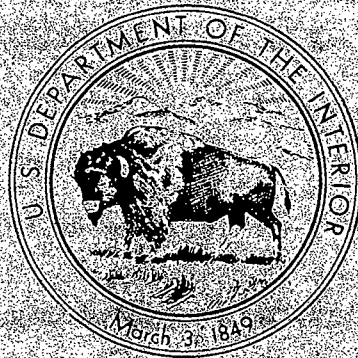


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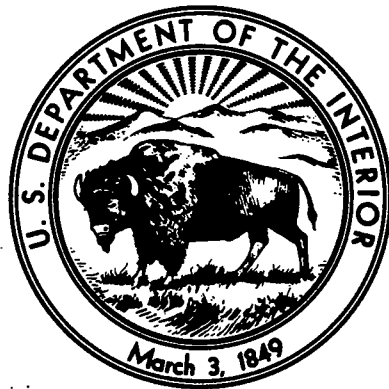
**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F.Y. 1990**



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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DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Budget Justification, Fiscal Year 1990
Congressional Submission

Table of Contents

Organizational Chart.....	BIA- 1
General Statement.....	BIA- 2
Summary Table.....	BIA- 3
Highlights of FY 1990 Request.....	BIA- 4
Authorizing Statutes.....	BIA- 7

Appropriation: Operation of Indian Programs

Appropriation summary statement.....	BIA- 11
Appropriation language sheet.....	BIA- 12
Justification of proposed language changes.....	BIA- 14
Appropriation language citations.....	BIA- 16
Summary of requirements.....	BIA- 21
Justification of adjustments to base.....	BIA- 23

Justification of program and performance by activity:

Education:

Activity Summary.....	BIA- 28
School Operations.....	BIA- 29
Johnson-O'Malley Educational Assistance.....	BIA- 41
Continuing Education.....	BIA- 45
Tribe/Agency Operations.....	BIA- 53

Tribal Services:

Activity Summary.....	BIA- 60
Tribal Government Services.....	BIA- 61
Social Services.....	BIA- 69
Law Enforcement.....	BIA- 76
Self-Determination Services.....	BIA- 81
Employment Development.....	BIA- 86
Tribe/Agency Operations.....	BIA- 89

Navajo/Hopi Settlement Program..... BIA-103

Economic Development:

Activity Summary.....	BIA-105
Business Enterprise Development.....	BIA-106
Tribe/Agency Operations.....	BIA-115

Natural Resources Development:

Activity Summary.....	BIA-118
Forestry and Agriculture.....	BIA-119
Minerals and Mining.....	BIA-151
Tribe/Agency Operations.....	BIA-156

Trust Responsibilities:

Activity Summary.....	BIA-167
Indian Rights Protection.....	BIA-168
Real Estate and Financial Trust Services.....	BIA-177
Tribe/Agency Operations.....	BIA-187

Facilities Management..... BIA-194

General Administration:

Activity Summary.....	BIA-199
Management and Administration.....	BIA-200
Automatic Data Processing Services.....	BIA-211

Operation of Indian Programs (Continued)

General Administration: (continued)

Employee Compensation Payments.....	BIA-215
Program Management.....	BIA-216
Consolidated Training Program.....	BIA-219
Tribe/Agency Operations.....	BIA-221

Fiscal Year 1990 Budget Schedules.....	BIA-225
--	---------

Appropriation: Construction

Appropriation language sheet.....	BIA-229
Justification of proposed language changes.....	BIA-230
Appropriation language citations.....	BIA-232
Program and Performance Statement.....	BIA-235
Budgetary resources.....	BIA-236
Analysis of budgetary resources by activity.....	BIA-237

Justification of program and performance by activity:

Buildings and Utilities.....	BIA-240
Irrigation.....	BIA-250
Housing.....	BIA-253
Employee Housing.....	BIA-257
Road Maintenance and Construction.....	BIA-259
Construction Contract Support.....	BIA-264

Fiscal Year 1990 budget schedules.....	BIA-265
--	---------

Appropriation: Road Construction

Appropriation language sheet.....	BIA-268
Justification.....	BIA-270
Fiscal Year 1990 budget schedules.....	BIA-271

Appropriation: Miscellaneous Payments to Indians..... BIA-273

Appropriation: Revolving Fund for Loans..... BIA-278

Appropriation: Indian Loan Guaranty and Insurance Fund..... BIA-293

Administrative Provisions..... BIA-310

Appropriation: Miscellaneous Appropriations..... BIA-312

Appropriation: Operation and Maintenance of Quarters..... BIA-317

Trust Funds:

Appropriation: Cooperative Fund (Papago)..... BIA-320

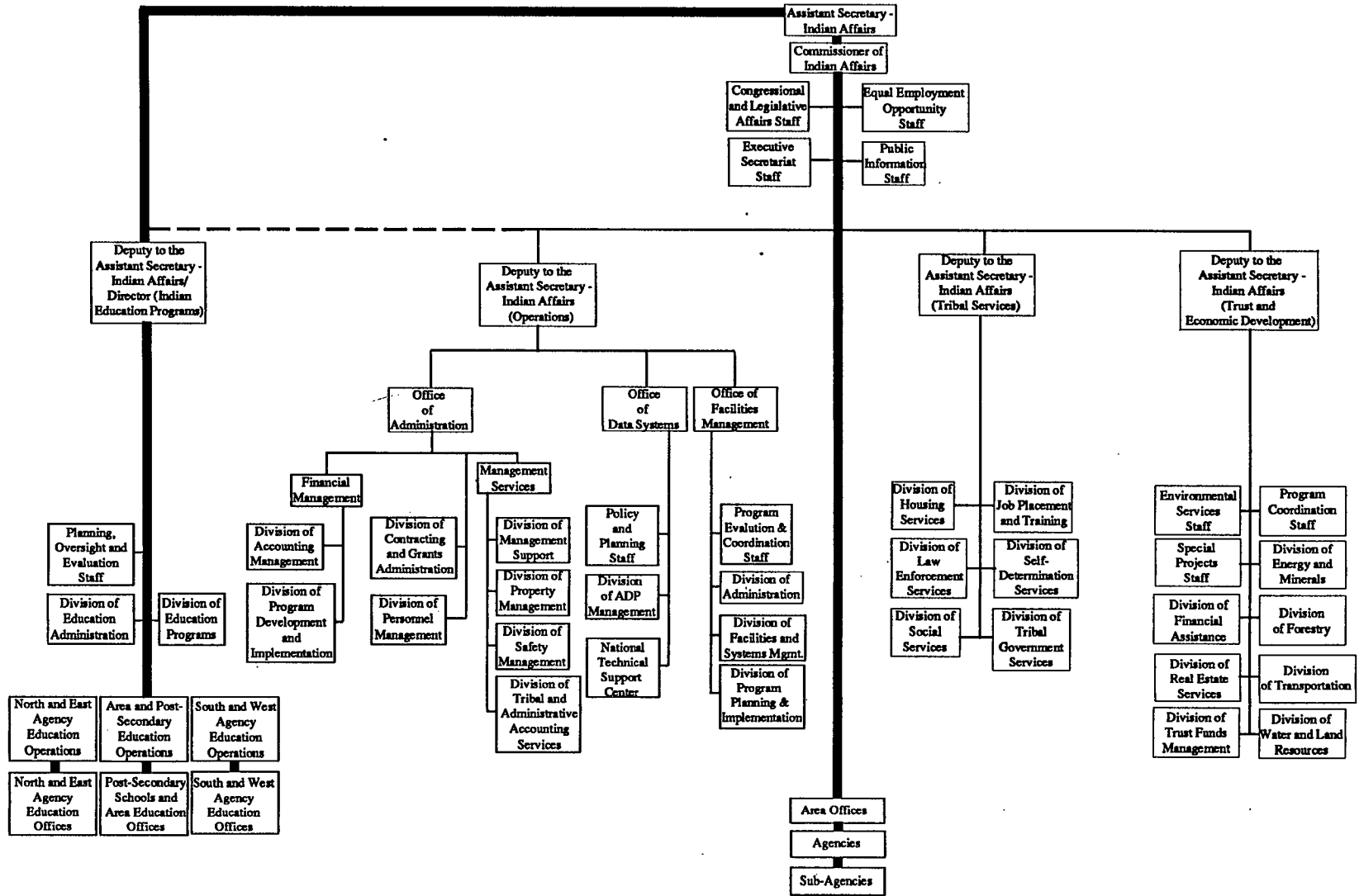
Appropriation: Eastern Indian Land Claims..... BIA-322

Appropriation: White Earth Economic Development Fund..... BIA-324

Appropriation: Miscellaneous Trust Funds..... BIA-326

SUMMARY

BIA-1



Bureau of Indian Affairs

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, as amended (88 Stat. 2203; 25 U.S.C. 450); by Title XI of the Elementary and Secondary Education Amendments Act of 1978, as amended (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, as amended (25 U.S.C. 2401 et seq.).

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, 3 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.

The bureau provides services directly or through contract to 949,000 Indians, Eskimos, and Aleuts who reside in 31 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 following pages provide a comparison between the appropriations enacted for FY 1989 and the FY 1990 request and highlights of the FY 1990 request.

Summary Table

(Dollar Amounts in Thousands)

	Appropriation Currently Available 1989	FY 1990 Estimate	(+)(-) From Enacted
<u>Appropriation:</u>			
<u>Federal Funds:</u>			
Operation of Indian Programs.....\$	992,767	953,316	-39,451
(FTE)	(11,696)	(11,097)	(-599)
Construction.....\$	79,283	100,975	+21,692
(FTE)	(131)	(607)	(+407)
(FTE Allocation to BOR - non-add)	(11)	(11)	(--)
(FTE Allocation from FHWA)	--	(526)	(+526)
Road Construction.....\$	--	--	--
(Reimbursable FTE)	(40)	(--)	(-40)
(FTE Allocation from FHWA)	(567)	(--)	(-567)
Miscellaneous Payments to Indians.....\$	13,952	29,255	+15,303
(FTE)	(19)	(19)	(--)
Direct Loan Subsidies.....\$	--	3,175	+ 3,175
Guaranteed Loan Subsidies.....\$	3,370	14,515	+11,145
Subtotal, Appropriations requested....\$	1,089,372	1,101,236	+11,864
(FTE)	(12,489)	(12,249)	(-240)
<u>Permanent and Trust Funds:</u>			
Miscellaneous Permanents.....\$	50,090	52,359	+ 2,269
(FTE)	(480)	(410)	(-70)
Trust Funds.....\$	344,705	337,267	- 7,438
Cooperative Fund (Papago).....\$	1,300	1,232	- 68
Quarters Operation & Maintenance.....\$	7,000	7,000	--
(FTE)	(139)	(139)	(--)
Budget Authority, Total BIA.....\$	1,492,467	1,499,094	+ 6,627
(FTE)	(13,108)	(12,798)	(-310)

Highlights of the FY 1990 BIA Budget Request

The 1990 budget estimate for BIA is \$1,499,094, an increase of \$6.6 million compared to the 1989 level of \$1,492,467. For current appropriations, the President's request is \$1.101 billion, compared to \$1.089 billion enacted in 1989. The Bureau's budget is the largest in the Department, comprising 22 percent of the total in 1990. These amounts do not include \$31.2 million to be allocated to BIA from the proposed new permanent, indefinite fire account.

During 1990 the Bureau will continue to address the persistent economic and social problems on reservations, and improve self-determination for Native Americans. Major priorities include improved provision of education, social services, financial trust services, and implementation of water rights settlements.

The 1990 request for Operation of Indian Programs, the Bureau's primary operating account is \$953.3 million. Increased tribal involvement in the operation and management of BIA programs will be stressed in 1990 through increased self-determination contracts.

The Indian Education Amendments of 1988, P.L. 100-297, made several changes in the bureau's educational programs, including a new pay scale for teachers and counselors, and adjustments in some of the weighting factors used in the Indian School Equalization Formula. Accordingly, an additional \$4.6 million is provided for the first increment of a three-year phased increase in salaries for teachers and counselors to the rates paid by the Department of Defense. The budget also includes \$2.7 million for the cost of the increased weighting factors for small schools and for students in grades 7 and 8. An offsetting decrease of \$2.4 million reflects declining enrollment in BIA schools.

The recently completed draft report on the Status of BIA Education establishes a goal of implementation of the Effective Schools process. One of the key components of the process is well-trained staff and strong educational leadership. The 1990 budget continues efforts which began in 1989 by providing \$0.5 million for staff development and \$0.5 million for recognition of exemplary schools.

BIA will continue to address employment problems on reservations through the Employment Assistance Readiness Net (EARN) demonstration workfare program. In 1990, \$2.0 million will be provided for the third and final year to support six tribal demonstration projects and two Bureau projects. Under this program, tribes coordinate the existing programs on reservations to more effectively lead individuals to employment or training opportunities. Through EARN, tribes design a comprehensive work plan that takes full advantage of all available resources on the reservation, including educational programs, vocational training, alcohol and substance abuse counseling, tribal community college opportunities, and any other existing resources.

In the area of substance and alcohol abuse prevention, BIA will provide \$2.4 million to continue the Drug and Alcohol Abuse program. An increase of \$0.7 million is provided to support Drug Task Force investigators, to purchase vehicles and equipment needed for undercover operations, to increase helicopter flight time, and to provide additional training and assistance to tribal police. Continued funding is provided for the Tohono O'Odham Nation to assist the tribe in reducing the incidence of drug trafficking through the reservation, and for the Drug Abuse Coordination Office which oversees all Bureau alcohol and drug abuse programs. Funding for eradication efforts and law enforcement training is increased by \$0.3 million.

In recognition of the problems of child abuse and neglect, an increase of \$3.0 million is provided for social services staffing and a \$1.0 million increase is included to staff and operate the halfway houses and emergency shelters that are being constructed. An additional \$3.0 million is requested to staff, equip, and operate juvenile detention centers which are being constructed through funding provided in 1987.

An increased emphasis will also be placed on providing tribes improved information resources and technical assistance. In 1990, \$0.3 million is requested to establish an Institute for Tribal Government which will enable tribes to participate in programs offering formal instruction, on-site technical assistance and resource development and information through a technical assistance center with the objective of strengthening tribal governments through self-sufficiency and improved operations. A funding decrease of \$2.6 million for the Land Records Improvement Program reflects the substantial elimination of a land title records backlog and the provision of enhanced resource inventory systems on reservations in 1989. These system modernizations will provide up-to-date, on-line land title and ownership information for use in the royalty management process and natural resources digital data bases for more effective tribal planning and management of land and natural resources.

To promote economic development opportunities, \$7.0 million is provided to continue the Indian Business Development Grant Program at the 1989 level. This program encourages non-Federal matching investments to initiate business development of tribal resources and expand private sector development on reservations, and thus reduce tribal dependence on the Federal Government. Continued funding is also provided in 1990 for technical assistance to aid tribes and individuals in applying for private sector loans.

The 1990 budget includes a proposal to change the method of funding fire program costs by establishing a new permanent, indefinite account in the Bureau of Land Management, from which funds will be allocated to the Bureau of Indian Affairs. For 1990, this amount is estimated to be \$31.2 million. In addition, the 1990 request includes \$35.8 million to repay expected 1989 emergency fire transfers.

To improve the management of more than \$1.8 billion of funds held in trust for Indian tribes and individuals, the Bureau of Indian Affairs has entered into a 5-year contract which will provide cash concentration, accounting, custodial, investment and reporting services. An increase of \$2.4 million is requested in 1990 for this effort. Additional funding of \$0.2 million is proposed to fully support the costs of the field staff for Financial Trust Services.

The construction budget request totals \$101.0 million in 1990. This level of funding includes \$9.0 million for the construction of new schools on the Laguna and Pine Ridge Reservations, \$0.5 million for advance planning and design, \$23.0 million for facilities improvements and repairs, and \$0.7 million for telecommunications improvements and repairs. An additional \$9.8 million is provided for construction contract support costs as required by the Indian Self-Determination and Education Assistance Act Amendments (P.L. 100-472).

A total of \$20.0 million will be used for Indian housing rehabilitation, a reduction of \$3.0 million from the 1989 level. This will provide for repairs to approximately 2,000 Indian units. Additionally, \$5.5 million will be used for deficiency verification analysis and for conceptual and final design activities associated with hazardous dams on the Department-wide priority list, and other costs related to irrigation construction.

Funding for road maintenance costs has been shifted to the Construction account from the Operation of Indian Programs account, and \$30.1 million is included for the maintenance and sealing of roads on reservations. The former Road Construction account has been merged with the Construction account, as the bureau no longer receives any significant amount of direct funding for road construction since passage of legislation allowing the use of the Highway Trust Funds for Indian roads. Approximately \$80.0 million is available annually from the Trust Fund for construction and reconstruction of roads on reservations.

The 1990 budget includes \$3.2 million for subsidies for the Revolving Fund for Loans, \$3.3 million for the Loan Guarantee program, and \$11.3 million for the Indian Guaranteed Loan Subsidies program, reflecting the Administration's legislative proposal on credit reform. A total of \$45.0 million in new loan guarantees is proposed for 1990.

The 1990 budget also includes \$29.3 million under the Miscellaneous Payments to Indians account. This includes the final payment of \$12.7 million to the Tohono O'Odham Nation (Gila Bend Indian reservation), \$1.3 million to cover the White Earth Land Settlement Act and Old Age Assistance Claims Act requirements, and \$0.3 million to fund some of the provisions of the Aleutian and Pribilof Island Restitution Act (P.L. 100-383). An additional \$15.0 million is provided for initial payments authorized by the Salt River Pima-Maricopa, San Luis Rey, and the Colorado Ute Indian Water Rights Settlement Acts. Of this total amount, \$5.0 million will be provided for each of the three settlements. In addition, \$6.0 million is included in the Bureau of Reclamation budget for the San Xavier and Schuk Toak irrigation construction projects authorized by the Southern Arizona Water Rights Settlement Act of 1982.

The Indian Self-Determination Act Amendments of 1988 require the Secretary to provide liability insurance or equivalent coverage to tribal contractors beginning in 1990. The 1990 request proposes appropriations language which amends the Self-Determination Act Amendments to postpone the effective date of the tribal liability insurance provision from 1990 to 1991. This will allow the Departments of Interior, Justice, and Health and Human Services, working with the Office of Management and Budget, sufficient time to address the significant administrative, legal, and budget implications of this requirement.

Permanent appropriations and trust funds are estimated to be \$397.9 million in 1990, a decrease of \$5.2 million from the 1989 estimate. These funds include receipts from judgement awards to fulfill claims and treaty obligations, receipts from leasing trust lands for oil and gas production, grazing and other similar purposes, and funds generated by Indian irrigation and power projects.

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, as amended by P.L. 100-472

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, 1985, and 1988
- 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, as amended
- 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)
- Tribal Courts 25 U.S.C. 1721 et seq. (The Maine Indian Claims Settlement Act of 1980), P.L. 96-420
- Social Services 25 U.S.C. 1901 et seq. (Indian Child Welfare Act), P.L. 95-608
- (Welfare Reform Act), P.L. 100-485
- 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, as amended
- 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

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

TRUST RESPONSIBILITIES

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

NATURAL RESOURCES

Forestry 25 U.S.C. 406 & 407 (The Act of June 25, 1910), 36 Stat. 857

18 U.S.C. 1853, 1855, and 1856, 62 Stat. 787 and 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

Minerals and Mining P.L. 100-557, Umatilla Basin Project Act

CONSTRUCTION

Buildings and Utilities 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

25 U.S.C. 318a (The Act of May 26, 1928), P.L. 70-520, 45 Stat. 750

Roads 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

Land Acquisition 25 U.S.C. 465, (An Act to Settle Indian Land Claims in the Town of Gay Head, MA), P.L. 100-95

MISCELLANEOUS PAYMENTS TO INDIANS

Eastern Indian Land Claims Settlement Fund 25 U.S.C. 1701 (The Act of September 30, 1978), P.L. 95-395, 92 Stat. 813

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 Res. Lands Replacement Act 43 U.S.C. 1521, et seq. (The Act of October 20, 1986), P.L. 99-503, 100 Stat. 1798

Hoopa-Yurok P.L. 100-580 (Hoopa-Yurok Settlement Act)

San Luis Rey Water Rights Settlement P.L. 100-675 (San Luis Rey Indian Water Rights Settlement Act)

Colorado Ute Water Rights Settlement P.L. 100-585 (Colorado Ute Indian Water Rights Settlement Act of 1988), 102 Stat 2973

Salt River (Pima-Maricopa) P.L. 100-512 (Salt River Pima-Maricopa Indian Community Water Rights Settlement Act of 1988), 102 Stat 2549

Aleutian & Pribilof Islands Restitution P.L. 100-383 (The Aleutian and Pribilof Islands Restitution Act), 102 Stat 910

MISCELLANEOUS PERMANENT APPROPRIATIONS & TRUST FUNDS

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

O & M, 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
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

OPERATION AND MAINTENANCE OF QUARTERS

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 and P.L. 100-446

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 and P.L. 100-442

OPERATION OF INDIAN PROGRAMS

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. Navajo-Hopi Settlement Program - This activity funds range restoration and fencing on the lands partitioned to the two tribes as part of the Settlement Act.
4. Economic Development - This activity provides technical assistance and grants to assist individual Indians and tribes to secure financing to improve economic conditions on the reservations.
5. Natural Resources Development - This activity provides for the conservation, development, enhancement, and use of Indian land, water, mineral, and other resources.
6. 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.
7. 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.
8. General Administration - This activity includes executive direction, administrative services, safety management, automatic data processing services, employee compensation payments, construction management, and education program management.
9. Tribe/Agency Operations - This is a major subactivity in each of the above activities (with the exception of Facilities Management). Funds support agency staff and tribal contracts to carry out the full range of bureau responsibilities at the local level. Funding priorities for all of the programs included in Tribe/Agency Operations are determined by the local agency superintendent in consultation with tribal officials.

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.

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, [\$992,767,000] \$942,491,000, of which not to exceed [\$71,004,000] \$67,633,000 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] 1991, and of which \$25,000,000, to remain available until expended, for [firefighting and] repayment to other appropriations from which funds were transferred for firefighting under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, [1988] 1989, 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, [1990] 1991: 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)18(a)), [\$1,997,000] \$1,002,000, 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 \$250,000 of the funds made available in this Act 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 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 disposition 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 a 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 \$230,000 of the amounts provided for education program management shall be available for a grant to the Close Up Foundation]: Provided further, That if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year [1989] 1990 are less than amounts estimated in budget documents, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts: Provided further, That notwithstanding any other provision of law, concurrent with the opening of the Western Cheyenne River Consolidated School the following schools shall be permanently closed: Bridger Day School (Howes, SD); Cherry Creek Day School (Cherry Creek, SD); and the Red Scaffold School (Faith, SD) [: Provided further, That subsection (b) of section 5 of the Cow Creek Band of Umpqua Tribe of Indians Recognition Act (25 U.S.C. 712c) is amended by striking out "Indian individuals" and inserting in lieu thereof "Cow Creek descendants or other Indian individuals": Provided further, That notwithstanding any other provision of law, 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 basis of the formula recommended by the Assistant Secretary of Indian Affairs in a letter to the Committee on Appropriations dated June 27, 1988, except that for the fiscal year ending September 30, 1989, the minimum weight factor shall be 1.1 rather than 1.3 and for the fiscal year ending September 30, 1990, the minimum weight factor shall be 1.2 rather than 1.3: Provided further, That for the purpose of enabling Indian reservation residents in Arizona who are eligible for General Assistance and who have dependent children to participate and succeed in Job Corps training, the Bureau shall pay general assistance support for the dependent children at the full State AFDC A-2 grant level: Provided further, That notwithstanding any other provision of law, any portion of the funds appropriated under the authority of Public Law 93-350 not yet obligated, but not to exceed \$700,000, shall be transferred by the Secretary of the Interior to the governing body of the San Carlos Apache Tribe (hereafter referred to as the "Tribe") by not later than the date that is sixty days after the date of enactment of this Act. Amounts transferred to the Tribe under the proviso shall be used for economic development purposes in accordance with the plan which was adopted by the governing body of the Tribe on April 12, 1988, and any amendment thereto which has been approved by the Secretary of the Interior. The Tribe may expend the amounts transferred under this proviso for the purposes authorized without the prior approval of the Secretary of the Interior. None of the funds transferred to the Tribe may be used to make per capita payments to the members of the Tribe: Provided further, That notwithstanding any other provision of law, the funds transferred by this Act to the San Carlos Apache Tribe may be treated as non-Federal, private funds of the Tribe for purposes of any provision of Federal law which requires that non-Federal or private funds be used in a project or for a specific purpose: Provided further, That the Federal Government shall have no further obligation to appropriate funds for the purposes identified in Public Law 93-530].

(Department of the Interior and Related Agencies Appropriations Act, Public Law 100-446)

Justification of Proposed Language Changes

BUREAU OF INDIAN AFFAIRS

Operation of Indian Programs

1. Deletion: "Provided further, That \$250,000 of the funds made available in this Act shall be available for cyclical maintenance of tribally owned fish hatcheries and related facilities"

The request contains no funds for cyclical maintenance of fish hatcheries.

2. 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 disposition of the property in legislation"

Public Law 100-696 establishes a closure date of June 1, 1990 for the Phoenix Indian School.

3. 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"

Consultation with Indian tribes and Committees of Congress has been accomplished and a five year contract has been signed for trust fund accounting services.

4. 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"

Public Law 100-297 prohibits the Bureau from issuing new education regulations.

5. Deletion: "Provided further, That \$230,000 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 1990 budget for this grant, therefore, the language is unnecessary.

6. Deletion: "Provided further, That subsection (b) of section 5 of the Cow Creek Band of Umpqua Tribe of Indians Recognition Act (25 U.S.C. 712c) is amended by striking out "Indian individuals" and inserting in lieu thereof "Cow Creek decendants or other Indian individuals"

This was a permanent change in law.

7. Deletion: "Provided further, That notwithstanding any other provision of law, 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 basis of the formula recommended by the Assistant Secretary of Indian Affairs in a letter to the Committees on Appropriations dated June 27, 1988, except that for the fiscal year ending September 30, 1989, the minimum weight factor shall be 1.1 rather than 1.3 and for the fiscal year ending September 30, 1990, the minimum weight factor shall be 1.2 rather than 1.3

This language is not required as permanent changes in the formula have been made.

8. Deletion: "Provided further, That for the purpose of enabling Indian reservation residents in Arizona who are eligible for General Assistance and who have dependent children to participate and succeed in Job corps training, the Bureau shall pay general assistance support for the dependent children at the full state AFDC A-2 grant level

This language is proposed for deletion on the basis that it provides special treatment for a small number of Indian clients which is not available to other households eligible for general assistance payments.

9. Deletion: "Provided further, That notwithstanding any other provision of law, any portion of the funds appropriated under the authority of Public Law 93-530 not yet obligated, but not to exceed \$700,000, shall be transferred by the Secretary of the Interior to the governing body of the San Carlos Apache Tribe (hereafter referred to as the "Tribe") by not later than the date that is sixty days after the date of enactment of this Act. Amounts transferred to the Tribe under this proviso shall be used for economic development purposes in accordance with the plan which was adopted by the governing body of the Tribe on April 12, 1988, and any amendment thereto which has been approved by the Secretary of the Interior. The Tribe may expend the amounts transferred under this proviso for the purposes authorized without the prior approval of the Secretary of the Interior. None of the funds transferred to the Tribe may be used to make per capita payments to the members of the Tribe: Provided further, That notwithstanding any other provision of law, the amounts transferred by this Act to the San Carlos Apache Tribe may be treated as non-Federal, private funds of the Tribe for purposes of any provision of Federal law which requires that non-Federal or private funds be used in a project or for a specific purpose: Provided further, That the Federal Government shall have no further obligation to appropriate funds for the purposes identified in Public Law 93-530"

These funds were transferred to the San Carlos Apache Tribe in FY 1989.

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 authorizes vocational training and counseling programs and appropriations therefor.

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

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

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

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

25 U.S.C. 2401-2416 authorizes 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 authorizes 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 authorizes 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 provides 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 provides 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. \$942,491,000, of which not to exceed \$67,633,000 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, 1991

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 \$25,000,000, to remain available until expended for firefighting and repayment to other appropriations from which funds were transferred for firefighting under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1989, shall remain available until expended

Section 102 of Public Law 100-446

Section 102 of Public Law 100-446 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, 1991: 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)), \$1,002,000, 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 if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year 1990 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.

16. Provided further, That notwithstanding any other provision of law, concurrent with the opening of the Western Cheyenne River Consolidated School the following schools shall be permanently closed: Bridger Day School (Howes, SD), Cherry Creek Day School (Cherry Creek, SD), and the Red Scaffold School (Faith, SD)

This language is necessary to allow for the closure of three schools which are being replaced by a new facility. These schools had been slated for closure for several years, however, P.L. 100-297 granted statutory status to all Bureau schools which were in operation during FY 1988.

BUREAU OF INDIAN AFFAIRS
Summary of Requirements
(Dollar Amounts in Thousands)

Appropriation: Operation of Indian Programs

	FTE	Amount	FTE	Amount
Appropriation currently available, 1989.....			11,696	\$992,767
<u>Adjustments to base:</u>				
Adjustment for the FY 1990 cost of the FY 1989 pay increase.....		+ 2,839		
Adjustment for tribal contractors pay.....		+ 1,330		
Adjustment in School Operations due to contracting of Four Winds school.....	- 17			
Adjustment associated with transfer of New Tribes funds to Construction.....		- 169		
Adjustment in contract support associated with transfer of Road Maintenance.....		- 340		
Adjustment associated with transfer of Road Maintenance to Construction.....	-400	-30,975		
Adjustment for increased cost of GSA space.....		+ 1,075		
Adjustment for increased costs of FFS.....	+ 5	+ 875		
Adjustment for increased costs of Federal Telecommunications System, postage, and interdepartmental billings.....		+ 1,523		
Adjustment for increased costs of PAY/PERS.....		+ 176		
Adjustment for increased costs of Workers Compensation payments.....		+ 725		
Adjustment for increased cost of Unemploy- ment Compensation payments.....		+ 2,284		
Adjustment for increased cost of FERS.....		+ 510		
<u>Transfers:</u>				
Transfer of funds from School Board Training (\$512,000), School Board Expenses (\$723,000), and Indian School Program Adjustments for the Gifted and Talented Program (\$400,000) to the Indian School Equalization Program.....			+ 1,635	
Transfer of Institutionalized Handicapped from Social Services to Education.....			+ 2,000	
Transfer from Self-Determination Services to Aid to Tribal Government.....	+ 7	+ 351		
Transfer from New Tribes to Tribe/Agency.....		+ 2,331		
Transfer from Judicial Services substance abuse training to the Center for Judicial Services.		+ 300		
Transfer from Indian Integrated Resources Inventory program to Area Office opera- tions and to C.O. staff.....		+ 400		
Transfer of Irrigation operations and mainten- ance from Minerals and Mining to Agriculture.	+ 15	+ 7,716		
Transfer from Forestry to Aviation Management...	+ 1	+ 35		
Transfer from Trust Responsibilities (Water Rights Negotiation/Litigation) to Natural Resources (Water Management and Develop- ment).....			+ 6,853	

Transfer from Tribal Management/Development			
Projects to Area Office operations.....		<u>+</u>	150
Transfer from Special Fish Management Programs			
to Rights Protection and Implementation.....		<u>+</u>	17,860
Transfer from Trust Responsibilities (Hunting			
and Fishing Rights) to Natural Resources.....	<u>+</u>	5	<u>+</u> 660
Transfer from Archeological Clearances to Area			
Office operations and Central Office.....		<u>+</u>	394
Transfer from Unresolved Rights Issues to Other			
Real Estate Services - Central Office.....		<u>+</u>	303
Transfer from Facilities Operations and Main-			
tenance to GSA and Direct Rentals.....		<u>+</u>	1,092
Transfer to Facilities Management (Area			
Offices) from Program Management.....	<u>+</u>	9	
Transfer from Administrative Services to Execu-			
tive Direction.....	<u>+</u>	1	<u>+</u> 60
Transfer from Improve Financial System to			
Financial Management (FTE are transferred			
from Area Office operations).....	<u>+</u>	19	<u>+</u> 1,000
Transfer from the Office of Data Systems to			
Administrative Services.....		<u>+</u>	500
Subtotal, adjustments to base and transfers.....			<u>- 412 -20,147</u>
1990 Base Budget.....			11,284 972,620
Program Changes.....			<u>-187 -19,304</u>
Total Requirements (1990 Estimate).....			11,097 953,316

Justification of Adjustments to Base

	<u>\$000</u>	<u>FTE</u>
<u>Additional Cost in 1990 of the 1989 Pay Increase</u>	+ 2,839	
<p>The adjustment is for the additional amount needed in 1990 to cover the additional quarter's cost of the 4.1 percent pay raise effective in January 1989. Of this amount, \$2,355,000 is for general schedule pay and \$504,000 is for wage board pay. The 1989 cost of \$9,294,000, which covered three-quarters of the full-year cost of the pay raise and which was fully absorbed as required by P.L. 100-446, included \$7,520,000 for general schedule pay and \$1,774,000 for wage board pay.</p>		
<u>Additional Cost in 1990 for Tribal Contractors' Pay Increase</u>	+ 1,330	
<p>Public Law 93-638, as amended, requires the Secretary to provide an equivalent amount of funding to tribal contractors as would be required for direct bureau operation of the programs.</p>		
<u>Education</u>		- 17
<p>The adjustment in FTE for School Operations associated with the tribal contract for the Four Winds School.</p>		
<u>Tribal Services</u>		
The adjustment reflects the transfer of New Tribes funding to the Construction account for the Housing Improvement Program for the Klamath Tribe.	-	169
The adjustment reflects the reduction in contract support associated with base transfer of Road Maintenance to the Construction account.	-	340
<u>Economic Development</u>		
The adjustment reflects the transfer of Road Maintenance to the Construction account.	-30,975	-400
<u>Rental Payments to GSA</u>		+ 1,075
<p>The adjustment is for increased costs payable to the General Services Administration resulting from higher rates for office and non-office space.</p>		
<u>FFS Accounting System</u>	+	875 + 5
<p>The adjustment is for increased costs of bureau operation of the Department's standard accounting system, commonly referred to as FFS (Federal Financial System). The FTE transferred to USGS in FY 1989 are returned to BIA in 1990.</p>		

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Intra-Governmental Assessments

+ 1,523

The adjustment is for higher costs of the Federal Telecommunications System resulting from increased GSA charges (\$1,028,000); additional costs of the postage rate increase (\$250,000); and for increased costs assigned to the bureau for administrative services provided on a Department-wide basis (\$245,000).

PAY/PERS

+ 176

The adjustment is for increased costs expected to be assigned to the bureau for the operation of the Department-wide PAY/PERS and payroll distribution system in 1990.

Workers Compensation Payments

+ 725

The adjustment is for increased Workers Compensation payments to be paid to the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b), as amended by Public Law 94-273.

Unemployment Compensation Payments

+ 2,284

The adjustment is for increased costs of Unemployment Compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account in the Unemployment Trust Fund, pursuant to Public Law 96-499.

FERS Retirement Costs

+ 510

The adjustment is for the increase in estimated retirement costs of the Federal Employees Retirement System resulting from a recalculation based on actual experience during FY 1988.

Internal Transfers

Transfer of funds from School Board Training, School Board Expenses, and Indian School Program Adjustments for the Gifted and Talented Program to the Indian School Equalization Program. + 1,635

Transfer of Institutionalized Handicapped funds from Social Services to Education to display all costs of this program in one portion of the budget. + 2,000

Transfer from Self-Determination Services (C.O.) to Aid to Tribal Government (C.O.) to reflect administrative consolidation. + 351 + 7

Transfer from New Tribes to appropriate Tribe/Agency programs. + 2,331

Transfer from Judicial Services substance abuse training to the Center for Judicial Services. + 300

Transfer from Indian Integrated Resources Inventory program to Area Office operations (\$280,000) and to C.O.staff (\$120,000). + 400

Transfer of Irrigation operations and maintenance from Minerals and Mining to Agriculture.	<u>+ 7,716</u>	<u>+ 15</u>
Transfer from C.O. Forestry to Aviation Management.	<u>+ 35</u>	<u>+ 1</u>
Transfer from Trust Responsibilities (Water Rights Negotiation/Litigation) to Natural Resources (Water Management and Development).	<u>+ 6,853</u>	
Transfer from Tribal Management/Development Projects to Area Office Operations.	<u>+ 150</u>	
Transfer from Special Fish Management Programs to Rights Protection and Implementation.	<u>+17,860</u>	
Transfer from Trust Responsibilities (Hunting and Fishing Rights) to Natural Resources (Tribal Management/Development Projects - \$610,000) and to Unresolved Hunting and Fishing Rights - \$50,000).	<u>+ 660</u>	<u>+ 5</u>
Transfer from Archeological Clearances to Area Office operations (\$345,000) and Central Office (\$49,000) to more accurately display location costs.	<u>+ 394</u>	
Transfer from Unresolved Rights Issues to Other Real Estate Services - Central Office.	<u>+ 303</u>	
Transfer from Lease Compliance to Tribe/Agency operations for Palm Springs.	<u>+ 294</u>	
Transfer from Facilities Operations and Maintenance to GSA and Direct Rentals to more accurately display costs.	<u>+ 1,092</u>	
Transfer of FTE to Facilities Management (Area Offices) from Program Management based on approved reorganization.		<u>+ 9</u>
Transfer from Administrative Services, Central Office, to Executive Direction.	<u>+ 60</u>	<u>+ 1</u>
Transfer from Improve Financial System to Financial Management (FTE are transferred from Area Office operations).	<u>+ 1,000</u>	<u>+ 19</u>
Transfer from the Office of Data Systems to Administrative Services (Financial Management) for FFS operations costs.	<u>+ 500</u>	

Summary of Requirements

	FY 1989		FY 1990		FY 1990		Change		Change	
	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount
Education:										
11 School Operations.....	3,628	186,643	3,611	190,082	3,590	192,534	(21)	2,452	(38)	5,891
12 Johnson-O'Malley.....	0	23,000	0	23,072	0	20,472	0	(2,600)	0	(2,528)
13 Continuing Education.....	243	26,314	243	26,380	243	25,002	0	(1,378)	0	(1,312)
19 Tribe/Agency Operations.....	<u>23</u>	<u>32,546</u>	<u>23</u>	<u>32,697</u>	<u>16</u>	<u>32,142</u>	<u>(7)</u>	<u>(555)</u>	<u>(7)</u>	<u>(404)</u>
Subtotal, Education.....	3,894	268,503	3,877	272,231	3,849	270,150	(28)	(2,081)	(45)	1,647
Indian Services:										
21 Tribal Government Services...	81	8,786	88	6,662	91	7,526	3	864	10	(1,260)
22 Social Services.....	44	93,222	44	91,248	45	84,138	1	(7,110)	1	(9,084)
23 Law Enforcement.....	46	4,016	46	4,027	59	5,121	13	1,094	13	1,105
26 Self-Determination Services..	22	57,644	15	56,956	12	51,626	(3)	(5,330)	(10)	(6,018)
28 Employment Development.....	9	2,685	9	2,698	6	2,099	(3)	(599)	(3)	(586)
29 Tribe/Agency Operations.....	<u>1,101</u>	<u>124,812</u>	<u>1,101</u>	<u>127,286</u>	<u>1,152</u>	<u>127,991</u>	<u>51</u>	<u>705</u>	<u>51</u>	<u>3,179</u>
Subtotal, Indian Services.....	1,303	291,165	1,303	288,877	1,365	278,501	62	(10,376)	62	(12,664)
BIA-36 Navajo/Hopi Settlement Program.	56	1,985	56	2,002	40	1,002	(16)	(1,000)	(16)	(983)
Economic Development										
26 31 Business Enterprise Develop..	51	10,801	51	10,812	49	10,398	(2)	(414)	(2)	(403)
Road Maintenance.....	400	30,975	0	0	0	0	0	0	(400)	(30,975)
39 Tribe/Agency Operations.....	<u>69</u>	<u>3,523</u>	<u>69</u>	<u>3,594</u>	<u>65</u>	<u>3,542</u>	<u>(4)</u>	<u>(52)</u>	<u>(4)</u>	<u>19</u>
Subtotal, Econ. Development.	520	45,299	120	14,406	114	13,940	(6)	(466)	(406)	(31,359)
Natural Resources Development										
52 Forestry & Agriculture.....	608	82,223	641	97,628	462	91,927	(179)	(5,701)	(146)	9,704
53 Minerals & Mining.....	30	15,572	15	7,875	22	5,211	7	(2,664)	(8)	(10,361)
59 Tribe/Agency Operations.....	<u>980</u>	<u>50,307</u>	<u>967</u>	<u>50,689</u>	<u>947</u>	<u>47,527</u>	<u>(20)</u>	<u>(3,162)</u>	<u>(33)</u>	<u>(2,780)</u>
Subtotal, Natural Res. Dev.	1,618	148,102	1,623	156,192	1,431	144,665	(192)	(11,527)	(187)	(3,437)
Trust Responsibilities										
41 Indian Rights Protection.....	121	16,041	116	8,250	124	7,590	8	(660)	3	(8,451)
42 Real Estate/Financial Trust..	306	19,262	306	19,328	293	20,212	(13)	884	(13)	950
49 Tribe/Agency Operations.....	<u>522</u>	<u>23,495</u>	<u>522</u>	<u>23,990</u>	<u>522</u>	<u>23,930</u>	<u>0</u>	<u>(60)</u>	<u>0</u>	<u>435</u>
Subtotal, Trust Respons....	949	58,798	944	51,568	939	51,732	(5)	164	(10)	(7,066)

Summary of Requirements

	FY 1989		FY 1990		FY 1990		Change		Change	
	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount
66 Facilities Management.....	1,106	81,453	1,115	82,898	1,109	85,578	(6)	2,680	3	4,125
General Administration										
72 Management & Administration..	717	38,151	722	41,431	742	42,106	20	675	25	3,955
73 ADP Services.....	166	17,650	166	17,189	166	19,053	0	1,864	0	1,403
Employee Compensation Pmts...	0	14,962	0	18,481	0	18,481	0	0	0	3,519
Program Management.....	128	6,016	119	6,051	125	6,431	6	380	(3)	415
Consolidated Training Pgms...	0	840	0	840	0	840	0	0	0	0
79 Tribe/Agency Operations.....	505	19,843	505	20,454	505	20,837	0	383	0	994
Subtotal, General Admin....	1,516	97,462	1,512	104,446	1,538	107,748	26	3,302	22	10,286
Subtotal Direct Program.....	10,962	992,767	10,550	972,620	10,385	953,316	(165)	(19,304)	(577)	(39,451)
Reimbursable Programs.....	734	0	734	0	712	0	(22)	0	(22)	0
TOTAL APPROPRIATION.....	11,696	992,767	11,284	972,620	11,097	953,316	(187)	(19,304)	(599)	(39,451)

BIA-27

Activity Summary

(Dollar amounts in thousands)

Activity: Education

<u>Subactivity</u>	<u>FY 1988 Actual Approp.</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- From Base</u>
School Operations	189,443	186,643	190,082	192,534	+2,452
Johnson-O'Malley	20,351	23,000	23,072	20,472	-2,600
Continuing Education	28,640	26,314	26,380	25,002	-1,378
Tribe/Agency Operations	<u>---</u>	<u>a/ 32,546</u>	<u>32,697</u>	<u>32,142</u>	<u>-555</u>
Total	238,434	268,503	272,231	270,150	-2,081

a/ These funds were shown in Tribal Services, Tribe/Agency in FY 1988.

Justification of Program and Performance

Activity: Education
 Subactivity: School Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Indian School Equalization Program (ISEP):						
1. ISEP Formula	\$	158,615	161,584	166,458	+7,843	+4,874
	(FTE)	(3,277)	(3,260)	(3,260)	(-17)	(--)
2. Indian School Program Adjustments	\$	2,355	1,955	1,655	-700	-300
B. Institutionalized Handicapped						
	\$	1,428	3,428	3,428	+2,000	--
C. School Boards:						
1. Expenses	\$	723	--	--	-723	--
2. Training Fund	\$	512	--	--	-512	--
D. Student Transportation						
	\$	11,817	11,861	11,861	+44	--
	(FTE)	(151)	(151)	(151)	(--)	(--)
E. Solo Parent Program						
	\$	108	108	133	+25	+25
F. Technical Support:						
1. Agency & Area Offices	\$	8,310	8,358	6,762	-1,548	-1,596
	(FTE)	(177)	(177)	(156)	(-21)	(-21)
2. Education MIS	\$	384	384	324	-60	-60
	(FTE)	(3)	(3)	(3)	(--)	(--)
G. Substance/Alcohol Abuse Counselors						
	\$	2,391	2,404	1,913	-478	-491
	(FTE)	(20)	(20)	(20)	(--)	(--)
Total Requirements	\$	186,643	190,082	192,534	+5,891	+2,452
	(FTE)	(3,628)	(3,611)	(3,590)	(-38)	(-21)

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 or grant to tribes; and (5) to enhance local control of school operations.

A. Indian School Equalization Program

Base Program (\$161,584,000; FTE 3,260): 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 or grant with the Bureau of Indian Affairs pursuant to P. L. 93-638. Approximately 52% of the average daily membership (ADM) in bureau-funded schools in FY 1989 is 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. Students who are in the residential setting as a result of social placements may be identified as needing special counseling and be placed 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 39,381 students in 23 states in FY 1989. This figure includes 37,785 students in the basic instructional programs and 1,596 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 or Grant Schools (day and boarding) 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, or under P. L. 100-297 grant school provisions.

It is a major bureau initiative to improve the quality of education for Indian children and to continue to move the management of education to the local level. The Effective Schools movement began in FY 1988 with intense training sessions in education leadership for line officers and principals. The intent of this training is on-going and will continue through the next five years. Implementation of the Effective Schools process began in FY 1989 through training of teachers which emphasized quality education for all children. In FY 1990, the process will continue with school site training to include dormitory personnel, bus drivers, and other school personnel.

The bureau has established an internal process for recognizing exemplary schools and is also encouraging bureau schools to make application to the Department of Education for recognition as exemplary schools. In FY 1989, the bureau encouraged its schools to participate in programs sponsored by the National Diffusion Network (NDN) through the U.S. Department of Education. The NDN is a nationwide system established to help those involved in education acquire the materials and assistance they need to incorporate proven exemplary practices into their own programs. In 1988-89, twenty-three NDN programs were being used in bureau schools. These are examples of programs which work and can be shared through a network specifically established to solve mutual problems in schools.

SUMMARY OF FISCAL YEAR 1989 BUREAU SCHOOL SYSTEM FUNDING

<u>TYPE OF SCHOOL</u>	<u>Total ADM</u>	<u>Instructional WSU</u>	<u>Residential WSU</u>	<u>Total Formula Funds</u>
<u>Day Schools</u>				<u>\$59,523,150</u>
Bureau Operated (57)	10,644	13,888	--	
Contracted (54)	8,377	11,441	--	
<u>On-Reservation Boarding Schools</u>				<u>76,889,650</u>
Bureau Operated (40)	13,562	17,089	9,103	
Contracted (10)	2,955	3,974	2,553	
<u>Off-Reservation Boarding Schools</u>				<u>14,755,650</u>
Bureau Operated (6)	2,028	2,763	2,985	
Contracted (1)	219	293	238	
<u>Dormitories</u>				<u>5,358,000</u>
Bureau Operated (9)	963	---	1,299	
Contracted (5)	633	---	981	
<u>Grand Total (182)</u>	<u>39,381</u>	<u>49,448</u>	<u>17,159</u>	<u>\$156,526,450</u>
=====				
Total includes WSUs calculated for small school adjustment		(495)	(240)	

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, gifted and talented 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 1989</u>	
		<u>ADM</u>	<u>WSUs</u>
I. <u>Instructional Programs</u>			
A.	Basic	37,785 a/	42,545
B.	Exceptional Child	6,762	4,204
C.	Bilingual	11,020	<u>2,204</u>
Total Instructional WSUs.....			48,953
II. <u>Residential Programs</u>			
A. <u>Boarding Schools</u>			
1.	Basic	10,498	13,417
2.	Exceptional Child Residential	340	167
3.	Intensive Residential Guidance	2,236	1,118
B. <u>Dormitories</u>			
1.	Basic	1,596 a/	2,029
2.	Intensive Residential Guidance	361	181
3.	Exceptional Child Residential	14	<u>7</u>
Total Residential WSUs.....			16,919
Total Formula Program WSUs.....			<u>65,872</u>
Small School Adjustment.....			<u>735</u>
GRAND TOTAL.....			<u>66,607</u>

a/ The "Basic" student ADM numbers for Instructional and Dormitories are added together to obtain the total unduplicated, unweighted ADM (39,381 for FY 1989).

The following table provides a funding history of the Indian School Equalization Formula from FY 1982 - FY 1990.

	<u>No. of Schools</u>	<u>ADM</u>	<u>WSU</u>	<u>\$ per WSU</u>
FY 1982	227	42,930	76,204	\$ 1,965
FY 1983	210	42,535	75,644	\$ 2,014
FY 1984	206	42,825	75,407	\$ 2,027
FY 1985	193	41,991	74,356	\$ 2,066
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	182	39,381	66,607	\$ 2,350
FY 1990 (estimate)	180	39,100	66,200	\$ 2,490 (est.)

Indian School Program Adjustments

Base Program (\$1,955,000; 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 1990 includes the following:

Textbook Upgrade\$300,000

In FY 1989, bureau schools could apply for matching funds for the purpose of purchasing textbooks, periodicals, maps, globes and other materials. The schools had to budget within the ISEP funds for a portion of the cost of these materials in order to receive funds for the full costs. Schools with math and science requests were given priority since those materials change more frequently due to new discoveries in science methods and technological advances. Schools which use the whole language curriculum were given the opportunity to purchase resource books for their classes, since specific textbooks in that program are not used on a scope and sequence basis, but rather as reference.

Start-up Costs for New or Expanded Programs.....50,000

Western Cheyenne Consolidated School is scheduled to open in February 1989, but it is anticipated that start-up costs for expendable materials and textbooks will continue into FY 1990.

Declining Enrollment Adjustment.....400,000

Schools which experience greater than a 10% decline in enrollment from one year to the next are allowed to average the enrollment of the two years for funding purposes. Twenty-one schools applied for Declining Enrollment in FY 1989. This transition year funding allows the school to adjust staffing and other costs to reflect the lower enrollment.

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. 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.....25,000

Law enforcement services at Riverside Indian School are needed particularly in the evening. Bureau law enforcement authority extends only to tribal lands, and Anadarko authorities have no jurisdiction over the school since it is outside the city limits. The county does not maintain the manpower to provide timely and adequate services to the school. In an agreement with the Area Director at Anadarko, Riverside has two positions, one of which is funded from education funds in the amount of \$25,000.

Recognition of Exemplary Schools.....450,000

In FY 1988, the bureau developed the criteria for the exemplary school recognition program, using the Department of Education school recognition program as a guide, and selected schools having exemplary programs.

In FY 1989, the schools recognized as having exemplary programs "adopted" a school which has experienced a degree of failure and continues to exhibit lack of progress in all aspects of the school program especially in the area of student achievement. The selected schools were geographically dispersed so that they provided technical assistance to a variety of programs. The "adopted" schools also received funds in FY 1989. The exemplary schools helped their colleagues through on-site training for the school and community; demonstrations by key teaching staff of new methodologies; or "loaning" their principal to a school needing instructional leadership. The recognition of other exemplary programs and the "adoption" program will continue in FY 1990.

Furniture Repair Program.....150,000

In FY 1989, the furniture repair program continued using the Memorandum of Understanding with Unicor, Federal Prison Industries. The funding also covers the cost of shipping the furniture. The furniture repair program generally takes place during the summer months when school is not in session. Since this program began, 45 schools with over 11,000 students have received chairs, couches, chests of drawers, cabinets, beds, bookcases, desks, and mattresses. The funds continue to support two agencies each year on a cyclical basis.

Staff Training.....500,000

In FY 1988, the bureau adopted the effective schools movement which has had significant success in public schools. In FY 1989, nineteen schools were selected to participate in the pilot phase of the program. Thirty principals and line officers received commitment training; fifty-seven principals, faculty members, and school board representatives attended the leadership training phase of the program; and 150 faculty and support personnel from the nineteen schools attended the School Effectiveness Team (SET) training. The nineteen schools also developed the School Improvement Plans (SIPs) which are blueprints used to address each school's specific needs. A technical assistance cadre of personnel was also developed to assist the schools in implementing the SIP.

Schools were also provided with electronic network training to implement a telecommunications network to enable participants to share information about their schools.

In FY 1989, the bureau also provided training to fifty-three additional schools which indicated an interest in school improvement efforts. As a result, fifteen additional schools were selected and provided with readiness training so that they can participate in the 1990 program. On site reviews were held for the fifteen additional schools. The bureau also developed research design to determine the impact of this program on the schools. This research design is of a longitudinal nature since the effective schools program is three to five years in duration. The bureau schools

are in such geographical locations as to require travel and follow-up meetings, and there are administrative, oversight, and coordination costs of this program. The bureau's overall goal as a result of this program is to improve student academic achievement.

Total, Indian School Program Adjustments.....\$1,955,000

<u>Change from FY 1990 Base:</u>	(Dollar amounts in thousands)		
	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Indian School Equalization Program (ISEP) Formula	\$ 161,584 (FTE) (3,260)	166,458 (3,260)	+4,874 (--)
Indian School Program Adjustments:			
Textbook Upgrade	\$ 300	-0-	-300

Indian School Equalization Program (ISEP) Formula (+\$4,874,000; FTE 0): The net increase of \$4,874,000 is composed of a decrease of \$2,396,000 which assumes continued decline in enrollment in bureau-funded schools. The components of the increase are: (1) Small school adjustment (\$200,000); (2) weighting factor for 7th and 8th grades (\$2,470,000); and (3) Salary adjustments for teachers and counselors (\$4,600,000). The small school adjustment and the weighting factor increases are needed in order to implement P.L. 100-297, the Indian Education Amendments of 1988. The salary adjustments are also required by P.L. 100-297 which provides a three year phase-in to increase salaries to the rates paid by the Department of Defense. The increase will also implement one of the major findings of the Report on BIA Education: Excellence in Indian Education, by bringing teacher salaries more in line with nearby public schools. Contract schools will receive a proportionate share of the increase requested for salary adjustments.

Indian School Program Adjustments (-\$300,000): No funds are requested for textbook upgrade in FY 1990. Bureau standards for textbooks have been met according to data received from site visits by the Standards Task Force. Most schools are now on a cyclical replacement plan of five to seven years as determined by the local school board, and textbooks can be purchased from formula funds.

B. Institutionalized Handicapped Program

Base Program (\$3,428,000; 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. 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 3-21 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 12 new placements will be made during school year 1989/1990.

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 U.S. Department of Education's General Administration Regulations (EDGAR).

In FY 1989, the social services branch within the bureau provided for the custodial care for the institutionalized handicapped students through contracts with tribes and other organizations. In FY 1990, the bureau proposes to transfer the funds from social services to education for the purpose of reducing the contracting process thus easing the paperwork burden for the government and contractors. This move will also allow for the improvement of the monitoring process to ensure proper services to children on a 24 hours per day basis. For the most part, these children are medically fragile. The bureau still intends to contract with tribes, states and private providers for services to this population.

C. School Boards

Funds for Schools Boards were transferred to the ISEP formula in accordance with P.L. 100-297, the Indian Education Amendments of 1988, which authorizes a set-aside rather than direct funding for the boards.

D. Student Transportation

Base Program (\$11,861,000; FTE 151): 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.

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.

Transportation funds are allocated to boarding schools to provide for boarding students' arrival at school in the fall, a 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.

E. 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.

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Solo Parent Program	\$ 108	133	+25

Solo Parent Program (+\$25,000): The increase will allow the bureau to meet additional expenses in the day-to-day care of the children of the students. In recent years, the cost of child care, diapers, formula, and baby food has greatly increased.

F. Technical Support - Area and Agency Offices

Base Program (\$8,742,000; FTE 180): 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 (\$8,358,000; FTE 177): 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 (\$384,000; FTE 3): During FY 1989, 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 1990 will include: (1) developing education's personnel system; (2) developing the curriculum information system; (3) developing the continuing education system; (4) implementing a nation-wide electronic mail and file transfer system; and (5) further enhancement to the student enrollment and attendance system (SEAS).

In FY 1990, the OIEP will continue to provide ADP services for all education locations and for other bureau offices. These ADP services include the printing of financial, payroll, FTE, personnel, facilities, and other special reports generated through the bureau's ADP system.

The following is the estimated breakdown of the MIS FY 1990 budget:

	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>
1. System Development.....	\$230,000	\$ 70,000	\$ 10,000
2. ADP Services.....	60,000	97,000	97,000
3. MIS salaries, materials and supplies, data communication line, travel, equipment maintenance and repair.....	<u>134,000</u>	<u>217,000</u>	<u>217,000</u>
Total	\$424,000	\$384,000	\$324,000

Change from FY 1990 Base:

	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Technical Support Agency and Area Offices	\$ 8,358 (FTE) (177)	6,762 (156)	-1,596 (-21)
Management Information Systems	\$ 384 (FTE) (3)	324 (3)	-60 (--)

Technical Support - Agency and Area Offices (-\$1,596,000; FTE -21):

In FY 1988, the bureau began assessing and evaluating the technical support staffing and established standards with respect to ratios of employees to the number of schools supervised, tribes served, and programs monitored. In FY 1989 the bureau expects to pursue management initiatives to streamline delivery systems, improve cost effectiveness, and increase efficiency of program operations. This initiative may include organizational changes such as consolidation of some areas and agency offices and functions.

To a large extent, the decrease in FTE will be accomplished through attrition. There are a number of vacant positions in field locations and the impact on schools and tribes will be minimal.

Management Information Systems (-\$60,000): The systems which have been developed in-house are now operational, and the bureau anticipates the use of less costly commercial products to fulfill the requirements for the remaining systems.

G. 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 (\$2,404,000; FTE 20): 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 program of instruction relating to alcohol and substance abuse prevention and

treatment. These funds are used to hire certified counseling personnel in grades K-12 to provide counseling, treatment, prevention, intervention and follow-up. In FY 1989, the bureau expanded this program with other substance abuse programs from the Department of Education to include a program in Health Promotion and Disease Prevention (HPDP) and a program in AIDS. Training, technical assistance and dissemination of information were provided to schools.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Substance Abuse/Alcohol	\$	2,404	1,913	-491
School Counselors	(FTE)	(20)	(20)	(--)

Substance Abuse/Alcohol (-\$491,000): The bureau has been unable to fill positions in this area due to a nation-wide shortage of credentialed counselors. Existing counselors and teachers have been provided training on substance and alcohol abuse, and the counseling needs of students are being met.

Object Class Distribution - School Operations Subactivity

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation (FTE).....	-21	\$+2,754,000
Personnel Benefits.....		+396,000
Travel.....		-200,000
Rent, Communications and Utilities.....		-150,000
Other Services.....		-48,000
Supplies and materials.....		-400,000
Grants, Subsidies and Contributions.....		+200,000
Equipment.....		-100,000
Total.....	-21	\$+2,452,000
	====	=====

Justification of Program and Performance

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

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Johnson-O'Malley Educational Assistance \$	23,000	23,072	20,472	-2,528	-2,600
Total Requirements \$	23,000	23,072	20,472	-2,528	-2,600

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 (\$23,072,000): 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.

In FY 1989, the JOM program funded 205,705 students in 31 states and operated under 306 contracts.

<u>Type of Contractor</u>	<u>1988</u>	<u>1989</u>
Tribes	165	163
Tribal Organizations	60	54
Public School Districts	75	83
State Departments of Education	6	6
Total Contracts	306	306

FY 1989 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 \$89.88	STATE ALLOCATION (5) X (3)
ALABAMA	\$2,467	1.10	442	486	\$ 98.87	\$ 43,700
ALASKA	8,183	2.24	24,540	54,970	201.33	4,940,700
ARIZONA	3,007	1.10	43,633	47,996	98.87	4,313,900
CALIFORNIA	3,458	1.10	4,040	4,444	98.87	399,400
COLORADO	3,911	1.10	693	762	98.87	68,500
CONNECTICUT	4,670	1.28	34	44	115.05	3,900
FLORIDA	3,417	1.10	524	576	98.87	51,800
IDAHO	2,417	1.10	1,856	2,042	98.87	183,500
IOWA	3,552	1.10	540	594	98.87	53,400
KANSAS	3,761	1.10	537	591	98.87	53,100
LOUISIANA	3,053	1.10	114	125	98.87	11,300
MAINE	3,387	1.10	206	227	98.87	20,400
MICHIGAN	4,065	1.11	3,021	3,353	99.77	301,400
MINNESOTA	3,872	1.10	6,420	7,062	98.87	634,700
MISSOURI	3,122	1.10	12	13	98.87	1,200
MISSISSIPPI	2,169	1.10	485	534	98.87	48,000
MONTANA	3,999	1.10	8,667	9,534	98.87	856,900
NEBRASKA	3,553	1.10	1,743	1,917	98.87	172,400
NEVADA	3,384	1.10	3,350	3,685	98.87	331,200
NEW MEXICO	3,080	1.10	29,632	32,595	98.87	2,929,700
NEW YORK	5,829	1.60	2,103	3,365	143.81	302,400
NORTH DAKOTA	3,386	1.10	3,171	3,488	98.87	313,500
OKLAHOMA	3,078	1.10	41,458	45,604	98.87	4,098,900
OREGON	4,051	1.11	2,475	2,747	99.77	246,900
RHODE ISLAND	4,566	1.25	523	654	112.35	58,800
SOUTH DAKOTA	2,947	1.10	9,690	10,659	98.87	958,000
TEXAS	3,191	1.10	266	293	98.87	26,300
UTAH	2,351	1.10	2,973	3,270	98.87	294,000
WASHINGTON	3,794	1.10	6,255	6,881	98.87	618,400
WISCONSIN	4,093	1.12	5,051	5,657	100.67	508,500
WYOMING	5,051	1.38	1,251	1,726	124.03	155,200
TOTALS			205,705	255,894		\$23,000,000

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. Column 2 reflects the first phase-in period of the distribution formula recommended by the Assistant Secretary of Indian Affairs and enacted in Public Law 100-446. The authorized minimum weight factor for FY 1989 is 1.10.

In FY 1988, the bureau reviewed various methods of equitable fund distribution and recommended a new formula. The new formula was approved by Congress in Public Law 100-446, the FY 1989 Interior and Related Agencies Appropriation Act, and the minimum weight factor will be phased in over a three year period. The phase-in began in FY 1989 with all states receiving a minimum weight of 1.1. In FY 1990, the minimum will be 1.2; and in FY 1991 it will be 1.3. The following chart shows the estimated distribution by state during the phase-in period. FY 1990 and FY 1991 calculations are based on FY 1989 enrollment figures.

HISTORICAL JOM DISTRIBUTION BY STATE

STATE	FY 1988 ACTUAL	FY 1989 ACTUAL	FY 1990 ESTIMATE	FY 1991 ESTIMATE
ALABAMA		43,700	39,700	40,400
ALASKA	4,626,100	4,940,700	4,115,000 *	3,864,300 *
ARIZONA	3,622,900	4,313,900	3,919,600	3,987,600
CALIFORNIA	324,700	399,400	362,900	369,200
COLORADO	68,800	68,500	62,300	63,300
CONNECTICUT		3,900	3,300 *	3,100
FLORIDA	39,100	51,800	47,100	47,900
IDAHO	156,500	183,500	166,800	169,600
IOWA	46,400	53,400	48,500	49,300
KANSAS	65,300	53,100	48,300	49,100
LOUISIANA	8,800	11,300	10,300	10,400
MAINE	21,500	20,400	18,500	18,800
MICHIGAN	261,000	301,400	271,400	276,100
MINNESOTA	469,300	634,700	576,700	586,700
MISSOURI		1,200	1,100	1,100
MISSISSIPPI	35,300	48,000	43,600	44,300
MONTANA	807,100	856,900	778,600	792,100
NEBRASKA	152,100	172,400	156,600	159,300
NEVADA	300,800	331,200	301,000	306,100
NEW MEXICO	2,623,900	2,929,700	2,661,900	2,708,100
NEW YORK	282,200	302,400	251,900 *	236,500 *
NORTH DAKOTA	264,800	313,500	284,900	289,800
OKLAHOMA	3,578,200	4,098,900	3,724,200	3,788,800
OREGON	229,400	246,900	222,400	226,200
RHODE ISLAND	40,600	58,800	48,900	47,800
SOUTH DAKOTA	852,400	958,000	870,500	885,500
TEXAS	21,500	26,300	23,900	24,300
UTAH	269,800	294,000	267,100	271,700
WASHINGTON	561,900	618,400	561,900	571,600
WISCONSIN	471,800	508,500	453,800	461,600
WYOMING	148,800	155,200	129,300 *	121,400 *
TOTALS	20,351,000	23,000,000	20,472,000	20,472,000

* These states have a weight factor in excess of the 1.2 minimum in FY 1990 and the 1.3 minimum for FY 1991.

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Johnson-O'Malley Educational Assistance \$	23,072	20,472	-2,600

Johnson-O'Malley Educational Assistance (-\$2,600,000): The FY 1989 Congressional add-on of \$2.6 million represented a 13% increase over the 1988 funding level, though the number of students served only increased by about 2%. The increased number of students served was a result of the elimination of the requirement for 25% blood quantum.

The new formula was developed to provide more equitable funding to all participating states. Where enrollment is stable, the FY 1990 requested funding level will provide an increase over FY 1988 funding levels for all states who are at or below the 1.2 minimum weight factor.

Justification of Program and Performance

Activity: Education
 Subactivity: Continuing Education

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc.(+) Dec.(-) From Base</u>
A. Post-Secondary Schools	\$ (FTE)	11,386 (243)	11,452 (243)	11,214 (243)	-172 (--)	-238 (--)
B. Special Higher Education Scholarships	\$	1,960	1,960	1,500	-460	-460
C. Tribally Controlled Community Colleges:						
Operational Grants	\$	12,718	12,718	12,038	-680	-680
Endowments	\$	250	250	250	--	--
Total Requirements	\$ (FTE)	26,314 (243)	26,380 (243)	25,002 (243)	-1,312 (--)	-1,378 (--)

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 (\$11,452,000; 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. 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 since dormitories are only for single residents.

Haskell Indian Junior College (HIJC) (\$7,419,000; 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 1988, Haskell placed a total of 32 students in a Forest Service summer program. As a result of the program, the 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. In FY 1988, Haskell formalized agreements with the Forestry Departments at Colorado State University, Montana State University, University of Montana, University of Idaho, University of Minnesota and Northern Arizona University in a cooperative effort to assist in securing financial assistance for students who transfer to the forest management courses from Haskell. Agreements with other universities are also being considered.

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 \$250,000 in summer employment earnings for students. In FY 1989, Haskell extended its cooperative education agreements to include the National Park Service and the Forest Service. Three student interns are participating in the Geological Survey program and two students are participating in the Soil Conservation Service program which will continue during the year. Private corporations also look to Haskell for promising Native American college students. Bell Laboratories continue to work with Haskell and have hired two Haskell employees for the summer to broaden their experience so that Haskell is able to offer the latest technology in electronics. Starting salaries for those graduates who are now working for the Laboratories start at \$40,000 per year.

Haskell has also had formal discussions with the University of Kansas for transition degrees to be implemented in FY 1989 in education, criminal justice and other programs. They are initiating discussions with Indian Health Service to begin a program in nursing which would offer a transfer program to a four-year college. If these plans are successful in FY 1989, Haskell would be providing a substantial number of Native American professionals to the public sector and to reservations by 1992.

In FY 1989, Haskell is implementing a satellite program with the Oneida Tribe to teach fully accredited courses in Business Administration, Tribal Government, and secretarial skills to tribal employees.

Southwestern Indian Polytechnic Institute (SIPI) (\$4,033,000; FTE 81):

Southwestern Indian Polytechnic Institute is located in Albuquerque, New Mexico, and opened in September of 1971 to provide Indian students with post-secondary educational programs in vocational and technical fields that are in high demand. 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 the students graduating from this program are placed in jobs with national firms.

A newly developed General Educational Development (GED)/Adult Basic Education (ABE) program will be offered at the beginning of the FY 1989 school year. This program is being funded by a grant offered by the State of New Mexico. This approach to GED/ABE training is designed to provide adult students with academic preparation necessary to successfully pass each section of the new GED test battery. The program will feature computer assisted instruction and one-on-one tutoring for all students. With the completion of the GED certification, opportunities for formal training and advanced degrees are open to students.

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.

SIPI continues to place over 80 percent of its graduates in jobs or higher education. The job placement demand continues to be high for computer operators, computer maintenance technicians, secretaries, draftspersons, surveyors, optic technicians and food managers.

TABLE 1 - NUMBER OF STUDENTS ENROLLED

	<u>DORM CAPACITY</u>	<u>FY 1988 Actual</u>		<u>FY 1989 Estimate</u>		<u>FY 1990 Estimate</u>	
		<u>Fall</u>	<u>Spring</u>	<u>Fall</u>	<u>Spring</u>	<u>Fall</u>	<u>Spring</u>
		<u>1987</u>	<u>1988</u>	<u>1988</u>	<u>1989</u>	<u>1989</u>	<u>1990</u>
Haskell	708	756	689	842	725	825	750
SIPI	<u>512</u>	<u>465</u>	<u>480</u>	<u>450</u>	<u>450</u>	<u>520</u>	<u>550</u>
Total	1,220	1,221	1,169	1,292	1,175	1,345	1,300

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

TABLE 2 - NUMBER OF GRADUATES

	<u>FY 1988 Actual</u>		<u>FY 1989 Estimate</u>		<u>FY 1990 Estimate</u>	
	<u>Fall</u>	<u>Spring</u>	<u>Fall</u>	<u>Spring</u>	<u>Fall</u>	<u>Spring</u>
	<u>1987</u>	<u>1988</u>	<u>1988</u>	<u>1989</u>	<u>1989</u>	<u>1990</u>
Haskell	35	82	38	90	40	125
SIPI	<u>58</u>	<u>71</u>	<u>68</u>	<u>53</u>	<u>50</u>	<u>80</u>
Total	93	153	106	143	90	205

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Haskell	\$	7,419	7,300	-119
Southwestern Indian Polytechnic Institute	\$	<u>4,033</u>	<u>3,914</u>	<u>-119</u>
Total, Post-Secondary Schools	\$	11,452	11,214	-238

Post-Secondary Schools (-\$238,000; 0 FTE): The FY 1989 Congressional add-on of \$400,000 included \$200,000 for each of the schools for development of new programs such as natural resources. Curriculum development, purchase of materials and textbooks, and other startup activities were accomplished in FY 1989; and the requested funding level will be sufficient for ongoing operation of these programs.

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 (\$1,960,000; 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 Scholarship justification in Tribe/Agency Operations), 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 summers of 1987 and 1988 and academic year 1987-88.

Table 1

Applicants and Scholarships

	<u>Summer School 1987</u>	<u>Academic Year 1987-88</u>	<u>Summer School 1988</u>
Applicants Funded by Field of study:			
Law	35	128	60*
Education	14	63	7
Business	3	25	2
Health Professions	10	53	20
Engineering	--	4	1
Natural Resources	1	--	--
Other Fields	<u>2</u>	<u>27</u>	<u>--</u>
Total Students Funded	65	300	90

* Includes 29 summer Pre-Law students

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.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Special Higher Education Scholarships	\$	1,960	1,500	-460

Special Higher Education Scholarships (-\$460,000): Since law is one of the priority fields and represents over 40% of the total scholarships awarded, the Summer Law Program which was a Congressional add-on in FY 1989 is not funded in FY 1990. The \$1,500,000 requested level for this program will fund the "unmet need" of the majority of eligible students, including those students who are studying in other than priority fields.

C. TRIBALLY CONTROLLED COMMUNITY COLLEGES

		<u>FY 1989</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From 1990</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Title I	\$	8,489	8,489	8,009	-480	-480
Title II (NCC)	\$	4,113	4,113	3,913	-200	-200
Technical Assistance	\$	116	116	116	--	--
Operating Grants	\$	12,718	12,718	12,038	-680	-680
Endowments	\$	250	250	250	--	--
	\$	<u>12,968</u>	<u>12,968</u>	<u>12,288</u>	<u>-680</u>	<u>-680</u>

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 (\$12,968,000; 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 Act, as amended, 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). Grant funds are distributed to eligible Title I colleges on the basis of the calculated 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. The FY 1989 payments will be the first to include summer school

hours. There will be 22 Title I Colleges in FY 1990. Fond du Lac was approved in FY 1988 and will be funded for the first time in FY 1989. Bay Mills was approved in FY 1989 and will be funded for the first time in FY 1990.

Table 1 shows the list of Title I Tribally Controlled Community Colleges and the comparative data on the Indian Student Count (ISC), number of graduates, accreditation status, and the types of degrees and certificates awarded by each college for fiscal years 1988 and 1989.

A Title II grant is authorized for NCC for an amount necessary for operating and maintaining the College, including, but not limited to, administrative, academic, and operation and maintenance costs. Table 2 shows enrollment statistics for NCC.

Technical assistance funds in the amount of \$116,000 are provided to assist the tribal colleges in gaining full accreditation and maintaining quality programs.

Endowments (\$250,000): P.L. 99-428 authorized the Secretary to establish a program for making endowment grants to the Tribally Controlled Community Colleges. The endowment program was initiated in FY 1988 and was implemented under Federal Register Notice since regulations on the Tribally Controlled Community Colleges had not been finalized. Endowment payments were prorated on the basis of actual and committed amounts submitted after verification by the Bureau. The endowment grants are based on a dollar for dollar match and must be placed in a federally insured banking or savings institution. The interest earned can be used to defray expenditures associated with the operation of the college. The following colleges received endowment grants in FY 1988:

<u>Colleges</u>	<u>Amount</u>
Blackfeet Community College	\$ 8,867
D-Q University	8,867
Dull Knife Memorial College	70,939
Fort Berthold Community College	3,547
Fort Peck Community College	8,867
Lac Courte Oreilles Ojibwa College	3,547
Little Big Horn College	8,867
Lummi Community College	124,143
Oglala Lakota College	46,110
Salish Kootenai College	21,282
Sinte Gleska College	36,947
Sisseton-Wahpeton Community College	1,775
Standing Rock College	20,572
Stone Child Community College	2,660
Turtle Mountain College	8,867
Navajo Community College	<u>124,143</u>
Total	\$500,000

TABLE 1 - FTE/ISC and Graduates

<u>Tribal College</u>	<u>FY 1988 ISC a/</u>	<u>Est. FY 1989 ISC a/</u>	<u>Accred-c/ itation</u>	<u>Degrees or Certificate Offered d/</u>	<u>FY 1988 Graduates</u>
Blackfeet	263	316	Accred	AA, AAS, Voc.Cert.	26
Cheyenne River	61	70	Cand	AA, AS, Voc.Cert.	2
D-Q University	121	156	Accred	AA, AS	5
Dull Knife	116	130	NA	AA, AAS	12
Fond du Lac <u>b/</u>		115	Accred	AA, AAS	--
Fort Belknap	114	130	Cand	AA	17
Fort Berthold	115	118	Cand	AA, Voc.Cert.	22
Fort Peck	180	216	Cand	AA, AAS, Voc.Cert.	30
Lac Courtes Oreilles Ojibwa	136	175	Cand	AA	1
Little Big Horn	100	100	Cand	AA, Voc. Cert.	9
Little Hoop	86	85	Cand	AAS, Voc.Cert.	18
Lummi	243	300	Cand	AS	12
Nebraska	132	182	Accred	AA, AS, AAS; Voc. Cert.	10
Oglala Lakota	710	750	Accred	AA, BS, Voc.Cert.	75
Salish Kootenai	342	392	Accred	AA, AAS, Voc.Cert.	48
Sinte Gleska	316	348	Accred	AS, AAS, BS, Voc. Cert.	30
Sisseton-Wahpeton	81	125	Cand	AA, Voc.Cert.	18
Standing Rock	242	275	Accred	AA, AAS, AS, Voc. Cert.	30
Stone Child	135	150	NA	AA, AAS	--
Turtle Mountain	<u>300</u>	<u>350</u>	Accred	AA, AAS	<u>54</u>
TITLE I Totals	3,793 =====	4,483 =====			419 ===

a/ ISC figures were reported by the individual colleges and have not been verified or audited. The FY 1989 estimates include summer school credit hours.

b/ Newly established - FY 1989 will be first year of funding.

c/ 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.

d/ Degrees Awarded by TCCC:
 ASN - Associate of Science Nursing (R.N. and L.P.N.)
 AA - Associate of Arts
 AS - Associate of Science
 AAS - Associate of Applied Science
 BS - Bachelor of Science
 Voc.Cert. - Vocational Certificate

TABLE 2 - Navajo Community College (Title II)

	<u>Fall Semester Enrollment</u>		<u>Spring Semester Enrollment</u>		<u>Summer School Enrollment</u>
	<u>Full Time</u>	<u>Part-time</u>	<u>Full Time</u>	<u>Part-time</u>	<u>Full Time</u>
<u>FY 1988</u> <u>SY 87-88</u>	490	1,236	541	1,264	403
<u>FY 1989</u> <u>SY 88-89</u>	529	878	500 *	1,280 *	460 *
<u>FY 1990</u> <u>SY 89-90</u>	515 *	1,115 *	545 *	1,295 *	420 *

* = Estimates
SY = School Year

The enrollment figures for Navajo Community College were provided by NCC.

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Tribally Controlled Community Colleges:			
Operational Grants	\$ 12,718	12,038	-680

TCCC Operating Grants (-\$680,000): The FY 1990 funding level maintains the principle that the grants provided to Tribally Controlled Community Colleges were never intended to pay the full operating costs of these institutions. The colleges are to seek other revenue sources of funding such as private foundations, other grants, or tuition charges. The Endowment Program is also funded in FY 1990 at \$250,000 and provides an additional revenue source.

Object Class Distribution - Continuing Education Subactivity

	<u>Amount</u>
Personnel Compensation.....	\$ +198,000
Personnel Benefits.....	+24,000
Travel.....	-60,000
Other Services.....	-200,000
Supplies and Materials.....	-50,000
Equipment.....	-150,000
Grants, Subsidies and Contributions.....	-1,140,000
Total	-\$1,378,000

Justification of Program and Performance

Activity: Education
 Subactivity: Tribe/Agency Operations

<u>Program Elements</u>	(Dollar amounts in thousands)					
		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Scholarships	\$	28,476	28,606	28,015	-461	-591
	(FTE)	(3)	(3)	(--)	(-3)	(-3)
B. TCCC's Snyder Act Supplement	\$	932	936	916	-16	-20
C. Adult Education	\$	3,138	3,155	3,211	+73	+56
	(FTE)	<u>(20)</u>	<u>(20)</u>	<u>(16)</u>	<u>(-4)</u>	<u>(-4)</u>
Total Requirements	\$	32,546	32,697	32,142	-404	-555
	(FTE)	(23)	(23)	(16)	(-7)	(-7)

Base Program (\$32,697,000; FTE 23): 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 (\$28,606,000; FTE 3): 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 Indians, Eskimos, or Aleut students who are members of a tribe which is federally recognized and who are admitted for enrollment in an accredited college or university program leading primarily to a baccalaureate degree. 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. Financial need is determined by the institution's financial aid officer. Education staff 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 1989.

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 bureau contribution is approximately 25 percent of the total assistance required by students. They supplement their scholarship grant with college-based awards such as Pell Grants, Supplementary Education Opportunity Grants, National Direct Student Loans, and College Work Study; other public sources such as Veterans Administration, Welfare, State Grants, Social Security, Tribal Awards, Vocational Rehabilitation; tuition waivers from the college; and parental and personal contributions.

Workload Data:

TABLE 1 - HIGHER EDUCATION GRANT PROGRAM

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>Number of Students Assisted</u>	<u>Average Grant Size a/</u>	<u>Number of Graduates</u>	<u>Number of Tribal Contracts</u>	<u>Tribal Contracts Program Direction Costs (\$ and as % Appropriation)</u>
1949 <u>b/</u>	\$ 9,390	78	\$ 120	1	0	\$ --
1960	250,000	612	408	65	0	--
1970	3,848,000	4,271	873	286	6	120,000 (3.1%)
1979	26,575,600	14,904	1,695	1,965	32	1,310,000 (4.9%)
1980	27,398,000	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>	15,214 <u>c/</u>	1,800	1,102	98	3,817,000 (12.2%)
1988 est.	28,770,000	17,800 <u>c/</u>	1,402	1,600	100	3,817,000 (13.3%)
1989 est.	28,476,000	17,800	1,385	1,500	100	3,817,000 (13.4%)
1990 est.	28,015,000	17,800	1,360	1,500	100	3,817,000 (13.6%)

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

b/ First year of the Higher Education Grant Program.

c/ Increase resulted from the Zarr vs. Barlow case which removed the requirement of 1/4 degree of Indian blood for eligibility.

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

B. Tribally Controlled Community Colleges Supplement

Base Program (\$936,000; 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 1989 and FY 1990 supplemental funding provided to the listed colleges in addition to their grant from Education.

<u>Aberdeen Area:</u>	<u>Tribal College</u>	<u>Enacted</u>	<u>Estimate</u>
Rosebud Agency	Sinte Gleska Community College	\$142,100	\$143,200
Pine Ridge Agency	Oglala Lakota Community College	311,900	313,900
Turtle Mountain Agency	Turtle Mountain Community College	94,000	75,600
Fort Berthold Agency	Fort Berthold Community College	50,000	49,300
<u>Billings Area:</u>			
Northern Cheyenne Agency	Dull Knife Memorial College	<u>334,000</u>	<u>334,000</u>
		\$932,000	\$916,000

C. Adult Education

Base Program (\$3,155,000; FTE 20): 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 1989, 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>Number of Adult Educ. Programs</u>	<u>Number of Adult Participants</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 est.	3,141,000	88	12,000	262
1989 est.	3,138,000	88	12,500	251
1990 est.	3,211,000	88	12,500	257

a/ Included contract support funds.

Change from FY 1990 Base:

		(Dollar amounts in thousands)		
		<u>FY 1990 Base</u>	<u>FY 1990 Request</u>	<u>+/- Difference</u>
Scholarships	\$	28,606	28,015	-591
	(FTE)	(3)	(--)	(-3)
TCCC's Snyder Act Supplement	\$	936	916	-20
Adult Education	\$	3,155	3,211	+56
	(FTE)	<u>(20)</u>	<u>(16)</u>	<u>(-4)</u>
Total Requirements	\$	32,697	32,142	-555
	(FTE)	(23)	(16)	(-7)

Workload Data:

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a/ Included contract support funds.

Change from FY 1990 Base:

		(Dollar amounts in thousands)		
		<u>FY 1990 Base</u>	<u>FY 1990 Request</u>	<u>+/- Difference</u>
Scholarships	\$ (FTE)	28,606 (3)	28,015 (—)	-591 (-3)
TCCC's Snyder Act Supplement	\$	936	916	-20
Adult Education	\$ (FTE)	3,155 (20)	3,211 (16)	+56 (-4)
Total Requirements	\$ (FTE)	32,697 (23)	32,142 (16)	-555 (-7)

Scholarships (-\$591,000; FTE -3): The change in scholarships results from the application of the Indian Priority System at the tribe/agency locations shown below.

	FY 1989 <u>Tribal Priorities</u>	FY 1990 <u>Tribal Priorities</u>	+/- <u>Difference</u>
Aberdeen Area	3,254,000	3,215,000	-39,000
Anadarko Area	2,154,300	2,358,000	+203,700
Billings Area	1,988,900	1,895,000	-93,900
Juneau Area	3,184,000	3,169,000	-15,000
Sacramento Area	2,499,100	2,567,000	+67,900
Muskogee Area	2,313,700	1,467,000	-846,700
Sacramento Area	502,300	440,000	-62,300
Phoenix Area	2,364,900	2,399,000	+34,100
Albuquerque Area	1,621,000	1,599,000	-22,000
Navajo Area	6,042,800	6,043,000	+200
Portland Area	1,858,100	1,993,000	+134,900
Eastern Area	692,900	740,000	+47,100
	<u>\$28,476,000</u>	<u>\$27,885,000</u>	<u>\$-591,000</u>
New Tribes Adj. - Klamath		+100,000	
638 Pay Cost		+ 29,000	
Federal Pay Cost		<u>+ 1,000</u>	
FY 1989 Enacted to Date	\$28,476,000		
FY 1990 Budget Request		\$28,015,000	

Tribally Controlled Community Colleges (-\$20,000): The change in tribally controlled colleges results from the application of the Indian Priority System at the tribe/agency locations shown below.

	FY 1989 <u>Tribal Priorities</u>	FY 1990 <u>Tribal Priorities</u>	+/- <u>Difference</u>
Aberdeen Area	\$598,000	\$578,000	\$-20,000
Billings Area	334,000	334,000	---
	<u>\$932,000</u>	<u>\$912,000</u>	<u>\$-20,000</u>
638 Pay Cost		<u>+4,000</u>	
FY 1989 Enacted to Date	\$932,000		
FY 1990 Budget Request		\$916,000	

Adult Education (+\$56,000; FTE -4): The change to adult education results from the application of the Indian Priority System at the tribe/agency locations shown below.

	<u>FY 1989</u> <u>Tribal Priorities</u>	<u>FY 1990</u> <u>Tribal Priorities</u>	<u>Difference</u>
Aberdeen Area	\$359,600	\$347,000	\$-12,600
Anadarko Area	311,800	367,000	+55,200
Juneau Area	203,100	235,000	+31,900
Minneapolis Area	80,700	62,000	-18,700
Muskogee Area	178,400	141,000	-37,400
Phoenix Area	80,200	80,000	-200
Sacramento Area	253,700	201,000	-52,700
Albuquerque Area	304,800	350,000	+45,200
Navajo Area	500,600	478,000	-22,600
Portland Area	381,700	501,000	+119,300
Eastern Area	483,400	432,000	-51,400
	<u>\$3,138,000</u>	<u>\$3,194,000</u>	<u>+\$56,000</u>
Federal Pay Cost		+4,000	
638 Pay cost		<u>+13,000</u>	
FY 1989 Enacted to Date	\$3,138,000		
FY 1990 Budget Request		\$3,211,000	

Object Class Distribution - Education Tribe/Agency Subactivity

	<u>FTE</u>	
Total Personnel Compensation.....	-7	\$-167,000
Personnel Benefits.....		- 20,000
Grants, Subsidies and Contributions.....		-500,000
Other Contractual Services.....		<u>+132,000</u>
Total.....	-7	<u>\$-555,000</u> =====

Activity Summary

(Dollar amounts in thousands)

Activity: Tribal Services

<u>Subactivity</u>	<u>FY 1988 Actual Approp.</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- From Base</u>
Tribal Government Services	8,976	8,786	6,662	7,526	+864
Social Services	93,210	93,222	91,248	84,138	-7,110
Law Enforcement	4,286	4,016	4,027	5,121	+1,094
Self-Determination Services	52,677	57,644	56,956	51,626	-5,330
Employment Development	2,473	2,685	2,698	2,099	-599
Tribal/Agency Operations	<u>153,605</u> a/	<u>124,812</u>	<u>127,286</u>	<u>127,991</u>	<u>+705</u>
Total	315,227	291,165	288,877	278,501	-10,376

a/ Education Tribal/Agency programs were included under Tribal Services in FY 1988.

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Tribal Government Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Aid to Tribal Government	\$ (FTE)	6,162 (78)	4,037 (85)	5,301 (88)	-861 (+10)	+1,264 (+3)
B. Tribal Courts	\$ (FTE)	2,624 (3)	2,625 (3)	2,225 (3)	-399 (--)	-400 (--)
Total Requirements	\$ (FTE)	8,786 (81)	6,662 (88)	7,526 (91)	-1,260 (+10)	+864 (+3)
<u>A. Aid to Tribal Government</u>						
<u>Community Services, General:</u>						
Area Office Operations	\$ (FTE)	254 (6)	256 (6)	141 (3)	-113 (-3)	-115 (-3)
Central Office Operations	\$ (FTE)	320 (7)	322 (7)	353 (8)	+33 (+1)	+31 (+1)
Substance Abuse Coord. Office	\$ (FTE)	250 (3)	251 (3)	251 (3)	+1 (--)	-- (--)
<u>All Other Aid to Tribal Government:</u>						
Area Office Operations	\$ (FTE)	1,231 (32)	1,241 (32)	1,294 (34)	+63 (+2)	+53 (+2)
Central Office Operations	\$ (FTE)	1,207 (30)	1,567 (37)	2,012 (37)	+805 (+7)	+445 (--)
<u>New Tribes-Undistributed</u>	\$	2,900	400	1,000	-1,900	+600
<u>Institute for Tribal Government</u>	\$ (FTE)	-0- (--)	-0- (--)	250 (3)	+250 (+3)	+250 (+3)
Total	\$ (FTE)	6,162 (78)	4,037 (85)	5,301 (88)	-861 (+10)	+1,264 (+3)

Objective: The objectives of this program are 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) ensure the timely submission of judgment plans ensuring, to the greatest extent practicable, that tribal plans for utilization of the money are adopted; and (3) ensure the

timely processing of petitions from non-federally recognized Indian tribes or groups in order to determine their proper relationship with the Federal Government.

Base Program (\$4,037,000; FTE 85): 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 (\$829,000; FTE 16):

Area Office Operations (\$256,000; 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 (\$322,000; 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 (\$251,000; FTE 3): 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 which concern the use and abuse of alcohol and drugs, including those involving construction activities. 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 (\$2,808,000; FTE 69)

Area Office Operations (\$1,241,000; FTE 32): The majority of the area office funding is used to provide technical assistance to 306 federally-recognized Indian tribes in the lower 48 states and 197 Alaskan Native groups. The area staff assists 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; ensuring 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 (\$1,567,000; FTE 37): 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 area, agency and tribal staffs 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, ordinances and other governmental documents. Efforts in this area are ongoing and reflect a commitment to modernize tribal governing documents to achieve stable tribal governments; to reflect modern-day realities; and equip tribes with the mechanisms to manage 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 230 unrecognized groups in the nation, of which 114 have formally petitioned the bureau. Of the 114 formal petitions received by the Bureau, 24 have been evaluated, 30 are in process, and 60 are undocumented requests which cannot be processed without additional supporting material. 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.

As a result of the administrative consolidation of a portion of the activities of the Division of Self-Determination Services with the Division of Tribal Government Services, this activity will also provide training and technical assistance 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) prevent suspension, termination or resumption by the bureau of contracted programs. Technical assistance is also provided to address urgent, one-time operational needs or problems of tribes.

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.

New Tribes - Undistributed (\$400,000; FTE 0): The New Tribes program provides the initial source of funding for newly acknowledged tribes and enables them to begin federally-funded operations. New tribes are expected to assess their needs, design or propose operational programs to meet their needs, and submit proposed budgets to implement their programs.

The base funding will provide services to the Lac Vieux Desert Band of Lake Superior Chippewa Indians and partial funding and limited services to another new tribe which is expected to be recognized during FY 1989. The service population of these two tribes is approximately 775.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		FY 1990 Base	FY 1990 Estimate	+/- Difference
<u>Community Services, General</u>				
Area Office	\$	256	141	-115
Operations	(FTE)	(6)	(3)	(-3)
Central Office	\$	322	353	+31
Operations	(FTE)	(7)	(8)	(+1)
<u>All Other Aid to Tribal Government</u>				
Area Office	\$	1,241	1,294	+53
Operations	(FTE)	(32)	(34)	(+2)
Central Office	\$	1,567	2,012	+445
Operations	(FTE)	(37)	(37)	(--)
<u>New Tribes - Undistributed</u>	\$	400	1,000	+600
<u>Institute for Tribal Government</u>	\$	-0-	250	+250
	(FTE)	(--)	(3)	(+3)
Total	\$	3,786	5,050	+1,264
	(FTE)	(82)	(85)	(+3)

Community Services, Area Office Operations (-\$115,000; FTE -3): This decrease is the result of priorities established by the following area offices:

	FY 1989 <u>Enacted</u>	FY 1990 <u>Request</u>	<u>Change</u>
Anadarko Area	\$41,500	---	\$ -41,500
Sacramento Area	52,500	\$52,000	-500
Albuquerque Area	83,000	---	-83,000
Eastern Area	77,000	87,000	+10,000
Net Change.....			\$-115,000

Community Services, Central Office Operations (+\$31,000; FTE +1): The increase of \$31,000 and 1 FTE at the Central Office will provide additional staff capability in support of the Deputy in carrying out oversight responsibility for Tribal Services programs.

All Other Aid to Tribal Government, Area Office Operations (+\$53,000; FTE +2): This increase is the result of priorities established at the following area offices:

	FY 1989 <u>Enacted</u>	FY 1990 <u>Request</u>	<u>Change</u>
Aberdeen Area	\$246,800	\$247,000	\$ +200
Anadarko Area	167,600	148,000	-19,600
Billings Area	66,400	74,000	+7,600
Juneau Area	85,000	119,000	+34,000
Minneapolis Area	132,300	132,000	-300
Muskogee Area	77,000	83,000	+6,000
Phoenix Area	64,600	61,000	-3,600
Sacramento Area	104,900	106,000	+1,100
Albuquerque Area	51,400	84,000	+32,600
Navajo Area	73,800	81,000	+7,200
Portland Area	151,400	149,000	-2,400
Eastern Area	9,800	---	-9,800
Net Change.....			\$+53,000

All Other Aid to Tribal Government, Central Office Operations (+\$445,000; FTE 0): This increase will expand the bureau's effort to eliminate the backlog in processing petitions for Federal acknowledgment. Contracting for preparation of research reports is expected to speed up the process.

New Tribes - Undistributed (+\$600,000; FTE 0): The increase of \$600,000 is the net of the following changes:

--a decrease of \$150,000 for the Klamath Economic Self Sufficiency Plan (ESSP) which was added by Congress in FY 1989 for the completion of the plan;

--a decrease of \$75,000 for one-time costs of equipment and set up of the Klamath Field Office--the requested level of \$175,000 will support the ongoing operation of the office; and

--an increase of \$825,000 to provide additional funding to the new tribe expected to be recognized in FY 1989 and initial funding for another new tribe expected to be recognized in FY 1990 through the bureau's Federal Acknowledgment process. The total service population of the Lac Vieux Band and the two new tribes is approximately 970.

Institute for Tribal Government (+\$250,000; FTE +3): This increase will support the initial planning and development of an educational and training center to strengthen the self-sufficiency and operation of tribal governments as they operate in an environment of transition from Federally-operated programs to those which are locally managed and controlled. Tribal leaders, tribal managers, and tribal members, as well as Bureau managers and staff, will be trained at the Institute. The Institute will develop and conduct seminars which focus on the application of current theories and practices of government, business, management, and administration. Policy forums will also be conducted to establish a better understanding of the needs of tribal governments. Information resources will be developed and maintained by the Institute and be available for participants to initiate and evaluate improved methods for tribal self-government and self-sufficiency.

The Institute's training activities will be focused on such areas as governmental operations, human and political relations, management and administration, corporate management of tribal assets and enterprises, conflict resolution, and policy development. These activities will be provided through high-quality seminars and policy forums ranging from introductory levels to more advanced levels.

The Institute will be managed as a non-profit corporation by a Board of Regents composed of experienced leaders who know the needs of tribal governments and the bureau. The resources of a major university will also be utilized to support the Institute.

B. Tribal Courts

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Special Tribal Courts	\$ 2,065	2,065	1,565	-500	-500
Judicial Services Center	\$ 259 (FTE) (3)	560 (3)	660 (3)	+401 (--)	+100 (--)
Substance/Alcohol Abuse Training	\$ 300	--	--	-300	--
Total Requirements	\$ 2,624 (FTE) (3)	2,625 (3)	2,225 (3)	-399 (--)	-400 (--)

Objective: The objective of this program is to improve and maintain the judicial capabilities of Indian tribes at a level which will ensure the speedy and impartial adjudication of violations of tribal law and the resolution of civil disputes.

Base Program (\$2,625,000; FTE 3):

Special Tribal Courts (\$2,065,000; FTE 0): The Special Tribal Courts program enables the bureau to provide funding for training, technical assistance and evaluation services for tribal judicial systems and personnel on a nationwide basis. In FY 1988, 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 (\$560,000; FTE 3): This program administers and coordinates the design, development and provision of training for tribal court personnel, including on-site training services, evaluation of tribal court systems and operations. The Center also provides technical assistance for the development and improvement of tribal judicial systems. The staff provides technical assistance to field personnel and tribal judicial systems on matters concerning program organization and management, civil and criminal jurisdiction, alternative codes and procedures, and court standards. The staff 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. The staff reviews tribal liquor ordinances for compliance with 18 U.S.C. 1161 and processes these ordinances for publication in the Federal Register, as required by law.

The program also provides training, through contractual and other arrangements, 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.

Workload Data:

	<u>Actual 1988</u>	<u>Estimate 1989</u>	<u>Estimate 1990</u>
<u>Special Tribal Courts Training</u>			
Training Sessions (in-house)	3	3	3
Training Sessions (contract)	9	12	12
Trainees	625	720	720
Judges	(468)	(540)	(540)
Other Court Personnel	(157)	(180)	(180)

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Special Tribal Courts	\$	2,065	1,565	-500
Judicial Services Center	\$ (FTE)	560 (3)	660 (3)	+100 (--)
Total	\$ (FTE)	2,625 (3)	2,225 (3)	-400 (--)

Special Tribal Courts (-\$500,000; FTE 0): As tribal courts mature and their staffs become more experienced, a decrease in requests for needy tribal court funding is anticipated. The training sessions provided by the bureau, as well as the technical assistance and evaluation services have improved the performance and capabilities of existing tribal court systems. The requested funding will be sufficient to handle the training needs of new court personnel.

Judicial Services Center (+\$100,000; FTE 0): The increased funding will permit contracting for specialized on-site training services which are not available through the national tribal court training contract.

Object Class Distribution - Tribal Government Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+ 3	+\$ 231,000
Personnel Benefits.....		+ 28,000
Other Services.....		+ 605,000
Total.....	<u>+ 3</u>	<u>+\$ 864,000</u>
	=====	=====

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Social Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. All Other Social Services	\$ (FTE)	2,138 (44)	2,149 (44)	2,267 (45)	+129 (+1)	+118 (+1)
B. Welfare Assistance Grants	\$	<u>91,084</u>	<u>89,099</u>	<u>81,871</u>	<u>-9,213</u>	<u>-7,228</u>
Total Requirements	\$ (FTE)	93,222 (44)	91,248 (44)	84,138 (45)	-9,084 (+1)	-7,110 (+1)

A. All Other Social Services

Area Office Operations	\$ (FTE)	1,114 (28)	1,121 (28)	1,169 (28)	+55 (--)	+48 (--)
Strengthen Regional Staff	\$	242	242	242	--	--
Central Office Operations	\$ (FTE)	782 (16)	786 (16)	856 (17)	+74 (+1)	+70 (+1)
Total	\$ (FTE)	2,138 (44)	2,149 (44)	2,267 (45)	+129 (+1)	+118 (+1)

Objective: The objective of this program is 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 (\$2,149,000; FTE 44): 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 (\$1,121,000; FTE 28): The area offices have responsibility for technical supervision of the social services programs within their geographic 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.

Strengthen Regional Staff (\$242,000; FTE -0-): Area offices have responsibility for evaluation and monitoring of the program. This initiative was to strengthen area offices' ability to work with the central office Quality Control Unit. Follow-up corrective action at the area level is required on an on-going basis to ensure that identified quality control problems are corrected. Other projects that have been initiated and that 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; and (2) increased involvement in protective services for children.

Central Office Operations (\$786,000; 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; needs analysis to determine proper distribution of all grant funds; and coordination of the social services program with other bureau and federal agencies' programs.

Change from FY 1989 Base:

(Dollar amounts in thousands)

		FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	+/- <u>Difference</u>
Area Office	\$	1,121	1,169	+48
Operations	(FTE)	(28)	(28)	(--)
Central Office	\$	786	856	+70
Operations	(FTE)	<u>(16)</u>	<u>(17)</u>	<u>(+1)</u>
Total	\$	1,907	2,025	+118
	(FTE)	(44)	(45)	(+1)

Area Office Operations (+\$48,000; FTE -0-): The change is a result of priorities established at the following Area Offices.

	FY 1989 <u>Enacted</u>	FY 1990 <u>Request</u>	<u>Change</u>
Aberdeen Area	\$164,700	\$165,000	\$+300
Anadarko Area	48,500	49,000	+500
Billings Area	65,500	77,000	+11,500
Minneapolis Area	56,300	56,000	-300
Muskogee Area	78,000	79,000	+1,000
Phoenix Area	195,700	191,000	-4,700
Albuquerque Area	83,400	130,000	+46,600
Navajo Area	264,400	258,000	-6,400
Portland Area	79,500	79,000	<u>-500</u>

Net Change..... \$+48,000

Central Office Operations (+\$70,000; FTE +1): The increase will provide additional assistance to areas and agencies to address the findings of the Quality Control Reviews which were conducted at Pine Ridge Agency, Pawnee Agency, and Red Lake Agency as well as tribal contracted programs of the Uintah and Ouray, Flathead, Cheyenne and Arapaho, Ute Mountain, Ramah Navajo, Seneca-Cayuga, and Red Lake.

B. Welfare Assistance Grants

(Dollar amounts in thousands)

	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Welfare Assistance Grants (Regular)	\$ 80,206	78,221	75,871	-4,335	-2,350
EARN Demonstration	\$ 2,000	2,000	2,000	--	--
Indian Child Welfare Act (ICWA)	\$ <u>8,878</u>	<u>8,878</u>	<u>4,000</u>	<u>-4,878</u>	<u>-4,878</u>
Total Requirements	\$ 91,084	89,099	81,871	-9,213	-7,228

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 (\$89,099,000; 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 (\$78,221,000; FTE 0): The following types of assistance are available to tribes and tribal members under the welfare assistance grants program.

a. General Assistance (G.A.) (\$51,621,000): This program provides direct financial assistance 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. Assistance is currently provided in 19 states.

b. Non-Medical Institutional or Custodial Care of Adults (\$9,700,000): 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 has been provided in Arizona since that state did not administer a Title XIX Medicaid program until FY 1989.

c. Tribal Work Experience Program (TWEP) (\$1,500,000): Tribal members who receive general assistance and work on tribal projects under TWEP receive \$55 per month, in addition to their general assistance payments, for work-related costs. Examples of work projects include: road repair, building maintenance, facility construction, and housing construction and repairs.

d. Burial Assistance (\$900,000): These funds are used to pay burial expenses of deceased indigent Indians whose survivors do not have resources available to meet funeral expenses.

e. Child Welfare Assistance (\$14,500,000): This program provides for the care of abandoned or neglected children in foster homes, private or tribal group care homes, or in residential settings designed to provide special care. 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. In FY 1990, the cost of residential assistance for school-aged handicapped children was combined with the educational costs for these children which are shown in the Education activity.

Workload Data: Estimates of caseloads, unit costs for institutional and custodial care, child welfare assistance, and burial assistance provided below are based on data provided by agencies. In compiling these estimates, they consider such factors as past, current and projected caseload and unit cost trends. The monthly caseloads vary significantly based on weather conditions, fire seasons, and other outside factors; the caseloads and costs shown below reflect averages.

<u>I. CASELOAD</u>	1988	1989	1990
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
a. <u>General Assistance</u> (persons per month).....	62,548	62,000	59,200
b. <u>Non-Medical Institutional or Custodial</u> <u>Care of Adults</u> (persons per month).....	850	850	650
c. <u>Tribal Work Experience Program (TWEP)</u>	2,247	2,250	2,250
d. <u>Burial Assistance</u> (burials per year).....	1,160	1,200	1,200
e. <u>Child Welfare Assistance</u> (persons per month).....	2,416	2,500	2,100
(1) Foster home care (including family and small group care).....	(1,450)	(1,500)	(1,750)
(2) Residential care for handicapped children....	(966)	(1,000)	(350)
 <u>II. AVERAGE BENEFITS (\$)</u>	 <u>1988</u>	 <u>1989</u>	 <u>1990</u>
	<u>Actual</u>	<u>Est.</u>	<u>Est.</u>
a. <u>General Assistance</u> (\$ per person per month).....	68	70	72
b. <u>Non-Medical Institutional or Custodial</u> <u>Care of Adults</u> (\$ per person per month).....	938	950	1,000
c. <u>Tribal Work Experience Program (TWEP)</u> <u>(\$ per participant per month)</u>	55	55	55
d. <u>Burial Assistance</u> (\$ per burial).....	750	750	750
e. <u>Child Welfare Assistance</u> (\$ per child per month).	550	550	575

<u>III. TOTAL WELFARE GRANT COSTS BY TYPE (\$000)</u>	1988 Actual Oblig.	1989 Est.	1990 Est.
a. <u>General Assistance</u>	50,443	51,606	51,171
b. <u>Non-Medical Institutional or Custodial Care of Adults</u>	9,569	9,700	7,800
c. <u>Tribal Work Experience Program (TWEP)</u>	1,483	1,500	1,500
d. <u>Burial Assistance</u>	870	900	900
e. <u>Child Welfare Assistance</u>	<u>15,943</u>	<u>16,500</u>	<u>14,500</u>
Total	78,308	80,206	75,871
EARN reprogramming.....	2,000		
Other reprogrammings of unobligated balances.	1,336		
Lapsed - Returned to Treasury.....	<u>593</u>		
FY 1989 Appropriation.....	82,237		

Employment Assistance Readiness Net (EARN) (\$2,000,000; FTE 0): 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.

The Employment Assistance Readiness Net (EARN) was established in FY 1988 as 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. These local demonstration projects will produce data that can be used in developing a national framework within which local public assistance systems can be modified and operated. Each project will have a builtin 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 were initiated on a demonstration basis, the bureau has not revised its regulations or manuals but has waived certain requirements in order to implement this demonstration project.

Indian Child Welfare Act Grants (ICWA) (\$8,878,000; 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 of 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:

	1988 <u>Actual</u>	1989 <u>Est.</u>	1990 <u>Est.</u>
Number of Grants.....	128	120	60
Total Dollars (\$000).....	8,810	8,878	4,000

Change from FY 1989 Base:

(Dollar amounts in thousands)

	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	+/- <u>Difference</u>
Welfare Assistance Grants (Regular)	\$ 78,221	75,871	-2,350
Indian Child Welfare Act (ICWA)	\$ <u>8,878</u>	<u>4,000</u>	<u>-4,878</u>
Total Requirements	\$ 87,099	79,871	-7,228

Welfare Assistance Grants-Regular (-\$2,350,000; FTE 0): The decrease includes:

--anticipated savings in the cost of providing institutional care services for adults in the State of Arizona. Beginning in FY 1989, the Arizona Health Care Cost Containment System (AHCCCS) is to be phased in and by FY 1990 will provide comprehensive institutional care services to eligible residents of the state, including Indians. The AHCCCS will be funded under Title XIX of the Social Security Act.

--anticipated savings in General Assistance as individuals leave the welfare roles as a result of skills developed in the Tribal Work Experience Program (TWEP) and the Employment Assistance Readiness Net (EARN). Caseload continues to decline in this program.

Indian Child Welfare Act (ICWA) (-\$4,878,000; FTE 0): The reduction in the grant program reflects a decision by the bureau to concentrate more resources in reservation-based programs to address the serious problem of child neglect and abuse. The reservation-based programs are primarily funded in the tribe/agency portion of the budget. In FY 1989, an increase of \$1,494,000 was provided for this purpose, and the FY 1990 request includes an additional \$3,000,000 to improve the existing programs and \$1,000,000 to staff and operate half-way houses for juveniles.

Object Class Distribution - Social Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation.....	+1	\$+59,000
Personnel Benefits.....		+7,000
Travel.....		+52,000
Grants, Subsidies, Contributions.....		<u>-7,228,000</u>
Total.....	+1	<u>-\$7,110,000</u>
	=====	=====

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Law Enforcement

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Law Enforcement	\$ 3,018 (FTE) (36)	3,029 (36)	3,786 (46)	+768 (+10)	+757 (+10)
B. Substance/ Alcohol Abuse	\$ 998 (FTE) (10)	998 (10)	1,335 (13)	+337 (+3)	+337 (+3)
Total Requirements	\$ 4,016 (FTE) (46)	4,027 (46)	5,121 (59)	+1,105 (+13)	+1,094 (+13)

A. Law Enforcement-Regular

Area Office Operations	\$ 521 (FTE) (14)	524 (14)	583 (15)	+62 (+1)	+59 (+1)
Central Office Operations	\$ 1,343 (FTE) (15)	1,350 (15)	1,591 (24)	+248 (+9)	+241 (+9)
Police Academy	\$ 843 (FTE) (7)	844 (7)	1,001 (7)	+158 (--)	+157 (--)
Special Law Enforcement	\$ 311	311	611	+300	+300
Total	\$ 3,018 (FTE) (36)	3,029 (36)	3,786 (46)	+768 (+10)	+757 (+10)

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; development of methods and expertise to resolve conflicts and solve major crimes in Indian Country; provision of criminal justice remedial actions and rehabilitation; reduction of recidivism and adverse social effects; development of preventive and outreach programs which will enhance the public conception of law enforcement responsibilities through training and development of needed public service skills; assessment and evaluation of individual program accomplishments in reducing crime in Indian Country; development and provision of training.

Base Program (\$3,029,000; FTE 36)

Area Office Operations (\$524,000; FTE 14): 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 (\$1,350,000; FTE 15)

Central Office Staff (\$470,000; FTE 5): 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. 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 (\$880,000; FTE 10): This special unit of criminal investigators and staff experts is located in Albuquerque, New Mexico and assists various bureau and federal agencies when there are exceptionally high rates of criminal violations of the Indian Major Crimes Act, 18 U.S.C. 1152 and 1153. The organization includes two functional law enforcement branches: Criminal Investigations Branch and Police Operations Branch.

Criminal Investigations Branch (\$510,000; FTE 5): This branch is responsible for the development of major criminal cases involving narcotic violations, (i.e. production, distribution, and sale), major sexual abuse, and child abuse or exploitation cases which will be prosecuted by the various U.S. Attorneys' offices. The members of this branch are specially trained and may be assigned to supervise and train 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 (\$370,000; FTE 5): This branch is responsible for oversight of all bureau police and detention operations to ensure 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 ensuring, on short notice, the availability of trained law enforcement officers to respond to emergency situations nationwide 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 ensures 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 in 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 (\$311,000; FTE 0): 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 law enforcement 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.

For example, special law enforcement funds were used to detail police officers to a reservation in South Dakota to assist Federal marshals and local enforcement officers with a search and stakeout of an escaped convict who had been at large for several years. Funding was also provided to the Western Navajo Agency to assist them with an investigation into the murder of two Navajo police officers. Another example of the application of these funds occurred when the bureau assumed the Law Enforcement and detention responsibilities from the Hualapai Tribe because of retrocession. The police radio system was antiquated and virtually useless; and the special law enforcement account enabled the agency to replace the existing radio system with a modern and professional system.

Change from FY 1990 Base:

		(Dollar amounts in thousands)		
		FY 1990 Base	FY 1990 Estimate	+/- Difference
Area Office Operations	\$	524	583	+59
	(FTE)	(14)	(15)	(+1)
Central Office Operations	\$	1,350	1,591	+241
	(FTE)	(15)	(24)	(+9)
Police Academy	\$	844	1,001	+157
	(FTE)	(7)	(7)	(--)
Special Law Enforcement	\$	311	611	+300
Total	\$	3,029	3,786	+757
	(FTE)	(36)	(46)	(+10)

Area Office Operations (+\$59,000; FTE +1): The change reflects priorities established at the following area offices:

	<u>FY 1989</u> <u>Enacted</u>	<u>FY 1990</u> <u>Request</u>	<u>Change</u>
Aberdeen Area	\$82,600	\$82,000	\$-600
Billings Area	75,000	65,000	-10,000
Minneapolis Area	54,800	55,000	+200
Phoenix Area	97,900	97,000	-900
Albuquerque Area	49,700	114,000	+64,300
Navajo Area	105,600	112,000	+6,400
Portland Area	55,400	55,000	-400
Net Change.....			\$+59,000

Central Office Operations (+\$241,000; FTE +9): The increase is based on the Administration's concern over the high incidence of child abuse and neglect and drug abuse in Indian country. These funds will be used by the Criminal Investigation Branch in Albuquerque, New Mexico, for the purpose of developing criminal cases involving child abuse/neglect and the sale and distribution of illegal narcotics.

Police Academy (+\$157,000; FTE 0): The additional funding will allow the academy to provide special training on alcohol and drug abuse to bureau and tribal law enforcement personnel. Two new courses will be offered: a 5-year update and refresher course for police officers and a criminal investigator follow-up course.

Special Law Enforcement (+\$300,000; FTE 0): The increase will be used to purchase supplies, materials, and equipment to assist in the fight against illegal narcotics in Indian Country.

B. Substance/Alcohol Abuse

(Dollar amounts in thousands)

	<u>FY 1989</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1989</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Substance/Alcohol Abuse	\$ 998 (FTE) (10)	998 (10)	1,335 (13)	+337 (+3)	+337 (+3)
Total Requirements	\$ 998 (FTE) (10)	998 (10)	1,335 (13)	+337 (+3)	+337 (+3)

Objective: This activity develops and implements programs to eliminate cultivation and distribution of marijuana and other illegal and controlled substances on Indian reservations.

Base Program (\$998,000; FTE 10): These funds are used to conduct operations to reduce the supply of narcotics, marijuana, and other illegal substances on Indian reservations, and to continue training for law enforcement officers in the detection, investigation, and eradication of illegal cultivation of marijuana in Indian country.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Substance/Alcohol Abuse	\$	998	1,335	+337
	(FTE)	<u>(10)</u>	<u>(13)</u>	<u>(+3)</u>
Total	\$	998	1,335	+337
	(FTE)	(10)	(13)	(+3)

Substance/Alcohol Abuse (+\$337,000; FTE +3): The increase will allow the bureau's Marijuana Eradication and Reconnaissance Team (MERT) to hire additional staff and to increase overflights to identify suspected marijuana gardens and tracts in Indian country. The funds will allow an additional 635 hours of helicopter service and purchase of operational equipment and supplies.

Object Class Distribution - Law Enforcement Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+13	+\$371,000
Benefits.....		+44,000
Other Services.....		+464,000
Equipment.....		<u>+215,000</u>
Total.....	+13	+\$1,094,000
	=====	=====

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Self-Determination Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Training and Tech. Assistance	\$ (FTE)	1,078 (22)	730 (15)	490 (12)	-588 (-10)	-240 (-3)
B. Contract Support	\$	53,766	53,426	49,386	-4,380	-4,040
C. Small Tribes Core Management Grants	\$	<u>2,800</u>	<u>2,800</u>	<u>1,750</u>	<u>-1,050</u>	<u>-1,050</u>
Total Requirements	\$ (FTE)	57,644 (22)	56,956 (15)	51,626 (12)	-6,018 (-10)	-5,330 (-3)

A. Training and Technical Assistance

Area Office Operations	\$ (FTE)	536 (13)	539 (13)	490 (12)	-46 (-1)	-49 (-1)
Central Office Operations	\$ (FTE)	542 (9)	191 (2)	-- (--)	-542 (-9)	-191 (-2)
Total	\$ (FTE)	1,078 (22)	730 (15)	490 (12)	-588 (-10)	-240 (-3)

Objective: The objective of this program is 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) 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 (\$730,000; FTE 15): Training and technical assistance are provided primarily by bureau P.L. 93-638 coordinators. Assistance may also be 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 consulting firms which are expert in the areas of accounting, management, planning and program operations.

Area Office Operations (\$539,000; FTE 13): 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 (\$191,000; FTE 2): 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 1990 Base:

(Dollar amounts in thousands)

		FY 1990 Base	FY 1990 Estimate	+/- Difference
Area Office Operations	\$	539	490	-49
	(FTE)	(13)	(12)	(-1)
Central Office Operations	\$	191	--	-191
	(FTE)	(2)	(--)	(-2)
Total	\$	730	490	-240
	(FTE)	(15)	(12)	(-3)

Area Office Operations (-\$49,000; FTE -1): The change is the result of priorities established at the following area offices:

	<u>FY 1989</u> <u>Enacted</u>	<u>FY 1990</u> <u>Request</u>	<u>Change</u>
Juneau Area	\$306,500	\$258,000	\$-48,500
Muskogee Area	70,700	72,000	+1,300
Sacramento Area	63,700	64,100	+400
Portland Area	32,200	30,000	-2,200
Net Change.....			\$-49,000

Central Office Operations (-\$191,000; FTE -2): The decrease of \$191,000 and two FTE for Training and Technical Assistance at the central office will be achieved through consolidation of Central Office staff for Self-Determination Services and Aid to Tribal Governments.

B. Contract Support

(Dollar amounts in thousands)

	<u>FY 1989</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1989</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Contract Support Funds (CSF)	\$ 53,366	53,026	48,946	-4,420	-4,080
Employee Displacement Costs	\$ 400	400	440	+40	+40
Total Requirements	\$ 53,766	53,426	49,386	-4,380	-4,040

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 (\$53,426,000; 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. Beginning in FY 1990, the Office of the Secretary will assume responsibility for negotiating tribal indirect cost rates.

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Contract Support Funds	\$ 53,026	48,946	-4,080
Employee Displacement Costs	\$ 400	440	+40
Total	\$ 53,426	49,386	-4,040

Contract Support Funds (-\$4,080,000; FTE 0): The requested funding level is an increase of \$1.2 million over the actual Contract Support Funds distributed to tribes in FY 1988. Also, beginning in FY 1990, the Office of the Secretary will assume responsibility for negotiating indirect cost rates and the application of criteria for "reasonable" as well as "allowable" costs is expected to change the rates for many tribes. Further, as the recently enacted amendments to the Self-Determination Act require payment of contract support on construction projects, the bureau has requested an additional \$9.8 million for contract support in the construction account. The application of this new requirement will have the effect of increasing the contract base on which the indirect cost rate is determined and may have the effect of reducing tribes' indirect cost rates.

Employee Displacement Costs (+\$40,000; FTE 0): The increased requirement for employee displacement costs is based on actual experience in the past few years.

C. Small Tribes Core Management Grants

(Dollar amounts in thousands)

	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Small Tribes Core Management Grants	\$ <u>2,800</u>	<u>2,800</u>	<u>1,750</u>	<u>-1,050</u>	<u>-1,050</u>
Total Requirements	\$ 2,800	2,800	1,750	-1,050	-1,050

Objective: The program operates (1) 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; (2) to provide technical assistance necessary to enable certain tribes to become functional, independent entities; and (3) to assist tribes in the movement toward self-determination.

Base Program (\$2,800,000; 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.

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 to initiate an agreement with the tribe 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.

2/15

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Small Tribes Core Management Grants	\$ 2,800	1,750	-1,050

Small Tribes Core Management Grants (-\$1,050,000; FTE 0): The program has successfully accomplished its stated purpose for many of the eligible small tribes. They have improved their management and operation of programs as well as tribal government affairs; and many of the small tribes are now contracting with the bureau and other Federal agencies. The requested funding level will allow grants to small tribes who have yet to reach the stage of management capability where they can efficiently operate their own affairs as well as contract with the bureau.

Object Class Distribution - Self-Determination Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	-3	-\$69,000
Personnel Benefits.....		+32,000
Travel.....		-30,000
Supplies and Materials.....		-33,000
Other Services.....		-4,180,000
Grants, Subsidies, and Contributions.....		-1,050,000
Total.....	-3	-\$5,330,000
	=====	=====



Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Employment Development

(Dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Direct Employment \$ (FTE)	320 (4)	322 (4)	243 (3)	-77 (-1)	-79 (-1)
B. Adult Vocational \$ Training (FTE)	2,365 (5)	2,376 (5)	1,856 (3)	-509 (-2)	-520 (-2)
Total Requirements \$ (FTE)	2,685 (9)	2,698 (9)	2,099 (6)	-586 (-3)	-599 (-3)

A. Direct Employment

Central Office \$ Operations (FTE)	221 (4)	222 (4)	143 (3)	-78 (-1)	-79 (-1)
United Sioux Tribes \$ Development Corp.	99	100	100	+1	--
Total Requirements \$ (FTE)	320 (4)	322 (4)	243 (3)	-77 (-1)	-79 (-1)

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 (\$322,000; 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.

Central Office Operations (\$222,000; 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 (\$100,000; 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 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u>	<u>FY 1990</u>	<u>+/-</u>
		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>
Central Office Operations	\$	222	143	-79

Central Office Operations (-\$79,000): Central Office staff will be reduced by one position and the function related to encouraging employment development and Indian preference policy among contractors will be assumed by the residual staff.

B. Adult Vocational Training

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989</u>	<u>FY</u>	<u>FY</u>	<u>Inc. (+)</u>	<u>Inc. (+)</u>
		<u>Enacted</u>	<u>1990</u>	<u>1990</u>	<u>Dec. (-)</u>	<u>Dec. (-)</u>
		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1989</u>	<u>From Base</u>
Area Office Operations	\$ (FTE)	230 (5)	231 (5)	171 (3)	-59 (-2)	-60 (-2)
United Tribes Technical College	\$	1,698	1,708	1,248	-450	-460
National Ironworkers Training Program	\$	<u>437</u>	<u>437</u>	<u>437</u>	<u>---</u>	<u>---</u>
Total Requirements	\$ (FTE)	2,365 (5)	2,376 (5)	1,856 (3)	-509 (-2)	-520 (-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 (\$2,376,000; FTE 5): 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 (\$231,000; FTE 5): 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 Technical College (\$1,708,000; FTE 0): The United Tribes Technical College, 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. Through counseling and testing, the College assists the applicants in making a career choice which, 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 1986 - 1987</u>	<u>% Placed in Employment</u>	<u>% Retained on-the-job After 1 Year</u>
National Ironworkers Training Program	325	90	85
United Tribes Technical College	710	75	80

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$ 231	171	-60
	(FTE) (5)	(3)	(-2)
United Tribes Technical College	\$ <u>1,708</u>	<u>1,248</u>	<u>-460</u>
Total	\$ 1,939	1,419	-520
	(FTE) (5)	(3)	(-2)

Area Office Operations (-\$60,000; FTE -2): The decrease is based on priorities established at the following area offices:

	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Juneau Area	\$88,300	\$73,000	-\$15,300
Muskogee Area	49,000	52,000	+3,000
Navajo Area	46,500	---	-46,500
Portland Area	46,200	45,000	-1,200
Net Change.....			\$-60,000

United Tribes Technical College (-\$460,000; FTE -0-): The FY 1989 Congressional add-on of \$460,000 is not continued in FY 1990 since the Conference Report directed the college to find other funding sources to meet operating costs rather than seeking additional appropriations each year.

Object Class Distribution - Employment Development Subactivity

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation.....	-3	-72,000
Personnel Benefits.....		-9,000
Travel.....		-18,000
Other Services.....		-500,000
Total.....	-3	-\$599,000

Justification of Program and Performance

Activity: Tribal Services
 Subactivity: Tribe/Agency Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Adult Vocational Training	\$ (FTE)	17,712 (70)	17,851 (70)	17,646 (67)	-66 (-3)	-205 (-3)
B. Other Employment Assistance	\$ (FTE)	2,787 (14)	2,798 (14)	2,992 (13)	+205 (-1)	+194 (-1)
C. Community Services-General	\$ (FTE)	1,570 (6)	1,581 (6)	1,594 (7)	+24 (+1)	+13 (+1)
D. Community Fire Protection	\$ (FTE)	1,141 (1)	1,143 (1)	1,030 (1)	-111 (--)	-113 (--)
E. Tribal Courts	\$ (FTE)	9,568 (32)	9,644 (32)	9,542 (26)	-26 (-6)	-102 (-6)
F. Other Aid to Tribal Government	\$ (FTE)	17,297 (127)	19,013 (127)	19,503 (115)	+2,206 (-12)	+490 (-12)
G. Social Services	\$ (FTE)	18,899 (235)	19,048 (235)	23,488 (266)	+4,589 (+31)	+4,440 (+31)
H. Law Enforcement	\$ (FTE)	48,697 (575)	49,057 (575)	50,009 (622)	+1,312 (+47)	+952 (+47)
I. Self-Determination Grants	\$	3,000	3,000	-0-	-3,000	-3,000
J. Self-Determination Training and Technical Assistance	\$ (FTE)	2,555 (41)	2,565 (41)	2,187 (35)	-368 (-6)	-378 (-6)
K. Tribally Designed Budget Initiative	\$	1,200	1,200	-0-	-1,200	-1,200
L. Chitimacha	\$	<u>386</u>	<u>386</u>	<u>-0-</u>	<u>-386</u>	<u>-386</u>
Total Requirements	\$ (FTE)	124,812 (1,101)	127,286 (1,101)	127,991 (1,152)	+3,179 (+51)	+705 (+51)

Base Program (\$127,286,000; FTE 1,101): The base funding to support the tribe/agency operations for Tribal 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 (\$17,851,000; FTE 70): 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 personal counseling and interpretation of aptitude skills test results. This is to ensure 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 \$17,851,000 Adult Vocational Training, FY 1990 base funding, approximately \$11,586,000 will be contracted by the tribes and the remaining \$6,265,000 is for bureau operation at the agency levels.

Workload Data:

It is anticipated that the average cost for FY 1990 will be \$5,200 per trainee. Cost per trainee fluctuates from area to area due to variations in the cost of living, tuition, and other training expenses.

	FY 1989 (Est.)	FY 1990 (Est.)
Total Number of Trainees.....	3,594	3,425
Total Completions.....	1,550	1,598
Total Job Placements.....	1,400	1,435

The bureau anticipates that with stricter rules on repeat services, the number of completions will increase by an estimated 3.1 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

Base Program (\$2,798,000; FTE 14): Job placement services are provided to members of federally recognized Indian tribes. This program assists Indians who need work and have an employable skill 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 1990 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.

	<u>FY 1988</u> <u>Actual</u>	<u>FY 1989</u> <u>Estimate</u>	<u>FY 1990</u> <u>Estimate</u>
Total Number Participants	1,465	1,095	1,060
Average Cost Per Participant	\$2,485	\$2,600	\$2,650

C. Community Services, General

Base Program (\$1,581,000; FTE 6): 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 (\$1,143,000; FTE 1): This program is necessary for those tribes which do not receive fire protection services from state or local governments. During FY 1989, tribes under 34 agencies received funds ranging from \$600 to \$147,000 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 (\$9,644,000; FTE 32): 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>	<u>FY 1988</u> <u>Actual</u>	<u>FY 1989</u> <u>Estimate</u>	<u>FY 1990</u> <u>Estimate</u>
Tribal Court Cases	173,000	200,000	220,000
Courts Evaluated	10	15	20
Tribal Codes Revised	1	10	10

F. All Other Aid to Tribal Government

Base Program (\$19,013,000; FTE 127): Approximately 75 percent of the tribe/agency funding is used for contracts between the bureau and the tribes. During FY 1989 approximately 120 tribes and Alaskan Native villages contracted with the bureau in the following areas: comprehensive planning; tribal enrollment; tribal administration - general; and work/learn programs.

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.

<u>Workload Data:</u>	<u>Actual</u> <u>FY 1988</u>	<u>Estimated</u> <u>FY 1989</u>	<u>Estimated</u> <u>FY 1990</u>
Judgment Fund Distribution Plans/ Legislation	4	3	3
Payment rolls	58	52	58
Tribal rolls	107	112	119
Certificates of Degree of Indian Blood (Indian Preference, Title IV)	61,940	76,682	103,315
Total Constitutions	18	76	82
Constitutional Development Training (Number of Trainees)	173	150	150

G. Social Services

Base Program (\$19,048,000; FTE 235): The base program provides funds for 235 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	205
Clerical	<u>30</u>
Total	235

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 staff 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 staff 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 Actual	16 250
1989 Estimate	17,600
1990 Estimate	21,500

H. Law Enforcement

Base Program (\$49,057,000; FTE 575): 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 do not 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 serves an estimated Indian population of 862,000 and patrols approximately 100,000 square miles of Indian Country, as well as a number of off-reservation independent Indian communities.

Criminal investigators have the responsibility for investigating violations of various criminal statutes in combination with the FBI, tribal police, county sheriffs, and state police; arresting and assisting in the prosecution of federal law violators. The 1,080 uniformed officers (including 800 tribal officers) provide patrol and public safety services within Indian Country. The 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 Trust Responsibilities program with the exception of the Umatilla and Hoopa Reservations where they are funded under the law enforcement program.

Approximately 75 percent of the operating costs at the tribe/agency level are for salaries and benefits of criminal justice staff. The remaining 25 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 1988, FY 1989, and FY 1990. As a result of increased patrols, reduced response time, and additional police resources, the number of arrests and investigations has increased over the FY 1988 level.

	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>
Complaints Investigated	184,000	205,000	205,000
Public Safety Duties Performed	706,000	742,000	742,000
Arrests	110,000	119,000	119,000
Traffic Violation Warnings	38,000	41,000	41,000
Daily Detention Average	1,000	1,200	1,200
Crime Index Rate	2,300	2,500	2,500

I. Self-Determination Grants

Base Program (\$3,000,000; FTE 0): The \$3,000,000 constitutes the completion of the phaseout of the self-determination grant program which was originally designed to provide seed monies to give tribes the initial capability to contract to operate bureau programs. The program has been part of the Indian Priority System for the past several years and has become a lesser priority to many tribes which have redirected their funds to other programs.

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

Base Program (\$2,565,000; FTE 41): In order to provide assistance in accounting, management, planning, and program operations, training and technical assistance (T/TA) are provided by bureau contract officers and/or grant officers representatives (COR/GOR) as well as by other federal and non-federal staff from organizations such as the 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 or grant officer representatives (COR or 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 (\$1,200,000; FTE 0): In FY 1989, Congress added \$1,200,000 to continue second-year planning funds for the tribes who were part of the original self-governance demonstration project and to allow several new tribes to begin planning efforts.

L. Chitimacha

Base Program (\$386,000; FTE 0): Additional funding for the Chitimacha Tribe, in the amount of \$386,000, was added by Congress in FY 1989. In March of 1988, the Indian Priority System (IPS) base for the Chitimacha Tribe was increased by \$200,000, the amount of the FY 1988 Congressional add-on for Chitimacha. To conform to the manner in which IPS funding for all other tribes is shown in the budget, funding priorities established by the Chitimacha Tribe during the FY 1990 planning process are shown in the specific program lines and this line does not appear in the FY 1990 budget request.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Adult Vocational Training	\$	17,851	17,646	-205
	(FTE)	(70)	(67)	(-3)
Other Employment Assistance (DE)	\$	2,798	2,992	+194
	(FTE)	(14)	(13)	(-1)
Community Services, General	\$	1,581	1,594	+13
	(FTE)	(6)	(7)	(+1)
Community Fire Protection	\$	1,143	1,030	-113
	(FTE)	(1)	(1)	(--)
Tribal Courts	\$	9,644	9,542	-102
	(FTE)	(32)	(26)	(-6)
Other Aid to Tribal Government	\$	19,013	19,503	+490
	(FTE)	(127)	(115)	(-12)
Social Services	\$	19,048	23,488	+4,440
	(FTE)	(235)	(266)	(+31)
Law Enforcement	\$	49,057	50,009	+952
	(FTE)	(575)	(622)	(+47)
Self-Determination Grants	\$	3,000	-0-	-3,000
Self-Determination Training and Technical Assistance	\$	2,565	2,187	-378
	(FTE)	(41)	(35)	(-6)
Tribally Designed Budget Initiative	\$	1,200	-0-	-1,200
Chitimacha	\$	<u>386</u>	<u>-0-</u>	<u>-386</u>
Total	\$	127,286	127,991	+705
	(FTE)	(1,101)	(1,152)	(+51)

Adult Vocational Training (-\$205,000; FTE -3): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	<u>FY 1989</u> <u>Tribal</u> <u>Priorities</u>	<u>FY 1990</u> <u>Tribal</u> <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$1,570,100	\$1,527,000	\$-43,100
Anadarko Area	621,600	693,000	+71,400
Billings Area	631,100	659,000	+27,900
Juneau Area	2,805,400	2,801,000	-4,400
Minneapolis Area	1,452,000	1,503,000	+51,000
Muskogee Area	962,100	938,000	-24,100
Phoenix Area	2,348,000	2,235,000	-113,000
Sacramento Area	1,070,000	948,000	-122,000
Albuquerque Area	631,600	680,000	+48,400
Navajo Area	2,786,700	2,707,000	-79,700
Portland Area	2,001,200	1,954,000	-47,200
Eastern Area	832,200	862,000	+29,800
	<u>\$17,712,000</u>	<u>\$17,507,000</u>	<u>\$-205,000</u>
New Tribes Adj. - Klamath		+98,000	
Federal Pay Cost		+18,000	
638 Pay Cost		<u>+23,000</u>	
FY 1989 Enacted to Date	\$17,712,000		
FY 1990 Budget Request		\$17,646,000	

Other Employment Assistance (+\$194,000; FTE -1): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	<u>FY 1989</u> <u>Tribal</u> <u>Priorities</u>	<u>FY 1990</u> <u>Tribal</u> <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$290,200	\$462,000	\$+171,800
Anadarko Area	133,800	166,000	+32,200
Billings Area	85,000	40,000	-45,000
Juneau Area	863,500	823,000	-40,500
Minneapolis Area	491,600	502,000	+10,400
Muskogee Area	194,900	162,000	-32,900
Phoenix Area	351,700	332,000	-19,700
Albuquerque Area	138,200	156,000	+17,800
Portland Area	113,000	192,000	+79,000
Eastern Area	125,100	146,000	+20,900
	<u>\$2,787,000</u>	<u>\$2,981,000</u>	<u>\$+194,000</u>
Federal Pay Cost		+5,000	
638 Pay Cost		<u>+6,000</u>	
FY 1989 Enacted to Date	\$2,787,000		
FY 1990 Budget Request		\$2,992,000	

Community Services, General (+\$13,000; FTE +1): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	<u>FY 1989 Tribal Priorities</u>	<u>FY 1990 Tribal Priorities</u>	<u>Difference</u>
Billings Area	\$69,200	\$56,000	\$-13,200
Minneapolis Area	22,400	20,000	-2,400
Muskogee Area	371,600	394,000	+22,400
Albuquerque Area	227,100	227,000	-100
Portland Area	180,400	175,000	-5,400
Eastern Area	699,300	711,000	+11,700
	<u>\$1,570,000</u>	<u>\$1,583,000</u>	<u>\$+13,000</u>
Federal Pay Costs		+1,000	
638 Pay Costs		<u>+10,000</u>	
FY 1989 Enacted to Date	\$1,570,000		
FY 1990 Budget Request		\$1,594,000	

Community Fire Protection (-\$113,000; FTE 0): The decrease of \$113,000 is the net of the following:

--a decrease of \$60,000 because the FY 1989 Congressional add-on for Pasqua Yaqui is not continued in FY 1990; and

--a net decrease of \$53,000 based on the application of the Indian Priority System at the tribe/agency level.

	<u>FY 1989 Tribal Priorities</u>	<u>FY 1990 Tribal Priorities</u>	<u>Difference</u>
Aberdeen Area	\$53,500	\$43,000	\$-10,500
Anadarko Area	63,700	73,000	+9,300
Minneapolis Area	143,400	136,000	-7,400
Phoenix Area	248,500	231,000	-17,500
Sacramento Area	273,600	188,000	-85,600
Albuquerque Area	117,900	115,000	-2,900
Portland Area	34,400	43,000	+8,600
Eastern Area	146,000	199,000	+53,000
	<u>\$1,081,000</u>	<u>\$1,028,000</u>	<u>\$-53,000</u>
Congressional Add-on for Pasqua Yaqui	+60,000		
638 Pay Cost		<u>+2,000</u>	
FY 1989 Enacted to Date	\$1,141,000		
FY 1990 Budget Request		\$1,030,000	

Tribal Courts (-\$102,000; FTE -6): The decrease of \$102,000 includes a decrease of \$60,000 because the FY 1989 Congressional add-on for the Penobscot Tribal Courts is not continued in FY 1990 and a net decrease of \$42,000 based on the application of the Indian Priority System at the tribe/agency level.

Tribal Courts

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$2,018,600	\$1,997,000	\$-21,600
Anadarko Area	560,600	439,000	-121,600
Billings Area	663,200	676,000	+12,800
Juneau Area	600	1,000	+400
Minneapolis Area	1,067,100	1,063,000	-4,100
Muskogee Area	6,600	9,000	+2,400
Phoenix Area	1,905,200	1,895,000	-10,200
Sacramento Area	50,000	---	-50,000
Albuquerque Area	875,100	994,000	+118,900
Navajo Area	650,500	651,000	+500
Portland Area	1,230,800	1,278,000	+47,200
Eastern Area	479,700	463,000	-16,700
	<u>\$9,508,000</u>	<u>\$9,466,000</u>	<u>\$-42,000</u>
Congressional Add-on for Penobscot Tribal Court	+60,000		
Federal Pay Cost		+9,000	
638 Pay Cost		<u>+67,000</u>	
FY 1989 Enacted to Date	\$9,568,000		
FY 1990 Budget Request		\$9,542,000	

Other Aid to Tribal Government (+\$490,000; FTE -12): The increase of \$490,000 includes a base increase of \$200,000 for the Chitimacha Tribe and net increases of \$290,000 at the following locations based on the application of the Indian Priority System at the tribe/agency level.

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$2,507,300	\$2,434,000	\$-73,300
Anadarko Area	1,199,500	731,000	-468,500
Billings Area	431,000	443,000	+12,000
Juneau Area	1,730,200	1,981,000	+250,800
Minneapolis Area	1,027,200	920,000	-107,200
Muskogee Area	2,725,400	3,692,000	+966,600
Phoenix Area	1,948,900	1,994,000	+45,100
Sacramento Area	1,754,900	1,990,000	+235,100
Albuquerque Area	1,365,900	1,354,000	-11,900
Navajo Area	414,000	381,000	-33,000
Portland Area	1,570,700	1,525,000	-45,700
Eastern Area	622,000	142,000	-480,000
	<u>\$17,297,000</u>	<u>\$17,587,000</u>	<u>\$+290,000</u>
<u>New Tribes Funding:</u>			
Alabama Coushatta (Eastern)		+475,000	
Isleta del Sur (Albuquerque)		+475,000	
Klamath (Portland)		+217,000	
Wampanoag (Eastern)		+447,000	
Base Increase for Chitimacha		+200,000	
Federal Pay Cost		+34,000	
638 Pay Cost		<u>+68,000</u>	
FY 1989 Enacted to Date	\$17,297,000		
FY 1990 Budget Request		\$19,503,000	

Social Services (+\$4,440,000; FTE +31): The increase of \$4,440,000 includes:

--an increase of \$1,000,000 to staff and operate the emergency shelters and halfway houses;

--an increase of \$3,000,000 to expand child protection efforts by investigating and addressing more than 19,000 complaints of child abuse which have been filed with the Bureau; and

--a net increase of \$440,000 at the following areas based on the application of the Indian Priority System at the tribe/agency level.

	FY 1989 Tribal Priorities	FY 1990 Tribal Priorities	Difference
Aberdeen Area	\$2,632,000	\$2,641,500	\$+9,500
Anadarko Area	713,000	743,500	+30,500
Billings Area	1,184,100	1,204,500	+20,400
Juneau Area	1,124,900	1,205,000	+80,100
Minneapolis Area	763,400	765,000	+1,600
Muskogee Area	886,200	898,500	+12,300
Phoenix Area	3,899,700	3,911,000	+11,300
Sacramento Area	34,500	34,500	---
Albuquerque Area	1,533,100	1,570,500	+37,400
Navajo Area	3,277,100	3,277,000	-100
Portland Area	1,905,800	2,039,000	+133,200
Eastern Area	945,200	1,049,000	+103,800
	<u>\$18,899,000</u>	<u>\$19,339,000</u>	<u>\$+440,000</u>

Staff and Operate Emergency

Shelters

+1,000,000

Expand Child Protection Efforts

+3,000,000

Federal Pay Costs

+49,000

638 Pay Costs

+100,000

FY 1989 Enacted to Date \$18,899,000

FY 1990 Budget Request

\$23,488,000

Law Enforcement (+\$952,000; FTE +47): The increase of \$952,000 is the net of:

--an increase of \$3,000,000 to staff, operate, and equip the juvenile detention facilities for which construction funding was appropriated in FY 1987;

--decreases of \$2,680,000 for the following FY 1989 Congressional add-ons which are not continued in FY 1990: Quinault (\$175,000), Standing Rock (\$50,000), Sault Ste Marie (\$150,000), Cheyenne River (\$250,000), Lummi (\$100,000), Rosebud (\$150,000), and the general increase (\$1,805,000); and

--a net increase of \$632,000 at the following areas based on the application of the Indian Priority System at the tribe/agency level.

Law Enforcement

	FY 1989 Tribal Priorities	FY 1990 Tribal Priorities	Difference
Aberdeen Area	\$ 6,741,700	\$ 6,897,000	\$+155,300
Anadarko Area	1,247,100	1,051,000	-196,100
Billings Area	3,912,800	3,942,000	+29,200
Minneapolis Area	2,553,900	2,557,000	+3,100
Phoenix Area	9,171,400	9,484,000	+312,600
Sacramento Area	411,800	607,000	+195,200
Albuquerque Area	4,222,000	4,170,000	-52,000
Navajo Area	9,759,500	9,740,000	-19,500
Portland Area	4,766,000	4,772,000	+6,000
Eastern Area	1,910,800	2,109,000	+198,200
	<u>\$44,697,000</u>	<u>\$45,329,000</u>	<u>\$+632,000</u>

FY 1989 Congressional Add-ons:

Gila River	+500,000	+500,000
Quileute	+150,000	+150,000
Swinomish	+150,000	+150,000
Chehalis	+150,000	+150,000
Miccosukee	+50,000	+50,000
Quinault	+175,000	
Winnebago	+70,000	+70,000
Standing Rock	+50,000	
Sault Ste Marie	+150,000	
Tohono O'odham	+250,000	+250,000
Cheyenne River	+250,000	
Lummi	+100,000	
Rosebud	+150,000	
General Increase	+1,805,000	
Juvenile Detention Facil.		+3,000,000
Federal Pay Costs		+161,000
638 Pay Costs		+199,000
FY 1989 Enacted to Date	\$48,697,000	
FY 1990 Budget Request		\$50,009,000

Self-Determination Grants (-\$3,000,000; FTE 0): The Self-Determination Grant Program has fulfilled its original purpose of helping tribes to develop the initial capability to contract to operate bureau programs. When the bureau first proposed to eliminate this program in FY 1988, the tribes which had identified the program as a priority program retained the dollars in their base but were asked to redistribute the funds to other line items of the Indian Priority System. Therefore, the FY 1988 and FY 1989 Congressional add-ons for this program were a "windfall" to the tribes which had self-determination grants as a priority in their original FY 1988 planning.

If small tribes still need assistance in developing the capability to contract to operate bureau programs, they are eligible for Small Tribes Core Management Grants which may be used for this purpose.

Self-Determination Training and Technical Assistance (-\$378,000; FTE -6): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	FY 1989 Tribal Priorities	FY 1990 Tribal Priorities	Difference
Anadarko Area	\$276,700	\$195,000	\$-81,700
Billings Area	34,200	35,000	+800
Juneau Area	909,300	683,000	-226,300
Minneapolis Area	117,100	113,000	-4,100
Muskogee Area	130,000	105,000	-25,000
Phoenix Area	451,800	519,000	+67,200
Sacramento Area	553,900	342,000	-211,900
Portland Area	44,000	44,000	---
Eastern Area	38,000	141,000	+103,000
		<u>\$2,177,000</u>	<u>\$-378,000</u>
Federal Pay Costs		+10,000	
FY 1989 Enacted to Date	\$2,555,000		
FY 1990 Budget Request		\$2,187,000	

Tribally Designed Budget Initiative (-\$1,200,000; FTE 0): No results or recommendations have been received from the demonstration projects funded in FY 1988 or FY 1989. Further funding of this initiative should await reports from the projects so that the results may be analyzed.

Chitimacha (-\$386,000; FTE 0): To conform to the manner in which IPS funding for all other tribes is shown in the budget, this line is eliminated from the FY 1990 budget and the priorities established by the Chitimacha Tribe during the FY 1990 planning process are shown in the specific program lines. In March of 1988, the IPS base for the Chitimacha Tribe was increased by \$200,000, the amount of the FY 1988 Congressional add-on. The additional \$186,000 added by Congress in FY 1989 is not continued in the FY 1990 budget.

Object Class Distribution -- Tribal Services - Tribe/Agency Operations

	FTE	Amount
Total Personnel Compensation.....	+51	+\$2,187,000
Personnel Benefits.....		+262,000
Travel and Transportation of Persons.....		+256,000
Other Services.....		+2,000,000
Equipment.....		+200,000
Grants, subsidies & contributions.....		-4,200,000
		<u>+</u>
Total.....	+51	+\$705,000
	=====	=====

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 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Navajo-Hopi Settlement Program	\$	1,985	2,002	1,002	-983	-1,000
	(FTE)	(56)	(56)	(40)	(-16)	(-16)
Total Requirements	\$	1,985	2,002	1,002	-983	-1,000
	(FTE)	(56)	(56)	(40)	(-16)	(-16)

Objective: This program implements 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 grazing capacity of rangelands lying within the former Navajo/Hopi Joint Use Area.

Base Program (\$2,002,000; FTE 56): The initial stock reduction program of 180,000 sheep units has been completed on both the Navajo and Hopi Partitioned Lands. Almost all 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 1990. 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 1990 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 and construction of housing and roads for all potential relocatees is proceeding; however, a completion date for all eligible relocatees is not known at this time. 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 residing on lands partitioned to the Hopi Tribe 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. With the delay, however, in 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. Approval of these regulations will determine the approach for conducting range restoration on the NPL.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY</u> 1990 <u>Base</u>	<u>FY</u> 1990 <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Navajo-Hopi Settlement Program	\$	2,002	1,002	-1,000

Navajo-Hopi Settlement Program (-\$1,000,000; FTE -16): In carrying out the provisions of the Navajo-Hopi Settlement Act, as amended, the bureau has constructed over 1,200 miles of boundary and internal management fences; drilled and completed 90 stockwater wells; and restored 60 existing wells and windmills, 150 hand-dug wells and spring installations to operating capacity. As a result of these accomplishments and the emphasis the program has placed on range restoration and livestock reduction, the Navajo Partitioned Lands Office will be closed during FY 1989. The completion of the range restoration and the required maintenance of the fences and well facilities on the NPL will be accomplished by the Navajo Area Office, Western Navajo, Chinle, and Fort Defiance Agencies. Range restoration and required maintenance of the fences and well facilities on the HPL will be continued through P.L. 93-638 contracts with the Hopi Tribe.

Object Class Distribution - Navajo-Hopi Settlement Program Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	-16	\$ -371,000
Personnel Benefits.....		-45,000
Other Services.....		-334,000
Travel.....		-100,000
Supplies.....		-150,000
Total.....	-16	-\$1,000,000

Activity Summary

(Dollar amounts in thousands)

Activity: Economic Development Programs

<u>Subactivity:</u>	<u>FY 1988 Actual Approp.</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- From Base</u>
Business Enterprise Development	10,561	10,801	10,812	10,398	-414
Road Maintenance	1,267	30,975	---	---	---
Tribe/Agency Operations	<u>27,715</u>	<u>3,523</u>	<u>3,594</u>	<u>3,542</u>	<u>- 52</u>
Total	39,543	45,299	14,406	13,940	-466

Justification of Program and Performance

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

<u>Program Element</u>	(Dollar amounts in thousands)					
		FY 1989	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1990	1990	Dec. (-)	Dec. (-)
		To Date	Base	Estimate	From 1989	From Base
Credit and Financing	\$	2,900	2,907	2,493	-407	-414
	(FTE)	(35)	(35)	(33)	(-2)	(-2)
Total Requirements	\$	2,900	2,907	2,493	-407	-414
	(FTE)	(35)	(35)	(33)	(-2)	(-2)

Distribution:

Area Office Operations	\$	917	922	933	+16	+11
	(FTE)	(24)	(24)	(22)	(-2)	(-2)
Central Office Operations	\$	613	615	615	+2	--
	(FTE)	(11)	(11)	(11)	(--)	(--)
Technical Assistance	\$	945	945	945	--	--
Grant to Michigan Tribes	\$	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 (\$2,907,000; FTE 35): 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 some of the surrounding communities. Since Indian land is held in trust by the United States Government, Indian tribes cannot mortgage trust land as security for loans. 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. Even though individually-owned trust land may be mortgaged under the provisions of the Act of March 29, 1956, private lenders are hesitant to make loans on reservations because of the lack of state jurisdiction over most reservations, and problems encountered with tribal court systems.

The 1934 Indian Reorganization Act was the earliest legislation enacted for the establishment of a credit system for Indians. It also provided for Indian tribes to be organized as tribal governments and federally-chartered business corporations. The Indian Financing Act of 1974 consolidated earlier loan programs established under separate legislation into a single revolving loan fund and established a new loan guaranty and insurance program and grant program for the establishment or expansion of businesses. Other programs authorized by Congress which are used by both tribes and individual Indians are those administered by

the Small Business Administration, Veterans Administration, Department of Housing and Urban Development, Department of Commerce, Department of Defense, Department of Transportation, and the Farmers Home Administration.

Area Office Operations (\$922,000; FTE 24): The area offices, in coordination with the central office, oversee the general operations of the Revolving Fund for Loans and the Loan Guaranty and Insurance Fund. 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 to tribes and loans to individuals up to \$350,000 may be approved at the area office level if funds have been distributed. Guaranteed loans for tribes, corporations, and individuals may be approved at the area office level if a loan guaranty ceiling is available. Area office credit personnel are also responsible for monitoring P.L. 93-638 credit programs which have been contracted at the agency level; providing oversight, guidance, and assistance in policy implementation; and performing program evaluations of those agencies with bureau operated credit programs.

Central Office Operations (\$615,000; FTE 11): The central office provides overall policy guidance, coordination, supervision, monitoring, and evaluation of the Revolving Fund for Loans and the Loan Guaranty and Insurance Fund administered under the Indian Financing Act of 1974, as amended. The central office provides technical assistance to aid Indians in obtaining adequate capital for resource development, and provides program evaluation of field operations and policy information on overall goals of the program. In addition, with the enactment of the 1988 amendments, regulations for implementation of a taxable bond and supplemental surety bond guarantee program are in process.

Further information on the operation of programs is contained in other portions of the budget discussing the Revolving Fund for Loans and the Loan Guaranty and Insurance Fund.

Technical Assistance (\$945,000; FTE 0): Funds are available under this program to provide assistance to tribes and individuals in developing business ventures 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): In FY 1989 Congress added \$425,000 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.

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$	922	933	+11
	(FTE)	(24)	(22)	(-2)
Grant to Michigan Tribes	\$	<u>425</u>	<u>---</u>	<u>-425</u>
TOTAL	\$	1,347	933	-414
	(FTE)	(24)	(22)	(-2)

Area Office Operations (+\$11,000; FTE -2): The change is the result of priorities established at the following area offices:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Aberdeen	\$148,800	\$149,000	+200
Anadarko	14,400	-0-	-14,400
Billings	69,700	61,000	-8,700
Juneau	82,000	112,000	+30,000
Muskogee	76,700	78,000	+1,300
Sacramento	39,800	40,000	+200
Albuquerque	112,200	112,000	-200
Navajo	46,600	49,000	+2,400
Portland	121,800	122,000	+200
Net Change.....			+\$11,000

Grant to Michigan Tribes (-\$425,000; FTE 0): The FY 1989 Congressional add-on is not continued in FY 1990. The Michigan Tribes may apply for grants under the Indian Business Development Program.

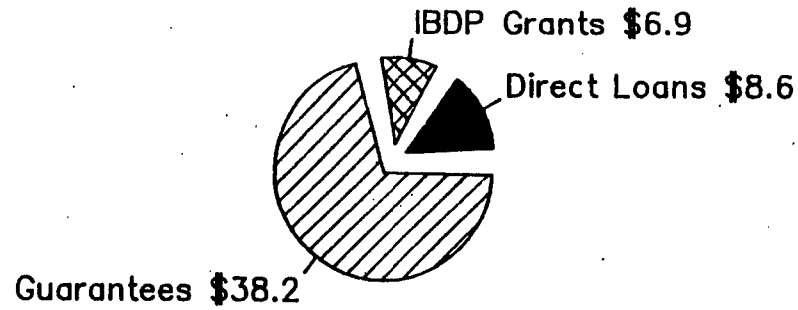
Object Class Distribution - Credit and Financing

	<u>FTE</u>	<u>Amount</u>
Personnel compensation.....	-2	\$ -31,000
Personnel Benefits.....		-3,700
Other services.....		+45,700
Grants, Subsidies, Contributions.....		<u>-425,000</u>
		\$-414,000

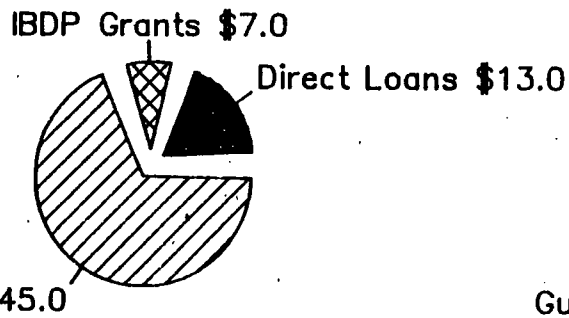
ECONOMIC DEVELOPMENT PROGRAMS

BUSINESS ENTERPRISE DEVELOPMENT

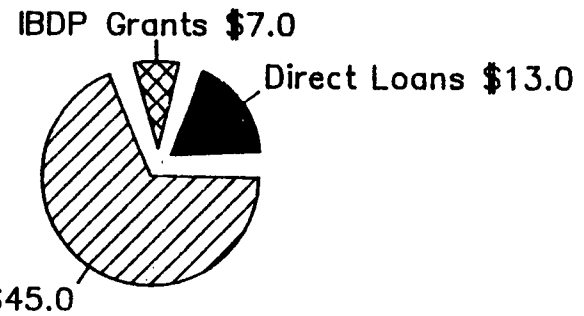
CREDIT AND FINANCING



FY 1988
Actual \$53.7 Million



FY 1989
Est. \$65.0 Million



FY 1990
Est. \$65.0 Million

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 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Indian Arts and Crafts Board	\$	901	905	905	+4	--
	(FTE)	(16)	(16)	(16)	(--)	(--)
Total Requirements	\$	901	905	905	+4	--
	(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 (\$905,000; 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 the economic benefits of Native American cultural development. 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, fund-raising assistance, and promotion to Native American artists and craftsmen and cultural 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 1990, the board will promote Native American arts and crafts primarily through:

- over 260 Native-owned and operated craft marketing enterprises (an increase of 32% during the past six years);
- a consumer directory that is an established marketing link between these Native craft enterprises and the more than 40,000 consumers annually who consult it;

- approximately 20 one-person sales exhibitions in the board's museums, which include an illustrated promotional brochure;
- 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 Institute of American Indian and Alaska Native Culture and Arts Development, 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: Business Enterprise Development
 Element: Indian Business Development Grant Program

<u>Program Element</u>	(Dollar amounts in thousands)				
	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Indian Business Development Grant Program	\$ 7,000	7,000	7,000	--	--

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

Base Program (\$7,000,000; FTE 0): The 1984 Indian Financing Act Amendments re-authorized 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.

As stated previously, the present program is being operated under the authority of the Indian Financing Act of 1974, as amended. The 1984 Amendments raised the maximum grant levels from \$50,000 for any applicant to \$100,000 for individuals and \$250,000 for tribes. Grants may be used to cover up to 25 percent of the cost of the economic enterprise, assuming the applicant can obtain the necessary financing from other sources (excluding funds from the Bureau's direct loan and guaranteed loan programs).

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

Credit and financing personnel handle the day-to-day oversight responsibility for approved grants. Agency credit officers are responsible for initial grant application review, with guidance, support and assistance provided by area offices. Agency superintendents monitor the program. Area office credit personnel administer and monitor individual projects in their respective areas. Area directors are authorized to approve all grants. Fund control and reporting at the central office level is administered through the Division of Financial Assistance in the Office of Trust and Economic Development.

Workload Data:

	FY 1988 Grants (Actual)	FY 1990 Grants (Estimate)
Number of applications received....	289	350
Amount requested.....	\$13,238,122	\$14,000,000
Total project amounts.....	\$64,209,013	\$75,000,000
Number of applications funded.....	180	225
Total amount awarded.....	\$ 6,895,814	\$ 7,000,000
Total project amounts.....	\$43,293,343	\$45,000,000

In FY 1990 the bureau anticipates the following activities:

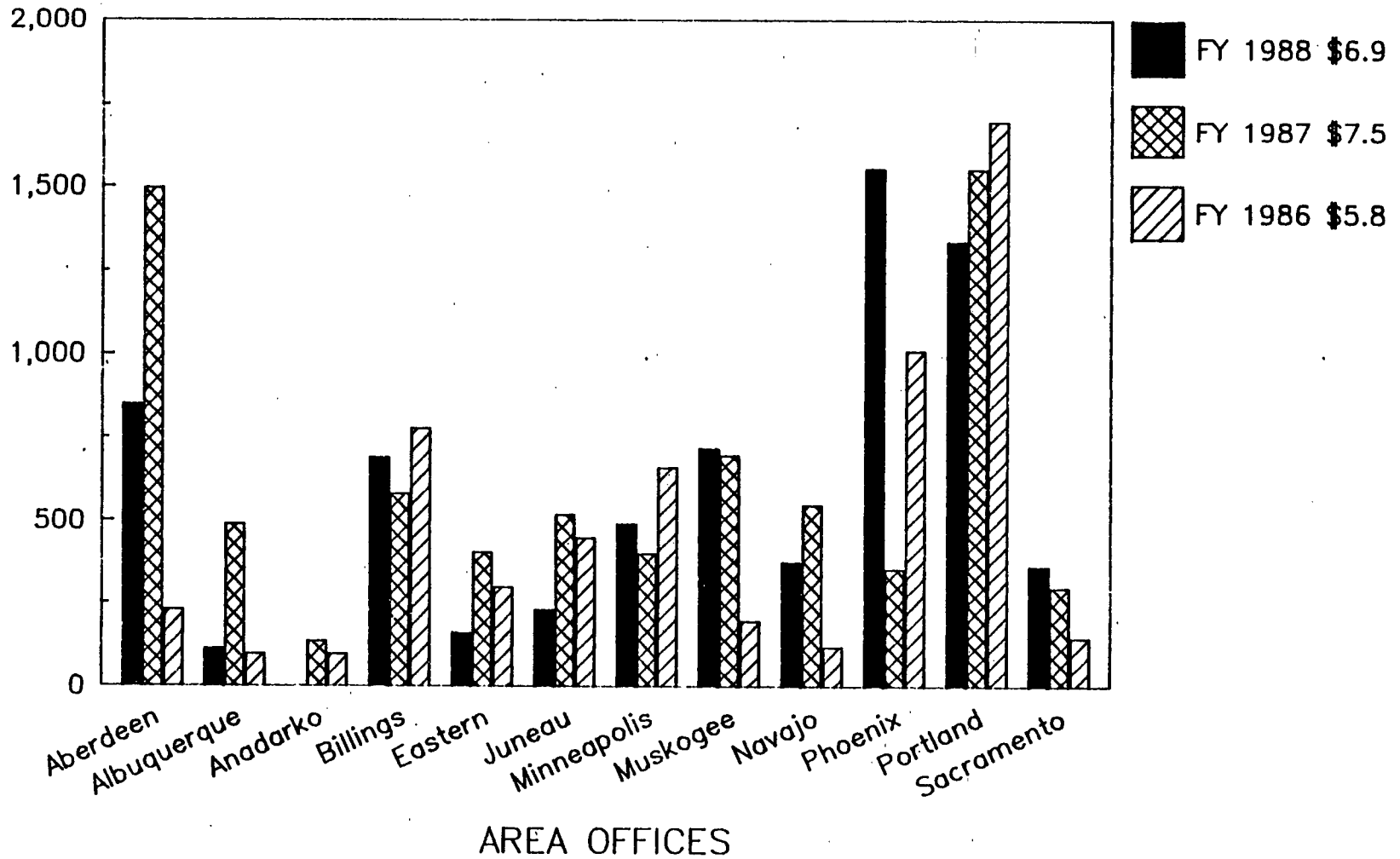
	Number of:		Average	
	Applications	Grants	\$	Total
	<u>Received</u>	<u>Awarded</u>	<u>Amount</u>	
Tribal	50	30	\$110,000	\$3,300,000
Individual	300	148	25,000	3,700,000
TOTAL	<u>350</u>	<u>178</u>		<u>\$7,000,000</u>

Based on the amount of private sector financing attracted by present projects, the bureau anticipates that the \$7.0 million program should result in an additional \$30-35 million in private capital investment in Indian economies.

INDIAN BUSINESS DEVELOPMENT PROGRAM GRANTS

FY 1986 THROUGH FY 1988

\$ THOUSANDS



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 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Credit and Financing	\$ (FTE)	3,523 (69)	3,594 (69)	3,542 (65)	+19 (-4)	-52 (-4)
Total Requirements	\$ (FTE)	3,523 (69)	3,594 (69)	3,542 (65)	+19 (-4)	-52 (-4)

Credit and Financing

Base Program (\$3,594,000; 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 has the authority to approve all loans and grants based on a ceiling allocated to that area, 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 application 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. This is done 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 in developing economic enterprises on Indian reservations. These federal sources include the Small Business Administration, Veterans Administration, Housing and Urban Development, Economic Development Administration, Department of Defense, Department of Transportation, and Farmers Home Administration.

Workload Data:

	(\$ in millions) <u>FY 1989</u>
BIA - direct loans - outstanding	\$101.1
BIA - direct loans - new	13.0
Guaranteed and Insured loans - outstanding	169.9
Guaranteed and Insured loans - new	45.0
Economic Development grants - new	7.0

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Credit and Financing	\$	3,594	3,542	-52
	(FTE)	(69)	(65)	(-4)

Credit and Financing (-\$52,000; FTE -4): The decrease of \$52,000 includes:

--a decrease of \$4,000 for Minneapolis Area. The Great Lakes Agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/ Agency Operations. Using the agency's priority ranking chart, a reduction of \$4,000 was made to credit and financing to make up part of the shortfall so that the full program could be transferred. The dollars will still go to the Great Lakes Agency but from the Wildlife and Parks section of the budget.

--a net decrease of \$48,000 at the following areas based on the application of the Indian Priority System at the tribe/agency level.

	<u>FY 1989 Tribal Priorities</u>	<u>FY 1990 Tribal Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 506,200	\$ 485,000	\$-21,200
Anadarko Area	92,300	183,000	+90,700
Billings Area	387,300	382,000	-5,300
Juneau Area	482,500	371,000	-111,500
Minneapolis Area	205,600	206,000	+400
Muskogee Area	382,200	351,000	-31,200
Phoenix Area	489,000	406,000	-83,000
Albuquerque Area	93,100	102,000	+8,900
Navajo Area	132,800	156,000	+23,200
Portland Area	426,300	446,000	+19,700
Eastern Area	<u>325,700</u>	<u>387,000</u>	<u>+61,300</u>
	\$3,523,000	\$3,475,000	\$-48,000
New Tribes Adj. - Klamath		+62,000	
638 Pay Cost		+9,000	
Internal Adj. - Great Lakes		<u>-4,000</u>	
FY 1989 Enacted to Date	\$3,523,000		
FY 1990 Budget Request		\$3,542,000	

Object Class Distribution - Tribe/Agency Operations

	<u>FTE</u>	<u>Amount</u>
Personel Services.....	-4	\$-83,000
Personnel Benefits.....		-10,000
Other Services.....		<u>+41,000</u>
Total.....	-4	\$-52,000

Activity Summary

(Dollar amounts in thousands)

Activity: Natural Resources Development

<u>Subactivity</u>	<u>FY 1988 Actual Approp.</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- From Base</u>
Forestry and Agriculture	67,738	82,223	97,628a/	91,927	-5,701
Minerals and Mining	15,898	15,572	7,875a/	5,211	-2,664
Tribe/Agency Operations	<u>62,374</u>	<u>50,307</u>	<u>50,689</u>	<u>47,527</u>	<u>-3,162</u>
Total	146,010	148,102	156,192	144,665	-11,527

a/ Irrigation O & M was transferred from Minerals and Mining to Agriculture in FY 1990.

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Forestry and Agriculture

		(Dollar amounts in thousands)				
<u>Program Elements</u>		<u>FY 1989</u> <u>Enacted</u> <u>To Date</u>	<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1989</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
A. Natural Resources, General	\$ (FTE)	2,267 (8)	2,271 (8)	2,961 (13)	+694 (+5)	+690 (+5)
B. Agriculture	\$ (FTE)	5,886 (33)	13,610 (48)	10,469 (50)	+4,583 (+17)	-3,141 (+2)
C. Forestry	\$ (FTE)	37,272 (552)	37,315 (552)	45,078 (347)	+7,806 (-205)	+7,763 (-205)
D. Water Resources	\$ (FTE)	10,067 (8)	16,927 (8)	10,107 (8)	+40 (--)	-6,820 (--)
E. Wildlife and Parks	\$ (FTE)	26,731 (7)	27,505 (25)	23,312 (44)	-3,419 (+37)	-4,193 (+19)
Total Requirements	\$ (FTE)	82,223 (608)	97,628 (641)	91,927 (462)	+9,704 (-146)	-5,701 (-179)

A. Natural Resources, General

		<u>FY 1989</u> <u>Enacted</u> <u>To Date</u>	<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1989</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Area Office Operations:	\$ (FTE)	421 (8)	705 (8)	727 (9)	+306 (+1)	+22 (+1)
Central Office Operations:	\$ (FTE)	-- (--)	120 (--)	263 (4)	+263 (+4)	+143 (+4)
Field Operations: Indian Integrated Resources Information Program	\$	1,846	1,446	1,971	+125	+525
Total, Natural Resources, General	\$ (FTE)	2,267 (8)	2,271 (8)	2,961 (13)	+694 (+5)	+690 (+5)

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 inventory, manage, protect 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 (\$2,271,000; FTE 8):

Area Office Operations (\$705,000; FTE 8): This program provides oversight, supervision, direction and support to the program areas of Wildlife and Parks, Water Resources, Agriculture and Forestry for the planning and management of the renewable natural resources. This includes the coordination of these program functions with other federal, state, tribal and private organizations and coordination and implementation of Geographic Information Systems technology.

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 and Parks. Workload includes assistance in establishing bureau policy, regulations, and procedures; budget formulation and implementation; providing advice and counsel to agency offices and tribes; monitoring and conducting program evaluations; supporting, directing and overseeing administrative matters affecting natural resource programs; and coordination and implementation of GIS technology.

Central Office Operations (\$120,000; FTE 0): This program provides oversight and technical support to the national Indian Integrated Resources Information Program (IIRIP). This includes the management of the technical support center responsible for the implementation of the Geographic Information Systems (GIS) and the remote sensing technology within the bureau.

Field Operations:

Indian Integrated Resources Information Program (IIRIP) (\$1,446,000; FTE 0): The Bureau of Indian Affairs (BIA) is responsible for the multiple use management of the natural resources on 53 million acres of trust lands. An integral feature of this responsibility includes planning for the development, management and protection of the resources associated with these lands. Water, lands, wildlife, fisheries, agriculture, forests, range, and energy minerals are typical of the resources which must be managed. Utilizing advanced spatial data management technologies, the Office of Trust and Economic Development is moving to streamline and improve its management of the aforementioned resources on behalf of Indians. State-of-the-art computer technology can be utilized to conduct complex resources management analysis and planning by incorporating geographic data, which characterizes these resources, into digital data bases. The Indian Integrated Resources Information Program (IIRIP) utilizes advanced and highly technical GIS and remote sensing technology to refine and enhance its natural resource management capability. In short, IIRIP provides for the design, development, implementation, and continuing technical support of advanced, digital, spatial data management technologies in BIA.

Funding for this program is directed into several critical categories: (1) development of digital data bases on 115 reservations covering all bureau area offices; (2) acquisition and implementation of GIS hardware and software which provides the analytical medium for the program; (3) development and implementation of training programs which are essential to program success; and (4) provision of GIS coordination and technical support services for the utilization of the technology.

These four categories of support are directed to area and agency offices, as well as tribal organizations. Efforts to date have resulted in the creation and utilization of data bases for 98 reservations. Over 80 data layers (Themes) have been incorporated to date. These data are being utilized on a regular basis for integrated resource management and planning.

The increasing complexity and demands which characterize today's resource management planning mandate the incorporation of highly responsive and accurate systems. The spatial data systems approach adopted by BIA combines the sophistication of geographic information systems technology and remote sensing technology into an integrated resource data management and analysis program. The systematic approach to natural resource management of trust lands results in benefits to Indians, such as improved management of natural resources which can potentially result in increased income and employment.

Current uses of the program include: forest management planning, fisheries management planning, range management, irrigation planning, wildfire management, total reservation planning, nation-wide transportation road atlas updating, road planning and maintenance, support of water negotiations, wildlife habitat mapping, forest clearcutting, resource conflict resolution, automated real estate appraisals, automated storage and updating of real estate plat drawings, and support for the BIA emergency response system. All offices have begun to incorporate this program into their operations.

Numerous issues can be and are addressed within the context of IIRIP. Recently, actual land use versus proposed land use was mapped on the Crow Reservation. Land use information was mapped from current satellite images, and these data were compared with the proposed use maps at the agency. The entire data set was incorporated into the GIS data base and subsequent computer analysis resulted in an accurate assessment of the current situation.

Remote sensing applications within the program include habitat typing for wildlife management, insect infestation, change detection, general land cover mapping, orthophoto image generation, mapping/monitoring of surface disturbance associated with mineral exploration and development, fire fuels mapping and many others. 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.

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.

GIS is a cost effective and accurate manner of accomplishing Integrated Resource Management Planning (IRMP). Using GIS, the bureau plans to initiate 14 IRMPs and complete six IRMPs during FY 1990.

Change from 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$	705	727	+22
	(FTE)	(8)	(9)	(+1)
Central Office Operations	\$	120	263	+143
	(FTE)	(--)	(4)	(+4)
Field Operations:				
Indian Integrated Resources Information Program	\$	<u>1,446</u>	<u>1,971</u>	<u>+525</u>
Total:	\$	2,271	2,961	+690
	(FTE)	(8)	(13)	(+5)

Area Office Operations (+\$22,000; FTE +1): The change is the result of priorities established at the following Area Offices.

	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Juneau Area	\$ 64,400	\$ 74,000	\$ +9,600
Phoenix Area	123,100	123,000	-100
Navajo Area	91,500	104,000	<u>+12,500</u>
Net Change.....			\$+22,000

Central Office Operations (+\$143,000; FTE +4): This program will develop policy, provide oversight, direction, and support to the central office program areas of Wildlife and Parks, Water Resources, Agriculture and Forestry for planning and management of the renewable natural resources nationwide. The four central office positions are the Division Chief of the Water and Land Resources programs, a Secretary, a Program Specialist, and the coordinator of the Geographic Information Systems located in Denver, Colorado.

Indian Integrated Resources Information Program (+\$525,000; FTE 0): This increase will support the additional workload generated by the conversion of oil, gas and mineral data into the GIS format so that it can be used in the Integrated Resource Management Planning (IRMP) initiative. These efforts will improve storage, retrieval and manipulative capability for analyzing resource data. The output of the IRMP initiative will provide the decision-makers with up-to-date information upon which to render well-informed management decisions affecting the well-being of the Indian people and the wise use of their natural resources.

B. Agriculture

		<u>FY 1989</u> <u>Enacted</u> <u>To Date</u>	<u>FY</u> <u>1990</u> <u>Base</u>	<u>FY</u> <u>1990</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From 1989</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Area Office	\$	1,147	1,154	1,219	+72	+65
Operations:	(FTE)	(28)	(28)	(29)	(+1)	(+1)
Central Office	\$	303	304	304	+1	--
Operations:	(FTE)	(5)	(5)	(6)	(+1)	(+1)
<u>Field Operations:</u>						
Prairie Dog Control	\$	1,050	1,050	500	-550	-550
Noxious Weed Eradication	\$	330	330	730	+400	+400
Agriculture Technical Assistance Centers	\$	700	700	--	-700	-700
Tribal Projects	\$	2,356	2,356	--	-2,356	-2,356
Irrigation Operation and Maintenance	\$ (FTE)	-- (0)	7,716 (15)	7,716 (15)	+7,716 (+15)	-- (--)
Total, Agriculture	\$ (FTE)	5,886 (33)	13,610 (48)	10,469 (50)	+4,583 (+17)	-3,141 (+2)

Objective: The Agriculture program's objectives are to protect, conserve, restore, improve and enhance the agronomic and range resource values of Indian lands; to preserve the land in a perpetually productive state to ensure continuous production; to develop the renewable resources to provide income and employment to Indians; to regulate water runoff and minimize soil erosion; to preserve and develop other values, such as wildlife and recreation; to provide technical assistance to Indian farmers and ranchers; to assist Indian landowners in leasing their farmland and rangeland for the maximum economic return, consistent with the objectives of sustained-yield management and conservation of the resource; and 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 (\$13,610,000; FTE 48): The agriculture and range program provides technical assistance to encourage and motivate increased use of agricultural resources by Indians and to 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.

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.

Area Office Operations (\$1,154,000; FTE 28): The area offices are responsible for implementing bureau policy and procedures, monitoring and conducting evaluations of the agency agriculture, range and hazardous waste 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, herbicide, animal damage control and hazardous waste programs on Indian lands; and directs the flood plains management program. Technical assistance is provided for establishing and monitoring P.L. 93-638 grants and contracts.

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 the establishment of program standards, policy and procedures of bureauwide agriculture and range programs. This staff develops policy and procedures, monitors and conducts program evaluations for all activities related to 1) the planning, management, conservation, development and utilization of the Indians' soil, water, and rangeland resources; and 2) the administration of the bureau's pesticide, herbicide, animal damage control and hazardous waste programs on Indian lands and the bureau's flood plains management program. Liaison and close working relations are maintained with other federal and state agencies, area and agency staff, and Indian organizations involved in promoting Indian renewable natural resources.

Field Operations (\$12,152,000; FTE 15):

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 between 1985 and 1988.

In FY 1989, the five-year Prairie Dog Control program on the Pine Ridge Indian Reservation will be completed. In FY 1990, the program will involve a mop-up operation to eliminate remaining pockets previously treated with zinc phosphide and will focus on range restoration and rehabilitation that began in FY 1987.

FY 1990 will begin a five-year control program on the Fort Belknap, Rosebud, Cheyenne River, and Northern Cheyenne Reservations. The program will be conducted in cooperation with the tribal councils and in accordance with an approved prairie dog control plan to rid these four reservations of range and soil damaging animals.

Noxious Weed Eradication (\$330,000; 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 coordinate with county, state and tribal organizations to identify and map the most serious weed problem areas. Treatment measures are designed to reduce further spreading of noxious weeds and resultant losses of land and resources on Indian farms, ranches and on 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.

Agriculture Technical Assistance Centers (\$700,000; FTE 0): This program provides for private sector technical assistance contracts to tribes and individual Indian ranchers and farmers for extension services, agri-business, soil conservation, range management, and related farming activities. Information and guidance have been provided to improve the economic management of productive land resources.

Tribal Projects (\$2,356,000; FTE 0): Funds for the following tribal projects were added by Congress in FY 1989:

- 1) Gila River Farms Project (\$1,710,000) for the establishment of crops on an 11,800-acre farm operated by the Gila River Farms, an enterprise of the Gila River Indian Community. Gila River Farms was organized in 1968 to farm tribal lands receiving water from the San Carlos Irrigation Project which serves 50,546 acres of reservation lands.
- 2) Havasupai Range Rehabilitation (\$450,000) for a range rehabilitation and management plan for the Havasupai Indian Reservation.
- 3) Nez Perce Soils Fertility Project (\$55,000) for soils fertility testing and planning by the Nez Perce Tribe.
- 4) San Carlos Fencing Project (\$141,000) to reconstruct the fence along the southern boundary of the San Carlos Apache Indian Reservation.

Irrigation Operation and Maintenance (O & M) (\$7,716,000; 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 land-owners 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 user 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. 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 1987 crop year is the latest available.

<u>Land Ownership in Projects</u>	<u>Acreage</u>	<u>Gross Crop Value (\$ Millions)</u>
<u>Indian Owned Land</u>	<u>857,833</u>	<u>\$ 225.5</u>
Indian Farmed	390,275	79.2
Non-Indian Farmed	328,825	146.3
Idle	138,733	-0-
<u>Non-Indian Owned/Farmed</u>	<u>149,000</u>	<u>62.3</u>
<u>Grand Total</u>	<u>1,006,833</u>	<u>\$ 287.8</u>

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>
<u>Total</u>	<u>71</u>

The Appropriations 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, 1987 through September 30, 1988, the total interest earned from the investments was \$3,879,000. The irrigation portion was \$1,418,000 and the power portion was \$2,461,000. 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 1989 and FY 1990 is as follows:

(Dollar amounts in thousands)

<u>Category</u>	<u>No. of Projects</u>	<u>Estimate FY 1989</u>	<u>Estimate FY 1990</u>
1)	9	\$ -0-	\$ -0-
2)	8	310	310
3)	43	1,124	1,125
4)	5	317	317
5)	5	2,950	2,950
NIIP)	<u>1</u>	<u>3,003</u>	<u>3,014</u>
	71	\$7,704	\$7,716

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Request</u>	<u>+/-</u> <u>Difference</u>
Area Office Operations	\$	1,154	1,219	+65
	(FTE)	(28)	(29)	(+1)
Central Office Operations	\$	304	304	--
	(FTE)	(5)	(6)	(+1)
Field Operations:				
Prairie Dog Control	\$	1,050	500	-550
Noxious Weed Eradication	\$	330	730	+400
Agriculture Technical Assistance Center	\$	700	--	-700
Tribal Projects	\$	<u>2,356</u>	<u>--</u>	<u>-2,356</u>
Total	\$	5,894	2,753	-3,141
	(FTE)	(33)	(35)	(+2)

Area Office Operations (+\$65,000; FTE +1): The change is the result of priorities established at the following Area Offices.

	<u>FY 1989</u> <u>Enacted</u>	<u>FY 1990</u> <u>Request</u>	<u>Change</u>
Aberdeen Area	\$230,100	\$230,100	\$ -100
Minneapolis Area	32,800	33,000	+200
Muskogee Area	64,300	70,000	+5,700
Phoenix Area	104,500	100,000	-4,500
Navajo Area	590,800	656,000	+65,200
Portland Area	124,500	123,000	<u>-1,500</u>
Net Change.....			\$+65,000

Central Office Operations (\$0; FTE +1): One Natural Resources Specialist will be added to the Central Office staff for the purpose of conducting coordination and oversight of the GIS program and special federal agricultural programs benefiting Indian farmers and ranchers, including acute distress relief for Indian livestock operators.

Prairie Dog Control Program (-\$550,000; FTE 0): The net reduction includes a decrease of \$950,000 resulting from the substantial completion of Pine Ridge Control program and an increase of \$400,000 to begin prairie dog control programs on the Fort Belknap, Rosebud, Cheyenne River, and Northern Cheyenne reservations.

The first action in the control program is to conduct a land survey to confirm aerial mappings of dog towns. The location and density of these towns will be used as a basis for organization of field operations. A survey of the black-footed ferret, an endangered species, is expected to be completed in August 1990 to develop the protection of the ferret and to preserve and designate their habitat as a noncontrol area. The remaining dog towns will be pre-baited and

baited with zinc phosphide during August and September 1990 to reduce prairie dog populations to a manageable size. Two years of control work on approximately 106,000 acres are required to eliminate the infestation.

FY 1990 funding will also provide for an environmental assessment, a field operations manual for the program, training of zone monitors and other control personnel, and the purchase of prebait and zinc phosphide.

Noxious Weed Eradication (+\$400,000; FTE 0): FY 1988 was the first year of the noxious weed control program. The funding was distributed to Indian reservations with the greatest need and heaviest infestation of noxious weeds. A comprehensive survey was completed to identify critical weed-infested areas on Indian lands for distribution of funds in FY 1989. This survey has identified that Indian trust lands require a five-year weed management program consistent with noxious weed control efforts of neighboring jurisdictions and in cooperation with the state weed-pest control boards or commissions. This five-year plan must be initiated in FY 1990 with the objective of controlling approximately 1.7 million acres of noxious weeds. A joint bureau-state task force will be established to 1) specify the goals and priorities of the program; 2) review the distribution and abundance of each noxious weed species and specify the location of areas susceptible to new infestations; and 3) estimate personnel, operation, equipment and material costs. The noxious weed control program will be organized on three levels: a) attack phase for two years to control approximately 3.5 million acres (1.7 million during FY 1990 and another 1.7 million during FY 1991); b) consolidation phase for two years (repeat treatments of the attack phase areas to eliminate minor infestations); and c) maintenance phase of one year to provide barriers to prevent the spread of new infestations. Cooperative agreements with the local jurisdictions and state weed-pest control boards will be ratified to encourage control, suppression, containment and where possible, eradication of noxious weeds on a geographicwide basis. The program will be evaluated annually to provide for minor adjustment in the implementation of the five-year plan.

Agriculture Technical Assistance Centers (-\$700,000; FTE 0): No funds are requested for this activity in FY 1990. The monies available in FY 1989 will be used to support one-time costs of training and technical assistance and to facilitate closer cooperation between Indian farmers and agriculture extension services provided through the Department of Agriculture and the states.

Tribal Projects (-\$2,356,000; FTE 0): The following tribal projects were added by Congress in FY 1988 and FY 1989 and are not continued in FY 1990 as the projects for which the funds were provided will be completed with the funds made available:

-\$1,710,000 for crop establishment at the Gila River Farms Project;

-\$450,000 to implement a range rehabilitation and management plan for the Havasupai Indian Reservation;

-\$55,000 for soils fertility testing and planning by the Nez Perce Tribe; and

-\$141,000 to reconstruct the fence along the southern boundary of the San Carlos Apache Reservation.

C. Forestry

		<u>FY 1989</u>	<u>FY</u>	<u>FY</u>	<u>Inc.(+)</u>	<u>Inc. (+)</u>
		<u>Enacted</u>	<u>1990</u>	<u>1990</u>	<u>Dec.(+)</u>	<u>Dec. (-)</u>
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1989</u>	<u>From Base</u>
Area Office	\$	1,102	1,109	1,167	+65	+58
Operations:	(FTE)	(35)	(35)	(35)	(--)	(--)
Central Office	\$	1,501	1,472	1,472	-29	--
Operations:	(FTE)	(22)	(21)	(21)	(-1)	(--)
<u>Field Operations:</u>						
Forest Development	\$	8,131	8,161	5,011	-3,120	-3,150
	(FTE)	(64)	(64)	(64)	(--)	(--)
Forest Products Mar-	\$	338	338	338	--	--
keting Assistance	(FTE)	(--)	(--)	(6)	(+6)	(+6)
Forest Management	\$	1,200	1,200	1,200	--	--
Inventories & Plans	(FTE)	(10)	(10)	(10)	(--)	(--)
Fire Suppression <u>1/</u>	\$	25,000	25,000	35,825	+10,825	+10,825
Federal Wildland						
Fire Fighting <u>2/</u>	\$	--	--	[31,200]	[+31,200]	[+31,200]
	(FTE)	(421)	(421)	(210)	(-211)	(-211)
Aviation Management	\$	--	35	65	+65	+30
	(FTE)	(--)	(1)	(1)	(+1)	(--)
Total, Forestry	\$	37,272	37,315	45,078	+7,806	+7,763
	(FTE)	(552)	(552)	(347)	(-205)	(-205)

1/ The 1990 Estimate includes the legislative proposal which would provide \$35,825,000 for repayment of 1989 transfers and which would provide budget year funding for all fire program activities from a new permanent, indefinite account.

2/ This amount will be available to the Bureau of Indian Affairs from the new permanent, indefinite account (Federal Wildland Fire Fighting) and will be used for all 1990 fire program costs, including emergencies.

Objective: The principal objective of the forestry program is to maintain, protect, enhance and develop Indian forest resources through application of sound forest management principles. State-of-the-art forest management practices are applied to the forest resource to produce, in perpetuity, economic forest products, employment opportunities, and other values deriving from the forest estate for the use and benefit of the Indian owners.

Total Forestry Program: The total FY 1990 request for the forestry program is \$63,277,000 which includes \$18,199,000 in Tribe/Agency Operations based on tribal priorities established in the Indian Priority System (IPS) plus \$45,078,000 in this portion of the budget. There is an inter-relationship among these forestry program activities, and workload cannot be precisely delineated. The following table depicts the total Forestry Program. Refer to the Tribe/Agency - Natural Resources section of the budget for narrative detail on the IPS forestry budget.

Total Forestry Program

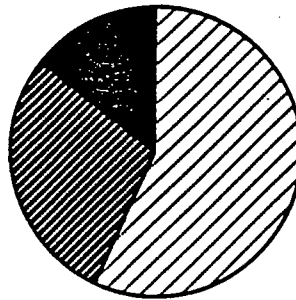
	<u>FY 1990 Request</u>	
	<u>Tribe/Agency</u>	<u>Non-Banded</u>
Area Office Operations	-0-	1,167,000
Central Office Operations	\$ -0-	\$ 1,472,000
Forest Development	1,366,000	5,011,000
Forest Management Inventories & Planning	1,417,000	1,200,000
Fire Presuppression, Suppression and Emergency Rehabilitation	-0-	35,825,000
Forest Protection	2,991,000	-0-
Forest Products Marketing Assistance	-0-	338,000
Timber Sales Management	7,361,000	-0-
Forest Program Management	5,064,000	-0-
Aviation Management	-0-	65,000
	<hr/>	<hr/>
Total Forestry	\$18,199,000	\$45,078,000

FORESTRY BUDGET
FY 1990 BUDGET

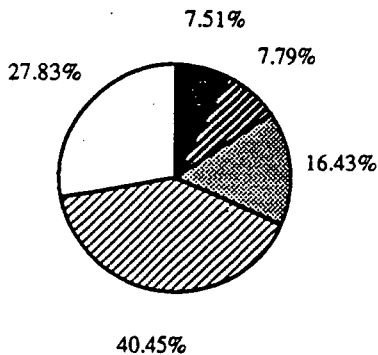
■ Non-Banded 14.62%

▨ Tribe/Agency 28.76%

▩ Fire Suppression 56.62%

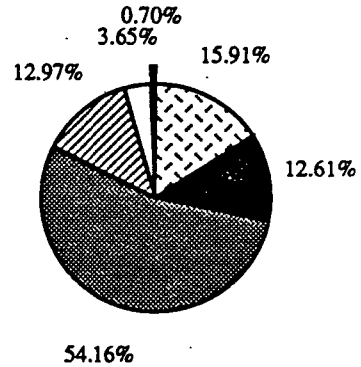


FY 1990 TRIBE/AGENCY



■ Forest Development
▨ Forest Mgmt Inv & Plans
▩ Forest Protection
▧ Timber Sales Mgmt
□ Forest Prg Mgmt

FY 1990 NON-BANDED



□ Central Office
■ Area Offices
▩ Forest Development
▨ Forest Mgmt Inv & Plans
□ Forest Products
■ Aviation Mgmt

Base Program (\$37,315,000; FTE 552):

Area Office Operations (\$1,109,000; FTE 35): 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.

Central Office Operations (\$1,472,000; FTE 21): 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.

Field Operations (\$34,734,000; FTE 496):

Forest Development (\$8,161,000; FTE 64): 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 Products Marketing Assistance (\$338,000; FTE 0): Prior to FY 1988, the bureau's assistance in marketing of 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 by contracting with tribal organizations and 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 Inventories and Plans (\$1,200,000; FTE 10): The Forest Management Inventories and Plans (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 1990 Estimated Outputs:

<u>FMI&P Segment *</u>	<u>Number of Reservations</u>
Aerial Photography	16
Mapping	17
Field Inventory	16
Inventory Analysis	19
Management Plans	23

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

Fire Presuppression, Suppression & Emergency Rehabilitation (\$25,000,000; FTE 421): This funding will be used to reimburse the various accounts for funds transferred in FY 1989 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 drought conditions which occurred in 1987 continued into 1988. The bureau began dispatching fire crews to assist other agencies in mid-March. Fire activity continued to increase and reached a high point in late August with several large fires in and around Yellowstone National Park. Mobilization of firefighters exceeded that experienced in 1987. During 1988, the bureau experienced several large and damaging fires on the Northern Cheyenne, Crow, Rocky Boys, Colville, Yakima and Spokane reservations.

Obligations of emergency funds for FY 1988 were in excess of \$56.9 million. Of this amount, an estimated \$25.9 million was spent in support of other federal agencies, based on 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.

Aviation Management (\$35,000; FTE 1): The Bureau of Indian Affairs annually spends over \$2,500,000 for aviation activities. Almost all of these expenditures can be attributed to Emergency Fire Suppression activities. Responsibility for oversight and program direction was assigned to the forestry program which has also borne the total cost of the program. Because of the expanding use of aircraft services, the Department's increased emphasis on air safety, and the annual reporting requirement to the General Services Administration, a distinct Aviation Management Program became necessary.

FOREST DEVELOPMENT ACCOMPLISHMENTS

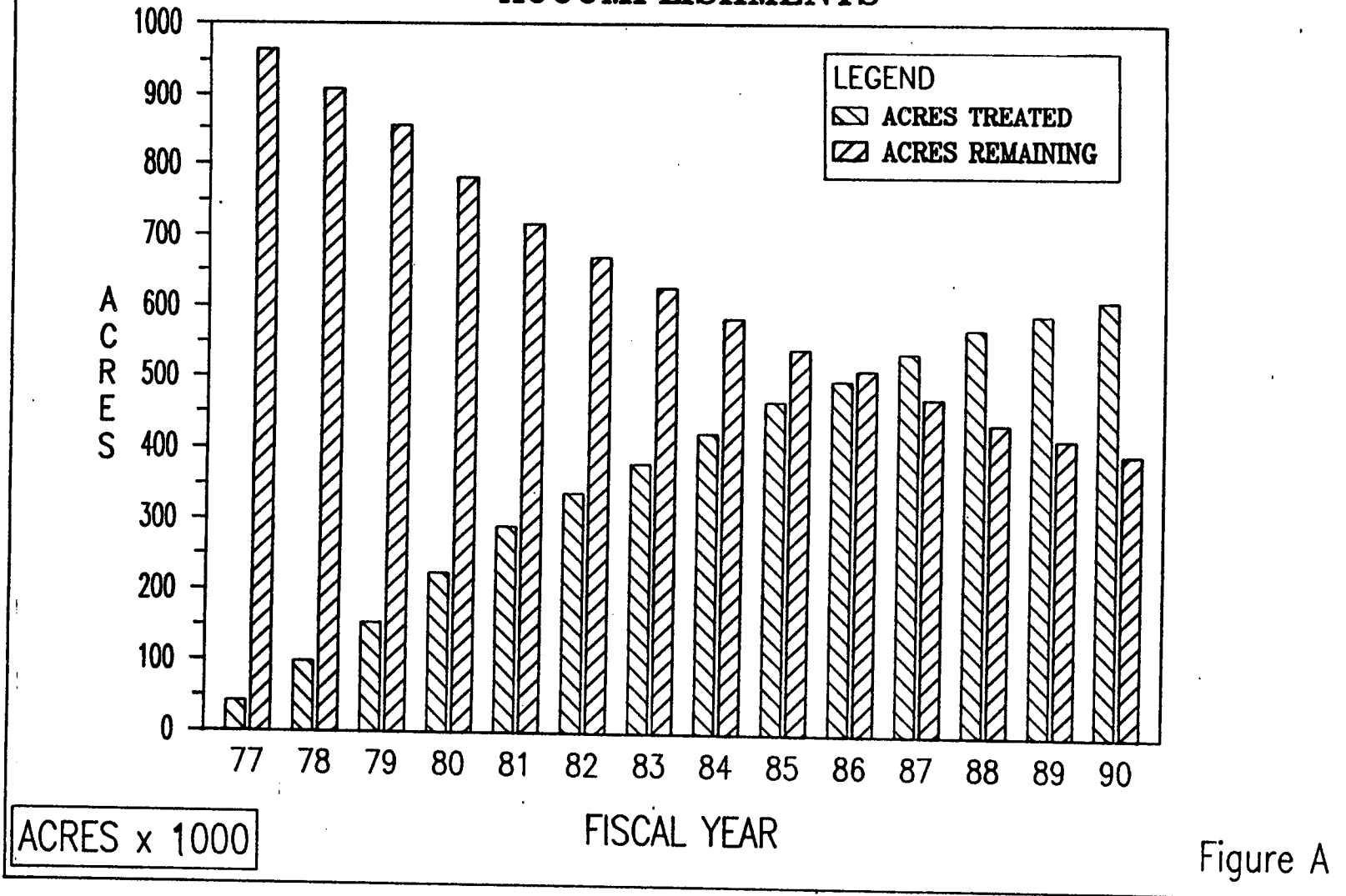


Figure A

Total Forestry Program Workload Summary:

	<u>Unit</u>	<u>Estimate FY 1988</u>	<u>Estimate FY 1989</u>	<u>Estimate FY 1990</u>
<u>Special Forest Development:</u>				
- Reforestation	Total Acres	10,000	10,000	6,000
- Timber Stand Improvement	Total Acres	30,000	30,000	18,000
- Growth/Survival Inventories Conducted	Total No.	100	100	60
<u>Forest Protection:</u>				
- Forest & Range Land Protected	Acres	59,314,000	59,314,000	59,314,000
- Number of Fires Suppressed	CY	3,163	3,000	3,000
- Acreage burned		199,235	100,000	100,000
<u>Timber Sale Management:</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	720,000	755,000	820,000
- Value of Timber Harvested	\$	70,000,000	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.)	17,000	17,000	17,000
- 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	12	16
- Mapping	No. of Reserv.	7	19	17
- Field Inventory	No. of Reserv.	9	18	16
- Inventory Analysis	No. of Reserv.	8	13	19
- Management Plan	No. of Reserv.	7	19	23
<u>General</u> <u>4/</u>				
- Employment Generated (direct, indirect and induced - MY)	(No.)	14,757	11,703	12,711
- Employment Generated Income	\$	395,752,780	271,089,000	305,822,000
<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/ SOURCE: FY 1987 Forestry Funding and Position Analysis.

3/ SOURCE: Status of Forest Management Inventories and Planning, 9/30/87.

4/ SOURCE: 1988 Survey of Annual Economic Benefits Derived from Indian Forest Resources.

Change from 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$	1,109	1,167	+58
	(FTE)	(35)	(35)	(--)
Forest Development	\$	8,161	5,011	-3,150
	(FTE)	(64)	(64)	(--)
Forest Products Marketing Assistance	\$	338	338	--
	(FTE)	(--)	(6)	(+6)
Fire Suppression Repayment	\$	25,000	35,825	+10,825
Federal Wildland Fire Fighting	\$	(--)	[31,200]	[+31,200]
	(FTE)	(421)	(210)	(-211)
Aviation Management	\$	35	65	+30
	(FTE)	<u>(1)</u>	<u>(1)</u>	<u>(--)</u>
Total	\$	34,643	42,406	+7,763
	(FTE)	(521)	(317)	(-205)

Area Office Operations (+\$58,000; FTE 0): The change is a result of priorities established at the following Area Offices.

	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Billings Area	\$ 35,400	\$ 35,000	\$ -400
Juneau Area	182,200	172,000	-10,200
Minneapolis Area	240,600	241,000	+400
Phoenix Area	185,400	181,000	-4,400
Sacramento Area	118,900	119,000	+100
Albuquerque Area	35,300	104,000	+68,700
Navajo Area	139,500	145,000	+5,500
Portland Area	105,600	104,000	-1,600
Eastern Area	59,100	59,000	<u>-100</u>
Net Change.....			\$+58,000

Forest Development (-\$3,150,000; FTE 0): At the beginning of this program in FY 1977, the target date to eliminate forest development backlogs of record was 1996. Scaling back this program at this time will extend the target date one year to 1997. As can be seen from Figure A, the number of acres that have received treatment now exceed those that require treatment, and the highest priority timber stands were treated first.

Forest Products Marketing Assistance (\$0; FTE +6): It has been determined that marketing assistance to tribes can best be provided by the BIA through the establishment of special marketing positions located in the Phoenix, Portland and Minneapolis Area Offices and the Forestry Central Office. These geographic locations were chosen because the forests within the jurisdiction of these area of-

fices have the largest volumes of commercial timber and woodland resources that are available for harvest.

Fire Suppression (+\$10,825,000; FTE -211): The increase is to repay FY 1989 fire costs which are estimated to be higher than normal based on FY 1987 and FY 1988 actual fire costs incurred. The FTE for this program is dependent on the fire emergency conditions and activity and cannot be accurately estimated.

Federal Wildland Fire Fighting (allocation from permanent, indefinite account) [+ \$31,200,000]: The following activities will be funded from this account:

Fire Management includes overall management and program planning costs for the bureau fire program, particularly those costs that are not direct, level-of-effort costs associated with expected annual fire season workloads. Permanent full-time staff includes an estimated 10 FTE at the national level, 18 FTE at the Area level, and 75 FTE at the field level are dedicated to the management of the BIA fire program including aviation. At the national and area level, the BIA provides for fair share contributions to interagency efforts such as shared resources programs (air attack resources, interagency training development, support for state participation, joint fire coordination organizations, etc.). Within the BIA, forestry and primarily fire management bears the financial load for the radio communications system used throughout the organization. The fire program is also responsible for the majority of the physical maintenance and construction costs associated with our detection facilities. Included in this category of funds is software development and maintenance as well as hardware costs for an independent automated fire information system for the collection and dissemination of fire program management data and user applications. Many smaller field sites receive their fire protection through contractual arrangement with cooperating local, state and federal agencies as a more cost effective approach towards meeting the BIA's trust responsibilities. These funds are also included in this category. Fifteen agencies are completely protected under this arrangement and numerous others receive partial protection through contracts.

Presuppression covers preparation for the annual fire season and reduction of hazardous conditions. Preparedness includes all activities associated with implementing the bureau's normal fire year plans. Elements include hiring of seasonal firefighters; acquisition of expendable and capital equipment that is directly related to fire; operation and maintenance of equipment; training for fire crews directly related to the fire season; preparation of contracts for equipment and other services; determining aircraft availability and flight time for reconnaissance; dispatching/logistics, and emergency communications; and administrative support. Hazard fuel reduction includes costs associated with the elimination of unnatural or hazardous levels of accumulated fuel, either by fire or other means.

The BIA annually employs between 1000 and 1500 less-than-full-time employees to provide for the day-to-day level of readiness needed to protect Indian lands from wildfire. The BIA protects just under 60 million acres of land. In addition, it also trains and manages approximately 200 Native American fire crews which are used throughout the country by all fire agencies. A fire crew consists of 20 people.

Suppression involves costs of emergency suppression and monitoring natural fires burning within pre-established prescription criteria. Emergency suppression covers costs directly tied to suppressing a specific wildfire including costs of firefighting and fire command support personnel, suppres-

sion aircraft operations, support costs for all employees assigned to the fire, supplies and equipment (including replacement of lost capital and expendable equipment), contracts for goods and services, and associated logistical support. Costs associated with prescribed natural fires include appropriate monitoring, data, logistics, equipment and supplies, and related resources necessary to monitor fire behavior and to keep it within prescription. All charges in the suppression activity are made to a specific fire number.

For the period 1984 - 1988, the average fire occurrence load for BIA protection areas was 2,897 fires per year which burned an average of 143,458 acres.

Emergency Rehabilitation covers costs incurred to prevent land degradation, resource losses, and other dangerous situations due to damage by fire. It includes such costs as reseeding to prevent immediate wind or water erosion and to prevent establishment of undesirable species with high fire potential, fencing of areas to prevent animals or humans from entering sensitive areas, and felling damaged trees posing threats to human safety. Long-term costs of restoring burned areas are funded from resource programs in bureau operating accounts.

Aviation Management (+\$30,000): The responsibility to manage the entire Aviation Management program, including funding accountability, is now placed with the Forestry program since they are the leading user of aircraft services and are charged with the responsibility to annually report all BIA aircraft usage to the General Services Administration. This increase will provide full funding for an Aviation Program Manager position located in Boise, Idaho under the supervision of the BIA Director, Boise Interagency Fire Center.

D. Water Resources

	FY 1989 Enacted <u>To Date</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	Inc.(+) Dec.(-) <u>From 1989</u>	Inc. Dec. <u>From Base</u>
Central Office Operations:	\$ 467 (FTE) (8)	469 (8)	469 (8)	+2 (--)	-- (--)
<u>Field Operations:</u>					
Water Protection, Man- agement & Development	\$ 9,000	15,858	9,238	+238	-6,620
Irrigation Drainage	\$ <u>600</u>	<u>600</u>	<u>400</u>	<u>-200</u>	<u>-200</u>
Total, Water Resources	\$ 10,067 (FTE) (8)	16,927 (8)	10,107 (8)	+40 (--)	-6,820 (--)

Objectives: The objectives of the Water Protection, Management and Development program are to achieve supervision of Indian water rights protection and tribal water resources management and planning. Funding will be distributed equally to both aspects of the program in recognition of the fact that the protection of Indian water rights is an integral part of a program aimed at addressing tribal management and planning for the use and development of Indian water resources.

The objectives of the Irrigation Drainage program, a special scientific research program, are to identify, evaluate and respond to water contamination problems related to irrigation drainage on western Indian reservations where irrigated farming has occurred for many years. Program activities are scheduled under the auspices of the Department's Irrigation Drainage Study Team, pursuant to a Memorandum of Understanding between the Assistant Secretary - Indian Affairs and the Assistant Secretary - Water and Science.

Base Program (\$16,927,000; 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 which are addressed by court actions, legislation, and regulations and may affect tribal water rights and uses. The central office formulates and implements policy initiatives, recommends funding allocations, develops reporting systems, conducts program evaluations of area office operations, maintains liaison and coordination with other federal agencies, 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 Protection, Management and Development (\$15,858,000; FTE 0): Water Protection supports the Department's policy to negotiate settlements of Indian water claims whenever it is feasible to do so. This policy is based in part on (1) the fact that negotiated settlements cost less to prepare in comparison to the higher cost of protracted litigation, (2) the principle that negotiated settlements result in lasting local stability due to the amicable environment created by the negotiation process, and (3) the fact that negotiating parties can fashion creative remedies which are not available to courts of law. Entering FY 1990, it is anticipated that there will be approximately 15 active negotiations.

Notwithstanding the desirability of negotiation, it is recognized that not all negotiable issues lead to acceptable settlements; therefore, claims preparations must also include preparation for the prosecution of Indian claims through litigation. It is anticipated that there will be approximately fifteen (15) cases in active litigation as in negotiations.

Costs for claim preparations vary, and estimates for data and evidence collection are made by the bureau following consultation with affected Indian tribes, Department of the Interior solicitors, and Department of Justice attorneys. Bureau funding priorities for reserved water rights litigation/negotiation cases are: (1) cases in deliberation; (2) cases anticipated to be deliberated during FY 1991 and FY 1992; (3) cases anticipated to be deliberated in FY 1993 and FY 1994; and (4) cases where tribes may be prosecuting claims on their own behalf.

As a point of reference, the anticipated FY 1990 negotiation and litigation activities include over 60 pending stream adjudications in which Indian water rights are being determined. Almost all 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.

Data and evidence collection is conducted by the United States consistent with the Water Policy Implementation Plan for Review of Indian Water Claims (developed in 1979-80 and followed to the present day) to assure adequate claims presentations. To do otherwise would expose Indian water resources, as a trust asset, to risk of loss, thereby exposing the United States to liability for breach of its trust responsibility. While the scope of prepared claims for negotiation is the same as that of litigated claims, the level of detail in litigated claims is greater.

Water Management and Development funding supports tribal management and planning technical capabilities for the current use and future development of reservation water resources. Technical data and information needs are met in large measure by the provision of data and evidence developed by the United States in the course of water rights claims preparations.

The program funds tribal transition from participation in water rights dispute resolution to implementation of water rights settlements, and management and planning activities aimed at developing water resources. It is anticipated that as many as eight tribes may need such funding during FY 1990 at an average cost of \$150,000 per tribe. The funds will provide tribes with the financial resources to address immediate management and planning activities as may be required under each settlement. This is consistent with the bureau's policy to provide assistance to those tribes whose water rights have been quantified and settled, in order that they may have the opportunity to ultimately develop reservation water resources.

Funds are also allocated for tribal activities aimed at avoiding disputes. Examples of such priority activities include 1) tribal participation in local water resources planning projects which would affect tribal water interests and other Indian resources, 2) tribal water resource management training programs, 3) support for regionally-based tribal organizations addressing water quality management and protection issues, and 4) voluntary water transfers.

Irrigation Drainage (\$600,000; FTE 0): These funds represent the bureau's contribution to the Department-wide budget for the Irrigation Drainage program. The balance of that budget is funded equally by the Geological Survey, Fish and Wildlife Service, and the Bureau of Reclamation. The study team will address 17 potentially affected Indian reservations in the states of Arizona, California,

Colorado, Idaho, Montana, Nevada, South Dakota, Utah and Wyoming. The study team abides by the following process: 1) identifies sites requiring attention under the scope of the management strategy; 2) determines from existing information and field screening studies, whether irrigation drainage has caused or has the potential to cause harmful effects on human health, on fish and wildlife, or on other water uses; 3) conducts intensive studies to determine the extent, magnitude, impacts and causes of contamination problems if existing information or screening studies or both indicate a high potential for harmful effects; 4) develops a coordinated plan of action with appropriate federal, state and local agencies to address identified problems; and 5) implements corrective actions once a plan has been developed and authorized for those areas and activities in which the Department of the Interior has authority and resources.

Change from 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Water Protection, Management and Development	\$ 15,858	9,238	-6,620
Irrigation Drainage	\$ <u>600</u>	<u>400</u>	<u>-200</u>
	\$ 16,458	9,638	-6,820

Water Protection, Management and Development (-\$6,620; FTE 0): The \$9,238,000 funding level proposed for this program will enable the bureau to address priority projects, i.e., 1) cases in active litigation or negotiation; 2) implementation of settlements; and 3) tribal projects which would yield management strategies designed to promote cooperation in the use and protection of watershed resources, thus avoiding legal controversy. A priority list of projects will be prepared in the fourth quarter of FY 1989, based upon proposed project listings received from the bureau's area offices. These listings will be composed primarily of projects identified as critical to the United States and tribes for the protection, management, and planning of Indian water resources in FY 1990. Since the average cost of a water resources project in the past eight years has been about \$143,500, approximately 32 priority protection and 32 priority management and planning projects can be addressed from within the proposed budget.

Irrigation Drainage (\$-200,000; FTE 0): The requested funding of \$400,000 represents the bureau's contribution to the FY 1990 Department of the Interior Irrigation Drainage Program. Specific projects and investigations to be accomplished will be determined by the Task Group on Irrigation Drainage.

E. Wildlife and Parks

	FY 1989 Enacted <u>To Date</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	Inc. (+) Dec. (-) <u>From 1989</u>	Inc. (+) Dec. (-) <u>From Base</u>
Area Office	\$ --	150	150	+150	--
Operations:	(FTE) (--)	(--)	(4)	(+4)	(+4)
Central Office	\$ 398	399	399	+1	--
Operations:	(FTE) (3)	(3)	(3)	(--)	(--)
 <u>Field Operations:</u>					
Special Fish Management Programs	\$ 17,860	--	--	-17,860	--
Unresolved Hunting & Fishing Rights	\$ --	50	50	+50	--
Rights Protection Im- plementation Programs	\$ --	17,940	13,525	+13,525	-4,415
Fish Hatchery Operations	\$ 3,695 (FTE) (--)	3,720 (18)	3,720 (18)	+25 (+18)	-- (--)
Fish Hatchery Main- tenance	\$ 250	250	--	-250	-250
Fish and Wildlife Service Technical Assistance	\$ 313 (FTE) (4)	313 (4)	1,680 (19)	+1,367 (+15)	+1,367 (+15)
Tribal Management/ Development Projects	<u>4,215</u>	<u>4,683</u>	<u>3,788</u>	<u>-427</u>	<u>-895</u>
Total, Wildlife & Parks	\$ 26,731 (FTE) (7)	27,505 (25)	23,312 (44)	-3,419 (+37)	-4,193 (+19)

Objectives: Wildlife and Parks funds are used to fulfill and execute the Federal Government's trust and rights protection responsibilities relating to fish, wildlife and recreational resources that are important to the sustenance, cultural enrichment and economic support of Indians, and to promote the conservation, development and utilization of these resources for the maximum benefit of Indians, now, and in the future. This goal is addressed by focusing program resources in four primary areas:

- ° Protection of hunting, fishing, and gathering rights guaranteed to federally-recognized tribes by the United States through treaty, statute or Executive Order, including support for fulfilling tribal co-management responsibilities associated with the exercise of such rights.
- ° Development of full tribal capability and multi-disciplinary competence 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 con-

ducted 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 (\$27,505,000; FTE 22): Generations of American Indians have developed lifestyles, cultures, religious beliefs and customs around their relationships with fish and wildlife. Historically, these resources provided food, shelter, clothing and tools, and were traded for a variety of goods. Fish, wildlife and outdoor recreation resources continue to provide a base of sustenance, cultural enrichment and economic development for many tribes, and help maintain tribal social structure and stability by permitting gainful employment in traditional and desirable occupations. Revenues generated through commercial fishing and recreational resource development programs help support numerous tribal governments.

Roles and responsibilities of American Indians in managing fish, wildlife and outdoor recreation resources, and the use of Indian hunting and fishing rights as tools in protecting these resources, is not widely recognized or understood. Since the mid-1970's, tribes have emerged as co-managers of nationally and internationally significant fish and wildlife resources. In this capacity, tribes work closely with state, Federal, regional and international authorities in fulfilling joint management responsibilities assigned through court orders, statutes and other legal instruments. Tribal programs on reservations contribute significantly toward meeting the growing national demand for outdoor recreation, accounting for millions of use days annually of hunting, fishing, camping, boating, and numerous and diverse other activities. Tribal fish hatcheries annually produce tens of millions of salmon, steelhead, trout, walleye and other species. Tribal efforts also result in the protection of many millions of acres of habitat necessary for the conservation of nationally significant fish and game populations, including several listed as threatened and endangered.

Wildlife and Parks funds are contracted to tribes for population assessment, harvest management, habitat restoration, and other programs. Hundreds of tribal biologists, statisticians, hydrologists, enforcement officers, administrative personnel and other professionals participate in these efforts. Many tribes are directing substantial amounts of their own resources to support program activities and salaries.

Area Office Operations (\$150,000; FTE 0): These funds support specialists trained and knowledgeable in fish and wildlife management principles and practices. Qualified professionals classified as fish and/or wildlife biologists and serving as Area Biologists, oversee Wildlife and Parks programs and expenditures, and advise and assist the bureau's contracting officials in the monitoring and evaluating of associated P.L. 93-638 contracts. Area Biologists also serve as liaisons between officials responsible for Wildlife and Parks program operations and budgets at the central office and agency levels, serve in an oversight capacity and provide technical fish and wildlife assistance to tribes as required.

Central Office Operations (\$399,000; FTE 3): Professional personnel in the central office are responsible for establishing program goals, objectives, policies, strategies, and procedures necessary for effective and efficient program administration. Central Office staff coordinates program planning, assists in budget formulation and execution processes, proposes systems for the effective

delivery of program services, establishes procedures and conducts program evaluations and serves in a program oversight capacity. They also coordinate program responsibilities among area offices, agencies, tribes and inter-tribal organizations; analyze policy and legislation; prepare briefings and issue papers; respond to information inquiries; conduct special projects; perform internal control reviews for potential waste, fraud and abuse; and provide expertise and advice to the bureau's executive managers. Central Office staff also 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 (\$26,956,000; FTE 22):

Unresolved Hunting & Fishing Rights (\$50,000; FTE 0): This activity supports tribes engaged in or anticipating litigation to define or clarify the scope of their hunting and fishing rights, and tribal participation in negotiations with other co-management interests in lieu of further litigation. Direction received from the courts and 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. The United States and the tribes require information 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 tribal management, 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 of the resources. Once these situations go beyond the litigation or negotiation phase, funds are transferred to Rights Protection Implementation Programs to implement the court rulings and settlements.

Rights Protection Implementation Programs (\$17,940,000; FTE 0): Court rulings reaffirming Indian treaty hunting and fishing rights have prompted increased attention to nationally significant fish and wildlife resources in ceded off-reservation areas, which fall under the jurisdiction of a variety of tribal, state, regional, federal and international management entities. Under standards prescribed by the courts and by statute, these resources are protected and tribal roles and responsibilities in managing them are assured through complex interjurisdictional programs. Failure to maintain an effective tribal role in such programs could lead to increased state control of Indian hunting and fishing activity.

This program assists four inter-tribal organizations, their member tribes and other tribes in carrying out associated resource management roles and responsibilities. The inter-tribal bodies represent effective and efficient mechanisms for serving member tribes in treaty rights negotiations and implementation programs involving complex interjurisdictional resources.

A. Western Washington Fisheries Management (\$9,004,000; FTE 0): The Boldt Decision of 1974 (U.S. v. Washington) reaffirmed that Stevens Treaty tribes in the State of Washington hold a valid treaty right to fish in usual and accustomed places, and upheld the position that the affected tribal governments must participate in the management of the resources involved. This decision prompted the establishment of the Northwest Indian Fisheries Commission (NWIFC) in 1975 by the treaty fishing tribes of western Washington. The NWIFC serves as spokesman for the member tribes on fishing issues, and has the authority to represent them before state and federal agencies. It also

conducts extensive coded-wire tagging efforts, and coordinates the efforts of tribal biologists and managers in formulating harvest management, population assessment, stock enhancement, and data gathering programs.

Of this amount, \$2,000,000 has been available for the Timber-Fish-Wildlife initiative added by Congress in FY 1988 and FY 1989 and \$865,000 is contracted to the NWIFC to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities and to facilitate coordination with other management jurisdictions. An additional \$6,139,000 is contracted directly to the following member tribes:

Hoh	\$202,000	Nooksack	\$ 163,000
Quileute	391,000	Point No Point	777,000
Quinault	939,000	Puyallup	268,000
Squaxin Island	374,000	Skagit	524,000
Makah	410,000	Stillaguamish	161,000
Lummi	537,000	Suquamish	224,000
Muckleshoot	240,000	Tulalip	603,000
Nisqually	326,000		<u>\$6,139,000</u>

- B. Columbia River Fisheries Management (\$1,767,000): 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 the coordinating body for these tribes. Appropriated funds are contracted to the CRITFC to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities and to facilitate coordination with other management jurisdictions. Substantial co-management of the fisheries resources is required by court order and federal law through a multistate, inter-tribal and federal agency network. Maintenance of tribal fishery programs allows the tribes and states to jointly manage and regulate Indian and non-Indian fisheries within the Columbia River Basin. Extensive efforts are also directed toward rebuilding upriver runs that have been depleted by over-harvest, habitat degradation and hydropower development.
- C. Voigt Case Area Management (\$2,665,000): In 1983, the Seventh Circuit Court of Appeals reaffirmed the 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). These bands formed the Great Lakes Indian Fish and Wildlife Commission (GLIFWC) in 1984 to serve as an inter-tribal mechanism for implementing the Voigt decision through the securing of technical biological expertise, the development of sound natural resource management plans, the development of hunting and fishing regulations, and the strengthening of the tribal enforcement capability and court system. The GLIFWC also affords member tribes the opportunity to negotiate, as a unified entity, with the states of Michigan, Minnesota and Wisconsin in co-managing fish and wildlife resources. Appropriated funds are contracted to the GLIFWC to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities, and to facilitate coordination with other management jurisdictions.
- D. Michigan (Great Lakes) Fisheries Management (\$1,389,000): In 1981, the fishing rights of Michigan tribes covered by the Treaty of 1836 were affirmed in federal court. Also in 1981, these tribes established the Chippewa/Ottawa Treaty Fishery Management Authority (COTFMA) to provide uniform joint regulations governing tribal fishing activities, to coordinate conservation enforcement activities, to coordinate initiatives regarding enhancement of the fishery, and to provide a forum for resolving policy issues. The inter-tribal

fisheries staff 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. The tribes also participate on technical committees of the Great Lakes Fishery Commission, an international body established by treaty between the United States and Canada.

In 1985, a negotiated fisheries agreement that was 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. Appropriated funds are used to implement this agreement, to coordinate inter-tribal efforts in fulfilling tribal resource management responsibilities, and to facilitate coordination with other management jurisdictions.

E. Klamath Conservation Program (\$523,000): 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, held that tribal conservation and enforcement efforts are required on approximately 1.1 million acres of a former reservation. The Klamath Indian Game Commission participates in the planning, coordination and implementation of biological, conservation enforcement, and other related programs, and carries out its responsibilities in cooperation with state and federal resource management authorities.

F. US/Canada Pacific Salmon Treaty (\$2,592,000; FTE 0): Through representation on the Pacific Salmon Commission and panels created by the United States/Canada Pacific Salmon Treaty and its implementing legislation, 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 occurs. The United States' obligation to implement the treaty includes providing support in the areas of management, administration, information collection/analysis and enhancement. Funds are contracted to the Columbia River Inter-Tribal Fish Commission and the Northwest Indian Fisheries Commission to carry out the programs developed by the Pacific Salmon Commission. Limited support has also been made available to the Metlakatla tribe which, though not a participant in the Pacific Salmon Commission, is impacted by Commission decisions.

Fish Hatchery Operations (\$3,720,000; FTE 18): Throughout the country tribal fish hatcheries are engaged in a variety of production, rearing and stocking programs. Salmon and steelhead trout releases from tribal hatcheries in the Pacific Northwest benefit Indian and non-Indian commercial and sport fisheries in the United States and Canada. Returning spawners help satisfy subsistence and ceremonial needs and are frequently distributed to the elderly and poor. Throughout the rest of the country, recreational opportunities created by the stocking of catchable trout, walleye and other species attract numerous sport fishermen to Indian reservations. Revenues generated through the sale of fishing and camping permits help support hatchery operations and salaries of tribal biologists and conservation enforcement personnel.

Funds will be applied to support fish hatchery operations conducted by the following tribes:

<u>Tribe</u>	<u>Amount</u>	<u>Tribe</u>	<u>Amount</u>
Hoh	\$ 22,000	Skagit	\$ 55,000
Lummi	406,000	Squaxin Island	74,000
Makah	36,000	Stillaguamish	54,000
Muckleshoot	101,000	Suquamish	200,000
Nisqually	119,000	Tulalip	302,000
Nooksack	28,000	Metlakatla	317,000
Point No Point	303,000	Bad River	46,000
Puyallup	54,000	Red Lake	46,000
Quileute	45,000	Lac du Flambeau	274,000
Quinault	242,000	Pyramid Lake	996,000
			<u>\$3,720,000</u>

Fish Hatchery Maintenance (\$250,000; FTE 0): In FY 1988 and FY 1989, Congress provided funds for the maintenance of tribal fish hatcheries and related facilities. Criteria and procedures were developed to rank proposed maintenance projects submitted by the tribes, and funds were distributed to meet the highest priority needs in FY 1988 and FY 1989. Maintenance has been defined as 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.

Fish and Wildlife Service Technical Assistance (\$313,000; FTE 4): Funds are reimbursed to the Fish and Wildlife Service (FWS) for operations serving tribes through the Vernal, Utah, Valentine, Nebraska and Kalispel, Montana fisheries assistance offices. As in FY 1989, FWS will provide \$187,000 of this amount directly to designated tribes (\$58,000 for the Colorado River Tribes, \$65,000 for the White Mountain Apache Tribe, and \$64,000 for the San Carlos Apache Tribe) to assist them in assuming control over related federal assistance programs. In accordance with Congressional direction, and the 1988 amendments to P.L. 93-638, the bureau will work to have the services performed through each facility contracted to the affected tribes as soon as they are ready to assume control over program operations.

Tribal Management/Development Projects (\$4,683,000; FTE 0): Through P.L. 93-638 contracts executed by the bureau, numerous tribes have assembled professional staffs and developed comprehensive programs for conserving, managing and developing Indian fish and wildlife resources, and for interfacing with a host of state, regional and international jurisdictions in addressing the challenges of resource management. Some tribes, however, have not developed the capabilities to manage their resource bases, and continue to depend on federal programs for the delivery of fish and wildlife services. On some reservations with fish and wildlife resource values and potentials, management programs are inadequate or lacking.

Funds will be applied to develop the multi-disciplinary competence and the professional expertise of tribes and inter-tribal fish and wildlife organizations in expanding their reservation economies, to create income-generating and job-producing programs through the development of fish, wildlife and outdoor recreational re-

sources, and to reduce reliance on federal technical assistance programs. Tribal fish and wildlife programs supported include the following:

<u>Tribe</u>	<u>Amount</u>	<u>Tribe</u>	<u>Amount</u>
Cherokee	\$ 75,000	Colville	\$ 107,000
Penobscot	80,000	Fort Hall	178,000
Blackfeet	220,000	Chehalis	56,000
Shoshone-Arapahoe	100,000	Quileute	35,000
Crow	49,000	Umatilla	50,000
Northern Cheyenne	49,000	Fond du Lac	50,000
Ft. Belknap	50,000	Grand Portage	35,000
Ft. Peck	25,000	Leech Lake	101,000
Rocky Boys	25,000	Mille Lacs	30,000
Lower Brule	70,000	White Earth	120,000
Crow Creek	49,000	Red Lake	100,000
Devil's Lake	49,000	Stockbridge-Munsee	25,000
Navajo	90,000	Lac-Court Oreilles	90,000
Zuni	80,000	Oneida	60,000
Summit Lake	84,000	Bad River	35,000
Ute Mountain Ute	60,000	Red Cliff	235,000
Metlakatla	159,000	St. Croix	35,000
Nez Perce	260,000	Keeweenaw Bay	70,000
Yakima	340,000		<u>\$3,326,000</u>

Funds for the following tribal projects were added by Congress in FY 1989: \$250,000 for the Taos Pueblo to maintain and protect the Blue Lake Wilderness Area; \$125,000 for the Ute Mountain Ute for a park planning effort; \$200,000 for the Te-Moak Tribe to establish a conservation enforcement program; \$100,000 for the operation of the Leech Lake tribal fish hatchery; \$120,000 to fund the Navajo Heritage program; and a \$100,000 grant for Montana tribes to develop fish and wildlife resource programs.

In addition, \$135,000 will be used to support the Native American Fish and Wildlife Society, \$200,000 will allow the Northwest Indian Fisheries Commission to operate a tribal fish health lab and develop shellfish harvesting strategies and programs, \$100,000 will support the Chippewa-Ottawa Treaty Fishery Management Authority, and \$27,000 will be used to assist the Forest County Potawatomi, Sokaogon, and Menominee tribes.

Change from FY 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	+/- <u>Difference</u>
Area Office Operations	\$ 150 (FTE) (--)	150 (4)	-- (+4)
Rights Protection Implementation Programs	\$ 17,940	13,525	-4,415
Fish Hatchery Maintenance	\$ 250	--	-250
FWS Technical Assistance	\$ 313 (FTE) (4)	1,680 (19)	+1,367 (+15)
Tribal Mgmt./Devlp. Programs	\$ <u>4,683</u>	<u>3,788</u>	<u>-895</u>
Total	\$ 23,336 (FTE) (4)	19,143 (23)	-4,193 (+19)

Area Office Operations (\$0; FTE +4): The Area Biologist positions have previously been funded from Central Office, and FTE have been recorded at the area level. The increase in FTE places dollars and FTE in the same operation and correctly reflects where they are located.

Rights Protection Implementation Programs (-\$4,415,000; FTE 0): This net reduction includes the following increases and decreases:

+\$250,000 for Michigan (Great Lakes) Fisheries Management for the one-time implementation of a fish marketing program by the Chippewa/Ottawa Treaty Fishery Management Authority (COTFMA) in accordance with the 1985 Consent Decree and Agreement negotiated by the Department of the Interior, State of Michigan, treaty fishing tribes and others to resolve litigation in U.S. v. Michigan. COTFMA will develop a fish marketing program and distribute the funds to the tribes.

-\$250,000 for Michigan (Great Lakes) Fisheries Management. The FY 1989 Congressional add-on for general operation of COTFMA is not continued in FY 1990. The requested funding of \$1,139,000 provided to the Michigan tribes and to COTFMA is adequate.

-\$2,000,000 for the Timber-Fish-Wildlife initiative added by Congress in FY 1988 and FY 1989. 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.

-\$366,000 for the Upper Columbia United Tribes Fisheries Center. Congress provided funding in FY 1988 and FY 1989 but directed that the Center should seek other sources operating funds.

-\$210,000 provided in FY 1988 and FY 1989 for restoration of 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. The 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 (GLIFWC) provided as a Congressional add-on in FY 1988 and FY 1989. The requested level of \$1,374,000 for the GLIFWC will fund the delivery of basic biological, conservation enforcement, and tribal court services to member tribes.

-\$569,000 for U.S./Canada Pacific Salmon Treaty implementation, including funds for a salmon tagging project conducted by the Metlakatla Tribe. The U.S. Section of the Pacific Salmon Commission requested more than \$12.4 million to implement the Pacific Salmon Treaty in FY 1989. Given the 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. The requested level of \$2,023,000 is a reasonable amount for implementation work by the treaty tribes.

Fish Hatchery Maintenance (-\$250,000; FTE 0): Fish hatchery maintenance funds provided in FY 1988 and FY 1989 have been applied to address almost all of the high priority project proposals received from tribes throughout the country. The bureau does not request funding in FY 1990 since the remaining projects are lower priority.

Fish & Wildlife Service Technical Assistance (+\$1,367,000; FTE +15): This increase will support operations of four fish hatcheries and three fisheries assistance offices which were transferred to the FWS budget in FY 1988 and FY 1989, and will provide a total of \$1,680,000 for reimbursable fish and wildlife assistance services. A portion of this amount will be contracted directly with affected tribes to assume related program operations, in accord with the Public Law 93-638 amendments of 1988. Specific reimbursable services to be provided and Indian reservations to be served will be described in a Memorandum of Agreement to be negotiated by the bureau and FWS. The additional FTE supports FWS biologists at ten different locations.

Tribal Management/Development Programs (-\$895,000; FTE 0): FY 1989 Congressional add-ons for the following one-time projects are not continued in FY 1990: (1) -\$250,000 for the management of the Blue Lake Wilderness Area on the Taos Pueblo; (2) -\$125,000 for a park planning effort on the Ute Mountain Ute Reservation; (3) -\$200,000 for a conservation enforcement program governing off-reservation hunting and fishing activity by Te-Moak tribal members; (4) -\$100,000 in support of fish hatchery operations conducted by the Leech Lake Tribe, (5) -\$120,000 for the Navajo Heritage program; and (6) -\$100,000 in grants for Montana tribes to develop associated fish and wildlife resource programs.

Object Class Distribution - Forestry and Agriculture Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	-179	\$-4,498,000
Personnel Benefits.....		- 540,000
Travel.....		- 10,000
Other Services.....		- 650,000
Supplies and Materials.....		- 3,000
Total.....	-179	-\$ 5,701,000

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Minerals and Mining

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Minerals and Mining	\$	7,871	7,875	5,211	-2,660	-2,664
	(FTE)	(15)	(15)	(22)	(+7)	(+7)
B. Irrigation O & M	\$	<u>7,701</u>	<u>--</u>	<u>--</u>	<u>-7,701</u>	<u>--</u>
Total Requirements	\$	15,572	7,875	5,211	-10,361	-2,664
	(FTE)	(15)	(15)	(22)	(+7)	(+7)

A. Minerals and Mining

		<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office Operations:	\$	679	683	863	+184	+180
	(FTE)	(15)	(15)	(22)	(+7)	(+7)
<u>Field Operations:</u>						
Mineral Assessments	\$	1,000	1,000	3,000	+2,000	+2,000
Linowes Positions	\$	468	468	468	--	--
Tribal and Special Projects	\$	5,724	5,724	880	-4,844	-4,844
Total, Minerals and Mining	\$	7,871	7,875	5,211	-2,660	-2,664
	(FTE)	(15)	(15)	(22)	(+7)	(+7)

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 (\$7,875,000; 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 (\$683,000; FTE 15): In order to administer this extensive program, the bureau has central office personnel located in Lakewood, Colorado, and Washington, D.C. 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 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 report 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 onsite 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 III programs are performed on those reservations where tribes request these levels of mineral assessments 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 mineral 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. The 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 the 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 leasees, 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.

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 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 and Special Projects (\$5,724,000; 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.

This program will also support special task forces to develop administrative and operational procedures, such as manuals and regulations; and conduct program reviews to further improve the royalty management activities and enhance the quality control of the Royalty Distribution System (RDRS) and the Integrated Records Management System.

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:

The following table displays the funding of the various phases of the Mineral Assessment Program throughout its history.

TABLE 1
MINERAL ASSESSMENT PROGRAM FUNDING

	<u>(\$000)</u>								
	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989*</u>	<u>1990*</u>
<u>Bureau of Mines</u>									
Phase I	123	0	0	0	0	0	0	0	0
Phase II	323	246	321	329	194	169	300	300	500
Phase III	<u>1,095</u>	<u>1,218</u>	<u>469</u>	<u>1,151</u>	<u>1,343</u>	<u>498</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal.....	1,541	1,464	790	1,480	1,537	667	300	300	500
<u>U. S. Geological Survey</u>									
Phase I	125	0	0	0	0	0	0	0	0
Phase II	3,125	2,976	2,380	4,060	3,706	2,810	700	700	500
Phase III	<u>0</u>	<u>0</u>	<u>129</u>	<u>35</u>	<u>200</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal.....	3,250	2,976	2,509	4,095	3,906	2,810	700	700	500
GRAND									
TOTAL.....	<u>4,791</u>	<u>4,440</u>	<u>3,299</u>	<u>5,575</u>	<u>5,443</u>	<u>3,477</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

* Proposed distribution

Change from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Central Office Operations	\$	683 (15)	863 (22)	+180 (+7)
Field Operations:				
Mineral Assessments	\$	1,000	3,000	+2,000
Tribal and Special Projects	\$	5,724	880	-4,844
Total, Minerals and Mining	\$	7,407 (15)	4,743 (22)	-2,664 (+7)

Central Office Operations (+\$180,000; FTE +7): The increase will support salaries, employee benefits, and operational costs; office automation costs to provide the capability to network with the Geographic Information Systems; and transfer the USGS computer services to the bureau's GIS. The increase represents a redirection of funds from the Special Projects category. The increase in FTE is for existing authorized full-time permanent positions that have been vacant.

Mineral Assessments (+\$2,000,000; FTE 0): The increase represents funds transferred from Tribal and Special Projects. These funds were used to contract with tribes under P.L. 93-638 for the conduct of mineral assessment studies. The bureau is giving higher priority to assisting tribes plan, conduct, and administer their own mineral resources. This change is made to clarify and place all funds for mineral assessments in one category.

Tribal and Special Projects (-\$4,844,000; FTE 0): The \$2,000,000 for mineral assessments conducted by tribes under the authority of P.L. 93-638, which was previously included in this line, has been transferred to the Mineral Assessments category in an attempt to consolidate all funding for mineral assessments in one place. The balance of the decrease is based on the completion of the Data Base Management System and the Integrated Records Management System in FY 1989.

Object Class Distribution - Minerals and Mining Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+7	+\$ 206,000
Personnel Benefits.....		+ 25,000
Travel.....		- 65,000
Other Services.....		- 2,800,000
Supplies and Materials.....		- 18,000
Equipment.....		- 12,000
	+7	-\$2,664,000

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Tribe/Agency Operations

(Dollars amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Natural Resources, General	\$ 1,403 (FTE) (9)	1,414 (9)	1,443 (8)	+40 (-1)	+29 (-1)
B. Agriculture	\$ 20,212 (FTE) (438)	20,340 (438)	19,615 (425)	-597 (-13)	-725 (-13)
C. Agriculture Extension Services	\$ 473	475	458	-15	-17
D. Forestry	\$ 20,345 (FTE) (459)	20,538 (459)	18,199 (459)	-2,146 (--)	-2,339 (--)
E. Water Resources	\$ 1,108 (FTE) (2)	1,118 (2)	1,089 (2)	-19 (--)	-29 (--)
F. Wildlife & Parks	\$ 5,246 (FTE) (34)	5,270 (21)	5,088 (15)	-158 (-19)	-182 (-6)
G. Minerals & Mining	\$ 1,520 (FTE) (38)	1,534 (38)	1,635 (38)	+115 (--)	+101 (--)
Total Requirements	\$ 50,307 (FTE) (980)	50,689 (967)	47,527 (947)	-2,780 (-33)	-3,162 (-20)

Base Program (\$50,689,000; FTE 967): All funding for tribe/agency operations dealing with the natural resources programs is 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 (\$1,414,000; FTE 9): 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 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 (\$20,340,000, FTE 438): 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 also provides 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.

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)			
	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
			Est.	
USDA */	1.9	1.0	1.5	1.0
BIA	6.0	3.4	2.5	1.5
Tribes	1.5	.8	1.0	1.0
Landowners/Operators Contributions.	10.8	5.2	5.0	3.5

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

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 completed on Indian trust land resources to provide a data base of information about soil productivity, erosion, stability problems and other physical land factors needed for program development, conservation planning, and the installation of planned practices. Almost all bureau soil surveys are conducted as part of the National Cooperative Soil Survey (WCSS) and using NCSS Standards.

Range inventories and range utilization surveys 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.

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 1987</u>	<u>FY 1988</u>	<u>Est.</u> <u>FY 1989</u>	<u>Est.</u> <u>FY 1990</u>
Farmers and Landowners assisted:	(No.)	19,000	18,300	18,500	19,000
Ranchers and Landowners assisted:	(No.)	12,000	11,000	11,500	12,000
Soil Inventories	(M Acres)	1,400	1,500	1,700	1,700
Ag. Cons. Management and Development	(M\$)	18,600	18,600	18,700	18,800
Rangeland Cons. Mgmt. and Development Measures	(M\$)	4,800	5,000	5,200	5,300
Farm and Ranch Management Plans	(No.)	8,600	9,000	9,200	9,500
Farm Lease Stipulations Prepared:	(No.)	7,600	7,800	8,000	8,200
Compliance Actions	(No.)	20,200	20,500	21,000	21,300
Soil Investigations	(M Acres)	700	730	750	750
Range Permit Modifications	(No.)	6,500	6,800	6,800	7,000
Range Unit Compliance Inspections	(No.)	5,700	6,000	6,000	6,200
Range Inventories	(M Acres)	1,425	1,400	1,400	1,500

C. Agriculture Extension Services

Base Program (\$475,000; 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 1990.

D. Forestry

Base Program (\$20,538,000; FTE 459): The forestry program at the tribe/agency level provides 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 and maintaining accruals with consideration of other use values and tribal objectives, by intensifying forest development activities to eliminate backlog, by enhancing forest productivity (growth) and by 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 (\$1,337,900): 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 established plantation to commercial harvest size and value.

Timber Sale Management (\$9,318,200): This activity includes all aspects of sale and contract preparation: (1) cruising, silvicultural prescriptions, appraisals, advertisement, etc.; (2) executing/supervising contracts; (3) marking and 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 Inventories and Plans (\$1,476,600): 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 (\$5,329,200): 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 (\$3,076,100): 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 cost/benefit 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 (\$1,118,000; FTE 2): 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, and ponds.

F. Wildlife & Parks

Base Program (\$5,270,000; FTE 21): 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. Tribes also 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 (\$1,534,000; FTE 38): 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 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Request</u>	<u>+/-</u> <u>Difference</u>
Natural Resources, General	\$ (FTE)	1,414 (9)	1,443 (8)	+29 (-1)
Agriculture	\$ (FTE)	20,340 (438)	19,615 (425)	-725 (-13)
Agriculture Extension Services	\$	475	458	-17
Forestry	\$ (FTE)	20,538 (459)	18,199 (459)	-2,339 (--)
Water Resources	\$ (FTE)	1,118 (2)	1,089 (2)	-29 (--)
Wildlife & Parks	\$ (FTE)	5,270 (21)	5,088 (15)	-182 (-6)
Minerals & Mining	\$ (FTE)	1,534 (38)	1,635 (38)	+101 (--)
Total	\$ (FTE)	50,689 (967)	47,527 (947)	-3,162 (-20)

Natural Resources, General (+\$29,000; FTE -1): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	<u>FY 1989</u> <u>Tribal</u> <u>Priorities</u>	<u>FY 1990</u> <u>Tribal</u> <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 120,300	\$ 120,000	\$ -300
Billings Area	74,600	--	-74,600
Juneau Area	256,800	271,000	+14,200
Minneapolis Area	50,000	61,000	+11,000
Muskogee Area	353,400	400,000	+46,600
Phoenix Area	143,400	115,000	-28,400
Sacramento Area	33,900	60,000	+26,100
Portland Area	184,600	167,000	-17,600
Eastern Area	<u>186,000</u>	<u>238,000</u>	<u>+52,000</u>
	\$1,403,000	\$1,432,000	\$+29,000
Federal Pay Costs		+5,000	
638 Pay Costs		<u>+6,000</u>	
FY 1989 Enacted to Date	<u>\$1,403,000</u>		
FY 1990 Budget Request		\$1,443,000	

Agriculture (-\$725,000; FTE -13): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 2,429,700	\$ 2,264,000	\$-165,700
Anadarko Area	1,105,700	1,131,000	+25,300
Billings Area	1,920,100	1,935,000	+14,900
Juneau Area	669,100	598,000	-71,100
Minneapolis Area	35,400	29,000	-6,400
Muskogee Area	894,000	845,000	-49,000
Phoenix Area	3,988,900	3,635,000	-353,900
Sacramento Area	240,800	182,000	-58,800
Albuquerque Area	3,016,900	3,009,000	-7,900
Navajo Area	3,255,900	3,269,000	+13,100
Portland Area	2,161,600	2,135,000	-26,600
Eastern Area	<u>493,900</u>	<u>455,000</u>	<u>-38,900</u>
	\$20,212,000	\$19,487,000	\$-725,000
Federal Pay Costs		+113,000	
638 Pay Costs		<u>+15,000</u>	
FY 1989 Enacted to Date	\$20,212,000		
FY 1990 Budget Request		\$19,615,000	

Agriculture Extension Services (-\$17,000; FTE 0): The following changes result from the application of the Indian Priority System at the tribe/agency level.

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$44,300	\$44,000	\$ -300
Billings Area	44,800	45,000	+200
Juneau Area	9,900	10,000	+100
Phoenix Area	46,200	52,000	+5,800
Albuquerque Area	71,000	68,000	-3,000
Portland Area	80,300	81,000	+700
Eastern Area	<u>176,500</u>	<u>156,000</u>	<u>-20,500</u>
	\$473,000	\$456,000	\$-17,000
638 Pay Costs		<u>+2,000</u>	
FY 1989 Enacted to Date	\$473,000		
FY 1990 Budget Request		\$458,000	

Forestry (-\$2,339,000; FTE 0): The decrease of \$2,339,000 is the net of:

--a decrease of \$2,000 at the Minneapolis Area. The Great Lakes Agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/Agency Operations. Using the agency's priority ranking chart, a reduction of \$2,000 was made to Forestry to make up part of the shortfall so that the full program could be transferred. The dollars will still go to the Great Lakes Agency but from the Wildlife and Parks section of the budget.

--a decrease of \$2,400,000 for Timber Sales Administration. The FY 1989 Congressional add-on is not continued in FY 1990.

--a net increase of \$63,000 at the following areas based on the application of the Indian Priority System at the tribe/agency level:

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 169,200	\$ 157,000	\$-12,200
Anadarko Area	--	112,000	+112,000
Billings Area	774,600	804,000	+29,400
Juneau Area	596,400	588,000	-8,400
Minneapolis Area	1,626,200	1,596,000	-30,200
Muskogee Area	149,000	149,000	--
Phoenix Area	2,372,800	2,374,000	+1,200
Sacramento Area	553,800	693,000	+139,200
Albuquerque Area	1,372,300	1,244,000	-128,300
Navajo Area	479,100	479,000	-100
Portland Area	9,048,400	9,029,000	-19,400
Eastern Area	<u>803,200</u>	<u>783,000</u>	<u>-20,200</u>
	\$17,945,000	\$18,008,000	\$+63,000
FY 1989 Cong. Add-on	2,400,000		
Great Lakes Agency Adj.		-2,000	
Federal Pay Costs		+164,000	
638 Pay Costs		<u>+29,000</u>	
FY 1989 Enacted to Date	\$20,345,000		
FY 1990 Budget Request		\$18,199,000	

Water Resources (-\$29,000; FTE 0): The net decrease of \$29,000 results from the application of the Indian Priority System at the tribe/agency level.

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 220,600	\$ 210,000	\$ -10,600
Billings Area	174,500	168,000	-6,500
Juneau Area	27,600	11,000	-16,600
Minneapolis Area	1,400	1,000	-400
Phoenix Area	--	4,000	+4,000
Albuquerque Area	22,600	23,000	+400
Navajo Area	437,700	438,000	+300
Portland Area	<u>223,600</u>	<u>224,000</u>	<u>+400</u>
	\$1,108,000	\$1,079,000	\$ -29,000
Federal Pay Costs		+1,000	
638 Pay Costs		<u>+9,000</u>	
FY 1989 Enacted to Date	\$1,108,000		
FY 1990 Budget Request		\$1,089,000	

Wildlife & Parks (-\$182,000; FTE -6): The decrease of \$182,000 is the net of:

--an increase of \$43,000 at the Minneapolis Area. The Great Lakes Agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/Agency Operations. Using the agency's priority ranking chart, a reduction of \$43,000 was made to seven other programs to make up

the shortfall so that the full program could be transferred; the dollars will go to the Great Lakes Agency from the non-banded Wildlife & Parks activity.

--a decrease of \$250,000 for the following Congressional add-ons which are not continued in FY 1990: Cheyenne River Sioux Wildlife & Parks program (\$100,000), Umatilla Fisheries program (\$50,000) and Columbia River Tribes to participate in planning decisions for the Columbia River Gorge National Scenic Area (\$100,000); and

--a net increase of \$25,000 at the following areas based on the application of the Indian Priority System:

	<u>FY 1989</u> <u>Tribal</u> <u>Priorities</u>	<u>FY 1990</u> <u>Tribal</u> <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 668,600	\$ 700,000	\$+31,400
Anadarko Area	--	94,000	+94,000
Juneau Area	471,600	473,000	+1,400
Minneapolis Area	2,038,300	2,024,000	-14,300
Muskogee Area	25,000	--	-25,000
Phoenix Area	1,223,000	1,204,000	-19,000
Sacramento Area	707,500	702,000	-5,500
Albuquerque Area	342,900	351,000	+8,100
Navajo Area	135,200	131,000	-4,200
Portland Area	10,389,300	10,377,000	-12,300
Eastern Area	<u>404,600</u>	<u>375,000</u>	<u>-29,600</u>
	\$16,406,000	\$16,431,000	\$+25,000
Great Lakes Agency Adj. Wildlife/Parks transfer to non-banded program	-11,410,000	-11,410,000	
FY 1989 Cong. Add-ons	250,000		
Federal Pay Costs		+6,000	
638 Pay Costs		<u>+18,000</u>	
FY 1989 Enacted to Date	\$5,246,000		
FY 1990 Budget Request		\$5,088,000	

Minerals & Mining (+\$101,000; FTE 0): The increase of \$101,000 is the net of:

--an increase of \$95,000 for improving royalty, energy and minerals management at locations with significant backlog; and

--an increase of \$6,000 at the following areas based on the application of the Indian Priority System at the tribe/agency level:

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Aberdeen Area	\$ 17,800	\$ 17,000	\$ -800
Billings Area	160,100	175,000	+14,900
Juneau Area	68,800	60,000	-8,800
Muskogee Area	744,100	744,000	-100
Phoenix Area	124,200	126,000	+1,800
Albuquerque Area	144,100	143,000	-1,100
Navajo Area	177,800	178,000	+200
Portland Area	83,100	83,000	-100
	<u>\$1,520,000</u>	<u>\$1,526,000</u>	<u>\$+6,000</u>
Other Adjustments		+95,000	
Federal Pay Costs		+11,000	
638 Pay Costs		+3,000	
FY 1989 Enacted to Date	<u>\$1,520,000</u>		
FY 1990 Budget Request		\$1,635,000	

Object Class Distribution - Natural Resources (Tribe/Agency Operations)

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	-20	\$ +380,000
Personnel Benefits.....		+45,000
Travel.....		-130,000
Other Services.....		-3,380,000
Supplies and Materials.....		-77,000
Total.....	-20	<u>\$-3,162,000</u>

Activity Summary

(Dollar amounts in thousands)

Activity: Trust Responsibilities

<u>Subactivity</u>	FY 1988 Actual <u>Approp.</u>	FY 1989 Enacted <u>To Date</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	+/- <u>From Base</u>
Indian Rights Protection	12,738	15,376	8,250	7,590	-660
Real Estate/Financial Trust Services	17,793	19,262	19,328	20,212	+884
Tribe Agency Operations	<u>24,864</u>	<u>23,495</u>	<u>23,990</u>	<u>23,930</u>	<u>- 60</u>
Total	55,395	58,133	51,568	51,732	+164

Justification of Program and Performance

Activity: Trust Responsibilities
 Subactivity: Indian Rights Protection

		(Dollar amounts in thousands)				
		FY 1989	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1990	1990	Dec. (-)	Dec. (-)
<u>Program Elements</u>		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1989</u>	<u>From Base</u>
A. Environmental Quality	\$	665	666	766	+101	+100
	(FTE)	(5)	(5)	(14)	(+9)	(+9)
B. Indian Rights Protection	\$	15,376	7,584	6,824	-8,552	-760
	(FTE)	(116)	(111)	(110)	(-6)	(-1)
Total Requirements	\$	16,041	8,250	7,590	-8,451	-660
	(FTE)	(121)	(116)	(124)	(+3)	(+8)

A. Environmental Quality Services

		FY 1989	FY	FY	Inc. (+)	Inc. (+)
		Enacted	1990	1990	Dec. (-)	Dec. (-)
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1989</u>	<u>From Base</u>
Area Office Operations:	\$	--	345	345	+345	--
	(FTE)	(2)	(2)	(9)	(+7)	(+7)
Central Office Operations:	\$	171	221	221	+50	--
	(FTE)	(3)	(3)	(5)	(+2)	(+2)
Archeology and Historic Preservation	\$	394	--	--	-394	--
Hazardous Waste	\$	<u>100</u>	<u>100</u>	<u>200</u>	<u>+100</u>	<u>+100</u>
Total Environmental Quality Services	\$	665	666	766	+101	+100
	(FTE)	(5)	(5)	(14)	(+9)	(+9)

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.

Base Program (\$666,000; FTE 5):

Area Office Operations (\$345,000; FTE 2): 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 (EA's) 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. The staff coordinates with regional EPA, IHS, and HUD offices to ensure that environmental interests on Indian lands are met. This includes issues such as air and water quality and archeology.

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.

Central Office Operations (\$221,000; FTE 3): The staff at this level (1) develops policy, performs oversight, monitors and evaluates the bureauwide environmental and hazardous waste programs; (2) provides guidance and assistance in solving problems associated with preparation of Environmental Impact Statements; (3) prepares and reviews Federal Register Notices; (4) 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; (5) reviews controversial Environmental Assessments; (6) gathers documents from Federal and State agencies which may affect Indian lands and forwards them to the appropriate area office for review; and (7) obtains and consolidates comments from the field and forwards them 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 central office staff works with Federal agencies at the national level and State governments to ensure environmental issues that arise on Indian lands are resolved. The staff develops policy and guidance for providing technical assistance to tribes in their efforts to obtain primacy for environmental programs such as air and water quality. Policy documents and guidance manuals are developed and maintained for spill prevention and response for use at bureau installations, and for determining the responsible entity for costs associated with spill incidents.

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 staff of other programs (minerals, forestry, water and land resources, real estate, etc.) are required in environmental examinations and reviews. Funds for those activities are provided by those programs.

The number of cases by category are as follows:

	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>
Environmental Examinations	67,500	67,500	70,000	73,000	75,000
Environmental Assessments	825	825	900	1,100	1,300
Environmental Impact Statements..	4	4	4	5	6
Environmental Reviews	1,700	1,700	1,500	1,600	1,500

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.

Hazardous Waste (\$100,000): 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). In FY 1989, two remedial investigations/feasibility studies are being conducted on two sites (Kenwood dumps in Cherokee, North Carolina, and Masonite Mill on the Hoopa Reservation in California).

Changes from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Area Office Operations	\$ 345	345	--
(FTE)	(2)	(9)	(+7)
Central Office Operations	\$ 221	221	--
(FTE)	(3)	(5)	(+2)
Hazardous Waste	\$ <u>100</u>	<u>200</u>	<u>+100</u>
Total	\$ 666	766	+100
(FTE)	(5)	(14)	(+9)

Area Office Operations (FTE +7): The seven FTE represent area office archeologist positions. Funding for these positions was previously included in the Field Archeology and Historic Preservation Program (formerly archeological clearances). A change has been made to appropriately identify the funds as area office. These are existing FTE that were previously reported as Area Office, Rights Protection.

Central Office Operations (FTE +2): The increase of two FTE is for an archeologist position and an environmental specialist position to provide expertise in pollution control and pesticides management, and to develop criteria, bureauwide policy, guidelines, certification, and training in these critical program areas.

Hazardous Waste (+\$100,000): In FY 1990, the bureau's hazardous waste management program will conduct remedial investigations/feasibility studies on two sites (Tulalip landfill and Copper Bluff Mine on the Hoopa Valley Indian Reservation); conduct preliminary assessments of newly inventoried sites; and investigate two land fills on trust lands within the Minneapolis Area.

B. Indian Rights Protection

		FY 1989 Enacted <u>To Date</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	Inc.(+) Dec. (-) <u>From 1989</u>	Inc.(+) Dec.(-) <u>From Base</u>
Area Office	\$	364	367	307	-57	-60
Operations:	(FTE)	(8)	(8)	(7)	(-1)	(-1)
Central Office	\$	565	568	568	+3	--
Operations:	(FTE)	(12)	(12)	(12)	(--)	(--)
<u>Field Operations:</u>						
ANILCA Programs	\$	1,387	1,396	1,496	+109	+100
	(FTE)	(24)	(24)	(24)	(--)	(--)
ANCSA Historical	\$	1,097	1,106	1,106	+9	---
Cem. Sites	(FTE)	(26)	(26)	(26)	(--)	(--)
Litigation Support	\$	1,480	1,480	1,180	-300	-300
	(FTE)	(5)	(5)	(5)	(--)	(--)
Water Rights Negotiation/ Litigation	\$	6,853	--	--	-6,853	---
Attorney Fees	\$	1,500	1,500	1,000	-500	-500
Unresolved Rights Issues	\$	1,470	1,167	1,167	-303	---
	(FTE)	(36)	(36)	(36)	(--)	(--)
Hunting & Fishing Rights	\$	660	--	--	-660	--
	(FTE)	(5)	(--)	(--)	(-5)	(--)
Total Indian Rights Protection	\$	15,376	7,584	6,824	-8,552	-760
	(FTE)	(116)	(111)	(110)	(-6)	(-1)

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 (\$7,584,000; FTE 111): 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 1990 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.

Area Office Operations (\$367,000; FTE 8): 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 protect 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.

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. This includes the development of policy initiatives; the oversight and evaluation of rights protection programs at the area and agency level for compliance with policy, regulations, and guidelines; the facilitation of rights protection issues that involve other Federal agencies; provisions of definitive sources of information on procedures and policy to field staff and Indian tribes; initiation and review of legislation; allocation determinations for centrally controlled rights protection funds; and issuance and monitoring of contracts for rights protection research on a regional or national basis.

Field Operations (\$6,649,000; FTE 91): The major costs for services required in the protection of Indian rights are funded in the subactivities listed below: Other Litigation Support and General Rights Matters, Attorneys Fees, Unresolved Indian Rights Issues/Statute of Limitations, 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.

Alaska Lands Act (\$2,502,000; FTE 50): 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 (\$1,396,000; FTE 24): 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 which 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 (\$1,106,000; FTE 26): 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. At the start of FY 1990, it is estimated that there will be about 290 sites remaining (depending on final breakdown of Ahtna region's sites) to be field investigated, and about 600 reports left to be completed. At this funding level, completion of the field work will occur by the end of FY 1991, with report writing, appeals, and other ANCSA administrative work continuing for a minimum of three fiscal years (unless the unusual logistics of the Aleut sites prove more difficult than anticipated).

Other Litigation Support and General Rights Matters (\$1,480,000; FTE 5): 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 (\$1,500,000): 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 (\$1,167,000 FTE 36):

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. In addition, the Statute of Limitations (28 U.S.C. 2415) activity which 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, now centers on the resolution of statute of limitations claims, including viable post-1966 claims that the bureau continues to identify.

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.

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.

Changes from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>Difference</u> <u>(+ or -)</u>
Area Office	\$	367	307	-60
Operations	(FTE)	(8)	(7)	(-1)
ANILCA Programs	\$	1,396	1,496	+100
Litigation Support	\$	1,480	1,180	-300
	(FTE)	(5)	(5)	(--)
Attorney Fees	\$	<u>1,500</u>	<u>1,000</u>	<u>-500</u>
Total	\$	4,743	3,983	-760
	(FTE)	(13)	(12)	(-1)

Area Office Operations (-\$60,000; FTE -1): The change results from the application of the Indian Priority System at tribe/agency level. Changes by area are as follows:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Juneau	112,300	112,000	- 300
Minneapolis	45,300	45,000	- 300
Muskogee	51,900	50,000	- 1,900
Sacramento	44,400	43,000	- 1,400
Albuquerque	55,800	0	- 55,800
Portland	54,300	54,000	- 300
Net Change.....			- 60,000

ANILCA Programs (+\$100,000): The increase will fund additional allotment adjudication work. The adjudication work involves bringing current the boundary conflict resolution, proof of use and occupancy, and probate work to maintain coordination with the BLM patent plan process in the preadjudication work necessary to clear the "window" areas for surveys. Only the specific scheduled "windows" in that process will be targeted for the increase. The increase in subsistence protection will be geared strictly to the coordination, assistance, and enhancement of the subsistence rights. This includes interagency agreements to protect and increase the Native rights to customary and traditional uses; and funding for technical assistance to Alaska Native subsistence users and travel to planning and negotiation meetings.

Litigation Support (-\$300,000): The requested level for litigation support will provide funding for the highest priority cases, which include those in which tribes are pursuing negotiations. A strategy for a more efficient use of the funds will be considered, such as the employment of paralegals to accomplish the research and data-gathering requirements.

Attorney Fees (-\$500,000): The requested level will fund priority attorney fee applications from tribes. Applications will be screened to determine eligibility based on legal merit of the case, number of tribes affected, status of the litigation, and whether the tribes are pursuing negotiations.

Object Class Distribution - Indian Rights Protection

	<u>FTE</u>	<u>Amounts</u>
Personnel Compensation.....	+8	\$+283,000
Personnel Benefits.....		+ 34,000
Other Services.....		<u>-977,000</u>
Total	+8	\$-660,000

Justification of Program and Performance

Activity: Trust Responsibilities
 Subactivity: Real Estate/Financial Trust Services

		(Dollar amounts in thousands)				
<u>Program Elements</u>		<u>FY 1989</u>	<u>FY</u>	<u>FY</u>	<u>Inc. (+)</u>	<u>Inc. (+)</u>
		<u>Enacted</u>	<u>1990</u>	<u>1990</u>	<u>Dec. (-)</u>	<u>Dec. (-)</u>
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1989</u>	<u>From Base</u>
A. Trust Services, General	\$ (FTE)	1,066 (20)	1,071 (20)	1,001 (20)	-65 (--)	-70 (--)
B. Real Estate Services	\$ (FTE)	11,376 (147)	11,418 (147)	9,729 (154)	-1,647 (+7)	-1,689 (+7)
C. Financial Trust Services	\$ (FTE)	6,820 (139)	6,839 (139)	9,482 (119)	+2,662 (-20)	+2,643 (-20)
Total Requirements	\$ (FTE)	19,262 (306)	19,328 (306)	20,212 (293)	+950 (-13)	+884 (-13)

A. Trust Services, General

		<u>FY 1989</u>	<u>FY</u>	<u>FY</u>	<u>Inc. (+)</u>	<u>Inc. (+)</u>
		<u>Enacted</u>	<u>1990</u>	<u>1990</u>	<u>Dec. (-)</u>	<u>Dec. (-)</u>
		<u>To Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1989</u>	<u>From Base</u>
Area Office Operations:	\$ (FTE)	721 (13)	724 (13)	654 (13)	-67 (--)	-70 (--)
Central Office Operations:	\$ (FTE)	345 (7)	347 (7)	347 (7)	+2 (--)	--- (--)
Total Trust Services, General	\$ (FTE)	1,066 (20)	1,071 (20)	1,001 (20)	-65 (--)	-70 (--)

Objectives: To provide consistent, high quality, and timely direction and assistance in technical operations of all Trust, Natural Resources, and Economic Development programs; to direct, formulate and coordinate program policy, planning, development, evaluation 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 (\$1,071,000; FTE 20):

Area Office Operations (\$724,000; FTE 13): In the area offices, funds are used for Rights Protection staff, studies, contracts, geographic information system agreements, and other services that affect trust responsibilities programs at field offices.

Central Office Operations (\$347,000; FTE 7): In the central office, the Office of the Deputy to the Assistant Secretary-Indian Affairs (Trust & Economic Development) provides management and support for trust and natural resources and economic

development 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 and Financing; (20) Economic Development, and other related activities.

Changes from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Difference (+ or -)</u>
Area Offices	\$	724	654	-70
	(FTE)	(13)	(13)	(--)

Area Offices (-\$70,000): The change results from the application of the Indian Priority System at tribe/agency level. Changes by area are as follows:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Anadarko	45,500	77,000	+ 31,500
Billings	60,300	60,000	- 300
Juneau	161,200	160,000	- 1,200
Minneapolis	86,700	87,000	+ 300
Muskogee	87,600	93,000	+ 5,400
Albuquerque	105,700	0	<u>-105,700</u>
Net Change.....			- 70,000

B. Real Estate Services

		<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Area Office	\$	2,162	2,176	3,087	+925	+911
Operations:	(FTE)	(85)	(85)	(85)	(--)	(--)
Central Office	\$	605	912	912	+307	--
Operations:	(FTE)	(10)	(10)	(17)	(+7)	(+7)
<u>Field Operations:</u>						
Cadastral Surveys	\$	1,537	1,537	1,537	--	--

B. Real Estate Services continued:

		FY 1989 Enacted To Date	FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
Lease Compliance	\$	1,457	1,178	1,178	-279	--
	(FTE)	(52)	(52)	(52)	(-52)	(--)
Land Records Improvement	\$	4,100	4,100	1,500	-2,600	-2,600
Land Titles & Records Offices		<u>1,515</u>	<u>1,515</u>	<u>1,515</u>	---	---
Total Real Estate Services	\$	11,376	11,418	9,729	-1,647	-1,689
	(FTE)	(147)	(147)	(154)	(+7)	(+7)

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 (\$11,418,000; FTE 147):

Area Office Operations (\$2,176,000; FTE 85): The area offices provide technical support, general policy direction and oversight as well as administrative review and evaluation of agency real property management services. Technical support services include appeals assistance, review of development initiatives, performance of appraisals, and land use planning.

Central Office Operations (\$912,000; FTE 10): Central office staff formulates Real Estate Services policy; performs oversight review and evaluation of area-wide real estate functions; handles appeals; 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 governing the operation of the bureau's Real Estate Services Program.

Field Operations (\$8,330,000; FTE 52):

- a. Cadastral Surveys, Lower 48 States (\$1,537,000): Cadastral surveys of Indian lands must be accomplished by the Bureau of Land Management (BLM) pursuant to 25 U.S.C. 176. An Interagency Agreement between BIA and BLM was effected in 1987, establishing programmatic requirements for both agencies. Over the past five years, BLM has surveyed an average of approximately 2,500 miles of boundaries per year. The Interagency Agreement encourages the use of supplemental "project office" agreements and contributions. The program is directed toward accomplishing tribally identified survey priorities, particularly in the

areas of mineral development and land use planning where the need for correctly identified boundaries constrains management and/or development of resources. In FY 1990, survey priorities will be established on the basis of the following criteria: beneficiary, economic return, need, contribution, and purpose.

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. Four ongoing project offices will continue operations in FY 1990; these are located on the Navajo, White Earth, and Southern Ute Indian Reservations, and at the Olympic Peninsula Agency in Washington State. A new project office will be established in Oklahoma to survey the Arkansas River bed for the Cherokee, Choctaw and Chickasaw Tribes. An estimated \$700,000 of FY 1989 funding will be directed to those project offices. The bureau realizes significant administrative cost savings by not having to pay per diem and travel costs for BLM's project office surveyors. For this reason, the project office approach continues to be the most effective method of accomplishing the surveys with the most efficient fund utilization.

Efforts to further increase the efficiency of program operations will result in a portion of FY 1990 funding being dedicated to surveying of exterior reservation boundaries that abut lands managed by other federal agencies. 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 land managing agencies benefit from having a precisely defined boundary, survey costs will be shared. It is the BIA's position that the administrative economies resulting from cost-share agreements should continue to be encouraged. In FY 1989, four cost-share arrangements with adjoining land management agencies were negotiated at a cost of approximately \$85,000 to the BIA. It is expected that the special emphasis in this area of cadastral surveys will continue at an approximate funding level of \$50,000 in FY 1990.

- b. Lease Compliance (\$1,178,000; FTE 52): 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 specialists, in conjunction with personnel from other agency program areas such as realty, land-operations, forestry, etc., perform selected field and administrative inspections of over 80,000 leases presently in force and effect. The purpose of these inspections is to protect trust resources. Lease violations are noted and corrective actions are initiated, as appropriate. The inspections may be on-site examinations of the physical resource, administrative examinations of records associated with the resource, whether in the possession of the lessee or the bureau, or a combination of both. An example of on-site examinations might involve the bureau's independent investigation of an agricultural lessee's fencing and cropping patterns to verify that the conservation stipulations added to the basic lease are, in fact, being implemented. An example of administrative examinations might involve the bureau's employing a certified public accountant to examine the books of a lessee who has developed a resort complex on tribal lands, and from which the tribe receives a guaranteed minimum annual rental plus a percentage of the gross receipts of business subleases connected with the resort.

The bureau's lease compliance activities give consideration to tribal priorities, and involve agricultural, business, industrial, oil and gas, mineral, and other income-producing leases. Primary priority is afforded expiring leases (approximately 16,000 each year) which must be inspected for compliance before the lessees can be released from their obligations under the terms of the expiring leases and before new leases can be awarded. The largest single category of expiring leases in any given year is agricultural leases. Some 7,000 of these leases must be inspected to ascertain that specific lease requirements are met for items such as fence construction, livestock pond/reservoir maintenance, weed infestation measures, etc. Furthermore, one lease may require multiple checks, because certain items (such as weed control) are seasonally-determined. It should be stressed that these multiple checks are not limited to only agricultural leases, and that many business and industrial leases, especially those run by marginally efficient lessees, also need recurring, random checks.

Inter-agency and inter-departmental coordination--most often expressed in memoranda of agreement--has resulted in more efficient use of program funds; for example, automated data systems are now being utilized to ensure that lease rentals are collected and distributed in a more timely manner. Certain compliance activities, specified by the terms of the leases, require strengthening in order to meet the trust responsibility. Two such activities involve the administrative processing of lease bonds and assignment of lease documents connected with subsurface leases. Processing and monitoring of current bond status by the bureau are crucial in protecting the landowners' interests during lease development; if a lessee "walks away" from a lease with no current bond in effect, the bureau has no way to recompense the landowners for damages to the lands. Similarly, it is crucial for the bureau to bring current its processing of assignments of subsurface leases (especially those involving oil and gas leases); notices of non-compliance sent to a non-current lessee do not bring leases into compliance. These additional compliance activities will be concentrated in geographic areas where resource development has been most intense in recent years.

- c. Lands Records Improvement (\$4,100,000): This program will continue land title examination, verification, and maintenance by bureau titles and records offices, agencies and contract personnel. The land records improvement effort should result in the examination of approximately 190,000 land titles by the end of FY 1989. This level of funding will complete approximately 94% of the title backlog on previously identified tracts at the five land titles and records offices by the end of FY 1989. This program will also continue the project initiated in FY 1989 to conduct identification, title documentation, examination and data entry on all trust and restricted tracts under the jurisdiction of the bureau's Title Service Offices at Eastern, Juneau and Muskogee Area Offices, in order to upgrade those offices to a fully functional and operational status.

Consistent with the Integrated Records Management System and Land Records Information System Implementation Plans, the bureau is continuing major Land Records Improvement projects begun during the previous fiscal year: (1) recordation and entry into the Land Records Information System (LRIS) of a projected 527,000 unrecorded title and encumbrance documents (a workload increase of 277% over FY 1989); (2)

the completion of Land Status Maps, and the performance of protraction surveys on an estimated 15 million acres of unsurveyed trust and restricted land for the creation of approximately 20,000 tracts for entry into LRIS; and (3) the reautomation of the Land Titles and Records Offices to replace old, defective and incompatible equipment and application programs; and (4) the elimination of a probate backlog of 2,800 individual Indian estates (including heirship data collection, administrative hearings, recording and data entry). The successful completion of the Bureau's land records data base is directly related to the completion of these Land Records Improvement projects which is a high priority within the bureau.

Land ownership and title information is the basic necessity for many essential bureau program activities. The program provides information for use by the bureau's computer systems and by leasing activities within other programs such as forestry, agriculture, range, administration, minerals, and others. Correct and current ownership and title status information is critical in obtaining owner consent and in accounting for and distributing owner income. It is utilized by many 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 began the Land Records Improvement Program in 1977 to eliminate title and land records backlogs and to maintain current and accurate land records. The LRIS was installed to computerize the bureau's title records and reporting. Because of an increase in workload, which was primarily generated by the Indian Land Consolidation Act, increasing fractional interests, the bureau's Land Records Improvement projects, and continually increasing costs of operation, the backlogs have not been cleared. The bureau is centralizing management control of the land records data base management so that all ownership and title service efforts can be uniformly managed throughout the bureau. The unification of LRIS, IRMS, and the bureau's other land records data systems into a single land records data system is also a high priority within the bureau.

- d. Land Titles and Records Offices (\$1,515,000): The bureau has five Titles and Records Offices and three Title Service Offices at eight area offices, covering land records for twelve areas. Each office is responsible for many activities beyond the receiving, recording and computer data entry of land records information. The offices provide 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, and furnish opinions regarding ownership and sufficiency of title documents; they also 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.

This program is actively involved in the redesign of the Land Records Information System, the Integrated Records Management System, and the bureau's other land records data systems, to form a single, unified data management system providing bureauwide access to land, ownership and document data. The unification of these separate land records data systems requires the conversion and reconciliation of land records data contained in each system to a single new data base structure which is universally compatible with and accessible by all bureau offices and computer systems. Data reconciliation and maintenance will be performed by the Land Titles and Records Offices and Title Service Offices for land title and records data, and by area and agency offices for all other data. The reconciliation of land records data and the establishment of a unified land records management system are essential to the bureau and to the Indian individuals and tribes it serves.

Changes from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Difference (+ or -)</u>
Area Office Operations	\$	2,176	3,087	+911
	FTE	(85)	(85)	(--)
Central Office Operations	\$	912	912	--
	FTE	(10)	(17)	(+7)
<u>Field Operations:</u>				
Land Records Improvement	\$	<u>4,100</u>	<u>1,500</u>	<u>-2,600</u>
Total		7,188	5,499	-1,689

Area Office Operations (+\$911,000): The net increase of \$911,000 includes a reduction of \$89,000 based on area office priorities and an increase of \$1,000,000 for Other Real Estate Services for administering approximately 60,000 leases and use permits of approximately 5 million acres of trust and restricted Indian lands to ensure that lessees of such land comply with the terms of the leases. These funds will be used to conduct lease site inspections, review lease documents, issue notices of lease violations, initiate corrective actions where lease violations occur, and process billings to lessees for payment of approximately \$60 million in annual rentals to the Indian landowners. The reduction based on priorities established by the area offices is as follows:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Aberdeen	252,400	252,000	- 400
Anadarko	262,500	243,000	-19,500
Billings	133,100	133,000	- 100
Juneau	188,000	189,000	+ 1,000
Minneapolis	51,600	52,000	+ 400
Muskogee	81,500	84,000	+ 2,500
Phoenix	248,700	244,000	- 4,700

Changes from FY 1990 Base continued:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Sacramento	120,700	121,000	+ 300
Albuquerque	185,800	123,000	-62,800
Navajo	441,000	438,000	- 3,000
Portland	141,700	139,000	- 2,700
Net Change.....			-89,000

Central Office Operations (FTE +7): Due to a consolidation of related real estate services functions, seven FTE have been added to the Central Office Real Estate Services Program for the bureauwide administration of the Land Titles and Records Program (2 FTE) and the Unresolved Rights Program (5 FTE). Funding for these FTE is reflected as a base transfer from the respective programs.

Land Records Improvement (-\$2,600,000): The decrease in Land Records Improvement funding reflects the completion of contractual services and the substantial completion of two Land Records Improvement Projects: the Unrecorded Documents Project and the LRIS Reautomation Project.

C. Financial Trust Services

	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1988</u>	<u>Inc.(+) Dec. (-) From Base</u>
C.O. Staff - Trust Fund Management:	\$ 782 (FTE) (14)	786 (14)	786 (14)	+4 (--)	-- (--)
C.O. Staff - Trust Fund Accounting:	\$ 723 (FTE) (8)	725 (8)	725 (8)	+2 (--)	-- (--)
Trust Fund Accounting Contract	\$ 1,790	1,790	4,203	+2,413	+2,413
<u>Field Operations:</u>					
Field Staff:	\$ 3,525 (FTE) (117)	3,538 (117)	3,768 (97)	+243 (-20)	+230 (-20)
Total Financial Services	\$ 6,820 (FTE) (139)	6,839 (139)	9,482 (119)	+2,662 (-20)	+2,643 (-20)

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 (\$6,839,000; FTE 139):

Central Office Staff - Trust Fund Management (\$786,000; FTE 14): This program provides: (1) the full range of investment 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. The bureau has entered into a contract with a major private sector financial institution. 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. Under a continuing contract scenario, this program will monitor the technical operations of the investment services, provide policy guidance and oversight for the trust funds management, and evaluate the trust fund services contract. This program will be available to provide advisory services to tribes and other account owners, in overall cash management.

Central Office 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 bureau management and to tribal and individual Indian account holders, as well as to management. Coordination with field offices and contract oversight functions will be performed in FY 1989 as the bureau begins to acquire cash concentration and accounting services under contract.

Trust Fund Accounting Contract (\$1,790,000): The objective of the 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 contract was awarded in FY 1988, and the contract term is for one year with four one-year renewable options. Contract implementation is being accomplished in FY 1989, and the first full operating year is planned for FY 1990.

Field Operations (\$3,538,000; FTE 117): 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 renewable and non renewable trust 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.

Changes From FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>Difference</u> <u>+ or -</u>
Trust Fund Accounting Contract	\$	1,790	4,203	+2,413
Field Staff	\$ (FTE)	3,538 <u>(117)</u>	3,768 <u>(97)</u>	+230 <u>(-20)</u>
Total	\$ (FTE)	5,328 <u>(117)</u>	7,971 <u>(97)</u>	+2,643 <u>(-20)</u>

Trust Fund Accounting Contract (+\$2,413,000): The increase of funds will be used to contract for cash concentration, accounting, custodial, investment and reporting services to assist the bureau in improving the management of the more than \$1.8 billion of funds held in trust for tribes and individuals. The contract was awarded in FY 1988. The contract term is for one year with four one-year renewable options. Contract implementation is being accomplished in FY 1989, and the first full operating year is planned for FY 1990. Major improvement and additional services to the bureau's current trust fund program within the scope of the contract include: (a) state-of-the-art fully automated accounting system which supports daily accrual interest earnings and more timely and improved reporting; (b) professional investment, economic and market advisory services for new investment portfolio management system which will offer tribes more flexible investment options; (c) an on-line, real time computer information system at all bureau locations for immediate bureau and tribal planning reference; (d) a new cash concentration system to accelerate collections for increased earnings potential; (e) improved disbursement services which will support a new disbursement float policy resulting in increased earnings; and (f) additional resource protection and automated audit and internal control services.

Field Staff (+\$230,000; FTE -20): The increase of funds will be used in completing reconciliation and verification of individual Indian account balances prior to transferring the accounts under the trust fund contract. The decrease in field staff will occur in some locations as a result of full contract operations.

Object Class Distribution - Real Estate and Financial Trust Services

	<u>FTE</u>	<u>Amount</u>
Personnel Compensation.....	-13	\$ -170,000
Personnel Benefits.....		- 20,000
Other Services.....		<u>+1,074,000</u>
Total	-13	\$ +884,000

Justification of Program and Performance

Activity: Trust Responsibilities
 Subactivity: Tribe/Agency Operations

Program Element	(Dollar amounts in thousands)				
	FY 1989 Enacted To Date	FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
A. Trust Services, General	\$ 393 (FTE) (5)	395 (5)	397 (4)	+4 (-1)	+2 (-1)
B. Environmental Quality	\$ 656 (FTE) (14)	660 (14)	661 (15)	+5 (+1)	+1 (+1)
C. Other Rights Protection	\$ 3,155 (FTE) (50)	3,181 (50)	3,029 (50)	-126 (--)	-152 (--)
D. Real Estate Appraisals	\$ 3,311 (FTE) (63)	3,334 (63)	3,482 (63)	+171 (--)	+148 (--)
E. Other Real Estate Services	\$ 15,980 (FTE) (390)	16,420 (390)	16,361 (390)	+381 (--)	-59 (--)
Total Requirements	\$ 23,495 (FTE) (522)	23,990 (522)	23,930 (522)	+435 (--)	-60 (--)

A. Trust Services, General

Base Program (\$395,000; FTE 5): The Trust Services, General program provides program management and support for trust and natural resources activities in field office land and trust matters. The responsibilities of staff supported in whole or in part by this program are in the following 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 1990 Base:

(Dollar amounts in thousands)

	FY 1990 Base	FY 1990 Estimate	Difference (+ or -)
Trust Services General	\$ 395 (FTE) (5)	397 (4)	+2 (-1)

Trust Services General (+\$2,000; FTE -1): The increase of \$2,000 at the following areas is based on the application of the Indian Priority system at the tribe/agency level.

	FY 1989 Tribal Priorities	FY 1990 Tribal Priorities	Difference
Billings Area	\$75,700	\$76,000	\$+ 300
Juneau Area	117,700	118,000	+ 300
Muskogee Area	20,000	20,000	--
Portland Area	117,900	118,000	+ 100
Eastern Area	61,700	63,000	+ 1,300
	<u>\$393,000</u>	<u>\$395,000</u>	<u>\$+ 2,000</u>
Federal Pay Costs		+2,000	
FY 1989 Enacted to Date	<u>\$393,000</u>		
FY 1990 Request		<u>\$397,000</u>	

B. Environmental Quality Services

Base Program (\$660,000; FTE 14): 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 archaeologists in locating historic or archeological sites which may be affected 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 1990 Base: (Dollar amounts in thousands)

		FY 1990 Base	FY 1990 Estimate	Difference (+ or -)
Environmental Quality	\$	660	661	+1
	(FTE)	(14)	(15)	(+1)

Environmental Quality (+\$1,000; FTE +1): The increase of \$1,000 is primarily the result of an increase of \$2,000 based on the application of the Indian Priority System at the tribe/agency level, which was offset by a decrease of \$1,000 at the Minneapolis Area, Great Lakes Agency. The agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/Agency Operations. Using the agency's priority ranking chart, a reduction of \$1,000 was made to Environmental Quality to make up part of the shortfall so that the full program could be transferred. The dollars will still go to the Great Lakes Agency but from the Wildlife and Parks section of the budget. Changes resulting from the application of the Indian Priority System are as follows:

	FY 1989 Tribal <u>Priorities</u>	FY 1990 Tribal <u>Priorities</u>	<u>Difference</u>
Anadarko Area	\$ 33,500	\$ 38,000	\$+ 4,500
Billings Area	27,600	28,000	+ 400
Juneau Area	79,400	78,000	- 1,400
Minneapolis Area	40,300	39,000	- 1,300
Muskogee Area	42,900	42,000	- 900
Phoenix Area	87,900	88,000	+ 100
Sacramento Area	10,000	10,000	--
Albuquerque Area	108,400	108,000	- 400
Navajo Area	113,600	119,000	+ 5,400
Portland Area	<u>112,400</u>	<u>108,000</u>	<u>- 4,400</u>
	\$ 656,000	\$ 658,000	\$ + 2,000
Great Lakes Adjustment		-1,000	- 1,000
Federal Pay Costs		<u>+4,000</u>	\$ + 1,000
FY 1989 Enacted to Date	\$ 656,000		
FY 1990 Request		\$ 661,000	

C. Other Rights Protection

Base Program (\$3,181,000; FTE 50): The rights protection activity at the agency provides coordination and technical support services that are required for the protection of the trust estate which the United States administers on behalf of 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. Agency staff utilizes funds provided from the Field Operations part of the budget, primarily in contracts, to obtain the required services or information needed to pursue the 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, and others, based on information provided by the tribes and by the agency and area offices. The funds are used by agency 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 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Difference (+ or -)</u>
Other Rights Protection \$	3,181	3,029	-152
(FTE)	(50)	(50)	(--)

Other Rights Protection (-\$152,000): The decrease of \$152,000 is primarily the result of a decrease of \$137,000 based on the application of the Indian Priority System at the tribe/agency level, plus an additional decrease of \$15,000 at the Minneapolis Area, Great Lakes Agency. The agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/Agency Operations. Using the agency's priority ranking chart, a reduction of \$15,000 was made to Other Rights Protection to make up part of the shortfall so that the full program could be transferred. The dollars will still go to the Great Lakes Agency but from the Wildlife and Parks section of the budget. Changes resulting from the application of the Indian Priority System are as follows:

	<u>FY 1989</u> <u>Tribal</u> <u>Priorities</u>	<u>FY 1990</u> <u>Tribal</u> <u>Priorities</u>	<u>Difference</u>
Aberdeen	\$ 106,400	\$ 18,000	\$- 88,400
Anadarko Area	27,300	27,000	- 300
Billings Area	271,900	272,000	+ 100
Juneau Area	613,000	559,000	- 54,000
Minneapolis Area	296,800	296,000	- 800
Phoenix Area	297,100	297,000	- 100
Sacramento Area	191,400	231,000	+ 39,600
Albuquerque Area	619,300	631,000	+ 11,700
Navajo Area	165,700	166,000	+ 300
Portland Area	516,700	471,000	- 45,700
Eastern Area	49,400	50,000	+ 600
	<u>\$3,155,000</u>	<u>\$3,018,000</u>	<u>\$-137,000</u>
Great Lakes Adjustment		-15,000	- 15,000
Federal Pay Costs		+13,000	
638 Pay Costs		+13,000	
FY 1989 Enacted to Date	<u>\$3,155,000</u>		<u>\$-152,000</u>
FY 1990 Request		\$3,029,000	

D. Real Estate Appraisals

Base Program (\$3,334,000; FTE 63): The Code of Federal Regulations and bureau policy require formal real estate appraisal reports to document and support agency actions involving real estate held in trust for individual Indians and tribes.

Each year between 30,000 and 40,000 real estate transactions are processed for Indian landowners. These include real estate developments, sales, partitions, exchanges, leases and easements. Most of these transactions require professional appraisal services to comply with bureau policy and federal regulations. Documented appraisal reports are the evidence that the bureau has met its trust responsibility and that Indian landowners are being fairly compensated for their real property resources.

Between 65 and 75 professional appraisers provide services to support agency realty actions. These services include fully documented appraisal reports, feasibility studies, highest and best use studies, preliminary estimates of value, real estate consultation, and batch appraisals.

Workload Data: The following data taken from the Bureau's Natural Resource Information Systems (NRIS) portrays the bureau's appraisal workload:

CASE TOTALS FOR ALL AREA OFFICES TO SHOW NUMBER OF POTENTIAL APPRAISAL REQUESTS:

Sale and Acquisition	18,502
Rights of Way	4,315
Agricultural Leases	7,697
Business Leases	2,890
Other Leases	2,330
Patents in Fee	<u>962</u>
 Total Potential Appraisals	 36,696

Change from FY 1990 Base:

(Dollar amounts in thousands)

	<u>FY 1990</u>	<u>FY 1990</u>	<u>Difference</u>
	<u>Base</u>	<u>Estimate</u>	<u>(+ or -)</u>
Real Estate Appraisals \$	3,334	3,482	+148
(FTE)	(63)	(63)	(--)

Real Estate Appraisals (+\$148,000): The increase of \$148,000 is primarily the result of an increase of \$153,000 based on the application of the Indian Priority System at the tribe/agency level, which was offset by a decrease of \$5,000 at the Minneapolis Area, Great Lakes Agency. The agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/Agency Operations. Using the agency's priority ranking chart, a reduction of \$5,000 was made to Real Estate Appraisals to make up part of the shortfall so that the full program could be transferred. The dollars will still go to the Great Lakes Agency but from the Wildlife and Parks section of the budget. Changes resulting from the application of the Indian Priority System are as follows:

	<u>FY 1989</u>	<u>FY 1990</u>	<u>Difference</u>
	<u>Tribal</u>	<u>Tribal</u>	
	<u>Priorities</u>	<u>Priorities</u>	
Aberdeen Area	\$ 357,400	\$ 357,000	\$- 400
Anadarko Area	254,300	290,000	+ 35,700
Billings Area	319,800	299,000	- 20,800
Juneau Area	182,700	183,000	+ 300
Minneapolis Area	52,500	172,000	+119,500
Muskogee Area	506,900	513,000	+ 6,100
Phoenix Area	392,000	403,000	+ 11,000
Sacramento Area	225,800	232,000	+ 6,200
Albuquerque Area	151,000	146,000	- 5,000
Navajo Area	147,500	147,000	- 500
Portland Area	681,500	682,000	+ 500
Eastern Area	<u>39,600</u>	<u>40,000</u>	<u>+ 400</u>
	<u>\$3,311,000</u>	<u>\$3,464,000</u>	<u>\$+153,000</u>
Great Lakes Adjustment		-5,000	<u>-5,000</u>
Federal Pay Costs		+22,000	<u>\$+148,000</u>
638 Pay Costs		+1,000	
FY 1989 Enacted to Date	<u>\$3,311,000</u>		
FY 1990 Request		<u>\$3,482,000</u>	

E. Other Real Estate Services

Base Program (\$16,420,000; FTE 390): 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. 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 the 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 1990 Base:

(Dollars amounts in thousands)

	FY 1990 Base	FY 1990 Estimate	Difference (+ or -)
Other Real Estate Services	\$ 16,420 (FTE) (390)	16,361 (390)	-59 (--)

Other Real Estate Services (-\$59,000): The decrease of \$59,000 is primarily the result of a decrease of \$43,000 based on the application of the Indian Priority System at the tribe/agency level, plus an additional decrease of \$16,000 at the Minneapolis Area, Great Lakes Agency. The agency did not have sufficient funds left in Wildlife and Parks, Tribe/Agency Operations, to accommodate the FY 1989 Congressional transfer of certain Wildlife and Parks programs from Tribe/Agency Operations. Using the agency's priority ranking chart, a reduction of \$16,000 was made to Other Real Estate Services to make up part of the shortfall so that the full program could be transferred. The dollars will still go to the Great Lakes Agency but from the Wildlife and Parks section of the budget. Changes resulting from the application of the Indian Priority System are as follows:

	FY 1989 Tribal Priorities	FY 1990 Tribal Priorities	Difference
Aberdeen Area	\$ 2,447,900	\$ 2,381,000	\$ - 66,900
Anadarko Area	1,373,600	1,396,000	+ 22,400
Billings Area	1,929,100	1,967,000	+ 37,900
Juneau Area	2,051,100	2,095,000	+ 43,900
Minneapolis Area	571,200	494,000	- 77,200
Muskogee	1,006,900	959,000	- 47,900
Phoenix Area	1,470,600	1,580,000	+109,400
Sacramento Area	774,800	658,000	-116,800
Albuquerque Area	936,500	930,000	- 6,500
Navajo Area	657,800	750,000	+ 92,200
Portland Area	1,896,000	1,889,000	- 7,000
Eastern Area	864,500	838,000	- 26,500
	<u>\$15,980,000</u>	<u>\$15,973,000</u>	<u>\$- 43,000</u>
Great Lakes Adjustment		-16,000	- 16,000
Internal transfer		+294,000	\$- 59,000
Federal Pay Costs		+125,000	
638 Pay Costs		+21,000	
FY 1989 Enacted to Date	<u>\$15,980,000</u>		
FY 1990 Estimate		\$16,361,000	

Object Class Distribution - Trust Responsibilities - Tribe Agency Operations

	<u>FTE</u>	<u>Amount</u>
Personnel Services.....		\$+498,000
Benefits.....		+ 60,000
Travel.....		- 62,000
Supplies and Materials.....		- 93,000
Equipment.....		-150,000
Printing and reproduction.....		- 10,000
Other Services.....		<u>-303,000</u>
Total.....		\$ -60,000

Activity Summary

(Dollar amounts in thousands)

Activity: Facilities Management

<u>Subactivity</u>	FY 1988 Actual <u>Approp.</u>	FY 1989 Enacted <u>To Date</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	+/- From <u>Base</u>
Facilities Management	<u>82,141</u>	<u>81,453</u>	<u>82,898</u>	<u>85,578</u>	<u>+2,680</u>
Total	<u>82,141</u> =====	<u>81,453</u> =====	<u>82,898</u> =====	<u>85,578</u> =====	<u>+2,680</u> =====

Justification of Program and Performance

Activity: Facilities Management

<u>Program Elements</u>	(Dollar amounts in thousands)				
	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) from 1989</u>	<u>Inc. (+) Dec. (-) from Base</u>
A. GSA and Direct Rentals	\$ 9,941	12,108	12,108	+2,167	---
B. Facilities Operation & Maintenance	\$ 71,445 (FTE) (1,106)	70,723 (1,115)	70,584 (1,109)	-861 (+3)	-139 (-6)
C. New Facilities	\$ 67	67	386	+319	+319
D. O&M Initiatives/	\$ ---	---	<u>2,500</u>	<u>+2,500</u>	<u>+2,500</u>
Total Requirements	\$ 81,453 (FTE) (1,106)	82,898 (1,115)	85,578 (1,109)	+4,125 (+3)	+2,680 (-6)

A. GSA AND DIRECT RENTALS

GSA Rentals	\$ 9,941	11,016	11,016	+1,075	---
Direct Rentals	\$ <u>0</u>	<u>1,092</u>	<u>1,092</u>	<u>+1,092</u>	<u>---</u>
Total Rentals	\$ 9,941	12,108	12,108	+2,167	---

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 (\$12,108,000; FTE 0): The base program includes funds for 1,233,894 square feet of GSA-provided space and 113,490 square feet of direct rentals serving bureau programs throughout the country. Approximately \$1,092,000 of this amount is for direct rental payments to tribes and others for the use by the BIA of non-federal facilities.

B. FACILITIES OPERATION AND MAINTENANCE

Area Office Operations	\$ 3,776 (FTE) (94)	3,803 (103)	4,163 (103)	+387 (+9)	+360 --
Central Office Staff	(FTE) (6)	(6)	--	(-6)	(-6)
Field Operations O&M	\$ 67,669 (FTE) <u>(1,006)</u>	66,920 <u>(1,006)</u>	66,421 <u>(1,006)</u>	(1,248) --	(499) --
Total Operations	\$ 71,445 (FTE) (1,106)	70,723 (1,115)	70,584 (1,109)	-861 (+3)	-139 (-6)

Objectives: To provide basic facility operating services to existing bureau-owned and/or operated facilities and to maintain these facilities in satisfactory operating condition for the conduct of bureau programs.

Base Program (\$70,723,000; FTE 1,109):

Area Office Operations (\$3,803,000; FTE 103): 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, monitoring, inspection and evaluation services to agency staff; and providing field locations with energy conservation and environmental protection expertise and facilities related training. The area office facility management and engineering section provides engineering survey services and construction management and engineering technical assistance. The area office staff also provides direct support to the 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.

Existing Facilities O&M (\$66,920,000; FTE 1,006): This program provides essential services to approximately 3,400 institutional buildings (including contract schools and excluding quarters) containing approximately 19,681,584 square feet throughout the United States. The various types of buildings are: academic facilities, dormitories, law enforcement facilities, administrative offices recreation facilities and their associated grounds, and streets and utility systems. 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, preventive maintenance, and janitorial and protection services.

C. NEW FACILITIES

<u>Program Elements</u>	(Dollar amounts in thousands)				
	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) from 1989</u>	<u>Inc. (+) Dec. (-) from Base</u>
New Facilities	\$ 67	67	386	+319	+319

Base Program (\$67,000): This program is funded to support newly constructed or expanded facilities.

Change from FY 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$ (FTE)	3,803 (103)	4,163 (103)	+360 --
Existing Facilities O&M	\$ (FTE)	66,920 (1,006)	66,421 (1,006)	-499 --
Central Office Staff	(FTE)	(6)	--	(-6)
New Facilities O&M	\$	67	386	+319
Initiatives/Training	\$	<u>0</u>	<u>2,500</u>	<u>+2,500</u>
Total	\$ (FTE)	70,790 (1,115)	73,470 (1,109)	+2,680 (-6)

Area Offices (+\$360,000): The increase will fund the nine FTE transferred from Program Management as a result of the reorganization of the Facilities Management office located in Albuquerque, NM. Commensurate with the transfer, area offices have assumed more responsibility for the Facility Improvement and Repair Program (FI&R) and have expanded Minor Improvement and Repair (MI&R) activities.

Central Office Staff (-6 FTE): The remaining 6 FTE's in Central Office Staff are being transferred to Program Management, to provide management over Environmental Protection Agency (EPA) and other code and environmental compliance requirements, including field validation and deficiency mitigation contracts.

Existing Facilities O&M (-\$499,000): The decrease is the result of reduced requirements due to disposition of excess space and the effects of O&M initiatives undertaken in prior years.

New Facilities O&M (+\$319,000): The increase will support new facilities which will become operational in FY 1990. As construction projects are completed, facilities are added (including buildings under P.L. 99-570) to the building maintenance inventory. The following is the list of additions for FY 1990:

<u>Facility</u>	<u>Square Footage</u>	<u>Estimated O&M Funding Needed</u>	
Turtle Mountain School	23,700 ^{1/}	84,700	4/4
Dzilth-Na-O-Dilth-Hle School	7,020	25,000	4/4
Ft. Peck Juvenile Detention Ctr.	12,000	34,300	3/4
Two Eagle River High School	26,722	112,000	4/4
Juvenile Detention Centers		<u>63,000</u>	
Total		<u>319,000</u>	

^{1/} Replacement square footage exceeded original size.

O&M Initiatives/Training (+\$2,500,000): Through cost/benefit analyses and fund improvement projects the bureau will reduce future O&M costs under this special program. Included is a comprehensive training effort to improve the quality and effectiveness of maintenance services and to emphasize preventive maintenance activities which should further reduce future repair/renovation requirements. This comprehensive training is part of an ongoing multi-year program initiated in FY 1988 and expanded in FY 1989.

OBJECT CLASS DISTRIBUTION - FACILITIES MANAGEMENT ACTIVITY

	<u>FTE</u>	<u>Amount</u>
Personnel Services.....	-6	\$ +825,000
Personnel Benefits.....		+99,000
Other Services.....		<u>+1,756,000</u>
Total.....	<u>-6</u>	<u>\$ +2,680,000</u>

Activity Summary

(Dollar amounts in thousands)

Activity: General Administration

<u>Subactivity</u>	<u>FY 1988 Actual Approp.</u>	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- From Base</u>
Management & Administration	37,469	38,151	41,431	42,106	+ 675
ADP Services	16,814	17,650	17,189	19,053	+1,864
Employee Compensation Payments	11,503	14,962	18,481	18,481	---
Program Management	6,023	6,016	6,051	6,431	+380
Consolidated Training Program	840	840	840	840	---
Tribe/Agency Operations	<u>19,386</u>	<u>19,843</u>	<u>20,454</u>	<u>20,837</u>	<u>+ 383</u>
Total	<u>92,035</u> =====	<u>97,462</u> =====	<u>104,446</u> =====	<u>107,748</u> =====	<u>+3,302</u> =====

Justification of Program and Performance

Activity: General Administration
 Subactivity: Management and Administration

Program Elements	(Dollar amounts in thousands)				
	FY 1989 Enacted to Date	FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
A. Executive Direction & EEO	\$ 2,863 (FTE) (54)	2,937 (55)	3,177 (60)	+314 (+6)	+240 (+5)
B. Administrative Services	\$ 31,310 (FTE) (654)	35,338 (658)	35,696 (671)	+4,386 (+17)	+358 (+13)
C. Safety Management	\$ 536 (FTE) (9)	538 (9)	615 (11)	+79 (+2)	+77 (+2)
D. Payroll/Personnel Services	\$ 2,442	2,618	2,618	+176	---
E. Improve Financial System	\$ 1,000 (FTE) (--)	---	---	-1,000 (--)	---
Total Requirements	\$ 38,151 (FTE) (717)	41,431 (722)	42,106 (742)	+3,955 (+25)	+675 (+20)
A. <u>Executive Direction and EEO</u>					
Area Office Operations	\$ 1,884 (FTE) (32)	1,893 (32)	2,133 (37)	+249 (+5)	+240 (+5)
Central Office Operations	\$ 979 (FTE) (22)	1,044 (23)	1,044 (23)	+65 (+1)	---
Total	\$ 2,863 (FTE) (54)	2,937 (55)	3,177 (60)	+314 (+6)	+240 (+5)

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 (\$2,937,000; FTE 55): 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, tribal consultation, public relations, representation of the bureau to other governmental agencies and private sector organizations, and overall management of assigned resources.

Area Office Operations (\$1,893,000; FTE 32): This activity funds the positions of area directors and a limited professional staff at 12 locations to provide for the management and direction of the entire area office structure.

Central Office (\$1,044,000; FTE 23): The Deputy to the Assistant Secretary - Indian Affairs (Operations), his immediate staff, and program support services managed by the Project Service Staff, 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 provide leadership at the headquarters level.

Deputy to the Assistant Secretary-Indian Affairs (Operations) (\$221,000; FTE 5): This staff and the principal Deputy to the Assistant Secretary - Indian Affairs oversees 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. The staff is also responsible for coordination, oversight and implementation of the Federal Managers Financial Integrity Act and OMB Circular No. A-123 governing internal control systems; for coordination of all audit activities within the bureau; for audit liaison with nonbureau organizations; for provision of leadership for problem resolution activities; and for a wide range of special projects.

Congressional and Legislative Affairs Office (\$240,000; 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 (\$81,000; 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, and other activities. 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. 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 Office (\$117,000; FTE 4): This office is responsible for assuring the proper and timely development and coordination of bureau documents requiring review, action, or signature by the Assistant Secretary. 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 staff works 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 multi-bureau interest and concern.

Equal Employment Opportunity Office (\$385,000; FTE 8): 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 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. This 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.

Change from FY 1990 Base:

(Dollars amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$	1,893	2,133	+240
	(FTE)	(32)	(37)	(+5)

Area Office Operations (+\$240,000; FTE +5): The increase is the result of the application of the Indian Priority System at the area level. The changes by area are as follows:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Albuquerque	235,900	444,000	+208,100
Billings	118,800	119,000	+ 200
Eastern	170,900	171,000	+ 100
Juneau	146,700	147,000	+ 300
Minneapolis	105,300	105,000	- 300
Muskogee	105,800	111,000	+ 5,200
Navajo	121,800	125,000	+ 3,200
Phoenix	203,500	204,000	+ 500
Portland	246,100	269,000	+ 22,900
Sacramento	125,200	125,000	- 200
Net Change.....			+240,000

B. Administrative Services

<u>Program Elements</u>	(Dollar amounts in thousands)				
	FY 1989 Enacted to Date	FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
Area Office Operations	\$ 16,491 (FTE) (441)	16,621 (422)	16,431 (432)	-60 (-9)	-190 (+10)
Central Office Operations	\$ 14,819 (FTE) (213)	18,717 (236)	19,265 (239)	+4,446 (+26)	+548 (+3)
Total Operations	\$ 31,310 (FTE) (654)	35,338 (658)	35,696 (671)	+4,386 (+17)	+358 (+13)

Objective: To provide policies and support in the areas of property, procurement, contracting, personnel and financial management to all the bureau's program service delivery systems

Base Program (\$35,338,000; FTE 658): The staff provides integral administrative support to part of the bureau's system. 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 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.

Area Office Operations (\$16,621,000; FTE 422): The area offices operate as centers for procurement, property management, budgeting and fund control, finance and accounting associated with P.L. 93-638 contracts, 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 those authorities which have been redelegated to the agencies and schools.

Central Office Operations (\$18,717,000; FTE 236): 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 and for conducting oversight management reviews.

Central Office Administration (\$3,861,000; FTE 96):

Office of Administration (\$359,000; FTE 4): This office is responsible for providing staff support to the Assistant Secretary - Indian Affairs in the development and management of bureau programs and policies 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 \$9,089,000 to cover such services as FTS, postage, departmental assessments, and bureauwide printing of manuals and other documents.

This office also coordinates the administrative review teams which are composed of central office staff who conduct consolidated reviews of the Area Offices' administrative functions of accounting and financial management, personnel facilities, research and evaluation, and contracting. The teams identify specific program weaknesses; observe operations to ensure compliance with all applicable laws, regulations, directives and policy; propose corrective actions to overcome the weaknesses; and provide follow-up to ensure implementation of the corrective measures. The teams are able to pinpoint problem areas prior to formal audits, identify trends, and provide top bureau management with detailed overviews of field operations. The teams conduct four reviews annually.

Contracting and Grants Management (\$624,000; 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 staff exercises significant bureauwide policy, planning, and oversight roles for maintaining and strengthening: (1) the acquisition of goods, services and products; (2) financial (grants) assistance to individuals and tribal organizations; and (3) 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 staff also provides supportive services to the bureau's program staff in meeting its procurement needs and requirements.

This division also initiates changes in, as well as operates and maintains, a contract and grants information and management system at an estimated annual cost of \$166,000. The system which is available to contracting officers at all levels of the bureau provides ready access to all current federal and departmental acquisition requirements; automatic data processing procurement regulations; and P.L. 93-638 contract regulations. The system provides automatic generation of standard clauses (determined by the type of contract), and should substantially enhance the accuracy of all bureau contract documents.

Personnel Management (\$1,889,000; FTE 48): 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. 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.

Property Management (\$644,000; FTE 25): 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; and (3) providing bureau oversight and technical assistance to areas and those offices with operational responsibilities. 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.

Directives and Regulations Staff (\$191,000; FTE 5): This staff is under the direct supervision of the Director, Office of Administration and is responsible for the development and implementation of a bureauwide program for all elements of information resources management, Federal register documents, directives, regulations, reports, forms, Privacy Act, and Freedom of Information Act. The staff provides staff assistance to the Director and technical assistance to program managers throughout the bureau on the preparation and publication of guidance to bureau officials and employees and to the public.

The staff also oversees the records management program which 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.

In FY 1988 the bureau focused on a major revision of the records manual and training for field staff on the new records management system. The new manual will be implemented for use in FY 1989 with primary emphasis on follow-up visits to field offices to provide technical assistance and continued training. In FY 1990, the bureau will focus its efforts on implementation of the revised records manual. The records program will continue to provide extensive training in records management at numerous locations including on-site technical assistance.

Management Analysis (\$154,000; FTE 6): This staff provides support and technical assistance for the bureau's paperwork management and organizational management systems. The division reviews all requested changes to existing organization plans at all levels of the bureau and provides the written analysis and impact statements when such proposed changes require departmental approval. The staff works with all central office programs to ensure compliance with the requirements of the Paperwork Reduction Act.

Financial Management (\$5,767,000; FTE 140):

Assistant Director, Financial Management (\$130,000; FTE 2): This office is responsible for the development of policies, programs, systems, and guidelines for financial management functions; for performance of budget formulation and execution, fiscal accounting, compensation, and employee data systems; for provision of bureauwide technical assistance in budget and accounting; and for support services in operating budget and fiscal accounting functions.

Program Development and Implementation (\$1,279,000; FTE 20): This division provides staff assistance to the Assistant Director, Financial Management regarding functions identified with budget formulation and execution. 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 budget 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, monitoring 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.

Accounting Management (\$4,358,000; FTE 118): This division provides staff assistance in the functions identified with accounting, fiscal operations, financial management, accomplishment reporting, payroll, and automated personnel records systems; and directs the payroll liaison, finance and accounting, and financial management systems operations located in Albuquerque, New Mexico. The division develops policies, standards, specifications, systems and operating procedures to be used throughout the several designated accounting stations of the bureau. Operational costs associated with the Federal Financial System which will come on line in October 1989 are included in this activity.

Intra-Governmental Assessments (\$9,089,000): The Intra-Governmental program includes assessments for services provided to the bureau by the Department of the Interior, the United States Postal Service, and the General Services Administration. These requests are based on estimates provided to the bureau by the respective agencies. The breakdown by the various categories are:

	<u>FY 1989</u> <u>Estimate</u>	<u>Adjustment</u> <u>to Base</u>	<u>FY 1990</u> <u>Estimate</u>
Postage	2,800,000	+250,000	3,050,000
FTS-General	3,944,000	+1,028,000	4,972,000
Bureau Printing Services	102,000	---	102,000
Departmental Billings	720,000	+245,000	965,000
Total	<u>7,566,000</u>	<u>+1,523,000</u>	<u>9,089,000</u>

Some of the services provided by the Department of the Interior 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.

Changes from FY 1990 Base:

(Dollars amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office Operations	\$	16,621	16,431	-190
	FTE	(422)	(432)	(+10)
Central Office Operations	\$	18,717	19,265	+548
	FTE	(236)	(239)	(+3)
Total Operations	\$	35,338	35,696	+358
	(FTE)	(658)	(671)	(+13)

Area Office Operations (-\$190,000; FTE +10): The change is the result of the application of the Indian Priority System at the area level. The changes by area are as follows:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Change</u>
Aberdeen	1,480,900	1,481,000	+ 100
Albuquerque	1,915,600	1,759,000	-156,600
Anadarko	911,700	975,000	+ 63,300
Billings	912,200	907,000	- 5,200
Eastern	405,300	405,000	- 300
Juneau	1,389,600	1,391,000	+ 1,400
Minneapolis	672,400	672,000	- 400
Muskogee	327,200	298,000	- 29,200
Navajo	2,374,700	2,328,000	- 46,700
Phoenix	2,049,000	2,071,000	+ 22,000
Portland	1,226,000	1,188,000	- 38,000
Sacramento	277,400	277,000	- 400
Net Change.....			-190,000

[The table does not include the distribution of funds provided to improve contract and grant management (\$1,369,000) and to improve personnel management (\$1,140,000)].

Central Office Operations (+\$548,000; FTE +3): The components of this increase are as follows:

Office of Administration (+\$21,000): The increase for administrative review teams will support the estimated cost of travel and per diem of the multi-disciplinary teams conducting reviews of area office operations.

Contracts and Grants Administration (+\$100,000; FTE +2): The increase will be used to respond to the bureau's central and field operations requests for providing training resources and technical assistance to improve procurement practices and upgrade quality assurance. The division will maintain systems monitoring and oversight of acquisition and grants management operations via internal

control reviews for controlling fraud, waste, abuse and other mismanagement.

Personnel Management (\$100,000; +FTE 1): The increase will be used to fund one authorized, but unfunded, position in the personnel servicing unit, which services both the headquarters and the Eastern Area Offices. An additional position is requested to provide generalist support to the servicing personnel officer in the areas of staffing, classification, and processing where the bureau has been unable to retain sufficient lower grade single discipline support personnel.

Directives and Regulations (+\$125,000); and Management Analysis (+\$202,000): Of the increase \$145,000 will provide funding to support a total of six authorized, but unfunded, positions and for supplies and materials, equipment, travel, and training costs for these employees. Additional support for these two offices will enable the bureau to more fully meet its responsibilities for issuing timely and accurate regulations, revising and updating the Bureau of Indian Affairs Manual, and providing analyses of and recommendations for streamlining of bureau operations at those locations where Indian tribes have opted to contract for a significant portion of ongoing operations.

The remainder of the increase (\$182,000) will support initial implementation of a data base for information resources management with a long-term goal of reducing the paperwork burden associated with administrative services activities throughout the bureau. In FY 1990 funds will be used to purchase off-the-shelf software packages and to provide training to bureau staff in the use of these programs to automate recurring projects and reports which are currently produced manually.

C. Safety Management

<u>Program Elements</u>		(Dollar amounts in thousands)				
		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Area Office	\$	65	65	142	+77	+77
Operations	(FTE)	(2)	(2)	(4)	(+2)	(+2)
Central Office	\$	471	473	473	+2	--
Operations	(FTE)	(7)	(7)	(7)	(--)	(--)
Total Operations	\$	536	538	615	+79	+77
	(FTE)	(9)	(9)	(11)	(+2)	(+2)

Objective: To provide a safe and healthful working environment for employees, to provide safe and healthful schools and dormitories for Indian children, and to ensure an optimum level of safety for the visiting public through the management of a safety and health program which minimizes the loss of human and material resources due to accidents or illnesses.

Base Program (\$538,000; FTE 9):

Area Office Operations (\$65,000; FTE 2): Safety management responsibilities at this level are essentially the same as those described below under Central Office Operations, however, functions at this level are also carried out by other program staff as a collateral duty.

Central Office Operations (\$473,000; FTE 7): This division develops and maintains a bureauwide 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 motor vehicle operators' licenses, defensive driving training, and other training necessary to improve individual capability to meet bureau, state, and federal requirements. It is responsible for safety in the areas of water, transportation and transmission; reservoir and dam areas; and 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. The division serves as the Bureau Fire Marshall's Office and is responsible for administering the bureau Fire Prevention Program.

Change from FY 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Area Office	\$	65	142	+77
Operations	FTE	(2)	(4)	(+2)

Area Office Operations (+\$77,000; FTE +2): The increase is the result of the application of the Indian Priority System at the area level. The changes by area are as follows:

<u>Area Office</u>	<u>FY 1989 Enacted</u>	<u>FY 1990 Request</u>	<u>Difference</u>
Albuquerque	-	44,000	+ 44,000
Billings	-	5,000	+ 5,000
Portland	-	28,000	+ 28,000
Net change			+ 77,000

D. Payroll/Personnel System (PAY/PERS)

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Office Operations	\$ 2,442	2,618	2,618	+176	---

Objective: To provide the bureau with efficient payroll and personnel processing services through a Memorandum of Understanding with the Bureau of Reclamation.

Base Program (\$2,618,000): The base program provides funds for the ADP operating systems costs of PAY/PERS operated by the Bureau of Reclamation. This request will fully fund the BIA's share of the estimated costs of operation.

Object Class Distribution - Management and Administration Subactivity

	<u>FTE</u>	<u>Amount</u>
Personnel compensation.....	+20	\$+1,138,000
Personnel benefits.....		+ 136,000
Travel and transportation of things.....		-130,000
Supplies and materials.....		- 15,000
Printing and reproduction.....		- 45,000
Equipment and capital assets.....		-300,000
Other services.....		-109,000
Total.....	+20	\$ + 675,000

Justification of Program and Performance

Activity: General Administration
 Subactivity: Automatic Data Processing Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Central Management	\$	5,941	5,969	6,183	+242	+214
	(FTE)	(125)	(125)	(125)	(---)	(---)
Central System Support	\$	6,650	6,150	6,850	+200	+700
Decentralized System Support	\$ (FTE)	1,909 (41)	1,920 (41)	1,920 (41)	+11 (---)	--- (---)
Equipment	\$	500	500	500	---	---
Software Development and Training	\$	600	600	700	+100	+100
Hardware Requirements Task Force	\$	400	400	500	+100	+100
Systems Improvements Initiative	\$	400	400	400	---	---
Field Service Equipment Replacement	\$	1,250	1,250	2,000	+750	+750
Total Requirements	\$ (FTE)	17,650 (166)	17,189 (166)	19,053 (166)	+1,403 (---)	+1,864 (---)

Objective: To operate a viable, computer-oriented data processing function in support of the bureau's programs, organizations, and administrative systems.

Base Program (\$17,189,000; FTE 166): The bureau's automatic data processing services for FY 1990 follows nearly the same structure as that used in FY 1989.

Central Management (\$5,969,000; FTE 125): This funding is 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 (\$6,150,000): 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 (\$1,920,000; FTE 41): 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 1990, 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 (\$600,000): During FY 1990, this office will increase the efficiency and flexibility of the Integrated Records Management System (IRMS) through performance improvement additions; make valuable modifications to the Social Services System requested by users groups; and conduct end-user training for several systems with increasing new user involvement: the Federal Financial System, the Time and Attendance, among others.

Hardware Requirements Analysis Task Force (\$400,000): This funding supports the competitive procurement of the next generation of the GEONET system. The tasks necessary to permit rational planning and implementation of an upgraded telecommunication network will involve data collection, travel, workload simulation software development, benchmark network usage, and contracted analysis support.

Systems Improvement Initiatives (\$400,000): This funding is used to upgrade the UNISYS A-10 of the Automated Voucher Examination Processing System (AVEPS) to obtain a dual processor and more memory and peripherals to serve a growing number of users and to obtain Document Image Retrieval technology, a new optical disk technology facilitating rapid retrieval of digitized land record documents. This funding will also provide an inventory control and materials tracking capability for consumables such as vehicle parts and building supplies warehoused by area offices and agencies. Redesign and implementation of the Facilities Construction Operations and Maintenance (FACCOM) System in a Fourth Generation data base management system will improve and simplify its performance.

Field System Equipment Replacement (\$1,250,000): This funding is being used to replace the present six Information Management Centers and their present hardware and software configurations with 12 new Field Service Centers. Each center will be collocated at each area office and is being equipped with state-of-the-art superminicomputers to support area offices and their related agencies. Funding will permit hardware/software procurement, site preparation, space rental, and training.

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 and economies are realized, some readjustments may be necessary. A total costs for FY 1990 based on a requested funding level is \$19,053,000.

Changes from FY 1990 Base: (Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Central Management	\$	5,969	6,183	+214
Central System Support	\$	6,150	6,850	+700
Software Development & Training	\$	600	700	+100
Hardware Requirements Task Force	\$	400	500	+100
Field System Equipment Replacement	\$	<u>1,250</u>	<u>2,000</u>	<u>+750</u>
Total	\$	14,369	16,233	+1,864

Central Management (+\$214,000): This increase will be necessary for contractual services and travel costs for software programmer/analysts who will assist program users in making enhancements to applications systems in support of trust and economic development, Indian services, administration, and education.

Central System Support (+\$700,000): The increase is for telecommunications enhancements which include AT&T and regional Bell operating company telecommunication lines installation and rising line usage charges as well as GEONET/FTS 2000 usage costs for applications systems to support trust and economic development, Indian services, administration, and education.

Software Development & Training (+\$100,000): This increase will fund contractual services and travel costs for software changes to, and training for, various applications systems.

Hardware Requirements Analysis Task Force (+\$100,000): This funding will support data collection, travel, workload simulation, benchmarking, and contract analysis support costs for the procurement of the next generation of bureau mainframe computers.

Field System Equipment Replacement (+\$750,000): This funding will be used for procurement of additional microcomputers, terminals, and printer peripherals to be attached to the 12 new Field Service Centers to support office automation productivity improvements at the area, agency, and school levels.

Object Class Distribution - ADP Services

	<u>FTE</u>	<u>Amount</u>
Personnel compensation.....	0	+\$ 117,000
Personnel benefits.....		+ 14,000
Other services		+ 983,000
Equipment.....		+ 750,000
	0	+\$1,864,000
		=====

Justification of Program and Performance

Activity: General Administration
 Subactivity: Employee Compensation Payments

<u>Program Elements</u>	FY 1989 Enacted to date	(Dollar amounts in thousands)			
		FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
A. Employee Compensation Payments	\$ 5,836	6,561	6,561	+725	---
B. Unemployment Compensation	\$ 1,915	4,199	4,199	+2,284	---
C. Federal Employees' Retirement System	\$ <u>7,211</u>	<u>7,721</u>	<u>7,721</u>	<u>+510</u>	<u>---</u>
Total Requirement	\$ 14,962	18,481	18,481	+3,519	---

A. Employee Compensation Payments

Objective: To provide for repayments of expenses to the Federal Employees' Compensation Fund.

Base Program (\$6,561,000): The base program funding provides reimbursement to the Department of Labor for expenses of the Employees' Compensation Fund incurred during the 1988-89 expense period.

B. Unemployment Compensation

Objective: To provide repayment of unemployment compensation charges to the Department of Labor.

Base Program (\$4,199,000): The base program 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 System (FERS)

Objective: To provide funding to cover the bureau's cost of contributing to the Federal Employees' Retirement System (FERS).

Base Program (\$7,721,000): 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.

Justification of Program and Performance

Activity: General Administration
 Subactivity: Program Management

Program Elements		FY 1989 Enacted to Date	(Dollar amounts in thousands)			
			FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
A. Construction Management	\$ (FTE)	3,662 (88)	3,686 (79)	4,196 (85)	+534 (-3)	+510 (+6)
B. Education Program Mgmt.	\$ (FTE)	2,354 (40)	2,365 (40)	2,235 (40)	-119 (---)	-130 (---)
Total Requirements	\$ (FTE)	6,016 (128)	6,051 (119)	6,431 (125)	+415 (-3)	+380 (+6)

A. Construction Management

Construction Staff	\$ (FTE)	3,662 (88)	3,686 (79)	3,196 (85)	-466 (-3)	-490 (+6)
Contracts Management	\$	0	0	1,000	+1,000	+1,000
Total	\$ (FTE)	3,662 (88)	3,686 (79)	4,196 (85)	+534 (-3)	+510 (+6)

Objective: To manage a program designed to operate, maintain, plan, design, construct, repair, and equip facilities and ensure compliance with safety and health codes.

Base Program (\$3,686,000; FTE 79): The base program provides funding for the staff directing facilities operations of the bureau. These funds also cover personnel services, equipment, travel, management, construction, operations and maintenance accountability systems, and general logistical support. The base program includes funds for contract supervision and boiler inspection, as well as the Facilities Construction, Operation and Maintenance (FACCOM) program. Management of Environmental Protection Agency (EPA) contracts and assessments of environmental compliance and mitigation of environmental deficiencies will be emphasized in FY 1990. The staff includes architects, engineers, computer systems analysts, contract specialists, technical personnel, and administrative management and clerical support.

The Facility Management and Construction Center (FMCC), located in Albuquerque, New Mexico, is supervised by the Director, Office of Construction Management, Office of the Secretary. The Facility Management and Construction Center provides: planning, design, architectural, engineering, construction management, contracting, equipping, evaluation, and other technical services. The Facility Management and Construction Center 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.

Change from FY 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		FY 1990 Base	FY 1990 Estimate	+/- Difference
Construction Management	\$	3,686	4,196	+510
	(FTE)	(79)	(85)	(+6)

Construction Management (+\$510,000; FTE +6): The increase in funding will be used to address the first phase of a comprehensive inventory of BIA-owned utility systems to show the existing status, numbers, type, and extent by location within the 26-state area for which the BIA has current responsibilities. These inventories will provide a baseline from which program requirements can be developed and initiatives considered for implementation. These initiatives may include the possible transfer of systems to tribal organizations as economic enterprises, after upgrading systems to meet current standards. These inventories will also identify the proper funding requirements for O&M costs, and estimated repair work to bring systems into compliance with current environmental standards.

Six FTE will be transferred from Facilities Management, Central Office Staff, to provide management over Environmental Protection Agency (EPA) contracts and other code and environmental compliance requirements, including field validation and deficiency mitigation contracts. Activity in these areas will increase significantly in FY 1990 as the bureau accelerates its efforts to comply with the Safe Drinking Water Act and other environmental laws. Funding under the former Boiler Inspection (\$98,000) and Construction Supervision (\$392,000) line items will be merged and made available for the new "EPA Contracts" established to carry out this increased effort.

B. Education Program Management

<u>Program Element</u>		FY 1989 Enacted to Date	(Dollar amounts in thousands)			
			FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
Central Office Operations	\$ (FTE)	2,354 (40)	2,365 (40)	2,235 (40)	-119 (---)	-130 (---)

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.

Base Program (\$2,354,000; FTE 40): The Office of Indian Education Programs (OIEP), provides line direction for all education programs and systems through field line officers and through central office staff. These programs include: (1) elementary and secondary schools; (2) activities for adults through the Adult Education Program; (3) Tribally Controlled Community Colleges and the two Post Secondary institutions; and (4) Scholarship Programs for both graduate and undergraduate Indian students.

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 monitoring of expenditures of appropriated and flow-through funds; and personnel management of education staff at all levels of the organization.

The director, assisted by support staff at the central office level, exercises line authority over field office education locations which, in turn, supervise bureau off-reservation residential schools, peripheral dormitories housing Indian students attending public schools, and local on-reservation day and boarding schools.

Change from FY 1990 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>+/- Difference</u>
Central Office Operations	\$ FTE	2,365 (40)	2,235 (40)	-130 (---)

Central Office Operations (-\$130,000): The net decrease consists of a reduction of \$230,000 for a grant to the Close-Up Foundation as the bureau has no authority to make grants to such private institutions and an increase of \$100,000 which will allow the central office to fill vacancies so that full implementation of the director's initiatives and the additional requirements imposed on the bureau by the recent education amendments (Public Law 100-297) can be realized. The major goals are to improve the quality of education for Indian children and to continue to move the management of education to the local level. The Effective Schools movement began in FY 1988 with intense training sessions in education leadership at the central office level, so that technical assistance could be provided. This effective schools process continues with the support from the director's office.

Object Class Distribution - Program Management

	<u>FTE</u>	<u>Amount</u>
Personnel Services.....	+6	\$ 228,000
Personnel Benefits.....		27,000
Travel.....		30,000
Supplies/Materials.....		6,000
Training.....		10,800
Equipment.....		<u>78,200</u>
Total.....		<u>\$ + 380,000</u>

Justification of Program and Performance

Activity: General Administration
 Subactivity: Consolidated Training Program

<u>Program Element</u>	(Dollar amounts in thousands)				
	<u>FY 1989 Enacted to Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Consolidated Training Program	\$ 840	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 are identified as having potential to assume administrative, professional, technical or managerial positions, 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, are developed for each employee and are structured to provide the employee the greatest opportunity to achieve as much of their full potential as possible. Priority in the program is 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 is 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. This 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

<u>Program Elements</u>		FY 1989 Enacted to Date	(Dollar Amounts in thousands)			
			FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
A. Executive Direction	\$ (FTE)	7,869 (161)	7,914 (161)	8,239 (161)	+370 (---)	+325 (---)
B. Administrative Services	\$ (FTE)	11,757 (337)	12,321 (337)	12,352 (337)	+595 (---)	+31 (---)
C. Safety Management	\$ (FTE)	217 (7)	219 (7)	246 (7)	+29 (---)	+27 (---)
Total Requirements	\$ (FTE)	19,843 (505)	20,454 (505)	20,837 (505)	+994 (---)	+383 (---)

A. Executive Direction

Objective: To provide daily leadership and line management for all bureau programs operated at or through the agency.

Base Program (\$7,914,000; FTE 161): Executive Direction is defined as the immediate office of the agency superintendent. Funding at this level is determined by the priority setting process. None of the activities of this program are contracted.

Change from FY 1990 Base:

(dollar amounts in thousands)

<u>Program Element</u>		FY 1990 Base	FY 1990 Estimate	Difference (+ or -)
Executive Direction	\$ (FTE)	7,914 (161)	8,239 (161)	+325 (---)

Executive Direction (+\$325,000): The change results from the application of the Indian Priority System at the tribe/agency level. Changes by area are as follows:

<u>Area Office</u>	<u>FY 1989 Tribal Priorities</u>	<u>FY 1990 Tribal Priorities</u>	<u>Difference</u>
Aberdeen	943,500	1,025,000	+ 81,500
Albuquerque	759,500	770,000	+ 10,500
Anadarko	478,100	517,000	+ 38,900
Billings	590,300	661,000	+ 70,700
Eastern	158,600	275,000	+116,400
Juneau	501,200	559,000	+ 57,800
Minneapolis	343,200	337,000	- 6,200
Muskogee	883,200	877,000	- 6,200
Navajo	556,800	518,000	- 38,800
Phoenix	1,214,100	1,226,000	+ 11,900
Portland	1,054,600	996,000	- 58,600
Sacramento	385,900	433,000	+ 47,100
Total	7,869,000	8,194,000	+325,000
Federal Pay Costs		<u>45,000</u>	
FY 1989 Enacted to Date	7,869,000		
FY 1990 Budget Request		8,239,000	

B. Administrative Services

Objective: To provide those administrative systems/controls/expertise which directly support the operation of all agency programs.

Base Program (\$12,321,000; FTE 337): 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, and (3) insures that working personnel files and 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 support 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; (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) management reports and controls; (2) Privacy Act and Freedom of Information Act coordination and reporting; (3) correspondence management and control; and (4) moving of equipment or office furniture.

Change from FY 1990 Base:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Difference (+ or -)</u>
Administrative Services	\$	12,321	12,352	+31
	(FTE)	(337)	(337)	(---

Administrative Services (+\$31,000): The change results from the application of the Indian Priority System tribe/agency level. Changes by area are as follows:

<u>Area</u>	<u>FY 1989 Tribal Priorities</u>	<u>FY 1990 Tribal Priorities</u>	<u>Difference</u>
Aberdeen	1,732,800	1,871,000	+138,200
Albuquerque	1,257,900	1,192,000	- 65,900
Anadarko	487,200	511,000	+ 23,800
Billings	1,010,500	996,000	- 14,500
Eastern	540,900	425,000	-115,900
Juneau	494,400	570,000	+ 75,600
Minneapolis	816,700	833,000	+ 16,300
Muskogee	238,300	304,000	+ 65,700
Navajo	1,277,700	1,320,000	+ 42,300
Phoenix	1,494,300	1,542,000	+ 47,700
Portland	2,005,800	1,746,000	-259,800
Sacramento	400,500	478,000	+ 77,500
Total	11,757,000	11,788,000	+ 31,000
Internal Adj. - Klamath		+354,000	
- Wampanoag		+103,000	
Federal Pay Cost		+107,000	
FY 1989 Enacted to Date	11,757,000		
FY 1990 Budget Request		12,352,000	

C. Safety Management

Base Program (\$219,000; FTE 7): 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 1990 Base

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Difference (+ or -)</u>
Safety Management	\$ (FTE)	219 (7)	246 (7)	+27 (---)

Safety Management (+\$27,000): The change results from the application of the Indian Priority System at the tribe/agency level.

<u>Area Office</u>	<u>FY 1989 Tribal Priorities</u>	<u>FY 1990 Tribal Priorities</u>	<u>Difference</u>
Billings	-	2,000	+ 2,000
Muskogee	2,000	6,000	+ 4,000
Navajo	<u>215,000</u>	<u>236,000</u>	<u>+ 21,000</u>
Total	217,000	244,000	+ 27,000
Federal Pay Cost	<u> </u>	<u>+ 2,000</u>	
FY 1989 Enacted to Date	217,000		
FY 1989 Budget Request		246,000	

Object Class Distribution-Tribe/Agency Operations

	<u>Amount</u>
Personnel compensation.....	+\$ 462,000
Personnel benefits.....	+ 55,400
Travel.....	- 30,000
Supplies and materials.....	- 50,000
Equipment.....	- 54,000
Total	+\$ 383,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Program and Financing (in thousands of dollars)

Identification Code: 14-2100-0-1-999	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activity:</u>			
Direct Program:			
00.01 Education.....	243,812	235,969	238,008
00.02 Tribal Services.....	158,559	166,717	150,510
00.03 Navajo/Hopi Settlement Program....	2,000	3,120	2,002
00.04 Economic Development Programs.....	11,523	42,476	10,398
00.05 Natural Resources Development.....	115,546	72,795	86,313
00.06 Trust Responsibilities.....	29,281	35,303	28,096
00.07 Facilities Management.....	80,390	81,453	85,578
00.08 General Administration.....	70,632	77,619	86,911
00.09 Tribe/Agency Operations.....	285,975	254,518	252,200
00.01 Total direct program.....	997,718	969,970	940,016
01.01 Reimbursable program.....	64,310	64,000	64,000
10.00 Total obligations.....	1,062,028	1,033,970	1,004,016
<u>Financing:</u>			
Offsetting collections from:			
11.00 Federal funds.....	-60,481	-60,000	-60,000
14.00 Non-Federal sources.....	-3,829	-4,000	-4,000
21.40 Unobligated balance available, start of year.....	-4,261	-5,502	-3,999
22.40 Unobligated balance transferred, net.....	-36,273	-700	
24.40 Unobligated balance available, end of year.....	5,502	3,999	6,474
25.00 Unobligated balance lapsing.....	3,691	---	---
39.00 Budget authority.....	966,377	967,767	942,491
<u>Budget authority:</u>			
40.00 Appropriation.....	970,756	992,767	942,491
41.00 Transferred to other accounts.....	-25,000	-25,000	---
42.00 Transferred from other accounts....	20,621	---	---
43.00 Appropriation (adjusted).....	966,377	967,767	942,491
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	997,718	969,970	940,016
72.40 Obligated balance, start of year..	172,698	177,905	180,319
74.40 Obligated balance, end of year....	-177,905	-180,319	-187,803
77.00 Adjustments in expired accounts...	-29,737	---	---
90.00 Outlays.....	962,774	967,556	932,532

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Object Classification (in thousands of dollars)

Identification Code: 14-2100-0-1-999	1988 Actual	1989 Estimate	1990 Estimate
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	197,979	200,000	205,000
11.3 Other than full-time permanent....	67,521	68,000	69,000
11.5 Other personnel compensation.....	14,697	15,000	15,000
11.8 Special personal services payments	17,773	17,000	17,000
11.9 Total personnel compensation....	297,970	300,000	306,000
12.1 Personnel benefits: Civilian.....	51,927	52,000	53,000
13.0 Benefits for former personnel.....	766	800	800
21.0 Travel and transportation of persons.....	19,249	20,000	20,000
22.0 Transportation of things.....	9,516	10,000	10,000
23.1 Rental payments to GSA.....	7,522	7,527	8,602
23.2 Rental payments to others.....	1,092	1,092	1,092
23.3 Communications, utilities, and miscellaneous charges.....	25,408	26,000	27,000
24.0 Printing and reproduction.....	1,355	1,500	1,500
25.0 Other services.....	424,314	396,951	339,922
26.0 Supplies and materials.....	60,508	60,000	60,000
31.0 Equipment.....	12,431	10,000	8,000
32.0 Lands and structures.....	1,918	1,500	1,500
33.0 Investments and loans.....	333	400	400
41.0 Grants, subsidies, and contributions.....	83,213	82,000	77,000
42.0 Insurance claims and indemnities..	128	130	130
43.0 Interest and dividends.....	68	70	70
92.0 Undistributed.....	--	--	25,000
99.0 Subtotal, direct obligations....	997,718	969,970	940,016
99.0 Reimbursable obligations.....	64,310	64,000	64,000
99.9 Total obligations.....	1,062,028	1,033,970	1,004,016

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 PERSONNEL SUMMARY

Identification Code: 14-2100-0-1-999	1988 Actual	1989 Estimate	1990 Estimate
<u>Direct:</u>			
Total number full-time permanent positions.....	10,132	10,109	9,300
Total compensable workyears:			
Full-time equivalent employment....	11,008	10,998	10,545
Full-time equivalent of overtime and holiday hours.....	250	230	250
<u>Reimbursable:</u>			
Total number full-time permanent positions.....	702	702	702
Total compensable workyears:			
Full-time equivalent employment....	765	765	765
Full-time equivalent of overtime and holiday hours.....	15	15	15

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Program and Financing (in thousands of dollars)

	1988	1989	1990
Identification Code: 14-2100-2-1-999	Actual	Estimate	Estimate

Program by activity:

Direct Program:

00.05 Natural resources development.....	---	---	10,825
10.00 Total obligations.....	---	---	10,825

Budget authority:

40.00 Appropriation.....	---	---	10,825
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Relation of obligations to outlays:

71.00 Obligations incurred, net.....	---	---	10,825
74.40 Obligated balance, end of year....	---	---	-7,577
90.00 Outlays.....	---	---	3,248

OBJECT CLASSIFICATION (in thousands of dollars)

92.0 Undistributed.....	---	---	10,825
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CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; maintenance of Indian reservation roads as defined in section 101 of title 23, United States Code; and construction, repair, and improvement of Indian housing, [\$79,283,000] \$100,975,000, to remain available until expended [: 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: Provided further, That \$1,100,000 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, That not to exceed seven percentum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau of Indian Affairs: Provid-
ed further, That hereafter, notwithstanding any other provision of law, amounts collected from grantees by the Secretary as grant repayments required under the Secretary's regulations for the Housing Improvement Program shall be credited in the year collected and shall be immediately available for obligation under the terms and conditions applicable to the Program under that year's appropriation: Provided further, That all obligated and unobligated balances of "Road Construction" shall be merged with "Construction".

(Department of the Interior and Related Agencies Appropriations Act, 1989, Public Law 100-446.)

Justification of Proposed Language Changes

Addition: ";maintenance of Indian reservation roads as defined in section 101 of title 23, United States Code"

The bureau is proposing that the Road Maintenance Program be transferred from the Operation of Indian Programs Account to the Construction Account. The Department's Office of the Inspector General recommended, in December 1987, that the Road Maintenance Program be removed from the Indian Priority System so that funds could be distributed on the basis of need.

Deletion: ": 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 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"

The language is no longer necessary. No funds are requested for this purpose in FY 1990.

Deletion: ": Provided further, That \$1,100,000 of the funds made available in this Act shall be available for rehabilitation of tribally owned fish hatcheries and related facilities"

The language is no longer necessary. No funds are requested for the rehabilitation of tribally owned fish hatcheries in FY 1990.

Deletion: ": 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"

The language is no longer necessary. No funds are requested for the Navajo Indian Irrigation Project in FY 1990.

Addition: ": Provided, That not to exceed seven percentum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau of Indian Affairs"

The bureau is proposing two changes to the Highway Trust Fund limitation on administrative and contract supervision costs. The first would increase to seven percent the amount that could be spent on administrative costs. The 1987 reauthorization reduced the bureau's annual allocation by \$20 million. A ceiling of five percent on administrative costs at the reduced level represents a 25 percent reduction (\$1,000,000) for program administration. The two percent increase would allow the bureau to maintain its current field organization. The second change would delete the words "and contract supervision costs." These costs are properly charged to the construction project and are generally contracted.

Addition: ": Provided further, That hereafter, notwithstanding any other provision of law, amounts collected from grantees by the Secretary as grant repayments required under the Secretary's regulations for the Housing Improvement Program shall be credited to the appropriation available for that Program in the year

collected and shall be immediately available for obligation under the terms and conditions applicable to the Program under that year's appropriation"

Current regulations governing the Housing Improvement Program (HIP) provide that if an individual sells his HIP-funded new home during the first 20-year period, a portion of the proceeds of the sale (depending on time of occupancy) revert to the government as a grant repayment. The bureau currently lacks authority to spend any funds so recovered. The proposed language would credit these receipts to the Housing Improvement Program.

Addition: " : Provided further, That all obligated and unobligated balances of 'Road Construction' shall be merged with 'Construction'"

The bureau is proposing to transfer its Road Construction program to its Construction account in Fiscal Year 1990. The President's Budget Appendix does not contain this language due to an oversight.

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, hydroelectric 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) provide that 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

25 U.S.C. 465 provides that the Secretary of the Interior is 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. maintenance of Indian reservation roads as defined in section 101 of title 23, United States Code;

25 U.S.C. 13, 318a
23 U.S.C. 101

25 U.S.C. 318a authorizes material, equipment, supervision and engineering in the survey, improvement, construction, and maintenance of Indian reservation roads.

23 U.S.C. 101 (The Surface Transportation Assistance Act of 1982) defines Indian reservation roads as "public roads, including roads on the Federal-aid systems, that are located within or provide access to an Indian reservation or Indian trust land or restricted Indian land which is not subject to fee title alienation without the approval of the Federal Government, or Indian and Alaska Native villages, groups, or communities in which Indians and Alaskan Natives reside, whom the Secretary of the Interior has determined are eligible for services generally available to Indians under Federal laws specifically applicable to Indians."

7. and construction, repair, and improvement of Indian housing,

The construction program also includes funds for housing construction, repair, and improvement to provide decent, safe, and sanitary housing to Indian communities.

25 U.S.C. 13

8. 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.

9. Provided, That not to exceed seven percentum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management 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 the survey, improvement, construction, and maintenance of Indian reservation roads.

23 U.S.C. 203 (The Surface Transportation Assistance Act of 1982) 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.

10. Provided further, That hereafter, notwithstanding any other provision of law, amounts collected from grantees by the Secretary as grant repayments required under the Secretary's regulations for the Housing Improvement Program shall be credited in the year collected and shall be immediately available for obligation under the terms and conditions applicable to the Program under that year's appropriation.

No Specific Authority

Current regulations governing the Housing Improvement Program (HIP) provide that if an individual sells his HIP-funded new home during the first 20-year period, a portion of the proceeds of the sale (depending on time of occupancy) revert to the government as a grant repayment. The bureau currently lacks authority to spend any funds so recovered. The proposed language would credit these receipts to the Housing Improvement Program.

11. Provided further, That all obligated and unobligated balances of "Road Construction" shall be merged with "Construction"

No Specific Authority

The bureau is proposing to transfer its Road Construction program to its Construction Account in Fiscal Year 1990. The President's Budget Appendix does not contain this language due to an oversight.

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 Congress and by judicial decisions.
5. Fish Hatcheries Construction - This program provides for the rehabilitation of tribally owned fish hatcheries.
6. Employee Housing - This activity provides for a pilot program to address the repair needs for BIA employee housing.
7. Road Maintenance and Road Construction - The Road Maintenance Program provides safe and accessible public roads, which serve Indian reservations. The Road Construction Program provides roads on Indian reservations for safe and convenient transportation of people and goods.
8. Construction Contract Support - This program provides payment to tribes and to tribal organizations for overhead/administrative costs incurred as a result of their contracting for construction projects under Public Law 93-638.

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: CONSTRUCTION - 14X2301

FY 1989 Budgetary Status

Budget Authority Available:

Appropriation realized.....	\$79,283
Prior-year unobligated balance brought forward.....	58,522
Transferred from other accounts.....	15,583
Anticipated recovery of prior-year obligations.....	<u>---</u>

Total available for obligation..... 153,388

Less anticipated obligations (by activity):

1. Buildings and Utilities.....	\$-42,000
2. Irrigation Systems.....	-36,000
3. Housing.....	-28,000
4. Land Acquisition.....	-163
5. Fish Hatcheries Rehabilitation.....	<u>-1,959</u>

Total anticipated obligations..... -108,122

FY 1990 Request

Anticipated unobligated balance brought forward..... 45,266

Plus increases proposed (by activity):

1. Buildings and Utilities.....	\$ 33,285
2. Irrigation Systems.....	7,214
3. Housing.....	20,063
4. Employee Housing.....	500
5. Road Maintenance and Road Construction..	30,098
6. Construction Contract Support.....	<u>9,815</u>

Total increase proposed..... 100,975

Total anticipated BA available for obligation..... \$146,241

Analysis of Budgetary Resources by Activity
(Dollar Amounts in Thousands)

Account: Construction

Activity	FY 1988 Actual	FY 1989 Estimate	FY 1990 Estimate	FY 1990 (+)(-) from 1989 Est.
1. Buildings and Utilities				
BA available for obligation:				
Appropriation.....	41,160	33,650	33,285	-365
Unobligated bal. brt. fwd.	8,555	19,659	14,763	-4,896
Unoblig. bal. transferred	-12,000 1/	---	---	---
Total BA available.....	37,715	53,309	48,048	-5,261
Less obligations.....	-36,056	-42,000	-40,000	+2,000
Subtotal.....	1,659	11,309	8,048	-3,261
Transfer in.....	18,000 2/	3,454 6/	---	-3,454
Unoblig. bal., end of year.	19,659	14,763	8,048	-6,715
(FTE)	(16)	(--)	(--)	(--)
2. Irrigation Systems				
BA available for obligation:				
Appropriation.....	15,488	20,910	7,214	-13,696
Unobligated bal. brt. fwd.	27,393	25,958	13,868	-12,090
Unoblig. bal. transferred	-7,000 3/	---	---	---
Total BA available.....	35,881	46,868	21,082	-25,786
Less obligations.....	-16,923	-36,000	-18,000	+18,000
Subtotal.....	18,958	10,868	3,082	-7,786
Transfer in.....	7,000 4/	3,000 7/	---	-3,000
Unoblig. bal., end of year.	25,958	13,868	3,082	-10,786
(FTE)	(52)	(51)	(51)	(--)
3. Housing				
BA available for obligation:				
Appropriation.....	22,827	22,823	20,063	-2,760
Unobligated bal. brt. fwd.	23,774	11,983	15,935	+3,952
Unoblig. bal. transferred	-9,129 5/	---	---	---
Total BA available.....	37,472	34,806	35,998	+1,192
Less obligations.....	-25,489	-28,000	-22,000	+6,000
Subtotal.....	11,983	6,806	13,998	+7,192
Transfer in.....	---	9,129 8/	---	-9,129
Unoblig. bal., end of year.	11,983	15,935	13,998	-1,937
(FTE)	(80)	(80)	(80)	(--)
4. Land Acquisition				
BA available for obligation:				
Appropriation.....	2,250	---	---	---
Unobligated bal. brt. fwd.	1,370	863	700	-163
Total BA available.....	3,620	863	700	-163
Less obligations.....	-2,757	-163	---	+163
Unoblig. bal., end of year.	863	700	700	---

Continued - Account: Construction

Activity	FY 1988 Actual	FY 1989 Estimate	FY 1990 Estimate	FY 1990(+)(-) from 1989 Est.
5. Fish Hatcheries				
<u>Rehabilitation</u>				
BA available for obligation:				
Appropriation.....	1,500	1,900	---	-1,900
Unobligated bal. brt. fwd.	---	59	---	-59
Total BA available.....	1,500	1,959	---	-1,959
Less obligations.....	-1,441	-1,959	---	+1,959
Unoblig. bal., end of year.	59	---	---	---
6. Employee Housing				
BA available for obligation:				
Appropriation.....	---	---	500	+500
Unobligated bal. brt. fwd.	---	---	---	---
Total BA available.....	---	---	500	+500
Less obligations.....	---	---	-500	-500
Unoblig. bal., end of year.	---	---	---	---
7. Road Maintenance and Road				
<u>Construction</u>				
BA available for obligation:				
Appropriation.....	---	---	30,098	+30,098
Unobligated bal. brt. fwd.	---	---	---	---
Total BA available.....	---	---	30,098	+30,098
Less obligations.....	---	---	-25,000	-25,000
Unoblig. bal., end of year.	---	---	5,098	+5,098
(FTE)	---	---	(436)	(436)
8. Construction Contract Support				
BA available for obligation:				
Appropriation.....	---	---	9,815	+9,815
Unoblig. bal. brt. fwd...	---	---	---	---
Total BA available.....	---	---	9,815	+9,815
Less obligations.....	---	---	-9,815	-9,815
Unoblig. bal., end of year.	---	---	---	---
<u>Account Totals</u>				
BA available for obligation:				
Appropriation.....	83,225	79,283	100,975	+21,692
Unoblig. bal. brt. fwd.....	61,092	58,522	45,266	-13,256
Unoblig. bal. transferred....	-28,129	---	---	---
Total BA available.....	116,188	137,805	146,241	+8,436
Less obligations.....	-82,666	-108,122	-115,315	-7,193
Subtotal.....	33,522	29,683	30,926	+1,243
Transfers in.....	25,000	15,583	---	-15,583
Unoblig. bal., end of year.....	58,522	45,266	30,926	-14,340
(FTE)	(148)	(131)	(567)	(436)

1/ Transfer out of \$12,000,000 to OIP account to pay FY 1988 fire suppression costs.

2/ Transfer in of \$18,000,000 from OIP account to repay FY 1987 fire suppression costs

- 3/ Transfer out of \$7,000,000 to OIP account to pay FY 1988 fire suppression costs.
- 4/ Transfer in of \$7,000,000 from OIP account to repay FY 1987 fire suppression costs
- 5/ Transfer out of \$9,129,429 to OIP account to pay FY 1988 fire suppression costs.
- 6/ Transfer in of \$3,454,571 from OIP account to repay FY 1988 fire suppression costs.
- 7/ Transfer in of \$3,000,000 from OIP account to repay FY 1988 fire suppression costs.
- 8/ Transfer in of \$9,129,429 from OIP account to repay FY 1988 fire suppression costs.

Justification of Program and Performance

Account: Construction
 Activity: Buildings and Utilities

<u>Program Elements</u>		(Dollar amounts in thousands)		
		FY 1989 Enacted To Date	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989
A. Education Projects	\$	9,190	8,960	-230
B. Advance Planning and Design	\$	500	500	---
C. Telecommunications Improvement and Repair	\$	1,500	700	-800
D. Facilities Improvement and Repair	\$	22,460	23,125	+665
Total Requirements		\$ 33,650 (FTE) (---)	33,285 (---)	-365 (---)

A. Education Projects

Objective: 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 two education projects, which were identified as first and third on the priority list for new school construction. The Office of Construction Management (OCM) issued guidelines entitled, "Instructions and Application for new School Construction," and a notice was published in the Federal Register on February 3, 1988. The notice stated that all applications will be reviewed and ranked in accordance with the criteria outlined in the guidelines. These criteria established a priority system for use in ranking new education construction applications. The criteria were published in the Federal Register on April 14, 1988, and were used in reviewing and ranking applications for new school construction.

Project descriptions for the two new school construction projects for which funds are requested follow. Estimated costs are subject to site validation studies, which are currently underway.

Education Construction Project Justifications

Project Title: Laguna Middle School, New Mexico

Estimated Cost: \$5,500,000

This project will provide a school building for students in grades six, seven, and eight. Overcrowded conditions at the Laguna Elementary School (K-6) and an

ongoing need to accommodate exceptional and multi-handicapped children have created a lack of needed classroom space and have hindered the educational program. Construction of a middle school facility will ensure that the Laguna Elementary School can provide adequate space for all its students, including those who are handicapped, as mandated by Public Law 94-142. No alternative educational facilities, within a reasonable busing distance, are available to the Laguna Pueblo.

Enrollment at the Elementary school has declined from a high of 491 students in 1981 to a current level of 429 students.

Academic building.....	\$4,250,000
Site and utilities.....	300,000
Contingency.....	370,000
Construction management and inspection cost.....	180,000
Equipment/furnishing cost.....	<u>400,000</u>
Total Estimated Project Cost.....	\$5,500,000

Project Title: Pine Ridge High School, South Dakota: (PHASE I)

Estimated Cost: \$3,460,000

The Pine Ridge High School is operated by the Bureau of Indian Affairs for the members of the Oglala Sioux Tribe. The school is located on the Pine Ridge Sioux Reservation. The present building is in a deteriorated condition, with several portions condemned. Existing conditions pose health and safety hazards to the 700 students and staff.

The completion of this project (estimated to total \$6,800,000) will eliminate existing health and safety hazards and the existing shortage of classrooms, science/computer labs, and mechanical arts shops. The remainder of the needed funds will be requested in FY 1991.

The proposed facility will consolidate the physically sprawled buildings currently being used for additional classroom space and administrative functions. It will also provide long-term operation and maintenance cost savings. No alternative educational facilities are available to the Tribe.

	<u>Total Cost</u>	<u>Phase I</u>
Academic building.....	\$5,000,000	2,835,000
Site and utilities.....	550,000	275,000
Contingency.....	500,000	250,000
Construction management and inspection cost.....	200,000	100,000
Equipment/furnishing cost.....	<u>550,000</u>	<u>0</u>
Total Estimated Project Cost.....	\$6,800,000	\$3,460,000

Project Title: Coeur d'Alene Tribal School, Idaho

This project is currently ranked second on the construction priority list. Enrollment at the school has declined annually from a high of 88 students in FY 1984 to the current enrollment level of 43 students. In view of the low enrollment and the proximity of public schools, this project will be re-evaluated during FY 1989.

B. Advance Planning and Design

Justification (\$500,000): Funds are requested in this category in FY 1990 to provide for planning and design activities for FY 1991 construction projects.

C. Telecommunications Improvement and Repair

Justification (\$700,000): Under this program, significant progress has been made in bringing the Bureau of Indian Affairs into compliance with changes resulting from recent judicial decisions and in line with technological advances. It is anticipated that these funds will continue to be used to replace antiquated and ineffective radio communications equipment critical to the life safety of the personnel in law enforcement, fire suppression, and school transportation. This equipment and the telecommunications system support facility management, law enforcement, forestry, land operations, education, dam safety, irrigation, and other users. The decrease from FY 1989 represents decreased funding needs due to progress made in prior fiscal years.

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 minor repair and emergency repair programs.

Justification (\$23,125,000): The Bureau of Indian Affairs manages approximately 3,400 buildings (other than quarters) throughout the United States. The improvement and repair of these structures is a continuing effort. Opportunities for cost savings exist through the disposition of unnecessary 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 provided to meet program requirements in instances where facilities are expanded or functionally changed.

Funds are also provided for advance planning and design to facilitate implementation of future repair and improvement projects. The status of the FY 1988 projects is shown in the following table. The FY 1989 FI&R program list was published in the Federal Register in August 1988.

The project list and obligation dates for the 1988 projects are as follows:

FY 1988 Program Obligation Dates
(S) = Scheduled, (A) = Actual

Six Projects in Construction:

- Navajo (AZ and NM), in-ground gas line replacement, Phase I 09/87 (A)
- Choctaw Central High School (MS) 03/88 (A)
- Chilchinbeto School (AZ) 06/88 (A)
- Wingate High School (NM) 06/88 (A)
- Pine Hill School (NM) 06/88 (A)
- Haskell Indian Junior College (KS) Dormitory No. 2 06/88 (A)

One Project in Construction Procurement:

- "A School for Me" (Tohatchi, NM) 04/89 (S)

Four Projects in Design (Code Compliance):

- Eagle Butte Headquarters (SD) 04/89 (S)
- Ojibwa School (ND) 05/89 (S)
- Santa Rosa Ranch School (AZ) 05/89 (S)
- Pierre Indian Learning Center (SD) 03/89 (S)

FY 1989 Program

The FI&R project list for FY 1989 is as follows:

- Bureauwide Code Compliance (Phase I)
- Bureauwide Roof Repair (Phase I)
- Multi-Area Telecommunications Improvement and Repair
- Navajo Areawide Gas Line Replacement (Phase II)
- Flandreau Indian School (Phase I), South Dakota
- Haskell Indian Junior College, Kansas
- Dzilth-Na-O-Dith-Hle School, New Mexico
- Ft. Hall Headquarters and Elementary School, Idaho

FACILITY IMPROVEMENT AND REPAIR PROGRAM JUSTIFICATION FOR FY 1990

Description:

Construction.....\$13,160,000
 Construction Support..... 9,965,000
 Total FY 1990 Program.....\$23,125,000

The \$13,160,000 requested is the amount required to fund estimated FI&R construction contract awards. The \$9,965,000 requested for construction support includes design and engineering costs; the emergency repair and minor improvement and repair programs; and equipment, construction contingency, and management inspection costs.

CONSTRUCTION

Justification (\$13,160,000): Inclusion of the FY 1990 FI&R project list continues the objective established in the Special Report submitted to the Committee on Appropriations in June 1987, and demonstrates 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. Several new or expanded initiatives proposed, which deserve special consideration, are:

- The repair and/or replacement of roofs, including insulation, where required, to reduce the rate of contingent damage from poorly functioning roof systems. The program will become a continuing activity.
- The extension of the program for mitigation of code deficiencies to reduce the existing backlog and to comply with additional code requirements in the future.

The following is the FY 1990 project list and estimated cost, followed by project descriptions:

Bureauwide

- Mitigation of Code Deficiencies.....	\$2,000,000
- Roof Repair/Replacement.....	2,125,000
	\$4,125,000

Albuquerque Area

- Acomita Elementary School (NM).....	\$ 300,000
- Laguna Elementary School (NM).....	150,000
	\$ 450,000

Anadarko Area

- Riverside Indian School (OK).....	\$ 200,000
- Haskell Indian Junior College (KS).....	750,000
	\$ 950,000

Eastern Area

- Ahfachkee Elementary School (FL).....	\$ 800,000
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Minneapolis Area

- Lac Courte Oreilles Ojibwa School (WI).....	\$ 500,000
- Hannahville Indian School (MI).....	500,000
	\$1,000,000

Muskogee Area

- Carter Seminary (OK).....	\$ 200,000
- Jones Academy (OK).....	250,000
- Sequoyah School (OK).....	370,000
	\$ 820,000

Navajo Area

- Navajo Gas Lines (NM and AZ).....	\$ 760,000
- Mariano Lake (AZ).....	2,200,000
- Winslow Dormitory (AZ).....	980,000
	<u>\$3,940,000</u>

Phoenix Area

- Santa Rosa Ranch School (AZ).....	\$ 350,000
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Portland Area

- Chemawa Indian School (OR).....	\$ 150,000
- Lummi Tribal School (WA).....	575,000
	<u>\$ 725,000</u>

Total.....\$13,160,000

Project List and General Description

BUREAUWIDE

Mitigation of Code Deficiencies \$2,000,000

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 program 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 to ensure that the more serious problems are corrected first. Code compliance will also continue as a high priority in other FI&R projects.

Roof Repair/Replacement Program \$2,125,000

This program is a continuation of an annual program to reduce the backlog of deficiencies, to arrest associated deterioration, and to prevent adverse effects on programs.

This concentration of resources will provide for mitigation of roof problems (which have been placed in priority order) to be corrected more quickly.

ALBUQUERQUE AREA \$450,000

Acomita Elementary School (NM)..... \$300,000

This project will provide for the upgrading of this facility, including mitigation of code deficient plumbing and electrical items. Also included is multi-purpose area for this 97,672 sq. ft., K through 9 school, which was constructed in 1975.

Laguna Elementary School (NM)..... \$150,000

This project will correct various code and handicap deficiencies in numerous buildings at this K-6 school. Work will include handicap access, replacement of light fixtures and other substandard electrical work, as well as general upgrading, including improvements to the multi-purpose kitchen/cafeteria.

ANADARKO AREA

\$950,000

Haskell Indian Junior College (KS).....\$750,000

This project is a continuation of a previously implemented plan for overall upgrading of facilities at this location. The project addresses two stadium structures. Also included in the project is an unused athletic dormitory located beneath one of the stadium structures. A feasibility study of the stadium and athletic dormitory, completed in FY 1988, recommends renovation of the stadium structures and demolition of the dormitory. The stadium requires early repair of the exposed reinforcing steel and concrete spalling and cracking in order to salvage the structures. Asbestos must be removed from the athletic dormitory prior to demolition in order to prevent air contamination.

Riverside Indian School (OK).....\$200,000

This project will provide for the general upgrading of this 12,499 sq. ft. kitchen/dining room facility for this grade 2 through 12 boarding school. Work will include new lighting, floor finish replacement, new ceilings, and correction of other backlog deficiencies.

EASTERN AREA

\$800,000

Ahfachkee Elementary School (FL).....\$800,000

This project will provide upgrading of the K through 6 elementary school, including possible replacement of obsolete portable buildings that have been used for classrooms, library, and administrative functions. The work will consist of renovation of classrooms, cafeteria, storage and administrative spaces. These improvements will assist the school in meeting bureau and state accreditation requirements.

MINNEAPOLIS AREA

\$1,000,000

Lac Courte Oreilles Ojibwa School (WI).....\$ 500,000

This project will provide for the expansion/replacement of the current make-shift gymnasium facility and also provide for the addition of three classrooms for this kindergarten through twelfth grade school. The project will alleviate numerous health and safety deficiencies.

Hannahville Indian School (MI).....\$500,000

This project will provide for the replacement of the severely deteriorated central portion of this kindergarten through twelfth grade school. The 5,000 square foot replacement will house the kitchen/dining room and some office and classroom spaces. The project will correct serious structural, functional, and egress-related deficiencies.

MUSKOGEE AREA

\$820,000

Carter Seminary (OK).....\$200,000

This project will meet a number of priority needs for repair at this facility. The heating/air control system for the gymnasium will be renovated, and various fire and safety deficiencies will be corrected.

Jones Academy (OK).....\$250,000

This project will provide for the general correction of backlog deficiencies of several buildings, plus site improvements. The project will include various electrical code improvements, provision of sprinkler units in Building No. 570, and replacement of ceilings and walls with fire-rated materials.

Sequoyah High School (OK).....\$370,000

This project will provide for the correction of various backlog deficiencies relating to handicap code and handicap access, as well as correction of water system deficiencies. This boarding high school serves students in grades 9 through 12.

NAVAJO AREA

\$3,940,000

Navajo Gas Lines (AZ, NM).....\$760,000

This project will continue a program of rehabilitation and improvement of BIA-owned gas distribution systems within the Navajo Area. Extensive surveys of the gas distribution system's condition were completed in August 1987. Work items will be considered in priority order to meet safety requirements.

Mariano Lake School (NM).....\$2,200,000

This elementary day and boarding school serves students in grades K through 5. The project will correct the backlog of deficiencies of facilities at this location. Improvements will include site paving, upgrading the water system, roofing, insulation, and improvements to meet handicap requirements, and general upgrading items in two classrooms, as well as demolition and replacement of a shop building.

Winslow Dormitory (AZ).....\$980,000

This project will correct building backlog deficiencies and will provide for compliance with building and safety code requirements for classroom buildings. Work items will include stabilizing the foundation, replacing doors and windows, updating the electrical system to meet code requirements, and correcting plumbing deficiencies to meet standards. The facility serves as a residence for students in grades 7 through 12, who attend public schools in Winslow.

PHOENIX AREA

\$350,000

Santa Rosa Ranch School.....\$350,000

This project is a continuation of the FY 1989 project, which will provide for the upgrading of facilities at this K through 9 grade school. The project

will include site improvements, renovation, demolition, and replacement. The original government estimate for this project, in FY 1989, was modified to reflect changes in the educational program requirements.

PORTLAND AREA

\$725,000

Chemawa Indian School (OR).....\$150,000

Chemawa Indian School is a boarding high school, which serves students in grades 9 through 12. This project will provide for a small modular addition to the law and order/facilities management building at this location. The modular addition will be used for overnight accommodations for disruptive/behavioral problem students, under the supervision of social services personnel or law enforcement personnel. It will provide safe, sanitary space for these students.

Lummi Tribal School (WA).....\$575,000

This project will provide for the upgrading of this 15,219 square foot facility, which consists of classrooms, a gymnasium, and office space. In addition to correcting various code and other deficiencies, the project will provide for a cafeteria addition and site improvements to this school, which serves students in kindergarten through grade 8.

CONSTRUCTION SUPPORT (\$9,965,000)

During FY 1987 and FY 1988, major emphasis was 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 programs. Although S-1 work items will continue to be considered as a first priority in the larger FI&R projects, the FI&R support program (MI&R) produces 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.

Emergency Repair (\$500,000): These funds are administered by the Facilities Management and Construction Center (FMCC) 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.

Minor Repair (\$4,615,000): These funds are administered by the FMCC for safety deficiency mitigation and other related items, such as asbestos abatement in BIA and contract schools and upgrading required to meet environmental standards. Also included are other facility needs, such as boiler inspection and repair and 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.

Advance Planning and Design (\$1,000,000): Funds 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.

Demolition/Reduction of Excess Space (\$1,000,000): Funds will be used 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 \$2,850,000 for Construction Support includes funds for project contingency (\$1,400,000); management and inspection (\$1,200,000); and equipment (\$250,000).

Justification of Program and Performance

Account: Construction
 Activity: Irrigation Systems

<u>Program Elements</u>	FY 1989 Enacted To Date	(Dollar amounts in thousands)			
		FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
Project Construction	\$ 13,700	--	--	-13,700	--
Engineering and Supervision	\$ 1,650 (FTE) (51)	1,664 (51)	1,664 (51)	+14 (--)	-- (--)
Surveys and Designs	\$ 50	--	50	--	+50
Safety of Dams	\$ 5,510	--	5,500	-10	+5,500
Total Requirements	\$ 20,910 (FTE) (51)	1,664 (51)	7,214 (51)	-13,696 (--)	+5,550 (--)

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 \$7,214,000 will provide \$5,500,000 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 \$1,664,000 for engineering and supervision.

Base Program:

Engineering and Supervision (\$1,664,000; 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 Aberdeen, South Dakota; Albuquerque, New Mexico; Billings, Montana; Phoenix, Arizona; Portland, Oregon; Sacramento, California; and Window Rock, Arizona.

Change from FY 1990 Base:

<u>Program Elements</u>	(Dollar amounts in thousands)		
	FY 1990 Base	FY 1990 Estimate	+/- Difference
Safety of Dams	\$ --	5,500	+5,500
Surveys and Designs	\$ --	50	+50
TOTAL	\$ --	5,550	+5,550

Safety of Dams (+\$5,500,000): 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 an 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 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 1988 and FY 1989 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 determined by the Dam Safety Task Force.

The summary of proposed Safety of Dams funding for FY 1990 is as follows:

High-hazard potential dams - intermediate inspections and evaluations.....	\$ 300,000
Low-hazard potential dams - inspections, evaluations, and program coordination/operations.....	300,000
Corrective actions.....	<u>4,900,000</u>
TOTAL.....	<u>\$5,500,000</u>

(1) High-hazard potential dams - intermediate inspections and evaluations (\$300,000): 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 1989, twelve structures were scheduled for intermediate inspection and evaluation.

(2) Low-hazard potential dams - inspections, evaluations, and program coordination/operations (\$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 1990. 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 (\$4,900,000):

(a) Conceptual Design Activities (\$1,900,000): 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:

<u>DOI Ranking</u>	<u>Dam</u>	<u>Amount</u>
1	Ganado	\$ 250,000
9	Lower Dry Fork	100,000
12	Round Rock	200,000
21	Acomita	200,000
27	Many Farms	150,000
25	Oglala	300,000
26	Tufa Stone	200,000
23	Standing Rock	<u>500,000</u>
	TOTAL	\$1,900,000

(b) Construction Activities (\$3,000,000): These funds will be used to initiate the actual construction phase of the corrective actions. Construction will be started at the following locations:

<u>DOI Ranking</u>	<u>Dam</u>	<u>Amount</u>
6	Black Rock	\$1,500,000
8	Dulce	<u>1,500,000</u>
	TOTAL	\$3,000,000

Surveys and Designs (+\$50,000): Surveys and designs are required to provide the planning necessary for extension and rehabilitation of existing irrigation 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 of Program and Performance

Account: Construction
 Activity: Housing

<u>Program Elements</u>	(Dollar amounts in thousands)				
	FY 1989 Enacted To Date	FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989	Inc. (+) Dec. (-) From Base
Housing Development	\$ 2,694	2,785	3,277	+583	+492
	(FTE) (80)	(80)	(80)	(--)	(--)
Housing Improvement Program	\$ 20,006	--	16,663	-3,343	+16,663
Housing Training	\$ 123	123	123	--	--
Total Requirements	\$ 22,823	2,908	20,063	-2,760	+17,155
	(FTE) (80)	(80)	(80)	(--)	(--)

Objective: To provide decent, safe, and sanitary housing for Indians in Indian communities.

Base Program:

Housing Development (\$2,785,000; 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 the 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 \$3,277,000 reflects the amount needed to meet the staff operations and administrative costs to carry out the bureau's housing effort effectively.

Change from FY 1990 Base:

<u>Program Elements</u>	(Dollar amounts in thousands)		
	<u>FY 1990</u> <u>Base</u>	<u>FY 1990</u> <u>Estimate</u>	<u>+/-</u> <u>Difference</u>
Housing Development Program	\$ 2,785	3,277	+492
Housing Improvement Program	\$ --	16,663	+16,663
Housing Training	\$ 123	123	--
TOTAL	\$ <u>2,908</u>	<u>20,063</u>	<u>+17,155</u>

Housing Development (+\$492,000; FTE 80): The increase of \$492,000 will be used to meet increased expenses associated with the current level of activity and to maintain the current staff for implementing, evaluating, and monitoring the HIP, as well as for inspecting construction work to assure compliance with applicable codes and construction standards.

Housing Improvement Program (+\$16,663,000; 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). HUD received approximately \$89 million for Fiscal Year 1989 for the construction of new homes on Indian reservations. This amount, combined with prior year appropriations, will support the construction of approximately 9,000 new units over the next several years. Although the bureau has done a limited amount of new unit construction in the past, this budget proposes to focus every available dollar on rehabilitating existing homes. In this way, many more families will receive needed assistance than if funds were used to build new homes for a small number of families.

The funding requested for FY 1990 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. In FY 1988, \$8,059,800 will be 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 \$20,063,000 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 1988.

NEW HOMES CONSTRUCTED AND REPAIRS COMPLETED
FY 1963 through FY 1988

HUD ownership.....	39,999
HUD rental.....	25,707
Housing improvement, new homes.....	11,058
Flood rehabilitation.....	400
Built with judgment funds.....	794
Built with credit loans.....	2,822
Other.....	<u>8,830</u>
Total, New Homes.....	89,610
Housing improvement, repairs.....	69,367

FUNDS CONTRIBUTED TO HIP BY OTHER SOURCES
FY 1987 and FY 1988

<u>Source</u>	<u>FY 1987</u>	<u>Actual FY 1988</u>
Indian Health Service.....	\$4,400,000	\$6,000,000
Tribal appropriated funding.....	440,000	657,000
Individuals (includes materials and labor costs).....	541,800	117,800
Department of Labor programs (JPTA, etc.)	575,100	358,000
Department of HHS (excludes IHS).....	266,000	-0-
Other (HUD, CDBG, FmHA, DOE, etc.).....	<u>1,320,900</u>	<u>927,000</u>
Total, other programs.....	\$7,543,800	\$8,059,800

In FY 1988, 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: In Fiscal Year 1988, the bureau provided 181 new houses and 1,773 repairs. The recent years have shown a leveling off and even a modest decline in emergency/maintenance type repairs. This positive development has enabled the program to concentrate on making repairs to bring houses to standard condition improving the overall housing stock. Thus, providing additional money for repair work further increases the ability of the HIP to do more substantial renovation work than would otherwise be accomplished. While the total repair effort appears to be decreasing, the net result however is more standard housing. Estimates for FY 1989 and FY 1990 are shown below:

	<u>Actual FY 1988</u>	<u>Estimate FY 1989</u>	<u>Estimate FY 1990</u>
New	181	180	-0-
Repairs	1,773	1,759	1,682

The estimated FY 1990 BIA program accomplishments will meet approximately five percent of the overall long-term renovation needs. Increased emphasis will be directed toward making repairs to standard condition. Approximately \$13.5 million, an increase of \$2.1 million over FY 1989, will provide repairs to 214 more units.

The cost factors derived for FY 1989 HIP operations and for the FY 1990 proposed level are as follows:

	<u>Fiscal Year</u>	<u>Estimated Average Cost</u>	<u>No. of Units</u>	<u>Total Cost (\$ millions)</u>
Repairs to standard	1989	\$10,000	1,131	11,310,000
	1990	10,000	1,345	13,450,000
Non-standard repairs	1989	2,000	628	1,256,000
	1990	2,100	337	707,700
Down Payments	1989	4,600	73	335,800
	1990	-0-	-0-	-0-
New Construction	1989	36,000	107	3,852,000
	1990	-0-	-0-	-0-

Workload Data: The last column below shows FY 1990 workload data based on the proposed funding level:

	<u>Actual FY 1985</u>	<u>Actual FY 1986</u>	<u>Actual FY 1987</u>	<u>Actual FY 1988</u>	<u>Estimate FY 1989</u>	<u>Estimate FY 1990</u>
New house starts (HIP)	637	347	181	181	180	-0-
Repairs	4,058	2,487	1,636	1,773	1,759	1,682

Justification of Program and Performance

Account: Construction
 Activity: Employee Housing

(Dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Employee Housing	\$ --	--	500	+500	+500
Total Requirements	\$ -- (FTE) (--)	-- (--)	500 (--)	+500 (--)	+500 (--)

Objective: To conduct a pilot program to address repair needs for the BIA stock of housing, which constitutes 42 percent of the Department's total employee housing.

Justification: It is currently estimated that the Bureau of Indian Affairs manages as many as 4,507 units of employee housing, of which approximately 3,400 units require rehabilitation, 250 could be removed from the stock by transfer to tribes or demolition, and 200 units require replacement.

Actual maintenance requirements for general repairs, operational costs of units that are vacant, code and regulatory compliance, utility repair and replacements, street and general access repairs, and purchase and maintenance of necessary sanitation equipment have exceeded rent collections used to address these needs. Consequently, the condition of approximately 34% of the BIA units is classified as "poor" (i.e., needing major repairs or having substantial deferred maintenance requirements, such as leaking roofs or cracked foundation walls) or "obsolete" (i.e., units having major health and safety violations, which should be replaced or undergo major renovation before they can be used as residences). Poor housing commands lower rents, in turn meaning there is less funding available to repair and maintain these properties. For reasons of employee health and morale, as well as economics, this cycle must be broken.

This initiative provides the basis for development of a multi-year housing strategy to bring required employee housing up to good condition. This strategy includes three steps: first, to determine what employee housing is required and to dispose of the excess; second, to inventory the conditions and corrections needed to bring the required housing up to acceptable condition; and third, to undertake a renovation program, under contract, based on the specifications developed in the second step.

As part of this process, the Department will be examining alternative ways to address housing requirements more effectively and to provide for more cost-effective management of its housing. For example, alternative management approaches could include a potential for private sector involvement, management by or transferred ownership to the tribes, and greater opportunities for employees to gain housing equity. The strategy will emphasize a reduction in the current stock of housing that requires federal management and upkeep and the identification of those potential sites where a model of transferring ownership or management could be applied.

The \$500,000 requested in FY 1990 would fund, under contract, on-site investigations, evaluations, and analyses of a selected number of government-furnished housing units provided to support the bureau's various programs. Information obtained from this first year's effort will include the physical condition of housing facilities, with repair and/or replacement costs, as well as identification of those excess to bureau requirements. As part of the effort to improve required employee housing, opportunities for alternative ownership/operation options will be examined, and compliance with current guidelines for government-furnished housing will be reviewed.

Justification of Program and Performance

Account: Construction
 Activity: Road Maintenance and Road Construction

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Road Maintenance	\$	--	--	22,625	+22,625	+22,625
	(FTE)	(--)	(400)	(400)	(+400)	(--)
Road Sealing	\$	--	--	7,473	+7,473	+7,473
Road Construction	\$	--	--	30,098	--	--
	(FTE)	(36)	(36)	(36)	(--)	(--)
Equipment Pool Operations (Reimbursement)	(FTE)	(40)	(40)	(40)	(--)	(--)
Allocation from Federal Highway Administration	(FTE)	(567)	(567)	(526)	(-41)	(-41)
Total Requirements	\$	--	--	30,098	+30,098	+30,098
	(FTE)	(643)	(1,043)	(1,002)	(+359)	(-41)

Road Maintenance

Objective: To provide safe and accessible public roads to aid in the educational, social, and economic development of Indians. Funds are used for the following purposes:

- 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.
- To 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.
- To 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 objectives of the program are as follows:

- 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).
- To perform maintenance repairs and service in such a manner as to protect the environment of the reservation, adjacent lands, and individual Indian lands, and to prevent premature failure of asphalt pavements.

- To provide equipment necessary for efficient force account road construction projects and for road maintenance operations.

In FY 1989, requests for road maintenance were recommended by tribal governments, in consultation with bureau administrators and engineers. Prior to FY 1989, the Road Maintenance Program was included in the Indian Priority System (IPS), which allowed 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 begun 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 provide the tribes with guidelines which are designed to promote nationwide comparability and to assure that Highway Trust Fund (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.

Through program efficiency and the implementation of the Road Maintenance Productivity Improvement Plan, the bureau expects to reduce annual expenditures on earth and gravel road maintenance and 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.

Change from FY 1990 Base:

				(Dollar amounts in thousands)		
		FY	FY			
		1990	1990	+/-		
<u>Program Elements</u>		<u>Base</u>	<u>Estimate</u>	<u>Difference</u>		
Road Sealing	\$	--	7,473	+7,473		
Road Maintenance	\$	<u>--</u>	<u>22,625</u>	<u>+22,625</u>		
TOTAL	\$	--	30,098	+30,098		

Road Sealing (+\$7,473,000; FTE 0): Of the \$7,473,000 requested, the need for sealing of pavements built with Highway Trust Funds, which is a first priority because of the direction of 23 U.S.C. 116, is estimated at \$6,400,000 in FY 1990. The remainder, \$1,073,000, will be used for sealing of pavements built with Interior appropriations prior to 1984. It is estimated that a proper road sealing program costs one-fifth as much as it costs when sealing is neglected and must be covered by reconstruction.

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 pavement, 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. Through the bureau's Productivity Improvement Plan, 200 paved miles per year are expected to be added to the BIA system in FY 1990 and beyond. On an average, sealing of asphaltic pavements is required on an eight-year cycle.

Of the bureau's 20,826-mile system, in FY 1988, approximately 4,800 miles were paved. With the added progression of 200 miles annually, approximately 7,200 miles will be paved by FY 2000. With this projection and with pavements requiring sealing every eight years, approximately 900 miles annually will require sealing, at a cost of \$22,000 per mile, yielding an expected annual need of approximately \$20,000,000. The funds requested in FY 1990 will seal approximately 347 miles of pavement.

Road Maintenance (+\$22,625,000; FTE 400): Based upon tribal estimates of need, the road maintenance budget request is subdivided as follows:

Central Office: The \$62,000 request for central office will be used for the salary and office expenses for one engineer (\$52,000), travel (\$4,000), and development of training aids (\$6,000). The engineer will provide monitoring and assistance to area maintenance engineers in performing their duties and will provide advice and training, through those area maintenance engineers, to the agencies and tribes which perform the actual maintenance operations.

Field Operations: This program, with 399 FTE, ensures the repair, maintenance, and improvement of the road system serving Indian people through the following activities.

Equipment Purchase: The equipment purchase request is \$200,000. Estimates of needs were received from the agencies, totaling \$2,098,000.

The bureau is conducting a review of equipment usage rates, and some of the requests may be filled by transfer of equipment from areas and agencies where little use is being made of the equipment. Other requests may be satisfied by acquisition of surplus equipment from other federal agencies. For these reasons, the bureau's request for equipment purchase has been limited, pending further study.

In FY 1991, following completion of the actions detailed above, the bureau will present a multi-year equipment purchase plan.

Ferry Operation and Maintenance: BIA operates a ferry across Lake Roosevelt, which is on the Columbia River in Washington State, at the eastern boundary of the Colville Indian Reservation. Annual cost for operation and maintenance is \$375,000.

Airstrip Maintenance: Airstrip maintenance has been an incidental expense in the Road Maintenance Program for many years. For the first time, in FY 1990, the bureau is making a separate estimate based on the tribal evaluation of need for this portion of the program. The tribal evaluation is \$153,000.

Bridge Maintenance: The need for \$1,518,000 for bridge maintenance is based on the bureau's Bridge Sufficiency Report. BIA bridges are inspected on a two-year cycle, with approximately half of the bridges being inspected each year. The inspection report provides a recommendation of expenditure for replacement, rehabilitation, or maintenance. Adequate maintenance assures minimal expenditures for the higher cost activities of rehabilitation and replacement, which are financed from the Indian Reservation and Road Construction Program in the Highway Trust Fund. Bridge maintenance has previously been included in routine maintenance. It is estimated separately to provide better information on the Road Construction Program.

Tribes and agencies are provided copies of the bridge inspection reports, and they may recommend revisions. BIA is responsible for 690 bridges on Indian reservation roads.

Emergency Maintenance: The tribe and agency analysis of the average annual cost of snow removal, ice control, washout repair, and landslide removal in the last five years is \$3,028,000. Of this estimated amount, \$2,141,000 is for snow removal and ice control, and \$887,000 is for washout repair and landslide removal.

Routine Maintenance: The per-mile figures given above translate into routine maintenance needs for paved, gravel, earth, and unimproved roads, estimated and shown in the table below at \$17,289,000. The decrease in funding for routine maintenance will be fully offset by increased efficiency of operations due to the added service (advice and training) to the tribes and agencies, and the reduction of crack sealing and pothole filling required when a proper sealing program is conducted. Also, emergency maintenance, airstrip maintenance, ferry operation and maintenance, bridge maintenance, and equipment purchases which are included with routine maintenance in the base program are shown separately in the summary below to provide a more complete picture of the program.

SUMMARY

Activities, Subactivities, Program Elements, Sub-elements	(Dollar amounts in thousands)		
	FY 1988 Final Appropriation	FY 1990 Base	FY 1990 Request
Road Maintenance:			
Central Office	53	0	62
Road Sealing	1,214	0	7,473
Equipment Purchase	0	0	200
Ferry Operation and Maintenance	0	0	375
Airstrip Maintenance	0	0	153
Bridge Maintenance	0	0	1,518
Emergency Maintenance	0	0	3,028
Routine Maintenance	0	0	17,289
Subtotal, Road Maintenance	1,267	0	30,098

Road Construction

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 7% 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.

Forty (40) 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."

Justification of Program and Performance

Account: Construction
Activity: Construction Contract Support

<u>Program Element</u>		(Dollar amounts in thousands)				
		<u>FY 1989 Enacted To Date</u>	<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Inc. (+) Dec. (-) From 1989</u>	<u>Inc. (+) Dec. (-) From Base</u>
Construction Contract Support	\$	--	--	9,815	+9,815	+9,815
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Requirements	\$	--	--	9,815	+9,815	+9,815
	(FTE)	(--)	(--)	(--)	(--)	(--)

Objective: To pay tribes and tribal organizations for overhead/administrative costs incurred as a result of their contracting for construction projects under Public Law 93-638.

Justification: The Indian Self-Determination and Education Assistance Amendments of 1988 (Public Law 100-472) provide that indirect costs will be paid for construction projects carried out under Public Law 93-638 contracts. As required by law, contract support will be paid only on the amounts associated with the administration of the contracts. Funds passed through to construction contractors or subcontractors will be excluded from the contract base in calculating contract support amounts.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Programming and Financing (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1988 Actual	1989 Estimate	1990 Estimate
Program by activities:			
Direct Program:			
1. Buildings and utilities.....	36,056	42,000	40,000
2. Irrigation systems.....	16,923	36,000	18,000
3. Housing.....	25,489	28,000	22,000
4. Land acquisition.....	2,757	163	---
5. Fish hatcheries construction.....	1,441	1,959	---
6. Employee housing.....	---	---	500
7. Road maintenance and road construction	---	---	25,000
8. Construction contract support.....	---	---	9,815
Total direct program.....	82,666	108,122	115,315
Reimbursable Program:			
1. Buildings and utilities.....	1,277	2,500	2,500
2. Irrigation systems.....	883	500	500
3. Road construction.....	---	---	7,300
Total reimbursable program.....	2,160	3,000	10,300
10.00 Total obligations.....	84,826	111,122	125,615
Financing:			
11.00 Offsetting collections from:			
Federal funds.....	-2,160	-3,000	-10,300
21.40 Unobligated balance available, start of year.....	-61,092	-58,522	-45,266
22.40 Unobligated balance transferred, net.....	28,129	---	---
24.40 Unobligated balance available, end of year.....	58,522	45,266	30,926
39.00 Budget Authority.....	108,225	94,866	100,975
Budget Authority:			
40.00 Appropriation.....	83,225	79,283	100,975
42.00 Transferred from other accounts	25,000	15,583	---
43.00 Appropriation (adjusted).....	108,225	94,866	100,975
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	82,666	108,122	115,315
72.40 Obligated balance, start of year	77,215	73,869	76,874
73.40 Obligated balance transferred, net	---	---	8,367*
74.40 Obligated balance, end of year.	-73,869	-76,874	-99,024
90.00 Outlays.....	86,011**	105,117	101,532

*From the Road Construction Account, which is proposed to be transferred to the Construction Account in FY 1990.

**Does not add due to rounding; agrees with AAD-File Listing.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Object Classification (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1988 Actual	1989 Estimate	1990 Estimate
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	3,065	3,600	15,950
11.3 Other than full-time permanent..	364	400	1,600
11.5 Other personnel compensation....	---	---	170
11.8 Special personal services payments.....	10	---	---
11.9 Total personnel compensation....	3,439	4,000	17,720
Personnel benefits:			
12.1 Civilian.....	674	700	3,000
21.0 Travel & transportation of persons	413	500	2,000
22.0 Transportation of things.....	220	200	350
23.2 Communications, utilities, and other rent.....	454	500	2,000
24.0 Printing and reproduction.....	9	20	100
25.0 Other services.....	32,185	40,000	30,000
26.0 Supplies and materials.....	4,426	4,500	8,000
31.0 Equipment.....	1,087	2,000	5,000
32.0 Lands and structures.....	24,849	39,826	31,007
41.0 Grants, subsidies & contributions	8,537	9,000	10,000
99.0 Subtotal, direct obligations....	76,293	101,246	109,177
Reimbursable obligations:			
25.0 Other services.....	2,160	3,000	10,300
ALLOCATION TO BUREAU OF RECLAMATION			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	842	355	359
11.3 Other than full-time permanent..	31	32	32
11.5 Other personnel compensation....	80	13	13
11.9 Total personnel compensation....	953	400	404
Personnel benefits:			
12.1 Civilian.....	128	54	54
13.0 Benefits for former personnel...	3	6	7
21.0 Travel & transportation of persons	32	36	36
22.0 Transportation of things.....	5	1	2
23.1 Standard level user charges.....	35	57	56
23.2 Other rent.....	25	13	13
23.3 Communications and utilities....	22	13	12
24.0 Printing and reproduction.....	3	1	2
25.0 Other services.....	1,697	433	278
26.0 Supplies and materials.....	14	15	16
31.0 Equipment.....	1	10	8
32.0 Lands and structures.....	3,455	5,837	5,250
99.0 Subtotal, direct obligations....	6,373	6,876	6,138
99.99 Total obligations.....	84,826	111,122	125,615

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Personnel Summary (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1988 Actual	1989 Estimate	1990 Estimate
BUREAU OF INDIAN AFFAIRS			
<u>Direct:</u>			
Total number of full-time permanent positions.....	99	99	479
Total compensable workyears:			
Full-time equivalent employment.....	148	131	567
Full-time equivalent of overtime and holiday hours.....	10	5	7
ALLOCATION TO BUREAU OF RECLAMATION			
Total number of full-time permanent positions.....	22	9	9
Total compensable workyears:			
Full-time equivalent employment.....	24	11	11

ROAD CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

[Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.]

Department of the Interior and Related Agencies Appropriations Act, 1989, Public Law 100-446.)

Justification of Proposed Language Changes

Deletion: "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 of the Bureau of Indian Affairs."

The bureau is proposing that the Road Construction Account be abolished, as the bureau no longer receives any substantial appropriations for this activity. The language associated with Highway Trust Fund administrative costs would be included in the regular Construction Account.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: ROAD CONSTRUCTION - 14X2364

FY 1989 Budgetary Status

Appropriation realized.....	\$	---
Prior year unobligated balance brought forward.....		8,691,000
Estimated collections during fiscal year.....		<u>5,300,000</u>
Total, Available for Obligation.....	\$	13,991,000
Less anticipated obligations.....		<u>-12,391,000</u>

FY 1990 Request*

Anticipated unobligated balance brought forward.....	\$	1,600,000
Unobligated balance to be transferred.....		-1,600,000
Plus increases proposed.....		---
Total available for obligation.....	\$	---

*The bureau is proposing to transfer the Road Construction Account to its Construction Account in FY 1990.

Justification for Road Construction

Account: Road Construction
 Activity: Road Construction

	(Dollar amounts in thousands)				
	FY 1989 Enacted <u>To Date</u>	FY 1990 <u>Base</u>	FY 1990 <u>Estimate</u>	Inc. (+) Dec. (-) <u>From 1989</u>	Inc.(+) Dec.(-) <u>From Base)</u>
Road Construction	\$ --	--	--	--	--
(FTE)	(36)	(--)	(--)	(-36)	(--)
Equipment Pool Operations (Reimbursement)	(FTE) (40)	(--)	(--)	(-40)	(--)
Allocation From Federal Highway Administration	(FTE) (567)	(--)	(--)	(-567)	(--)

The bureau proposes to transfer this program to the Construction Account in Fiscal Year 1990.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Program and Financing (in thousands of dollars)

Identification Code: 14-2364-0-1-452	1988 Actual	1989 Estimate	1990 Estimate*
<u>Program by activities:</u>			
Direct program.....	2,920	7,091	---
Reimbursable program.....	5,251	5,300	---
10.00 Total obligations.....	8,171	12,391	---
<u>Financing:</u>			
Offsetting collections from:			
11.00 Federal sources.....	-4,251	-4,300	---
14.00 Non-federal sources.....	-1,000	-1,000	---
21.40 Unobligated balance available, start of year.....	-10,611	-8,691	-1,600
24.40 Unobligated balance available, end of year.....	8,691	1,600	---
<u>Budget Authority:</u>			
40.00 Appropriation.....	1,000	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	2,920	7,091	---
72.40 Obligated balance, start of year	3,104	3,376	8,367
73.40 Obligated balance transferred, net	---	---	-8,367
74.40 Obligated balance, end of year..	-3,376	-8,367	---
90.00 Outlays.....	2,648	2,100	---

*The bureau is proposing to transfer the Road Construction Account to the Construction Account in FY 1990.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Object Classification (in thousands of dollars)			
Identification Code: 14-2364-0-1-452	1988 Actual	1989 Estimate	1990 Estimate*
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	---	570	---
11.3 Other than full-time permanent..	---	130	---
11.9 Total personnel compensation....	---	700	---
12.1 Personnel benefits: Civilian...	---	100	---
21.0 Travel & transportation of persons	---	300	---
22.0 Transportation of things.....	---	10	---
23.0 Rents, communications, & utilities	---	700	---
24.0 Printing and reproduction.....	---	10	---
25.0 Other services.....	2,920	2,500	---
26.0 Supplies and materials.....	---	1,000	---
32.0 Lands and structures.....	---	1,771	---
99.0 Subtotal, direct obligations..	2,920	7,091	---
99.0 Subtotal, reimbursable oblig..	5,251	5,300	---
99.9 Total obligations.....	8,171	12,391	---

PERSONNEL SUMMARY

Total number of full-time permanent positions.....	28	28	---
Total compensable work years:			
Full-time equivalent employment....	36	36	---
Full-time equivalent of overtime and holiday hours.....	1	1	---

*The bureau is proposing to transfer the Road Construction Account to the Construction Account in FY 1990.

**MISCELLANEOUS PAYMENTS
TO INDIANS**

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, 100-383, 100,512, 100-675, and 100-585, including funds for necessary administrative expenses, [~~\$13,952,000~~] \$29,255,000, to remain available until expended, of which not to exceed [~~\$11,300,000~~] \$12,700,000 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, 1989, Public Law 100-446.)

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 (P.L. 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 and to achieve the payment of compensation to said allottees, or heirs.

2. Old Age Assistance Claims Settlement Act (P.L. 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 \$198,000 is for program administration and \$544,000 is for payment of claims.

3. Gila Bend Indian Reservation Lands Replacement Act (P.L. 99-503): Section 4 of this Act requires that the Secretary of the Interior 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. The Act conditioned payment 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, and such assignment was made on October 13, 1987. The estimate of \$2,700,000 in interest payments anticipates that the funds will be paid in October 1989.

4. Payments for Aleutian and Pribiloff Island Restitution (P.L. 100-383): The Act authorizes the Department of the Interior to enter into an agreement with the Aleutian/Pribilof Island Association to identify, locate, and compensate Aleut residents for the loss of personal, real, and community property damaged or destroyed during World War II. Funds will be used to cover the administrative and legal expenses of carrying out the agreement.

5. Water Rights Settlements (P.L. 100-512, 100-657, and 100-585): Salt River Pima-Maricopa Indian Water Rights Settlement Act, P. L. 100-512, provides for the settlement of water rights claims of the Salt River Pima-Maricopa Indian Community in Arizona. Funds are deposited in a trust fund established by Section 9 of the Act to use in rehabilitating and improving the Community's existing water facilities.

San Luis Rey Indian Water Rights Settlement Act, P. L. 100-675, provides for the settlement of water rights claims of five bands of California Mission Indians. Funds are deposited in a tribal development fund established by section 105 of the Act for the benefit of the Bands.

Colorado Ute Indian Water Rights Settlement Act, P. L. 100-585, provides for the settlement of water rights claims of the Ute Mountain Ute and the Southern Ute tribes in Colorado. Funds are deposited in two tribal development funds established by section 7 of the Act for the benefit of the tribes. Each Tribe is required to submit an economic development plan to the Secretary of the Interior prior to using the funds.

Changes from FY 1990 Base:

(Dollar amounts in thousands)

		<u>FY 1990 Base</u>	<u>FY 1990 Estimate</u>	<u>Difference (+ or -)</u>
White Earth Land Settlement Act	\$	511	513	+2
	(FTE)	(13)	(13)	(--)
Program Administration	\$	149	198	+49
	(FTE)	(6)	(6)	(--)
Old Age Assistance	\$	2,000	544	-1,456
Payment to Tohono O'Odham	\$	11,300	12,700	1,400
Aleutian - Pribilof Restitution	\$	---	300	+300
Water Rights Settlement		---	<u>15,000</u>	<u>+15,000</u>
Total	\$	13,960	29,255	+15,295
	(FTE)	(19)	(19)	(--)

White Earth Land Settlement Act (\$+2,000): Funds will be used for salary costs related to the administration of the White Earth Land Settlement Act.

Old Age Assistance Program Administration (\$+49,000;): The funds will be used for salary and travel costs related to the administration of the Old Age Assistance Claims Settlement Program to ensure that individuals entitled to compensation are identified and paid in a timely manner.

Old Age Assistance Payments (\$-1,456,000): The payments to individuals entitled to compensation under the Old Age Assistance Claims Settlement Act are expected to begin in FY 1989. The funds appropriated in FY 1988 and anticipated for FY 1989 will be available for this purpose, thus reducing the need for additional funds in FY 1990.

Payment to Tohono O'Odham Nation (\$+1,400,000; FTE 0): The increase is the balance required to cover the full amount of the estimated interest payment (\$2,700,000) associated with the third and final principal payment of \$10,000,000.

Aleutian - Pribilof Restitution (\$+300,000): These funds will be used to identify the eligible individual Aleuts, to obtain recommendation for the trustee, to begin an inventory and assessment of the damaged church property, and for administration of the various sections of the Act by the Secretary. Most of the work will be done through an agreement with the Aleutian/Pribilof Island Association (A/PIA).

The Act authorizes the Secretary to appoint an Administrator to carry on the provisions of the Act. On November 8, 1988, the Secretary approved the A/PIA as the Administrator.

Water Rights Settlements (\$+15,000,000): Three Indian water rights settlement Acts were enacted late in the 100th Congress, including; 1) the Salt River Pima-Maricopa Indian Water Rights Settlement Act, P.L. 100-512; 2) the Colorado Ute Indian Water Rights Settlement Act, P. L. 100-585; and 3) the San Luis Rey Indian Water Rights Settlement Act, P. L. 100-675. These Acts authorize payments to tribal trust funds established by each Act totaling \$97,000,000 in FY 1990. The proposed budget of \$15,000,000 reflects a policy determination that the significant cost of these settlements requires an incremental funding approach.

After assessing FY 1990 capabilities, it has been determined that partial funding of the settlements can be accomplished in the following manner: 1) \$5.0 million for the Salt River Pima-Maricopa Indian Community water facilities rehabilitation and improvement trust fund; 2) \$5.0 million for the tribal development funds of the Ute Mountain Ute and Southern Ute tribes; and 3) \$5.0 million for the Five Mission Bands tribal development fund under the San Luis Rey Settlement of which \$20.0 million is for interest payment and \$3.0 million for the tribal development fund.

With the distribution of these funds, it is estimated that the remaining trust fund settlement costs will total \$42.5 million for the Salt River Settlement, \$44.5 million for the Colorado Ute Settlement, and \$27 million for the San Luis Rey Settlement.

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	88 Actual	89 Estimate	90 Estimate
<u>Program by activities:</u>			
1. White Earth Act Administration....	371	509	513
2. Old Age Assistance Act.....	112	2,143	2,500
3. Gila Bend Lands Replacement.....	10,700	11,300	12,700
4. Aleutian - Pribilof Restitution...	---	---	300
5. Water Rights Settlements.....	---	---	15,000
10.00 Total obligations.....	11,183	13,952	31,013
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	---	-2,157	-2,157
24.40 Unobligated balance available, end of year.....	2,157	2,157	399
40.00 Budget Authority (appropriation)	13,340	13,952	29,255
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	11,183	13,952	31,013
72.40 Obligated balance, start of year	---	79	133
74.40 Obligated balance, end of year..	-79	-133	-3,238
90.00 Outlays.....	11,104	13,898	27,908
<u>Object Classification</u>			
<u>Personnel Compensation:</u>			
11.1 Full-time permanent.....	73	115	120
11.3 Other than full-time positions..	299	311	320
11.5 Other personnel compensation....	2	2	4
11.8 Special personnel compensation..	6	6	8
11.9 Total personnel compensation.	380	434	452
12.1 Civilian personnel benefits.....	47	55	56
21.0 Travel & transportation of persons.....	27	24	25
22.0 Transportation of things.....	2	6	6
23.2 Rental Payments to others.....	5	10	12
25.0 Other services.....	37	108	400
26.0 Supplies and materials.....	29	21	25
31.0 Equipment.....	-44	5	10
41.0 Grants, subsidies, and contributions.....	10,700	13,289	30,027
99.0 Total obligations.....	11,183	13,952	31,013
<u>Personnel Summary</u>			
Total number of permanent position....	6	12	12
Total compensable work years:			
Full-time equivalent employment.....	6	19	19
Full-time equivalent of overtime and holiday hours.....	---	---	---

**REVOLVING FUND
FOR LOANS**

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

(Dollar amounts in thousands)	FY 1989 Enacted To Date	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989
Revolving Fund for Loans \$	-0-	-0-	-0-

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 Credit Reform Act.

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 1988, \$144.4 million has been loaned from the fund. A total of 98 new tribal enterprises were started at an average cost of \$460,732. A breakdown by area and purpose is included in Table I. The FY 1989 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, \$227.9 million has been loaned with \$24.4 million of the principal written off, about 10.7 percent of total loans. A \$5 million loan was transferred from another fund. Interest in the amount of \$63.5 million has been earned in this program. As of September 30, 1988, outstanding loans totaled \$100.3 million. Delinquent payments total \$14.7 million, or about 14.7% of loans outstanding.

In FY 1990, the bureau will make an estimated \$13.0 million in loans, which will be funded by the carry-over balance and collections during the year. These loans are shown in schedules under the Indian Direct Loan Subsidies account. That fund is being established under the proposed Credit Reform Act 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, 1988

	<u>Collections</u>			<u>Loans</u>	
	<u>Loaned</u>	<u>Principal</u>	<u>Interest</u>	<u>Cancelled</u>	<u>Outstanding</u>
Through 09/30/87	\$218,697,916	\$98,505,431	\$58,194,281	\$12,447,297	\$107,745,188 =====
Through 09/30/88	<u>9,203,601</u>	<u>4,661,604</u>	<u>5,307,971</u>	<u>11,989,663</u>	
Through 09/30/88 Cumulative	\$227,901,517 =====	\$103,167,035	\$63,502,252	\$24,436,960	\$100,297,522 =====

Comparison of Fund Balances
 FY 1987 and FY 1988

	<u>General Fund</u>	<u>Expert Assistance</u>	<u>Total</u>
Through 09/30/87	7,065,559 =====	1,535,236 =====	8,600,795 =====
Through 09/30/88	<u>8,299,029</u>	<u>974,331</u>	<u>9,273,360</u>

TABLE I

REVOLVING FUND FOR LOANS
 Funds Allotted to Areas by Purpose
 Selected data for FY 1975-1988
 (in thousands of dollars)

AREA	RELENDING	TRIBAL ENTERPRISES		LAND	COOPERATIVES & INDUSTRIAL	CREDIT ASSOCI- ATIONS	DIRECT TO INDIVIDUALS	TOTAL
		New	Existing					
Aberdeen	\$6,192.0	\$6,088.5	\$10,798.8	\$1,445.0	120.0		\$6,077.1	\$ 30,721.4
Albuquerque	900.0	3,924.8	4,421.0	1,505.0			3,879.9	14,630.7
Anadarko		1,550.7	467.6	840.7			711.1	3,570.1
Billings	4,715.0	4,141.4	1,530.0	3,268.0		70.0	1,926.5	15,650.9
Eastern	810.0	975.0	1,079.4				977.1	3,841.5
Juneau	2,215.0	7,321.0	1,687.0		\$1,688.7	\$300.0		13,211.7
Minneapolis	1,000.0	3,418.3	2,930.2	1,440.0			1,036.1	9,824.6
Muskogee		1,655.0	429.9			3,550.8	2,142.8	7,778.5
Navajo		2,700.0	946.4					3,646.4
Phoenix	1,500.0	4,818.0	5,445.0	190.0	600.0	500.0	675.4	13,728.4
Portland	1,675.0	8,332.0	5,930.6	4,973.7	13.6		4,930.1	25,855.0
Sacramento		227.0					1,724.0	1,951.0
TOTALS	\$19,007.0	\$45,151.7*	\$35,665.9	\$13,662.4	\$2,422.3	\$4,420.8	\$24,080.1	\$144,410.2

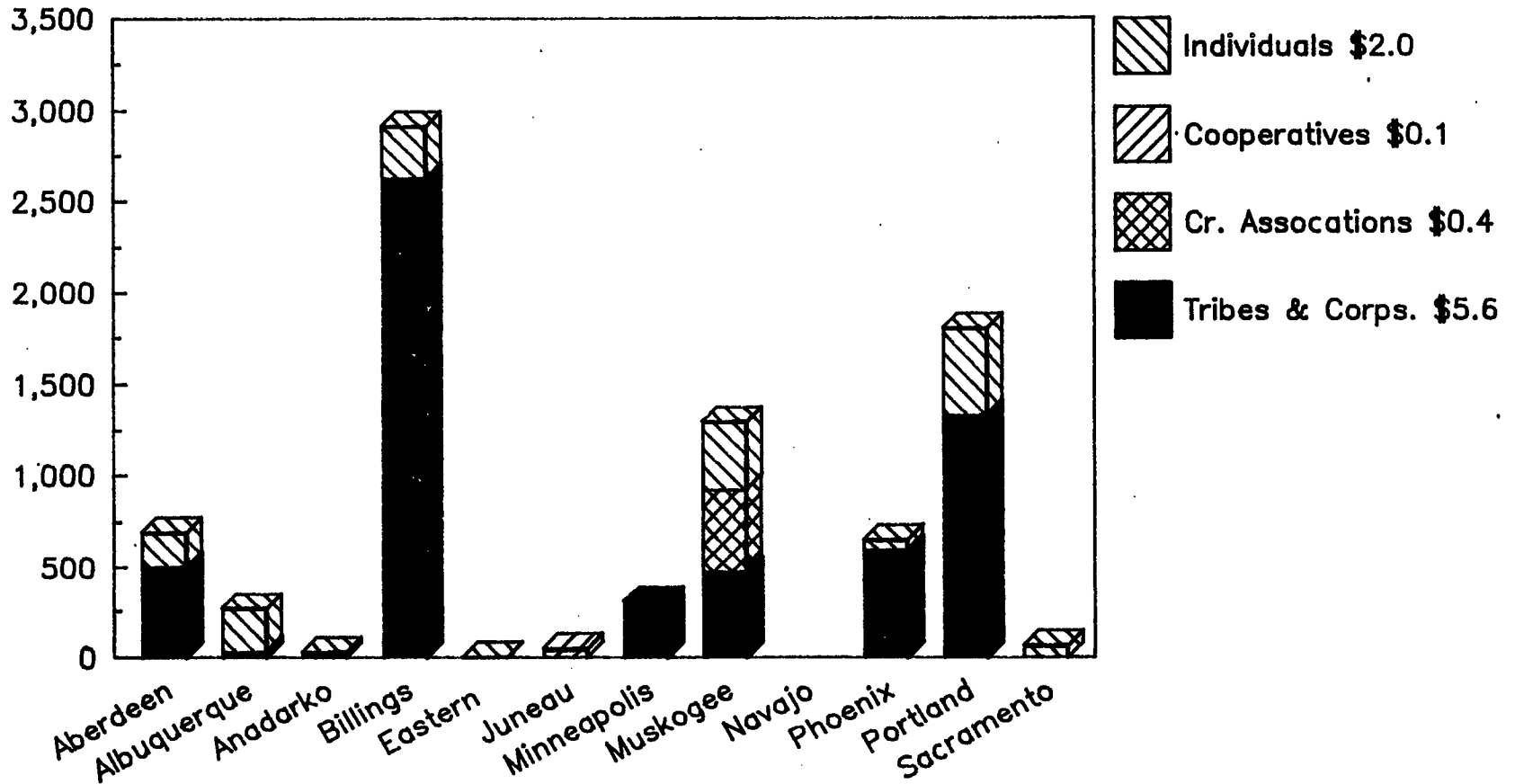
*98 new tribal enterprises were started at an average cost of \$460,732.

REVOLVING FUND FOR LOANS

FY 1988

\$8.6 MILLION

\$ THOUSANDS



AREA OFFICES

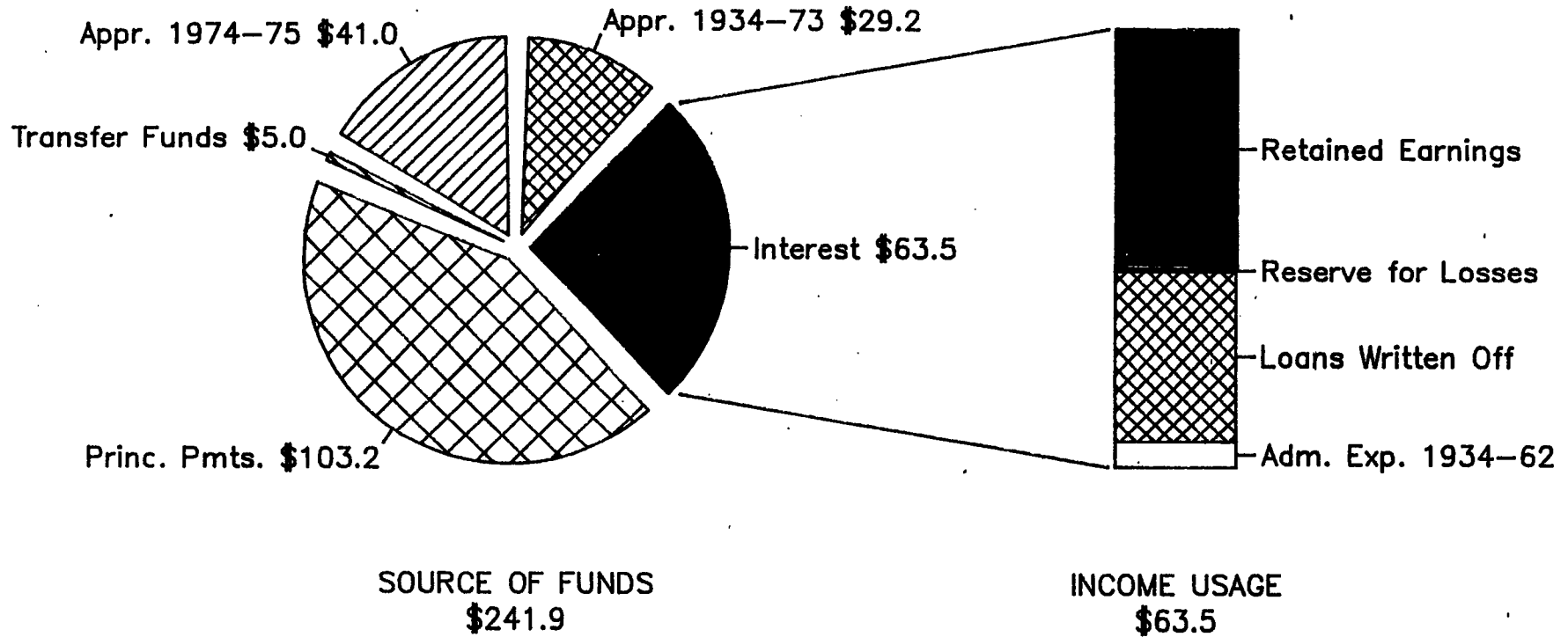
DIRECT LOANS \$8.1
 EXPERT ASSISTANCE \$0.5

BIA-281

REVOLVING FUND FOR LOANS

FUNDING SOURCES

FOR \$227.9 MILLION IN LOANS



1934-73 Appropriations include Expert Assistance
 1974-75 Appropriations Indian Financing Act

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

During Fiscal Year [1989] 1990, 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, 1989, Public Law 100-202.)

This language is an administrative limitation required by OMB Circular A-11, 31.5.

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
Program and Performance

This fund, established by the Indian Reorganization Act of 1934, and expanded by Financing Act of 1974, as amended, 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)

<u>Identification Code: 14-4409-0-3-452</u>	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activities</u>			
10.00 Total obligations (obj. class 33.0)	8,546	13,000	13,000
<u>Financing:</u>			
14.00 Offsetting collections from Non-Federal sources:			
Collections on loans.....	-4,647	-4,950	-5,120
Revenues.....	-5,304	-5,760	-6,150
21.98 Unobligated balance available, start of year: Fund balance..	-5,915	-7,320	-5,030
24.98 Unobligated balance available, end of year: Fund balance....	7,320	5,030	3,300
39.00 <u>Budget Authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	-1,405	2,290	1,730
72.98 Obligated balance, start of year: Fund balance.....	2,685	1,953	900
74.98 Obligated balance, end of year: Fund balance.....	-1,953	-900	-700
90.00 Outlays.....	-673	3,343	1,930

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

STATUS OF DIRECT LOANS (in thousands of dollars)

<u>Indentification Code: 14-4409-0-3-452</u>	1988 Actual	1989 Estimate	1990 Estimate
<u>Position with respect to limitation on obligations:</u>			
1111 Limitation on direct loans to the public.....	---	---	13,000
1112 Unused balance of limitation expiring.....	---	---	---
1131 Direct loan obligations exempt from limitation.....	8,546	13,000	---
1150 Total direct loan obligations..	8,546	13,000	13,000
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	108,372	101,058	106,961
1231 New loans: Disbursements for direct loans.....	9,323	14,053	13,200
1251 Repayments: Repayments and prepayments.....	-4,647	-4,950	-5,120
1262 Adjustments: Write-offs for default.....	-11,990	-3,200	-3,035
1290 Outstanding, end of year.....	101,058	106,961	112,006
<u>Estimate of Direct Loan Subsidy:</u>			
1320 Subsidy rate (in percent).....	23.3	23.7	24.4
1330 Subsidy amount (in dollars)....	3,029	3,081	3,175

Revenue and Expense (in thousands of dollars)

Loan Program

Revenue.....	5,304	5,760	6,150
Expenses.....	---	-3,200	-3,035
Net operating income, total	5,304	2,560	3,115

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

FINANCIAL CONDITION (in thousands of dollars)

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>
<u>Assets:</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Fund balance with Treasury.....	8,601	9,273	5,930	4,000
Accounts receivables.....	45	---	---	---
Loans receivable, net.....	96,004	100,681	106,584	111,629
Total assets.....	104,650	109,954	112,514	115,629
<u>Liabilities:</u>				
Selected liabilities, accounts payable	2,730	1,953	900	700
<u>Government equity:</u>				
Selected equity Unexpended budget authority:				
Unobligated balance.....	5,916	7,320	5,030	3,300
Invested capital.....	96,004	100,681	106,584	111,629
Total Government equity.....	101,920	108,001	111,614	114,929
<u>Analysis of Changes in Government Equity:</u>				
Paid in capital:				
Opening balance.....		75,282	75,282	75,282
Closing balance.....		75,282	75,282	75,282
Retained income:				
Opening balance.....		29,368	34,672	37,232
Transactions: Net operating income		5,304	2,560	3,115
Closing balance.....		34,672	37,232	40,347
Total Government equity end of year..		109,954	112,514	115,629

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

<u>Program and Financing (in thousands of dollars)</u>			
<u>Identifaction Code: 14-4409-6-3-452</u>	1988	1989	1990
	Actual	Estimate	Estimate
<u>Program by activities</u>			
10.00 Total obligations	---	---	-13,000.
<u>Financing:</u>			
Offsetting collections from Non-Federal sources:			
Collections on loans.....	---	---	400
24.98 Unobligated balance available, end of year: Fund balance.....	---	---	<u>12,600</u>
39.00 Budget Authority.....	---	---	---
<u>Relation of obligations to outlays:</u>			
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)

<u>Identification Code: 14-4409-6-3-452</u>	1988	1989	1990
	Actual	Estimate	Estimate
<u>Position with respect to limitation on obligations:</u>			
1111 Limitation on direct loans to the public.....	---	---	-13,000
1150 Total direct loan obligations.....	---	---	-13,000
<u>Cumulative balance of direct loans outstanding:</u>			
1231 New loans: Disbursements for direct loans.....	---	---	-13,000
1251 Repayments: Repayments and prepayments.....	---	---	400
1290 Outstanding, end of year.....	---	---	-12,600

Note: Changes proposed by Federal Credit Reform Act.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN DIRECT LOAN SUBSIDIES

(Dollar amounts in thousands)	FY 1989		Inc. (+)
	Enacted To Date	FY 1990 Estimate	Dec. (-) From 1989
Indian Direct Loan Subsidies \$	-0-	3,175	---

Based on the Credit Reform Act, 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)

<u>Identification Code: 14-2627-0-1-452</u>	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activities:</u>			
Direct program:			
00.01 Direct loans.....	---	---	3,175
10.00 Total obligations.....	---	---	3,175
<u>Financing:</u>			
40.00 Budget authority (appropriation).....	---	---	3,175
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net..	---	---	3,175
90.00 Outlays.....	---	---	3,175

The schedule shows the effects of the Credit Reform Act, 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	1988 Actual	1989 Estimate	1990 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).....	---	---	24.4
1330 Subsidy amount (in thousands of dollars).....	---	---	3,175

**LOAN GUARANTY
AND INSURANCE FUND**

BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

(Dollar amounts in thousands)	FY 1989		Inc. (+)
	Enacted	FY 1990	Dec. (-)
	To Date	Estimate	From 1989
Loan Guaranty and Insurance Program \$	3,370	3,265	-105

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) and 1988 (P.L. 100-442). 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, 1988, guarantees were approved on 383 loans totaling \$285.5 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, subsidy funds will be requested and obligated on a yearly basis for new loans. It is estimated that \$3.6 million will be necessary for interest subsidies in FY 1990 to support approved loans. From 1976 to 1988, borrowers have paid lending institutions \$47.3 million in principal, and \$60.2 million in interest, a total of \$107.5 million. The bureau has paid \$12.5 million in interest subsidies to support these loans. In FY 1988, \$2.8 million in prior years subsidy obligations were deobligated to finance payment of losses. These funds will be re-obligated in FY 1989.

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, 1988, \$34.3 million has been paid for defaulted loans since 1975. Collections on defaulted loans amount to \$18.2 million. At the end of FY 1990, it is estimated that the bureau will have a \$8.0 million reserve for losses. Outstanding loans will total \$236.0 million, with a contingent liability of \$209.8 million.

Collections during FY 1990 are estimated at \$0.8 million from premiums on guaranteed loans, and \$0.38 million from sale of assets acquired in liquidation and loan repayments, making an estimated \$1.2 million available for programming for administrative expenses, interest subsidies and to support the reserve for losses.

Information on loans guaranteed as of September 30, 1988, since 1975, is as follows:

Total number of loans	383
Loans to: Indian tribes	117
Indian-owned corporations	75
Indian individuals	191

Lenders approved for participation in the program	283
---	-----

Loans: Outstanding	217
Paid Off	88
Defaulted	58

Total payout for the defaulted loans -including interest (13.0% of the total dollar amount guaranteed to September. See Table II): \$34.3 million

Of the 58 loans defaulted:

Repaid either by the borrower or liquidation	5
Cancelled	27
Repaying	5
In process of settlement	21

Program Proposal: A \$45.0 million loan guaranty program is proposed for FY 1990 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, \$2.1 million is estimated to be needed for interest subsidies. The FY 1990 budget assumes passage of the Credit Reform Act and is as follows (dollars in thousands):

	FY 1989	FY 1990
Interest Subsidies	\$2,870	\$2,118
Management and Technical Assistance	500	500
Reserve for losses	---	647

Reserve for Losses (+\$647,000): The reserve for losses account is being increased by \$647,000 to cover potential losses from defaulted loans.

Interest Subsidies (-\$752,000): The proposed Credit Reform Act will require all new loans to be subsidized from a special account: Indian Guaranteed Loan Subsidies. Tables for this account are included under that portion of the budget justification.

TABLE I

LOAN GUARANTY ACTIVITY
FY 1976 - FY 1988

<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	17	7	3	5
*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	2	2			2
1980	1	8,500,000					
Additional loan <u>b/</u>		10,094		1			
1981	1	1,000,000		1			
1982	8	25,880,000	2	3			3
1983	14	12,953,869	3	4	1	1	5
Additional loan <u>c/</u>		800,000					
1984	35	18,789,448	4	4	2	4	21
Additional loan <u>c/</u>		203,900					
1985	47	31,603,258	6	6	2	3	30
Additional loans <u>c/</u>		10,123,457					
1986	27	37,210,046	1	1	1		24
Modifications <u>c/</u>		188,065					
1987	58	31,928,634		1	2		55
Modifications <u>c/</u>		87,818					
1988	65	37,636,697					65
Modifications <u>c/</u>		521,350					
Total	383	\$285,491,868	58	66	22	19	218
NEW	(377)						
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, 1988

AREA	NO.	FACE AMOUNT	OUTSTANDING CURRENT		AMOUNT WHEN DEFAULTED		MODIFIED OR PAID OFF		GUARANTY CANCELLED	
			NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
Aberdeen	66	16,310,995	42	8,485,437	9	3,159,967	14	2,866,670	2	792,800
Albuquerque	29	28,202,262	13	23,439,778	4	906,569	10	1,546,362	2	81,000
Anadarko	36	4,542,426	9	1,809,389	11	492,828	13	967,449	3	833,531
Billings	38	15,892,463	23	5,970,073	7	5,831,844	7	1,524,000	1	299,312
Eastern	39	44,162,274	30	33,899,410	5	2,388,372	4	4,839,709		129,291
Juneau	15	45,679,000	7	14,845,979	2	22,861,586	3	11,618	3	3,348,382
Minneapolis	27	22,778,490	13	19,180,610	5	134,115	9	1,249,935		24,816
Muskogee	28	6,713,952	14	5,076,178	6	874,875	5	311,329	3	278,611
Navajo	10	45,685,000	8	17,728,696			1	8,500,000	1	8,200,000
Phoenix	11	22,083,000	6	18,010,333	1	13,308	3	1,641,154	1	1,364,846
Portland	77	32,025,566	48	20,799,010	6	326,716	18	4,380,609	5	3,744,302
Sacramento	7	1,416,440	4	693,701	2	110,072	1	230,000		
TOTALS	383	285,491,868	217	169,938,594	58	37,100,252	88	28,068,835	21	19,096,891
(Percent)		(100)*		(59.5)		(13.0)		(9.8)		(6.7)

*\$31,287,296 in repayments on current loans or 11.0% needs to be included in order to total 100.0%

LOAN GUARANTY PROGRAM

FY 1988

\$38.2 MILLION

\$ THOUSANDS

12,000

10,000

8,000

6,000

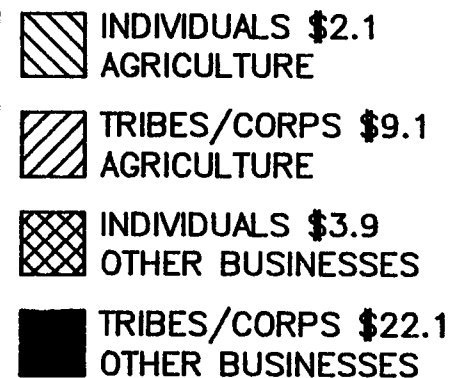
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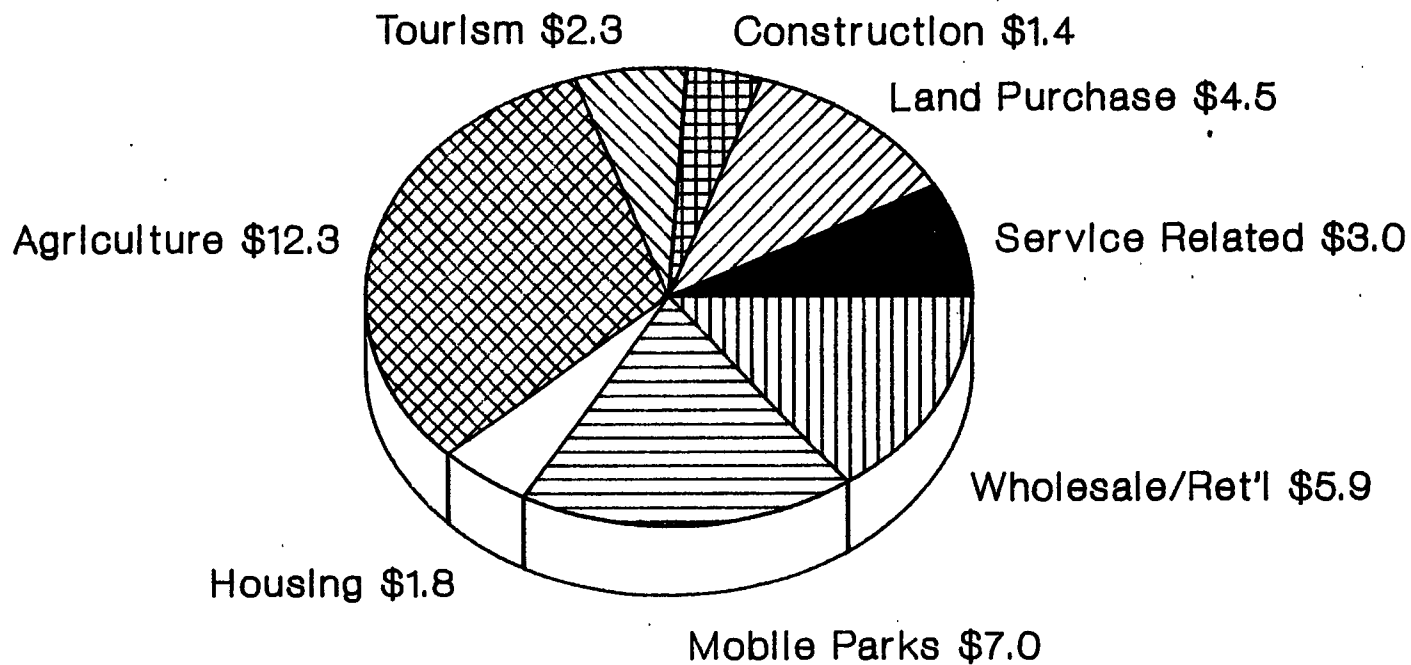
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Aberdeen
Albuquerque
Anadarko
Billings
Eastern
Minneapolis
Muskogee
Navajo
Phoenix
Portland
Sacramento

AREA OFFICES



LOAN GUARANTY PROGRAM FY 1988



SUMMARY OF 1988 GUARANTEES
BY TYPE

Total \$38.2 Million

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.), [\$3,370,000] \$3,265,000 to remain available until expended: Provided, That during fiscal year [1989] 1990, 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.

(Department of the Interior and Related Agencies Appropriations Act, 1989, Public Law 100-446.)

Justification of Proposed Language Change

Deletion: "resources and authority available"

This language is an administrative limitation required by OMB Circular A-11; 31.5, and is not required by law.

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 \$500 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.

25 U.S.C. 1497a: Authorizes supplemental surety bond guarantees in association with the surety bond program administered by the Small Business Administration.

25 U.S.C. 1499: Authorizes a program for the guaranteeing (not to exceed 90 percent of the unpaid principal and interest) of taxable bonds, debentures, or other similar obligations.

INDIAN LOAN GUARANTY AND INSURANCE FUND
14-4410-0-3-452

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) and 1988 (P.L. 100-442). 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. The 1988 amendments allow the Secretary to guarantee (up to 90 percent of the unpaid principal and interest) taxable bonds, debentures, or similiar obligations issued by an organization satisfactory to the Secretary, and to provide supplemental surety bond guarantees associated with the Small Business Administration's surety bond program.

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	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activities:</u>			
Operating expenses:			
1. Interest subsidy expense.....	-799	5,670	3,620
2. Technical assistance.....	500	700	500
3. Other expenses.....	34	200	100
Total operating expenses.....	-265	6,570	4,220
Capital investment.....	14,454	4,658	5,172
10.00 Total obligations.....	14,189	11,228	9,392
<u>Financing:</u>			
14.00 Offsetting collections from:			
Non-federal sources:.....	-18,247	-1,066	-1,180
21.98 Unobligated balance available, start of year.....	-11,052	-18,195	-11,403
24.98 Unobligated balance available, end of year.....	18,195	11,403	7,958
40.00 <u>Budget Authority</u>	3,085	3,370	4,767
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net....	-4,058	10,162	8,212
72.98 Obligated balance, start of year.....	8,201	3,043	4,452
74.98 Obligated balance, end of year	-3,043	-4,452	-3,750
90.00 Outlays.....	1,100	8,753	8,914

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	1988 Actual	1989 Estimate	1990 Estimate
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	16,083	15,245	17,475
New loans:			
1231 Direct loans disbursements.....	110	100	100
1232 Disbursements for guaranty loan claims.....	16,241	4,600	5,200
Repayments:			
1251 Repayments and prepayments.....	-42	-100	-100
1252 Repayments of defaulted guaranteed loans.....	-16,198	-100	-300
Adjustments:			
1262 Write-offs for default.....	-963	-2,500	-3,000
1264 Other adjustments, net <u>1/</u>	14	230	270
1290 Outstanding, end of year.....	15,245	17,475	19,645

1/ Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

OBJECT CLASSIFICATION (in thousands of dollars)

11.0 Personnel.....	6	---	---
12.1 Benefits.....	1	---	---
21.0 Travel.....	30	10	10
23.0 Other expenses.....	---	75	---
25.0 Other services.....	145	150	200
26.0 Supplies & Materials.....	32	---	---
31.0 Equipment.....	6	25	25
33.0 Investments and loans	15,065	5,146	5,300
41.0 Grants, subsidies, and contributions	-1,096	5,822	3,857
99.9 Total Obligations.....	14,189	11,228	9,392

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	1988 Actual	1989 Estimate	1990 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.....	38,158	45,000	---
2150	Total guaranteed loan commitments	38,158	45,000	45,000
<u>Cumulative balance of guaranteed loans outstanding:</u>				
2210	Outstanding, start of year.....	168,871	169,939	203,750
2231	Disbursements of new guaranteed loans.....	38,158	45,000	45,000
2251	Repayments and prepayments.....	-11,278	-6,385	-7,271
<u>Adjustments:</u>				
2261	Terminations for default that result in direct loans.....	-17,330	-4,804	-5,524
2264	Other Adjustments	-8,482	---	---
2290	Outstanding, end of year.....	169,939	203,750	235,955
2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....	150,470	181,133	209,764
<u>Estimate of guaranteed loan subsidy:</u>				
2320	Subsidy amount (in percent).....	26.9	27.2	28.0
2330	Subsidy amount (in thousands of dollars).....	10,884	12,222	12,591

REVENUE AND EXPENSE (in thousands of dollars)

<u>Loan Guaranty and Insurance Fund</u>			
<u>Program:</u>			
Revenue.....	2,007	896	1,009
Expense.....	-2,690	-5,454	-4,728
Write-offs.....	-963	-2,500	-3,000
Net operating loss, total.....	-1,646	-7,058	-6,719

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

FINANCIAL CONDITION (in thousands of dollars)

<u>Assets:</u>	<u>1987 Act.</u>	<u>1988 Act.</u>	<u>1989 Est.</u>	<u>1990 Est.</u>
<u>Selected assets:</u>				
Fund balance with Treasury.....	19,252	21,237	11,808	8,758
Advances.....	335	561	---	---
Assets acquired through default....	14,514	13,714	16,619	18,783
Equipment.....	59	86	184	204
	<hr/>			
Total assets.....	34,160	35,598	28,611	27,745
	<hr/>			
<u>Liabilities:</u>				
<u>Selected liabilities:</u>				
Accounts payable.....	2,024	193	---	---
	<hr/>			
<u>Government equity:</u>				
<u>Selected equities:</u>				
<u>Unexpended budget authority:</u>				
Unobligated balance.....	11,052	18,195	7,356	5,079
Undelivered orders.....	6,512	3,410	4,452	3,679
Invested capital.....	14,573	13,800	16,803	18,987
Total Government equity.....	32,137	35,405	28,611	27,745
	<hr/>			
<u>Analysis of Changes in Government Equity:</u>				
<u>Paid in capital:</u>				
Opening balance.....	49,555	52,640	56,010	
Appropriation.....	3,085	3,370	4,767	
Closing balance.....	52,640	56,010	60,777	
	<hr/>			
<u>Retained income:</u>				
Opening balance.....	-15,396	-17,042	-24,100	
Transaction: Net operating loss...	-1,646	-7,058	-6,719	
	<hr/>			
Closing balance.....	-17,042	-24,100	-30,819	
	<hr/>			
Total Gov't equity (end of year).	35,598	31,910	29,958	
	<hr/>			

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN GUARANTEED LOAN GUARANTY AND INSURANCE FUND

<u>Program and Financing (in thousands of dollars)</u>			
<u>Identification Code: 14-4410-6-3-452</u>	1988	1989	1990
	Actual	Estimate	Estimate
<u>Program by activities:</u>			
<u>Operating expenses:</u>			
00.01 Interest subsidy expense.....	---	---	-1,502
10.00 Total obligations.....	---	---	-1,502
<u>Financing:</u>			
40.00 Budget authority (appropriation).....	---	---	-1,502
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	---	-1,502
74.98 Obligated balance, end of year	---	---	677
90.00 Outlays.....	---	---	-825

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	1988 Actual	1989 Estimate	1990 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

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN GUARANTEED LOAN SUBSIDIES

(Dollar amounts in thousands)	FY 1989 Enacted To Date	FY 1990 Estimate	Inc. (+) Dec. (-) From 1989
<u>Indian Guaranteed Loan Subsidies \$</u>	---	11,250	+11,250

Based on the Credit Reform Act, which will be submitted to Congress by OMB, funds are requested to pay the subsidy costs associated with selling guaranteed loans to the private sector. The subsidy includes the costs of buying down the interest to the bureau's direct loan rate, and the costs for reinsuring the loans by the private sector. \$11.250 million is the amount to be paid to the Federal Credit Revolving Fund for these subsidies.

The funds requested will fund a \$45 million loan guaranty program for FY 1990. 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)

	1988	1989	1990
Identification Code: 14-2628-0-1-452	Actual	Estimate	Estimate

Program by activities:

Direct program:

Guaranty loan subsidy.....	---	---	11,250
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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
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90.00 Outlays.....	---	---	11,250
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OBJECT CLASSIFICATION

41.00 Grants, Subsidies, and contributions.....	---	---	11,250
--	-----	-----	--------

The schedule shows the effects of the Credit Reform Act, 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	1988 Actual	1989 Estimate	1990 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.....	---	---	
Estimate of guaranteed loan subsidy:			
2320 Subsidy amount (in percent).....	---	---	25.0
2330 Subsidy amount (in thousands of dollars).....	---	---	11,250

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ADMINISTRATIVE PROVISIONS

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits, and purchase of not to exceed [150] 162 passenger carrying motor vehicles, of which not to exceed 115 shall be for replacement only.

Section 201(c)(i) of Public Law 100-472 is amended by deleting "1990" and substituting "1991".

(Department of the Interior and Related Agencies Appropriations Act, 1989, Public Law 100-446.)

Justification of Proposed Language Change

Addition: "Section 201(c)(i) of Public Law 100-472 is amended by deleting '1990' and substituting '1991'."

This amendment will change the year from 1990 to 1991 for implementation of Section 201(c)(i) of Public Law 100-472, the Indian Self-Determination and Education Assistance Act Amendments of 1988, which requires the Secretary to provide liability insurance or equivalent coverage to tribal contractors. This will allow the Departments of Interior, Justice, and Health and Human Services, working with the Office of Management and Budget, sufficient time to address the significant administrative, legal and budget implications of the requirement.

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, 47 new vehicles and 100 for replacement, at a cost of \$15,300 per vehicle, required to carry out law enforcement throughout the bureau.

Summary of Proposed Acquisition of Certain Types of Vehicles, FY 1990

Type	Total	New	Replacement
Police	147	47	100
School Buses	15	0	15

**PERMANENT APPROP.
AND TRUST FUNDS**

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
FY 1990

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 is 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, effective October 1, 1988, is \$3,972.66. 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 - \$19,553,000. 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.
3. Power Systems, Indian Irrigation Projects - \$28,537,000. 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).

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.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code: 14-9925-0-2-999	1988 Actual	1989 Estimate	1990 Estimate
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Program by activities:

1. Claims and Treaty Obligations...	996	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	17,224	16,000	16,000
3. Power Systems, Indian Irrigation Projects.....	27,747	26,000	26,000
10.0001 Total Obligations.....	45,967	44,000	44,000

Financing:

21.4001 Unobligated balance available, start of year.....	-37,031	-40,487	-46,577
24.4001 Unobligated balance available, end of year.....	40,487	46,577	54,936
60.0001 Budget authority appropriation (Permanent, indefinite).....	49,423	50,090	52,359

Relation of obligations to outlays:

71.0001 Obligations incurred, net....	45,967	44,000	44,000
72.4001 Obligated balance, start of year.....	8,803	7,840	9,263
74.4001 Obligated balance, end of year	-7,840	-9,263	-8,758
90.0001 Outlays.....	46,930	42,577	44,505

Distribution of budget authority by account:

1. Claims and Treaty Obligations...	996	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	18,794	19,553	19,902
3. Power Systems, Indian Irrigation Projects.....	29,633	28,537	30,457
Total.....	49,423	50,090	52,359

Distribution of outlays by account:

1. Claims and Treaty Obligations...	1,035	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	17,072	15,000	15,000
3. Power Systems, Indian Irrigation Projects.....	23,823	23,800	23,800
Total.....	46,930	42,577	44,505

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS PERMANENT APPROPRIATIONS

Object Classification (in thousands of dollars)			
Identification code: 14-9925-0-2-999	88	89	90
	Actual	Estimate	Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	11,657	10,944	11,053
11.3 Other than full-time positions..	2,017	1,078	1,090
11.5 Other personnel compensation....	270	268	280
11.9 Total personnel compensation..	13,944	12,290	12,423
Personnel Benefits:			
12.1 Civilian.....	1,901	1,924	1,949
21.0 Travel & transportation of persons.....	277	264	264
22.0 Transportation of things.....	451	336	336
23.2 Communications, utilities, and other rent.....	9,665	9,600	9,600
24.0 Printing and reproduction.....	13	12	12
25.0 Other services.....	3,734	3,625	3,467
26.0 Supplies and materials.....	13,706	13,680	13,680
31.0 Equipment.....	276	276	276
32.0 Lands and structures.....	18	13	13
41.0 Grants, subsidies, and contributions.....	1,982	1,980	1,980
99.9 Total obligations.....	45,967	44,000	44,000

Personnel Summary

Total number of permanent positions...	479	473	408
Total compensable work years:			
Full-time equivalent employment.....	480	480	410
Full-time equivalent of overtime and holiday hours.....	8	8	8

Justification of Program and Performance

Activity: Operation and Maintenance of Quarters

Program Elements		(Dollar amounts in thousands)				
		FY 1989 Enacted To Date	FY 1990 Base	FY 1990 Estimate	Inc. (+) Dec. (-) From 89	Inc. (+) Dec. (-) From Base
Operation and Maintenance of Quarters (FTE)	\$	7,000 (139)	7,000 (139)	7,000 (139)	-- --	-- --
Total Requirements	\$ (FTE)	7,000 (139)	7,000 (139)	7,000 (139)	-- --	-- --

Objectives: To meet quarters operation and maintenance (O&M) needs, with emphasis on critical life safety needs as they arise; to repair or refurbish quarters and appurtenant structures, such as streets and associated utilities within the boundaries of a quarter's site; and to consolidate underutilized quarters to maximize use of existing facilities and to defer some of the continuing costs of repair, operation, and maintenance. Further planning studies are to be undertaken to continue progress toward meeting the bureau's goal of reducing unneeded quarters inventory.

Base Program (\$7,000,000; FTE 139): The base program encompasses approximately 3,967 quarters facilities containing approximately 6,197,756 square feet bureau-wide. Funding for this program, instituted in FY 1982 and continued through FY 1988, has totaled approximately \$49,000,000. Rental receipts anticipated at approximately \$7,000,000, will be expended for quarters O&M. Categories of work include general repair, operation cost of vacant quarters, code and regulatory compliance (providing for handicapped use and accessibility, improvement of energy efficiency, and correction of immediate life safety discrepancies), site improvements, utility repair and replacement, street and general access repair, and purchase of necessary repair and sanitation equipment.

The bill language approved in FY 1989 allows the various bureaus to use quarters rental receipts at locations having the greatest need, regardless of where the collections occur. Newly constructed quarters (which usually generate higher receipts) have substantially less need for maintenance funds than older quarters. Additionally, as quarters are demolished or turned over to the tribes, remaining rental receipts from that location will be transferred to other locations.

Area Office Operations: Management at the area level includes on-site compliance reviews, quarters O&M program development, preventive maintenance, improvement and repair, and quarters inventory and backlog update.

Central Office Operations: Management oversight includes reviewing and developing policy, coordinating bureauwide development of quarters O&M program, providing policy guidance and direction, establishing rental rates, monitoring the quarters financial account, and conducting policy compliance reviews.

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	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activities:</u>			
10.00 Total Obligations.....	6,930	7,000	7,000
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	-2,757	-2,341	-2,341
24.40 Unobligated balance available, end of year.....	2,341	2,341	2,341
60.00 <u>Budget authority</u>	6,514	7,000	7,000
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	6,930	7,000	7,000
72.40 Obligated balance, start of year.....	1,794	1,294	1,294
74.40 Obligated balance, end of year	-1,294	-1,294	-1,294
90.00 Outlays.....	7,430	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	1988 Actual	1989 Estimate	1990 Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	636	640	640
11.3 Other than full-time positions.	3,097	3,100	3,100
11.5 Other personnel compensation...	54	55	55
11.9 Total personnel compensation.	3,787	3,795	3,795
Personnel Benefits:			
12.1 Civilian.....	463	460	460
13.0 Benefits for former personnel..	20	20	20
21.0 Travel & transportation of persons.....	48	50	50
22.0 Transportation of things.....	76	75	75
23.3 Communications, utilities, and other rent.....	362	250	250
25.0 Other services.....	570	600	600
26.0 Supplies and materials.....	1,125	1,250	1,250
31.0 Equipment.....	100	100	100
32.0 Lands and structures.....	378	400	400
44.0 Refunds.....	1	--	--
99.9 Total obligations.....	6,930	7,000	7,000

Personnel Summary

Total number of permanent positions..	90	90	100
Total compensable work years.....	139	139	139
Full-time equiv. of overtime and holiday hours.....	2	2	2

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.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
COOPERATIVE FUND (PAPAGO)

Program and Financing (in thousands of dollars)

	88	89	90
Identification code: 14-8366-0-7-452	Actual	Estimate	Estimate

Financing:

21.40 Unobligated balance available, start of year:			
Treasury balance.....	-3	-737	---
U.S. Securities (par).....	-14,680	-15,570	-17,354
Unrealized Discounts.....	---	254	---
24.40 Unobligated balance available, end of year:			
Treasury balance.....	737	---	---
U.S. Securities (par).....	15,570	17,354	18,586
Unrealized Discounts.....	-254	---	---
60.00 Budget Authority (appropriation) (permanent, indefinite).....	1,371	1,300	1,232

Relation of obligations to outlays:

71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

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.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-2202-0-1-806

EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND

Program and Financing (in thousands of dollars)

14-2202-0-1-806	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activities:</u>			
Rhode Island Indian claims settlement-fund.....	15	39	---
10.00 Total obligations (obj class 32)	15	39	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	-54	-39	---
24.40 Unobligated balance available, end of year.....	39		---
40.00 Budget Authority.....	---	---	---
 <u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	15	39	---
90.00 Outlays.....	15	39	---

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

Program and Financing (in thousands of dollars)

<u>Identification Code:</u> 14-2204-01-452	1988 Actual	1989 Estimate	1990 Estimate
<u>Program by activities:</u>			
10.00 Total obligations (Object class 41.0).....	59	---	---
<u>Financing:</u>			
40.00 Budget authority (appropriation)	59	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	59	---	---
90.00 Outlays.....	59	---	---

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)

	<u>Budget Authority</u>	<u>Outlays</u>
FY 1988 Total.....	\$373,023	\$368,082
 <u>Decrease</u>		
Direct Program.....	---	---
Miscellaneous Permanents (Tribal).....	<u>-28,318</u>	<u>-26,825</u>
 FY 1989 Total.....	 \$344,705	 \$341,257
 <u>Increases</u>		
Program increase:		
Miscellaneous Permanents (Tribal).....	<u>-7,438</u>	<u>-7,363</u>
 FY 1990 Total.....	 \$337,267	 \$333,894

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.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS TRUST FUNDS

Identification code: -997-0-7-999	1988 Actual	1989 Estimate	1990 Estimate
Unexpended balance, start of year:			
U.S. securities:			
Par value.....	196,860	276,112	1,176,879
Unrealized discounts (-).....	---	-1,789	---
Cash.....	972,811	899,851	---
Balance of fund, start of year.....	1,169,671	1,174,174	1,178,879
Cash income during the year:			
Government receipts.....	630	505	505
Proprietary receipts.....	328,155	308,420	303,071
Intragovernmental transactions.....	44,238	35,780	33,691
Income under present law.....	373,023	344,705	337,267
Total Cash Income.....	373,023	344,705	337,267
Cash outgo during the year:			
Outgo under present law.....	368,082	341,257	333,894
Total Cash Outgo.....	368,082	341,257	333,894
Unexpended balance, end of year:			
U.S. securities:			
Par value.....	276,112	1,176,879	1,179,146
Cash.....	899,851	---	---
Unrealized Discounts.....	-1,789	---	---
Balance of fund, end of year.....	1,174,174	1,176,879	1,179,146

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ANNUAL DEFINITE AUTHORIZATION - TRIBAL FUNDS

Statement Relating to FY's 1988, 1989 & 1990 Programs

1988 Appropriation..... \$1,000,000

Analysis of Annual Definite Authorization, Tribal Trust Funds, by Activity:

ACTIVITY/SUBACTIVITY	1988 Actual	1989 Budget Estimate	1990 Budget Estimate
1. Construction & Land Acquisition	-0-	---	---
2. General Tribal Affairs	<u>\$1,139,000</u>	---	---
Total	\$1,139,000	---	---

Summary of Trust Fund Budget Authority

A. Tribal Funds:	1988 <u>Actual</u>	1989 <u>Estimate</u>	1990 <u>Estimate</u>
1. Annual Definite Authorization	\$ 1,319,000	\$ -0-	\$ -0-
2. Permanent Authorization	\$371,658,244	\$344,644,000	\$337,229,000
B. Other Trust Funds - (Permanent Indefinite):	45,756	41,000	38,000
TOTAL	\$373,023,000	\$344,705,000	\$337,267,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code	1988	1989	1990
14-9973-0-7-999	Actual	Estimate	Estimate
Program by activities:			
1. Direct program (limitation)			
(tribal funds).....	1,319	---	---
2. Miscellaneous permanent	367,121	341,959	334,962
(tribal funds).....			
3. Other trust funds.....	76	41	38
10.0001 Total obligations (Obj class 44)	368,516	342,000	335,000
Financing:			
21.4001 Unobligated balance available, start of year:			
Treasury balance.....	-972,811	-899,851	-1,176,879
U.S. Securities (par).....	-196,860	-276,112	
Unrealized Discounts.....	---	1,789	
24.4001 Unobligated balance available, end of year:			
Treasury balance.....	899,851		
U.S. Securities (par).....	276,112	1,176,879	1,179,146
Unrealized Discounts.....	-1,789		
39.0001 Budget Authority.....	373,019	344,705	337,267
Current:			
40.0001 Appropriation.....	1,319	---	---
Permanent:			
60.0001 Appropriation (indefinite)....	371,700	344,705	337,267
Relation of obligations to outlays:			
71.0001 Obligations incurred, net.....	368,516	342,000	335,000
72.4001 Obligated balance, start of year.....	925	1,358	2,101
74.4001 Obligated balance, end of year	-1,358	-2,101	-3,207
90.0001 Outlays.....	368,082	341,257	333,894
Distribution of budget authority by account:			
Indian tribal funds.....	372,975	344,664	377,229
Funds contributed for the advancement of the Indian race.....	35	33	32
Bequest of George C. Edgeter.....	9	8	6
Distribution of outlays by account:			
Indian Tribal funds.....	368,044	341,216	333,856
Funds Contributed for the advancement of the Indian race....	38	33	32
Bequest of George C. Edgeter.....	---	8	6