)	--- (---)
Total Requirements	\$ 840 (FTE) (---)	840 (---)	840 (---)	--- (---)	--- (---)

Objectives: To provide a centrally controlled training program to comply with legal and regulatory requirements specifically applying to the Bureau of Indian Affairs; to train and qualify bureau employees; and particularly Indians, to plan and operate bureau programs.

Base Program (\$840,000): This program is designed to raise the overall level of expertise in bureau programs, to address these needs through training in such programs areas as: executive development, real property, real estate services, natural resources, finance, contracting, law enforcement, social services, forestry, automatic data processing, education, and trust fund management.

In addition to training employees in their current positions, results of an occupational needs survey indicate that BIA can expect the attrition of up to 600 bureau employees in specific occupational groups over the next five years. About 436 in this group, or 73%, will be due to retirement. The training program, therefore, must also be specifically targeted toward offsetting these anticipated losses.

High Potential Employees Development Program (\$130,000): Employees in entry level positions GS 5-9, who have been identified as having potential to assume administrative, professional, technical or managerial positions, will participate in the High Potential Employees Development Program, regardless of the position which they occupy. Individual training plans, which give emphasis to the enhancement of professional and technical skills and include specific opportunities for administrative and managerial training, will be developed for each employee and will be structured to provide the employee the greatest opportunity to achieve as much of their full potential as possible. Priority in the program will be given to shortage categories such as realty specialists, administrative staff, foresters, and appraisers.

In-Service Training and Orientation Program (\$509,000): An integral part of the in-service training will be an intensive orientation for bureau staff in tribal self-determination and national Indian policy, as well as the crucial role of the bureau staff in working with tribes to achieve the objectives of this policy. The orientation emphasizes the significant role of bureau staff in encouraging and supporting tribes as they assume an ever increasing role in the development and implementation of programs for Indians. The in-service training program is designed to improve the technical skills of employees, primarily in shortage category positions. Approximately \$180,000 in this category is for annual training for contracting officers. The balance is for the category of training identified above which includes funding for an Orientation Training Program (\$150,000) for superintendents and other field officers.

Executive Management Development Program (\$201,000): The program funds training for employees who have been identified as having the potential for assuming the key management positions of the bureau. They are selected for the program through an assessment center process. The amount requested funds the assessment centers and all tuition, travel, and per diem costs related to training identified in each participant's development plan. The "pool" of participants will be used, along with other recruitment alternatives, to fill key management positions in the bureau. The Departmental Management Development Program (\$56,000) and the Senior Executive Service Candidate Program (\$35,000) are also funded from this component.

Justification of Program and Performance

Activity: General Administration
 Subactivity: Tribe/Agency Operations

Program Elements		FY 1988 Enacted To Date	(Dollar Amounts in thousands)			
			FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
A. Executive Direction	\$ (FTE)	7,624 (167)	7,512 (167)	7,908 (180)	+284 (+13)	+396 (+13)
B. Administrative Services	\$ (FTE)	11,538 (396)	11,067 (396)	11,844 (407)	+306 (+11)	+777 (+11)
C. Safety Management	\$ (FTE)	224 (---)	227 (---)	218 (+7)	-6 (+7)	-9 (+7)
Total Requirements	\$ (FTE)	19,386 (563)	18,806 (563)	19,970 (594)	+584 (+31)	+1,164 (+31)

A. Executive Direction

Objective: To provide line management for all bureau programs operated at or through the agency.

Base Program (\$7,512,000; FTE 167): For this subactivity, Executive Direction includes 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.

B. Administrative Services

Objective: To provide those administrative systems/controls/expertise which directly support the operation of all agency programs.

Base Program (\$11,607,000; FTE 396): 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 and advice to employees and 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 collections, 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 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.

C. Safety Management

Base Program (\$224,000; FTE 0): The base program provides for the development, implementation, and review of the agency level safety program. This program is not considered contractable under the Indian Self-Determination Act, P.L. 93-638.

Change from FY 1989 Base

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1989 Base</u>	<u>FY 1989 Estimate</u>	<u>+/- Difference</u>
A. Executive Direction	\$	7,512	7,908	+396
	(FTE)	(167)	(180)	(+13)
B. Administrative Services	\$	11,067	11,844	+777
	(FTE)	(396)	(406)	(+10)
C. Safety Management	\$	227	218	-9
	(FTE)	<u>(---)</u>	<u>(+7)</u>	<u>(+7)</u>
Total	\$	18,806	19,970	+1,164
Requirements	(FTE)	(563)	(594)	(+31)

Program Justification (+\$1,164,000): The change results from the application of the Indian Priority System (IPS) at the tribe/agency level.

Object Class Distribution-Tribe/Agency Operations

	<u>FTE</u>	<u>Amount</u>
Personal Services	+31	+ 775,000
Personal Compensation		+ 126,000
Other Services		+ 263,000
Total		<u>+\$ 1,164,000</u>
		=====

Bureau of Indian Affairs
Summary of Requirements by Object Class

(Dollar amounts in thousands)

Appropriation: Operation of Indian Programs (Direct Program Only)

<u>Object Class:</u>	1988 Base		1989 Base		<u>+/-</u> <u>Difference</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Personnel Compensation:						
11.1 Permanent positions.....	8,184	179,034	8,200	179,392	+16	+358
11.3 Positions other than permanent.....	3,027	84,082	3,033	84,247	+6	+165
11.5 Other personnel compensation.....	--	17,159	--	17,186	--	+27
11.9 Total personnel compensation.....	11,211	280,275	11,233	280,825	+22	+550
12.1 Personnel benefits.....		45,682		45,774		+92
13.0 Benefits for former personnel.....		2,000		2,000		--
21.0 Travel and Transportation of persons.....		18,516		16,292		-2,224
22.0 Transportation of things.....		8,757		8,697		-60
23.1 Standard level of users charges.....		17,578		17,578		--
23.3 Communications, utilities and other rent.		16,860		16,415		-445
24.0 Printing and reproduction.....		1,225		1,225		--
25.0 Other services.....		394,904		390,392		-4,512
26.0 Supplies and materials.....		53,458		51,275		-2,183
31.0 Equipment.....		14,722		13,291		-1,431
32.0 Lands and structures.....		2,205		2,205		--
33.0 Investments and loans.....		367		367		--
41.0 Grants, subsidies & contributions.....		109,426		91,995		-17,431
42.0 Insurance claims and indemnities.....		65		65		--
43.0 Interest and dividends.....		20		20		--
99.9 Total Requirements.....	11,211	966,060	11,233	938,416	+22	-27,644

BIA-214

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS
Program and Financing (in thousands of dollars)

14-2100-0-1-999	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activity:</u>			
Direct Program:			
00.01 Education.....	316,504	272,945	264,644
00.02 Indian services.....	221,411	282,398	270,626
00.03 Navajo/Hopi settlement program.....	4,241	2,277	1,997
00.04 Economic development and employment programs.....	71,321	39,543	38,238
00.05 Natural resources development.....	144,204	138,201	119,970
00.06 Trust responsibilities.....	41,401	55,395	61,697
00.07 Facilities management.....	88,522	82,141	81,711
00.08 General administration.....	83,112	92,035	99,533
00.91 Total direct program.....	970,716	964,935	938,416
01.01 Reimbursable program.....	48,722	49,000	49,000
10.00 Total obligations.....	1,019,438	1,013,935	987,416
<u>Financing:</u>			
Offsetting collections from:			
11.00 Federal funds.....	-45,000	-46,000	-46,000
14.00 Non-Federal sources.....	-3,722	-3,000	-3,000
21.40 Unobligated balance available, start of year.....	-45,589	-3,077	-866
22.40 Unobligated balance transferred, net.	-26,732	-16,968	
24.40 Unobligated balance available, end of year.....	3,077	866	866
25.00 Unobligated balance lapsing.....	12,128	---	---
39.00 Budget authority.....	913,600	945,756	938,416
<u>Budget authority:</u>			
40.00 Appropriation.....	938,600	970,756	938,416
41.00 Transferred to other accounts.....	-25,000	-25,000	---
43.00 Appropriation (adjusted).....	913,600	945,756	938,416
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	970,716	964,935	938,416
72.40 Obligated balance, start of year.....	199,720	173,310	206,332
74.40 Obligated balance, end of year.....	-173,310	-206,332	-202,882
77.00 Adjustments in expired accounts.....	-66,797	--	--
90.00 Outlays.....	930,329	931,913	941,866

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 Object Classification (in thousands of dollars)

14-2100-01-999	1987 Actual	1988 Estimate	1989 Estimate
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	172,271	176,195	179,392
11.3 Other than full-time permanent.....	82,565	82,746	84,247
11.5 Other personnel compensation.....	16,624	16,880	17,186
11.9 Total personnel compensation.....	271,460	275,821	280,825
12.1 Personnel benefits: Civilian.....	44,321	44,959	45,774
13.0 Benefits for former personnel.....	1,692	2,000	2,000
21.0 Travel and transportation of persons.....	16,381	18,342	16,292
22.0 Transportation of things.....	8,761	9,258	8,697
23.1 Standard lever user charges.....	17,692	18,711	17,578
23.3 Communications, utilities, and other rent.....	16,544	17,473	16,415
24.0 Printing and reproduction.....	1,240	1,304	1,225
25.0 Other Services.....	396,385	408,119	390,392
26.0 Supplies and materials.....	51,132	54,048	51,275
31.0 Equipment.....	13,357	14,148	13,291
32.0 Lands and structures.....	2,240	2,347	2,205
33.0 Investments and loans.....	394	395	367
41.0 Grants, subsidies, and contributions.....	129,035	97,925	91,995
42.0 Insurance claims and indemnities...	64	65	65
43.0 Interest and dividends.....	18	20	20
99.0 Subtotal, direct obligations.....	970,716	964,935	938,416
99.0 Reimbursable obligations.....	48,722	49,000	49,000
99.9 Total obligations.....	1,019,438	1,013,935	987,416

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 PERSONNEL SUMMARY

14-2100-01-999	1987 Actual	1988 Estimate	1989 Estimate
<u>Direct:</u>			
Total number full-time permanent positions.....	10,077	10,132	10,109
Total compensable workyears:			
Full-time equivalent employment.....	11,197	11,258	11,233
Full-time equivalent of overtime and holiday hours.....	289	250	230
<u>Reimbursable:</u>			
Total number full-time permanent positions.....	702	702	702
Total compensable workyears:			
Full-time equivalent employment.....	780	780	780
Full-time equivalent of overtime and holiday hours.....	15	15	15

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[,] and improvement of Indian housing, [\$83,225,000] \$56,793,000, to remain available until expended: Provided, That [of this amount, up to \$6,400,000 shall be made available for planning, design and construction of the Choctaw Central School in Mississippi: Provided further, That the portion of the \$6,400,000 related to construction shall not be released until (1) an application for the new school has been submitted to the Bureau of Indian Affairs and the Office of Construction Management; (2) the application has been reviewed and ranked on the school construction priority system; and (3) the planning and design for the new school has been completed: Provided further, That \$1,482,000] \$1,449,000 of the funds appropriated 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)), may be used for counseling, archeological clearances, [water production] and administration related to the relocation of Navajo families[: Provided further, That \$1,500,000 of the funds made available in this Act shall be available for rehabilitation of tribally-owned fish hatcheries and related facilities: Provided further, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That none of the funds available in this Act may be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' housing improvement program that were not in effect on October 1, 1986].

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

Justification of Proposed Language Changes

1. Deletion: "construction"

Since no funds are requested for construction of housing, the word "construction" is not necessary and should be deleted.

2. Deletion: "of this amount, up to \$6,400,000 shall be made available for planning, design and construction of the Choctaw Central School in Mississippi: Provided further, That the portion of the \$6,400,000 related to construction shall not be released until (1) an application for the new school has been submitted to the Bureau of Indian Affairs and the Office of Construction Management; (2) the application has been reviewed and ranked on the school construction priority system; and (3) the planning and design for the new school has been completed: Provided further, That \$1,482,000"

The language refers to conditions that must be met prior to the release of funds appropriated in FY 1988 for construction of the Choctaw Central School. The Office of Construction Management expects that the conditions will be met in FY 1988.

3. Deletion: "water production"

The language is no longer necessary. Since the Indian Health Service has indicated that Phase I of its water system will be completed by November 1988, which will serve 300 homes on the Navajo new lands, there is no need for the BIA to request additional funds for water production.

4. Deletion: " : Provided further, That \$1,500,000 of the funds made available in this Act shall be available for rehabilitation of tribally-owned fish hatcheries and related facilities: Provided further, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That none of the funds available in this Act may be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' housing improvement program that were not in effect on October 1, 1986"

The language is no longer necessary, since it pertains specifically to funds appropriated in FY 1988. No funds are requested for rehabilitation of tribally-owned fish hatcheries or for the Navajo Indian Irrigation Project in FY 1989.

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, hyroelectric 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 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 stage through the actual construction of facilities. Therefore, funds are to remain available until expended.

8. Provided, That \$1,449,000 of the funds appropriated 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)), may be used for counseling, archeological clearances, and administration related to the relocation of Navajo families.

No Specific Authority

Of the balances remaining from the special appropriation for housing construction to assist in relocating Navajo families from lands partitioned to the Hopi Tribe, it is proposed to use \$1,449,000--to support bureau administrative expenses (\$115,000), to perform required surveys and obtain clearances necessary for the development of the new lands (\$950,000), and to provide counseling services to the relocating Navajo families (\$384,000).

Justification of Adjustments to Base

Adjustments

Adjustments for the January 1988 pay increase.....+ 51,000

Total cost of the pay increase.....\$70,234
Adjustment for full-year 1989
costs of the 1988 pay increase.....+17,558
87,792
Less absorbtion.....-36,792
Net adjustment for 1988 pay increase..... 51,000

The adjustment is for the 2 percent Federal pay raise effective in January 1988. The total 1988 cost of the pay raise, \$70,234, was fully absorbed.

Adjustment for Tribal Contractors Pay Increase.....+ 36,000

Total cost of the pay increase.....\$51,000
Adjustment for full-year 1989
costs of the 1988 pay increase.....+12,750
63,750
Less absorbtion.....-27,750
Net adjustment for 1988 pay increase..... 36,000

Section 106(h) of Public Law 93-638 requires the Secretary to provide an equivalent amount of funding to tribal contractors as would be required for direct bureau operation of the programs.

Adjustment for Federal Employees Retirement System.....-365,000

This adjustment is for the decrease in estimated retirement costs from the FY 1988 enacted level to the FY 1989 requested level, and reflects changes in actuarial, switch rate, and thrift plan assumptions used to calculate agency contributions for FERS. Previous switch rate and thrift plan contribution rate assumptions had resulted in an overestimate of the base adjustments for FERS costs included in the 1988 enacted level. Actual experience indicates, for example, that the switch rate will be significantly lower than the previous 40 percent assumption and is now assumed to be 5 percent. No funds remain in the construction account for FERS. Bill language has been included allowing the transfer of funds provided in the Operation of Indian Programs to this account to cover the FERS costs.

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: Construction 14X2301

FY 1988 Budgetary Status

Budget Authority Available:

Appropriation realized.....	\$ 83,225
Prior-year unobligated balance brought forward.....	61,092
Unobligated balance to be transferred.....	-16,968
Anticipated recovery of prior-year obligations.....	---

Total available for obligation..... \$127,349

Less anticipated obligations (by activity):

1. Buildings and utilities.....	\$-35,000	
2. Irrigation systems.....	-25,000	
3. Housing.....	-38,000	
4. Land acquisition.....	-3,620	
5. Fish hatcheries construction.....	-1,500	
Total anticipated obligations.....		\$-103,120
Transfer from other accounts.....		<u>25,000</u>

FY 1989 Request

Anticipated unobligated balance brought forward..... \$49,229

Plus increases proposed (by activity)

1. Buildings and Utilities.....	+32,360	
2. Irrigation systems.....	+7,210	
3. Housing.....	+17,223	
4. Land Acquisition.....	---	
Total increase proposed.....		<u>\$56,793</u>

Total Anticipated BA available for obligation..... \$106,022

Analysis of Budgetary Resources by Activity
(Dollar Amounts in Thousands)

Account: Construction

Activity	FY 1987 Actual	FY 1988 Estimate	FY 1989 Estimate	FY 1989 (+) (-) from 1988 Estimate
1. <u>Buildings & Utilities</u>				
BA available for obligation:				
Appropriation.....	48,110	41,160	32,360	-8,800
Unobligated bal. brt. fwd..	23,537	8,555	22,715	+14,160
Unoblig. bal. transferred	-18,000	1/ -10,000	4/ ---	+10,000
Total BA available.....	53,647	39,715	55,075	+15,360
Less obligations.....	-45,092	-35,000	-35,000	---
Subtotal.....	8,555	4,715	20,075	+15,360
Transfer in.....	---	18,000	5/ ---	-18,000
Unoblig. bal., end of year..	8,555	22,715	20,075	-2,640
2. <u>Irrigation Systems</u>				
BA available for obligation:				
Appropriation.....	17,885	15,488	7,210	-8,278
Unoblig. bal. brt. fwd....	13,967	27,393	21,513	-5,880
Unoblig. bal. transferred	-8,732	2/ -3,368	6/ ---	+3,368
Total BA available.....	23,120	39,513	28,723	-10,790
Less obligations.....	-10,727	-25,000	-18,000	+7,000
Subtotal.....	12,393	14,513	10,723	-3,790
Transfer in.....	15,000	3/ 7,000	7/ ---	-7,000
Unoblig. bal., end of year..	27,393	21,513	10,723	-10,790
(FTE)	(50)	(51)	(51)	(--)
3. <u>Housing</u>				
BA available for obligation:				
Appropriation.....	22,606	22,827	17,223	-5,604
Unoblig. bal. brt. fwd...	24,845	23,774	5,001	-18,773
Unoblig. bal. transferred	---	-3,600	8/ ---	+3,600
Total BA available.....	47,451	43,001	22,224	-20,777
Less obligations.....	-23,677	-38,000	-22,000	+16,000
Unoblig. bal., end of year.	23,774	5,001	224	-4,777
(FTE)	(80)	(80)	(80)	(--)
4. <u>Land Acquisition</u>				
BA available for obligation:				
Appropriation.....	---	2,250	---	---
Unoblig. bal. brt. fwd...	3,453	1,370	---	---
Total BA available.....	3,453	3,620	---	---
Less obligations.....	-2,083	3,620	---	---
Unoblig. bal., end of year.	1,370	---	---	---
5. <u>Fish Hatcheries Constuction</u>				
BA available for obligation:				
Appropriation.....	---	1,500	---	---
Unoblig. bal. brt. fwd...	---	---	---	---
Total BA available.....	---	1,500	---	---
Less obligations.....	---	1,500	---	---
Unoblig. bal., end of year.	---	---	---	---

Continued - Account: Construction

Activity	FY 1987 Actual	FY 1988 Estimate	FY 1989 Estimate	FY 1989 (+)/(-) from 1988 Estimate
<u>Account Totals</u>				
BA available for obligation:				
Appropriation.....	88,601	83,225	56,793	-26,432
Unoblig. bal. brt. fwd...	65,802	61,092	49,229	-11,863
Unoblig. bal. transferred	-26,732	-16,968	---	+16,968
Total BA available.....	127,671	127,349	106,022	-21,327
Less obligations.....	-81,579	-103,120	-75,000	+28,120
Subtotal.....	46,092	24,229	31,022	+6,793
Transfers in.....	15,000	25,000	---	-25,000
Unoblig. bal., end of year.	61,092	49,229	31,022	-18,207
(FTE)	(130)	(131)	(131)	(--)

- 1/ Transfer out of \$18,000,000 to OIP account to pay FY 1987 fire suppression costs.
- 2/ Transfer out of \$8,732,214 to OIP account to pay FY 1987 fire suppression costs.
- 3/ Transfer in of \$15,000,000 from OIP account to repay FY 1986 fire suppression costs.
- 4/ Transfer out of \$10,000,000 to OIP account to pay FY 1988 fire suppression costs.
- 5/ Transfer in of \$18,000,000 from OIP account to repay FY 1987 fire suppression costs.
- 6/ Transfer out of \$3,368,000 to OIP account to pay FY 1988 fire suppression costs.
- 7/ Transfer in of \$7,000,000 from OIP account to repay FY 1987 fire suppression costs.
- 8/ Transfer out of \$3,600,000 to OIP account to pay FY 1988 fire suppression costs.

Program and Performance

1. Buildings and Utilities - This activity provides for the construction and rehabilitation of bureau facilities.
2. Irrigation Systems - This activity provides for the construction, extension, and rehabilitation of irrigation projects, dams, and related power systems on Indian reservations.
3. Housing - This program provides for the repair of housing for needy Indians.
4. Land Acquisition - This program provides for the acquisition of land and interests in lands for Indian tribes, as directed by the Congress and the judicial decisions.
5. Fish Hatcheries Construction - This program provides for the rehabilitation of tribally-owned fish hatcheries.

Justification for Construction

Account: Construction
 Activity: Buildings and Utilities

<u>Program Elements</u>		(Dollar amounts in thousands)		
		<u>FY 1988 Enacted To Date</u>	<u>FY 1989 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>
A. Education Projects	\$	14,800	8,400	-6,400
B. Advance Planning and Design	\$	1,000	--	-1,000
C. Telecommunications Improvement and Repair	\$	--	1,500	+1,500
D. Facilities Improvement and Repair	\$	25,360	22,460	-2,900
 		<hr/>	<hr/>	<hr/>
Total Requirements	\$	41,160	32,360	-8,800
	(FTE)	(--)	(--)	(--)

A. Education Projects

Objectives: To provide for the planning, design, and construction of adequate school facilities for Indian children.

Justification: It is the responsibility of the Bureau of Indian Affairs to provide adequate and safe educational facilities to eligible communities. Schools may be bureau operated or operated by tribal organizations under contract.

New construction funds are being requested for St. Francis Indian High School, which was ranked number one on the last priority ranking list (1986). It will be ready for construction in FY 1989. In FY 1988, by Congressional directive, the moratorium on new construction applications was lifted, and the application process was reinstated and procedures published in the Federal Register for the guideline/application availability requirements for evaluation and ranking.

The detailed project description follows.

EDUCATION CONSTRUCTION PROJECT JUSTIFICATION

South Dakota - Rosebud Reservation	<u>Cost in Thousands</u>
<u>Project Title:</u> St. Francis Indian High School	\$8,400

Need:

The St. Francis Indian High School is a private school currently operated by the Sicangu Oyate Ho School Board under contract (P.L. 93-638) with the Bureau of Indian Affairs. The school is primarily for the benefit of the Rosebud Sioux Indian Reservation children. The facilities which house the high school operations are owned by the Catholic Church and leased to the tribe, who subleased to Sicangu Oyate Ho School Board. The facilities were constructed approximately 70

years ago for use as combination dwellings and educational buildings. The high school is currently housed in these buildings, and they are functionally inadequate and physically obsolete. In addition, they are expensive to maintain and operate and are considered to be unsafe. The students in this school are considered to be 100 percent unhoused.

Description:

The new St. Francis Indian School will be located on a site adjacent to the existing school. Utilities are available to the site. Design will be based on pre-engineered (modular) construction to the maximum extent feasible for economical construction. The design enrollment is for 600 students in a K-12 school program. The new facilities will house a complete educational program and will be comprised of 21-26 general classrooms, 8 specialized classrooms/laboratories, 2 vocational shops, administrative unit, media center, kitchen/dining unit, health clinic, gymnasium, and 7 quarters for teachers and staff.

Academic Building.....	\$ 5,813,000
Quarters.....	132,000*
Site and Utilities.....	830,000
Contingency.....	654,000
Construction Management and Inspection Cost.....	351,000
Equipment/Furnishings Cost.....	<u>620,000</u>
 TOTAL	 \$ 8,400,000

*\$407,000 for design and engineering was funded in FY 1988, and \$39,000 was provided for site and quarters design in the FY 1988 Appropriations Act. Construction of quarters will be phased, in FY 1989 and FY 1990. Estimated FY 1989 costs are \$132,000. Any savings in reduced bidding or other cost savings will be redirected for quarters construction.

Benefits:

The new facility will provide safe, functional, and efficient housing for a complete educational program for all reservation students of high school age.

B. Advance Planning and Design

No funds are requested in this category in FY 1989 because the additional funding (\$1,000,000) appropriated in FY 1988 is estimated to be adequate for planning and design activities for FY 1988 and continuing into FY 1989.

C. Telecommunications Improvement and Repair

Justification (\$1,500,000): This program will continue to bring the Bureau of Indian Affairs into compliance with changes in recent Judicial decisions and in line with technological advances. The AT&T Antitrust Suit, Computer II Inquiry Decision, deregulation, greater demands on telecommunications services, competition for telecommunications equipment and services to cut costs, and the shifting of managing telecommunications systems to the user by GSA have resulted in a growing need to acquire telecommunications services and equipment. Projects will be located at Anadarko Area (Oklahoma and Kansas), Aberdeen Area (North and South Dakota), Albuquerque Area (New Mexico), Billings Area (Montana), Minneapolis Area (Minnesota, Wisconsin), Phoenix Area (Arizona and Nevada), and Portland Area (Oregon and Washington).

The second increment of this program will be to replace the antiquated, ineffective, and expensive backbone radio communications equipment still in operation throughout the bureau. The equipment is of the vacuum tube vintage, beyond its useful life, and replacement parts can no longer be purchased, forcing cannibalization of other units. Replacement of the equipment is critical to the life safety of personnel in law enforcement, fire suppression, and school transportation. Project locations include Aberdeen Area (South Dakota), Muskogee Area (Oklahoma), Minneapolis Area (Minnesota), Navajo Area (Arizona, New Mexico), Phoenix Area (Nevada), and Portland Area (Washington).

The third increment of this program is in two or more locations on the Navajo Reservation (Arizona, New Mexico) to design and develop an alarm system which would monitor the fire alarms, intrusion alarms, and would notify an appropriate official (police, facility manager, fire station, principal) of an alarm. This system would maintain the integrity of a school facility or other facility during the time no one is present (summer at schools, winter at forestry locations).

The final increment of this program would extend the present microwave system into the Phoenix Area Office. This backbone multi-channel system would reduce cost of data transmissions, radio communications, and would provide critically needed services at a reasonable cost not available until this project is completed. The system will support facility management, law enforcement, forestry, land operations, and other data users. This system requires two "HOPS" of microwave in Arizona to compliment the existing thirteen "HOPS" from Albuquerque to Mt. Elden (Flagstaff).

D. Facilities Improvement and Repair (FI&R)

Objectives:

1. To reduce facilities improvement and repair needs, with emphasis on safety needs as they arise;
2. To consolidate underutilized facilities, to maximize the use of existing facilities, and to reduce continuing costs of repair, operation, and maintenance;
3. To repair or refurbish facilities (e.g., renovations, improvements, demolitions, or additions) in lieu of totally new construction where justified;
4. To continue the boiler repair and emergency repair programs.

Justification (\$22,460,000): The Bureau of Indian Affairs manages approximately 4,000 institutional structures (non-quarters) throughout the United States. The improvement and repair of these structures is a continuing effort. Opportunities for cost savings exist through the consolidation of underutilized facilities of all kinds. Unused facilities that are unsafe or determined to be in excess of bureau needs will be disposed of by transfer, sale, or demolition.

In addition to accomplishing needed repairs and improvements, correcting functional deficiencies, and modernizing facilities to meet today's standards, requirements for compliance with laws and regulations concerning safety, environmental protection, energy conservation, and the handicapped must be met. Repair tasks include updating buildings and utilities to correct existing functionally unsafe and/or unsanitary conditions and bringing various structures up to regulatory requirements. Emergency repairs are also carried out to correct unforeseen problems. Installation of equipment is also included 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 routine maintenance program and all antiquated but still-needed facilities are replaced. The annual boiler inspection program will continue, with funds provided for boiler repair or replacement. Funds are also provided for advance design to facilitate implementation of future repair and improvement projects. The status of the FY 1987 projects is shown in the table below. The FY 1988 FI&R program list was published in the Federal Register in August 1987.

The project list, estimated or awarded amounts, and obligation dates for the 1987 projects are as follows:

(Dollars in Thousands)

<u>Project</u>		(ECCAA) Estimated	Estimated or Actual
		Construction Contract (e)	Date of
		<u>Award Amount (a)</u>	<u>Obligation</u>
Mandaree School	82A12Z	\$ 660,000a	7/87
Bullhead School	84A11Z	1,298,000a	12/87
Eagle Butte L&O	85A01Z	1,600,000e	FY 1988
Ft. Yates Hqtrs	85A02Z	393,866a	8/87
Manderson School	85A08Z	858,190a	7/87
Crow Creek HS	85A09Z	972,000a	12/87
Jones Academy	84G01Z	517,000a	9/87
Carter Seminary	84G02Z	300,709a	3/87
Papago Agency	85H04Z	414,059a	3/87
Santa Fe Ind Sch	84L01Z	1,975,000a	7/87
Wide Ruins Util	82N02Z	1,144,836a	3/87
Haskell IJC	84B01Z	1,011,000a	3/87
Tuba City HQ&BS	83N04Z	2,570,700e	FY 1988
Nazlini School	83N08Z	828,560a	9/87
Rough Rock School	83N17S	1,198,510a	5/87
Low Mountain Sch	83N18S	1,354,410a	5/87
Shonto Bdg School	84N08Z	2,335,764a	9/87
Wingate Elem Sch	85N02Z	1,809,000a	9/87
Crystal Bdg Sch	85N04Z	1,633,000a	8/87
Beclabito School	85N12Z	241,670a	3/87
Tuba City HS	86N02Z	1,066,354a	9/87
Warm Springs Ag	84P01Z	292,164a	3/87
Chemawa Ind Sch	84P23Z	694,146a	3/87
TOTAL		<u>\$25,168,938</u>	

The following is the list of recommended FY 1988 projects submitted to Congress on June 29, 1987:

CATEGORY OF NEEDS ADDRESSED 1/

<u>PROJECT</u>	<u>AS CARRIED ON BACKLOG</u>
ABERDEEN AREA	
1. Mitigation of code violation--areawide	4
2. Pierre Indian Learning Center	1,2,3,4,5 <u>2/</u>

NAVAJO AREA

- 1. Replacement of in-ground gas lines 1
- 2. A School For me 1,3,4.5
- 3. Chilchinbeto 1,5
- 4. Wingate High School 1,3,5

ALBUQUERQUE AREA

- 1. Pine Hill School 1,3,5

CENTRAL SCHOOLS

- 1. Haskell Indian Junior College 1,3,4,5

PHOENIX AREA

- 1. Santa Rosa Ranch 1,3,4,5

EASTERN AREA

- 1. Choctaw Central High School 1,5

1/1-Safety-related work of a critical nature; 2-Sanitary-related work; 3-Safety-related work of a non-critical nature; 4- Work required because of violation of code or regulation; 5- Work required because of a functional deficiency.
2/Added in FY 1988 Appropriations Act.

FACILITY IMPROVEMENT AND REPAIR PROGRAM JUSTIFICATION FOR FY 1989

Description:

Construction.....	\$14,460,000
Construction Support.....	8,000,000
TOTAL FY 1989 PROGRAM.....	<u>\$22,460,000</u>

The \$14,460,000 requested is the amount required to fund estimated FI&R construction contract awards. The \$8,000,000 requested for construction support includes design and engineering costs; the emergency, boiler, and minor improvement and repair programs; and equipment, construction contingency, and management inspection costs.

Construction (\$14,460,000)

During FY 1987 and in FY 1988, a major concentration has been given to the mitigation of critical life safety (S-1) work items through the minor improvement and repair (MI&R), the boiler repair, and, as appropriate, the operations and maintenance (O&M) programs. Although S-1 work items will continue to be considered as a first priority in larger FI&R projects, the FI&R support programs (MI&R and boiler repair) produce more immediate and flexible, corrective actions. As critical safety work items are identified, the bureau plans to continue the mitigation activities in a similar manner.

The early submission of the project list conforms with the objective established in the Special Report (90 Day Plan) subcommitted to the Committee on Appropriations in June 1987, and indicates improvements made in facilities management in the areas of advance planning, field validation and prioritizing of projects, closer coordination with other program managers, and improved scheduling.

There are several new or expanded initiatives proposed, which deserve special consideration. First among these is the Standing Rock High School in Ft. Yates, North Dakota. This project will provide the facility improvements to meet the educational requirements of the total community of students, which have resulted from the successful consolidation of the BIA and the public school through a cooperative agreement.

Also proposed to become a continuing bureauwide program is repair and/or replacement of roofs, including insulation, where required, to reduce the rate of contingent damage from poorly functioning roof systems.

The third initiative is an extension of the program for mitigation of code deficiencies. This program should become a continuing one in order to reduce the existing backlog and to comply with additional code requirements in the future.

The following list of projects and their estimated cost is explained in the FY 1989 list which follows:

BUREAUWIDE

-- Mitigation of code deficiencies	\$ 720,000
-- Roof Repair/Replacement	4,000,000

ABERDEEN AREA

-- Flandreau School - Phase I (SD)	3,395,000
-- Standing Rock High School (ND)	300,000

CENTRAL SCHOOLS

-- Haskell Indian Junior College	1,500,000
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NAVAJO AREA

-- Replace In-Ground Gas Lines, Phase II	750,000
-- Dzith-Na-O-Dilth-Hle School (NM)	3,400,000

PORTLAND AREA

--Ft. Hall HQ/Elem School (ID)	<u>395,000</u>
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TOTAL PROJECTS ESTIMATED COST	\$14,460,000
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Project List and General Description

BUREAUWIDE

<u>Mitigation of Code Deficiencies</u>	<u>\$720,000</u>
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This program will concentrate resources for mitigating backlog deficiencies of building codes and/or regulations on a bureauwide basis. Items in this program are violations within the following codes: American National Standards Institute/National Fire Protection Association, and

the Uniform Building Codes. (The applicable educational facilities will be governed by the code requirements for existing education occupancies - Chapter II). This is a continuation of the program begun in the Aberdeen Area in FY 1988.

It is planned that this program will continue as an annual program for mitigation of currently identified deficiencies. Priorities are being established in order that the more serious problems are corrected first. Code compliance will also continue as a high priority in other multi-work-item FI&R projects.

Roof Repair/Replacement Program \$4,000,000

This program is planned to begin an annual program to reduce the backlog of deficiencies, to arrest associated deterioration, and to prevent adverse effects on programs housed.

This concentration of resources will provide for roof problems (which have been placed in priority order) to be corrected more quickly than previously. Other FI&R multi-work-item projects will continue to evaluate and correct serious roof problems as a part of those projects.

ABERDEEN AREA \$ 580,000

Ft. Totten (ND)
Turtle Mountain Elementary (ND)

ALBUQUERQUE AREA

Santa Fe Indian School (NM) 400,000

EASTERN AREA 275,000

(4 sites)
3 @ Miccosukee Agency (FL)
1 @ Cherokee Agency (NC)

MUSKOGEE AREA 350,000

Sequoyah (partial) (OK)

NAVAJO AREA 2,030,000

Window Rock (AZ)
Torreon (NM)
Tohatchi (NM)
Many Farms High School (repair) (AZ)
Shonto (AZ)
Toadlena (NM)
Cove (AZ)

PHOENIX AREA 365,000

Sherman (partial) (CA)
Fort Apache, Cibicue (AZ)
Hopi, Hotevilla (AZ)

TOTAL \$4,000,000

Construction Support (\$8,000,000)

Emergency Repair (\$500,000): These funds are administered by the Office of Facilities Management and are channeled through the Area Facilities Management Offices to the facility location for accomplishment of the work required. 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. The projects are completed via force account or emergency contract for the work involved. Examples include repairing or replacing mechanical and utility system components and correcting imminently hazardous safety conditions and fire or storm damage.

Boiler Repair (\$500,000): The bureau has approximately 2,600 heating/cooling systems (predominantly boilers). To insure the safe, proper, and effective use of these systems, 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 inspections.

The Boiler Repair Program is performed by the bureau's area and agency offices, with oversight provided by the Office of Facilities Management. (Routine maintenance of boilers is a part of the bureau's Operation and Maintenance Program, and not the FI&R program, but it is mentioned here to provide a total picture of the bureau's boiler-related activities.)

Minor Repair (\$2,800,000): These funds are administered by the Office of Facilities Management for safety deficiency mitigation and other related items, such as asbestos abatement in BIA and contract schools. Also included are other repair needs which can be accomplished at the local level with minimum engineering or design assistance, and which are beyond the scope of the Operation and Maintenance Program. In the prior two fiscal years, a major emphasis has been on the expanded use of minor repair funds to handle all known safety (S-1) problems and to begin a nationwide reduction of known code violations. These efforts will continue, where required, largely through the use of the minor repair program. Concentration is on repairs which, if not corrected, have the potential for developing into future safety deficiencies.

Advance Planning and Design (\$1,000,000): The number of previously designed projects which had been "shelved" has been reduced, and future construction will require new planning and design efforts. Funds in the amount of \$1 million for advance planning and design will be used to provide project working drawings and specifications for FI&R construction. When a project design is completed in advance, construction contracts can be awarded early in the fiscal year. In addition, projects are coordinated and phased to minimize classroom disruption and to allow for climatic considerations (e.g., northern states have a short construction season).

Demolition/Consolidation (\$1,000,000): Funds will be used for the space utilization/demolition program to identify and proceed with demolition of bureau facilities that are excess to needs and can be demolished. Often excess buildings have been abandoned due to uneconomical rehabilitation costs and are boarded up; however, they present a hazard to curious children, vagrants and others, and should be demolished.

The remaining amount of \$2,200,000 for Construction Support includes funds for project contingency (\$1,000,000); management and inspection (\$1,000,000); and equipment (\$200,000).

Justification for Construction

Account: Construction
 Activity: Irrigation Systems

<u>Program Elements</u>	(Dollar amounts in thousands)				
	FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Irrigation Construction	\$ 7,950	--	--	-7,950	--
Engineering and Supervision	\$ 2,038 (FTE) (51)	1,850 (51)	1,650 (51)	-388 (--)	-200 (--)
Surveys and Designs	\$ 500	--	50	-450	+50
Safety of Dams	\$ <u>5,000</u>	<u>--</u>	<u>5,510</u>	<u>+510</u>	<u>+5,510</u>
Total Requirements	\$ 15,488 (FTE) (51)	1,850 (51)	7,210 (51)	-8,278 (--)	+5,360 (--)

Objective: To develop water supplies by constructing the delivery and distribution systems needed to irrigate practicably irrigable Indian lands. This program provides a means by which Indians can put much of their valuable water to beneficial use.

Program Summary: The estimate of \$7,210,000 will provide \$5,510,000 to implement the safety of dams program, as directed by Secretarial Order No. 3048 of February 28, 1980; \$50,000 for surveys and designs to determine the need for rehabilitation work on existing irrigation projects; and \$1,650,000 for engineering and supervision.

Base Program:

Irrigation Construction:

Engineering and Supervision (\$1,850,000; FTE 51): This item includes funds for salaries, travel, and administrative and project management expenses associated with the irrigation, power, and safety of dams engineers and managers. Included are the conventional engineering-related activities, such as preparing engineering designs and specifications, construction management, and operation and maintenance functions. Most staff employees engaged in these activities are located in the 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.

Change from FY 1989 Base:

<u>Program Elements</u>	(Dollar amounts in thousands)		
	FY 1989 Base	FY 1989 Estimate	+/- Difference
Engineering and Supervision	\$ 1,850	1,650	-200
Safety of Dams	\$ --	5,510	+5,510
Surveys and Designs	\$ --	50	+50
TOTAL	\$ <u>1,850</u>	<u>7,210</u>	<u>+5,360</u>

Engineering and Supervision (-\$200,000): Reductions in engineering contracts for construction and rehabilitation of existing projects reflect a reduced level of engineering and supervision required.

Safety of Dams (+\$5,510,000): In recognition of the need to correct the dam safety deficiencies identified through the Safety Evaluation of Existing Dams program, the Assistant Secretary - Indian Affairs, on July 2, 1987, executed a Memorandum of Interagency Agreement with the Commissioner of Reclamation to identify those areas where Reclamation can provide technical expertise in the field of dam safety. These areas include, but are not limited to, conducting, preparing and/or directing the tasks required to produce inundation studies, downstream hazard assessments, onsite field examinations and reports, analyses of dam safety deficiencies, conceptual designs, final designs (including drawings, specifications, cost estimates, and design documentation), contract documents, and supervision of construction contracts for corrective actions (including construction inspection, administration, management, and other related dam safety activities). This Memorandum of Interagency Agreement supersedes the prior Memorandum of Understanding between Indian Affairs and Reclamation of May 5, 1978, which had been used to implement Secretarial Order 3048, dated February 28, 1980, issued in recognition of the need to address dam safety deficiencies.

Because of overall dam safety concerns throughout the department, a Dam Safety Task Force (DSTF) was established to develop departmentwide priorities for corrective actions for all Interior dams. Analyses by the DSTF have resulted in substantial changes in the FY 1987 and FY 1988 safety of dams work programs, reflecting the goal of the DSTF to improve coordination in the correction of safety problems at Interior dams. These changes will also establish a more rational progression of funding for the projects, and will result in more effective use of staff and funding resources. The current priorities are based solely on engineering factors. It is possible that the non-engineering factors, under certain circumstances, may influence the order of work as the implementation proceeds.

The summary of proposed Safety of Dams funding for FY 1989 is as follows:

High-hazard potential dams - intermediate inspections and evaluations	\$ 400,000
Low-hazard potential dams - inspections and evaluations, and program coordination	300,000
Corrective actions	<u>4,810,000</u>
TOTAL	\$5,510,000

- (1) High-hazard potential dams - intermediate inspections and evaluations (\$400,000): The intermediate inspections at 3-year intervals and the formal Safety Examination of Existing Dams (SEED) inspections at 6-year intervals constitute the ongoing inspection activity in the dam safety program. In FY 1988, fifteen structures were scheduled for intermediate inspection and evaluation.
- (2) Low-hazard potential dams - inspections, inventory, and program coordination (\$300,000): Inspections and evaluations of 246 low-hazard dams have not proceeded as rapidly as those for high-hazard dams. Funds are provided to continue this work in FY 1989. 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) Corrective actions (\$4,810,000):

- (a) Deficiency Verification Analysis Activities (\$1,060,000): Deficiency Verification Analysis activities, which include review of available design data, determination of field data requirements, collection of field data, analysis of field data, recommendation of design loading criteria, and recommendation for interim action, will be conducted on the following dams:

Jocko	\$ 350,000
Captain Tom	290,000
Picacho	290,000
Cutter	<u>130,000</u>
TOTAL	<u>\$1,060,000</u>

- (b) Conceptual Design Activities (\$1,790,000): These funds will be used for evaluation of various modification design concepts, preparation of appraisal level designs, and cost estimates of feasible alternatives for resolving the deficiencies to meet the design loading criteria selected by BIA. The funds will also be used to review environmental aspects of modification alternatives, such as preliminary environmental assessment of alternatives included with conceptual designs for the following dams:

McDonald	\$ 160,000
Lower Dry Fork	180,000
Rosebud	140,000
Round Rock	140,000
Crow Creek	140,000
Equalizer	160,000
Oglala	80,000
Standing Rock	140,000
Tufa Stone	140,000
Pablo	100,000
He Dog	150,000
Upper Dry Fork	160,000
Acomita	<u>100,000</u>
TOTAL	<u>\$1,790,000</u>

- (c) Final Design Activities (\$1,960,000): These funds will be used to complete the necessary environmental reviews and reports, determine final design data requirements, collect the design data, and prepare the final designs for the following dams:

Ganado	\$ 200,000
Black Rock	1,000,000
Dulce	40,000
Weber	400,000
Many Farms	100,000
Black Lake	<u>220,000</u>
TOTAL	<u>\$1,960,000</u>

Surveys and Designs (+\$50,000): Surveys and designs are required to provide the planning necessary for extension and rehabilitation of existing projects. Engineering, 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, inhouse capability is supplemented by contract.

Justification for Construction

Account: Construction
 Activity: Housing

Program Elements	(Dollar amounts in thousands)				
	FY 1988 Enacted To Date	FY 1989 Base	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988	Inc. (+) Dec. (-) From Base
Housing Development	\$ 2,820	2,694	2,694	-126	--
(FTE)	(80)	(80)	(80)	(--)	(--)
Housing Improvement Program	\$ 19,884	--	14,406	-5,478	+14,406
Housing Training	\$ 123	123	123	--	--
Total Requirements	\$ 22,827	2,817	17,223	-5,604	+14,406
(FTE)	(80)	(80)	(80)	(--)	(--)

Objective: To provide decent, safe, and sanitary housing for Indians in Indian communities.

Base Program:

1. Housing Development (\$2,694,000; FTE 80): The Housing Development component consists of bureau staff whose responsibilities are: (a) to implement, monitor, inspect and coordinate the Housing Improvement Program (HIP), especially with the Indian Health Service (IHS) sanitary facilities construction program; and (b) to a lesser extent, assist Indian tribes in working with other federal agencies-- Housing and Urban Development (HUD) and the Farmer's Home Administration (FmHA)-- involved in providing Indian housing. This assistance is provided in compliance with an Interdepartmental Agreement among HUD, IHS, and the BIA, which lists the bureau's responsibilities.

The Housing Development staff is responsible for carrying out the HIP directions, which consist of two main elements: (1) distribution of HIP funds on the basis of tribal inventory of housing needs and (2) implementation of a more cost-effective program. The implementation of a more cost-effective program will be accomplished by adequate monitoring and inspection and by performing the BIA housing administration and technical assistance functions. The housing staffing pattern that has been established to carry out these functions places heavier emphasis on personnel knowledgeable in standard construction practices, including engineering assessments, and includes a much greater emphasis on construction management experience, construction progress scheduling, cost accounting, architectural and engineering technical experience, and housing program development experience.

The proposed budget of \$2,694,000 reflects the amount needed to meet the staff operations and administrative costs to carry out the bureau's housing effort effectively.

2. Housing Training (\$123,000; FTE 0): 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.

Change from FY 1989 Base:

<u>Program Element</u>	(Dollar amounts in thousands)		
	<u>FY 1989</u> <u>Base</u>	<u>FY 1989</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Housing Improvement Program	\$ --	14,406	+14,406

3. Housing Improvement Program (+\$14,406,000; FTE 0): The Housing program requirements are based on the FY 1987 housing inventory. This inventory shows the following needs:

Service populations (families)	185,596
Less: Existing dwellings in standard condition	<u>-92,626</u>
Families in need of housing assistance: (total need)	92,970
Houses suitable for renovation to standard	(39,880)
New homes required	(53,090)

The primary responsibility for new home construction on Indian reservations lies with the Department of Housing and Urban Development (HUD). Although the bureau has done a limited amount of new unit construction in the past, it is proposed that this activity be suspended in 1989.

The funding requested for FY 1989 will be allocated among reservations/tribes in accordance with the distribution system implemented in FY 1986. The primary goal is to reduce or eliminate substandard housing on a planned basis, recognizing both priorities and available resources. This planned effort will achieve a balance between a sustained housing improvement effort in areas with larger needs, while rotating funds to complete the effort in areas with smaller needs.

The Housing Improvement Program is the major component of the bureau's housing program. It provides for renovations, repairs, or additions to existing homes. Two types of repair categories are used: (a) repairs to houses that will remain substandard but need repairs for the health and/or safety of the occupants; and (b) repairs to bring housing to standard condition.

The bureau's renovation effort is a key element in reducing the total cost of achieving the goal of eliminating substandard Indian housing. The program 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 the maximum housing possible. Under this arrangement, HIP generally provides the construction material while other programs, with the exception of the IHS program, furnish the necessary labor. During FY 1987, \$7,543,800 was contributed to the HIP in the form of labor and materials from other programs. This is an instance where several federal agencies/programs combine their resources and efforts to achieve their mutual goal, which, in this case, is to provide standard-condition housing for the target population.

The proposed budget of \$14,406,000 reflects a policy determination to hold new construction programs to a minimum and to focus on rehabilitation of existing housing in lieu of new construction.

The following chart shows the number of Indian housing units constructed and repaired from FY 1963 through FY 1987.

NEW HOMES CONSTRUCTED AND REPAIRS COMPLETED
FY 1963 through FY 1987

HUD ownership.....	38,462
HUD rental.....	25,527
Housing improvement, new homes.....	10,878
Flood rehabilitation.....	394
Built with judgment funds.....	794
Built with credit loans.....	2,782
Other.....	<u>8,611</u>
Total, New Homes.....	87,448
Housing improvement, repairs.....	67,812

The following is a detailed listing of funds contributed to HIP by other sources during FY 1986 and FY 1987.

<u>Source</u>	<u>FY 1986</u>	<u>FY 1987</u>
Indian Health Service.....	\$4,700,000	\$4,400,000
Tribal appropriated funding.....	107,500	440,000
Individuals (includes materials and labor costs).....	325,100	541,800
Department of Labor programs (JPTA, etc.)	368,200 <u>1/</u>	575,100 <u>1/</u>
Department of HHS (excludes IHS).....	-0-	266,000
Other (HUD, CDBG, FmHA, DOE, etc.).....	<u>1,601,600</u>	<u>1,320,900</u>
Total, other programs.....	\$7,102,400	\$7,543,800

1/ Department of Labor Mainstream and CETA programs have been replaced by the Jobs Partnership Training Act (JPTA). Some of the trainees in the JPTA Programs are working on HIP projects.

In FY 1987, the program was approximately 74% contracted, with the value of contracts amounting to \$14,708,000 out of the HIP funds of \$19,884,000.

Program Accomplishments: FY 1987 program accomplishments were 174 new units and 1,828 repairs. In Fiscal Years 1988 and 1989, it is estimated that the bureau will provide the following:

	<u>Actual</u> <u>FY 1987</u>	<u>Est.</u> <u>FY 1988</u>	<u>Est.</u> <u>FY 1989</u>
New	174	181	-0-
Repairs	1,828	1,773	1,698

The estimated FY 1989 BIA program accomplishments will meet approximately four percent of the overall long-term renovation needs.

The cost factors derived for FY 1988 HIP operations and for the FY 1989 proposed level are as follows:

	<u>Fiscal Year</u>	<u>Estimated Average Cost</u>	<u>No. of Units</u>	<u>Total Cost (\$ millions)</u> ^{1/}
Repairs to standard	1988	\$10,000	1,140	11,400,000
	1989	10,000	1,046	10,460,000
Non-standard repairs	1988	2,000	633	1,266,000
	1989	2,100	581	1,220,000
Down payments	1988	4,600	73	335,800
	1989	-0-	-0-	-0-
New construction	1988	36,000	108	3,888,000
	1989	-0-	-0-	-0-

1/ Detail may not compute exactly due to rounding.

Workload Data: The last column below shows FY 1989 workload data based on the proposed funding level:

	<u>Actual FY 1984</u>	<u>Actual FY 1985</u>	<u>Actual FY 1986</u>	<u>Actual FY 1987</u>	<u>Estimate FY 1988</u>	<u>Estimate FY 1989</u>
New house starts (HIP)	637	347	181	174	181	-0-
Repairs	4,058	2,487	1,636	1,828	1,773	1,698

Navajo/Hopi Housing Construction (\$-0-): No funds are requested for this construction in FY 1989. It is expected that the construction of housing and related infrastructure work will continue in FY 1989, with an additional 100 houses to be built. Within the remaining balances, however, \$1,449,000 is requested for non-housing activities, as follows:

1. Administration.....	\$ 115,000
2. Cadastral surveys and archeological and historic preservation compliance	950,000
3. Counseling.....	384,000
	<u>\$1,449,000</u>

During FY 1988, construction should begin and/or be completed on 133 homes on the new lands. Six production wells will be operational to serve new homes during the period prior to completion of the community water system being constructed by the Indian Health Service. Counseling services will be provided to 310 households.

The bureau will continue to work closely with the Navajo and Hopi Indian Relocation Commission to meet federal responsibilities under current law.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Programming and Financing (in thousands of dollars)

Identification Code: 14-2301 0-1-452	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
<u>Direct Program:</u>			
1. Buildings and utilities.....	45,092	35,000	35,000
2. Irrigation systems.....	10,727	25,000	18,000
3. Housing.....	23,677	38,000	22,000
4. Land acquisition.....	2,083	3,620	---
5. Fish hatcheries construction.....	---	1,500	---
Total direct program	81,579	103,120	75,000
<u>Reimbursable Program:</u>			
1. Buildings and utilities.....	326	100	100
2. Irrigation systems.....	46	500	500
Total reimbursable program.....	372	600	600
10.00 Total obligations.....	81,951	103,720	75,600
<u>Financing:</u>			
11.00 Offsetting collections from:			
Federal funds.....	-372	-600	-600
21.40 Unobligated balance available, start of year.....	-65,802	-61,092	-49,228
22.40 Unobligated balance transferred	26,732	16,968	---
24.40 Unobligated balance available, end of year.....	61,092	49,228	31,021
39.00 Budget Authority.....	103,601	108,225*	56,793
<u>Budget Authority:</u>			
40.00 Appropriation.....	88,601	83,225	56,793
42.00 Transferred from other accounts	15,000	25,000	---
43.00 Appropriation (adjusted).....	103,601	108,225	56,793
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	81,579	103,120	75,000
72.40 Obligated balance, start of year	82,638	77,215	66,884
74.40 Obligated balance, end of year..	-77,215	-66,884	-63,024
90.00 Outlays.....	87,002	113,451	78,860

*Does not add to exact total due to rounding.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Object Classification (in thousands of dollars)			
Identification Code: 14-2301-0-1-452	1987	1988	1989
	Actual	Estimate	Estimate
BUREAU OF INDIAN AFFAIRS			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	3,722	3,859	3,742
11.3 Other than full-time permanent..	352	400	400
11.5 Other personnel compensation....	49	50	50
11.8 Special personal services payments.....	86	---	---
11.9 Total personnel compensation....	4,209	4,309	4,192
Personnel benefits:			
12.1 Civilian.....	709	719	699
13.0 Benefits for former personnel...	3	5	5
21.0 Travel and transportation of persons.....	523	525	530
22.0 Transportation of things.....	110	120	125
23.2 Communications, utilities, and other rent.....	84	100	110
24.0 Printing and reproduction.....	15	20	25
25.0 Other services.....	26,443	40,542	26,515
26.0 Supplies and materials.....	1,100	1,500	1,600
31.0 Equipment.....	1,533	2,000	2,000
32.0 Lands and structures.....	38,821	42,000	28,000
41.0 Grants, subsidies, & contributions	3,366	3,500	4,000
99.0 Subtotal, direct obligations	76,916	95,340	67,801
Reimbursable obligations:			
25.0 Other services.....	372	600	600
ALLOCATION TO BUREAU OF RECLAMATION			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	417	381	395
11.3 Other than full-time permanent..	13	13	13
11.5 Other personnel compensation....	7	10	7
11.9 Total personnel compensation	437	404	415
Personnel benefits:			
12.1 Civilian.....	88	81	84
13.0 Benefits for former personnel...	3	6	3
21.0 Travel and transportation of persons.....	22	23	24
22.0 Transportation of things.....	5	8	5
23.1 Standard level user charges.....	24	24	20
23.2 Other rent.....	26	30	28
23.3 Communications and utilities....	13	20	20
24.0 Printing and reproduction.....	4	4	4
25.0 Other services.....	877	720	500
26.0 Supplies and materials.....	9	15	10
31.0 Equipment.....	5	6	5
32.0 Lands and structures.....	3,150	6,439	6,081
99.0 Subtotal, direct obligations, allocation account.....	4,663	7,780	7,199
99.99 Total obligations.....	81,951	103,720	75,600

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Personnel Summary (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1987 Actual	1988 Estimate	1989 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct:			
Total no. of full-time permanent positions.....	117	118	118
Total compensable workyears:			
Full-time equivalent employment.	130	131	131
Full-time equivalent of overtime and holiday hours.....	2	2	2
ALLOCATION TO BUREAU OF RECLAMATION			
Total no. of full-time permanent positions.....	10	9	9
Total compensable work years:			
Full-time equivalent employment...	10	10	10

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

[For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$1,000,000 for the Honobia Indian Road in Oklahoma, to remain available until expended: Provided, That not] 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.

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

Justification of Proposed Language Changes

1. Deletion: "For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$1,000,000 for the Honobia Indian Road in Oklahoma, to remain available until expended: Provided That not"

The language pertains specifically to funding to be provided in Fiscal Year 1988. The language is, therefore, no longer necessary.

2. Addition: "Not"

Since no preceding language is proposed, the word "not" requires capitalization.

Appropriation Language and Citations

Not to exceed 5 percentum 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
101 Stat. 145 (P.L. 100-17)

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 ..."

P.L. 100-17 (101 Stat. 145), the Surface Transportation and Uniform Relocation Assistance Act of 1987, provides funds from the Highway Trust Fund for Indian reservation roads to be used by the Secretary of the Interior.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: ROAD CONSTRUCTION

FY 1988 Budgetary Status

Appropriation realized.....	\$ 1,000,000
Prior year unobligated balance brought forward.....	10,611,000
Estimated collections during fiscal year.....	<u>6,300,000</u>
Total, Available for Obligation.....	\$17,911,000
Less anticipated obligations.....	<u>-12,300,000</u>

FY 1989 Request

Anticipated unobligated balance brought forward.....	\$ 5,611,000
Plus increases proposed:	
New Budget Authority.....	---
Estimated collections during fiscal year.....	<u>11,000,000</u>
Total available for obligation.....	\$16,611,000

Justification for Road Construction

Account: Road Construction
 Activity: Road Construction

(Dollar amounts in thousands)

		FY 1988	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1989	1989	Dec. (-)	Dec. (-)
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1988</u>	<u>From Base</u>
Road Construction	\$	1,000	--	--	-1,000	--
Equipment Pool						
Operations						
(Reimbursement)	(FTE)	(31)	(31)	(31)	(--)	(--)
Allocation From						
Federal Highway						
Administration	(FTE)	(502)	(502)	(526)	(+24)	(+24)

Objective: To provide roads on Indian reservations for safe and convenient transportation of people and goods.

Program Justification: Project Funds totaling \$80,000,000 are included in contract authority from the Highway Trust Fund (HTF) 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 the HTF contract authority. It includes 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 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 and from other bureau programs. Federal cost principles currently permit the bureau to establish equipment rental rates based on actual direct and indirect operating costs and include an allowance for depreciation. Charging rentals at rates based on these cost principles generates sufficient revenues to permit repair and replacement of existing equipment. Current rentals are estimated to be \$11,000,000 annually. Since equipment pools operate on reimbursement authority, no appropriation is required.

Thirty-one (31) FTE are financed from this account for the field equipment pool operations. All other program FTE (526) are expected to be available from the Federal Highway Administration (FHWA) allocation account to carry out work under the funding provided by FHWA. The Surface Transportation Assistance Act (23 U.S.C. 204(b)) provides: "No ceiling on Federal employment shall be applicable to construction or improvement of Indian reservation roads."

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Program and Financing (in thousands of dollars)

Identification Code: 14-2364-0-1-452	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
Direct program.....	---	6,000	5,611
Reimbursable program.....	3,682	6,300	7,300
10.00 Total obligations.....	3,682	12,300	12,911
<u>Financing:</u>			
Offsetting collections from:			
11.00 Federal sources.....	-4,104	-5,300	-6,300
14.00 Non-federal sources.....	-26	-1,000	-1,000
21.40 Unobligated balance available, start of year.....	-10,165	-10,611	-5,611
24.40 Unobligated balance available, end of year.....	10,611	5,611	---
<u>Budget Authority:</u>			
40.00 Appropriation.....	---	1,000	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	-447	6,000	5,611
72.40 Obligated balance, start of year	4,724	3,104	4,204
74.40 Obligated balance, end of year..	-3,104	-4,204	-7,715
90.00 Outlays.....	1,173	4,900	2,100

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Object Classification (in thousands of dollars)			
Identification Code: 14-2364-0-1-452	1987	1988	1989
	Actual	Estimate	Estimate
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	---	560	570
11.3 Other than full-time permanent..	---	131	132
11.5 Other personnel compensation....	---	58	58
11.9 Total personnel compensation....	---	749	760
12.1 Personnel benefits: Civilian...	---	92	94
21.0 Travel & transportation of persons	---	300	300
22.0 Transportation of things.....	---	10	10
23.0 Rents, communications, & utilities	---	600	600
24.0 Printing and reproduction.....	---	10	10
25.0 Other services.....	---	2,039	1,837
26.0 Supplies and materials.....	---	1,000	1,000
32.0 Lands and structures.....	---	1,200	1,000
99.0 Subtotal, direct obligations..	---	6,000	5,611
99.0 Subtotal, reimbursable oblig..	3,682	6,300	7,300
99.9 Total obligations.....	3,682	12,300	12,911

PERSONNEL SUMMARY

Total number of full-time permanent positions.....	76	28	28
Total compensable work years:			
Full-time equivalent employment....	84	31	31
Full-time equivalent of overtime and holiday hours.....	2	1	1

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	1987 Actual	1988 Estimate	1989 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
14-2203-0-1-452

MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals pursuant to Public Laws 98-500, 99-264, and 99-503, including funds for necessary administrative expenses, [~~\$13,340,000~~] \$13,955,000, to remain available until expended[: Provided, That], of which not to exceed [~~\$10,700,000~~] \$11,300,000 is made available to the Tohono O'Odham Nation for purposes authorized in the Gila Bend Indian Reservation Lands Replacement Act, Public Law 99-503.

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-2203-0-1-452

MISCELLANEOUS PAYMENTS TO INDIANS

Program and Performance

1. White Earth Reservation Claims Settlement Act (Public Law 99-264).--Funds in the amount of \$511,000 will be used to investigate and verify questionable transfers of land by which individual Indian allottees, or their heirs, were divested of ownership.
2. Old Age Assistance Claims Settlement Act (Public Law 98-500).--Funds will be used to identify, notify and compensate individuals entitled to compensation under this Act for unauthorized disbursement of \$50 or more made by the Department of the Interior to repay states and counties for old age assistance benefits received by Indian descendants during their lifetimes. Within the amounts provided \$144,000 is for program administration and \$2,000,000 is for payment of claims.
3. Gila Bend Indian Reservation Lands Replacement Act (Public Law 99-503).--Section 4 of this Act requires the Secretary of the Interior to pay to the Tohono O'Odham Nation \$10,000,000 in fiscal years 1988, 1989 and 1990 along with interest accrued from the date of enactment, conditioned upon the Nation assigning to the United States all right, title and interest of the Nation in 9,880 acres of land within the Gila Bend Indian Reservation. The estimate of \$1,300,000 in interest payments anticipates that the funds will be paid in October 1989.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS PAYMENTS TO INDIANS

Program and Financing (in thousands of dollars)

Identification Code: 14-2203-01-452	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
1. White Earth Act Administration....	---	500	511
2. Old Age Assistance Act.....	---	2,140	2,144
3. Gila Bend Lands Replacement.....	---	10,700	11,300
10.00 Total obligations.....	---	13,340	13,955
<u>Financing:</u>			
40.00 Budget Authority (appropriation)	---	13,340	13,955
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	13,340	13,955
72.40 Obligated balance, start of year	---	---	1,174
74.40 Obligated balance, end of year..	---	-1,174	-1,228
90.00 Outlays.....	---	12,166	13,901

Object Classification

<u>Personnel Compensation:</u>			
11.1 Full-time permanent.....	---	543	557
11.3 Other than full-time positions..	---	23	23
11.9 Total personnel compensation.	---	566	580
12.1 Civilian personnel benefits.....	---	91	93
21.0 Travel & transportation of persons.....	---	45	47
23.2 Communications, utilities, and other rent.....	---	48	50
25.0 Other services.....	---	11	11
26.0 Supplies and materials.....	---	19	20
31.0 Equipment.....	---	60	63
41.0 Grants, subsidies, and contributions.....	---	12,500	13,091
99.0 Total obligations.....	---	13,340	13,955

Personnel Summary

Total number of permanent position....	---	26	26
Total compensable work years:			
Full-time equivalent employment.....	---	29	29
Full-time equivalent of overtime....	---	1	1

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-2204-0-1-452

PAYMENT TO WHITE EARTH ECONOMIC DEVELOPMENT AND TRIBAL GOVERNMENT FUND

These payments to the White Earth Economic Development and Tribal Government Fund were made pursuant to section 12 of Public Law 99-264, dated March 24, 1986, the White Earth Reservation Land Settlement Act of 1985, and Public Law 100-153, signed November 5, 1987, the Indian Law Technical Amendments Act.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 PAYMENT TO WHITE EARTH ECONOMIC DEVELOPMENT AND TRIBAL GOVERNMENT FUND

<u>Program and Financing (in thousands of dollars)</u>			
<u>Identification Code:</u>	1987	1988	1989
14-2204-01-452	Actual	Estimate	Estimate
<u>Program by activities:</u>			
10.00 Total obligations			
(Object class 41.0).....	6,600	59	---
<u>Financing:</u>			
40.00 Budget authority (appropriation)	6,600	59	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	6,600	59	---
90.00 Outlays.....	6,600	59	---

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] 115 shall be for replacement only.

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

Appropriation Language and Citations

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..."

JUSTIFICATION

Appropriation: Operation of Indian Programs

Activity: Education

Vehicles: School buses - various sizes, 15 for replacement.

Activity: Law Enforcement

Vehicles: Sedans fully equipped for police work, 35 new vehicles and 100 for replacement, at a cost of \$15,000 per vehicle, required to carry out law enforcement throughout the Bureau.

Summary of Proposed Acquisition of Certain Types of Vehicles, FY 1989

Type	Total	New	Replacement
Police	135	35	100
School Buses	15	0	15

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
FY 1989

Program Title: Miscellaneous Permanent 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 Treaty of November 11, 1794 and the Act of February 25, 1979 (1 Stat. 618, 619).
- 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 (11 Stat. 729).
- 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 1987 is \$3,921.90. 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 - \$18,000,000. 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 other irrigation systems on Indian lands included and benefitted; repair of flood damage; etc. The various projects located on Indian reservations are thus maintained in good operation, permitting the facilities constructed by the government to be 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 Appropriations Act (P.L. 98-146, dated November 4, 1983), collections are invested in interest-bearing securities until required for project operations.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-9925-0-2-999
MISCELLANEOUS PERMANENT 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 (Treaty 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 are available to pay assessments made against each such tract. (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821.)

3. Power Systems, Indian Irrigation Projects - \$28,000,000. 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 hydrogenerating plants; a diesel power generating plant; transmission lines; distribution systems and pumping plants for the use of each project irrigation system; the 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 Reservation) in many instances is the only source of electrical energy available to the consumers. Approximately 521 million kilowatt-hours are transmitted over all projects. Annually, the distribution systems serve approximately 27,800 domestic and commercial 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 Appropriations 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).

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
1. Claims and Treaty Obligations...	1,048	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	15,918	16,000	16,000
3. Power Systems, Indian Irrigation Projects.....	24,894	25,000	25,000
4. Lummi Indian Diking Project.....	22	---	---
10.0001 Total Obligations.....	41,882	43,000	43,000
<u>Financing:</u>			
21.4001 Unobligated balance available, start of year.....	-32,201	-37,031	-42,031
24.4001 Unobligated balance available, end of year.....	37,031	42,031	47,031
60.0001 Budget authority appropriation (Permanent, indefinite).....	46,712	48,000	48,000
<u>Relation of obligations to outlays:</u>			
71.0001 Obligations incurred, net....	41,882	43,000	43,000
72.4001 Obligated balance, start of year.....	7,847	8,804	11,004
74.4001 Obligated balance, end of year	-8,804	-11,004	-13,204
90.0001 Outlays.....	40,925	40,800	40,800
<u>Distribution of budget authority by account:</u>			
1. Claims and Treaty Obligations...	1,048	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	17,658	18,000	18,000
3. Power Systems, Indian Irrigation Projects.....	28,006	28,000	28,000
Total.....	46,712	48,000	48,000
<u>Distribution of outlays by account:</u>			
1. Claims and Treaty Obligations...	1,122	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	16,160	15,300	15,300
3. Power Systems, Indian Irrigation Projects.....	23,643	23,500	23,500
Total.....	40,925	40,800	40,800

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS PERMANENT APPROPRIATIONS

Object Classification (in thousands of dollars)			
Identification Code: 14-9925-0-2-999	1987	1988	1989
	Actual	Estimate	Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	8,510	9,361	9,455
11.3 Other than full-time positions..	2,218	2,240	2,262
11.5 Other personnel compensation....	611	617	923
11.8 Spec. per. svcs. payments.....	---	---	---
11.9 Total personnel compensation..	11,339	12,218	12,640
Personnel Benefits:			
12.1 Civilian.....	1,761	1,779	1,797
21.0 Travel & transportation of persons.....	180	180	180
22.0 Transportation of things.....	418	418	418
23.2 Communications, utilities, and other rent.....	9,171	9,171	9,171
24.0 Printing and reproduction.....	4	4	4
25.0 Other services.....	2,328	2,549	2,109
26.0 Supplies and materials.....	12,231	12,231	12,231
31.0 Equipment.....	2,028	2,028	2,028
32.0 Lands and structures.....	125	125	125
41.0 Grants, subsidies, and contributions.....	2,297	2,297	2,297
99.9 Total obligations.....	41,882	43,000	43,000

Personnel Summary

Total number of permanent positions...	369	369	369
Total compensable work years.....	410	410	410
Full-time equiv. of overtime and holiday hours.....	8	8	8

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	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
10.00 Total Obligations.....	6,985	7,100	7,000
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	-3,052	-2,757	-2,657
24.40 Unobligated balance available, end of year.....	2,757	2,657	2,657
60.00 <u>Budget authority</u>	6,690	7,000	7,000
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	6,985	7,100	7,000
72.40 Obligated balance, start of year.....	3,162	1,794	1,894
74.40 Obligated balance, end of year	-1,794	-1,894	-1,894
90.00 Outlays.....	8,353	7,000	7,000

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	1987 Actual	1988 Estimate	1989 Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	607	607	607
11.3 Other than full-time positions.	2,486	2,486	2,486
11.5 Other personnel compensation...	43	43	43
11.9 Total personnel compensation.	3,136	3,136	3,136
Personnel Benefits:			
12.1 Civilian.....	342	342	342
21.0 Travel & transportation of persons.....	46	50	50
22.0 Transportation of things.....	39	40	40
24.0 Printing and Reproduction.....	1	0	0
25.0 Other services.....	1,520	1,600	1,500
26.0 Supplies and materials.....	1,075	1,087	1,087
31.0 Equipment.....	76	65	65
32.0 Lands and structures.....	747	780	780
42.0 Insurance Claims and Indemnities.....	2	0	0
44.0 Refunds.....	1	0	0
99.9 Total obligations.....	6,985	7,100	7,000

Personnel Summary

Total number of permanent positions..	113	99	99
Total compensable work years.....	110	110	110
Full-time equiv. of overtime and holiday hours.....	3	2	2

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

(Dollar amounts in thousands)	FY 1988 Enacted to Date	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988
Revolving Fund for Loans \$	-0-	-0-	-0-

Revolving Fund for Loans: FY 1988: -0-; FY 1989: -0-, 0 FTE.

The budget justification for the bureau's direct loan program should be read in conjunction with the Indian Direct Loan Subsidies account proposed by the Federal Credit Reform Act of 1988.

Objective: The Indian Financing Act of 1974 (P.L. 93-262) combined three separate accounts into one fund and authorized appropriations of \$50 million for the fund, bringing to \$76.5 million the total authorization of the fund.

From 1975 to 1987, \$136.4 million has been loaned from the fund. A total of 91 new tribal enterprises were started at an average cost of \$446,634. A breakdown by area and purpose is included in Table I. The FY 1988 program will provide \$13.0 million in direct loans to Indian tribes and organizations, individual Indians, and Alaskan 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 expert assistance to tribes in the preparation and litigation of claims pending before the Court of Claims.

Over the history of the program, \$218.7 million has been loaned with \$12.4 million of the principal written off, about 5.7 percent of total loans. A \$5 million loan was transferred from another fund. Interest in the amount of \$58.2 million has been earned in this program. As of September 30, 1987, outstanding loans totaled \$107.7 million. Delinquent payments total \$13.1 million, or about 12% of loans outstanding.

In FY 1989, the bureau will make an estimated \$13.0 million in loans, which will be funded by collections during the year. These loans are shown in schedules under the Indian Direct Loan Subsidies account. That fund is being established under the Federal Credit Reform Act of 1988 proposed legislation. Additional funds will be requested to pay the subsidy costs associated with selling these loans to the private sector. The subsidy is the difference between the selling price and the amount loaned.

SUMMARY OF ACTIVITY - REVOLVING FUND FOR LOANS
 BUREAU OF INDIAN AFFAIRS
 Through September 30, 1987

	<u>Collections</u>			<u>Loans</u>	
	<u>Loaned</u>	<u>Principal</u>	<u>Interest</u>	<u>Cancelled</u>	<u>Outstanding</u>
Through 09/30/86	\$207,991,158	\$93,296,777	\$52,730,534	\$9,412,619	<u>\$105,281,762</u>
FY 1987	<u>10,706,758</u>	<u>5,208,654</u>	<u>5,463,747</u>	<u>3,034,678</u>	
Through 9/30/87 Cumulative	<u>\$218,697,916</u>	<u>\$98,505,431</u>	<u>\$58,194,281</u>	<u>\$12,447,297</u>	<u>\$107,745,188</u>

Comparison of Fund Balances
 FY 1986 and FY 1987

	<u>General Fund</u>	<u>Expert Assistance</u>	<u>Total</u>
Through 09/30/86	<u>6,146,980</u>	<u>1,384,758</u>	<u>7,531,738</u>
Through 09/30/87	<u>7,065,559</u>	<u>1,535,236</u>	<u>8,600,795</u>

TABLE I

REVOLVING FUND FOR LOANS
 Funds Allotted to Areas by Purpose
 Selected data for FY 1975-1987
 (in thousands of dollars)

AREA	RELENDING	TRIBAL ENTERPRISES		LAND	COOPERATIVES & INDUSTRIAL	CREDIT ASSOCI- ATIONS	DIRECT TO INDIVIDUALS	TOTAL
		New	Existing					
Aberdeen	\$6,192.0	\$6,023.5	\$10,798.8	\$1,445.0			\$5,568.1	\$ 30,027.4
Albuquerque	900.0	3,924.8	4,421.0	1,470.0			3,649.2	14,365.0
Anadarko		1,550.7	467.6	840.7			684.8	3,543.8
Billings	4,715.0	1,513.4	1,530.0	3,268.0		70.0	1,642.7	12,739.1
Eastern	810.0	975.0	1,079.4				976.8	3,841.2
Juneau	2,215.0	7,321.0	1,687.0		\$1,643.7	\$300.0		13,166.7
Minneapolis	1,000.0	3,418.3	2,625.2	1,440.0			1,036.1	9,519.6
Muskogee		1,175.0	429.9			3,110.0	1,768.9	6,483.8
Navajo		2,700.0	946.4					3,646.4
Phoenix	1,500.0	4,818.0	5,445.0	190.0		500.0	625.4	13,078.4
Portland	1,675.0	6,997.0	5,930.6	4,973.7	13.6		4,467.9	24,057.8
Sacramento		227.0					1,661.0	1,888.0
TOTALS	\$19,007.0	\$40,643.7*	\$35,360.9	\$13,627.4	\$1,657.3	\$3,980.0	\$22,080.9	\$136,357.2

*91 new tribal enterprises were started at an average cost of \$446,634.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

During Fiscal Year [1988] 1989, 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 [resources and authority available] \$13,000,000.

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

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 funds to be appropriated, 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 revolving loan fund for the Navajo and Hopi Indians.

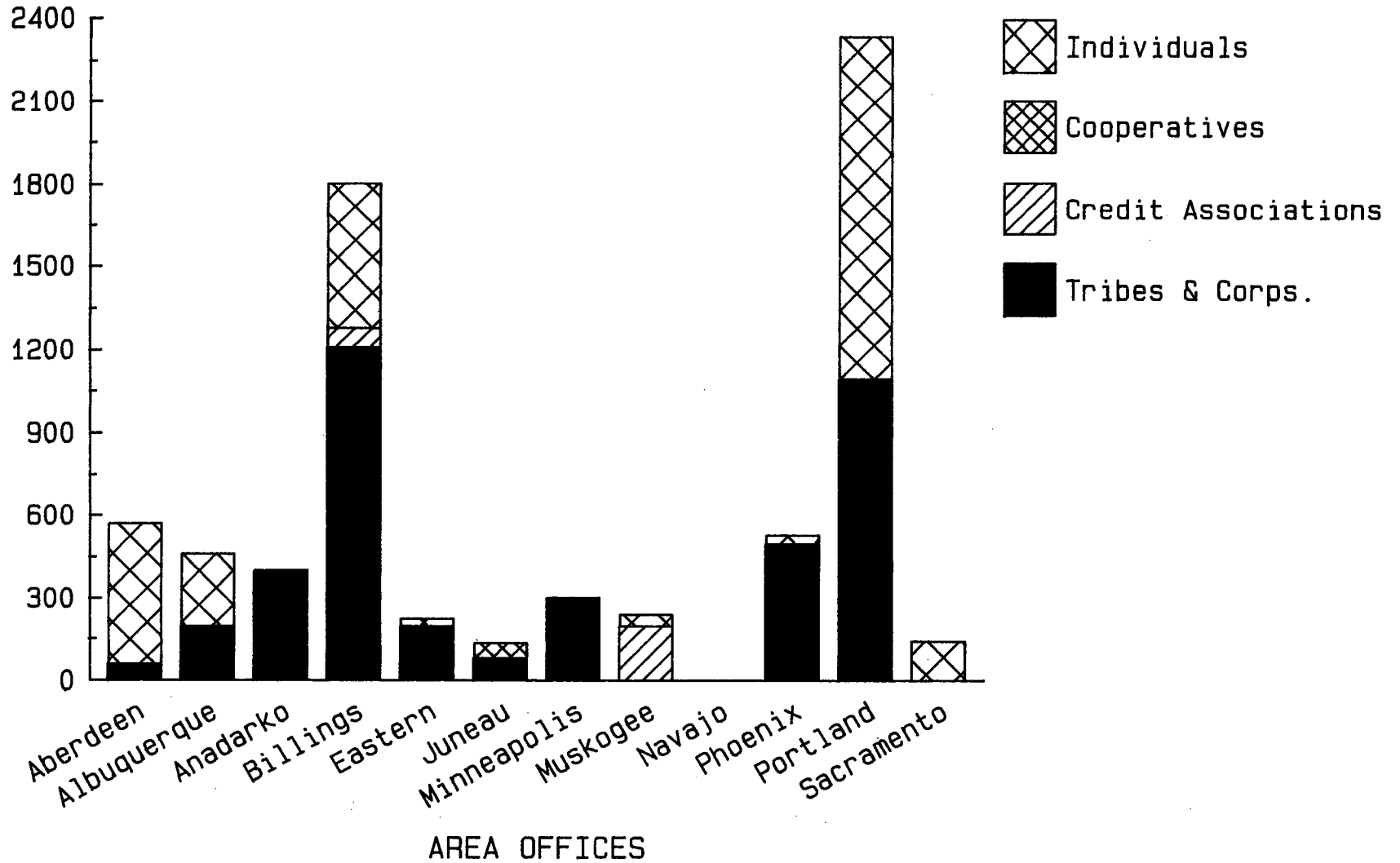
25 U.S.C. 70n-1: Authorized to be appropriated the sum of \$1,800,000 for the establishment of a revolving fund from which the Secretary of the Interior may make loans to Indian tribes and bands and to other identifiable groups of American Indians for use in obtaining expert assistance for the preparation 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 (1) an additional \$50,000,000 of which \$41,000,000 has been appropriated; (2) administration as a single Indian Revolving Loan Fund, with sums from diverse sources; and (3) availability of funds for loans to Indians and for administrative expenses.

REVOLVING FUND FOR LOANS

FY 1987 ALLOTMENTS

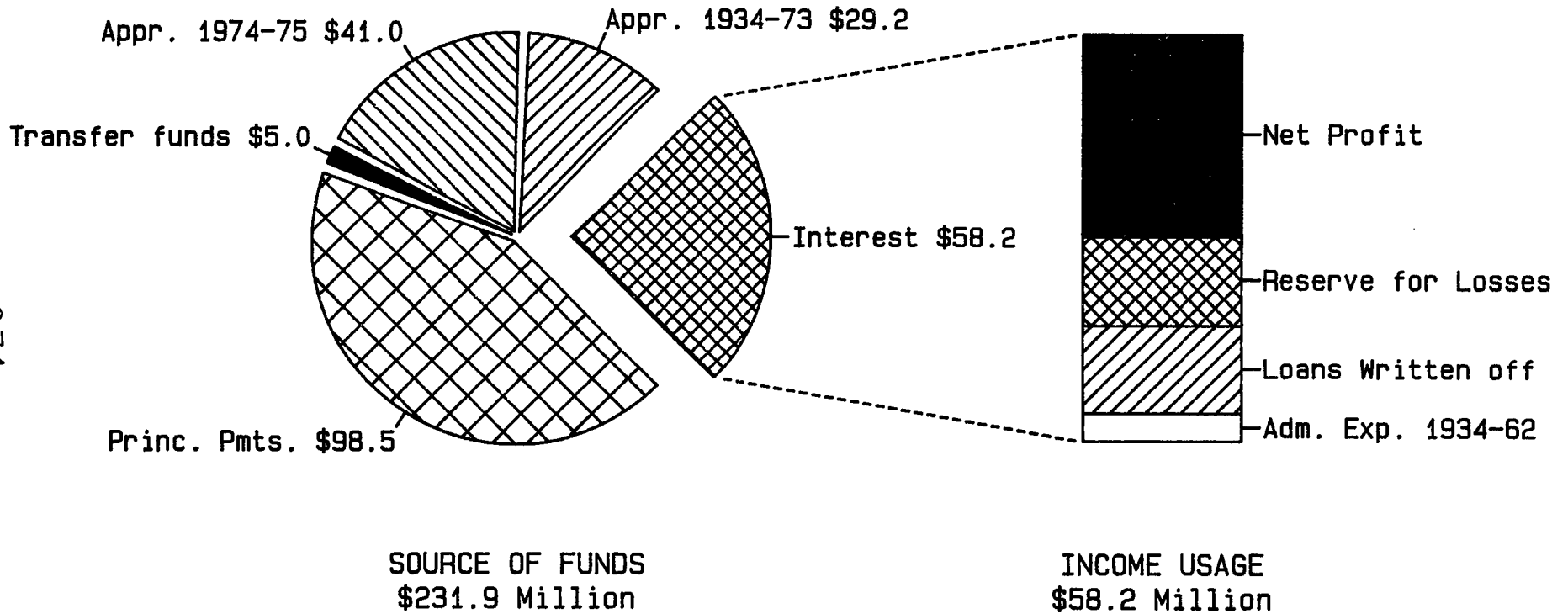
\$ THOUSANDS



BIA - 270

REVOLVING FUND FOR LOANS FUNDING SOURCES FOR \$218.7 MILLION IN LOANS

BIA-271



1934-73 Appropriations include Expert Assistance
1974-75 Appropriations Indian Financing Act

REVOLVING FUND FOR LOANS
Program and Performance

This fund, established by the Indian Financing Act of 1974, as amended by the Indian Financing Act Amendments of 1984, provides a source of financing for Indians who are unable to 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 enterprises. 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

Program and Financing (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities</u>			
10.00 Total obligations (obj. class 33.0)	7,469	13,000	13,000
<u>Financing:</u>			
14.00 Offsetting collections from Non-Federal sources:			
Collections on loans.....	-4,486	-5,200	-5,475
Revenues.....	-5,484	-6,200	-6,575
21.98 Unobligated balance available, start of year: Fund balance..	-3,414	-5,915	-4,315
24.98 Unobligated balance available, end of year: Fund balance....	5,915	4,315	3,365
39.00 <u>Budget Authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	-2,501	1,600	950
72.98 Obligated balance, start of year: Fund balance.....	4,117	2,685	1,200
74.98 Obligated balance, end of year: Fund balance.....	-2,685	-1,200	-1,360
90.00 Outlays.....	-1,069	3,085	790

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	1987 Actual	1988 Estimate	1989 Estimate
<u>Position with respect to limitation on obligations:</u>			
1111 Limitation on direct loans to the public.....	16,320	---	13,000
1112 Unused balance of limitation expiring.....	-8,851	---	---
1131 Direct loan obligations exempt from limitation.....	---	13,000	---
1150 Total direct loan obligations..	7,469	13,000	13,000
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	106,306	108,372	114,557
1231 New loans: Disbursements for direct loans.....	9,586	14,485	13,000
1251 Repayments: Repayments and prepayments.....	-4,485	-5,200	-5,875
1262 Adjustments: Write-offs for default.....	-3,035	-3,100	-3,200
1290 Outstanding, end of year.....	108,372	114,557	118,482

Revenue and Expense (in thousands of dollars)

<u>Loan Program</u>			
Revenue.....	5,484	6,200	6,575
Expenses.....	---	-3,100	-3,200
Net operating income, total	5,484	3,100	3,375

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

FINANCIAL CONDITION (in thousands of dollars)

	FY 1986	FY 1987	FY 1988	FY 1989
<u>Assets:</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Fund balance with Treasury.....	7,532	8,601	5,515	900
Accounts receivables.....	729	45	---	---
Loans receivable, net.....	<u>90,905</u>	<u>96,004</u>	<u>102,235</u>	<u>110,225</u>
Total assets.....	<u>99,166</u>	<u>104,650</u>	<u>107,750</u>	<u>111,125</u>
 <u>Liabilities:</u>				
Selected liabilities, accounts payable	4,847	2,730	1,200	900
 <u>Government equity:</u>				
Selected equity Unexpended budget authority:				
Unobligated balance.....	3,414	5,916	4,315	0
Invested capital.....	<u>90,905</u>	<u>96,004</u>	<u>102,235</u>	<u>110,225</u>
Total Government equity.....	<u>94,319</u>	<u>101,920</u>	<u>106,550</u>	<u>110,225</u>
 <u>Analysis of Changes in Government Equity:</u>				
Paid in capital:				
Opening balance.....		75,282	75,282	75,282
Closing balance.....		<u>75,282</u>	<u>75,282</u>	<u>75,282</u>
Retained income:				
Opening balance.....		23,884	29,368	32,468
Transactions: Net operating income		<u>5,484</u>	<u>3,100</u>	<u>3,375</u>
Closing balance.....		<u>29,368</u>	<u>32,468</u>	<u>35,843</u>
Total Government equity end of year..		<u>104,650</u>	<u>107,750</u>	<u>111,125</u>

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 REVOLVING FUND FOR LOANS

Program and Financing (in thousands of dollars)			
Identification Code: 14-4409-6-3-452	1987 Actual	1988 Estimate	1989 Estimate
Program by activities:			
10.00 Total obligations.....	---	---	-13,000
Financing:			
Offsetting collections from:			
Non-Federal sources:			
14.00 Collections of loans.....	---	---	400
24.98 Unobligated balance available, end of year.....	---	---	12,600
39.00 Budget authority.....	---	---	---
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	---	---	-12,600
90.00 Outlays.....	---	---	-12,600

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 REVOLVING FUND FOR LOANS

Status of Direct Loans (in thousands of dollars)

Identification Code: 14-4409-6-3-452	1987 Actual	1988 Estimate	1989 Estimate
Position with respect to appropriation act limitations on commitments:			
1111 Limitation on direct loans to the public.....	---	---	-13,000
1150 Total direct loan obligations.....	---	---	-13,000

1231 Disbursements: Direct loan disbursements.....	---	---	-13,000
1251 Repayments: Repayments and prepayments.....	---	---	400
1290 Outstanding, end of year.....	---	---	-12,600

Note: Changes proposed by Federal Credit Reform Act of 1988

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN DIRECT LOAN SUBSIDIES

(Dollar amounts in thousands)	FY 1988 Enacted to Date	FY 1989 Estimate	Inc. (+) Dec. (-) From 1988
Indian Direct Loan Subsidies	-0-	3,175	+3,175

Indian Direct Loan

Subsidies: FY 1989, \$3,175,000; 0 FTE

Based on the Federal Credit Reform Act of 1988, which will be submitted to Congress by OMB, funds are requested to pay the subsidy costs associated with selling direct loans to the private sector. The subsidy is the difference between the selling price and the amount loaned. \$3,175 million is the amount to be paid to the Federal Credit Revolving Fund for these subsidies.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN DIRECT LOAN SUBSIDIES

Program and Financing (in thousands of dollars)			
Identification Code: 14-2627-0-1-452	1987 Actual	1988 Estimate	1989 Estimate
Program by activities:			
Direct program:			
00.01 Direct loans.....	---	---	3,175
10.00 Total obligations.....	---	---	3,175
Financing:			
40.00 Budget authority (appropriation).....	---	---	3,175

Relation of obligations to outlays:			
71.00 Obligations incurred, net..	---	---	3,175
90.00 Outlays.....	---	---	3,175

The schedule shows the effects of the Credit Reform Act of 1988, for which legislation is proposed for later transmittal.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN DIRECT LOAN SUBSIDIES

STATUS OF DIRECT LOANS (in thousands of dollars)

Identification Code: 14-2627-0-1-452	1987 Actual	1988 Estimate	1989 Estimate
Position with respect to appropriation act limitations on obligations:			
1111 Limitation on direct loans to the public.....	---	---	13,000
1150 Total direct loan obligations...	---	---	13,000

Cumulative balance of direct loans outstanding:			
1231 Disbursements: Direct loan disbursements.....	---	---	13,000
1251 Repayments and prepayments.....	---	---	-400
1290 Outstanding, end of year.....	---	---	12,600

Estimate of direct loan subsidy:			
1320 Subsidy amount (in percent).....	---	---	244
1330 Subsidy amount (in thousands of dollars).....	---	---	3,175

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.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 Liquidation of Hoonah Housing Project Revolving Fund

Program and Financing (in nearest dollar)

Identification Code: 14-4320-0-3-452	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
10.00 Total Obligations (Object Class 42.0).....	---	---	---
<u>Financing:</u>			
21.98 Unobligated balance available,.. start of year: Fund balance.....	-260	---	---
25.00 Unobligated balance lapsing.....	260	---	---
39.00 Budget authority.....	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	-213	---	---
72.98 Obligated balance, start of year	1,515	---	---
74.98 Obligated balance, end of year..	---	---	---
90.00 Outlays.....	1,302	---	---

BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

(Dollar amounts in thousands)	FY 1988		Inc. (+)
	Enacted	FY 1989	Dec. (-)
	to Date	Estimate	From 1988
Loan Guaranty and Insurance Program	\$ 3,085	2,618	-467

Loan Guaranty and Insurance Program: FY 1988, \$3,085,000; FY 1989, \$2,618,000; 0 FTE.

This budget justification for the bureau's guaranty program should be read in conjunction with the Indian Guaranty Loan Subsidies account.

Objective: The Indian Loan Guaranty and Insurance Fund was established pursuant to the Indian Financing Act of 1974 (IFA) and amended by the Indian Financing Act Amendments of 1984 (P.L. 98-449). Those amendments authorize annual appropriations for: interest subsidy, management and technical assistance, and losses on defaulted loans. The purpose of the fund is to provide access to private money sources by guaranteeing or insuring loans which otherwise would not be available to Indian tribes and organizations, individual Indians, and Alaska Natives for economic development purposes. The first loan guaranty under the program was approved in August 1975. As of September 30, 1987, guarantees were approved on 321 loans totaling \$254.3 million. The breakdown by fiscal year and current status is shown in Table I.

Interest Subsidies: 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. Under the Indian Financing Act Amendments of 1984, subsidy funds will be requested and obligated on a yearly basis for new loans. It is estimated that \$2.118 million will be necessary for interest subsidies in FY 1989 to support loans approved since passage of the amendments. From 1976 to 1987, borrowers have paid lending institutions \$38.2 million in principal, and \$50.5 million in interest, a total of \$88.7 million. The bureau has paid \$10.6 million in interest subsidies to support these loans.

Management and Technical Assistance: The Indian Financing Act of 1974, as amended, authorized funds to be used to provide competent management and technical assistance for economic enterprises through cooperation with the Small Business Administration and other federal agencies. Contracts with private organizations to provide such services and assistance are also authorized. Management and technical assistance can also be provided on a local basis, with funds transferred to the areas for these purposes. Examples of past assistance include: training of tribal members to operate businesses, analyses of finances and worth of enterprises proposed for purchase or for expansion, feasibility studies for marketing new products, examination of methods to increase financial return, market analyses, loan packaging, and business plans. Assistance is also provided for established businesses funded under the IFA for problems that surface after the business is in operation.

Losses on Defaulted Loans: A reserve for losses is maintained to pay defaulted guaranteed loans. As of September 30, 1987, \$17.8 million has been paid for defaulted loans since 1975. However, loss claims totaling \$17.3 million are pending settlement. At the end of FY 1989, it is estimated that the bureau will have a \$2.0 million reserve for losses. Outstanding loans will total \$187.0 million, with a contingent liability of \$162.4 million. These figures assume passage of

the Credit Reform Act of 1988. Loan activity for FY 1989 is shown under the Indian Guaranteed Loan Subsidies portion of the budget.

Collections during FY 1989 are estimated at \$0.8 million from premiums on guaranteed loans, and \$16.4 million from sale of assets acquired in liquidation and loan repayments, making an estimated \$17.2 million available for programming for administrative expenses, interest subsidies and to support the reserve for losses. (This assumes default and sale of one major loan that is shaky.) There will be \$2.8 million available carryover funds from fiscal year 1988.

Information on loans guaranteed as of September 30, 1987, since 1975, is as follows:

Total number of loans	321
Loans to: Indian tribes	<u>99</u>
Indian-owned corporations	69
Indian individuals	153

Lenders approved for participation in the program	255
---	-----

Loans: Outstanding	173
Paid Off	73
Defaulted	56

Total payout for the defaulted loans -including interest (7.6% of the total dollar amount guaranteed to September. See Table II): \$17.8 million

Of the 56 loans defaulted:

Repaid either by the borrower or liquidation	4
Cancelled	18
Repaying	4
In process of settlement	<u>30</u>
	56

Program Proposal: A \$45.0 million loan guaranty program is proposed for FY 1989 under the Indian Guaranteed Loan Subsidies account. Subsidies to support that amount of loans are included in the schedules accompanying it. To support loans guaranteed for FY 1985 through 1988, \$2.118 million is estimated to be needed for interest subsidies. The FY 1988 and proposed 1989 budgets are as follows (dollars in thousands):

	<u>FY</u> <u>1988</u>	<u>FY</u> <u>1989</u>
Interest Subsidies	\$2,585	\$2,118
Management and Technical Assistance	500	500

Proposed bill language has been included with the budget to phase out the interest subsidy payments for guaranteed loans after the fifth year of the loan. Providing interest subsidies in addition to the federal guaranty essentially doubles the subsidies for these loans. As the initial interest subsidies would continue to be provided, there should be no adverse impacts on borrowers. The phase-out of the subsidies would reduce the implicit subsidy for the guaranteed loans to a level more commensurate with that provided under the Revolving Loan Program.

TABLE I

LOAN GUARANTY ACTIVITY
FY 1976 - FY 1987

<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	19	5	7	7
1977	44	42,872,532					
+ Mod. <u>a/</u>	3	333,211	15	15	7	3	7
*1978	13	8,266,875					
+ Mod. <u>a/</u>	3	129,585	5	7	2	1	1
1979	6	1,589,000					
Additional loan <u>b/</u>		624	1	2			3
1980	1	8,500,000					
Additional loan <u>b/</u>		10,094		1			
1981	1	1,000,000					
1982	8	25,880,000	2	3			3
1983	14	12,953,869	3	3	1	1	6
Additional loan <u>c/</u>		800,000					
1984	35	18,789,448	4	2	2	3	24
Additional loan <u>c/</u>		203,900					
1985	47	31,603,258	6	2	2	2	35
Additional loans <u>c/</u>		10,123,457					
1986	27	37,210,046					
Modifications <u>c/</u>		188,065		1	1		25
1987	61	38,875,593					
Modifications <u>c/</u>		87,818					<u>61</u>
Total	321	\$254,280,780	56	56	20	17	172
NEW	(315)						
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, 1987

AREA	NO.	FACE AMOUNT	NO.	CURRENT	AMOUNT WHEN		MODIFIED OR		GUARANTY	
				AMOUNT	NO.	AMOUNT	NO.	PAID OFF	NO.	AMOUNT
Aberdeen	55	13,867,954	34	6,604,203	8	3,039,654	11	2,724,070	2	792,800
Albuquerque	25	26,794,762	11	23,351,419	4	906,569	8	1,041,441	2	81,000
Anadarko	33	3,842,427	9	1,570,135	11	492,828	10	635,024	3	833,531
Billings	32	15,372,716	17	6,759,023	7	5,306,844	7	1,524,000	1	299,312
Eastern	28	34,770,474	19	26,404,966	5	2,388,372	4	4,839,709		129,291
Juneau	15	45,679,000	8	33,262,643	1	5,652,205	3	11,618	3	3,348,382
Minneapolis	24	22,237,490	12	19,981,062	5	134,115	7	1,249,935		24,816
Muskogee	17	3,637,451	4	2,046,840	6	874,875	4	211,329	3	278,611
Navajo	8	48,675,000	6	22,719,716			1	8,500,000	1	8,200,000
Phoenix	7	11,597,000	2	8,038,243	1	13,308	3	1,641,154	1	1,364,846
Portland	72	26,563,066	47	17,215,416	6	326,716	15	4,225,392	4	3,194,302
Sacramento	5	1,243,440	3	918,191	2	110,072				
TOTALS	321	254,280,780	172	168,871,857	56	19,245,558	73	26,603,672	20	18,546,891
(Percent)		(100)*		(66.4)		(7.6)		(10.5)		(7.3)

*\$21,012,802 in repayments on current loans or 8.2% needs to be included in order to total 100.0%

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

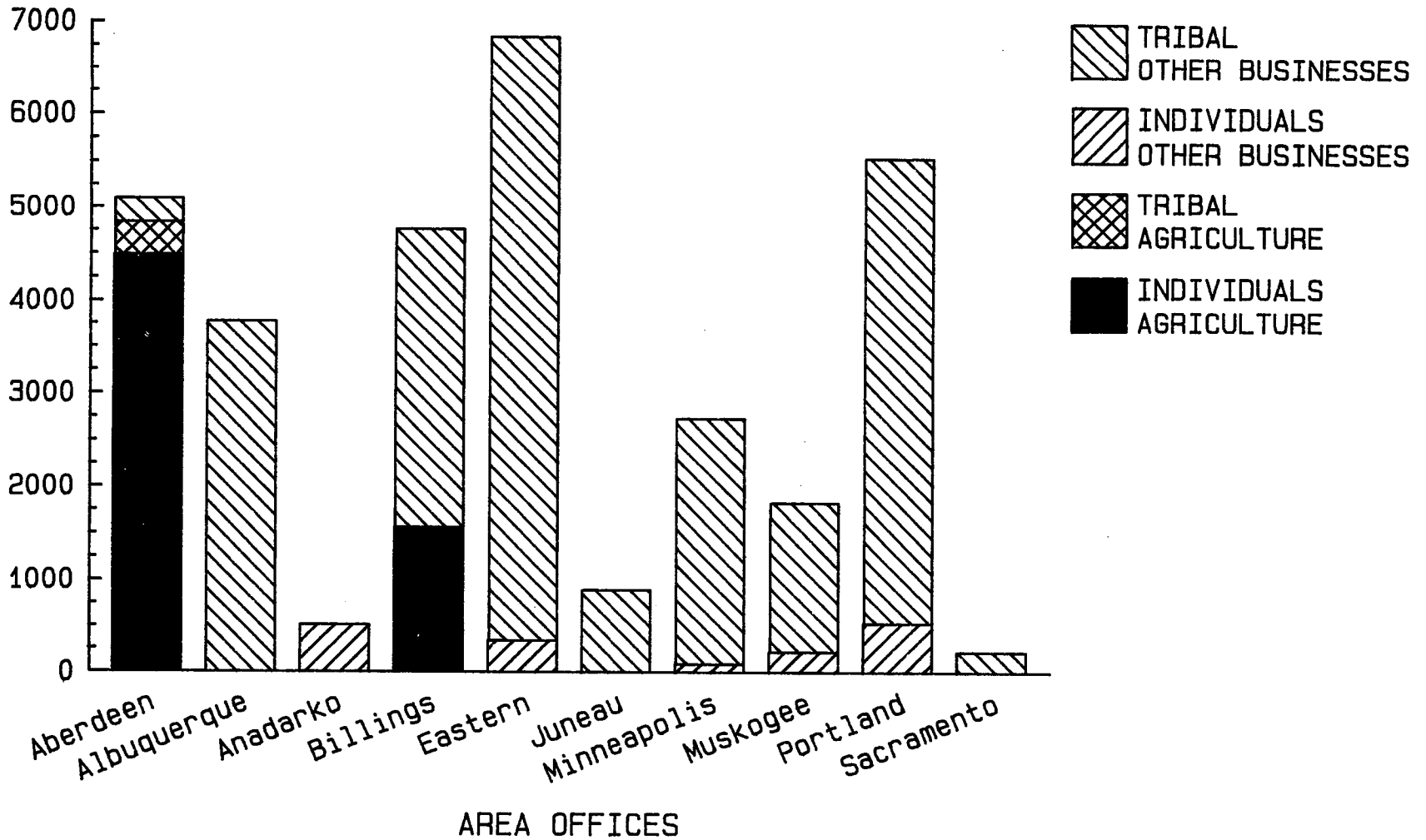
Summary of Program and Funding Data

	(\$ in millions)		
	Act	Estimate	Estimate
<u>Funds Available for Reserves and Costs:</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
1 Fund Balance, start of year	0.1	0.1	0.0
2 Collections	.6	.8	.8
3 Liquidation of assets	.0	0	16.4
4 Appropriation	<u>2.5</u>	<u>3.1</u>	<u>2.6</u>
5 Total Available	3.2	4.0	19.8
6 Less:			
7 Net Reserves for loan losses (line 25 less 26)	3.3	8.1	.9
8 Reserves for interest subsidies (line 16)	-1.6	-2.6	-2.3
9 Mgmt. & tech. assistance cost	-.5	-.5	-.7
10 Defaulted loan costs	.0	-.1	-.2
11 Other Expenses	-.5	-.1	-.2
12 Purchase of default loans	<u>-3.8</u>	<u>-8.8</u>	<u>-17.3</u>
13 Total needs for reserve and costs	<u>-3.1</u>	<u>-4.0</u>	<u>-19.8</u>
14 Fund Balance, end of year	.1	0.0	0.0
<u>Status of reserves and obligations:</u>			
<u>For Interest Subsidies:</u>			
15 Obligated Balance, start of year	6.8	5.8	5.2
16 Obligated during year	1.6	2.6	2.3
17 Cancelled prior year obligations	-1.4	-	-
18 Expenditures	<u>-1.2</u>	<u>-3.2</u>	<u>-2.7</u>
19 Obligated Balance, end of year	<u>5.8</u>	<u>5.2</u>	<u>4.8</u>
<u>For Other Expenses:</u>			
20 Obligated Balance, start of year	1.1	2.6	2.6
21 Obligated during year	2.3	.6	.9
22 Expenditures	<u>-.8</u>	<u>-.6</u>	<u>-1.3</u>
23 Obligated Balance, end of year	<u>2.6</u>	<u>2.6</u>	<u>2.2</u>
<u>For Defaults (Administrative commitments):</u>			
24 Reserve for losses, start of year	14.2	10.9	2.8
25 Reserved during year	2.3	.7	.7
26 Reduction to the reserve during year	<u>-5.6</u>	<u>-8.8</u>	<u>-1.4</u>
27 Balance, end of year	<u>10.9</u>	<u>2.8</u>	<u>2.1</u>
Total reserves and obligations	19.3	10.6	9.1
<u>Total Program Outlay:</u>			
Defaulted loan costs (line 10)	.0	.1	.2
Purchase of default loans (line 12)	3.8	8.8	17.3
Interest subsidy expenditures (line 18)	1.2	3.2	2.7
Other expenses (line 22)	<u>.8</u>	<u>.6</u>	<u>1.3</u>
Total Outlay	5.8	12.7	21.5
Less collections (line 2)	-.6	-.8	-.8
Less liquidation of assets (line 3)	<u>.0</u>	<u>.0</u>	<u>-16.4</u>
Net Total Program Outlay	5.2	11.9	4.3
<u>Guaranteed Loans:</u>			
Outstanding, start of year	142.5	168.9	187.1
New loans during year	39.0	33.5	45.0
Repayments during year	-5.3	-5.9	-8.8
Defaults during year	-4.2	-9.4	-17.5
Guarantees Cancelled	<u>-3.1</u>	<u>-</u>	<u>-</u>
Outstanding, end of year	168.9	187.1	205.8

LOAN GUARANTY PROGRAM

FY 1987

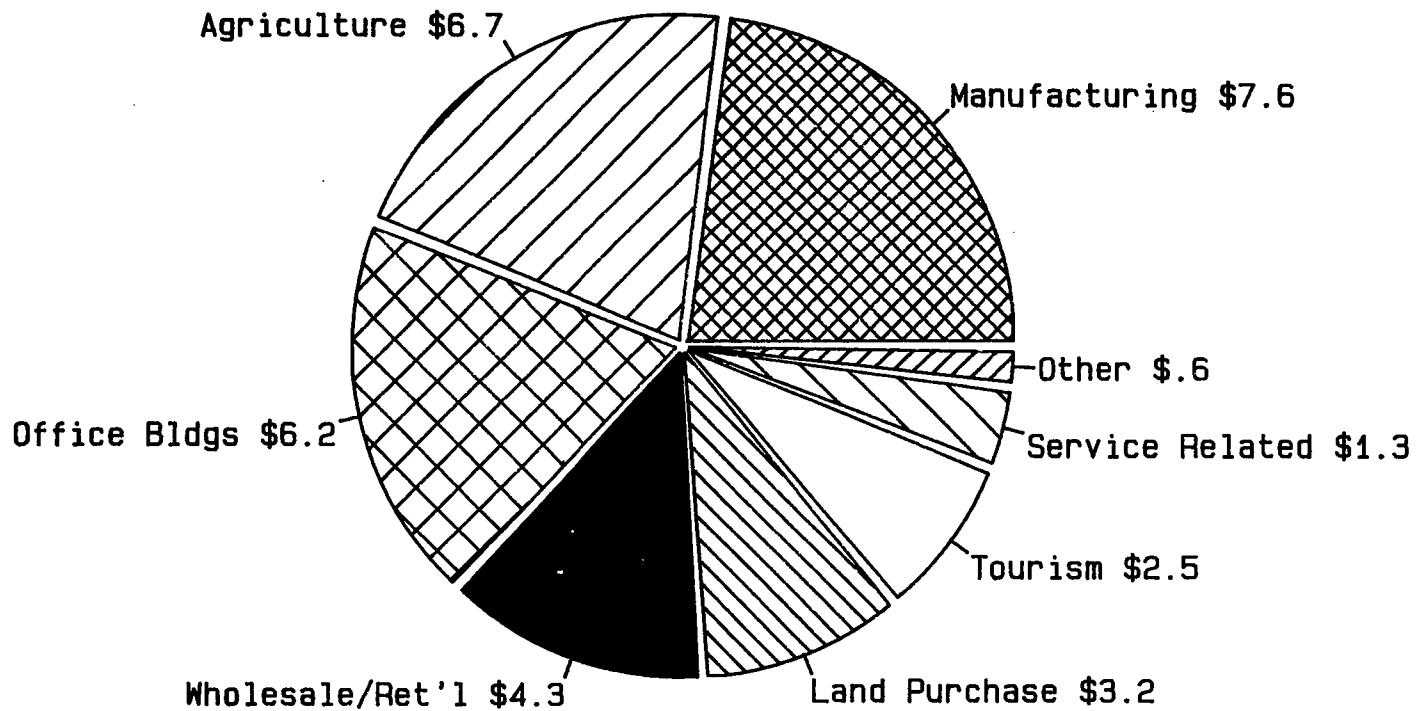
\$ THOUSANDS



BIA - 288

Does not include NAPI Conditional Commitment

GUARANTY LOAN PROGRAM FY 1987



SUMMARY OF 1987 GUARANTEES BY TYPE

Total \$32.3 Million
Does not include NAPI

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.), [\$3,085,000] \$2,618,000 to remain available until expended: Provided, That during fiscal year [1988] 1989, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, as amended, 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] \$45,000,000: Provided further, that beginning October 1, 1988 and thereafter, agreements made by the Secretary for subsidy payments under section 30 (25 U.S.C. 1511) of the Indian Financing Act of 1974 shall provide for the reduction and termination of the subsidy payments over a period of years beginning not later than the sixth year of the guaranteed loan.

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

Justification of Proposed Language Change

Addition: "Provided further, That, beginning October 1, 1988 and thereafter, agreements made by the Secretary for subsidy payments under section 30 (25 U.S.C. 1511) of the Indian Financing Act of 1974 shall provide for the reduction and termination of the subsidy payments over a period of years beginning not later than the sixth year of the guaranteed loan"

The language will authorize the secretary to reduce the rate of the interest subsidy payments beginning in Fiscal Year 1989.

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 U.S.C. 1497(e): Authorizes funds for losses on defaulted loans.

25 U.S.C. 1511: Authorizes interest subsidies.

25 U.S.C. 1541: Authorizes competent management and technical assistance for loan recipients.

Note: The appropriations language may be modified following further consultation with the Office of Management and Budget.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-4410-0-3-452

INDIAN LOAN GUARANTY AND INSURANCE FUND

Program and Performance

This fund was established pursuant to the Indian Financing Act of 1974. That Act was amended by the Indian Financing Act Amendments of 1984 (P.L. 98-449). The purpose of the fund is to support a program of guaranteeing or insuring loans made by commercial lending institutions to Indian tribes and organizations, individual Indians and Alaska Natives 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.

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	1987 Actual	1988 Estimate	1989 Estimate
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Program by activities:

Operating expenses:

1. Interest subsidy expense.....	140	2,585	3,017
2. Technical assistance.....	493	500	700
3. Other expenses.....	45	150	200
Total operating expenses.....	678	3,235	3,917
Capital investment.....	5,656	8,865	17,500
10.00 Total obligations.....	6,334	12,100	21,417

Financing:

14.00 Offsetting collections from:			
Non-federal sources:.....	-627	-800	-17,200
21.98 Unobligated balance available, start of year.....	-14,307	-11,052	-2,837
24.98 Unobligated balance available, end of year.....	11,052	2,837	1,990
40.00 <u>Budget Authority</u>	2,452	3,085	3,370

Relation of obligations to outlays:

71.00 Obligations incurred, net....	5,707	11,300	4,217
72.98 Obligated balance, start of year.....	7,687	8,201	7,588
74.98 Obligated balance, end of year	-8,201	-7,588	-3,234
90.00 Outlays.....	5,193	11,913	8,571

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	1987 Actual	1988 Estimate	1989 Estimate
<u>Position with respect to limitation on obligations:</u>			
Obligations exempt from limitation			
1131 Direct loans	11	100	100
1150 Total direct loan obligations	11	100	100
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	11,974	16,083	22,678
New loans:			
1231 Direct loans disbursements.....	11	100	100
1232 Disbursements for guaranty loan claims.....	3,809	8,865	17,340
Repayments:			
1251 Repayments and prepayments.....	-39	-100	-100
1252 Repayments of defaulted guaranteed loans.....	-5	---	-16,400
Adjustments:			
1262 Write-offs for default.....	---	-2,500	-7,000
1264 Other adjustments, net 1/.....	333	+230	-550
1290 Outstanding, end of year.....	16,083	22,678	16,068

1/ Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

OBJECT CLASSIFICATION (in thousands of dollars)

21.0 Travel.....	10	10	10
23.0 Other expenses.....	2	90	75
25.0 Other services.....	48	50	150
31.0 Equipment.....	59	50	25
33.0 Investments and loans	5,597	8,865	18,192
41.0 Grants, subsidies, and contributions	618	3,035	2,965
99.9 Total Obligations.....	6,334	12,100	21,417

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	1987 Actual	1988 Estimate	1989 Estimate
<u>Position with respect to limitation on commitments:</u>			
2111 Limitation on guaranteed loans by private lenders.....	---	---	45,000
2131 Guaranteed loan commitments exempt from limitation.....	38,963	33,500	---
2150 Total guaranteed loan commitments	38,963	33,500	45,000
<u>Cumulative balance of guaranteed loans outstanding:</u>			
2210 Outstanding, start of year.....	142,492	168,871	187,041
2231 Disbursements of new guaranteed loans.....	38,963	33,500	45,000
2251 Repayments and prepayments.....	-5,311	-5,950	-8,861
<u>Adjustments:</u>			
2261 Terminations for default that result in direct loans.....	-4,185	-9,380	-17,500
2264 Other Adjustments	-3,088	---	---
2290 Outstanding, end of year.....	168,871	187,041	205,680
2299 Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....	149,561	165,662	181,916
<u>Estimate of guaranteed loan subsidy:</u>			
2320 Subsidy amount (in percent).....	290	282	250
2330 Subsidy amount (in thousands of dollars).....	11,296	9,447	11,250

REVENUE AND EXPENSE (in thousands of dollars)

Loan Guaranty and Insurance Fund

<u>Program:</u>			
Revenue.....	582	800	700
Expense.....	-1,761	-3,926	-4,611
Write-offs.....	---	-2,500	-7,000
Net operating loss, total.....	-1,179	-5,626	-10,911

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

FINANCIAL CONDITION (in thousands of dollars)

Assets:	1986 Actual	1987 Act.	1988 Est.	1989 Est.
<u>Selected assets:</u>				
Fund balance with Treasury.....	21,993	19,252	10,425	8,707
Advances.....	175	335	---	---
Assets acquired through default....	10,719	14,514	21,109	14,499
Equipment.....		59	85	120
 Total assets.....	<u>32,887</u>	<u>34,160</u>	<u>31,619</u>	<u>23,326</u>

Liabilities:

Selected liabilities:

Accounts payable.....	258	2,024	---	---
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Government equity:

Selected equities:

Unexpended budget authority:

Unobligated balance.....	14,307	11,052	2,837	1,990
Undelivered orders.....	7,603	6,512	7,588	6,717
Invested capital.....	10,719	14,573	21,194	14,619
Total Government equity.....	<u>32,629</u>	<u>32,137</u>	<u>31,619</u>	<u>23,326</u>

Analysis of Changes in Government Equity:

Paid in capital:

Opening balance.....	47,103	49,555	52,640
Appropriation.....	2,452	3,085	2,618
Closing balance.....	<u>49,555</u>	<u>52,640</u>	<u>55,258</u>

Retained income:

Opening balance.....	-14,216	-15,396	-21,021
Transaction: Net operating loss...	-1,179	-5,626	-10,911

Closing balance.....	<u>-15,395</u>	<u>-21,021</u>	<u>-31,932</u>
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Total Gov't equity (end of year).	<u>34,160</u>	<u>31,619</u>	<u>23,326</u>
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DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN GUARANTEED LOAN GUARANTY AND INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-4410-6-3-452	1987 Actual	1988 Estimate	1989 Estimate
Program by activities:			
Operating expenses:			
00.01 Interest subsidy expense.....	---	---	-752
10.00 Total obligations.....	---	---	-752
Financing:			
40.00 Budget authority (appropriation).....	---	---	-752
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	---	---	-752
74.98 Obligated balance, end of year			328
90.00 Outlays.....	---	---	-424

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN LOAN GUARANTY AND INSURANCE FUND

Status of Guaranteed Loans (in thousands of dollars)

Identification Code: 14-4410-6-3-452	1987 Actual	1988 Estimate	1989 Estimate
Position with respect to appropriation act limitations on commitments:			
2111 Limitation on guaranteed loans made by private lenders.....	---	---	-45,000
2150 Total guaranteed loan commitments.....	---	---	-45,000

Cumulative balance of guaranteed loans outstanding:			
2231 Disbursements of new guaranteed loans.....	---	---	-45,000
2251 Repayments and prepayments.....	---	---	1,710
2290 Outstanding, end of year.....	---	---	-43,290

Memorandum			
2299 U.S. contingent Liability for guaranteed loans outstanding, end of year.....			-38,075

BUREAU OF INDIAN AFFAIRS
INDIAN GUARANTEED LOAN SUBSIDIES

(Dollar amounts in thousands)	FY 1988	FY 1989	Inc. (+)
	Enacted to Date	Estimate	Dec. (-) From 1988
Indian Guaranteed Loan Subsidies	-0-	11,250	+11,250

Indian Guaranteed Loan

Subsidies: FY 1989, \$11,250,000; 0 FTE

Assuming enactment of the Federal Credit Reform proposal, which will be formally transmitted to Congress at a later date, funds are requested to pay the subsidy costs associated with making guaranteed loans from the Loan Guaranty and Insurance Program. The Credit Reform proposal is explained in detail in Part 6(b) of the President's Budget.

The funds requested will fund a \$45 million loan guaranty program for FY 1989, an \$11.5 million increase over the loan guaranty actual level for fiscal year 1988. This reflects the bureau's determination to concentrate economic development resources on loan guarantees, which have proven more flexible and economically efficient than other assistance mechanisms. Schedules showing prior year bureau activity are included under the Indian Loan Guaranty and Insurance Fund portion of the justifications.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN GUARANTEED LOAN SUBSIDIES

Program and Financing (in thousands of dollars)			
Identification Code: 14-2628-0-1-452	1987 Actual	1988 Estimate	1989 Estimate
Program by activities:			
Direct program:			
Guaranty loan subsidy.....	---	---	11,250
10.00 Total obligations.....	---	---	11,250
Financing:			
40.00 Budget authority (appropriation).....	---	---	11,250
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	---	---	11,250
90.00 Outlays.....	---	---	11,250
OBJECT CLASSIFICATION			
41.00 Grants, Subsidies, and contributions.....	---	---	11,250

The schedule shows the effects of the Credit Reform Act of 1988, for which legislation is proposed for later transmittal.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN GUARANTEED LOAN SUBSIDIES

Status of Guaranteed Loans (in thousands of dollars)

Identification Code: 14-2628-0-1-452	1987 Actual	1988 Estimate	1989 Estimate
Position with respect to appropriation act limitations on commitments:			
2111 Limitation on guaranteed loans made by private lenders.....	---	---	45,000
2150 Total guaranteed loan commitments.....	---	---	45,000

Cumulative balance of guaranteed loans outstanding:			
2231 Disbursements of new guaranteed loans.....	---	---	45,000
2251 Repayments and prepayments.....	---	---	-1,710
2290 Outstanding, end of year.....	---	---	43,290

2299 Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....	---	---	38,095

Estimate of guaranteed loan subsidy:			
2320 Subsidy amount (in percent).....	---	---	250
2330 Subsidy amount (in thousands of dollars).....	---	---	11,250

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. The law provides, however, 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)			
	1987	1988	1989
Identification Code: 14-8366-0-7-452	Actual	Estimate	Estimate
<u>Financing:</u>			
21.40 Unobligated balance available, start of year:			
Treasury balance.....	693	-3	-832
U.S. Securities (par).....	-13,900	-14,680	-15,026
Unrealized discounts.....	51	---	---
24.40 Unobligated balance available, end of year:			
Treasury balance.....	3	832	896
U.S. Securities (par).....	14,680	15,026	16,231
60.00 Budget Authority (appropriation) (permanent, indefinite).....	1,527	1,175	1,269
 <u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

[MISCELLANEOUS TRUST FUNDS

TRIBAL TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is appropriated in fiscal year 1988 and thereafter to the Secretary of the Interior for the benefit of the tribes on whose behalf such funds were collected, not to exceed \$1,000,000 in each fiscal year from tribal funds not otherwise available for expenditure.]

(Department of the Interior and Related Agencies Appropriations Act, 1988, as included in Public Law 100-202.)

Justification of Proposed Language Change

Deletion: The entire provision is proposed for deletion.

This language is no longer needed since it is now converted to permanent authority.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-9973-0-7-999
MISCELLANEOUS 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
 MISCELLANEOUS TRUST FUNDS

Analysis of Changes in Requirements
 (in thousands of dollars)

	Budget Authority	Outlays
FY 1987 Total.....	\$307,222	\$311,370
 <u>Increases</u>		
Program increases:		
Direct Program.....	+31	
Other Trust.....	+105	+22
Miscellaneous Permanents (Tribal).....	+26,674	+22,422
 <u>Decrease</u>		
Direct Program.....	---	-969
FY 1988 Total.....	\$334,032	\$332,845
 <u>Increases</u>		
Program increase:		
Miscellaneous Permanents (Tribal).....	+3,066	+2,138
FY 1989 Total.....	\$337,098	\$334,983

Highlight Statement

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 Bureau of Indian Affairs.

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 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 which will become part of permanent authority in FY 1989.

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
MISCELLANEOUS TRUST FUNDS

	1987 Actual	1988 Estimate	1989 Estimate
Unexpended balance, start of year:			
U.S. securities:			
Par value.....	144,212	196,860	210,758
Unrealized discounts (-).....	-1,295	---	---
Cash.....	1,030,782	972,812	958,945
<hr style="border-top: 1px dashed black;"/>			
Balance of fund, start of year.....	1,173,699	1,169,672	1,169,703
<hr style="border-top: 1px dashed black;"/>			
Cash income during the year:			
Government receipts.....	338	600	600
Proprietary receipts.....	253,676	271,425	274,491
Intragovernmental transactions.....	53,208	62,007	62,007
<hr style="border-top: 1px dashed black;"/>			
Income under present law.....	307,222	334,032	337,098
<hr style="border-top: 1px dashed black;"/>			
Total Cash Income.....	307,222	334,032	337,098
<hr style="border-top: 1px dashed black;"/>			
Cash outgo during the year:			
Outgo under present law.....	311,370	332,845	334,983
<hr style="border-top: 1px dashed black;"/>			
Total Cash Outgo.....	311,370	332,845	334,983
<hr style="border-top: 1px dashed black;"/>			
Unexpended balance, end of year:			
U.S. securities:			
Par value.....	196,860	210,758	211,184
Cash.....	972,811	958,945	959,617
<hr style="border-top: 1px dashed black;"/>			
Balance of fund, end of year.....	1,169,672	1,169,703	1,170,801

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ANNUAL DEFINITE AUTHORIZATION - TRIBAL FUNDS

Statement Relating to FY's 1987, 1988 & 1989 Programs

1988 Appropriation..... \$1,000,000

Analysis of Annual Definite Authorization, Tribal Trust Funds, by Activity:

ACTIVITY/SUBACTIVITY	Actual 1987	Appro- priation 1988	1989 Budget Estimate	Inc(+)/Dec(-) 1988 Compared w/ 1989
1. Construction & Land Acquisition	-0-	---	---	---
2. General Tribal Affairs	<u>\$165,907</u>	<u>\$1,000,000</u>	---	<u>-\$1,000,000</u>
Total	\$165,907	\$1,000,000	---	-\$1,000,000

Summary of Trust Fund Budget Authority

A. Tribal Funds:	1987 <u>Actual</u>	1988 <u>Estimate</u>	1989 <u>Estimate</u>
1. Annual Definite Authorization	\$ 165,907	\$ 1,000,000	\$ -0-
2. Permanent Authorization	306,994,567	332,865,000	336,931,000
B. Other Trust Funds - (Permanent Indefinite):	61,526	167,000	167,000
TOTAL	<u>\$307,222,000</u>	<u>\$334,032,000</u>	<u>\$337,098,000</u>

STATUS OF PROGRAMS

Funds programmed under the annual definite authorization as shown on the following tabulation were used prior to FY 1988 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 1988 estimate have been requested by the Indian tribal groups except the sum of \$915,000 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 1987</u>	<u>ESTIMATE FY 1988</u>	<u>ESTIMATE FY 1989</u>
<u>California</u>	\$ 12,961	\$ -0-	-0-
<u>Agua Caliente</u>	\$ 12,961	\$ -0-	-0-
<u>Washington</u>	\$ 88,446	\$ 85,000	-0-
<u>Yakima</u>	\$ 88,446	\$ 85,000	
<u>Maine</u>	\$ 64,500	-0-	-0-
<u>Penobscot</u>	\$ 64,500	-0-	-0-
<u>Miscellaneous Tribes</u>	-0-	\$ 915,000	-0-
<u>Grand Total</u>	\$165,907	\$1,000,000	-0-

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1987 Actual	1988 Estimate	1989 Estimate
<u>Program by activities:</u>			
1. Direct program (limitation) (tribal funds)	969	1,000	---
2. Miscellaneous permanent (tribal funds).....	310,268	332,833	335,833
3. Other trust funds.....	13	167	167
10.0001 Total obligations (Obj class 44)	311,250	334,000	336,000
<u>Financing:</u>			
21.4001 Unobligated balance available, start of year:			
Treasury balance.....	-1,030,782	-972,811	-958,945
U.S. Securities (par).....	-144,212	-196,860	-210,758
Unrealized discounts.....	1,295	---	
24.4001 Unobligated balance available, end of year:			
Treasury balance.....	972,811	958,945	959,617
U.S. Securities (par).....	196,860	210,758	211,184
39.0001 Budget Authority.....	307,222	334,032	337,098
<u>Current:</u>			
40.0001 Appropriation.....	969	1,000	---
<u>Permanent:</u>			
60.0001 Appropriation (indefinite)....	306,253	333,032	337,098
<u>Relation of obligations to outlays:</u>			
71.0001 Obligations incurred, net.....	311,250	334,000	336,000
72.4001 Obligated balance, start of year.....	1,045	925	2,080
74.4001 Obligated balance, end of year	-925	-2,080	-3,097
90.0001 Outlays.....	311,370	332,845	334,983
<u>Distribution of budget authority by account:</u>			
Indian tribal funds.....	307,160	333,865	336,931
Funds contributed for the advancement of the Indian race.....	60	160	160
Bequest of George C. Edgeter.....	2	7	7
<u>Distribution of outlays by account:</u>			
Indian Tribal funds.....	311,225	332,678	334,816
Funds Contributed for the advancement of the Indian race....	234	160	160
Bequest of George C. Edgeter.....	-89	7	7

* The President's submission of this schedule is different because budget authority for the Papago Trust fund was inadvertently included in FY 1988.

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS

DETAIL OF PERMANENT POSITIONS

	<u>1987</u> <u>Actual</u>	<u>1988</u> <u>Estimate</u>	<u>1989</u> <u>Estimate</u>
Executive Level I -----	0	0	0
Executive Level II-----	0	0	0
Executive Level III-----	0	0	0
Executive Level IV-----	0	0	0
Executive level V -----	0	0	0
Subtotal -----	0	0	0
ES-6 -----	2	2	2
ES-5 -----	2	2	2
ES-4 -----	10	10	10
ES-3 -----	0	1	1
ES-2 -----	0	1	1
ES-1 -----	1	2	2
Subtotal-----	15	18	18
GS/GM-15-----	34	34	34
GS/GM-14-----	194	194	194
GS/GM-13-----	335	335	335
GS-12-----	671	671	650
GS-11-----	969	969	961
GS-10 -----	35	35	35
GS-9 -----	1,037	1,037	1,030
GS-08-----	139	150	150
GS-07-----	534	534	534
GS-06-----	665	665	665
GS-05-----	1,190	1,140	1,138
GS-04-----	1,649	1,649	1,649
GS-03-----	1,829	1,829	1,829
GS-02-----	237	237	237
GS-01-----	1,155	1,155	1,153
Subtotal-----	10,673	10,634	10,594
UNGRADED -----	2,551	2,521	2,520
Total permanent Positions	14,159	14,090	14,032
Unfilled positions, end of year	920	917	900
Total Permanent employment, EOY	13,239	13,173	13,132