

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F. Y. 1986**



BUREAU OF INDIAN AFFAIRS

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Budget Justification, Fiscal Year 1986
Congressional Submission

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SUMMARY

BUREAU OF INDIAN AFFAIRS ORGANIZATION CHART

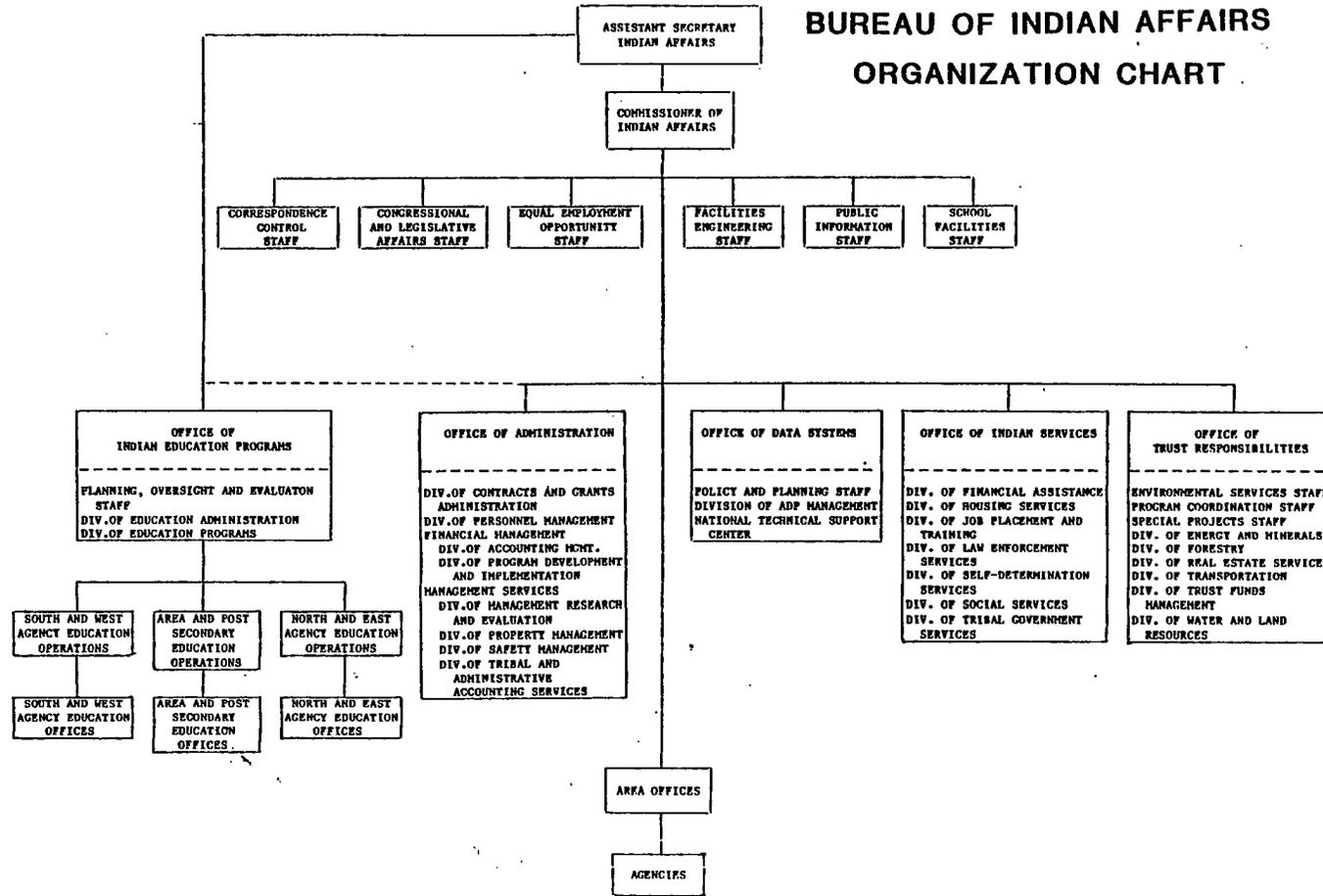


FIG. 1

GENERAL STATEMENT

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

The Snyder Act of 1921 (42 Stat. 208; 25 U.S.C. 13) provided substantive law for appropriations covering the activities of the Bureau of Indian Affairs. The scope and character of the authorizations contained in this Act were broadened by the Indian Reorganization Act of 1934 (48 Stat. 948; 25 U.S.C. 461 et seq.); by the Indian Self-Determination and Education Assistance Act of 1975 (188 Stat. 2203; 25 U.S.C. 450); by amendments to Title XI of the Elementary and Secondary Education Amendments Act of 1978 (P.L. 95-561); by the Indian Child Welfare Act of 1978 (P.L. 95-608); and the Tribally Controlled Community College Assistance Act of 1978 (P.L. 95-471, as amended). The following summary provides a comparison between the 1985 appropriations to date and the 1986 request (dollar amounts in thousands):

<u>Appropriation</u>	<u>FY 1985</u> <u>Appropriation</u> <u>to Date</u>	<u>FY 1986</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>or</u> <u>Dec.(-)</u>	<u>Permanent</u> <u>Employment</u> <u>12/31/84</u>
<u>Federal Funds:</u>				
Operation of Indian Programs.....\$	877,916	855,687	-22,229	
(FTE/T)	(13,066)	(12,922)	(-144)	12,189
Construction.....\$	107,492	70,245	-37,247	
(BIA FTE/T)	(149)	(149)	(--)	127
(Allocation to BurRec FTE/T)	(49)	(--)	(-49)	
Road Construction.....\$	5,880	-- *	-5,880	
(Reimbursable FTE/T)	(40)	(40)	(--)	534
[Allocation fr FHWA non-add FTE/T]	[673]	[667]	[-6]	
Payments to Utah Paiute				
Trust Fund.....\$	2,450	--	-2,450	--
Indian Loan Guaranty				
and Insurance Fund.....\$	--	1,485	+1,485	--
Sub-Total, Appropriations				
Requested.....\$	993,738	927,417	-66,321	
(FTE-T)	(13,304)	(13,111)	(-193)	12,850
Proposed Transfer (Fire Supp.)...\$	--	4,900	+4,900	
<u>Permanent and Trust Funds:</u>				
Miscellaneous Permanents.....\$	46,000	46,000	--	
(FTE-T)	(522)	(522)	(--)	476
Trust Funds.....\$	422,386	420,136	-2,250	
(FTE-T)	(10)	(--)	(-10)	11
Cooperative Fund (Papago).....\$	3,850	1,280	-2,570	--
Budget Authority, <u>Total BIA</u>\$	1,465,974	1,399,733	-66,241	
(FTE-T)	(13,836)	(13,633)	(-203)	13,337

* The road construction program is funded and staffed by contract authority (\$100 million) and FTE/T (667) allocations from the Highway Trust Fund, DOT.

Highlights of the FY 1986 BIA Funding Request

The President's 1986 budget request for the Bureau of Indian Affairs continues to stress the basic goals of strengthening tribal government; encouraging local economic development; fulfilling the Federal trust responsibility for the physical and financial resources held in trust for tribes and their members; and providing essential program services on the reservations.

The \$927.4 million requested includes increases for school operations, tribal courts, welfare grants, services to newly recognized tribes, and the loan guaranty program under the recently amended Indian Financing Act. There will also be increases for support funds for tribal contracting of reservation programs, for water studies to support water rights settlements in the northern plains and for cadastral surveys in Alaska to expedite the transfer of land to the Native corporations and individuals. Two programs initiated in 1983, one to assist small tribes in developing needed management skills and the other to provide "seed money" grants for reservation enterprises, will maintain funding levels increased in 1985 to \$4.9 million and \$9.8 million respectively. The request for \$47.6 million for law enforcement on the reservations similarly reflects the \$8.8 million increase received in 1985.

Curtailments in the budget request are mainly in two areas -- construction and the Johnson O' Malley (JOM) program of education assistance to public schools. The JOM program received \$25.6 million in 1985. No funds are being requested in 1986 for the Johnson O' Malley program which, in the past, has funded supplemental and enrichment programs for Indian students in public schools. Other programs funded by the U.S. Department of Education and the Department of Health and Human Services provide similar supplemental assistance and will continued to do so in 1986. Reports by the General Accounting Office and the Interior Inspector General have indicated, also, that in many cases JOM funds have been used for basic public school activities not aimed at the unique needs of Indian students.

Construction funding is requested only for ongoing projects, with no new starts planned for 1986. However, the dam safety program is being expanded to cover the repair of more hazardous structures.

Organizational Distribution & Budgeting Methodology

The tribal priority system has been used in the development of the Bureau of Indian Affairs' budget to provide continued opportunities for tribal governments to participate in the Federal budget process. This system supports Section 16 of P.L. 73-383 (25 U.S.C. 476), the Indian Reorganization Act, which includes language as follows:

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

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

because they are cyclical and often do not have a continuing program at any one tribal location. Several other programs such as housing, education and special projects have also been removed from the system based on legislative action. Since the early 1970's, many refinements of the "Band Analysis" process have been tried, some discarded and some retained. Today the system is computer based and is called the Indian Priority System (IPS). The tribes still often refer to the process as the "Band Analysis".

In 1984, the IPS computer programs were transferred to the Bureau operated Area and Agency Interchange Executive (AADIX) system using a decentralized data entry procedure. Prior to that time the data was entered into the IPS data base from a central location. The IPS system data base on the FY 1986 tribal and area office priorities is available and has been used to revise the FY 1986 Tribe/Agency and Area Office requested amounts within the total available to these locations.

The funds allocated based upon tribal and area office priorities which are reflected in this budget have been continued at an overall funding level comparable to the FY 1985 appropriated level. The aggregated priorities expressed by the tribes have been used to change the Tribe/Agency Operations portion of the activity/subactivity amounts shown in these justifications. The area office priorities have been used to modify Area Office Operations and the area field operations part of the Tribe/Agency Operations portion. All of the priority changes within these levels net to zero and do not change the overall total.

An analysis of the total Federal appropriations to the Bureau for a three year period by benefiting location is reflected in the table below (in thousands of dollars):

	1984 <u>Final BA</u>	1985 Apprp. <u>to date</u>	1986 <u>Request</u>
Tribe/Agency Operations.....	252,480 ✓	252,862 ✓	270,879
Area Direct Operations.....	28,252 ✓	26,831 ✓	26,681
Central Office Staff Operations.....	25,809 ✓	25,654 ✓	24,886
Field Program Operations.....	<u>651,052</u> ✓	<u>688,391</u> ✓	<u>604,971</u>
Total Federal appropriations.....	<u>957,593</u>	<u>993,738</u>	<u>927,417</u>

The Tribe/Agency Operations are those programs operated at the Agency level in which tribes formally participate in setting funding priorities. The Tribe/Agency amounts include all Area Field Operations funding since these programs, even though operated at the Area Office level, provide direct services to the reservation or tribal level. The programs for Tribe/Agency Operations include law enforcement, social services, economic and natural resources development and others similar to those conducted by a state or local government. The change over 1985 appropriations to date includes the effects of the Congressionally directed merging of \$20.6 million in contract support funds into programs on the Indian Priority System. These funds were formerly shown under Field Program Operations.

Central Office Staff and Area Direct Operations represent funding for technical support, program management, executive direction, and centralized or regionalized administrative services which support all field locations including schools.

Field Program Operations include portions of programs such as education, housing, facilities management, rights protection, and welfare which are either the unique responsibility of the Bureau because of its special relationship to Indians and Indian tribes or for which priorities are established nationally rather than at the local level. However, these programs are primarily executed at the field (reservation) level.

The following table gives a comparison of the 1986 base and the 1986 request amounts:

BUREAU OF INDIAN AFFAIRS
FY 1986 BUDGET REQUEST (IN THOUSANDS DOLLARS)

	FY 1986 Base	FY 1986 Budget Estimate	(+) (-) Changes
School Operations.....	184,374	189,778	+5,404
Johnson O'Malley Education Assistance.....	28,857	--	-28,857
Continuing Education.....	56,127	55,986	-141
EDUCATION.....	<u>269,268</u>	<u>245,764</u>	<u>-23,594</u>
Tribal Government Services.....	28,534	32,077	+3,543
Social Services.....	109,926	114,110	+4,184
Law Enforcement.....	47,334	48,450	+1,116
Self-Determination Services.....	23,320	21,545	+1,775
Navajo-Hopi Settlement Program.....	2,886	2,886	--
INDIAN SERVICES.....	<u>212,000</u>	<u>219,068</u>	<u>+7,068</u>
Employment Development.....	27,368	26,240	-1,128
Business Enterprise Development.....	15,804	15,523	-281
Road Maintenance.....	21,764	22,806	+1,042
ECONOMIC DEVELOPMENT & EMPLOYMENT PROGRAMS	<u>64,936</u>	<u>64,569</u>	<u>-367</u>
Forestry and Agriculture.....	90,271	90,248	-23
Minerals, Mining, Irrigation and Power....	20,912	16,488	-4,424
NATURAL RESOURCES DEVELOPMENT.....	<u>111,183</u>	<u>106,736</u>	<u>-4,447</u>
Indian Rights Protection.....	19,565	19,290	-275
Real Estate and Financial Trust Services..	28,713	31,160	+2,447
TRUST RESPONSIBILITIES.....	<u>48,278</u>	<u>50,450</u>	<u>+2,172</u>
FACILITIES MANAGEMENT.....	91,450	90,390	-1,060
Management and Administration.....	46,741	48,910	+2,169
ADP Services.....	17,663	17,966	+303
Employee Compensation Payments.....	7,523	7,523	--
Program Management.....	4,311	4,311	--
GENERAL ADMINISTRATION.....	<u>76,238</u>	<u>78,710</u>	<u>+2,472</u>
OPERATION OF INDIAN PROGRAMS (Total).....	<u>873,443</u>	<u>855,687</u>	<u>-17,756</u>
Irrigation Systems.....	--	15,759	+15,759
Building and Utilities.....	--	37,490	+37,490
Housing.....	--	16,996	+16,996
Land Acquisition.....	--	--	--
CONSTRUCTION.....	<u>--</u>	<u>70,245</u>	<u>+70,245</u>
ROAD CONSTRUCTION (Total).....	<u>--</u>	<u>--</u>	<u>--</u>
LOAN GUARANTY (Total).....	<u>--</u>	<u>1,485</u>	<u>+1,485</u>
UTAH PAIUTE TRUST FUND.....	<u>--</u>	<u>--</u>	<u>--</u>
TOTAL, FEDERAL APPROPRIATIONS.....	<u>873,443</u>	<u>927,417</u>	<u>+53,974</u>

OPERATION OF
INDIAN PROGRAMS.

Appropriation Language

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

For operation of Indian programs by direct expenditure, contracts, cooperative agreements and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [\$895,834,000] \$855,687,000, of which not to exceed [55,706,000] \$31,473,000 for higher education scholarships [and * assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.),] shall remain available for ** obligation until September 30, [1986] 1987, 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, [1986] 1987: Provided, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs; and includes expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640(d)-18(a)), [\$2,830,000] \$2,886,000, to remain available until expended: Provided further, That none of these funds shall be expended as matching funds for programs funded under [section 103(a)(1)(B)(iii)] Public Law 98-528, sections *** 103(b)(1) and (2), of the Vocational Education Act [of 1963], as amended [(20 U.S.C. 2303(a)(1)(B)(iii))]: [Provided further, That hereafter, funds appropriated under this or any other Act for the Bureau of Indian Affairs may be used for the payment in advance or from date of admission of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; and the payment of rewards for information or evidence concerning violations of law on Indian reservation lands or treaty fishing rights use areas: Provided further, That hereafter moneys received by grant to the Bureau of Indian Affairs from other Federal agencies to carry out various programs for elementary and secondary education, handicapped programs, bilingual education, and other specific programs shall be deposited into the appropriation account available for the operation of Bureau schools during the period covered by the grant and shall remain available as otherwise provided by law: Provided further, That hereafter any cost of providing lunches to nonboarding students in public schools from funds appropriated under this or any other Act for the Bureau of Indian Affairs shall be paid from the amount of such funds otherwise allocated for the schools involved without regard to the cost of providing lunches for such students:] Provided further, That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress: [Provided further, That after September 30, 1985, no part of any appropriation

(except trust funds) to the Bureau of Indian Affairs may be used directly or by contract for general or other welfare assistance (except child welfare assistance) payments (1) for other than essential needs (specifically identified in regulations of the Secretary or in regulations of the State public welfare agency pursuant to the Social Security Act adopted by reference in the Secretary's regulations) which could not be reasonably expected to be met from financial resources or income (including funds held in trust) available to the recipient individual which are not exempted under law from consideration in determining eligibility for or the amount of Federal financial assistance or (2) for individuals who are eligible for general public welfare assistance available from a State except to the extent the Secretary of the Interior determines that such payments are required under sections 6(b)(2), 6(i), and 9(b) of the Maine Indian Claims Settlement Act of 1980 (94 Stat. 1793, 1794, 1796; 25 U.S.C. 1725(b)(2), 1725(i), 1728(b)):] Provided further, That for the fiscal year ending September 30, [1985] 1986, the Secretary may not contract for the establishment or operation of a school not currently operated by the Bureau or assisted by the Bureau under contract. (Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Notes:

- * The amount shown in the President's Budget Appendix (\$31,914,000) has been modified to agree with the changes made to the Higher Education program through application of the FY 1986 tribal priorities.
- ** The placement of the closing bracket] on this line differs from the President's Budget Appendix appropriation language, which is in error.
- *** Citation corrected, differs from the President's Budget Appendix appropriation language.

Appropriation Summary Statement

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

1. Education - This activity provides funding for Bureau operated and contracted elementary and secondary schools. It also provides financial assistance to Indian students for higher education studies, supports tribally operated post-secondary institutions, and offers continuing education programs in many communities.
2. Indian services - This activity provides municipal-type government services for Indian communities along with assistance to tribes in self-government and self-determination projects.
3. Economic development and employment programs - This activity provides technical and financial aid programs which stimulate reservation economies and help Indian individuals and organizations to fully participate in those economies. These programs emphasize development of business enterprises owned and operated by Indians; assistance to Indians in securing and managing loans; assistance to Indians in locating, qualifying, and occupying jobs; and road maintenance to provide for the movement of people and goods.
4. Natural resources development - This activity provides for the conservation, development, and use of Indian land, water, and related resources.
5. Trust responsibilities - This activity provides for the protection of Indian rights and property, and the management of assets held in trust for Indian tribes and individuals.
6. Facilities management - This activity provides for the maintenance and operation of Bureau facilities and the provision of GSA owned or leased facilities.
7. General administration - These functions include executive direction, administrative services, safety management, employee compensation payments, construction management, and education program management.

Reimbursable programs are provided primarily for operation, maintenance and repair of federally owned quarters; programs funded by other Federal agencies; operation of the North Star III shipping operation in Alaska; reimbursements from states for school lunches for Indian children; and for miscellaneous goods and services provided to others.

Justification of Proposed Language Changes

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

1. Modification: "That none of these funds shall be expended as matching funds for programs funded under [section 103(a)(1)(B)(iii)] Public Law 98-528, sections 103 (b)(1) and (2), of the Vocational Education Act [of 1963], as amended [(20 U.S.C. 2303(a)(1)(B)(iii))]:

These changes correct the citation of the the Vocational Education Act to agree with the latest amendments to that Act.

2. Deletion: " Provided further, That hereafter, funds appropriated under this or any other Act for the Bureau of Indian Affairs may be used for the payment in advance or from date of admission of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; and the payment of rewards for information or evidence concerning violations of law on Indian reservation lands or treaty fishing rights use areas: Provided further, That hereafter moneys received by grant to the Bureau of Indian Affairs from other Federal agencies to carry out various programs for elementary and secondary education, handicapped programs, bilingual education, and other specific programs shall be deposited into the appropriation account available for the operation of Bureau schools during the period covered by the grant and shall remain available as otherwise provided by law: Provided further, That hereafter any cost of providing lunches to nonboarding students in public schools from funds appropriated under this or any other Act for the Bureau of Indian Affairs shall be paid from the amount of such funds otherwise allocated for the schools involved without regard to the cost of providing lunches for such students:"

The wording "That hereafter" makes the deleted language permanent law. Therefore, the language is no longer necessary.

3. Deletion: "Provided further, That after September 30, 1985, no part of any appropriation (except trust funds) to the Bureau of Indian Affairs may be used directly or by contract for general or other welfare assistance (except child welfare assistance) payments (1) for other than essential needs (specifically identified in regulations of the Secretary or in regulations of the State public welfare agency pursuant to the Social Security Act adopted by reference in the Secretary's regulations) which could not be reasonably expected to be met from financial resources or income (including funds held in trust) available to the recipient individual which are not exempted under law from consideration in determining eligibility for or the amount of Federal financial assistance or (2) for individuals who are eligible for general public welfare assistance available from a State except to the extent the Secretary of the Interior determines that such payments are required under sections 6(b)(2), 6(i), and 9(b) of the Maine Indian Claims Settlement Act of 1980 (94 Stat. 1793, 1794, 1796; 25 U.S.C. 1725(b)(2), 1725(i), 1728(b)):"

The wording "That after September 30, 1985" makes the deleted language permanent law. Therefore, the language is no longer necessary.

Appropriation Language Citations

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

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

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

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

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

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

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

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

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

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

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

3. maintenance of law and order;

25 U.S.C. 13

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

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

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

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

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

25 U.S.C. 13 provides for (1) the management development, improvement, and protection of Indian lands and resources.

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

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

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

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

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

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

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

25 U.S.C. 13, 381, 385

49 Stat. 887

52 Stat. 80

54 Stat. 707

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

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

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

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

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

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

6. advances for Indian industrial and business enterprises;

25 U.S.C. 13

88 Stat. 82

(25 U.S.C. 1521)

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

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

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

25 U.S.C. 305

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

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

25 U.S.C. 13

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

9. \$ _____, of which not to exceed \$ _____ for higher education scholarships 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, 19 __,

48 Stat. 596
25 U.S.C. 452 et seq.

48 Stat. 596 authorized the Secretary of the Interior to enter into a contract or contracts with states or territories for the education, medical attention, relief of distress, and social welfare of Indians, and for other purposes.

25 U.S.C. 452 amending 48 Stat. 596 provides that, "The Secretary of the Interior is authorized, in his discretion, to enter into a contract or contracts with any state or territory, or political subdivision thereof, or with any state university, college, or school, or with any appropriate state or private corporation, agency, or institution, for the education, medical attention, agricultural assistance, and social welfare, including relief of distress, of Indians in such state or territory, through the agencies of the state or territory or of the corporations and organizations hereinbefore named, and to expend under such contract or contracts, moneys appropriated by Congress for the

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education, medical attention, agricultural assistance, and social welfare, including relief of distress, of Indians in such state or territory."

10. 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, 19 : Provided, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs;

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

88 Stat. 2203; 25 U.S.C. 450 provides that, "To provide maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in programs and services conducted by the Federal Government for Indians and to encourage the development of human resources of the Indian people; to establish a program of assistance to upgrade Indian education; to support the right of Indian citizens to control their own educational activities; and for other purposes." Section 8 of this act authorizes that ". . . any funds appropriated pursuant to the Act of November 2, 1921 (42 Stat. 208), for any fiscal year which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year."

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

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

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

12. Provided further, That none of these funds shall be expended as matching funds for programs funded under Public Law 98-528, sections 103(b)(1) and (2) of the Vocational Education Act, as amended:

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

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

14. Provided further, That for the fiscal year ending September 30, [1985] 1986, the Secretary may not contract for the establishment or operation of a school not currently operated by the Bureau or assisted by the Bureau under contract.

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

BUREAU OF INDIAN AFFAIRS

Summary of Requirements

Appropriation: Operation of Indian Programs

(dollar amounts in thousands)

	<u>FTE/T</u>	<u>Amount</u>	<u>FTE/T</u>	<u>Amount</u>
SUMMARY OF BASE ADJUSTMENTS				
<u>Appropriation requested in President's Budget, 1985</u>			13,066	\$877,916
<u>Total adjustment for 1985 pay increase</u>	--	+10,668		
<u>Proposed 1986 pay cut</u>	--	-11,430		
<u>Improved position management initiative</u>	--	-777		
<u>FY 1986 5% reduction in headquarters and administrative expenditures</u>	-120	-4,000		
<u>Transfers:</u>				
Internal transfer of Trust Fund Accounting to Fin. Trust Svcs.....	+5	+418		
Internal transfer of TAAS to Self-Deter. Svcs. (T/TA).....	+13	+500		
Transfer of Tribal Trust Funds FTE to OIP Reimbursables.....	+10	--		
Transfer of Klamath & Voigt Fisheries programs to Wildlife & Parks...	--	+1,240		
Transfer of Contract Support Funds to Construction (Housing).....	--	-2,828		
<u>Other increases:</u>				
GSA space rentals (adjustment of budgeted amount to est. costs).....	--	+3,229		
Employee Compensation Fund.....	--	+665		
Annualization of FTE/T for FY 1985 law enforcement program increase..	+30	--		
Subtotal, adjustments to base and built-in changes.....			<u>-80</u>	<u>-4,473</u>
<u>1986 Base Budget</u>			12,986	\$873,443
Program changes (changes to base budget detailed below).....			<u>-64</u>	<u>-17,756</u>
<u>Total Requirements (1986 Estimate)</u>			<u>12,922</u>	<u>\$855,687</u>

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Operation of Indian Programs:

Summary of Requirements - Continued
(dollar amounts in thousands)

Comparison by activity/subactivity:	1984		1985		1986		1986		Change from	
	Appropriation		Appropriation		Base Budget		Estimate		Base	
	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount
<u>Direct Program:</u>										
<u>Education:</u>										
School Operations.....	4,949	\$176,933	4,790	\$177,265	4,775	\$184,374	4,742	\$189,778	-33	\$+5,404
Johnson O'Malley.....	---	26,000	---	25,674	---	28,857	---	---	---	-28,857
Continuing Education.....	277	52,821	277	53,256	277	56,127	277	55,986	---	-141
Education Contract Support.....	---	---	---	13,073	---	Distrib	---	---	---	---
Subtotal.....	5,226	\$255,754	5,067	\$269,268	5,052	\$269,358	5,019	\$245,764	-33	\$-23,594
<u>Indian Services:</u>										
Tribal Government Services.....	233	\$23,694	233	\$25,936	227	\$28,534	227	\$32,077	---	\$+3,543
Social Services.....	241	109,809	241	104,984	240	109,926	245	114,110	+5	+4,184
Law Enforcement.....	551	35,122	581	44,354	607	47,334	618	47,450	+11	+1,116
Self-Determination Services.....	53	58,779	53	24,162	64	23,320	79	21,545	+15	-1,775
Navajo-Hopi Settlement Program..	67	3,951	63	2,773	62	2,886	62	2,886	---	---
Indian Services Contract Support	---	---	---	14,935	---	Distrib	---	---	---	---
Subtotal.....	1,145	\$231,355	1,171	\$217,144	1,200	\$212,000	1,231	\$219,332	+31	\$+7,068
<u>Economic Dev./Employ. Programs:</u>										
Employment Development.....	136	\$26,341	136	\$25,414	132	\$27,368	110	\$26,240	-22	\$-1,128
Business Enterprise Development	137	10,521	141	15,688	141	15,804	133	15,523	-8	-281
Road Maintenance.....	397	22,147	397	21,890	397	21,764	397	22,806	---	+1,042
Econ. Dev./Emp. Contract Support	---	---	---	2,675	---	Distrib	---	---	---	---
Subtotal.....	670	\$59,009	674	\$65,667	670	\$64,936	640	\$64,569	-30	\$-367
<u>Natural Resources Development:</u>										
Forestry & Agriculture.....	1,265*	\$83,251	1,302	\$84,932	1,295	\$90,271	1,270	\$90,248	-25	\$-23
Minerals, Mining, Irrigation and Power.....	58	16,406	58	20,758	57	20,912	57	16,488	---	-4,424
Nat. Res. Dev. Contract Support.	---	---	---	4,460	---	Distrib	---	---	---	---
Subtotal.....	1,323	\$99,657	1,360	\$110,150	1,352	\$111,183	1,327	\$106,736	-25	\$-4,447

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* Includes 117 FTE for fire suppression, 1984 amount shown does not include funds for 1984 fire suppression costs.

Operation of Indian Programs:

Summary of Requirements - Continued
(dollar amounts in thousands)

Comparison by activity/subactivity:	1984		1985		1986		1986		Change from Base	
	Appropriation		Appropriation		Base Budget		Estimate		FTE/T	Amount
	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount
Trust Responsibilities:										
Indian Rights Protection.....	178	\$17,938	178	\$20,550	175	\$19,565	167	\$19,290	-8	-275
Real Estate & Financial Trust Services.....	768	27,665	768	28,301	763	28,713	779	31,160	+16	+2,447
Trust Respons. Contract Support.			---	797	---	Distrib	---	---	---	---
Subtotal.....	946	\$45,603	946	\$49,648	938	\$48,278	946	\$50,222	+8	+\$2,172
Facilities Management *.....	1,420	\$91,857	1,371	\$88,368	1,364	\$91,450	1,318	\$90,390	-46	\$-1,060
General Administration:										
Management and Administration...	1,428	\$60,739	1,301	\$48,260	1,237	\$46,741	1,273	\$48,910	+36	+\$2,169
ADP Services (86 base trnsfr)...	---	---	142	17,748	140	17,663	140	17,966	---	+303
Employee Compensation Payments..	---	6,829	---	6,858	---	7,523	---	7,523	---	---
Program Management.....	159	5,970	143	4,805	132	4,311	132	4,311	---	---
Subtotal.....	1,587	\$73,538	1,586	\$77,671	1,509	\$75,013	1,545	\$75,915	+36	+\$2,472
Total Direct Program (Total APPROPRIATION).....	12,317	\$856,773	12,175	\$877,916	12,085	\$873,443	12,026	\$855,687	-59	\$-17,756
Reimbursable Programs (All):	902	\$43,697	891	\$48,200	901	\$48,000	896	\$48,000	-5	---
TOTAL PROGRAM OPERATIONS.....	13,219	\$900,470	13,066	\$926,116	12,986	\$921,443	12,922	\$903,687	-64	\$-17,756

* Facilities Management FTE/T include workyears financed by collections from rental of Government owned quarters. The workyears are: 28 FTE/T in FY 1984; 30 FTE/T estimated in both FY 1985 and FY 1986. The collections for FY 1984 (\$7,839,000) are included under Reimbursable Programs (All) on this table, but are included in a Department-wide account for FY 1985 and FY 1986 (\$10,000,000 estimated for each year), which is displayed by the Fish and Wildlife Service.

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Justification of Adjustments to Base

Total adjustment for 1985 pay increase..... \$+10,668,000

Anticipated FY 1985 pay increase supplemental.....	\$ 5,000,000	a/
Amount of 1985 pay increase to be absorbed.....	4,184,000	
Total cost in 1985 of pay increase	\$ 9,184,000	
Adjustment for full-year cost in 1986 of 1985 pay increase	1,484,000	
Total adjustment for 1985 pay increase.....	\$10,668,000	

An amount for 638 pay cost usually requested in order to meet the provisions of Section 106(h) of P.L. 93-638, the Indian Self-Determination and Education Assistance Act has not been requested in the FY 1985 pay increase supplemental nor included in the 1986 Base. This action was taken since there has not been a comparable reduction made in contracted programs in relation to the reduction made to Bureau operated programs for the proposed 5% 1986 Federal pay cut.

The pay cost absorption in FY 1985 will require delays in filling vacancies, elimination or delay of supply procurements, etc. in order to achieve sufficient savings to cover the increase in pay to employees currently on board. P.L. 93-638 contractors will receive fewer contract dollars in 1985 and will take similar actions or not provide equivalent pay raises for their contract employees.

a/ The FY 1985 pay increase amount is financed by a proposed transfer from Construction (Buildings & Utilities) available unobligated balances.

Proposed 1986 pay cut..... \$-11,430,000

This reduction reflects the reduced pay costs resulting from the 5% pay cut proposed for January 1986. The programmatic distribution of the proposed reduction has been made as a base adjustment based upon current (end of year FY 1984) salaries paid.

Improved position management initiative..... \$-777,000

In FY 1986, improved position management will continue as a Government-wide initiative. It is projected that up to 220 positions in the GS/GM-11 to GS/GM-15 range could be affected by this management initiative by filling these positions at a lower grade, resulting in anticipated savings of \$777,000. The tentative programmatic breakdown of the savings from such actions has been determined by the current numbers of positions in each program which are in the 11-15 grade range. However, the Bureau plans to apply the reductions as part of an overall position management effort in order to assure that proper grade levels are being applied to all of its positions consistent with sound position classification principles and the need for an effective organizational structure. The tentative reduction has been allocated as a base adjustment as follows:

Education.....	\$-115,000
Indian Services.....	-103,000
Economic Dev. & Employ. Prgs....	-35,000
Natural Resources Development...	-138,000
Trust Responsibilities.....	-108,000
Facilities Management.....	-36,000
General Administration.....	<u>-242,000</u>

Total reduction..... \$-777,000

FY 1986 5% reduction in headquarters & admin. expenditures..... \$-4,000,000

This base adjustment reflects anticipated saving in 1986 resulting from improved cost-effectiveness measures and performance in program management, administrative and support functions, including organizational streamlining and functional consolidations. The Bureau will be participating in Department-wide initiatives as appropriate to streamline and consolidate functions. Resource and facility sharing are being examined, as well as servicing ratios for personnel and other administrative functions. Standardized reporting and record-keeping systems will also be explored.

In FY 1986, it has been proposed that this management initiative would result in a reduction of -55 FTE/T and \$-1,750,000 in the Area Offices; -15 FTE/T and \$-500,000 in Area-Agency Education Technical Support; and -50 FTE/T and \$-1,750,000 in the Central Office. The specific program reductions have been determined by reviewing staffing needs at these offices and making selective FTE/T reductions. Each FTE/T reduced has been valued at \$32,000 for Area and Education programs with \$35,000 used for Central Office in applying the dollar reductions. The programmatic distribution of the reduction has been applied as a base adjustment and is distributed as follows:

	<u>Area Level</u>		<u>Central Office</u>		<u>Program Total</u>	
	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>
Education.....	\$-500,000	-15	a/ ---	---	\$-500,000	-15
Indian Services.....	-224,000	-7	-\$245,000	-7	-469,000	-14
Economic Dev. & Employ. Prgs..	-96,000	-3	-35,000	-1	-131,000	-4
Natural Resources Development.	-160,000	-5	-105,000	-3	-265,000	-8
Trust Responsibilities.....	-256,000	-8	-175,000	-5	-431,000	-13
Facilities Management.....	-192,000	-6	-35,000	-1	-227,000	-7
General Administration.....	-822,000	-26	-1,155,000	-33	-1,977,000	-59
Total reductions.....	\$-2,250,000	-70	-\$1,750,000	-50	\$-4,000,000	-120

a/ Central Office Education Program Management is included under General Administration's share of the reductions.

Transfers

Transfer of Trust Fund Accounting to Financial Trust Services.... \$ +418,000

In FY 1984, an intensified effort was begun to improve the management of trust funds, including the Bureau's fiduciary cash management responsibilities to emphasize maximum return on investment. A major part of this effort is concentrated on improving the internal controls, accountability and investment processes for the approximately \$1.7 billion held in trust for tribes and individual Indians. Prior to FY 1986, the major portion of trust fund accounting activities at the Central Office were requested under General Administration, accounting management. However, because these activities directly support the trust responsibility function, a base transfer of \$418,000 and 5 FTE has been made in order to properly display the costs as trust fund management rather than an administrative responsibility. Of the total transferred, \$100,000 (5 FTE) is from accounting management staff and \$318,000 from the Improve Finance System/Trust Fund Accounting line item. This transfer covers \$200,000 in special project costs for development and implementation of a trust accounting system; an estimated annual cost of \$68,000 for a consolidated depository (lock box) system; and \$150,000 (5 FTE) for the annual costs of the trust accounting and cash management staff functions.

Transfers (Continued)

Transfer of Tribal Administrative and Accounting Services (TAAS)
to Self-Determination Services (Training & Technical Assistance)...\$ +500,000

The Tribal and Administrative Accounting Services (TAAS) group was originally an internal audit group of the Bureau. However, when the audit function was consolidated in the Department, the functions of the group were redefined as providing direct technical assistance to tribes. Such assistance is a legislated requirement under P.L. 93-638 Indian Self-Determination and Education Assistance Act. The TAAS group performs functions which are programatically similar to those performed by the Self-Determination staff funded under the budget activity titled Indian Services. The work involves assisting tribal governments in the implementation and maintenance of support systems such as accounting, personnel, and property management. It is an integral part of the over-all technical assistance provided to tribes and tribal contractors by the other Self-Determination staff. In order to more accurately reflect the proper funding source for TAAS staff, the base transfer adds \$500,000 and 13 FTE to Indian Services, Self-Determination Services (Training and Technical Assistance) and reduces General Administration, Management and Administration (Administrative Services) a corresponding amount.

Transfer of Tribal Trust Funds FTE to OIP Reimbursables..... +10 FTE/T

Starting in FY 1986, salaries of Federal employees who have been paid from Tribal Trust Funds at the request of tribes will no longer be charged directly to the Trust Funds accounts. The positions will be assigned to the Operation of Indian Programs (OIP) account and their salaries charged to that account with financing provided under reimbursable agreement with the tribes involved at their request. Ten FTE/T have been transferred.

Transfer of Fishery programs from Trust Respons. to Nat. Res. Dev. +1,240,000

In FY 1985, Congress appropriated funds for the Klamath Conservation Program (\$260,000) and the Voigt Case Area (\$980,000) under Indian Rights Protection within the Trust Responsibilities activity (Hunting & Fishing Rights). Because these programs are now operational fisheries management programs, they are more appropriately funded as part of the Special Fish Management Programs under the Natural Resources Development activity (Wildlife and Parks). Therefore, the FY 1985 amount appropriated under Indian Rights Protection has been transferred in the base for FY 1986.

Transfers (Continued)

Transfer of Contract Support Funds to Construction (Housing)..... \$-2,828,000
 (Additional base adjustments made to Contract Support distribution to
 the subactivity level in FY 1986 are also described below.)

Congress directed the merging of Contract Support Funds (CSF) with direct program funds. Accordingly, a tentative distribution was made for FY 1985 to the activity level based upon FY 1983 contracting experience. As promised in the FY 1985 justifications, a redistribution has been made in FY 1986 to the detailed program level based upon FY 1984 contracting experience. The base adjustments by activity/subactivity are outlined below (dollars in thousands):

<u>Activity/Subactivity</u>	<u>FY 1985 Appropriation Amount</u>	<u>Adjustments Based on FY 1984</u>	<u>Final 1985 Distribution (1986 Base)</u>
<u>Education.....</u>	<u>13,073</u>	<u>+1,253</u>	<u>14,326</u>
School Operations.....	---	+7,732	7,732
Johnson O'Malley Educ. Ass't.....	---	+3,183	3,183
Continuing Education.....	---	+3,411	3,411
Education Contract Support.....	13,073	-13,073	---
<u>Indian Services.....</u>	<u>16,601</u>	<u>-5,044</u>	<u>11,557</u>
Tribal Government Services.....	---	+2,752	2,752
Social Services.....	---	+4,933	4,933
Law Enforcement.....	---	+3,332	3,332
Self-Deter. Svs. (CSF).....	1,666	-1,276	390 a/
Navajo-Hopi Settlement Prg.....	---	+150	150
Indian Services Contract Support..	14,935	-14,935	---
<u>Econ. Dev. & Employment Prgs.....</u>	<u>2,675</u>	<u>+162</u>	<u>2,837</u>
Employment Development.....	---	+2,295	2,295
Business Enterprise Dev.....	---	+280	280
Road Maintenance.....	---	+262	262
Econ. Dev/Empl Contract Support..	2,675	-2,675	---
<u>Natural Resources Development.....</u>	<u>4,460</u>	<u>+362</u>	<u>4,822</u>
Forestry and Agriculture.....	---	+4,642	4,642
Minerals, Mining/Irrig. & Power..	---	+180	180
Nat. Res. Dev. Contract Support..	4,460	-4,460	---
<u>Trust Responsibilities.....</u>	<u>797</u>	<u>+187</u>	<u>984</u>
Indian Rights Protection.....	---	+598	598
Real Estate/Financial Trust Svs..	---	+386	386
Trust Respons. Contract Support..	797	-797	---
<u>Facilities Management.....</u>	<u>1,092</u>	<u>+252</u>	<u>1,344</u>
Subtotal OIP.....	38,698	-2,828	35,870
<u>Housing (Construction account).....</u>	<u>---</u>	<u>+2,828</u>	<u>2,828</u>
TOTAL (FY 1985 Approp./1986 Base)..	<u>38,698</u>	<u>---</u>	<u>38,698</u>

a/ CSF remaining in the base for use on new FY 1985 contracts; this amount will be distributed to the proper program accounts in the FY 1987 cycle.

Other increases

GSA space rentals..... \$+3,229,000

The increase for GSA space rentals does not reflect an increase in actual occupied space. The increase is required to directly budget for the total amount of FY 1986 GSA space rentals (\$10,300,000) projected for the Bureau by GSA based upon occupancy and rental rates charged as of December 1984, which have been frozen for 1986.

Employees' Compensation Fund..... \$ +665,000

The increase in the repayment to the Federal Employees' Compensation Act Fund is the result of higher costs in the 1983-84 expense period. These charges will be reimbursed to the Department of Labor, Federal Employees' Compensation Act Fund, with 1986 funds pursuant to Public Law 94-273.

Annualization of FTE/T for FY 1985 law enforcement prg. increase..+30 FTE/T

In FY 1985, Congress added \$8.8 million to the law enforcement program. A portion of these funds have been used to hire Federal employees under the Bureau operated law enforcement programs. Since the new hiring did not commence until mid-1985, the full FTE/T effects will not be accrued until FY 1986. An estimated total of 60 FTE/T will be required, 30 FTE/T in FY 1985 and an increase to the full 60 FTE/T in FY 1986. The FY 1986 incremental amount (annualization) is +30 FTE/T and has been treated as a base adjustment.

Area Base Adjustments

The base adjustments made to Tribe/Agency Operations (including Area Field Operations) and Area Office Direct Operations amounts (which net to zero) are detailed in the Appendix of these Justifications.

Activity Summary
(dollars in thousands)

Activity: Education

<u>Subactivity (program)</u>	<u>FY 1984 Actual (B.A.)</u>	<u>FY 1985 Approp. Enacted</u>	<u>FY 1985 Revised Estimate</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) or Dec. (-) 1986 Est. over 1986 Base</u>
School Operations	176,933	177,265	178,996	184,374	189,778	+5,404
Johnson O'Malley Educ. Assist.	26,000	25,674	25,674	28,857	---	-28,857
Continuing Education	52,821	53,256	53,365	56,127	55,986	-141
Education Contract Support	---	13,073	13,073	Distrib.	---	---
Total	255,754	269,268	271,108	269,358	245,764	-23,594

Justification of Program and Performance

Activity: Education
 Subactivity: School Operations

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Indian School Equal. Program:						
1. Indian School Equal. Formula	\$ (FTE)	152,179 (4,305)	152,093 (4,305)	154,370 (4,272)	+2,191 (-33)	+2,277 (-33)
2. Indian School Prog. Adjustments	\$	1,775	1,775	1,775	--	--
B. Education Standards (Implementation)	\$	--	--	1,900	+1,900	+1,900
C. Institutionalized Handicapped	\$	2,342	2,342	2,342	--	--
D. School Boards						
1. Expenses	\$	1,200	1,200	727	-473	-473
2. Training Fund	\$	515	515	515	--	--
E. Student Transportation	\$ (FTE)	10,187 (283)	10,187 (283)	11,887 (283)	+1,700 (--)	+1,700 (--)
F. Technical Support- Agency and Area Offices	\$ (FTE)	9,067 (202)	8,530 (187)	8,530 (187)	-537 (-15)	-- (--)
G. School Operations Contract Support	\$	--	7,732	7,732	+7,732	--
Total Requirements	\$ (FTE)	177,265 (4,790)	184,374 (4,775)	189,778 (4,742)	+12,513 (-48)	+5,404 (-33)
<u>Distribution:</u>						
Education and Training, General (Area/Agency Technical Support)	\$ (FTE)	9,067 (202)	8,530 (187)	8,530 (187)	-537 (-15)	-- (--)
School Operations	\$ (FTE)	166,483 (4,588)	174,129 (4,588)	180,006 (4,555)	+13,523 (-33)	+5,877 (-33)
School Boards	\$	1,715	1,715	1,242	-473	-473

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

Objective: The objectives of the school operations program are: (1) to provide a high quality basic educational program to Indian students not served by public or sectarian schools; (2) to provide residential care for a limited number of Indian students attending public schools; (3) to meet the special needs of Indian students and those problems intensified among Indian children because of the uniqueness of their situation, such as bilingual needs, residential care and guidance; and (4) to provide operational funding to elementary and secondary schools under contract to tribes.

Funds have not been included in this budget request to implement the provisions of P.L. 98-511.

A. Indian School Equalization Program

Base Program: While 82% of Indian students, as defined by the Department of the Interior, are served by state-operated public schools, there continues to be a need for a direct Federal role in Indian Education. The remaining approximately 18% of all Indian children in school are provided an education in schools run by the Bureau or by tribes under contract with the Bureau of Indian Affairs pursuant to P.L. 93-638. Approximately 41% of the estimated average daily membership (ADM) in Bureau-operated or funded schools in FY 1985 are in residential schools; because the students live farther than a 1-1/2 mile walk from public or Federal day schools' bus routes; or because of special social or academic factors such as poverty, family difficulties, or problems encountered in other school systems.

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

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

- KINDERGARTEN AND ELEMENTARY EDUCATION (K-8) - Basic education programs for children utilizing specialized staff in small groups, including school health, nutrition, counseling, and the relevance of education to the child's culture.
- SECONDARY EDUCATION (9-12) - Basic educational curricula at grades 9-12 and special curricula including vocational courses and extra-curricular activities. Also included are specialized courses to prepare students for meaningful, productive careers or to continue in institutions of higher learning.
- BILINGUAL/BICULTURAL EDUCATION - Special programs for children who are non-functional or limited in English-speaking abilities.

- EXCEPTIONAL CHILD PROGRAMS - Educational programs to meet the unique needs of handicapped Indian children in existing, approved programs at no cost to the parents. This includes classroom instruction, instruction in physical education, home instruction, and instruction in hospitals and institutions. The need for special education and related service programs for handicapped Indian children is being met in Bureau-operated and contracted elementary and secondary schools.
- RESIDENTIAL PROGRAMS - These programs provide for the housing and care of students, including room and board, recreation, libraries, tutoring and other programs unique to residential situations. Supplementary services are provided to handicapped children in residential care programs as identified in Individualized Education Plans (IEP's). The IEP's outline the special education and related services requirements to meet the unique needs of individual handicapped students. In most cases, the services include, but are not limited to, physical therapy, psychological counseling, and specific instructional activities. Most students who are in the residential setting as a result of social placements participate in the Intensive Residential Guidance Program.
- SUMMER PROGRAMS - At the option of school boards, available funds may be expended to support summer programs including remedial instruction, recreational activities, scouting, etc.

The Bureau, in carrying out its educational responsibilities in FY 1986, will operate, either directly or by contract, 168 elementary and secondary schools and 14 dormitories. These federally operated and contracted schools will serve an estimated student ADM of 41,481 in 23 states in FY 1986. This figure includes (39,829) ADMs under the basic instructional programs and (1,652) ADMs under the basic residential programs for students receiving residential care while attending public schools. The 182 educational facilities are:

1. Day Schools (57): Provide basic elementary and secondary education programs to children who reside at home.
2. On-Reservation Boarding Schools (46): Located within the boundaries of an Indian reservation and providing residential care in addition to the education program.
3. Off-Reservation Boarding Schools (7): Located outside the boundaries of an Indian reservation and providing residential care in addition to the education program.
4. Dormitories (14): Provide residential care for students attending public schools. Three dormitories will be contracted in FY 1986; and the Magdalena Dormitory will close at the end of the 1984-85 school year based on construction of the Alamo school.
5. Contract Schools (58): Forty-eight day schools and ten boarding schools are operated by the tribes under P.L. 93-638 contracts.

The Bureau expects soon to publish Academic and Dormitory Standards for all Bureau-operated elementary and secondary schools. Contract schools are not required by law to adhere to these standards, but they may choose to adopt them. The academic standards represent a minimum requirement and meet or exceed all state minimum standards for the state in which the school is located. The standards include: (1) student/teacher ratios, (2) grading and student promotion

requirements, (3) high school graduation requirements, (4) textbooks and library/media program requirements, (5) student assessments, (6) counseling services, and (7) academic program evaluation requirements. The national criteria for dormitory situations apply to both Bureau and contract schools and include: (1) dormitory space requirements for each student, (2) dormitory activities and counseling programs, (3) staff/student ratios, and (4) homeliving and/or dormitory operation requirements.

Attendance boundaries have been implemented for all Bureau-funded schools. Other initiatives in process to enhance the quality of education for students in Bureau schools are to: (1) upgrade all professional Education personnel, including teachers, counselors, administrators, and librarians, to achieve state certification; (2) develop and implement a strategy to achieve accreditation for all schools -- 56 percent of all Bureau-funded schools (including contract) are presently accredited; (3) streamline the allocation of funds in order to provide schools with final allotments of funds within the first quarter of the fiscal year; (4) update the inventory of condition and needs related to school facilities into at least these categories: (a) life-safety, (b) required to meet appropriate standards, (c) required to remedy functional deficiencies, and (d) general repair; (5) review criteria and distribution process for operation and maintenance funds; and (6) review curriculum content in Bureau schools.

Concerning item number 2 above, 95 (56%) Bureau-funded schools are currently accredited by either a local State Department of Education or a Regional Accrediting Agency of the Commission on Schools. During FY 1984, of the 75 (44%) schools not accredited, 28 began the two-year accreditation process. For example, at Shiprock Agency on the Navajo reservation, seven schools began preliminary work for conducting individual school self-studies under the direction of the Navajo Office of the North Central Accreditation Agency and will undertake their self-studies during 1985. Additionally, during FY 1985, other "not" accredited schools have plans to begin the accreditation process. Another example of this year's effort is in the Northern Pueblos Agency where five schools recently met with the North Central Accrediting officials concerning final plans for undertaking their self-studies in the fall of 1985. Continuing efforts will be made to schedule remaining "not" accredited schools to take necessary steps toward accreditation in 1985.

The Computers in Education Program which began in late FY 1983 has been expanded from approximately 50 schools in FY 1984 to over 100 in FY 1985, and a goal of 150 schools in FY 1986. Almost every school with computer assisted instruction programs has a success story about the positive impact computers are having on the education of their students.

In 1984, the Bureau contracted with CTB/McGraw-Hill to evaluate test scores of all Bureau-funded school students. While the final comprehensive analysis has not been completed, initial findings are that BIA students rank below the national average of the 50th percentile (on a scale of 1-99) in reading, language arts, and math on the Comprehensive Test of Basic Skills (form U). The findings, however point out that in all three areas there has been consistent, and in some areas, substantial growth in the period 1982-1984. The Bureau believes this growth is attributable, in large part, to the country's reaction to the National Commission on Excellence in Education report on "A Nation at Risk" which highlights the need to improve basic educational achievement at all grade levels. This report has raised the nation's consciousness level and awareness concerning education of its children. Bureau school boards are better trained and have acquired expertise in school operations and have, in cooperation with teachers, pupils, and superintendents, become involved in redesign of school curriculum.

The Bureau's efforts towards accreditation of all its schools and the requirement of P.L. 95-561 that all new teachers be certified by the respective states have also been contributing factors to these gains.

The following chart illustrates the growth for selected grades in selected subject areas:

<u>PERCENTILE RANKING</u>			
<u>1st Grade</u>	<u>Reading</u>	<u>Language Arts</u>	<u>Math</u>
1982	18 th	33rd	30th
1984	30th	36th	39th
<u>2nd Grade</u>			
1982			17th
1984			30th
<u>3rd Grade</u>			
1982		13th	12th
1984		23rd	25th
<u>6th Grade</u>			
1982	12 th	21st	19th
1984	22nd	32nd	27th
<u>11th Grade</u>			
1982			14th
1984			22nd

The greatest growth in the three-year period in all three subject areas occurred in reading in grades 1-6, with a tremendous growth being realized in grades 1 and 6. Throughout the Bureau, Northern Pueblos, Eastern Navajo and Cherokee Agency schools were at or near the 50th percentile in one or more of the three subject areas.

Bureau school staffs state that the most serious problem they face is the insufficiency of parental interest and involvement in the education of their children. Educational research confirms the importance that the influence of the home environment has on student achievement. Bureau staff and school boards are aggressively encouraging parents to become involved. Such activities as parent/teacher associations, home visitation programs, parent awareness seminars, and parental involvement in classes, have been initiated at Greasewood, Crownpoint, Jemez, Standing Pine, Tucker, Baca, Lake Valley, and Beclabito to: (1) solicit parental views on and input into every aspect of the school programs, (2) discuss student's progress, or (3) orient parents on such topics as "discipline for school aged children", "concerns of single parents", "working mothers", and "children and TV".

Many schools have initiated new, unique, or innovative programs or activities during the past two years to enhance the education of their students. A partial list of these accomplishments follows:

Eastern Navajo Agency (20 schools; 4,791 students) schools have witnessed a dramatic growth in test scores for the period 1975-1984. Scores on the California Test of Basic Skills and Metropolitan Achievement Test have increased from an aggregate grade equivalency of 25.3 to 35.5 as compared to a national aggregate of 39.9. This is a growth from an average 2.1 years below grade level to only six months below grade level. Improvement is expected to continue.

Zia Day School (grades K-6; 97 students) was the first Pueblo school ever to hold a science fair. Forty-one exhibits, involving 65 of the 97 students, related to such topics as "Fungus Among Us", "The Effect of Chemical Addictions on Plants", and "Alternating and Direct Electrical Current".

Shonto Boarding School (grades K-8; 928 students) initiated a peer tutoring program to provide additional help for students with academic and/or behavioral needs. From 12:00 to 1:00 every day, third graders are tutored by fifth graders. Starting with only 14 students in the fall, there are currently 90 students receiving tutoring from their peers, with a long waiting list of students trying to find a "peer" tutor. Two teachers and a counselor, all volunteers, are present during the tutorial sessions and circulate among the students. Teachers have stated that both the "tutors" and the "tutored students" are benefiting from the program and have shown greater academic progress.

Leupp Boarding School (grades K-9; 405 students) requires training for its students in grades 7-9 in the microcomputer lab in typing and keyboarding, programming, and math practices. A "Big Brother/Big Sister Computer Time" program has been initiated whereby junior high students tutor students in grades 2-6 in use of the computers. Several of the junior high students have formed a Writer's Guild where they write, edit, revise and publish stories, transforming them from computer memory to "hard copy".

Aneth Boarding School (grades K-6 and pre-vocational; 249 students) conducts a pre-vocational program which is unique to BIA schools on Navajo. The program is geared toward Navajo students ages 14-20, who have been out of school 3 or more years or who did not have the opportunity to begin their schooling at the proper age. Many of the students are placed in Job Corps Centers while others are referred to GED programs both on Navajo and in surrounding states. The completion rate of the students in these programs is very high, to the point where Job Corps Centers and universities with GED programs have requested additional Aneth students.

Wingate Elementary Boarding School (grades 1-8; 547 students) has begun a new language arts program entitled "The Whole Language Approach". One of the activities is carrying over the reading program from the classroom to the dormitories. The principal has challenged the students to read a cumulative one million minutes during their dormitory study hour. This challenge was given November 5, and by December 14 the students had read 178,000 minutes.

Wingate High Boarding School (grades 9-12; 946 students) has added to the school's curriculum for juniors and seniors a unique course called Re Ca Rc (Ready and Context Area Resource Center) which has already resulted, on an average, in students gaining .56 years in one-half year on the Nelson-Denny test and .79 years growth in one-half year as indicated by the Botel Opposites test. Also WHS students are participating, in cooperation with 3 public and private school systems, in an area-wide vocational education program. Seventeen WHS

students are taking 3 hours per day of instruction in business and building trade courses. Approximately 50 students were placed in positions with the TWA concessionaire at Yellowstone National Park.

Lower Brule Cooperative School (grades K-12; 209 students) has initiated a unique program for special education students. Ten male students are participating in the program designed to: (1) develop independent learning skills, (2) acquaint them with pre-vocational programs, and (3) permit them an opportunity to experience on-the-job training in BIA plant management, law enforcement, and food services programs.

Tuba City High Boarding School (grades 9-12; 572 students) in cooperation with the Northern Arizona University and with financial assistance from the Josiah Macy Jr. Foundation, has implemented an advanced science and math program specifically designed for Native American students. Approximately 150 students will be selected to participate as part of the school's efforts to better prepare students to complete a college degree program.

Many Farms High Boarding School (grades 9-12; 628 students) has 5 students from the creative writing class who have received recognition for various stories written and entered in creative writing contests. One student won honorable mention in the Arizona statewide creative writing contest, and two of the other 5 students won cash prizes for stories written and published in magazines.

Teecnospos Boarding School (grades K-8; 458 students) has initiated a program entitled "adopt-a-kindergartener." In an effort to help students help themselves and younger children to improve their reading proficiencies and interests, eighth-grade students have "adopted" a class of kindergarten students to read to once a week. The eighth grader selects the book from the library and practices reading the book aloud to a teacher before reading it to the kindergarten students. Their program has improved the reading and language arts skills of both the eighth graders and kindergarten students.

Students in one sixth grade class at this school are required to watch or listen to the news every evening and be prepared to report the next day on news events or provide updates on events in progress. Students, who are also expected to read newspapers and magazines for items of interest, have realized gains in their analytical skills and their ability to read and talk about a wide range of topics.

Alamo Navajo Contract School (grades K-12; 250 students) through its computer assisted instruction program for students in grades 4-12, has already realized (1) increased motivation, (2) willingness to tackle difficult problems, (3) increased attendance, and (4) a significant improvement in cognitive and perceptual motor skills of special education students.

Crownpoint Boarding School (grades K-8; 585 students) has an enhanced and highly successful guidance and recreational program which has resulted in a decrease of unauthorized absences from 8-9 per month to 1-2 per year.

Dzilth-na-o-dith-hle Boarding School (grades K-8; 351 students) has established a "perfect attendance" program which, during the first semester, resulted in a perfect attendance record by 30 percent of the students. The correlation is that the CTBS test scores for students in grades 5-8 are the highest of the schools in the Agency.

Twin Buttes Day School (grades K-8; 46 students) has, through development of a multi-year comprehensive planning model, established a unique and innovative program entitled "Everyone is Special." Individual education plans are being

developed for every student in the school. A major goal of this program is the improvement of English proficiency and academic achievement. Specifically, the school has set two aggressive objectives: (1) that 100 percent of the students will demonstrate improvement in oral communication skills, and (2) that 100 percent of the students will gain a minimum of 1 NCE in reading and language arts on the SRA (Science Research Associates) Achievement Assessment. Also, a particular accomplishment is that the school maintains a student attendance of 95.4 percent.

Pyramid Lake Day School (grades 9-12; 67 students) has instituted a Homebound Program for students who have medical problems and must be out of school for a period of time. A counselor collects homework from the teachers and takes it out to each student at least once a week. Assistance, if needed, is provided at the home. This program helps the students keep up with the class so that they can resume regular classroom work upon their return to school.

Chuska/Tohatchi Consolidated Boarding School (grades K-8; 648 students) has implemented an aggressive computer assisted instruction (CAI) program which enables students to write, edit, and revise their original stories using computers. With results achieved during just one semester, the principal is optimistic that CAI should result in students performing at or near to national norms within the next 3-5 years.

White Shield Cooperative Day School (grades K-12; 106 students) sponsored and hosted the first annual Fort Berthold Reservation Science Fair in April 1984. The school has an active Future Farmers of America chapter and through various fund raising activities, sends more than one-half of its members to state programs. White Shield test scores in the science area are up over previous years, primarily because of "hands-on" activities.

Pine Hills Boarding School (grades K-12; 383 students) has two fifth grade students who have been recognized for their outstanding art work. Out of 1,367 students participating in an art contest, a Pine Hills student won first prize while the other student won honorable mention.

Chinle Boarding School (grades K-8; 561 students) has a 14 year-old student who placed first in his age group at the 1984 A.A.U. Junior Olympics. The student has also received top honors in two National Cross-Country running meets.

Torreón Day School (grades K-8; 325 students) requires all students to spend from 1-3 hours every week in the library. All students are regularly checking out and reading library books.

Flandreau Off-Reservation Boarding School (grades 9-12; 527 students) had higher test scores in the fall 1984 semester than at any time in the 7 years scores have been recorded. The overall average topped 40. Spring scores may reach 44 or 45 NCE; the national norm is 50.

Pierre Indian Learning Center (Boarding; grades 1-8; 171 students) began an Explorer Scout Program in 1981 with only 6 members. The post is now the largest Explorer Scout troupe in South Dakota with over 50 student members. Recently, an agreement was reached with the Badlands National Park whereby students (scouts) assist the Park with such activities as: (1) conducting the Park's Annual Big Horn Sheep Census, (2) wilderness area surveys, and (3) clean-up work in exchange for use of park resources free of charge. In May 1984, the post acted as "Park staff for a day", manning the entrance booths, assisting in the museum and Park Headquarters, and assisting with the patrol duties. Hundreds of hours of work have been contributed to the Park and they have responded by giving the students (scouts) training, support, and encouragement. Individual scouts have received certificates, badges and other recognition awards from the Park.

Richfield Peripheral Dormitory (grades 9-12; 133 students attend public school) staff have arranged for the dormitory students to benefit from vocational education programs at Sevier Valley Technical School in Sevier, Utah. Approximately 40 Richfield students are attending classes in: (1) auto body repairs, (2) auto mechanics, (3) building trades, (4) business, (5) commercial art, (6) cosmetology, (7) diesel mechanics, (8) drafting, (9) park services, (10) industrial electricity, (11) welding.

Magdalena Peripheral Dormitory (grades 1-12; 148 students) placed 17 students in positions with the TWA concessionaire at Yellowstone National Park in the summer of 1984. In addition to providing income for the students, the experience instituted confidence in the student's own abilities.

Huerfano Peripheral Dormitory (grades K-12; 154 students) staff hosted an open house for teachers of the local public schools in which the Dormitory students are enrolled. Since school funds were not available for such an event, school board members volunteered their time to pick up trash along the local roads, earning \$.30 per mile. Forty-eight public school staff attended, and for many of them, it was the first time in up to 20 years that they had sought the opportunity to see where their students live.

Flagstaff Peripheral Dormitory (grades 9-12; 159 students) staff have initiated an "adopt-a-kid" program for 56 of the dormitory students (enrolled in public schools) in an effort to improve their academic performance. Staff members meet daily with their "adopted" students to provide guidance and encouragement. The "staff parents" visit the public school at least twice a month to confer with the student's teacher and counselor. Progress has been made in the students' attitudes about their education as well as themselves.

The following table reflects the initial FY 1985 allotment of ISEP funds for the Bureau's school system.

SUMMARY OF FISCAL YEAR 1985 BUREAU SCHOOL SYSTEM FUNDING

<u>TYPE OF SCHOOLS</u>	<u>ADM</u>	<u>Ins. WSU</u>	<u>Res. WSU</u>	<u>Total Formula a/ Funds</u>
<u>Bureau Operated Day Schools (62)</u>	<u>10,563</u>	<u>13,486</u>	<u>17</u>	\$ <u>30,733,585</u>
Elementary (58)	(9,085)	(11,644)	(17)	(26,495,925)
Elementary/Secondary (4)	(1,478)	(1,842)	(--)	(4,237,660)
<u>On-Reservation Boarding Schools (46)</u>	<u>17,004</u>	<u>21,846</u>	<u>12,986</u>	<u>75,020,585</u>
Elementary (39)	(12,797)	(16,193)	(9,773)	(56,030,205)
Secondary (3)	(2,098)	(2,943)	(2,527)	(11,591,530)
Elementary/Secondary (4)	(2,109)	(2,710)	(686)	(7,398,850)
<u>Off-Reservation Boarding School (7)</u>	<u>3,105</u>	<u>4,826</u>	<u>3,903</u>	<u>18,937,750</u>
Elementary (1)	(294)	(362)	(367)	(1,604,570)
Secondary (5)	(2,440)	(3,877)	(3,084)	(15,154,570)
Elementary/Secondary (1)	(371)	(587)	(452)	(2,178,610)
<u>Dormitories (15)</u>	<u>1,800</u>	<u>400</u>	<u>2,275</u>	<u>5,962,865</u>
Secondary (5)	(692)	(66)	(865)	(2,093,620)
Elementary/Secondary (10)	(1,108)	(334)	(1,410)	(3,869,245)
<u>Contracted Schools (63)</u>	<u>9,519</u>	<u>12,782</u>	<u>1,835</u>	<u>33,347,920</u>
Elementary (30)	(2,766)	(3,817)	(333)	(9,187,415)
Secondary (7)	(952)	(1,332)	(232)	(3,861,495)
Elementary/Secondary (26)	(5,801)	(7,633)	(1,270)	(20,299,010)
<u>Grand Total (193) c/</u>	<u>41,991</u>	<u>53,340 b/</u>	<u>21,016 b/</u>	<u>\$164,002,705</u>

a/ Initial FY 1985 allotment to schools. Balance of funds will be distributed later in the year.

b/ 1,665 WSU's for Exceptional Child Residential and Intensive Residential Guidance are reported on this chart as Instructional WSU's rather than boarding WSU's.

c/ Includes 10 Alaska day schools and one dormitory which will be transferred or closed by FY 1986.

The major portion of Bureau school operating funds for instruction, boarding, and dormitory costs is distributed directly to Bureau and contract schools by a formula using a weighted student funding approach called the Indian School Equalization Formula (ISEF). Monies used to fund other educational support and administrative school services are provided apart from the ISEF. An explanation of the FY 1986 ISEF, with estimates by program level, follows:

Summary of Weighted Student Units by Program

	Actual FY 1985		Estimated FY 1986	
	ADM	WSUs	ADM	WSUs
I. <u>Instructional Programs</u>				
A. Basic <u>b/</u>	40,191 <u>a/</u>	45,295	39,829 <u>a/</u>	45,276
B. Exceptional Child	6,027	3,545	5,932	3,486
C. Intense Bilingual	9,068	<u>1,814</u>	8,633	<u>1,748</u>
Total Instructional WSUs		<u>50,654</u>		<u>50,510</u>
II. <u>Residential Programs</u>				
A. Boarding Schools				
1. Basic	14,620	18,741	14,620	18,741
2. Exceptional Child Residential	336	160	336	160
3. Intensive Residential Guidance	2,370	1,185	2,370	1,185
B. Dormitories <u>b/</u>				
1. Basic	1,800 <u>a/</u>	2,275	1,652 <u>a/</u>	2,088
2. Intensive Residential Guidance	620	310	620	310
3. Exceptional Child Residential	20	<u>10</u>	20	<u>10</u>
Total Residential WSUs		<u>22,681</u>		<u>22,494</u>
Total ISEF Program WSUs		<u>73,335</u>		<u>73,004</u>
Small School Adjustment		797		704
Alaska Adjustment		<u>224</u>		<u>-0-</u>
GRAND TOTAL		<u>74,356</u>		<u>73,708</u>

a/ The "Basic" student ADM numbers for Instructional and Dormitories are added together to obtain the total unduplicated, unweighted ADM for each year (41,991 in FY 1985 and 41,481 for FY 1986).

b/ The ADM and WSU for Magdalena Dormitory were transferred from Dormitories to Basic Instructional Programs since we do not know which alternative the students will select in FY 1986.

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

Calculating the Base Student Value - The total WSU figure includes all of the WSU's generated directly by instructional and residential programs, in addition to the Small School Adjustment and the Alaska School Cost Adjustment. The Small School Adjustment is used for 69 schools with less than 100 students, since it costs more per capita to operate very small schools and dormitories.

The following represent the estimated "total" WSUs for FY 1985 and FY 1986.

	<u>FY 1985</u> <u>WSUs</u>	<u>FY 1986</u> <u>WSUs</u>
Program Totals	73,335	73,004
Small School Adjustment	797	704
Alaska Adjustment	<u>224</u>	<u>-0-</u>
Total	<u>74,356</u>	<u>73,708</u>

The FY 1985 amount available for distribution to schools for instructional programs of \$152,179,000 divided by the total estimated WSUs (74,356) produces a base student value for FY 1985 of \$2,047. The FY 1986 estimate for ISEF of \$154,370,000 divided by the total estimated WSUs (73,708) produces a base student value for FY 1986 of \$2,094.

School closures or program reductions scheduled for FY 1986 are the Alaska day school transfers and the closure of the Magdalena Dormitory on the assumption that the Alamo School construction will be completed. However, no Education savings are anticipated for closing Magdalena Dormitory, because some students are expected to leave Magdalena to attend another Bureau boarding school.

In FY 1985 the Bureau funds ten day schools for Alaska Natives. Public Law 98-63 states that the Bureau of Indian Affairs will not fund any schools in Alaska after June 30, 1985, and therefore, will have transferred the remaining ten (10) day schools to the State of Alaska control by that date. This action is consistent with the commitment the Bureau has undertaken in recent years to align its educational goals in Alaska to the State system. Since Alaska gained statehood, some ninety (90) Bureau owned and operated schools have been transferred from Bureau operation to the State of Alaska operation.

Increase from FY 1986 Base:

(Dollars in thousands)

		<u>1986 Base</u>	<u>1986 Estimate</u>	<u>Difference</u>
Indian School Equalization Program	\$ (FTE)	153,868 (4,305)	156,145 (4,272)	+2,277 (-33)

Indian School Equalization Formula

The estimated program change resulting from the transfer of the remaining ten Alaska day schools at the end of the 1984-85 school year, calculated by using the FY 1984 actual WSUs, is an estimated savings of \$1,879,000. There is no anticipated program change resulting from the closure of Magdalena Dormitory. There are several options which students from Magdalena may consider: (1) leave Magdalena and attend the Alamo day school, (2) relocate to another Bureau peripheral dormitory and attend the local public school, or (3) relocate to another Bureau boarding school. The budgetary impact cannot be determined until student placement plans have been developed. Offsetting the above decrease for the Alaska schools are the following increases: \$+565,000 for four program expansions on Navajo (Ojo Encino, Canoncito, Pueblo Pintado and Chi Chil Tah); \$+473,000 has been added back to the ISEF program from the amount of FY 1985 funding (\$1,200,000) for school board expenses; and \$+3,118,000 for general enhancement of the funds available to the ISEF program. A full explanation of the school board expense adjustment is provided in the "School Boards" base program discussion (item D).

The following table outlines the estimated FY 1986 ISEP planned program changes:

INDIAN SCHOOL EQUALIZATION FORMULA
PLANNED PROGRAM ADJUSTMENTS FOR FY 1986

Includes Estimated ADM's, WSUs, and Funding

<u>Adjustments:</u>	<u>ADM</u>	<u>WSU</u>	<u>Estimated Cost</u>
Alaska day school transfers <u>a/</u>	-660	-918	\$-1,879,000
Program expansions	+150	+270	+565,000
WSU enhancement	---	---	+3,118,000
Restoration of school board expenses	---	---	+473,000
Total, adjustments	-510	-648	\$+2,277,000

a/ Ten Alaska day schools operated by the Bureau in FY 1985 will be transferred by June 30, 1985.

Indian School Program Adjustments

The FY 1986 estimate for ISEP includes \$1,775,000 for Indian school program adjustments, the definition for which has been expanded since FY 1985. In addition to start-up costs for expanded programs for school year 1986-87, this line item includes \$600,000 in the base program for declining enrollment adjustments; \$700,000 for closure costs associated with the Alaska transfers and the closure of Magdalena; \$75,000 for law enforcement at Chemawa; \$150,000 each for a centralized gifted and talented program; and a program to repair and restore furniture in Bureau schools. All of these items were funded through the ISEF account in prior years. They are being displayed separately to more accurately reflect the amount available for the instructional program, as well as each of the other items listed. Any savings in the items listed will be added to the amount available for ISEP and distributed to the schools by formula.

INDIAN SCHOOL PROGRAM ADJUSTMENTS PLANNED PROGRAM CHANGES FROM FY 1985 TO FY 1986

<u>Activity</u>	<u>Amount</u>
School Closure Costs	\$ 700,000
Declining Enrollment	600,000
Gifted and Talented Program	150,000
Furniture upgrade	150,000
Law Enforcement - Chemawa	75,000
Subtotal	\$ 1,675,000
Base adjustment	(+) 100,000
Total	\$ 1,775,000

Law Enforcement activities are unique at Chemawa because the school is located on Federal land over which local, county, and state officials have no jurisdiction. Bureau law enforcement authority extends only to tribal lands. Though GSA normally provides protection for Federal properties, it has no legal responsibility to provide security for Bureau schools and has declined to provide the required protective services at Chemawa. There is no adjustment factor within ISEP for such a unique situation. The school, in addition to its normal security staff, employs one criminal investigator and two law enforcement officers at a cost of \$75,000.

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

Gifted and Talented Programs

Bureau efforts for gifted and talented Indian children have been very fragmented and lag far behind state policies regarding the education of such children.

Thirty-nine states currently have legislation that makes mention of or defines gifted and talented children. Forty-four states have regulations or guidelines regarding the screening and identification of these children. It is estimated that as many as 2 percent (800-1000) of the total Bureau school population may be considered gifted.

Gifted and talented Indian students are those students who are identified through multiple criteria by professionally qualified persons at the preschool, elementary, and secondary levels as possessing abilities, talents, and potentials which are characteristically outstanding to such a degree that they require special provisions, inclusive of and beyond those available in the normal classroom. Generally, gifted students are those who qualify in the 94th percentile of achievement testing (2 grades above peers or IQ of 125-130). Programs for the gifted and talented student must be based on the performance and learning styles of the individual student. Such programs should exist in phases of the curriculum so that students have an opportunity to pursue levels of study suitable to advanced minds and talents in all fields.

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

The \$150,000 in FY 1986 for the 4 programs will fund: (1) the required needs assessment; (2) training and certification of teachers in gifted and talented programs; (3) materials for teachers and students, including establishment of resource rooms; (4) salary of a classroom teacher; (5) costs associated with development of an individual education plan for each student identified as gifted or talented; (6) attendance of students at summer seminars, camps or symposiums.

For the four projects, the gifted and talented students will be in the following kinds of programs: (1) enrichment and supplemental programs offered during the student's regular school day with advanced instructional materials provided directly to the student; (2) resource rooms specifically for gifted and talented students, staffed by a certified teacher to work with the students; (3) part-time classes; or (4) enrollment in advanced classes for these students instead of having gifted and talented students in regular classes.

B. Education Standards (Implementation)

Increase From FY 1986 Base:

(Dollars in thousands)

<u>Program Element</u>	<u>1986 Base</u>	<u>1986 Estimate</u>	<u>Difference</u>
Education Standards \$	--	1,900	+1,900

Title XI of the Education Amendments of 1978 (Public Law 95-561 enacted November 1, 1978) requires the development of standards for the basic education of Indian children and criteria for dormitory situations in the Bureau of Indian Affairs' schools. The academic standards represent a minimum requirement and meet or exceed all minimum standards for the state in which the schools are located. The standards will apply to all schools operated by the Bureau of Indian Affairs and to those tribally controlled contract schools which choose to adopt them. (Contract schools, while funded by the Bureau, are operated by tribes and are not required by law to adhere to bureau established standards. The law limits the role of the Secretary in contracting matters; it provides the authority to set standards while concurrently denying the authority to enforce compliance of these standards in contract schools.) The national criteria for dormitory situations, however, shall apply to all Bureau-funded schools, including contract schools, having dormitory situations. The standards, which will become effective upon publication, establish minimum instructional programs for kindergarten, elementary, junior high, and high school program levels and include:

- development of local philosophy and policy;
- student/teacher ratios;
- grading and student promotion requirements;
- high school graduation requirements;
- textbooks and library/media program requirements;
- student assessments;
- counseling services; and
- academic program evaluation requirements.

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

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

The increase of \$1,900,000 is for implementation of academic standards which will be effective upon publication in the Federal Register. While the Bureau is still in the process of validating data gathered from the schools concerning the financial impact of the standards, approximately \$1.2 million of the increase is needed for "start-up" purchases to bring the schools up to standards, specifically to meet the required number of library books and periodicals and to purchase additional media materials and equipment. An estimated \$400,000 is required to meet the costs of personnel staffing adjustments, relocations and/or retraining some staff so that schools will have sufficient personnel in shortage areas, such as counselors, librarians, and mathematics and science teachers. In order to achieve state certification of all current professional staff, \$300,000 is required for the training/courses needed for each employee to be certified. Since the requirement of state certification was not a condition of employment at the time the current employees were hired, the Bureau cannot require the employees to assume the cost of obtaining that certification.

Costs have not been determined for implementing the standards related to the requirement for additional sleeping space in dormitories. Implementation will not begin until FY 1987.

C. Institutionalized Handicapped Program

Base Program: The Office of Indian Education Programs (OIEP) is mandated by P.L. 94-142 to provide financial support for the educational costs of handicapped Indian children who are placed in institutions. All educational placements of handicapped Indian students are made and funded jointly by the Bureau's Division of Social Services and the OIEP. This is necessary to insure proper placement of handicapped children consistent with the least restrictive environment and to insure adequate educational funding of children 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 and severely multi-handicapped children between the ages of 5-21 years. Some of the direct services include: instruction by special education teachers and aides; services by physical and occupational therapists; adapted physical education; medical-related services; psychological services; special vocational services and speech therapy. Some of the indirect services affecting costs include: assessment of handicapping conditions and service needs; admissions and appropriate placement; individual education program development; inservice training for professionals and aides; supplies and materials; transportation; food services; facility operation; and program administration.

Placements of handicapped Indian children are limited to eligible children in accordance with applicable requirements and in accordance with established Bureau procedures for placement of handicapped children. In no instance are placements made without the approval of Bureau special education staff at Agency Offices and only after all possible alternative placements are examined in accordance with the least restrictive environment. Referral, identification, evaluation and placement services are in accordance with P.L. 94-142, the Education for All Handicapped Children Act, the Indian School Equalization Program, and appropriate sections of the Education Department's General Administration Regulations (EDGAR).

The total costs for special education and related services depend upon a number of factors. Some of these factors are: (a) high cost educational/custodial placements; (b) different handicapping conditions; (c) fixed cost rates vs. variable cost rates; (d) placements requiring extensive medical, social, and education/training intervention; and (e) when appropriate, living care costs associated with the severity of the handicapping condition. In 24-hour care facilities, costs can be grouped in the following categories: identification, evaluation, and placement; instructional services; related services; administrative services; and in some cases living care costs. Costs for handicapped Indian children placed in state approved facilities are set by state Departments of Mental Retardation or their equivalents. The costs are based on a fixed daily rate which may be adjusted by contract auditing for actual cost determination. The Bureau Contracting Officers write contracts for services based on this fixed price.

For example, if a severely multi-handicapped child were placed in a private non-profit residential facility for 12 months, the special education rates would be as follows:

Per day child rate	\$ 45.30
Number of days	X 365
Total	\$16,534.50

The example illustrates costs only for the special education and related services for one blind individual placed for twelve months and does not include any living care expenses. The residential care costs would be approximately \$1,343.00 per month as set by contract auditing. These costs are borne by the Bureau's Social Services program in all cases except when placements of multi-handicapped children are made in such facilities by Agency special education personnel solely for educational reasons. Under these circumstances, the Education program would be obligated to pay the total education and living care costs as prescribed in P.L. 94-142 rules and regulations. For example:

Education costs	\$16,534.50
Living care costs	<u>16,116.00</u>
Total	\$32,650.50

There is no way of knowing how many placements will be made solely for educational reasons during the next school year. Based on four years of actual placement data, it is estimated that no more than 15 placements will be made during school year 1985/1986, and that the costs will average about \$20,000 per placement. Total costs for children requiring special education services vary greatly depending on educational placement (e.g., the costs of a mentally retarded child placed in a day school program are significantly less than the costs of a mentally retarded child placed in a residential or institutional placement). Moreover, the total cost varies within categorical handicapping condition (e.g., it costs more to educate a blind child than a learning disabled child in the same setting). In every case, the funds are provided for special education and related services.

Program management costs estimated at \$200,000 are included in the total request of \$2,342,000 to provide for the program direction, supervision, and operation of all mandated institutional program activities. These program activities include monitoring and evaluating program services; providing technical assistance and advice to subordinate units; preparing budgets and financial programs; and writing quarterly reports.

The following table outlines the estimated costs for the program in FY 1986 by facility currently being used by the program.

Estimated FY 1986 Costs for Institutionalized Handicapped Children

<u>Facility Name, Location</u>	<u>Total costs</u>	<u>a/ Number of Students</u>	<u>Approximate Cost per Student</u>
1. St. Michaels Association for Special Education, AZ.....	\$540,000	54	\$10,000
2. Chinle Valley School for Exceptional Children, AZ.....	390,000	39	10,000
3. A School for Me, Inc., NM.....	680,000	68	10,000
4. Hozhoni Foundation for the Handicapped, Inc., AZ.....	60,000	10	6,000
5. Valley of the Sun, AZ.....	169,200	24	7,050
6. Ann Carlson School, ND.....	42,000	4	10,500
7. New Mexico School for the Deaf, NM.....	3,750	1	3,750
8. Desert Willow, AZ.....	21,600	8	2,700
9. Arizona Baptist Children's Associates, AZ.....	18,000	5	3,600
10. Arizona Boys' Ranch, AZ.....	21,360	6	3,560
11. Beacon Foundation for the Mentally Retarded, AZ.....	3,000	2	1,500
12. Helaman House, AZ.....	10,500	3	3,500
13. New Foundation, AZ.....	7,130	1	7,130
14. Prehab of Mesa, AZ.....	10,710	3	3,570
15. San Pablo, AZ.....	12,000	4	3,000
16. Yellowstone Boys' Ranch (Billings), MT.....	16,000	2	8,000
17. Arizona Children's Home, AZ....	7,140	2	3,570
18. Brown School, TX.....	7,440	2	3,720
19. Devereux, AZ.....	3,570	1	3,570
20. Jane Wayland, AZ.....	14,280	4	3,570
21. Arizona Boys' Community, AZ....	14,280	4	3,570
22. Casa De Manana, AZ.....	7,140	2	3,570
23. Black Hills Special Services, S.D.....	27,900	3	9,300
24. South Dakota Children's Home Society, SD	20,000	2	10,000
25. Black Hills Workshop, SD.....	6,000	2	3,000
26. Bismarck Early Childhood Program, ND.....	10,000	2	5,000
27. Sky Ranch for Boys, SD.....	5,000	1	5,000
28. Aberdeen Adjustment Training Center, SD.....	<u>14,000</u>	<u>2</u>	<u>7,000</u>
Total Program.....	\$2,142,000	261	\$8,207 Average

a/ The above figures reflect special education and related service costs in representative facilities, except for isolated cases in which the total care cost may be included as described in the narrative. Actual student placement costs may vary because handicapped children may be placed at any time during the school year.

D. School Boards

Base Program: Public Law 95-561, the Education Amendments of 1978, authorized and mandated the facilitation of Indian control of Indian affairs in all matters relating to education. To accomplish this goal, Indian school boards of Bureau schools are actively involved in local education planning and decision making. Funds budgeted for school board expenses provide for: (1) travel, per diem, stipends, and other costs for both regularly scheduled and special meetings; (2) fees for membership in school board associations; and (3) legal fees.

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

A meaningful outcome of these activities has been the development and use of school board manuals and related training materials. Board members, groups, agencies, and contractors have generated these materials to assist school boards in meeting their local responsibilities.

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

In accordance with Congressional directives, FY 1984 school board training funds were used for centralized training and not distributed equally among the schools, as had been the practice in prior years. This new process for utilization of School Board Training funds ensures greater economy and efficiency. The major training thrust in FY 1985 and again in FY 1986 will be on: (1) academic and dormitory standards; (2) attendance boundaries; (3) student's rights; and (4) implementation of P.L. 95-561.

<u>Decrease from FY 1986 Base:</u>		(Dollars in thousands)		
		<u>1986</u> <u>Base</u>	<u>1986</u> <u>Estimate</u>	<u>Difference</u>
D. School Boards	(\$)	1,715	1,242	-473
1. Expenses		(1,200)	(727)	(-473)
2. Training Fund		(515)	(515)	(-0-)

In prior years, expenses of school boards were included in the budget under "ISEF". However, the Bureau believes that better accountability can be achieved by displaying such expense as a separate line item and establishing a maximum amount which each school board can use from funds appropriated for Bureau schools. The estimated expenses for school boards in FY 1985 is \$1.2 million. For FY 1986, the Bureau has set a maximum amount each school board can expend for its meetings

including Agency school board meetings, association dues, and legal fees. The FY 1986 estimated amount of \$727,000 is based on the following schedule:

<u>Enrollment Level</u>	<u>Number of Schools</u>	<u>Maximum Amount per School Board</u>	<u>FY 1986 Estimate</u>
250 and below	121	\$3,300	\$399,300
250 and above	43	4,000	172,000
500 and above			
On-Reservation Boarding Schools	11	7,800	85,800
Off-Reservation Boarding Schools	<u>7</u>	10,000	<u>70,000</u>
Total	182		\$727,100

E. Student Transportation

Base Program: Two sub-formulae have been used in the past to determine the allocation of available funds for student transportation. These were the Day Student Formula and the Residential Student Formula. Both were based on the fall student transportation survey.

The Day Student Formula allocated funds to each school to provide daily transportation of students between the students' residences and the school site. The number of students transported daily and the number of miles (round trip) traveled daily, for the 180 days per school year, determined each school's allocation for transportation of day students.

The Residential Student Formula allocated funds to each boarding school and dormitory for the transportation of resident students based upon various cost factors. These cost factors included mileage distances for one round trip per student per school year between the student's home or agency and the school site. Air transportation is provided for students residing over 350 miles from the school site.

Increase from FY 1986 Base

(Dollars in thousands)

	<u>1986 Base</u>	<u>1986 Estimate</u>	<u>Difference</u>
Student Transportation	\$ 10,187	11,887	+ 1,700
(FTE)	(283)	(283)	

Responding to concerns raised by school boards around the country, the Bureau has reviewed the total budget for transporting school children and necessary safety related maintenance and repair of Bureau-owned school bus vehicles. While funding for the Student Transportation program has included personal services costs for vehicle operators, GSA vehicle rental, vehicle supplies and equipment, vehicle maintenance/repair, and other transportation support costs, it does not recognize all the variables that affect transportation expenditures. For example, the current funds do not include adjustment factors for deficiencies in road conditions, size of buses, length of each route, or passenger load for each route. In order to arrive at an appropriate level of funding for transportation,

an analysis was made of costs for day schools, residential schools, and off-reservation boarding schools. To address the variables which heretofore have not been included in the formula, four different ratios are being considered for: (1) Navajo day and residential schools, (2) schools in the Aberdeen Area, off-reservation boarding schools, and (4) all other Bureau schools. The task group established to study the transportation issue is visiting schools in the major areas of the country, state and local departments of transportation, and GSA offices in selected areas.

The estimated day student transportation mileage for 1985 totals approximately 6,800,000. The estimated residential transportation mileage for FY 1985 totals 1,900,000 miles including approximately 225,000 air miles. However, the average value per mile for both kinds of schools will only be \$1.17 which is 21 cents per mile less than the \$1.38 per mile requirement estimated by the task group. Some schools are having to reallocate ISEF funding to fully fund their transportation activity. This has resulted in schools having to take such actions as: (1) eliminating mid-morning snacks; (2) limiting the number of teacher aides; (3) hiring part-time rather than full-time counselors; (4) canceling participation in enrichment programs; (5) reducing the number of educational field trips; (6) deferring purchase of updated curriculum materials and textbooks; (7) reducing music, recreation or sports activities; and (8) deferring in-service training for teachers, etc.

The \$1,700,000 increase in FY 1986 will provide \$1.38 per mile for all transportation mileage excluding air miles.

F. Technical Support - Area and Agency Offices

Base Program: The program total for all technical support is \$8,530,000. This amount represents only 3% of all OIEP funds including central office education program management funds. It includes costs for educational Management Information Systems (MIS) activities; providing field level staff assistance to the Director, Office of Indian Education Programs (OIEP); and broad technical assistance and leadership for all education programs to local school boards, other tribal members, parents, and other Indian citizens.

In accordance with 25 CFR 39.128, technical support funds to Area and Agency Education Offices are distributed through an administrative cost formula which distributes administrative funds to Area and Agency Education Offices based upon the number and type of education programs administered as well as the sizes, types, and number of schools and tribes served. A field education office typically provides technical support and program supervision for several of the following education programs: (1) Post-Secondary Education Programs; (2) Peripheral Dormitories; (3) Off-Reservation Boarding Schools; (4) Tribal Contract Schools; (5) Federal Title Programs; (6) Elementary and Secondary Programs; (7) Adult Education Programs; (8) Exceptional Education Programs; (9) Student Support Services; and (10) Bilingual Programs.

Program management and direction responsibilities of field operations include providing line direction to and supervision over the operation of all Bureau education programs within their jurisdiction; implementing policies and procedures applicable to the jurisdiction; directing, supervising and facilitating program execution; monitoring and evaluating program services and systems; formulating budgets and financial programs; providing technical assistance and advice to subordinate programs and organizations; and responsibility through local school boards and tribal contractors for school operations.

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

Management Information Systems

The major initiatives of the Management Information Systems (MIS) Program in FY 1986 include: enhancement of the Student Enrollment System (SES); pilot testing and implementing the curriculum information system; pilot testing the community demographics system; and pilot testing and implementing the student assessment system and personnel system.

I. Student Enrollment System:

The student enrollment system (SES) will be fully operational in all Bureau operated and funded schools in FY 1986. Enhancements to the SES will be the major effort in FY 1986 based on input from school administrators, school boards, and education line officers. In addition, it is planned to convert the SES to microcomputers at the local school level to save on telecommunications costs. Aggregate student data information for policy, planning, and evaluation purposes for the Office of Indian Education Programs will be provided by networking the microcomputers at the schools with the computer mainframes at the Area information management centers.

The Indian School Equalization Program (ISEP) is planned to be fully automated from the SES in FY 1986. There will be considerable cost savings in time and resources by having the ISEP automated.

II. Curriculum Information System:

In FY 1986 the curriculum information system will be pilot tested and implemented in Bureau operated and funded schools. School administrators and school boards will now have access to information on curricula that exist in other Bureau schools as well as public schools. OIEP will also have information for policy, planning, and evaluation purposes.

III. Program Cost Accounting System:

The development of an education program cost accounting system for Bureau-operated and funded schools will not be accomplished until the ISEP regulations are completed.

IV. Community Demographics System:

Scheduled for FY 1986 is the pilot testing of the community demographics system. This system will be a subsystem to the student enrollment system and will include information on economic and social factors that have an effect on all education programs funded by the Bureau of Indian Affairs.

V. Facilities Inventory System:

The Office of Indian Education Programs will continue to utilize the Bureau's Facilities, Construction, Operations and Maintenance (FACCOM) system as the main source of information. OIEP will initiate a major effort in updating data on the FACCOM system at the local school level. Reports will be generated from the FACCOM system and information updated by school administrators, line officers, and OIEP central office staff.

VI. Student Assessment System:

The pilot testing and implementation of a Bureau-wide student assessment system that will provide information on the effectiveness of academic programs offered at Bureau operated and funded schools will be a major initiative in FY 1986. In order to best direct education resources and to accomplish the goal of providing a quality education program for Indian children the Office of Indian Education Programs needs test achievement information for policy, planning, and evaluation purposes. This system will provide that information and will be integrated with the SES as well as the personnel, curriculum, and community demographics systems. There are many factors that affect the academic achievement of students besides classroom instruction. The integration of this system with other systems in the MIS is necessary to best determine why and how students in Bureau-operated and funded schools achieve academically.

VII. Personnel Information System:

To best determine the personnel knowledge and skills needed to provide a quality education for Indian students, a system is necessary that can match school personnel with Bureau education programs. The personnel information system is planned for pilot testing and implementation in FY 1986. The system will be integrated with the Bureau's current personnel system.

In FY 1986, OIEP expects to begin the pilot testing of the following systems: a Tribally Controlled Community College Information System; an Adult Education System; a Special Scholarship System; and a Chapter I Evaluation and Information System. Enhancements to the Higher Education Grant System will also take place in FY 1986.

In FY 1986, the OIEP expects to reduce the cost of its ADP services provided by the Office of Data Systems by \$60,000. The principal reason for this is because the ISEP process will be automated and operated by OIEP. ADP services that will continue to be needed by OIEP include monthly status of financial obligation reports, quarterly FTE reports, and other special reports generated through the Bureau's ADP system. The following is the estimated breakdown of the MIS FY 1986 budget estimate:

	<u>FY 1985</u>	<u>FY 1986</u>	<u>Difference</u>
1. Systems Development	355,000	410,000	\$ +55,000
2. Equipment for Schools (Burroughs AADIX)	200,000	160,000	-40,000
3. ADP Services	124,000	64,000	-60,000
4. MIS salaries, materials, supplies, data communication lines, travel, equipment leasing at OIEP, maintenance of systems at OIEP	95,000	140,000	+45,000
TOTAL	\$774,000	\$774,000	-0-

The following table reflects the planned Schedule for FY 1985, FY 1986 and FY 1987.

EDUCATION MIS SCHEDULE

Information Areas	FY 1985	FY 1986	FY 1987
1. Student Enrollment System I & II	--pilot test Phase II--	--enhancements-----	--operational---o
2. Curriculum System	--study and design-----	--pilot-----	--enhancement---o
3. Program Cost Accounting System	--study-----	--plan and design-----	--pilot-----o
4. Community Demographics System	--study and design-----	--pilot-----	-implementation-o
5. School Facilities System	--FACCOM utilization---	--update information--	--operational---o
6. Student Assessment System	--study and design-----	--pilot and revise----	-implementation-o
7. Personnel System	--study and design-----	--pilot-----	-implementation-o
8. Higher Education Grants System	--redesign-----	--enhancements-----	-implementation-o
9. Computer Assisted Instruction	-revisions to 62 BIAM--	--operational-----	-----o
10. TCCC System	--study-----	--plan and design-----	--pilot-----o
11. Adult Education Information System	--study-----	--plan and design-----	--pilot-----o
12. Special Scholarship System	--study-----	--plan and design-----	--pilot-----o
13. Vocational Education System	--study-----	--plan and design-----	--pilot-----o
14. Chapter One Information System	--study-----	--plan and design-----	--pilot-----o
15. Chapter One Evaluation System	--study-----	--plan and design-----	-pilot-----o

G. School Operations Contract Support

The FY 1986 base includes \$7,732,000 as the redistribution of contract support funds as directed by Congress. This amount is continued in FY 1986. However, since school operations funding is distributed by the ISEP formula, the contract support funds cannot be merged into the program funds, since to do so would improperly distribute them to Bureau operated schools as well as to contract schools. Contract support funds have been allocated in FY 1985 based upon FY 1984 contracting experience. An amount has been identified for each contract school and will be made available to the FY 1985 school contract on that basis as a one-time addition to the overall Bureau funding to be made available to the school. This means that, although there may be yearly fluctuations in the amount of ISEP funding provided because of varying WSU values for a contract school, further additions or deletions of contract support funds will not be made on a yearly basis.

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

Object Class Distribution - School Operations Subactivity

	<u>FTE/T</u>	<u>Amount</u>
Total Personnel Compensation (FTE/T).....	-33	\$ -882
Personnel Benefits.....		-98
Benefits to Former Personnel (severance pay, etc.).....		+300
Travel and Transportation of Persons.....		+600
Transportation of Things.....		+450
Other Services.....		+1,600
Supplies and Materials.....		+3,234
Equipment.....		<u>+200</u>
 Total.....		 \$ <u>5,404,000</u>

Justification of Program and Performance

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

(Dollar amounts in thousands)

<u>Program Elements</u>		FY 1985 Enacted to Date	FY 1986 Base	FY 1986 Estimate	Inc. (+) Dec. (-) From 1985	Inc. (+) Dec. (-) From Base
Johnson-O'Malley Educational Assistance	\$	25,674	25,674	--	-25,674	-25,674
JOM Contract Support		--	3,183	--	--	-3,183
Total Requirements	\$	25,674	28,857	--	-25,674	-28,857
<u>Distribution:</u>						
Johnson-O'Malley	\$	25,674	28,857	--	-25,674	-28,857

Supplementary Educational Assistance

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides educational and other services to federally recognized Indian tribes. The Johnson-O'Malley Act of April 16, 1934, authorized funding to support the basic education of Indian students in public schools. The Indian Self-Determination Act of January 4, 1975, P. L. 93-638, amended the Johnson O'Malley (JOM) Act to provide for maximum Indian participation in Indian education by providing funds to meet the unique and special needs of Indian children. The Education Amendments of 1978 dated November 1, 1978, P. L. 95-561, authorized the development of an equitable distribution formula for supplemental funds.

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

Base Program (\$28,857,000): Indian children attending public schools sometimes have special and unique needs resulting from disadvantaged economic and social backgrounds and from different cultural backgrounds. In the past, state education departments and public schools did not specifically address these particular problems of Indian students in their basic education program, yet several states had substantial Indian or native populations, e.g., Alaska and Arizona. The Federal Government, therefore, under the authority of the Johnson O'Malley Act of 1934, provided supplementary financial assistance through the BIA to public schools to support the basic education of Indian students, including preschoolers, who were one-quarter Indian blood and members of federally-recognized tribes.

Since then, other Federal programs have been enacted and provide funds to assist these students. Since 1950, Federal assistance has been made available under the Federal Impact Aid program to local school agencies which had students whose parents were residents of Indian lands. In 1964, the Headstart program for preschool children was enacted. In 1965, the Elementary and Secondary Education

Act created a special Federal Assistance program to aid disadvantaged children. Known today as the Chapter I program, it can provide several hundred dollars per year for each disadvantaged child in a school district. In 1972, the Indian Elementary and Secondary School Assistance Act, under Title IV, part A, authorized another program, funded by the Department of Education. That program, known as the Title IV program, serves all Indians in public schools regardless of degree of Indian blood or tribal membership. Its purpose is not to provide support to basic education, but rather to supplement normal school programs with remedial tutoring, cultural enrichment, and parental cost support. Other Federal programs which are also available to assist Indian students in public school with special needs include funds for the handicapped and funds for bilingual students.

These Federal programs provide substantial assistance to public schools. The funding levels for FY 1985 and FY 1986 are shown below (dollars in millions):

<u>Program</u>	<u>FY 1985</u>		<u>FY 1986</u>	
	<u>Total</u> <u>Program</u>	<u>Indian</u> <u>Portion</u>	<u>Total</u> <u>Program</u>	<u>Indian</u> <u>Portion</u>
Impact Aid.....	695	212	543	214
Disadvantaged, Chapter I....	3,200	87 <u>a/</u>	3,200	87 <u>a/</u>
Indian Education, Title IV..	67	67	67	67
Bilingual Education.....	143	12 <u>b/</u>	143	12 <u>b/</u>
Headstart.....	1,075	37 <u>c/</u>	1,075	37 <u>c/</u>
Total Indian Portion....		415		415

a/ Includes \$23 million to BIA schools.

b/ Includes \$3 million to BIA schools.

c/ On reservation programs only; amounts to Indians elsewhere unknown.

After these other Federal programs were enacted, the BIA continued to provide funds to local school districts under the Johnson O'Malley (JOM) program. The BIA regulations at that time read:

"The program will be administered to accommodate unmet financial needs of school districts related to the presence of large blocks of nontaxable Indian-owned property...and relatively large numbers of Indian children which create situations which local funds are inadequate to meet."

The described funding situation was precisely why the Impact Aid program was enacted. However, in spite of the availability of Impact Aid funds, through FY 1976, over half of the JOM funds were being used to support basic education in public schools. That year the Johnson O'Malley Act was amended so that funds would no longer be used for basic education. Since that time, JOM funds were intended to be available only for supplementary assistance, such as remedial instruction and cultural enrichment activities.

The types of supplemental activities provided by the JOM program relate to educational needs, teacher support, recreational activities, and parental costs. For example, JOM funds are used for remedial tutoring, pre-school programs, programs for gifted students, and summer school classes. They are also used to pay for teacher salaries, teacher aides, and home and school coordinators. Some are used for cultural enrichment. Some are used for educational and recreational field trips and for other recreational activities. Funds are also used to cover costs which parents usually provide, such as school lunches, clothing, student

transportation, medical examinations, and school supplies. In FY 1984, this program covered approximately 175,000 students in 26 states. In FY 1985, approximately 180,000 students will be covered.

JOM supplemental funds are distributed to eligible contractors based upon the number of eligible Indian students to be served, using the state average per pupil education cost and a state weighting factor times the number of students to be served as the basis for arriving at the amount for each state. The average amount per student in FY 1985 was about \$119 per student.

The FY 1986 base includes \$3,183,000 contract support funds. Because this is a formula-funded program, contract support funds cannot be merged into the program as directed. In FY 1985 the contract support amount will be provided to only those programs that are actually contracted by tribes.

<u>Decrease from FY 1986 Base:</u>		<u>(Dollars in thousands)</u>		
		<u>FY 1986</u>	<u>FY 1986</u>	<u>Difference</u>
		<u>Base</u>	<u>Estimate</u>	
Johnson-O'Malley				
Educational Assistance	\$	28,857	--	-28,857

No funds are requested for this program in FY 1986. The primary purpose of the Bureau of Indian Affairs education program is to provide basic education to eligible Indian students in Bureau-funded schools. The JOM program supplements other local school, state, and federal programs for eligible Indian students in public schools.

In reaching the decision not to fund JOM, the Bureau considered several factors:

1. The JOM program duplicates other Federal and state programs.
2. The findings of a study of Indian education programs in public schools indicates that states are taking a more active role in meeting the special needs of Indian students.
3. JOM funds are not being used effectively.
4. Other high priority BIA programs can be funded with savings from JOM.

The JOM program is a small one compared to other programs which provide similar services. It provides an average of only about \$119 per students in most states. Its presence may in fact dull the incentive to seek Chapter I, Title IV, and Headstart funds, which are available in addition to Impact Aid funds.

Both JOM funds and Title IV funds are used for remedial instruction, which is also the primary purpose of the Department of Education's Chapter I program for disadvantaged students. JOM and Title IV programs are also both used for cultural enrichment programs and to cover the costs of items normally paid for by parents, such as food, clothing and medical care. Other Federal and state programs are available for needy families to cover such parental cost items.

The same types of services now provided by JOM can be funded by either Title IV, Chapter I or Headstart programs, with one exception. JOM can be used for the parental cost of school lunches for students whose parents do not meet the income test governing the USDA lunch programs. Indian students whose parents meet the income test will have the benefit of the lunch program, just as do other eligible students. In a survey of 25 states, more than two-thirds of the Indian students

in public schools were from families with income levels which qualify for free or reduced price lunches.

The following table illustrates the types of funding available to public schools in selected states for special student needs compared to BIA schools.

Per Pupil Expenditure for Selected States
by Program a/

Program	New Mexico		Arizona		South Dakota		North Dakota	
	BIA School	State School	BIA School	State School	BIA School	State School	BIA School	State School
<u>Basic Education:</u>								
I.S.E.P. <u>b/</u>	\$2,470	---	\$2,482	---	\$2,545	---	\$2,503	---
State Funds <u>b/</u>	---	\$2,006	---	\$1,522	---	\$1,488	---	\$1,389
Impact Aid P.L. 81-874	---	\$1,570	---	\$1,804	---	\$2,652	---	\$1,857
<u>Supplemental Prgs:</u>								
JOM	---	\$119	---	\$119	---	\$119	---	\$119
Indian Education Title IV	---	\$135	---	\$123	---	\$115	---	\$136
Disadvantaged Chapter I	\$687	\$782	\$829	\$577	\$665	\$694	\$674	\$665

a/ The information displayed above represents the results of an oral survey of Bureau program managers, individual state departments of education officials, and Department of Education program officials. The survey was conducted in January 1985 and represents 1984-85 program funding levels as reported by the various program managers. The figures have not been verified, and there may be some fluctuations or adjustments.

b/ Comparable amounts, excluding transportation and facilities O&M.

In reaching the decision not to fund the JOM program, the Bureau also considered the findings of a study conducted for the U.S. Department of Education by Development Associates of Arlington, Virginia. The study, "A National Impact Evaluation of the Part A Program", on the Department's special program for Indians known as Title IV, found that many states are now taking more responsibility for the special educational needs of their Indian citizens. Of twenty-five states surveyed:

- ° Twelve states now have state laws relating to Indian education;
- ° Sixteen states have formal policies on Indian education;
- ° Fourteen states have separate units within their state education departments dealing with Indian education programs; and
- ° Nine states have separately funded education programs for Indians, including Alaska, California, Florida, Michigan, Minnesota, Montana, New York, Oklahoma, and Utah.

Other findings of the study include:

- Thirty-five percent of public school districts receiving Part A, Title IV funds, are on or near Indian reservations.
- Many community and tribal leaders said that Indian children do not have culturally-related academic needs that are different from those of non-Indian children.
- Indian student achievement scores have increased significantly and are at their highest level in over a decade.

In reaching its decision to discontinue the JOM program, the Bureau also considered the findings of several audits of the General Accounting Office and the Interior Inspector General, which concluded that JOM funds were being used for basic public school activities and other purposes not related to the unique needs of Indian students. As one audit report stated: "we could not satisfy ourselves that many of the JOM expenditures met the definition of supplemental programs that meet specialized and unique needs."

Examples of questionable JOM expenditures, as highlighted in Inspector General reports, are:

- Extra-curricular activities, such as recreational programs, a trip to Disneyland, athletics, or attending fairs or festivals.
- Salary for a television station attendant at a remote location.
- A citizen band radio for general classroom use.
- General-purpose tutors available to all students.
- Computers for special programs with no evidence that any Indian students were eligible.
- Payment for basketball coaches, cheerleader supervision, trophies, school pictures, yearbooks, eyeglasses, and musical instruments.

Finally, the Bureau considered savings from JOM that could be used for increases in other higher priority programs. In FY 1986, the Bureau will strengthen basic educational programs in Bureau-funded elementary and secondary schools by providing: \$1.9 million to begin to implement academic standards; \$4.2 million to augment the formula funds for schools; and \$1.7 million for added costs of student transportation.

Object Class Distribution - Johnson-O'Malley Educational Assistance Subactivity

	<u>Amount</u>
Travel and transportation of persons.....	\$ - 100,000
Other services.....	- 28,442,000
Supplies and materials.....	- 5,000
Equipment.....	- 10,000
Grants, subsidies, and contributions.....	- 300,000
	<u>\$ - 28,857,000</u>

Justification of Program and Performance

Activity: Education
 Subactivity: Continuing Education

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc.(+) Dec.(-) From 1985</u>	<u>Inc.(+) Dec.(-) From Base</u>
A. Higher Education <u>a/</u>	\$	26,868	29,364	29,423	+2,555 <u>c/</u>	+59
B. Special Higher Education	\$	2,050	2,050	2,050	--	--
C. Adult Education <u>a/</u>	\$	3,474	3,885	3,704	+230 <u>c/</u>	-181
	(FTE)	(35)	(35)	(35)		
D. Post-Secondary	\$	9,045	9,009	9,009	-36	--
	(FTE)	(242)	(242)	(242)	(--)	(--)
E. Tribally Controlled Community Colleges <u>b/</u>	\$	11,819	11,819	11,800	-19	-19
Total Requirements	\$	53,256	56,127	55,986	+2,730	-141
	(FTE)	(277)	(277)	(277)	(--)	(--)

Distribution:

Tribe/Agency Operations <u>a/</u>	\$	31,012	33,919	33,812	+2,766 <u>c/</u>	-107
Area Office Operations	\$	246	246	212	--	-34
Centralized Schools	\$	9,045	9,009	9,009	-36	--
Tribally Controlled Community Colleges	\$	10,903	10,903	10,903	--	--
Special Higher Education Programs	\$	2,050	2,050	2,050	--	--

a/ Tribal Priority System funding.

b/ Includes Snyder Act funds determined by Tribal Priority System of \$916,000 in FY 1985, FY 1986 Base, and \$897,000 in FY 1986 Estimate.

c/ These changes result from the distribution of contract support funds.

Number of Continuing Education Students Served

	<u>FY 1985</u> <u>Estimate</u>	<u>FY 1986</u> <u>Estimate</u>	Inc. (+) or <u>Dec. (-)</u>
Higher Education Student Grants	16,000	15,593	-407
Special Higher Education Programs	310	310	--
Adult Education	13,520	12,800	-720
Post Secondary Schools	1,950	2,000	+50
Tribally Controlled Community Colleges	<u>3,676</u>	<u>3,700</u>	<u>+24</u>
Total	35,456	34,403	-1,053

A. Higher Education

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes.

Objective: To provide financial aid to eligible Indian/Alaska Native students to attend accredited post-secondary institutions which will enable them to meet their educational goals, develop leadership, and increase employment opportunities in professional fields so that they may contribute to the economic and social goals and objectives of the various tribes.

Base Program: The FY 1986 base includes \$2,996,000 as the redistribution of contract support funds as directed by the Congress. The Higher Education program provides for grants to students who meet the following eligibility criteria: (1) Indian, Eskimo, or Aleut whose blood quantum is one-fourth degree or more; (2) member of tribe(s) which is federally recognized; (3) admitted for enrollment in an accredited college or university program leading primarily to a baccalaureate degree; and (4) financial need as determined by the institution's financial aid officer. A Certificate of Degree of Indian Blood or other proof of Indian blood certified by the Tribal Enrollment Office of the Bureau must be a part of the students' application. School operations staff at the Area and Agency office level provide supervision for this program. The funding level for this program is set by tribes through the Indian Priority System. Table 1 provides statistical and historical data for selected years (1949, 1960, and 1970) and for 1979 through 1986 to indicate the increasing importance of this program for Indian/Alaska Natives. The table also reflects the rising cost of education and the related tribal contract program direction costs.

Table I - HIGHER EDUCATION GRANT PROGRAM

Fiscal Year	Appropriation	No. of Students Assisted	Average Grant Size c/	No. of Graduates	No. of Tribal Contracts	Tribal Contracts Program Direction costs (\$ and as % Appropriation)	
1949	a/\$ 9,390	78	\$ 120	1	0	\$ --	--
1960	250,000	612	408	65	0	--	--
1970	3,848,000	4,271	873	286	6	120,000	(3.1%)
1979	26,575,600	14,904	1,695	1,965	32	1,310,000	(4.9%)
1980	27,398,300	15,895	1,626	1,420	38	1,556,000	(5.7%)
1981	26,918,700	15,724	1,587	1,290	48	1,964,640	(7.3%)
1982	27,371,000	16,100	1,569	1,289	57	2,110,364	(7.7%)
1983	26,357,000	14,946	1,546	1,295	88	3,256,000	(12.3%)
1984	26,197,000	15,600	1,461	1,310	91	3,404,000	(12.9%)
1985	26,868,000	16,000	b/ 1,461	1,380	96	3,500,000	(13.0%)
1986	29,423,000	d/ 15,593	b/ 1,461	1,450	100	6,641,000	(22.6%) <u>d/</u>

a/ First year of the Higher Education Grant Program.

b/ Estimated.

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

d/ Includes \$2,996,000 contract support funds, which is also available to tribal contractors in FY 1985 but is not included in 1985 line.

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 34 CFR 674.15, 675.15 and 676.15, Coordination with Bureau of Indian Affairs Grants-in-Aid.

The extent of unmet need, loans, and work-study portions of packages is dependent upon the priority budgeted amount from tribes and the number of eligible students expected to apply from a particular tribe. Thus, students would be provided proportionately less when a larger than anticipated number of eligible students apply. Table 2 shows the estimated distribution of the funding sources for Indian students at the post-secondary level. The Bureau contribution is approximately forty percent (40%) of the total assistance required in FY 1985.

TABLE 2 - SOURCES OF FUNDING FOR HIGHER EDUCATION STUDENTS

	1984	1985 Estimate	1986 Estimate
Total BIA Grant Awards a/	\$22,793,000 (39%)	\$23,368,000 (40%)	\$22,782,000 (37%)
Family & Student Contr. b/	11,834,000 (20%)	11,688,000 (20%)	12,000,000 (19%)
College based Awards c/	20,113,000 (34%)	19,610,000 (33%)	22,450,000 (36%)
Other Public Sources d/	4,110,000 (7%)	4,000,000 (7%)	5,000,000 (8%)
	\$58,850,000	\$58,666,000	\$62,232,000

a/ The Total BIA Grant Award is the amount appropriated minus the program direction costs and indirect costs.

b/ Parent, student contributions.

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

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

Increase from FY 1986 Base:

(dollar amounts in thousands)

		<u>FY 1986</u>	<u>FY 1986</u>	<u>Difference</u>
<u>Program</u>		<u>Base</u>	<u>Estimate</u>	
A. Higher Education				
Tribe/Agency Operations	\$	29,321	29,380	+59
	(See Appendix)			
Area office Operations	\$	43	43	--
Totals				+59

B. Special Higher Education

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes.

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

Base Program: To qualify for assistance under the current program, the applicant must meet all the basic requirements of the Bureau's general scholarship program (see Higher Education Program), have earned an undergraduate degree, and be officially admitted to a graduate studies program. Pre-law students, or those requiring graduate studies to qualify to enter professional career fields may be assisted from this program. Students may not be assisted by both programs simultaneously.

1. The Graduate Student Grant Program provides financial assistance to American Indian and Alaska Native post graduate students working towards masters, Ph.D. and medical degrees. For the current academic year, students from 90 tribes, in approximately 93 disciplines in 77 academic institutions are benefiting from this program. Disciplines with the highest representation are business administration, education, social work, medicine, and guidance and counseling. The profile of the average Indian graduate student is an older individual who has usually worked for a number of years, and often has a family. The program seeks to provide a cadre of educated professionals who can assist their own tribes in upgrading the health and quality of life for Indian people nationwide. Summer sessions may also be funded through this program.

2. The Indian Law Program provides financial assistance and educational support to American Indians and Alaska Natives who are enrolled and attending accredited law schools. Program funding is designed to serve as a supplement to other aid. The general population in this country enjoys a ratio of one lawyer for every 500 people. Nationally, there are approximately 600 law school graduates and lawyers who identify as American Indians and Alaska Natives -- a ratio of 1 to 2,000. By the national ratio, there exists a need for approximately 2,000 legally trained American Indians and Alaska Natives. In addition to providing financial assistance during the academic year, the law program includes funding for a Pre-law Summer Institute which provides an introduction to the study of law, with a special emphasis on academic skills. Twenty-three students, receiving approximately \$1,300 each, attended the Institute during the summer of 1984.

From 1970 through 1984, 2,972 students have participated in the Special Higher Education program with 1,809 receiving advanced degrees for a completion rate of approximately 61%. Table 1 provides the relevant historical and statistical data for the program.

TABLE 1 - ENROLLMENT AND GRADUATES 1970 - 1986

	<u>Period</u> <u>1970-1982</u>	<u>FY</u> <u>1983</u>	<u>FY</u> <u>1984</u>	<u>Total</u>	<u>Compl. Rate</u>	<u>FY 1985</u> <u>Estimate</u>	<u>FY 1986</u> <u>Estimate</u>
1. Indian Law Program							
Enrollment	1,114	116	150	1,380		150	150
Graduates	614	23	20	657	48%	30	35
2. Graduate Student Program							
Enrollment	1,281	161	150	1,592		160	160
Graduates	982	85	85	1,152	73%	85	85
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Enrollment <u>a/</u>	2,395	277	300	2,972		310	310
Total Graduates	1,596	108	105	1,809	61%	115	120

a/ In addition to this number, approximately 350 additional graduate students are funded as part of the Bureau's regular Higher Education Program. Also, the Navajo Tribe funds approximately 300 graduate students from tribal funds.

Table 2 reflects the enrollment by profession for FY 1982 through FY 1986. Table 3 provides average grant/student data for the Graduate Student Program, excluding Law. Table 4 provides average grant/student data for the Law Program.

TABLE 2 - ENROLLMENT BY PROFESSION

	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>Estimate</u> <u>FY 1985</u>	<u>Estimate</u> <u>FY 1986</u>
Law	122	116	150	150	150
Medicine & Health related fields	30	36	57	50	50
Natural Resources & related fields	3	3	5	5	5
Engineering	1	2	2	5	5
Business Administration	17	22	13	15	15
Other	<u>92</u>	<u>98</u>	<u>73</u>	<u>85</u>	<u>85</u>
TOTAL	265	277	300	310	310

TABLE 3 - GRADUATE STUDENT PROGRAM (EXCEPT LAW)

	<u>FY 1983</u>	<u>FY 1984</u>	<u>Estimate</u> <u>FY 1985</u>	<u>Estimate</u> <u>FY 1986</u>
1. Enrollment	161	150	160	160
2. Funding Level	\$800,000	\$978,000	\$958,000	\$958,000
Administrative Cost	(109,200)	(125,200)	(143,700)	(143,700)
Grant Cost	(690,800)	(852,800)	(814,300)	(814,300)
3. Average Grant	\$4,291	\$5,685	\$5,089	\$5,089

TABLE 4 - INDIAN LAW PROGRAM

	<u>FY 1983</u>	<u>FY 1984</u>	<u>Estimate FY 1985</u>	<u>Estimate FY 1986</u>
1. Enrollment	116	150	150	150
2. Funding Level	\$1,092,000	\$1,114,000	\$1,092,000	\$1,092,000
Administrative Cost	(240,200)	(245,100)	(240,200)	(240,200)
Grant cost	(851,800)	(868,900)	(851,800)	(851,800)
3. Average Grant	\$7,343	\$5,793	\$5,679	\$5,679

C. Adult Education

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes.

Objective: The objective of the Adult Education program is to provide educational opportunities and learning experiences to enable adult Indian/Alaska Natives to complete high school graduation requirements, acquire basic literacy skills, and gain new skills and knowledge to improve their functioning as individuals and as members of the community. The Adult Education program funding is based on tribal priority, and the curriculum is a direct result of the assessed needs of the adult Indian population within the service area.

Base Program: The FY 1986 base includes \$415,000 as the redistribution of contract support funds as directed by the Congress. This education program encompasses programs of instruction for Indian/Alaska Native adults in preparation for the General Education Development Test (GED), Adult Basic Education (ABE), continuing education, life coping skills, special programs for the elderly, and occupational skills programs designed to operate in conjunction with existing Federal and non-Federal programs and activities to develop occupational and related skills necessary to their obtaining employment. The funding level for this program is set by tribes through the tribal priority system.

In FY 1984, 75 tribes administer the Adult Education Program under P.L. 93-638 contracts; 13 programs are administered by Bureau Agency offices.

ADULT EDUCATION PROGRAM

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>No. of Adult Educ. Programs</u>	<u>No. of Adult Partic.</u>	<u>Average Cost per Participant</u>
1982	\$ 4,659,000	77	13,859	\$ 336
1983	3,697,500	68	12,899	287
1984	3,747,100	88	14,607 <u>a/</u>	257
1985 (est.)	3,474,000	88	13,520	257
1986 (est.)	3,704,000 <u>b/</u>	92	12,800	257

a/ 1,958 adults were enrolled in Adult Basic Education,
 3,480 adults were in GED preparation,
 3,954 adults were in continuing education,
 2,808 adults were in life coping skills, and
 2,407 adults were receiving counseling.
14,607

b/ Includes \$415,000 of contract support funds.

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; and instructional information services from federal, state and tribal programs (i.e., medicare, social security, filing of federal and state taxes, entitlements, real estate, and trust services); continuing education courses designed to update the per capita knowledge and skills of the participants (i.e., typing, shorthand, computer literacy, etc.); and community education classes that are of personal interest.

Program staff members conduct the needs assessment surveys, recruit participants, teach some of the courses, provide guidance and counseling with regard to educational, career and employment opportunities, and coordinate the Bureau adult education program with other existing Federal and non-Federal programs and activities to develop occupational and related skills for Indian adults to enable them to become employable and productive members of society.

Decrease from FY 1986 Base:

(dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
C. Adult Education				
Tribe/Agency Operations	\$	3,682	3,535	-147
	(FTE)	(28)	(28)	(--)
(See Appendix)				
Area Office Operations	\$	203	169	-34
	(FTE)	(7)	(7)	(--)
(See Appendix)				
Totals	\$			-181
	(FTE)			(--)

D. Post-Secondary Schools

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes.

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

Haskell Indian Junior College (HIJC): In 1984, Haskell celebrated its centennial and also received accreditation for another five years by the North Central Association of Secondary Schools and Colleges.

There has been a significant decrease in the student attrition rate at Haskell. During the period 1970 to 1981, the rate was over 20 percent. The rate was as low as ten percent in 1984. The number of graduates has increased from a low of 122 in 1982 to 210 in 1984.

During the last school year, 41 Haskell students were awarded scholarships by various foundations. Nine students were awarded scholarships by Atlantic Richfield Coal Company and three students were awarded scholarships from the University of Kansas. Five Haskell students were named to Who's Who in Phi Beta Lambda -- an organization promoting business careers. In each of the last five years, a Haskell student has represented the State of Kansas in computer data processing at the national competition by scoring higher than the four state colleges and universities.

Institute of American Indian Arts (IAIA): This school provides a unique junior college program in the arts. The school stresses the importance of basic educational requirements as the focal point for the preservation of Indian/Alaska Native culture and art. It serves as a repository for the history of American Indian art. This vast knowledge is helpful in giving contemporary art students an identity to which they can relate. IAIA is presently leasing facilities of the College of Santa Fe, New Mexico.

The 1984 edition of Who's Who Among Students in American Junior Colleges will include the names of 10 students from IAIA who have been selected as outstanding campus leaders based on their academic achievement, service to the community, leadership in extracurricular activities and potential for continued success. These students were selected from more than 1,500 institutions of higher learning throughout the United States and several foreign nations. One 1984 graduate was named a Harry S. Truman scholar -- one of only 105 from the United States. The award winning design of another 1984 graduate has been featured by the Smithsonian Institute.

Southwestern Indian Polytechnic Institute (SIPI): This college remains the only all Indian post-secondary technical/vocational school serving all Native American tribes in the United States, including Alaska. Under the direction of an Indian Board of Regents, the Institute offers certificate programs in 38 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 and 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.

With the assistance of professional advisory committees, SIPI is able to develop its vocational education programs to reflect current trends in the job market and to provide on-the-job training for students which assists graduates in job placement. During its 13-year history, over 85 percent of SIPI's graduates have been immediately placed in jobs or have continued higher education.

SIPI is unique in its service as a bridge for Indian men and women who are making a transition from the rural reservation environment into the competitive environment of the business and industrial work world. As more employment opportunities open according to projections in the technical and vocational areas, SIPI will continue to play a dynamic role in providing a work force of skilled Native Americans.

In accordance with House Report No. 98-253, "Department of the Interior and Related Agencies Appropriation Bill, 1984", FY 1984 funds appropriated for the operation of SIPI have been used to begin implementation of the SIPI Task Force recommendations. Specifically, the SIPI curricula in the data processing,

electronics, drafting, and optics programs have been upgraded; the authority of the Board of Regents has been broadened and its membership expanded to better reflect SIPI's national constituency; more cooperative programs have been executed; private industry involvement and contributions to SIPI have been increased; and recommendations are being developed for facilities modifications to the SIPI campus. For the 1984-85 school year there are 565 students enrolled at SIPI.

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

In FY 1983, the three post-secondary schools' dormitories were filled to capacity. The geographical locations of the schools limit the number of day students able to commute. Table 1 shows the full-time equivalent (FTE) student data. FTE is calculated by dividing the cumulative student academic hours per academic term by twelve.

TABLE 1 - STUDENT FTE DATA

	FY 1984 (Actual)		FY 1985 (Estimate)		FY 1986 (Estimate)	
	TOTAL FTE	DORM CAPACITY a/	TOTAL FTE	DORM CAPACITY a/	TOTAL FTE	DORM CAPACITY a/
Haskell	1,033	700 b/	950	700 b/	1,000	700 b/
IAIA	198	160	200	160	200	160
SIPI	727	512	800	512	800	512
Total	1,958	1,372	1,950	1,372	2,000	1,372

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

b/ In prior years the dormitory capacity at Haskell has been reported as 752; 700 is a more realistic capacity for the facility.

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

TABLE 2 - NUMBER OF GRADUATES

	FY 1984 (Actual)	FY 1985 (Estimate)	FY 1986 (Estimate)
Haskell	210	220	200
IAIA	57	50	55
SIPI	130	140	140
Total	397	410	395

TABLE 3 - ESTIMATED COST PER FTE

<u>School</u>	<u>FY 1986 FTE (EST)</u>	<u>FY 1986 Cost/FTE (EST)</u>	<u>FY 1986 ESTIMATE</u>
Haskell	1,000	\$4,784	\$4,784,000
IAIA	200	8,290	1,658,000
SIPI	800	3,209	2,567,000
TOTAL	<u>2,000</u>		<u>\$9,009,000</u>

E. TRIBALLY CONTROLLED COMMUNITY COLLEGES

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes. P.L. 98-192 is the authority under which funding for Tribally Controlled Community Colleges is provided by the Secretary.

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

Base Program: The Indian Self-Determination and Education Assistance Act (P.L. 93-638) states the role of the Federal Government is to provide comprehensive education programs and services for Indian/Alaska Natives. Community colleges are governed by a local board of regents, a majority of whom are Indian. This enables the sponsoring tribes to pursue educational goals for their people compatible with the needs and assessments of the tribes. Table 1 presents summary data for the Tribally Controlled Community Colleges for FY 1984 through FY 1986. Title I of the Tribally Controlled Community College Assistance Amendments Act, 1983, (P.L. 98-192 dated December 1, 1983) authorizes, at the determination of the Tribally Controlled Community College, grants to defray expenditures for academic, educational, and administrative purposes and for the operation and maintenance of all Tribally Controlled Community Colleges except Navajo Community College. Title II grants are authorized only for the Navajo Community College for an amount necessary for operating and maintaining the College, including, but not limited to, administrative, academic, and operation and maintenance costs.

Public Law 98-192 contains several new authorizations for the Bureau. Four major provisions are described below.

(1) Revised method of counting students.

"Full time equivalent" has been changed to "Indian Student Count" (ISC). Now all credit hours (for full-time, part-time, and summer students) are added together and divided by 12 to arrive at the ISC. Previously, full-time students were counted as one FTE regardless of the number of hours enrolled, and summer students were not included in the count. The impact of this conversion is that the number of ISC is expected to be higher than the number of FTE by approximately 15 percent. Table 6 provides a conversion for FY 1984, 1985, and 1986. FTE/ISC figures in this budget request reflect the expected increase in ISC's.

(2) Planning Grants.

The law directs the Secretary to establish a program for awarding planning grants to tribes wishing to establish a TCCC. The law further states that the Secretary shall reserve (and expend) an amount necessary to make grants to five applicants under this section of not more than \$15,000 each. Regulations implementing this section of P.L. 98-192 are being developed for publication in the Federal Register. No funds are requested for this activity.

(3) Funds for improvement of facilities and new construction for TCCC's.

The law directs the GSA to conduct, and submit to the Congress by June 1, 1985, a study of facilities available for use by the TCCC's. The law further directs that, after completion of the study, the GSA and BIA initiate a program for the identified facility improvement or new construction. No funds are included in this budget request for facility improvements or new construction for TCCC's.

(4) Endowments.

P.L. 98-192 directs the Secretary to establish a program for making endowment grants to TCCC's. The Federal Government is authorized to match any amount deposited by a college for this purpose. Regulations implementing this section of the law are being prepared for publication in the Federal Register. Funds for this activity are not requested.

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

<u>Funding</u>	<u>FY 1984</u>		<u>FY 1985</u>		<u>FY 1986</u>		<u>Inc./Dec.</u>	
	<u>Grant</u>	<u>FTE b/</u>	<u>Grant</u>	<u>FTE b/</u>	<u>(Estimate)</u>	<u>FTE b/</u>	<u>FY 85-FY 86</u>	
Title I	\$6,440	2,616	\$6,950	2,826	\$6,950	2,850	--	+24
Title II	4,440	882	3,837	850	3,837	850	--	--
Tech. Asst	118	--	116	--	116	--	--	--
Snyder Act a/	895	--	916	--	897	--	-19	--
Totals	<u>\$11,893</u>	<u>3,498</u>	<u>\$11,819</u>	<u>3,676</u>	<u>\$11,800</u>	<u>3,700</u>	<u>-19</u>	<u>+24</u>

a / Supplemental funds under Snyder Act in addition to funds made available under Title I. These amounts are determined by tribal priorities.

b / Old method of counting students. See Table 5 for conversion.

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

The minimum requirement for funding of the Tribally Controlled Community Colleges under Public Law 98-192 is a positive eligibility study. The process begins with the tribe submitting an application to the Office of Indian Education Programs. An on-site visit is made to conduct the feasibility study. A feasibility study model is used as the standard instrument in making a determination for eligibility. The model requires evidence: (1) that organic documents and legal requirements outlined in the law are met; (2) of harmony between the needs outlined by the tribe and the goals, philosophy and plan of operation of the college;

(3) that the curriculum is in harmony with the goals and objectives of the tribe; (4) that the institution has a system for identifying full-time and part-time students in attendance; (5) of the absence of alternative education sources; (6) of the presence of a reasonable number of students; (7) of the existence of sufficient facilities to meet the needs of the student body; (8) that the existing staff is adequately providing the services offered by the college; and (9) that the college has adequate funding to support its proposed program and that available resources are managed in an efficient and accountable manner. The feasibility study is based on the criteria that the tribal college: (1) is feasible to the extent that it meets the requirements of the law; (2) will continue to operate; and (3) will seek full accreditation. Feasibility can be determined by the implicit and explicit comparison of the school with other similar institutions. The Director, Office of Indian Education Programs, has the final responsibility for determining "whether there is justification to encourage and maintain a Tribally Controlled Community College."

The funding of some of the Tribally Controlled Community Colleges is supplemented with Snyder Act funds. This is done in order to fulfill the Bureau's commitment to continue assistance to the colleges at the levels of funding determined by tribal priorities. This amount totals \$897,000 for FY 1986 (see Table 1). Title II of Public Law 95-471 exempts the Navajo Community College (NCC) from being included in ratably distributed funds. Title II has been amended to fund NCC at an amount equal to the amount necessary for operation and maintenance of the college including, but not limited to, administrative, academic, and operation and maintenance costs.

The technical assistance amount of \$116,000 is provided to assist the tribal colleges in gaining full accreditation and maintaining quality cost effective program operations. Three colleges were accredited in FY 1984, and one additional college is expected to be accredited in FY 1985.

An operational grant, as opposed to a Public Law 93-638 tribal contract, is provided to each tribal college once it is determined that they are eligible under the provisions of Public Law 95-471.

Table 2 shows the list of Tribally Controlled Community Colleges and the comparative data on the number of FTE Indian students, graduates, accreditation status, and the types of degrees and certificates awarded by each college for fiscal years 1982-85. Enrollments are expected to remain essentially level in FY 1986.

TABLE 2 - FTE and Graduates

Tribal College	FTE ^{d/}				GRADUATES				Accred- ^{a/} itation	Degrees or Certificate Offered ^{b/}
	FY 1982	FY 1983	FY 1984	Est. FY 1985	FY 1982	FY 1983	FY 1984	Est. FY 1985		
Standing Rock	154	172	214	206	23	24	32	30	Accred	AA, AAS, AS, Voc. Cert.
Blackfeet	211	176	179	165	80	84	22	56	Cand	AA, AAS, Voc. Cert.
Sinte Gleska	181	194	252	256	23	24	15	30	Accred	AS, AAS, BS, Voc. Cert.
Turtle Mountain	198	172	191	244	50	53	40	61	Accred	AA, AAS,

TABLE 2 - FTE and Graduates (Continued)

Tribal College	FTE ^{d/}				GRADUATES				Accred- ^{a/} itation	Degrees or Certificate Offered ^{b/}
	FY 1982	FY 1983	FY 1984	Est. FY 1985	FY 1982	FY 1983	FY 1984	Est. FY 1985		
Salish Kootenai	162	190	182	170	40	42	28	40	Accred	AA, AAS Voc. Cert.
Ganado	99	130	157	179	8	9	17	15	Accred	AA, AAS
Little Hoop	41	39	57	76	11	12	7	10	Cand	AAS, Voc. Cert.
Sisseton- Wahpeton	84	71	116	119	36	38	15	10	Cand	AA, Voc. Cert.
D-Q University	99	100	107	110	10	12	11	7	Accred	AA, AS
Fort Berthold	49	41	63	51	14	16	11	15	Cand	AA, Voc. Cert.
Fort Belknap ^{c/}	--	--	--	69	--	--	--	--	NA	AA
Dull Knife	104	146	190	180	16	20	15	18	Cand	AA, AAS
Oglala Sioux	331	371	421	450	50	53	71	70	Accred	AA, BS, Voc. Cert.
Nebraska	183	162	149	181	20	21	22	23	Cand	AA, AS, AAS Voc. Cert.
Lummi	33	26	77	100	18	20	1	10	NA	AS
Little Big Horn	32	81	95	82	--	5	35	25	Cand	AA, Voc Cert.
Fort Peck	60	50	57	68	13	14	15	10	NA	AA, AAS Voc. Cert.
Cheyenne River	66	73	52	41	2	10	7	7	NA	AA, AS, Voc. Cert.
Lac Courtes Oreilles Ojibwa	--	--	57	79	--	--	4	--	NA	AA
Title I Totals	2,087	2,194	2,616	2,826	414	457	368	437		
NCC, Title II	800	886	882	850	76	80	89	100	Accred	AA, AS, ASN Cert.
Total	<u>2,887</u>	<u>3,080</u>	<u>3,498</u>	<u>3,676</u>	<u>490</u>	<u>537</u>	<u>457</u>	<u>537</u>		

^{a/} Accred - Fully accredited by a recognized accreditation association.
 Cand - Candidate status towards accreditation.
 NA - Not accredited but meets the three institutional certification requirements of Public Law 95-471.

b/ Degrees Awarded by TCCC:

- ASN - Associate of Science Nursing (R.N. and L.P.N. - at NCC 80% of the students must pass State examinations in order for the program to maintain accreditation).
- AA - Associate of Arts
- AS - Associate of Science
- AAS - Associate of Applied Science
- BS - Bachelor of Science
- Voc. Cert. - Vocational Certificate, at least one year but not more than two years in a vocational program. (Students must pass a proficiency examination in vocational programs).

c/ First funded in FY 1985.

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

TABLE 3 - TITLE I FUNDS
(Dollars in thousands)

	<u>FY 1985 Estimate</u>		<u>FY 1986 Estimate</u>		<u>Increase/Decrease</u>	
	<u>Grants</u>	<u>ISC</u>	<u>Grants</u>	<u>ISC</u>	<u>Grants</u>	<u>ISC</u>
Title I	\$6,950	3,250	\$6,950	3,278	--	+28

TABLE 4 - TITLE II FUNDS
(Dollars in thousands)

	<u>FY 1985 Estimate</u>		<u>FY 1986 Estimate</u>		<u>Increase/Decrease</u>	
	<u>Grants</u>	<u>FTE</u>	<u>Grants</u>	<u>FTE</u>	<u>Grants</u>	<u>FTE</u>
Title II	\$3,837	850	\$3,837	850	--	--

TABLE 5 - FTE Conversion Table Title I

	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
Prior method of counting = FTE	2,616	2,826 <u>a/</u>	2,850 <u>a/</u>
New method of counting = ISC <u>b/</u>	3,008	3,250	3,278
Funds available (\$000)	\$6,440	\$6,950	\$6,950
Value Per FTE \$	2,462	2,459	2,439
Value per ISC \$	2,141	2,138	2,120

a / The FY 1984 FTE level was 18 percent over FY 1983, but we estimate this will level off. The FY 1985 figure assumes funding of 1 new TCCC (Fort Belknap) at 69 students.

b / Assume an approximate 15 percent increase as result of new method of counting.

Decrease from FY 1986 Base:

(dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
E. Tribally Controlled Community Colleges				
Tribe/Agency Operations	\$	916	897	-19
(See Appendix)				
All Other	\$	10,903	10,903	
Totals	\$			<u>-19</u>

Object Class Distribution - Continuing Education Subactivity

	<u>Amount</u>
Other services.....	\$- 107,000
Supplies and materials.....	- 20,000
Equipment.....	<u>- 14,000</u>
Total.....	<u>\$- 141,000</u>

Activity Summary
(dollars in thousands)

Activity: Indian Services

<u>Subactivity (program)</u>	<u>FY 1984 Actual (B.A.)</u>	<u>FY 1985 Approp. Enacted</u>	<u>FY 1985 Revised Estimate</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) or Dec. (-) 1986 Est. over 1986 Base</u>
Tribal Government Services	23,694	25,936	25,941	28,534	32,077	+3,543
Social Services	109,809	104,984	105,032	109,926	114,110	+4,184
Law Enforcement	35,122	44,354	43,399	47,334	48,450	+1,116
Self-Determination Services	58,779	24,162	24,155	23,320	21,545	-1,775
Navajo-Hopi Settlement Program	3,951	2,773	2,777	2,886	2,886	---
Indian Services Contract Support	---	14,935	14,935	Distrib.	---	---
Total	231,355	217,144	216,239	212,000	219,068	+7,068

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Justification of Program and Performance

Activity: Indian Services
Subactivity: Tribal Government Services

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Aid to Tribal Government	\$	17,650	19,001	21,479	+3,829	+2,478
	(FTE)	(233)	(227)	(227)	(-6)	(--)
B. Tribal Courts	\$	8,286	9,533	10,598	+2,312	+1,065
Total Requirements	\$	25,936	28,534	32,077	+6,141	+3,543
	(FTE)	(233)	(227)	(227)	(-6)	(--)
Distribution:						
Tribe/Agency Operations	\$	19,321	21,935	23,257	+3,936	+1,322
Area Office Operations	\$	1,634	1,668	1,523	-111	-145
Central Office Staff Operations	\$	1,576	1,526	1,526	-50	--
Other Indian Services Programs	\$	3,405	3,405	5,771	+2,366	+2,366
Special Tribal Courts	\$	(1,029)	(1,029)	(1,479)	(+450)	(+450)
New Tribes Undistributed	\$	(2,376)	(2,376)	(4,292)	(+1,916)	(+1,916)

A. Aid to Tribal Government

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes, and it is under this authority that tribal government services are provided. P.L. 96-240 (The Maine Indian Claims Settlement Act of 1980) is the authority under which special programs are to be provided to the Indians of Maine in settlement of their claims. P.L. 93-134 (The Indian Judgment Funds Distribution Act of 1973, as amended) makes the Secretary responsible for completion of certain tasks, within specified time frames, relative to judgment awards of the Indian Claims Commission or the Court of Claims.

Objectives: (1) To improve tribal governments' operational capabilities through the provision of technical and financial assistance to tribes so they can exercise the full range of their inherent powers in an effort to better serve

their tribal members and communities. (2) To insure the timely submission of judgment plans assuring, to the greatest extent practicable, that tribal plans for the utilization of their money are adopted. (3) To assure the timely processing of petitions from non-federally recognized Indian tribes or groups in order to determine their proper relationship with the Federal Government.

Base Program (\$19,001,000): The FY 1986 base includes \$1,505,000 as the redistribution of contract support funds as directed by the Congress. The Tribal Government Services subactivity contains a number of separate and distinct program elements providing technical and/or financial assistance to Indian tribes. Each program element is discussed in more detail below.

1. Community Services General (\$1,216,000 - FTE 19):

Tribe/Agency	\$620,000	FTE	-0-
Area Office	\$403,000	FTE	14
Central Office	\$193,000	FTE	5

This program provides, at the Area and Central Office levels, staff specialists and program and policy advisors to the Area Directors and Assistant Secretary - Indian Affairs, respectively, on all matters related to the entire Indian Services program. Area level staff is involved in, and responsible for, the application of program policy and implementation of all Indian services programs. At the Central Office level, this function provides overall staff responsibility to the Assistant Secretary - Indian Affairs for Indian Services programs regarding policy and operational matters. Funds for agency level programs have been established by tribal priorities, primarily to carry out the human resource programs usually administered under P.L. 93-638 contracts.

2. Community Fire Protection (\$867,000 - FTE -0-): This program is necessary for those tribes which do not receive community fire protection services from state or local governments. During FY 1984, approximately 60 tribes received funds ranging from \$600 to \$48,000 through this program. The larger community fire protection programs provide funds to train volunteer fire fighters, repair existing fire fighting equipment, purchase additional equipment, and personnel costs. In those instances when funding is less than \$1,000, the funds are used to purchase such basic equipment as smoke detectors, fire extinguishers, fire escapes and emergency lights for public tribal buildings.

3. Agriculture Extension (\$933,000 - FTE -0-): This program is one which the Bureau contracts with either State land grant colleges and universities or with the tribes. During FY 1984, the Bureau contracted with 10 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. Funding was also provided to nine Alaska Native Associations to provide services to approximately 70 Alaskan groups. A total of approximately 100 American Indian tribes and Alaska Native groups benefited from this program during FY 1984.

Indian tribes and Alaska Native associations which do not contract with state universities and colleges usually use the funding to hire their own extension agents and home economists to provide training on animal husbandry; crop production; forage and pasture management; noxious weeds; weed control; food and nutrition; home economics and management; animal diseases; disposal of diseased animals; reindeer management; and subarctic agriculture. In those instances when the funding is less than \$1,000, the money is used to buy seed and fertilizer for home gardens.

4. All Other Aid to Tribal Government (\$13,609,000 - FTE 208):

Tribe/Agency	\$11,011,000	FTE 132
Area Offices	\$1,265,000	FTE 46
Central Office	\$1,333,000	FTE 30

Tribe/Agency: Approximately 75 percent of the tribe/agency funding is used for contracts between the Bureau and the tribes. During FY 1984 approximately 80 tribes contracted with the Bureau in the areas of Tribal Enrollment, Tribal Administration - General, and Work/Learn Programs. The Tribal Enrollment program enables tribes to maintain and update tribal enrollment records for the purpose of making tribal per capita/dividend distributions, hold Secretarial and tribal elections, and to identify tribal members for the purpose of exercising off-reservation treaty rights; i.e., hunting and fishing. The Tribal Administration - General program enables tribes to develop and update tribal government documents, develop policy, legislation and regulations in previously unregulated areas, to conduct constitutional amendment elections, and provide administrative support. The Work/Learn program is a cleanup program in and around Indian villages. In addition to the end product of cleaner villages, the program provides work opportunity and experience to Indian youth who are at least 13 years old, and not more than 20 years old, and are enrolled in high school. For programs operating during the summer, students who have completed the 8th through the 12th grades are eligible.

Area Office: The majority of the area office funding is used to provide technical assistance to 308 federally recognized Indian tribes in the lower 48 states and 197 Alaska Native groups. The area staff and funds are used to assist the tribes in developing, improving or amending tribal constitutions, bylaws, codes and ordinances and membership rolls; conducting elections; reviewing and approving tribal attorney contracts; assuring the integrity of the separate branches of government; resolving issues involving intratribal disputes, membership, recall and removal; and providing other related assistance to tribal government activities in general. In addition, the area office staff conducts the Hearings of Record for the use and distribution of judgment fund awards. Once the 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 award is distributed on a descendancy basis, the applications are filed with a Bureau Area Director. Often the enrollment staff has the responsibility of processing 10 to 20 thousand applications before the payment can be made.

Central Office: In addition to providing the overall program management, the central office staff provides direct and 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, there are two areas with which the central office staff is involved. The first area involves 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 fee and expense vouchers after judgments are awarded. The second area involves performing the detailed ethnohistorical research concerning beneficiaries of judgment awards and processing detailed plans after soliciting tribal input, or preparing the legislation, for tribal use of the judgment funds, in compliance with the Indian Judgment Fund Distribution Act. The type of work performed includes the identification of modern-day tribal beneficiaries and often involves complex multitribal determinations where more than one tribe is involved. In

those instances where the funds are to be distributed to the descendants of historical tribes, the staff develops the eligibility criteria which will govern individual rights to participate in the judgment fund distribution. Once the beneficiaries have been identified and the area offices have held the Hearing of Record, the central office staff develops the Judgment Fund Distribution Plan or proposed legislation for submittal to the Congress.

The Tribal Enrollment program provides technical assistance to the area, agency and tribal staff with respect to developing and updating tribal membership and tribal payment rolls. However, the bulk of the enrollment workload involves processing enrollment appeals. Generally, the staff processes several thousand appeals every year. In those instances where the funds are to be distributed to the descendants of historical tribes, the enrollment staff develops the enrollment regulations governing the per capita distribution.

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

The Federal Acknowledgement program is responsible for the detailed research and processing of petitions for the Federal acknowledgement of Indian groups not currently recognized by the Bureau. The Bureau has established criteria, found in 25 CFR 83, which is used to evaluate those petitions.

5. New Tribes (\$2,376,000): The New Tribes program provides the initial source of funding for newly acknowledged tribes, enabling them to begin regular federally funded operations under their proposed budgets. New tribes are expected to assess their needs, design or propose operational programs to meet their needs, and submit proposed budgets to implement their proposed programs. New tribes funding is used to support a wide variety of needs expressed by the newly acknowledged tribe. These needs cover such things as social services, enrollment, housing improvement, adult vocational training, natural resources conservation, reservation planning, higher education scholarships and development of tribal organic documents.

Funding for newly acknowledged tribes which have approved budgets is carried in the summary table of funding under the Undistributed category until such time as their funding level can be reflected in the Tribe/Agency base. At that time, their funding is transferred to the tribal priority system. The Undistributed category is reduced accordingly. In FY 1986, the base amount of \$2,376,000 will continue to be used to provide funding to 26 tribes with an estimated membership of 7,060 individuals.

The base amount will allow the Bureau to provide full level funding to the Texas Band of Kickapoo Indians and partial funding to 25 currently recognized new tribes in FY 1985. The Texas Band of Kickapoo was identified to receive full funding from the base amount because it became federally recognized at an earlier date than the other 25 new tribes. A table identifying funding amounts by tribe can be provided on request.

The 25 tribes receiving partial funding in FY 1985 are as follows:

Mashantucket Pequot Cow Creek Band of Umpqua Indians Northwestern Band of Shoshone Indians Buena Vista Rancheria Cloverdale Rancheria Mooretown Rancheria Picayune Rancheria Potter Valley Rancheria Redding Rancheria Smith River Rancheria Rohnerville Rancheria Confederated Tribes of Grand Ronde Confederated Tribes of Coos, Siuslaw and Lower Umpqua	Poarch Creek Timba Sha Shoshone Big Valley Rancheria Chicken Ranch Rancheria Greenville Rancheria North Fork Rancheria Pinoleville Rancheria Redwood Valley Blue Lake Rancheria Quartz Valley Rancheria Table Bluff Elk Valley Rancheria
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Workload Data:

	<u>Actual</u> <u>FY 1983</u>	<u>Actual</u> <u>FY 1984</u>	<u>Estimated</u> <u>FY 1985</u>	<u>Estimated</u> <u>FY 1986</u>	<u>Change</u>
Judgement Fund/ Per Capita Payment Rolls	75	74	94	90	-4
Enrollment Appeals	5,500	2,000	3,000	3,000	--
Rolls other than Judgement Funds/ Per Capita Rolls	182	183	183	183	--
Judgement Fund Plans, Legislation & Hearings	52	25	23	13	-10
Tribal Constitutions	155	165	185	200	+15
New Tribes Established: Federal Acknowledgment Process	2	1	1	1	--
Legislation & Court Orders	2	20	1	1	--

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program Element</u>	<u>FY 1986</u> <u>Base</u>	<u>FY 1986</u> <u>Estimate</u>	<u>Difference</u>
<u>A. Aid to Tribal Government:</u>			
New Tribes	\$ 2,376	4,292	+1,916
	(FTE) (--)	(--)	(--)
Tribe/Agency Operations	\$ 13,431	14,138	+707
	(FTE) (128)	(132)	(+4)
(See Appendix)			
Area Office Operations	\$ 1,668	1,523	-145
	(FTE) (18)	(14)	(-4)
(See Appendix)			
Total	\$		+2,478
	(FTE)		(--)

New Tribes (+\$1,916,000): The increase of \$1,916,000 will be used to complete the funding for 25 new tribes to be recognized prior to FY 1986 and for initial funding for one new tribe whose Federal recognition is anticipated to become effective during late FY 1985 or early FY 1986. The base funding will provide the initial funding for a number of the services and programs required by these new tribes. However, the increased funding will allow full funding for all of the identified service requirements and new programs to be established for the new tribes.

B. Tribal Courts

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921), is the basic authority under which the Secretary provides services to federally recognized Indian tribes. It is under this authority that assistance to tribal courts is provided. 25 U.S.C. 461-479 (The Indian Reorganization Act of 1934), authorized tribes to reorganize under the provisions of the Act and to adopt constitutions, many of which contained provisions establishing tribal courts. P.L. 92-240 (The Maine Indians Claims Settlement Act of 1980) authorized the Maine Indian tribes to establish tribal courts. Numerous Federal and state court decisions have recognized the authority of Indian tribes to exercise their sovereignty and to establish forums to maintain law and order and for the resolution of disputes.

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

Base Program (\$9,533,000): The FY 1986 base includes \$1,247,000 as the redistribution of contract support funds as directed by the Congress. This program is essentially a tribe/agency program with almost all of the program funds being expended at that level. The Bureau assists tribes in the operation of their court systems in recognition of the fact that a strong and viable judiciary system is a critical element in strengthening tribal governments.

Tribe/Agency (\$8,504,000 - FTE -0-): This program pays the personnel and administrative costs for the operation of 127 tribal courts and 19 Courts of Indian Offenses (courts established and operating pursuant to 25 CFR 11). These courts all enforce and adjudicate the criminal provisions of tribal law and order codes and, as is the case with Courts of Indian Offenses, the criminal provisions found in 25 CFR. 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 in 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 are 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 custom have become inoperative, and no adequate substitute has been provided for them under Federal or state law. In instances where there has been such a declaration and finding, a ready-made set of laws and procedures has been provided for utilization until such time as the tribe, itself, adopts a tribal law and order code and begins enforcing that law. At the tribal level these funds are provided to pay for judges, prosecutors, defenders, clerks of

court, probation officers, juvenile officers and a variety of other court-support personnel. Additionally, the program pays for the administrative operational expenses incurred in running a court system.

Central Office Level (\$0): The program supervision costs of running this program are funded in Central Office under the All Other Aid to Tribal Government program element. Base program functions at this level represent the core of Bureauwide judicial services technical assistance to field personnel and tribal judicial systems on matters concerning program organization and management; civil and criminal jurisdiction; training of judicial personnel; development of rehabilitation capabilities, alternative codes and procedures, and court standards. The Central Office works closely with the Department of the Interior Solicitor's Office, the Federal court systems, and the Justice Department in developing, establishing, and maintaining tribal judicial systems which are in full accord with constitutional and other legal guarantees. It also promotes the development and implementation of model codes and systems which may be modified, as necessary, to meet local tribal needs; reviews regulations and legislation affecting the tribal judiciary; and maintains a close working relationship with the National American Indian Court Judges Association, other Indian organizations associated with the Indian Judiciary, and Federal agencies in order to insure close communication and the best joint use of resources for the overall development of the tribal judicial system.

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

Special Tribal Courts (\$1,029,000): This program enables the Bureau to provide training and technical assistance via contract for Indian court personnel on a nationwide basis. In FY 1985, emphasis was placed on increasing the capabilities in existing tribal court systems and improving the judicial, administrative, and prosecution functions of the tribal court systems. Since this effort was initiated, the Bureau has provided training sessions for approximately 750 to 800 Indian court personnel through contracts and by in-house trainers at regionalized training sessions. Formal course-work training has covered subjects such as: Basic and Advanced Criminal Law and Procedure; Basic and Advanced Civil Law and Procedure; Family Law; Torts; Contracts; Legal Writing; Evidence; Indian Probate; Court Administration; etc. Since the turnover rate for all judicial personnel is exceedingly high, it is essential that training sessions be held on a regular basis. During FY 1985, both the number of courses offered (specifically through in-house training endeavors) and the number of course subjects have increased. Emphasis was placed upon classroom style training, as opposed to conference style, which provides a smaller student/teacher ratio than is permissible in the conference environment.

Also, in FY 1985 an effort was initiated to identify technical reviews of tribal court systems (approximately 25 scheduled for review) and to provide specifically designed training to meet the administrative and technical deficiencies which were identified during the reviews and through the implementation of the Court Improvement Plans. This activity is also used to purchase the Indian Law Reporter for all 127 tribal courts, to meet the most pressing needs of certain court systems and, in response to congressional concerns, to provide assistance to tribal court systems in applying the self-assessment analysis (Court

Improvement Plan) needed to develop tribal court plans for improving their operations. During FY 1986, the above-described efforts will be continued.

Workload Data:

<u>Tribal Courts</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>Change</u>
Tribal Court Cases	141,000	157,000	185,000	221,000	+36,000
Tribal Courts Evaluated	25	25	25	30	+ 5
Tribal Codes Reviewed	30	30	30	40	+ 10

<u>Special Tribal Courts Training</u>	<u>Actual FY 1983</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Training Sessions (in-house)			11	12
Training Sessions (contract)	12	14	10	13
Trainees	550	500	750	950
Judges	245	250	450	600
Other Court Personnel	305	250	300	350

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
B. <u>Tribal Courts</u>			
Special Tribal Courts \$	1,029	1,479	+450
Tribe/Agency Operations \$	8,504	9,119	+615
(See Appendix)			
Total \$			+1,065

Special Tribal Courts (+\$450,000): A proposed increase of \$250,000 will provide funding for operations of the judicial programs in Western Oklahoma. These will emphasize training for court personnel in the areas of administration and substantive law. The remainder of the increase (\$200,000) will be used to assist Indian tribes: (1) to undertake organizational and legislative initiatives to establish an independent judiciary adhering to the concept of "Separation of Power" and (2) to assist tribal enactment of commercial codes which encourage economic development.

Object Class Distribution - Tribal Government Services Subactivity

	<u>Amount</u>
Other services.....	+\$3,532,000
Supplies and materials.....	- 39,000
Grants, subsidies, and contributions.....	+ 50,000
Total.....	<u>+\$3,543,000</u>

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Social Services

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Welfare Assistance Grants	\$	78,906	78,906	82,748	+3,842	+3,842
B. Indian Child Welfare Act Grants	\$	8,820	8,820	8,820	--	--
C. All Other Social Services	\$ (FTE)	17,258 (241)	22,200 (240)	22,542 (245)	+5,284 (+4)	+342 (+5)
Total Requirements	\$ (FTE)	104,984 (241)	109,926 (240)	114,110 (245)	+9,126 (+4)	+4,184 (+5)

Distribution:

Tribe/Agency Operations	\$	15,945	20,809	21,218	+5,273	+409
Area Office Operations	\$	942	1,021	954	+12	-67
Central Office Staff Operations	\$	371	370	370	-1	--
Other Indian Services Programs:	\$	87,726	87,726	91,568	+3,842	+3,842
Welfare Grants		(78,798)	(78,798)	(82,640)	(+3,842)	(+3,842)
Solo Parent Program		(108)	(108)	(108)	(--)	(--)
Indian Child Welfare Act (ICWA) Grants		(8,820)	(8,820)	(8,820)	(--)	(--)

A. Welfare Assistance Grants

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides assistance and services to eligible Indians.

Objective: To provide welfare assistance to eligible Indians who cannot obtain such assistance from states or local governments.

Base Program (\$78,906,000): The Bureau of Indian Affairs provides welfare assistance to otherwise eligible Indians in its administrative jurisdictions when such assistance is not available through state or local public agencies.

The Bureau provides services both through Bureau operated programs (which constituted approximately 45% of the entire welfare assistance grants program in FY 1984) and through Public Law 93-638 contracts with tribes (which constituted approximately 55% of the entire welfare assistance grants program in FY 1984). It is the Bureau's general position that insofar as possible, Indians should have the same right to state public welfare services as non-Indians under similar circumstances. However, the tax-exempt status of Indian lands affects the ability of some states and counties to provide this assistance, particularly if Indians constitute a considerable portion of their population.

Accordingly, the Bureau provides financial assistance in states such as North and South Dakota, where public programs are funded and administered from local, (mostly county) revenues. These revenues are derived primarily from real property taxes which cannot be obtained from Indian lands because of their Federal trust (tax exempt) status. Conversely, the Bureau does not have a general assistance program in states such as Alaska and Kansas, which have statewide general assistance programs available to Indian and non-Indian residents on the same basis. These statewide general assistance programs are funded from general state revenues and are not dependent upon local property taxes.

The Bureau, by policy and regulation, uses state-established public assistance standards (Aid to Families with Dependent Children-AFDC) to determine individual need and payment levels for Bureau general assistance (welfare) payments.

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

The following 17 states meet the above criteria for provision of Bureau (financial) assistance:

Arizona, Colorado, Idaho, Maine (10% tribe - 90% state), Minnesota (Red Lake only), Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, South Dakota, Texas (Eagle Pass only*), Utah, and Wyoming.

* Public Law 97-429, dated January 8, 1983, created a special situation whereby the Bureau social services program is directed to provide social services to those Kickapoo members residing in Eagle Pass, Texas.

Although the Bureau is currently making payments at 100% of the state AFDC standard in the above states, the Bureau, implementing a directive contained in the FY 1983 Appropriations Conference Report, has proposed regulations for implementing a rateable reduction in those states which are utilizing the rateable reduction concept. Once the regulations are implemented, savings are expected in those states using a rateable reduction where the Bureau currently provides full payment. Estimated savings for the fiscal year will depend on the caseload in these areas and the actual date by which the regulation takes effect.

The same rationale regarding general (financial) assistance also applies to the provision of child welfare assistance for foster home payments for children. The Bureau also follows state established rates of payment in its child welfare assistance cases involving foster home payments.

During FY 1985, the Bureau's social services program will implement a number of corrective activities for internal control weaknesses identified as part of

reviews implementing OMB Circular A-123, "Internal Control Systems". These efforts should be beneficial in improving the quality of services and in providing the Bureau with information regarding where cost savings in the programs might be made. This effort is not limited to the Bureau, but it is part of the implementation of OMB Circular A-123 governmentwide, which directs agencies in program and administrative activity improvement policies. As part of the effort, the Bureau is revising the current social services manual, 66 BIAM.

Three types of assistance are available under the welfare assistance grants program to tribes and tribal members. They are: General Assistance; Child Welfare Assistance; and Miscellaneous Assistance. A detailed description of each type follows.

1. General Assistance -- \$62,703,000 in the FY 1986 Base which consists of:

- a. Direct financial assistance -- \$54,975,000 in the FY 1986 Base. This assistance is provided in 17 states to families and individuals to pay living expenses for those whose income is below state standards. These states have been listed above.
- b. Non-medical institutional or custodial care -- \$4,890,000 in the FY 1986 Base. This assistance is provided to disabled adults in 10 states, estimated as follows:

Arizona.....	\$4,780,000
Minnesota.....	9,000
Mississippi.....	1,500
Montana.....	10,000
Nebraska.....	1,500
Nevada.....	1,500
New Mexico.....	40,000
North Dakota.....	25,000
South Dakota.....	20,000
Wyoming.....	1,500

Funding is principally applied to the State of Arizona because this state does not administer a Title 19 medicaid program.

- c. Contracts with tribes to run Tribal Work Experience Programs (TWEP) -- \$2,838,000 in the FY 1986 Base. About 4,300 tribal members who receive general assistance and who work on tribal projects under TWEP receive \$55 per month for work-related costs over their welfare payments. Examples of work projects include: road repair; building maintenance; facility construction; and housing construction and repairs.

2. Child Welfare Assistance -- \$14,741,000 in the FY 1986 Base. The child welfare assistance program provides for the care costs of abandoned, neglected, or handicapped children living in foster homes; private or tribal group care homes; or in residential settings designed to provide special care and programs for the handicapped. These payments are made directly or through contract to the provider and involve those states where the Bureau is authorized to have a program. These children are not eligible for care under any other county, state or Federal programs.

Solo Parent Program -- \$108,000 in the FY 1986 Base. This special program is to provide full funding of the Solo Parent programs at the Flandreau and Sherman offreservation boarding schools. This is funded under the Social Services activity as a result of the FY 1984 Congressional directive.

3. Miscellaneous Assistance -- \$1,354,000 in the FY 1986 Base. These funds are used to pay burial expenses of indigent Indians or those Indians whose survivors cannot afford funeral expenses. This fund is also used to help Indians meet costs resulting from natural disasters and related emergencies. Examples of how this money is used are: emergency subsistence and shelter in event of weather disasters; relocation and care of flood victims.

Workload Data:

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

I. Caseload

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <u>est.</u>	<u>1985</u> <u>est.</u>	<u>1986</u> <u>est.</u>	<u>1985-</u> <u>1986</u> <u>change</u>
1. General Assistance (persons per month):	55,642	62,482	68,944	71,000	71,500	72,500	+1,000
(a) (TWEP participants)	(5,064)	(4,167)	(4,167)	(4,300)	(4,300)	(4,300)	(--)
(b) (Instutional/ Custodial Care)	(700)	(725)	(800)	(925)	(985)	(985)	(--)
2. Child Welfare Assistance (persons per month)	3,175	3,185	2,855	3,000	3,000	2,936	-64
a. Foster home care (including family and small group care)	(2,052)	(1,815)	(1,599)	(1,800)	(1,800)	(1,736)	(-64)
b. Residential care for handicapped children	(1,123)	(1,270)	(1,256)	(1,200)	(1,200)	(1,200)	(--)
3. Miscellaneous Assistance							
a. Burials per year	1,320	1,325	1,350	1,350	1,350	1,300	-50

II. Average Costs (\$)

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <u>est.</u>	<u>1985</u> <u>est.</u>	<u>1986</u> <u>est.</u>	<u>1985-1986</u> <u>change</u>
1. General Assistance - \$ per person per month	79.21	74.88	75.68	78.86	73.08	76.49	+3.41
(TWEP - \$ per participant per month)	(45.00)	(55.00)	(55.00)	(55.00)	(55.00)	(55.00)	--
2. Child Welfare Assistance - \$ per child per month	357.74	335.92	390.35	409.47	409.47	418.40	+ 8.93
3. Miscellaneous Assistance - \$ per burial per year	598.60	637.41	642.21	725.00	725.00	750.00	+25.00

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

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <u>est.</u>	<u>1985</u> <u>est.</u>	<u>1986</u> <u>est.</u>	<u>1985-1986</u> <u>change</u>
1. General Assistance	52,887	56,143	62,615	67,191	62,703	66,545	+3,842
(TWEP)	(2,735)	(2,750)	(2,892)	(2,838)	(2,838)	(2,838)	--
2. Child Welfare Assistance	13,735	12,839	13,370	14,741	14,741	14,741	--
3. Miscellaneous Assistance*	1,090	1,032	870	1,354	1,354	1,354	--
4. Solo Parent Program	--	--	--	--	108	108	--
Total	67,712	70,014	76,855	83,286	78,906	82,748	+3,842

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

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program Element</u>	<u>FY 1986</u> <u>Base</u>	<u>FY 1986</u> <u>Estimate</u>	<u>Difference</u>
A. Welfare Assistance Grants (including Solo Parent Program)	\$ 78,906	82,748	+3,842

Welfare Assistance Grants (including Solo Parent Program) (+\$3,842,000): The projected increase of \$3,842,000 is based upon actual prior year expenditures, primarily in the general assistance program. The financial records developed at

the field level support past program increases and indicate an additional \$3.8 million above the base in FY 1986. The requirements are detailed below.

General Assistance (+\$3,842,000): The increase is based on actual prior year expenditures in the general assistance program. Although caseloads have varied from agency to agency, program financial records indicate an additional overall program requirement of \$3,842,000 in order to adequately provide assistance payments to needy Indians. Because most reservations continue to experience high unemployment, and basic welfare assistance has not generally been available through other Federal, state, and county programs, reliance on the Bureau to service these needs is expected to continue.

The general assistance cases include a wide diversity of cases including: school clothing for children; temporary assistance for adult heads of household temporarily unemployed and in need of a one-time payment; long-term care for adults in need of custodial care; and unemployed female heads of household awaiting certification for AFDC or SSI, to name a few.

Tribal Work Experience Program (TWEP) (no change): Tribes have not indicated increased participation in this program. Therefore, the participant level for FY 1986 will remain at 4,300 participants at a work-related cost of \$55 per month each. Total work-related cost is continued at \$2,838,000.

Child Welfare Assistance (no change): The estimated caseload for FY 1986 child welfare assistance is stable and demonstrates a slight reduction. However, the unit cost per child served will increase slightly as a result of rising costs associated with state standards for foster care payments and residential child care. Probably the most significant factor relative to these rising child care costs are wages for child care staff. Increased state foster care rates reflect an attempt by states to compensate foster parents for rising food prices and significantly increased costs related to children's clothing. Handicapped children who are included in this caseload require a higher level of care than children in foster homes and group care. Significant cost factors in institutional care settings for handicapped children include rising costs for utilities and wage scales for employees.

Miscellaneous Assistance (no change): In FY 1986, the Bureau will need to meet the burial costs for an estimated 1,300 deceased indigent Indians. The average cost of each burial will be \$750, a \$25 increase over FY 1985. Total burial cost is estimated at \$975,000. The Bureau must also be prepared to assist tribes to meet costs associated with unanticipated disaster-related emergency assistance needs. The set aside for disaster-related emergencies will be \$379,000. The Bureau spent approximately \$400,000 for such disaster-related emergencies in FY 1984.

B. INDIAN CHILD WELFARE ACT GRANTS

Authorization: Public Law 95-608 authorizes grants to Indian tribes and organizations to establish and operate Indian child and family services programs.

Objective: To provide The Indian Child Welfare Act, Title II grants to Indian tribes for family and child services programs designed to maintain the integrity of Indian family life and to keep Indian children in their own homes.

Base Program (\$8,820,000): 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. Approximately 140 tribes and Indian organizations will operate such programs, which will include:

1. Systems to license and regulate Indian foster homes and adoptive homes. The Shoshone and Arapaho Indian Child Welfare Program is an example of these systems.
2. Facilities for counseling and treating Indian families and providing temporary custody of Indian children. Examples of such facilities are: Cherokee Child and Family Services, N.C., and the Comanche Child Welfare and Family Service Program, Oklahoma.
3. Programs to provide homemaker services. Examples of these services include: teaching parents how to care for children in danger of neglect or abuse, and providing respite for parents in stressful situations.
4. Day care facilities. Examples of these are the Ft. Sill Apache Family Service Center and the Shoshone-Paiute Tribe (Duck Valley) Day Care Center.
5. Programs for after school care. An example of this type of program is the Walker River Paiute Tribe Day Care and After School Care program for high risk children, which emphasizes the cultural, academic, and social needs of children.
6. Programs to provide recreational activities. Examples are: The Tyonek Family Services Program, the Kodiak Area Native Association and the Picuris Youth Services Recreation and Child Day Care Center.
7. Programs to provide training of tribal court personnel. These programs train Indian Child Welfare providers in the legalities of the act and in the provision of quality, court related, child welfare services.
8. Adoptive subsidies. These funds are used for financial assistance to families, providing for the maintenance or special needs of an adoptive child, or for the completion of the adoption process.
9. Legal representation. Lawyers act as advocates and intervene in state courts. They also provide 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 1986, an estimated 140 grants will be provided for a variety of different services. Because these are divergent and cannot be realistically categorized by a standard unit cost or servicing format, the data have been represented as follows:

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <u>est.</u>	<u>1985</u> <u>est.</u>	<u>1986</u> <u>est.</u>	<u>1985-1986</u> <u>change</u>
Number of Grants	190	163	164	140	140	140	--
Total Dollars (\$000)	9,300	9,600	9,700	8,700	8,820	8,820	--

C. All Other Social Services

Base Program (\$22,220,000): The FY 1986 base includes \$4,933,000 as the redistribution of contract support funds as directed by the Congress. The base program consists of the equivalent of 240 full-time Bureau employees at a cost of \$6,604,000, as well as staff funding in the amount of \$6,596,000, for approximately 69 tribal, social services contract programs. The breakdown of the 240 Bureau staff FTE is as follows:

	<u>Tribe/Agency</u>	<u>Area Office</u>	<u>Central Office</u>	<u>Totals</u>
Social Workers	150	19	6	175
Clerical	57	5	2	64
Program Assistant	<u>--</u>	<u>--</u>	<u>1</u>	<u>1</u>
Totals	207	24	9	240

The tribal contract employee positions are not fixed in number and vary according to changes in contracts. The balance of \$9,000,000 of the overall total of \$22,109,000 is required for the general operational expense incurred for administering the entire bureauwide social services function, both by the Bureau-operated programs and by the tribal contract programs. These expenses include: staff development and training; travel; equipment; office operations; etc.

Bureau and tribal staff consist of basically trained social workers, paraprofessional 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 followup. They also refer clientele to other needed non-Bureau programs. The same staff which administers the overall program also provides: (1) counseling and other social casework services; and (2) technical assistance and professional expertise to tribal entities in developing tribal social services programs. Since their duties are all-encompassing and multifaceted, no distinction is made between costs incurred for counseling and costs incurred for administration, etc.

The monthly caseload for counseling is:

1981 (actual)	15,820 persons	1985 (estimated)	15,775 persons
1982 (actual)	15,682 persons	1986 (estimated)	16,000 persons
1983 (actual)	15,726 persons		
1984 (actual)	15,775 persons		

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
Tribe/Agency Operations	\$	20,809	21,218	+409
	(FTE)	(205)	(210)	(+5)
<u>(See Appendix)</u>				
Area Office Operations	\$	1,021	954	-67
	(FTE)	(26)	(26)	<u>(--)</u>
<u>(See Appendix)</u>				
Total	\$			+342
	(FTE)			(+5)

Object Class Distribution - Social Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	+5	\$+ 115,000
Personnel Benefits.....		+ 10,000
Other services.....		+ 202,000
Supplies and materials.....		+ 15,000
Grants, subsidies, and contributions.....		<u>+3,842,000</u>
Total.....		<u>\$4,184,000</u>

Justification of Program and Performance

Activity: Indian Services
Subactivity: Law Enforcement

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
Law Enforcement	\$	44,354	47,334	48,450	+4,096	+1,116
	(FTE)	(581)	(607)	(618)	(+37)	(+11)
Total Requirments	\$	44,354	47,334	48,450	+4,096	+1,116
	(FTE)	(581)	(607)	(618)	(+37)	(+11)
<u>Distribution:</u>						
Tribe/Agency Operations	\$	33,655	36,793	37,785	+4,130	+992
Area Offices Operations	\$	499	498	472	-27	-26
Central Office Staff Operations	\$	791	821	821	+30	--
Police Academy	\$	393	825	825	+432	--
Special Law Enforcement	\$	9,016	8,397	8,547	-469	+150

Law Enforcement

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian entities. Law enforcement services are provided under this authority. 18 U.S.C. 3055 (Act of June 25, 1948) provides authority to suppress liquor traffic among Indians and authorizes the Chief Special Officer and his subordinate officers to make arrests.

Objectives: Assist Indian tribes to: (1) provide continuing law enforcement services aimed at the protection of lives and property on reservations; (2) plan and implement programs to aid in maintaining peace on reservations; (3) develop a cadre of law enforcement administrators/managers in furtherance of the Indian Self-Determination and Education Assistance Act, P.L. 93-638; (4) develop and provide levels of training to meet on-going needs of Bureau and tribal law enforcement staff; (5) coordinate with law enforcement staff at the state and Federal levels to move toward optimum levels of interaction; and (6) conduct supportive law enforcement investigations.

Base Program (\$47,334,000): The FY 1986 base includes \$3,332,000 as the redistribution of contract support funds as directed by the Congress. Of the base program amount, approximately \$32,187,000, or 68%, is contracted to tribes under P.L. 93-638 contracts. In addition, tribal governments will spend an estimated \$8,400,000 of their own funds to supplement reservation criminal justice programs according to estimates obtained from Areas/Agencies where tribes in previous years have used tribal funding to augment their P.L. 93-638 contract program.

Uncontracted portions of the Bureau's budget, amounting to approximately \$15,147,000, will be utilized to: strengthen tribal law enforcement, investigative and related support services at the reservation level; maintain and operate

law enforcement programs at the agency level of operations where concerned tribes do not have an ongoing law enforcement program; manage, supervise, and coordinate Bureau/Tribal law enforcement programs; provide investigative support services to agency/tribal law enforcement programs from assigned area (regional) levels of operations; and provide from the central office level of operations the overall law enforcement program policy, operational procedures, management, supervision, and coordination of area, agency and reservation law enforcement programs.

Operating costs for direct Bureau enforcement programs are as follows: salaries and benefits costs for Bureau criminal justice staff and equipment purchases will absorb about \$11,544,704 (76%) of the direct portion of the Bureau's Law Enforcement budget. Of this amount, approximately \$8,889,422 (77%) will be used for salaries and benefits of criminal justice staff serving at the agency/reservation level of operations and approximately \$2,655,282 (23%) for equipment purchases (including automobiles). The remaining \$3,645,696 (24%) will be utilized for program operations, which include automotive operations and repair; Bureau operated or contracted detention services; travel and per diem; evidence purchases; equipment rental; individual training; communications; supplies; etc.

Law enforcement statistics are gathered from Bureau and law enforcement programs which are required to submit crime incident reports to the Bureau's Criminal Justice Automated Data Information System. The system provides essential statistical data for the planning, programming, and budgeting process at all levels of operation. The system is in continual use. Tribal programs operated under P.L. 93-638 contracts utilize their funding for law enforcement activities similar to those of the Bureau.

The Bureau uses criminal justice personnel to staff and operate the overall program. Staff include criminal investigators, uniformed officers, detention officers and radio dispatchers/clerks. The combined Federal/tribal law enforcement services staff serve an estimated Indian population of 475,000 and patrol over 100,000 square miles of Indian Country, as well as a number of off-reservation treaty fishery sites.

There are four basic groupings of law enforcement personnel: criminal investigators, uniformed police officers, conservation officers and non-uniformed personnel such as detention officers and radio dispatchers/clerks. Criminal investigators, who number 110, have the responsibility of investigating, arresting and assisting in the prosecution of Federal law violators. The 1,135 (including 825 tribal officers) uniformed officers provide patrol and protective services within Indian country, including non-enforcement type services. The 13 conservation officers concentrate primarily on enforcement aspects relating to Federal laws, treaty rights and tribal ordinances regarding hunting, fishing, and trapping within Indian country and within designated off-reservation areas. Conservation officers are funded through the Wildlife and Parks program with the exception of the Umatilla and Hoopa Reservations where they are funded under the Law Enforcement program. The other staff, numbering 157, include detention officers who are responsible for custody and care of persons incarcerated in Bureau or tribal jails. Additional duties of some of the detention officers, as well as other non-uniformed personnel, include operation of the radio communications equipment on reservations. The additional funding provided in FY 1985 will provide for approximately 60 additional patrol officers and supporting equipment. This will enable tribes and the Bureau to increase patrols, cut down in response time, and provide an increased police presence as a deterrent to crime.

Tribes/Agency Operations (\$36,793,000 - FTE: 508): Individual treaties with Indian tribes, Congressional enactments, and Federal court decisions have created a unique criminal justice requirement on reservations, where state and

local units of government do not have civil and criminal jurisdiction. Thus, the Federal and tribal governments have exclusive civil and criminal jurisdiction over offenses committed by persons of Indian descent, and for the enforcement of violations of Federal law.

The development and operation of criminal justice systems by the Federal and tribal governments to provide police, detention and judicial services resulted from the lack of services by local units of state, county, and city governments. There are 23 states with 163 reservations where the Bureau and tribal governments provide these services to a varying degree.

Area Office Operations (\$498,000 - FTE: 19): The functions of the area law enforcement staff are to: (1) assist the Area Director in the management of law enforcement and detention programs on reservations within the jurisdiction of the area office; (2) investigate offenses on reservations in support of, or where not acted upon by the responsible Federal agency or agency/reservation 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.

Centralized Program Operations (\$1,646,000 - FTE: 20):

(1) Central Office Staff (\$400,000 - FTE: 7): In addition to overall program management of the Law Enforcement program, provides staff advice and analysis as required by Bureau line officers regarding operations and policy for law enforcement and detention programs. In addition, the office is responsible for the management and operation of the Indian Criminal Justice Automated Data Information system; providing law enforcement programs with information on modern trends, new techniques, legislation, court decision and other items through a library; and providing reports and data system training. In 1983, 648,675 case incident records were received and processed. Non-automated data management and operational reports were processed on a monthly and annual basis. Special reports also were prepared and processed. The Central Office staff provides supervision and direction over three field operations: the Special Operations Services Unit; the Inspection and Evaluation Unit; and the Indian Police Academy.

(2) Special Operations Services Unit (\$200,000 - FTE: 3): This is a three-position unit headquartered in Albuquerque, New Mexico, whose primary function is to provide a rapid response and backup to local police departments on reservations where there is a threat of and/or ongoing confrontational or disruptive activities. The secondary function is to provide direct onsite inservice training to both the Bureau and the tribal law enforcement units, as well as to keep the designated react team officers at the agency level trained and updated on the most up-to-date methods and techniques used in civil disorder. This unit procures and maintains special equipment necessary to handle any untoward situations and procures special equipment for the agency field law enforcement units trained to handle these types of situations. The agency field law enforcement react team will be composed of selected agency police officers who carry out law enforcement functions on a day-to-day basis at their agency location but are subject to immediate detail to other locations in cases of civil disorder or other confrontational activities. These officers need to be trained continually in all aspects of special operations and be properly equipped with the most up-to-date equipment to handle trying situations.

An example of the successful application of this special unit is as follows. In January 1984, the Navajo Area requested assistance for the Fort Defiance Agency. A series of brutal crimes had caused public fear and unrest. Four

uniformed police officers and two criminal investigators were detailed to the Navajo Area to assist. The results of intensified patrols, investigative activities and arrests, averted further civil disorder.

(3) Inspection & Evaluation Unit (\$221,000 - FTE 4): This is a four-position unit headquartered at Albuquerque, New Mexico. The primary function is to conduct regular inspections and evaluations of area and local Bureau and contract law enforcement programs, as well as to process evaluation reports for correction and followup. During FY 1983, this unit conducted 28 initial, followup, and administrative inspections/investigations nationwide. Approximately 75% of the duties performed involve Inspection and Evaluation and 25% for internal type of investigations. The percentages fluctuate and depend on the number of reported incidents and requests received from various agencies. This unit also conducted 8 followup inspections and received field responses from all 8, with the initial corrective actions recommended having been corrected. The corrective actions cited and recommended for attention are usually ones pertaining to agencies which have deviated from policies and procedures established through 68 BIAM. This may involve required training for law enforcement personnel; i.e., criminal investigators, police officers, radio operators and detention officers. These personnel are required to receive the mandatory training within a certain period of time after initially being hired or promoted. The other area of concern is criminal investigators and police officers who have overlooked the required semi-annual firearms requalification as outlined within the 68 BIAM. The overall objective is to have the agency law enforcement programs adhere to regulations cited within 68 BIAM, relating to vehicles, detention, meals, medical assistance, report writing, professionalism, duties, etc.

(4) Indian Police Academy (\$825,000 - FTE: 6): The police academy is located at the Evergreen Air Center, Pinal Air Park, Marana, Arizona, and is responsible for providing on-site and outreach training in basic courses for recruits and specialized training courses to Bureau and tribal law enforcement officers. In FY 1986, the academy will conduct approximately four training sessions for an estimated 420 trainees, which totals to 43 weeks of training.

(5) Special Law Enforcement (\$8,397,000 - FTE 60): The major portion of this program is the funds added in FY 1985 to improve the overall quality of the law enforcement program. Eventually these funds will be added the local law enforcement funding wherever tribes agree to continue to fund the program in excess of "minimum" standards when setting their priorities under the tribal priority system. This program is also designed to meet unexpected law enforcement needs when they occur and for new federally recognized jurisdictional areas where the Bureau would be obligated to provide services at a startup funding level. Such occurrences may encompass the following:

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

Such situations are often unforeseen and usually an overnight type of occurrence where immediate action is necessitated. Special assignments have been necessitated in instances of the Hoopa Agency fishery controversy where criminal investigators, as well as uniformed police officers, have been detailed on numerous occasions. Other special assignments have covered such incidents as the Navajo-Hopi relocation and land controversy where police officers and criminal investigators were specially assigned to promote and maintain peace and protection. The Navajo Area requested special assistance involving violent type crimes being committed upon U.S. Public Health Service employees, and this entailed special assignment of criminal investigators and uniformed police officers to assist the local law enforcement units. Within 48 hours, after very strenuous and concentrated investigative efforts by the detailed officers, an arrest was effected.

The Ft. Belknap Agency experienced the tribe's retroceding its law enforcement contract, and this necessitated having to immediately deploy other Bureau law enforcement officers in order to continue to maintain the enforcement of the law, as well as to provide protection to the citizens. The detail of other agency law enforcement personnel was necessary until such time as the Bureau was able to restore the law enforcement program.

The additional funding provided by the Congress for this activity in FY 1985 was used for personnel, salary and equipment costs to bring law enforcement programs halfway to the exemplary level, as directed by the Congress, using law enforcement standards formulated in 1974. The Bureau is presently engaged in reviewing and updating these standards to insure that they reflect more current standards and needs of the law enforcement field. The estimated additional Bureau staff needed totals 60 FTE, since a majority of the additional funds will be placed under contracts to tribes.

Statistical Data:

Law enforcement statistics are gathered from Bureau and tribal law enforcement programs which are required to submit crime incident reports to the Bureau's Criminal Justice Data Information System. The incident report form allows for information to be categorized.

During 1983, reservation police acted on 117,659 criminal type complaints. Of this total, 87,809 (74.6%) were alcohol/drug related. During this period, 111,265 arrests were made, consisting of 94,836 (85.2%) adults and 16,429 (14.8%) juveniles.

Crime index offenses in 1983 totalled 10,465 for a rate of 2,362.3 per 100,000 Indian population served (443,351), compared to 10,204 crime index offenses with a rate of 2,303.4 in 1982. Violent crime index offenses in 1983 totalled 2,963 for a rate of 668.8 compared to 1,431 with a rate of 323.0 in 1982. Property crime index offenses totalled 9,268 for a rate of 2,010.0 in 1983 compared to 8,773 with a rate of 1,980.4 in 1982.

Indian Country 1983 crime index totals show an overall 2.0% increase compared to the National Crime Index totals which reflect a decrease of 6.7 percent for 1983.

In comparison to the 1983 Rural Crime Index, total violent crime in Indian Country was 170 percent greater, while property crimes were 120.7 percent greater.

The estimates below are provided as workload data for FY 1984, FY 1985, and FY 1986. The increased statistics in FY 1986 reflect the anticipated impact of increased patrols, cutdown in response time, and increased police reserves as a result of program enhancements based on increased program funding.

Law Enforcement Estimates:

	Est. <u>FY 1984</u>	Est. <u>FY 1985</u>	Est. <u>FY 1986</u>
Complaints Investigated	155,993 -3.7	155,057 -0.6	162,810 +0.5
Non-Enforcement Duties Performed	642,385 -2.5	634,034 -1.3	665,725 +0.5
Arrests	96,100 -1.5	95,331 -0.8	98,191 +0.3
Traffic Violation Warnings	33,579 -4.1	32,908 -2.0	34,882 +0.6
Daily Detention Average	911 -1.5	904 -0.8	958 +0.6
Crime Index Offense Rate	2,077.2 -2.5	2,025.3 -1.2	2,127.0 +0.5

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
Special Law Enforcement	\$	8,397	8,547	+150
	(FTE)	(60)	(60)	(--)
Tribe/Agency Operations	\$	36,793	37,785	+992
	(FTE)	(508)	(519)	(+11)
<u>(See Appendix)</u>				
Area Office Operations	\$	498	472	-26
	(FTE)	(19)	(19)	(--)
<u>(See Appendix)</u>				
Total	\$			+1,116
	(FTE)			(+11)

Special Law Enforcement (+\$150,000): The proposed increase of \$150,000 will be used to provide a law enforcement program for Western Oklahoma. Because a 1977 Court Decision withdrew State Jurisdiction on Indian land, an adequate law enforcement program has been lacking for the Indian tribes of Western Oklahoma. This increase will provide the services needed in this area.

Object Class Distribution - Law Enforcement Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	+11	\$+ 253,000
Personnel Benefits.....		+ 22,000
Travel and transportation of persons.....		+ 50,000
Other services.....		+ 791,000
Total.....		<u>\$+1,116,000</u>

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Self-Determination Services

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Grants to Tribes	\$	15,820	15,820	11,514	-4,306	-4,306
B. Training and Technical Assistance	\$	1,776	2,269	3,750	+1,974	+1,481
	(FTE)	(53)	(64)	(79)	(+26)	(+15)
C. Contract Support	\$	1,666	390	1,440	-226	+1,050
D. Small Tribes Core-Management	\$	<u>4,900</u>	<u>4,841</u>	<u>4,841</u>	<u>-59</u>	<u>---</u>
Total Requirements	\$	24,162	23,320	21,545	-2,617	-1,775
	(FTE)	(53)	(64)	(79)	(+26)	(+15)
<u>Distribution:</u>						
Tribe/Agency Operations	\$	16,483	16,473	13,808	-2,675	-2,665
Area Office Operations	\$	770	732	572	-198	-160
Central Office Staff Operations	\$	343	526	526	+183	---
TAAS (Transfer)*	\$	---	358	358	+358	---
Other Indian Services Programs:	\$	6,566	5,231	6,281	-285	+1,050
Contract Support	\$	(1,666)	(390)	(1,440)	(-226)	(+1,050)
Small Tribes Core-Management **	\$	(4,900)	(4,841)	(4,841)	(-59)	(---)

* Transferred from General Administration, Management and Administration, (Administrative Services).

** Justification of Program and Performance for the Small Tribes Core-Management is displayed separately.

A. Grants to Tribes

Authorization: 25 U.S.C. 450 (the Indian Self-Determination and Education Assistance Act) authorizes the Secretary to provide grants to tribal governments to improve their governmental capacity. 25 U.S.C. 13 (the Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians. Self-determination grants can be made under this authority as well.

Objective: To promote self-determination among tribes by providing grants which enable them to: (1) plan, conduct and administer Federal programs and meet Federal contracting and grant requirements; and (2) strengthen and improve tribal governments with emphasis on fiscal control and management capabilities. The program complements the Aid to Tribal Government Program by assisting tribes to achieve the administrative and management capabilities required to operate Federal programs under P.L. 93-638 contracts.

Base Program (\$15,820,000): Funds totalling \$663,000 formerly included in this line item which have been and are being used at the Tribe/Agency level for Bureau technical assistance staff have been transferred in the base to Training and Technical Assistance. Section 104 of P.L. 93-638 authorizes grants to tribal governments as follows:

- a. Strengthening or improving tribal governments primarily through the development and implementation of essential management systems.
- b. Planning, training, evaluation or other activities designed to improve tribal capacity to enter into P.L. 93-638 contracts or the additional costs associated with the initial year of program operation under such agreements.
- c. Acquisition of land in connection with (a) and (b) as prescribed in related regulations pertaining to property management.
- d. Tribal planning, designing, monitoring and evaluation of Federal programs serving the Indian tribe, so as to assure that programs presently offered or that could be offered to the tribe are responsive to tribal needs.

Federally recognized tribal governments apply for 638 grants in accordance with 25 CFR 272, "Grants under Indian Self-Determination Act." These regulations provide the procedure and criteria under which 638 grants are awarded to the requested tribe(s). To contract for Federal programs, a tribe must have viable personnel, financial, and property management systems in place and functioning.

Initially, P.L. 93-638 grants were awarded on a tribal population basis. Now they are a part of the tribal priority system. The amount requested reflects tribal priority needs related to a tribe's contracting capability and basic tribal program operational capacities. Self-determination grants projects have fallen into two major categories:

1. Projects which establish or improve the tribes' capability to operate Federal programs under contract/grant/cooperative agreement; and
2. Projects which are designed to establish, maintain, or improve a tribal government's managerial capacity and its ability to act effectively on behalf of its members.

The number of 638 grants awarded since the inception of P.L. 93-638 has varied from approximately 460 to 480 per year. Generally, self-determination grants have been used by large established tribes to prepare for the operation of programs under P.L. 93-638 by undertaking a variety of projects such as: the development, implementation and maintenance of office management systems, financial management and related systems; the orientation and training of tribal policy makers and administrative staff in the implementation and responsibilities of P.L. 93-638; the acquisition of property to augment tribal facilities allowable under the specifications of P.L. 93-638 regulations; and the projects that address the specialized needs inherent in the maintenance and implementation of tribal governmental management structures.

The larger tribes have generally used self-determination grants in order to establish and maintain tribal administrative and financial management systems essential to successful contract program administration. The smaller tribes have generally used self-determination grants in order to establish and maintain tribal administrative and financial management systems essential to successful contract program administration. Smaller, less established tribes and rancherias, have used self-determination grants as seed money to enable them to become established as governments and to acquire the capability to participate in housing, economic and community development, employee training, and similar available programs through contracts and grants with various Federal agencies.

Three examples of use of Self-Determination grant funds are as follows:

1. Colorado River Tribes. Second year (FY 1984) of a two-year grant. The Colorado River Tribes were funded \$64,125 in FY 1984. An Electronic Data Processing Department was established and a reporting system installed. Each tribal department will put its programs into the system: loan, headstart, farms, utilities, health, accounting, etc. The Tribes have hired a manager, 3 computer programmers and 1 computer operator.
2. Cheyenne-Arapaho Tribes. Funding for FY 1984 was \$289,575. The grant funds provided to the Cheyenne-Arapaho Tribes were used to revise and to improve tribal management capabilities, to promote open communications with tribal members, and to identify and develop programs to provide jobs for these members. Eight (8) positions were funded under the grant: fiscal coordinator; director, planning/contracts; business development specialist; grantsman/evaluator; and 50% of the salary for the tribal information officer, a secretary, and a receptionist.
3. Lac du Flambeau Tribe, Band of Lake Superior Chippewa Indians. Funding for FY 1984 was \$26,820 for phase 2. The grant funds provided for the improvement of the Tribe's budget and financial systems. In FY 1983, the Tribe performed a training needs assessment for tribal employees and council members. This assessment, in FY 1984, resulted in the development and implementation of a manual for the indoctrination and training of employees and council members. The budget and financial systems were improved as set forth in the work plan.

Workload Data: It is estimated that some 470 self-determination grants will be awarded under the tribal priority system in FY 1986. Grant officers at the area offices and grant officer representatives at the agency level will continue to administer and monitor the program.

The Bureau is currently considering a number of revisions to the existing grant regulations in order to further assure that these regulations are more directly related to improving its management capacities, especially with respect to administering Federal grants and contracts. More specific funding criteria to further insure that grants are awarded for the specific purposes intended by the Act, and rewritten guidelines pertaining to tribal grant applicants, providing measurable, scheduled goals and objectives are under consideration.

The majority of self-determination grants are used to strengthen and improve tribal governments, including their ability to manage contracts and grants. The accompanying table reflects the usage made by tribes within the following authorized general categories for FY 1984 and the projected usage for FY 1985 and FY 1986:

	<u>1984*</u>	<u>1985*</u>	<u>1986*</u>
a. Strengthen tribal governments	440	440	440
b. Planning and evaluation	20	20	20
c. Land acquisition	5	3	3
d. Design of Federal programs	<u>5</u>	<u>7</u>	<u>7</u>
	470	470	470

* Based on available data from Bureau field reports.

The approximate dollar amounts associated with these authorization categories are shown in the following table:

	<u>1984*</u>	<u>1985*</u>	<u>1986*</u>
a. Strengthen tribal government	\$14,725,000	\$14,820,000	\$10,514,000
b. Planning and evaluation	700,000	700,000	700,000
c. Land acquisition	140,000	140,000	140,000
d. Design of Federal programs	160,000	160,000	160,000
e. Tribe/Agency tech. assistance **	<u>650,000</u>	<u>663,000</u>	<u>transferred</u>
	\$16,375,000	\$16,483,000	\$11,514,000

* Based on available data from Bureau field reports.

** FY 1984 amount estimated, FY 1985 amount transferred as base adjustment to Training and Technical Assistance.

Decrease from FY 1986 Base:

(dollars in thousands)

<u>Program</u>	<u>FY 1986</u> <u>Base</u>	<u>FY 1986</u> <u>Estimate</u>	<u>Difference</u>
A. <u>Grants to Tribes</u>			
Tribe/Agency Operations	\$ 15,820	11,514	-4,306

(See Appendix)

B. Training and Technical Assistance

Authorization: 25 U.S.C. 450, the Indian Self-Determination and Education Assistance Act is the basic authority under which the Secretary provides training and technical assistance to federally recognized tribes. Such assistance may also be provided under 25 U.S.C. 13, the Snyder Act of November 2, 1921.

Objective: Training and technical assistance is provided as prescribed by P.L. 93-638 to assist tribes to assume an ever increasing control of Bureau programs, services and functions through contracting under the Act.

Specifically, technical assistance is provided to: (1) enable tribes to avoid or overcome declination issues related to contract applications; and (2) to ensure satisfactory performance of contract or grant requirements to prevent suspension, termination or reassumption by the Bureau of contract programs or grants. Technical assistance is provided to address urgent, one-time operational needs or problems of tribes and the program 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, 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 advantages of opportunities offered under P.L. 93-638. In addition, Bureau staff receive training and orientation relative to the purpose of the Act and the regulatory provisions to ensure proper administration and oversight of contracts and grants.

Base Program (\$2,269,000): The base includes a transfer of \$500,000 and 13 FTE from the Administrative Services base budget for Tribal Administrative and Accounting Services (TAAS) staff. TAAS personnel will augment the technical assistance provided by self-determination staff by providing assistance to tribes specifically related to financial management problems and preparation for attachment P audits as required by OMB Circular A-102.

In addition, a base transfer of \$663,000 has been made from the Grants to Tribes program for the costs relating to existing Tribe/Agency level training and technical assistance staff (33 FTE) which are more properly displayed under this program.

Training and technical assistance is provided primarily by Bureau 638 coordinators but assistance is also provided by other Federal and non-Federal staff such as Office of Personnel Management, Department of Agriculture and consulting firms expert in the areas of accounting, management, planning and program operations. Assistance is provided 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.

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

To improve the delivery of training and technical assistance in FY 1986, the central office of the bureau will implement a plan for training bureau field and tribal staff involved in the 638 contract and grant processes. The training will include, but is not limited to, the following:

- P.L. 93-638 legislation, regulations, policies and procedures for P.L. 93-638 contracts and grants as well as Core-Management grants.

- Use of OMB Circulars A-102 and A-87.
- Contract and grant application review and rating or ranking procedures; negotiation process to effect modification of applications to ensure that scheduled, measurable goals and/or objectives are contained in all approved applications.
- Monitoring and evaluation procedures for administrative reviews as well as the assessment of program progress or performance.
- Orientation of Bureau staff functions associated with the administration and oversight of P.L. 93-638 contracts and grants.

This training will enable the bureau to continue to encourage and assist tribes to assume an ever increasing control over, and successful operation of Federal programs and services.

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

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

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

These coordinators act as a focal point in assisting tribal contractors in the P.L. 93-638 contracting/grant process. These coordinators deal with the varied processes and 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 in the preparation and processing of 638 applications. They are a focal point through which tribes may review technical problems involved in program implementation, and aid the tribes in identifying and securing assistance needed to overcome such operational difficulties. When the technical assistance requested is beyond the scope, in nature or extent, of available Bureau staff, the 638 coordinators aid the tribes in securing the needed assistance.

Specific Functional Activities

The 638 coordinator provides services to tribes and Bureau offices within the area on the following basis:

Coordination of P.L. 93-638 applications for contracting/grants; e.g., receipt, review, distribution, formulation of appropriate correspondence, interaction with tribal groups and Bureau program

staff (non-638). The coordinator is responsible for the equitable distribution of contract support funds and ensures the proper use of self-determination grant funds at the tribal level. The coordinator serves as the focal point for all 638 related activities and, in particular, facilitates communication between the Bureau and tribes at this critical point of interface..... 80%

Trains Bureau staff in 638 policies and procedurs on an areawide basis..... 5%

Trains tribal groups and personnel 638 policies and procedures on an areawide basis..... 10%

Assists tribes and tribal organizations with difficulties found within the 638 process and interface with the Bureau..... 5%

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

Because of the increasing workload in the contracting and grant process, self-determination specialists work full-time on the award and administration processes.

For example, the balance of the funds allocated to the Phoenix Area Office in the training and technical assistance function are utilized throughout the year to meet additional, essential needs of the tribes in the area. Some of the additional training and technical assistance provided to the tribes included the development of financial management, procurement, property management, personnel and recordkeeping systems. These systems have been developed by tribes and tribal organizations through unique contractual and/or grant agreements with the Bureau or through the use of outside contractors. Examples of these systems are:

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

Similar activities exist in each of the other area offices.

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
B. <u>Training and Technical Assistance</u>				
Tribe/Agency Operations	\$	653	2,294	+1,641
	(FTE)	(33)	(52)	(+19)
<u>(See Appendix)</u>				
Area Office Operations	\$	732	572	-160
	(FTE)	(14)	(10)	<u>(-4)</u>
<u>(See Appendix)</u>				
Total	\$			+1,481
				<u>(+15)</u>

C. Contract Support

Authorization: 25 U.S.C. 450, the Indian Self-Determination and Education Assistance Act, is the basic authority under which the Secretary provides services including Contract Support to federally recognized Indian tribes. Such support may also be provided under 25 U.S.C. 13, the Snyder Act of November 2, 1921.

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

Base Program (\$390,000): The Contract Support program was addressed in the FY 1983 and FY 1984 Congressional Directives. The Conference Report of FY 1983 stated, "Beginning with the fiscal year 1985 budget submission, Contract Support funds shall be allocated to program accounts with only funds required for new contracts included in the Contract Support line item." The Senate Report of FY 1984 stated, "Contract Support costs have increased far out of proportion with the rather small increases in total dollar volume of contracts. While the Inspector General is charged with the responsibility for determining 'allowable costs' neither the IG nor the BIA make any effort to determine the reasonableness of such costs. The Committee believes that this should be the responsibility of the Bureau. Various options for controlling indirect costs are currently under consideration and the Committee expects a report with recommendations to be included with the submission of the fiscal year 1985 budget which will alter the budget format as indirect costs are to be included in the program accounts rather than as a line item."

The Bureau commenced compliance with these Congressional directives in FY 1985. Base funding for Contract Support based upon FY 1983 contracting experience was transferred to the activity level of program accounts; e.g., Education, Indian Services, etc. An additional amount of funds was requested to cover contract support costs of new FY 1984 and FY 1985 contracts. The FY 1985 appropriations, resulting after the 2% reduction is applied, included a total of \$37,032,000 in contract support funds under the various program activities and \$1,666,000 in the Contract Support line item for new FY 1984 and FY 1985 contracts. Subsequently, a redistribution of the FY 1985 appropriations based upon FY 1984 contracting experience (see the Justification of Changes to the Base section at the beginning of these justifications for full details) has resulted in \$390,000 remaining in the Contract Support line item base. These funds are available for new FY 1985 contracts and will be merged into the respective direct program accounts during the FY 1987 budget cycle.

The principal function of contract support has been to pay tribes for the incremental costs they incur as a result of entering into P.L. 93-638 contracts. Since the inception of tribal contracting under P.L. 93-638 in 1976, there has been a steady yearly increase in the dollar volume and program scope of tribal contracting. In 1976, approximately 198 tribal contractors conducted 679 separate P.L. 93-638 contracts with a total value of \$68,390,300. These contracts generally covered the broad range of contractible Bureau programs. In FY 1984, some 400 tribal contractors entered into 1,400 separate contracts for a total of approximately \$245,000,000. The scope of tribal contractors, number of contracts, and dollar volume of direct program contracting, is shown in Workload Table 1.

The Bureau makes these funds available to tribal contractors in accordance with Section 106 (h) of P.L. 93-638 (Indian Self-Determination and Education Assistance Act, 25 USC 450, 88 Stat., 2211, 2212) which requires that ". . . the amount of funds provided under the terms of the contracts entered into pursuant to Sections 102 . . . shall not be less than the . . . Secretary would have otherwise provided for his direct operation of the program"

Congress has directed the merging of contract support funds (CSF) with direct program funds. Accordingly, a tentative distribution for FY 1985 was made at the activity level of the budget based on FY 1983 contracting experience. This tentative allocation has been revised based on actual FY 1984 contract experience. A detailed table reflecting the redistribution is provided in the "Justification of Changes to Base" section of these Justifications under "Transfer of Contract Support Funds to Construction".

For new contracts, we project our budget request on the basis of a distribution rate of 15.5%, which is applied to a projected volume of new contracts. This is the Public Law 93-638, Section 106(h) rate. It is the percentage determined, through a FY 1984 study of the total Bureau budget, to be the equivalent of the Bureau's indirect costs and is used for the purpose of meeting the requirements of Section 106 (h). The individual tribe, which is starting a new contract, is allowed to propose its own indirect costs on the basis of program funds made available to the Bureau for the direct program and indirect costs based on a negotiated indirect cost rate, and is not restricted to the 15.5% distribution rate. Should the tribe's indirect cost rate be greater than the 15.5% rate, an adjustment will be made in funds which are made available to the tribe from the Contract Support funds separately appropriated to the Bureau. For the second year of the new contract, the tribal contractor would use the prior year cost experience in developing its budget and be funded for indirect costs on that basis. For the third year, the second year total actual indirect and direct program and costs would establish the program base for that contract in the regular budget development cycle and no additional contract support funds would be applied to that contracted program.

A total of \$38,308,000 has been combined with program requests in these Justifications based upon FY 1984 contracting experience. A total of \$390,000 remains undistributed to be used for new FY 1985 contracts. An additional amount of \$1,050,000 is requested in the Contract Support Fund budget item to cover an anticipated modest increase in new tribal contracting in FY 1986 and to cover Bureau costs associated with employee displacement due to contracting.

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
C. <u>Contract Support</u>	\$ 390	1,440	+1,050

Contract Support for New FY 1986 Contracts (+\$1,050,000): The increased funding which is required will support a projected level of slightly over \$5.0 million in new program contracts. This is based on the application of a distribution rate of 15.5% at a cost of \$850,000. These funds will not be available for indirect costs associated with expanded direct program funds applied to existing contracts; but only to those contracts which involve totally new functions being taken over by tribes in FY 1986. An additional \$200,000 is estimated to be required for employee displacement costs.

The object class for the \$1,775,000 decrease for Self-Determination, excluding Small Tribes Core Management is as follows:

Object Class Distribution - Self-Determination Services Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	+15	\$+ 345,000
Personnel Benefits.....		+ 30,000
Travel and transportation of persons.....		+ 20,000
Other services.....		+2,050,000
Supplies and materials.....		+ 86,000
Grants, subsidies, and contributions.....		<u>-4,306,000</u>
Total.....		<u>\$-1,775,000</u>

Workload Table 1

Trends in Tribal Contracting
Under P.L. 93-638 FY 1980 - FY 1986

<u>Fiscal Year</u>	<u>No. of Tribal Contractors</u>	<u>No. of Contracts</u>	<u>Direct Program Dollar Volume of Contracts</u>
1980	371 <u>a/</u>	1,292 <u>a/</u>	\$204,000,000
1981	382 <u>a/</u>	1,265 <u>a/</u>	213,000,000
1982	295 <u>b/</u>	1,152	235,000,000
1983	302 <u>c/</u>	1,305	240,283,308
1984	334 <u>c/</u>	1,413	232,233,000 <u>d/</u>
1985	340	1,430	237,000,000
1986	340	1,377 <u>e/</u>	221,000,000 <u>e/</u>

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

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

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

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

e/ Includes effects of eliminating Johnson O'Malley program contracts.

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Self-Determination Services
 Element: Small Tribes Core Management

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
Small Tribes Core- Management	\$ 4,900	4,841	4,841	-59	---
Total Requirement	\$ 4,900	4,841	4,841	-59	---

Authorization: 25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act), 25 U.S.C. 13 (The Snyder Act of November 2, 1921).

Objective: To provide small tribes (1,500 and less population) with core management capability to enable them to administer tribal affairs and programs in a competent and responsible manner. A few tribes with a population of slightly over 1,500 which meet the eligibility criteria for the program may receive a core management grant based on need and merit. This program will supplement and complement existing self-determination grants and other management resources of a tribe to insure coordinated or integrated utilization of available resources to achieve the necessary tribal management capability.

Base Program (\$4,841,000): Under present circumstances, many small tribes lack sufficient financial resources to meet basic management needs because the level of funding for most Federal assistance grants is based on population size. The Small Tribes Core Management program, which started in FY 1983 with a \$2,500,000 budget, expanded to \$3,500,000 in FY 1984 and was increased to \$5,000,000 in FY 1985, is intended to address this problem. A total of \$59,000 has been transferred in the base to Central Office Staff, Self-Determination Services in order to provide oversight staff to the program. The balance of \$4,841,000 is available for grants. Core management grants will enable small tribes with limited resources to overcome specific problems associated with governmental operations and the administration of tribal and Federal programs, with particular emphasis placed on financial accountability. Through such support, this program will contribute to the stability of small tribal governments and will set a climate for community and economic development and other activities designed to reduce tribal dependency and promote small tribes' exercise of self-determination. In addition, Area Offices may invite a few tribes with populations of slightly over 1,500, which have been identified by monitoring and evaluation reports as having critical management problems, to apply for a grant. This would be limited to those tribes whose inability to satisfy basic eligibility management problems threatens their continued existence as a tribal entity. These tribes also must meet regulatory requirements for the program, as well as any other conditions established by the Bureau, to ensure consistency with program intent.

Core Management program guidelines; eligibility criteria; application review and approval procedures; and reporting forms have been developed and distributed to Bureau field offices and to small tribes. Eligibility for the program depends upon individual tribal population, resources, management needs, as identified by audits and agency monitoring or performance reports, geographic location and

other factors pertinent to tribal need. The assessment of a tribe's need is based upon its meeting at least three of the following criteria:

- (1) A lack of financial resources to meet its core administrative or management needs;
- (2) audit or financial status reports indicating serious financial management problems;
- (3) delinquency in making progress or financial status reports;
- (4) failure to close out program grants or contracts which are no longer in operation;
- (5) experience of problems in achieving current or past contract or grant program goals and objectives;
- (6) inability to plan and implement the development of substantial, identifiable undeveloped reservation resources which exhibit a strong potential for development;
- (7) inability to develop acceptable grant or contract applications; and
- (8) dependence on Federal grants or contracts for programs, services, income and job opportunities.

The same criteria apply to continuation or renewal grant applications in addition to the requirement that these applicants also meet the provisions of 25 CFR Part 278, Section 278.27, Grant renewal. This process insures that tribes receiving grant continuations have performed satisfactorily or have made substantial progress in improving their management systems under the prior year grants.

For tribes with a population of less than 400, program funding is generally limited to those tribes which enter into a consortium with other small tribes in their geographic area.

Tribes with a population of slightly over 1,500 may be eligible for core management grants if they meet the criteria cited above in addition to two of the three following conditions:

1. The Bureau determines that a tribe has encountered severe financial management problems. This would be the case where the tribe may have received a bill for collection and lacks sufficient income or other financial resources to pay the debt. These tribes may use grant funds to correct their financial management problems but may not use such funds for the payment of debt;
2. The tribe has been notified by the Area Office that it may not recontract or receive a self-determination grant until it corrects management and/or program operational deficiencies; and
3. The Bureau has either notified a tribe or has initiated action to reassume a contract or contracts because a tribe is out of compliance with regulatory requirements and/or for non-performance of contract program activities.

Assessment of tribal applications is based on a predetermined application rating system. All applicants must provide:

- (1) A statement of the specific needs and/or problems to be addressed under the proposed grant, as provided by program criteria;
- (2) a description of how the grant funds will be used to overcome the problems or meet the identified needs;
- (3) a schedule for the start and projected completion dates for actions or efforts to be taken to resolve problems or meet needs identified under the grant;

- (4) a detailed description of how grant funds will be used in coordination with, or to supplement, other tribal resources such as tribal income, self-determination grants, contract support funds, or funds from other agencies; and
- (5) a budget justification which indicates how grant funds will be used to carry out the actions or efforts and achieve the goals and objectives of the proposed application. Applications for continuation grants must indicate accomplishment or substantial progress toward prior-year objectives, as evidenced by monitoring and evaluation reports.

The application review and approval process is performed in two stages. The initial review is conducted by the appropriate agency office, which examines applications for completeness and provides recommendations to the designated area office. The area office performs the final review of applications for consistency with program guidelines and uses the comments and recommendations of the agency. Participation in the program is limited to those tribes willing to make the commitments to prepare a tribal management program with specific objectives; staff the program with competent professional personnel on a merit basis; and to agree that tribal political officials will not be appointed to program positions.

Bureau agency staff monitor the program quarterly for: (1) compliance with administrative/regulatory requirements; (2) program progress or accomplishments; and (3) to identify tribal grantee technical assistance needs.

Through the continuation of this "structured effort," it is intended that small tribes will establish and maintain a sound tribal administration; improve their capability to operate contracted programs; and improve their capacity to maintain property and accounting records which meet all performance evaluation standards and financial audits. It is also expected that improving small tribes' management systems will contribute to the stability of tribal governments, as well as reduce tribal dependency and promote an increase in the exercise of self-determination by participating tribes.

Status of Program: Approximately 80 of the 110 FY 1984 grantees were awarded renewal grants in FY 1985, thereby allowing for additional tribes to participate in the program. During FY 1985, there are 40 new tribal grantees resulting, in part, from the phase out of some 20 one-time-only FY 1984 grants, as well as the disapproval of other grant applications. Most grantees cited multiple problems and needs such as financial management problems and the need to improve program and tribal operations by hiring accountants/bookkeepers, administrative/management and support personnel. Preliminary reports from the 10 participant area offices indicate program grantees made satisfactory progress toward accomplishing their program purpose. Some small tribes made exceptional progress in accomplishing program objectives. Two examples follow:

The Apache Tribe of Oklahoma, population 723, received a \$46,719 core management grant in FY 1984 to improve the tribe's administration of contracts and grants, as well as to increase its contracting capabilities. Grant funds allowed the tribe to hire a tribal administrator, a contracts/grants compliance officer and an executive secretary.

These personnel, supported by the core management program, enabled the Apache Tribe to complete all outstanding program audits; contract three new programs with the Bureau in an amount of \$82,311; and enter a contract with the Indian Health Service for an Equity Health Program.

In addition, the tribe updated its Community Development Block Grant (CDBG) from the Department of Housing and Urban Development for close out of three program years, thereby clearing the way for approval of a FY 1984 CDBG grant for \$250,000 from HUD and approval of a FY 1985 CDBG grant of \$275,000. The tribe also started two tribal economic enterprises in FY 1984; a smoke shop and a bingo operation. The Tribal Council also committed tribal funds for three programs in FY 1984: a social services program, a higher education program, and an elderly program; each supported by tribal funds totalling \$90,000. The tribe's core management program staff played a major role in these accomplishments, and they are presently developing a revised constitution for the tribe and have recently established an Economic Development Authority, independent of the tribal council.

The Jamestown Callam, a newly recognized tribe (1982) of the State of Washington, received a \$31,000 core management grant in FY 1984 to develop and implement a centralized financial/accounting system and to establish an administrative/management system. These systems had to be "established from scratch," according to the tribal program director.

Grant funds were used to hire an administrator/planner and an accountant. The accountant developed the financial management system and, as the tribe acquired new contracts and grants, trained new program personnel to operate under the system. The tribe is meeting all Federal and state program reporting requirements and recently underwent an attachment P audit, an audit for all tribal programs as required by OMB Circular A-102. The CPA auditor recommended minor adjustments in the system but also concluded that the tribe had an excellent financial management system. The tribe has purchased a mini-computer and adapted its fiscal activities to an automated system.

The administrator developed a comprehensive administrative/management system which permits the tribal council to plan programs and services for tribal members. The tribe has successfully applied for state social service programs, as well as Bureau contracts. More importantly, the administrative system is understandable to the tribal council, which allows for the planned development of programs and services and allows the tribe to operate the programs in a competent and responsible manner, which is an exceptionally good use of program funds for a newly established tribe.

General: Area reports indicate that small tribes that lack funds for administration and receive very small self-determination grants, operate few or no programs and thus do not receive contract support or indirect cost funds. With no administrative staff, these tribes cannot establish the management or planning systems necessary for applying for contracts or grants. Core Management (CM) grants have filled this void and, as a consequence, generated considerable enthusiasm among leaders of small tribes and Bureau field staff. A majority of the tribes made progress toward resolving financial management problems, developing management systems and/or addressing program operational deficiencies during the FY 1983 - FY 1984 program cycles.

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

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

Summary of FY 1984 Program Accomplishments: The data listed below covers approximately 60 percent of FY 1984 grantees and is based on monitoring and evaluations reports. Many grants have not as yet been evaluated because about 50 percent extend into the first and second quarters of FY 1985.

- Approximately 65 of 67 grantees have improved the administration and operation of all tribal programs.
- 61 of 67 grantees are considered to have been fully successful in performing grant objectives; the remaining 6 were partially successful or made progress toward their objectives.
- 96 contract and grant close outs, along with 40 audits, were accomplished in FY 1984.
- Most grantees developed personnel and property control systems in FY 1984.
- Tribal member employment has increased in excess of 112 new hires as a result of grant objectives, not including core management staffing, as reported by 31 grantees.

The FY 1985 program is largely a continuation of the FY 1983 - FY 1984 program. One hundred renewal and 40 new grants currently have been awarded in FY 1985. Tribes receiving renewal grants solidified gains made in FY 1983 - FY 1984 and, in most instances, expanded on management improvement objectives for FY 1985. According to Area monitoring and evaluation reports, small tribes made substantial progress toward improving program operations, as well as strengthening administrative functions and concentrating on grantsmanship.

Workload Data (estimated participation): The FY 1986 grants awarded under this program will require no additional Bureau staff; present agency and area office personnel will administer and monitor the program.

	<u>Estimated Number</u>	<u>Estimated Ave. Cost</u>	<u>Estimated Total Cost</u>
Small Tribe Consortium (Individual population of less than 400 persons)	15	\$65,000	\$ 975,000
Tribal Participants (Individual tribes having populations between 400 and 1,500)	125	\$30,928	\$3,866,000

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Navajo-Hopi Settlement Program

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
<u>Navajo-Hopi Settlement</u>						
Program	\$	2,773	2,886	2,886	+113	--
	(FTE)	(63)	(62)	(62)	(-1)	(--)
Total Requirements	\$	2,773	2,886	2,886	+113	--
	(FTE)	(63)	(62)	(62)	(-1)	(--)
<u>Distribution:</u>						
Other Indian Services						
Programs:	\$	2,773	2,886	2,886	+113	--

Navajo-Hopi Settlement Program

Authorization: P.L. 93-531, 88 Stat. 1712, and P.L. 96-305, 94 Stat. 929 (The Navajo-Hopi Settlement Act of 1974, as amended in 1980) requires the Secretary to protect the rights of relocatees, reduce livestock in the former Joint-Use Area, and restore the rangeland by 1986.

Objective: To carry out provisions of the Act of December 22, 1974, P.L. 93-531, 88 Stat. 1712, which requires the Secretary of the Interior to protect the rights of relocatees, reduce stock to carrying capacity and restore the management and grazing capacity of rangelands lying within the former Navajo-Hopi Joint Use Area.

Base Program (\$2,886,000): The FY 1986 base includes \$150,000 as the redistribution of contract support funds as directed by Congress. The initial stock reduction program of 160,000 sheep units has been completed on both the Navajo and Hopi Partitioned Lands. Most of the excess livestock now on Hopi Partitioned Lands (HPL) consists of livestock belonging to individuals involved in the court case Zee v. Watt, and trespass animals from outside the HPL.

To keep the number of animals within the authorized carrying capacity, herd growth is limited. Trespass action is required on all livestock migrating into the area. Livestock control will continue in FY 1986.

As a result of livestock reduction and range restoration of several areas on Hopi Partitioned Lands, the stocking rate has increased 145 percent over the 1973 stocking rate. Range restoration and range development were initiated at a later date on Navajo Partitioned Lands. FY 1986 plans will emphasize range restoration, range development, management units, and continued fencing of the exterior and interior boundaries.

The statute requires that all relocation activity be completed by 1986. However, there are still Navajo Indians to be relocated from Hopi land, although there are presently no Hopi Indians located on Navajo land. The rangeland restoration effort for Navajo and Hopi Partitioned Lands is only half completed because of court cases/decisions and operational problems. The FY 1986 requested funding level will provide for the partial completion of the restoration effort. At this funding level the range restoration could be completed by FY 1987.

Activity Summary
(dollars in thousands)

Activity: Economic Development & Employment Programs

<u>Subactivity (program)</u>	<u>FY 1984 Actual (B.A.)</u>	<u>FY 1985 Approp. Enacted</u>	<u>FY 1985 Revised Estimate</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) or Dec. (-) 1986 Est. over 1986 Base</u>
Employment Development	26,341	25,414	25,447	27,368	26,240	-1,128
Business Enterprise Develop.	10,521	15,688	15,647	15,804	15,523	-281
Road Maintenance	22,147	21,890	21,521	21,764	22,806	+1,042
Econ. Dev/Empl. Contract Support	---	2,675	2,675	Distrib.	---	---
Total	59,009	65,667	65,290	64,936	64,569	-367

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Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
Employment Assistance	\$ (FTE)	25,414 (136)	27,368 (132)	26,240 (110)	+826 (-26)	-1,128 (-22)
Total Requirements	\$ (FTE)	25,414 (136)	27,368 (132)	26,240 (110)	+826 (-26)	-1,128 (-22)

Distribution:

Tribe/Agency Operations	\$	24,495	26,552	25,615	+1,120	-937
Area Office Operations	\$	569	501	310	-259	-191
Central Office Staff Operations	\$	207	172	172	-35	--
Papago Skills Center	\$	143	143	143	--	--

Employment Assistance

Authorization: Adult Vocational Training - P.L. 84-959 (70 Stat. 986) as amended by P.L. 88-230 (77 Stat. 471; 25 U.S.C. 309); Direct Employment - 42 Stat. 208; 25 U.S.C. 13 (The Snyder Act of November 2, 1921).

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

Base Program (\$27,368,000): The FY 1986 base includes \$2,295,000 as the redistribution of contract support funds as directed by the Congress. Unemployment on Indian reservations continues to be critical despite progress in the area of economic development. Based on the most recent Bureau labor force estimates report, January 1985, the national unemployment rate among Indians living on or near reservations has been estimated at 39%. There is an estimated target group of 175,900 Indians who are currently unemployed and able to work. Of this number, 115,874 are actively seeking employment, many of whom could benefit by some form of assistance in vocational training and job placement.

The Employment Assistance program has two basic activities which are designed to alleviate unemployment on Indian reservations. These two activities are: Adult Vocational Training and Direct Employment (Job Placement). If 83% of the participants in these two programs were placed in jobs, the unemployment rate would drop three percent, if all other factors remained stable. The funding level for these two programs is set by the tribes through the tribal priority system.

Training institutions with a recognized reputation in the field of vocational training and an established record of successfully placing their students in suitable employment upon graduation are utilized. Approximately 400 private vocational training schools are used. These schools offer training to the Indian trainee in courses such as welding, auto mechanics, computer programming, secretarial, registered nursing, cosmetology, inhalation therapy, x-ray technology, etc. Employment is provided primarily by the private sector with about 20% of the total placements being in governmental agencies.

It is estimated that the number of participants in the Direct Employment Program will continue the gradual decline experienced in recent years. This decline is partially the result of the increased cost of providing job placement services and partially the result of tribes placing more emphasis on training needs accomplished through the Adult Vocational Training Program.

Adult Vocational Training (\$21,656,000): 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. The period of training is for a maximum of 24 months except for registered nurse training which cannot exceed 36 months. The program is available to adult Indians, 18-35 years of age, who reside on or near an Indian reservation. Applicants are assisted in the selection of their training program through the interpretation of the General Aptitude Test Battery (GATB) and personal counseling. This is to insure that all applicants are trained in a field where they can attain the necessary skills to become employable. Of the \$21,656,000 Adult Vocational Training FY 1986 Base funding, approximately \$9.9 million will be contracted by the tribes and \$1.7 million will be under contract with other Indian and non-Indian organizations. The remainder includes the Papago Tribe's Skill Center and direct Bureau operations.

Papago Tribe's Skill Center provides the opportunity for its trainees to enter the building trades union apprenticeship program. Upon graduation, the successful graduates are hired by the Papago Construction Company where their apprenticeship program continues up to the journeyman level.

The types of Bureau personnel operating the program include vocational development specialists and counseling assistants. The responsibilities at the various levels are as follows:

Central Office staff provides overall planning, technical supervision, and evaluation of the Adult Vocational Training program. The staff also provides expert advice to management for policy, strategy, and decision making.

Area Office staff is responsible for the development and operation of the Adult Vocational Training program at the area level and works closely with the agencies and tribes under its jurisdiction in the actual placement of program participants in training and jobs.

Agency Office staff is responsible for providing vocational training services to eligible Indians; taking applications; providing counseling, guidance and funds to applicants; and working closely with the tribes under the agency jurisdiction.

The following is a list of all training programs to be funded under AVT at the Base program funding level (FY 1986 operations):

<u>Vocational Training Program Title</u>	<u>FY 1986 Base</u>		<u>FY 1986 Estimate</u>	
	<u>Funding</u>	<u>Participants</u>	<u>Funding</u>	<u>Participants</u>
1. National Ironworker Training Program, Contract with the International Association of Bridge, Structural and Ornamental Iron Workers (AFL-CIO).....	\$ 440,000	102	\$ 440,000	102
2. United Tribes Educational Technical Center (UTETC), contracted with United Sioux Tribes of North Dakota.....	1,238,200	282	1,238,200	282
3. AVT Program, contracted by tribes.....	9,981,676	2,170	9,981,676	2,170
4. AVT Program, operated by Bureau staff.....	<u>9,996,124</u>	<u>2,173</u>	<u>9,994,124</u>	<u>2,172</u>
Totals	<u>\$21,656,000</u>	<u>4,727</u>	<u>\$21,654,000</u>	<u>4,726</u>

The following is a historical listing, from FY 1981 through FY 1983, of the number of all vocational training participants and the success rate of job placement:

<u>Vocational Training Program</u>	<u>AVT Completions 1981 - 1983</u>	<u>% Placed in Employment</u>	<u>% Retained on-the-job After 1 Year*</u>
National Ironworker Training Program	232	85%	100%
United Tribes Educational Technical Center	411	90%	80%
AVT Program (includes tribe and Bureau operation)	5,460	85%	90%

* Does not include FY 1984 participants. This group has not been on-the-job for one year.

Direct Employment (\$5,712,000): It is estimated that \$2.5 million will be contracted by the tribes, and the balance will fund direct Bureau operations. Direct Employment (Job Placement) services are provided to members of federally recognized Indian tribes. This program assists those Indians who have an employable skill and need employment. The end result is to assist the individual Indian to find, become established in, and retain suitable employment. The applicant's skills are identified from information submitted on the application form and through personal counseling. Applicants are then placed in a job that meets their skills level.

A majority of the total Bureau staff in this program is located at the agency level where applications are taken and processed, funds committed, employment counseling and guidance provided, and employment contacts made. Staff in this program are vocational development specialists who place emphasis on job

placement. The responsibilities at the various levels are basically the same as those stated under Adult Vocational Training.

Personnel responsible for job placement, at the agency level, maintain contact with employers in the private sector through state and private employment offices and personal contacts. Employment in state and Federal jobs is accomplished through personal contacts with the appropriate personnel office. Screening applicants to be employed is done in accordance with hiring policies of the prospective employer. In most cases, the job placement specialist is acquainted with those hiring policies. If testing, job interviews, employment form completion, or medical examinations are required, the job placement specialist knows this in advance of referring an individual to a prospective employer. Applicants are placed in those fields where jobs are available and where they are qualified for employment. Sufficient information is asked for on the program application form to determine the individual's qualifications. Some of the types of jobs the applicants are placed in are auto mechanics, cooks, haircutters/stylists, registered nurses, computer programmers, secretaries, accountants, carpenters, flight attendants, hotel/motel managers, heavy equipment operators, etc.

The following is a historical listing, from FY 1981 through FY 1983, and projected figures for FY 1984 through FY 1986, of all Direct Employment program participants and the success rate of job placement:

<u>Fiscal Year</u>	<u>Total Participants</u>	<u>% Placed in Employment</u>	<u>On-the-Job After 1 Year</u>
1981	6,527	95%	85%
1982	5,252	90%	88%
1983	5,324	90%	90%
1984 est.	2,653	85%	90%
1985 est.	2,381	90%	90%
1986 est.	2,273	95%	90%

Participants in the Adult Vocational Training (AVT) and Direct Employment (DE) activities may receive the following types of assistance. Approximate amounts budgeted for FY 1985 and FY 1986 Base (including amounts for program supervision and support services) are also shown:

1. Transportation and subsistence enroute to training or employment location.
(AVT - FY 1985, \$2,002,900; FY 1986 Base, \$2,187,100)
(DE - FY 1985, \$1,077,000; FY 1986 Base, \$1,136,400)
2. Training applicants receive a weekly subsistence while in training. Job placement applicants receive subsistence until they receive their first paycheck. Emergency subsistence is provided, if needed.
(AVT - FY 1985, \$9,013,050; FY 1986 Base, \$9,842,400)
(DE - FY 1985, \$3,015,600; FY 1986 Base, \$3,211,920)
3. Purchase of necessary tools for training or employment.
(AVT - FY 1985, \$1,001,450; FY 1986 Base, \$1,093,600)
(DE - FY 1985, \$1,292,400; FY 1986 Base, \$1,363,680)
4. Tuition and related training costs for trainees.
(AVT - FY 1985, \$8,011,600; FY 1986 Base, \$8,532,900)

Note: Bureau and tribal staff and administrative costs amounting to about 25% of the total appropriation have been factored into assistance costs detailed above.

Workload Data:

A. AVT Program

	FY 1983	FY 1984 Estimate	FY 1985 Estimate	FY 1986 Estimate
<u>AVT Participants:</u>				
In training at start of year	1,602	1,379	1,626	1,645
New entries during year	2,028	2,899	2,549	2,458
Total number in training	3,630	4,278	4,175	4,103
Carryover to next FY	*1,379	1,626	1,461	1,385
Completions	1,271	1,497	1,628	1,670
Placements (Completed Training)	1,093	1,270	1,384	1,434
Terminations	980	1,155	1,086	1,048
<u>Ironworkers Training:</u>				
Participants	102	100	100	102
Completions	80	80	85	90
Terminations	22	20	15	12
Placements (Completed Training)			77	82
<u>UTETC:</u>				
Participants	248	282	282	282
Completions	131	160	169	185
Terminations	117	122	113	97
Placements (Completed Training)			152	165
<u>Average cost per AVT trainee (total program)</u>	\$4,250	\$4,400	\$4,700	\$4,800

B. Direct Employment Program

Total participants	5,324	2,653	2,381	2,273
Average cost per participant	\$2,000	\$2,200	\$2,200	\$2,400

* These figures include the participants for the Ironworkers Training Program and the United Tribes Educational Technical Center (UTETC).

Decrease from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		FY 1986 Base	FY 1986 Estimate	<u>Difference</u>
<u>Adult Vocational Training:</u>				
Tribe/Agency Operations	\$	21,401	21,381	- 20
	(FTE)	(60)	(60)	(--)
Area Office Operations	\$	112	130	+18
	(FTE)	(1)	(1)	(--)
<u>Direct Employment:</u>				
Tribe/Agency Operations	\$	5,151	4,234	-917
	(FTE)	(51)	(34)	(-17)
Area Office Operations	\$	389	180	-209
	(FTE)	(17)	(12)	(-5)
Totals	\$			-1,128
	(FTE)			(-22)

(See Appendix)

Object Class Distribution - Employment Development Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	-22	\$- 506,000
Personnel Benefits.....		- 44,000
Travel and transportation of persons.....		- 25,000
Other services.....		- 486,000
Supplies and materials.....		- 47,000
Equipment.....		- 20,000
Total.....		<u>\$-1,128,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
Economic Development Grant Program	\$	9,800	9,800	9,800	--	--
Total Requirements	\$	9,800	9,800	9,800	--	--
<u>Distribution:</u>						
Economic Development Grants	\$	9,800	9,800	9,800	--	--

Economic Development Grant Program

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) and 25 U.S.C. 1523 (The Indian Financing Act of 1974, as amended).

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

Base Program (\$9,800,000): Many Indian reservations lack a private sector economy in that they do not have the industries, retail outlets, financial institutions (banks, savings and loans, etc.), or private sector employers common to non-Indian communities. This lack of private sector economy has contributed significantly to the high unemployment rate and low per capita income plaguing Indian reservations. Past economic development efforts to promote sound business development on reservations have had only limited success.

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

Notwithstanding these impediments, Indian tribes, Alaska Natives, and Indian individuals are becoming increasingly aware of the potential of their assets in land holdings, water, energy resources, minerals, forestry, oil, and natural gas and are desirous of developing them. To assist in this development, grant funds will be used to attract non-Federal investments for economic development projects on or near reservations.

The Economic Development Grant program began in FY 1983 with a budget of \$5 million, and was limited to tribes through 1984. The program is now open to individual Indian applicants as well. The major purposes of these economic development grants are to: (a) provide equity capital for the establishment or expansion of locally determined economic enterprises which generate income and employment opportunities for participating tribes; (b) serve as an inducement, when combined with a tribe's financial and other resources, to attract private sector investment capital for the development of a tribe's resources; and (c) reduce tribal dependence on the Federal Government over the long term through economic development projects which contribute to a stable private sector reservation economy.

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

The role of Indian tribes in this program activity is: (1) to decide whether to seek development of their tribal resources and to determine the nature of the economic development suitable for their individual reservations; (2) to provide the basic services of local government; and (3) to foster an atmosphere of governmental stability that promotes confidence and attracts private sector capital. Individual Indians seeking grants must show a positive influence on the economy of an Indian 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. The agency credit officers are responsible for initial grant application review, with guidance, support and assistance provided by area offices. Specific monitoring of the program is accomplished by agency superintendents. Control at the central office level is being specifically administered through the Division of Financial Assistance in the Office of Indian Services. In FY 1983 and FY 1984, approximately 5% of the available funds were used for: (1) costs related to management and technical assistance contracts awarded to provide the necessary assistance for the grantees to develop their proposals; and (2) costs incurred by a review panel of business representatives from the private sector who were used for an impartial evaluation of the grant proposals. The review panel ranks the applications, makes an analysis of feasibility, and lists specific needs for technical assistance.

Examples of projects for which Economic Development Grant funds were awarded are:

Navajo Agricultural Products Industry was awarded a \$350,000 grant (total project cost: \$2 million) to construct a potato storage and fresh pack facility. This business is presently operating successfully, employing approximately 30 tribal members.

Kuskokwim Corporation, Alaska, received a \$500,000 grant (total project cost: \$2.3 million) to purchase a tug and barge operation. They have 35 to 45

tribal members employed and are operating successfully. In addition, they have acquired more equipment to expand their overall operation.

The Jicarilla-Apaches received a \$500,000 grant (total project cost: \$2 million) to build a motel complex. They have a new and beautiful motel. A number of tribal members have been hired to run the motel which is now open for business.

Fort McDowell Indian Community received a \$31,250 grant (total project cost: \$125,000) for a sand and gravel enterprise. They doubled their payroll in the second year of operation and increased their revenue more than 8 times in their first year's operation.

The Pequot Tribe of Connecticut received a \$128,750 grant (total project cost: \$515,000) for the purchase of a Mr. Pizza restaurant. They are open for business and have a number of tribal employees working in the restaurant.

Workload Data and Estimated Participation: Present agency and area office credit personnel administer and monitor individual projects in their respective areas. Currently, at the central office, two staff members have overall responsibility for the grant program. Grant applications from individual Indians will significantly increase workloads of Bureau field staffs. Estimates for FY 1986 are as follows:

	<u>Number</u>	<u>Estimated Total Cost</u>
Economic Development Grants	130	\$9,310,000
Proposal Review, Evaluation and Technical Assistance	350	480,000.
Travel for experts		10,000

The Bureau will continue to use about 5% of the available funds to provide technical assistance for various contracts, travel, and to obtain advice from the private sector in the review of grant proposals. In FY 1986, this is estimated to cost approximately \$490,000. Experience has shown that travel costs are needed to pay for experts who work for other Bureau offices and other agencies to travel to the proposed grant site to make on-site evaluations of potential projects. At an average cost of about \$220,000, at least 30 grants out of an estimated 50 applications will be awarded to tribes in FY 1986, and 100 grants out of an estimated 300 applications will be awarded to individuals at an average cost of \$29,000. Given the amount of financing being offered by the private sector under the present projects, the Bureau anticipates that the \$9.8 million program will result in an additional \$30 to \$40 million in private capital to help develop Indian economies.

	<u>FY 1983 Grants</u>	<u>FY 1984 Grants</u>
Number of applications received	46	30
Amount requested	\$13,187,516	\$9,337,074
Total project amounts	\$106,216,532	\$63,235,554
Number actual grants funded	21	16 a/
Total amount awarded	\$4,601,242	\$4,686,588
Total project amounts	\$21,748,077	\$26,604,347

a/ Three grants awarded in 1984 were carried over from 1983. Five grants are still under review for funding in FY 1985.

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
Credit and Financing	\$	5,015	5,131	4,850	-165	-281
	(FTE)	(122)	(122)	(114)	(-8)	(-8)
<hr/>						
Total Requirements	\$	5,015	5,131	4,850	-165	-281
	(FTE)	(122)	(122)	(114)	(-8)	(-8)
<u>Distribution:</u>						
Tribe/Agency Operations	\$	3,356	3,297	3,218	-138	-79
Area Office Operations	\$	863	1,040	838	-25	-202
Central Office Staff Operations	\$	517	515	515	-2	--
Technical Assistance	\$	279	279	279	--	--

Credit and Financing

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

Objective: To assist federally recognized Indian tribes, Indian organizations, Alaska Natives and individual Indians with developing and utilizing their resources to improve their economies through: (1) direct loans from the Revolving Fund for Loans; (2) guaranteed loans from the Loan Guaranty program under the Indian Financing Act of 1974; and (3) assistance in obtaining financing from economic development program grants and other government and private sources.

Base Program (\$5,131,000): The FY 1986 base includes \$280,000 as the redistribution of contract support funds, as directed by the Congress. The majority of Indian reservations are economically depressed areas due to unemployment and lack of local business. Indian reservations have not enjoyed the same opportunities for economic development as the surrounding communities. Since Indian land is held in trust by the United States Government, Indian tribes cannot mortgage their trust land as security for loans. Also, because of the lack of state jurisdiction over most reservations and the problems encountered with tribal court systems, private lenders are discouraged from making loans on reservations. To help alleviate this situation, the Congress enacted legislation to provide financial assistance.

The 1934 Indian Reorganization Act is the earliest legislation related to this program. Two of the main provisions provided for: (1) Indian tribes to be organized as tribal governments; and (2) tribal governments to be allowed to become federally chartered business corporations. Other legislation has been

enacted, the latest of which is the Indian Financing Act of 1974 and its 1984 amendments. Related programs utilized to the greatest extent possible by both tribes and individual Indians are those administered by the Small Business Administration and the Farmer's Home Administration.

The \$5,131,000 in the FY 1986 Base program for Credit and Financing includes support for salaries, travel, and operational expenses for Bureau employees who make, monitor, and collect the loans made under both the Revolving Fund for Loans and Loan Guaranty and Insurance program. It covers the operating costs of agency credit programs contracted under P.L. 93-638, and the monitoring of contracted loan programs by area office contracting officer representatives located in area office credit offices. Since FY 1983, the credit staff has acquired responsibility for administering the Economic Development Grant program. Eligibility for participation in this grant program is being extended to individual Indians in FY 1986, in accordance with the Indian Financing Act Amendments of 1984, as cited under Section 10.

The Technical Assistance program provides \$279,000 to fund Buy-Indian contracts for services to tribes requiring help in developing business ventures which qualify for assistance under the Indian Financing Act.

Program operations involve assisting tribes in the administration of tribal relending programs and administering the Indian Revolving Fund for Loans (see a. and b. below); assisting tribes and individual Indians in obtaining loans from banks and other private sector financial lending sources (see c. below); working with other Federal funding sources such as Small Business Administration, Veterans Administration, Housing and Urban Development, Economic Development Administration, Department of Defense, Department of Transportation, and Farmers Home Administration in developing economic enterprises on Indian reservations (see d. below); processing loans under the Loan Guaranty and Insurance program (see e. and f. below); and making grants under the Economic Development Grant program (see g. below).

Workload Data:

(dollars in millions)

	FY 1984		FY 1985		FY 1986	
	Estimate		Estimate		Estimate	
	No.	\$ Amount	No.	\$ Amount	No.	\$ Amount
a. BIA supervised direct loans - new ^{1/}	2,800	\$ 16.0	2,900	\$ 18.6	2,810	\$ 16.3
b. BIA supervised direct loans - outstanding (EOY) ^{1/}	10,500	130.0	11,000	140.0	11,250	155.0
c. BIA assisted Commercial loans - new	1,500	25.0	1,350	25.0	1,350	25.0
d. Assisted other Federal loans - new	450	23.0	425	21.0	425	21.0
e. Guaranteed and Insured loans - new	36	19.0	45	45.0	40	20.0
f. Guaranteed and Insured loans - outstanding	82	92.7	118	130.8	138	141.2
g. Economic Development Program Grants - new	16	4.7	40	9.5	130	9.5

^{1/} Includes direct loans from the Revolving Fund for Loans and direct loans under relending programs financed from tribal trust funds.

Followup assistance is also provided to Indian borrowers and former grantees in

credit-related matters. In addition, the credit and financing staff provides all monitoring and collecting of loans made under the Bureau's credit and financing program.

In FY 1986, approximately \$18 million will be lent from the Revolving Loan Fund. The credit and financing workload is estimated to include assistance and administrative services for approximately 138 outstanding guaranteed loans, with a face value of \$141 million; assistance and services on outstanding loans totaling over \$112 million made from the Indian Revolving Fund; and assistance in the administration of tribal relending programs. Assistance will also be provided to the estimated 130 recipients who will receive economic development grants in FY 1986.

The Bureau's Revolving Fund for Loans received authorizations, under various legislative acts before 1974, totaling \$29.7 million. However, total appropriations were only \$26.5, of which \$4.1 was used for administrative expenses prior to 1962, leaving a total of \$22.4 available for loans. Activity since inception is as follows:

(dollar amounts in millions)

Total Available Before 1974		\$ 22.4
Indian Financing Act (IFA) of 1974		<u>41.0</u>
Total Appropriations		\$ 63.4
Additions to Fund:		
Principal repayments	\$ 79.7	
Interest payments	42.5	
Livestock settlements	<u>2.7</u>	
Total Additions		<u>124.9</u>
Total Available for Loans		<u>188.3</u>
Total Loans Made, 1934-1984		<u>174.9</u>

The following illustrates the changes in credit and financing's workload and the number of personnel:

(dollar amounts in millions)

	Prior to <u>IFA 1974</u>	<u>1977</u>	<u>1984</u>	Estimate <u>1986</u>
Full-time personnel	136	223	122*	114*
Tribal credit employees	55	49	53	53
Contracted programs	--	--	16	19
Outstanding loans:				
Revolving Loan Fund	\$28.0	\$56.0	\$94.0	\$112.1
Loan Guaranty Fund	--	\$44.0	\$92.8	\$141.2
Indian Business Development Program (IBDP) grants outstanding	--	\$25.0	--	\$ 9.5
Tribal relending	--	--	\$40.0	\$41.0
Economic Development Program grants	--	--	\$ 9.5	--

* FTE, not positions.

Additional information on the loan programs is included under the Loan Programs sections elsewhere in this document.

Decrease from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Credit and Financing:</u>				
Tribe/Agency Operations	\$	3,297	3,218	-79
	(FTE)	(86)	(83)	(-3)
<u>(See Appendix)</u>				
Area Office Operations	\$	1,040	838	-202
	(FTE)	(26)	(21)	(-5)
<u>(See Appendix)</u>				
Totals	\$			-281
	(FTE)			(-8)

Object Class Distribution - Business Enterprise Development Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	-8	\$ -184,000
Personnel Benefits.....		- 16,000
Travel and transportation of persons.....		- 15,000
Other services.....		- 66,000
Total.....		<u>\$ -281,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) from 1985</u>	<u>Inc. (+) Dec. (-) from Base</u>
Indian Arts and Crafts Board	\$ (FTE)	873 <u>(19)</u>	873 <u>(19)</u>	873 <u>(19)</u>	-- <u>(--)</u>	-- <u>(--)</u>
Total Requirements	\$ (FTE)	873 (19)	873 (19)	873 (19)	-- (--)	-- (--)
<u>Distribution:</u>						
Other	\$	873	873	873	--	--

Indian Arts and Crafts Board

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

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

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

Base Program (\$873,000): The Board is a unique arts agency whose activities are not duplicated either in the Federal or private sectors. It is the only Federal agency that is consistently and exclusively concerned with responding to the cultural needs of Native American people. The Board's policies are determined by its five commissioners, who serve without compensation. A professional staff is employed to carry out Board responsibilities. For administrative convenience, funds for Board expenses and staff are in the Bureau of Indian Affairs budget.

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

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

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 1986, the Board primarily will promote Native American arts and crafts through:

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

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

Justification of Program and Performance

Activity: Economic Development and Employment Programs
 Subactivity: Road Maintenance

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
Road Maintenance	\$ (FTE)	21,890 (397)	21,764 (397)	22,806 (397)	+916 (--)	+1,042 (--)
Total Requirements	\$ (FTE)	21,890 (397)	21,764 (397)	22,806 (397)	+916 (--)	+1,042 (--)
Distribution:						
Tribe/Agency Operations	\$	21,428	21,302	22,353	+925	+1,051
Area Office Operations	\$	58	58	49	-9	-9
Central Office Staff Operations	\$	51	51	51	--	--
Field Operations Road "Sealing"	\$	353	353	353	--	--

Road Maintenance

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

Objectives: To repair and maintain 24,000 miles of public roads serving Indian reservations in order to promote safety and convenience for reservation residents with particular emphasis on school bus routes and arterial highways. To protect the Government investment by preventing or repairing damage by rain and wind on 18,000 miles of roads on the Bureau system which were graded and surfaced under the Road Construction Program. To plan, schedule and provide maintenance repairs and service in accordance with the standards of the American Association of State Highway and Transportation Officials (AASHTO). To perform maintenance repairs and service in such a manner as to protect the environment of the reservation, adjacent lands, individual Indian lands, and to prevent premature failure of asphalt pavements constructed with Highway Trust funds.

Base Program (\$21,764,000): The FY 1986 base includes \$262,000 as the redistribution of contract support funds as directed by the Congress. Priorities and funding levels for road maintenance are set by tribal governments in consultation with Bureau administrators and engineers. Consideration is given to degree of use, public safety and convenience. On improved roads, an additional consideration is the preservation of the Government's investment in construction, since inadequate maintenance accelerates deterioration and increases road reconstruction costs. The replacement cost for approximately 18,000 miles of improved roads on the Bureau system is estimated to exceed \$2 billion.

The program activities include providing for interagency agreements with local governments, counties, state and other Federal agencies for various phases of the Road Maintenance program.

Maintenance is the preservation of a road or bridge and related elements in the condition that will optimize mobility for the intended use. Maintenance includes patching, pothole repair, crack filling and periodic sealing to prevent penetration of water through the surface. For the purpose of maintenance, the general basic surface types are: paved, gravel, earth, paths and walkways. The surface type is governed by the intended use at the time of construction or reconstruction.

For the purpose of describing and budgeting the maintenance program, levels of maintenance are defined in terms of a percentage of the frequency of maintenance activities necessary to maintain each surface type of road at the optimal level.

Optimum	90 to 100%
Limited	50 to 89%
Occasional	10 to 49%
Little or None	0 to 9%

"Optimal" is that frequency of maintenance which keeps the road in the desired condition at minimum total cost. Bureau road maintenance will average 43% of optimal, based on funds requested in FY 1986. Optimal maintenance costs per mile, per year are:

\$1,100	for unimproved roads
2,200	for earth roads
2,600	for graveled roads
3,300	for paved roads

In northern areas and high altitudes, snow and ice control is first priority to protect life and property. This need cannot be predicted accurately, and a severe winter may require additional funds for road maintenance.

Road maintenance is one of the programs included in the tribal priority setting system. With the Bureau's recommendation, a few tribes in recent years have substantially improved the priority given to road maintenance. The Bureau will continue to recommend further improvement in priority of this program, based on its study of maintenance needs on each reservation. That study is made in accordance with engineering principles, using the road inventory.

Agency staffs consist of foremen, machine operators and laborers equipped with backhoes, graders, dozers, dump-trucks with snowplows and sand spreaders, asphalt haulers and heaters, and compaction equipment. These crews patch and seal asphalt, clean and repair culverts, remove roadside vegetation and debris, smooth earth and gravel roads and shoulders, repair and replace road signs, and repair washouts and landslides.

The program is carried out almost entirely by Indian employees on reservations; 98% of the Federal employees are Indian. The Federal payroll for road maintenance will amount to \$9,500,000 for FY 1986. The program also provides full-time or part-time employment for 85 tribal employees under P.L. 93-638 contracts which are estimated at \$1,200,000, 5% of the total road maintenance program.

Area offices review personnel and equipment use records to advise agencies on efficiency of operations; to maintain equipment pools; and to provide technical advice as needed. The Central Office revises technical manuals, provides policy guidance, arranges for staff training, provides liaison with the Federal Highway

Administration (FHWA), proposes and/or reviews legislation and provides financial and budget administration and coordination with FHWA. The latter activity is particularly important now with the use of Highway Trust funds on Indian reservation roads.

Workload Data: The program will provide for the following activities at an average of 43% of optimal maintenance in FY 1986. The following chart provides a general estimate of the amounts to be spent on the several types of roads. Some administrative costs were not distributed.

<u>Road by surface type</u>	<u>Unit of Measure</u>	<u>Estimate 1984</u>	<u>Estimate 1985</u>	<u>Estimate 1986</u>
Unimproved	Miles	7,800	8,000	7,800
Average cost/mile	\$	200	180	200
Total.....			\$1,440,000	\$1,560,000
Earth	Miles	10,500	9,000	8,700
Average cost/mile	\$	800	750	800
Total.....			\$6,750,000	\$6,960,000
Gravel	Miles	2,800	3,000	2,900
Average cost/mile	\$	1,700	1,700	1,750
Total.....			\$5,100,000	\$5,075,000
Paved	Miles	4,000	4,100	4,300
Average cost/mile	\$	2,000	1,950	1,980
Total.....			\$7,995,000	\$8,514,000
Bridges	Lineal feet	61,500	60,500	60,000
Average costs/LF	\$	7	7	6
Total.....			\$ 423,500	\$ 360,000
Total.....			<u>\$21,708,500</u>	<u>\$22,469,000</u>

The Surface Transportation Assistance Act (STAA) of 1982 requires uniform policies for Federal roads and state Federal-aid roads. Bureau policies such as a pavement management system, training in pavement maintenance, improvement of equipment in inventory, and rentals from a Bureau equipment pool are being adopted to improve the level of maintenance on paved and graveled roads.

These maintenance policies, along with the major construction/reconstruction programs funded from the Highway Trust Fund, support the Assistant Secretary's initiative for economic development on reservations by providing a safe and convenient road network facilitating job access, commerce and industrial development.

The STAA requires disapproval of construction projects for jurisdictions where road maintenance is not proper. The most costly maintenance of roads constructed with Highway Trust Funds is the periodic (eight-year maximum cycle) sealing of asphaltic pavements to replace evaporated volatile elements and prevent damage due to cracking and water penetration. Formerly funded in the Interior budget as a part of road construction, pavement sealing is defined by the Federal Highway Administration as maintenance and is ineligible for Highway Trust Funds. Therefore in FY 1985, \$353,000 was appropriated as a separate item to initiate a centrally allocated program for road "sealing". The FY 1986 request continues the same program level.

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Road Maintenance:</u>				
Tribe/Agency Operations	\$	21,302	22,353	+1,051
	(FTE)	(393)	(393)	(--)
	(See Appendix)			
Area Office Operations	\$	58	49	-9
	(FTE)	(3)	(3)	(--)
	(See Appendix)			
Totals	\$			+1,042
	(FTE)			(--)

Object Class Distribution - Road Maintenance Subactivity

	<u>Amount</u>
Other services.....	\$+ 742,000
Supplies and materials.....	+ 300,000
Total.....	<u>\$+1,042,000</u>

Activity Summary
(dollars in thousands)

Activity: Natural Resources Development

<u>Subactivity (program)</u>	<u>FY 1984 Actual (B.A.)</u>	<u>FY 1985 Approp. Enacted</u>	<u>FY 1985 Revised Estimate</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) or Dec. (-) 1986 Est. over 1986 Base</u>
Forestry and Agriculture *	83,251	84,932	83,893	90,271	90,248	-23
Minerals, Mining, Irr. & Power	16,406	20,758	20,758	20,912	16,488	-4,424
Natural Res. Dev. Contract Support	---	4,460	4,460	Distrib.	---	---
Total	99,657	110,150	109,111	111,183	106,736	-4,447

* Excludes fund transfers from National Park Service for FY 1984 fire suppression costs (12,850 in FY 1985 and 4,900 in FY 1986 to cover the total cost of 17,750).

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Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Forestry and Agriculture

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Natural Resources, General	\$ (FTE)	1,852 (7)	1,950 (7)	2,407 (7)	+555 (--)	+457 (--)
B. Agriculture	\$ (FTE)	23,516 (550)	23,782 (548)	22,905 (525)	-611 (-25)	-877 (-23)
C. Forestry	\$ (FTE)	32,315 (686)	33,311 (682)	31,486 (680)	-829 (-6)	-1,825 (-2)
D. Water Resources	\$ (FTE)	7,155 (8)	7,067 (7)	9,239 (7)	+2,084 (-1)	+2,172 (--)
E. Wildlife and Parks	\$ (FTE)	19,672 (51)	23,739 (51)	23,789 (51)	+4,117 (--)	+50 (--)
F. Fire Suppression	\$	422	422	422	(--)	(--)
Total Requirements	\$ (FTE)	84,932 (1,302)	90,271 (1,295)	90,248 (1,270)	+5,316 (-32)	-23 (-25)
<u>Distribution:</u>						
Tribe/Agency Operations	\$	41,537	43,379	43,123	+1,586	-256
Area Office Operations	\$	2,783	2,686	2,551	-232	-135
Central Office Staff Operations	\$	1,907	1,833	1,833	-74	(--)
Other Natural Resources Development Programs:	\$	38,705	42,373	42,741	+4,036	+368
Indian Integ. Resour. Inf. Programs	\$	(1,063)	(1,063)	(1,063)	(--)	(--)
Prairie Dog Control	\$	(1,516)	(1,516)	(1,516)	(--)	(--)
Forest Development	\$	(8,330)	(8,330)	(7,094)	(-1,236)	(-1,236)
Forest Inventories/Plans	\$	(1,208)	(1,208)	(759)	(-449)	(-449)

(Dollar amounts in thousands)

		FY 1985 Enacted to Date	FY 1986 Base	FY 1986 Estimate	Inc. (+) Dec. (-) From 1985	Inc. (+) Dec. (-) From Base
Distribution: (continued)						
Timber Sale Admin.	\$	(5,831)	(5,800)	(5,800)	(-31)	(--)
Fire Suppression	\$	(422)	(422)	(422)	(--)	(--)
Water Policy Implementation	\$	(5,218)	(5,218)	(7,218)	(+2,000)	(+2,000)
Wildlife & Parks Field Operations	\$	(15,117)	(18,816)	(18,869)	(+3,752)	(+53)

A. Natural Resources, General

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

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

Base Program: (\$1,950,000): The FY 1986 base includes \$99,000 as the redistribution of contract support funds as directed by Congress.

Tribe/Agency (\$659,000), Area Office Operations (\$228,000): This program provides funding for multi-disciplinary activities not readily identified with one particular natural resource program, including Assistant Area Directors at some areas who may direct several natural resources programs; and other staff who are responsible for administering multi-disciplinary activities, including contracts with Indian tribes, sometimes covering various natural resource programs under a single contract. Accomplishments under tribal contracting include conservation studies and/or inventories in the various natural resource disciplines, which include agriculture, soil and range, irrigation and power operations, fisheries, wildlife, parks, water needs and environmental quality concerns.

Indian Integrated Resources Information Program (IIRIP) - (\$1,063,000): The Bureau has the responsibility to provide assistance in the management of Indian natural resources covering large land areas. An integral portion of this responsibility requires awareness of the resources which are available on these lands, to plan for their development, management and protection. The resources involved are water, wildlife, fish, agriculture, forestry, grazing and minerals.

The Office of Trust Responsibilities (OTR) has initiated a Geographic Information System (GIS) that will acquire available data of different dates, location, accessibility, scale and other factors. The GIS will compile and analyze these data for use by the various programs responsible for the management of resources listed.

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

The increasing size and complexity characterizing the modern resource management organization has made the classical managerial functions of planning, organizing, and controlling more difficult to execute. The GIS approach provides the basic essentials for accommodating the complexity of resource management. The concept of IIRIP uses spatial data analysis, remote sensing and existing BIA tabular data systems to provide a systematic approach to natural resources planning and management on Indian lands.

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

Increase from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Natural Resources, General</u>				
Tribe/Agency Operations	\$	659	1,112	+453
	(FTE)	(2)	(2)	(--)
<u>(See Appendix)</u>				
Area Office Operations	\$	228	232	+4
	(FTE)	(5)	(5)	(--)
<u>(See Appendix)</u>				
Totals	\$			+457
	(FTE)			(--)

B. Agriculture

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

Objective: To protect, conserve, restore, improve and enhance the agronomic and range resource value 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;

and to assist Indian landowners in leasing their farmland and rangeland for the highest economic return, consistent with prudent management and conservation practices.

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

Base Program (\$23,782,000): The FY 1986 base includes \$498,000 as the redistribution of contract support funds as directed by Congress. The Agriculture program provides tribes, landowners and land users with technical assistance of a kind that will encourage and motivate increased use of agricultural resources by Indians and bring about improvement of their management activities. Multiple-use program planning and technical assistance are designed to protect the renewable natural resources against erosion and soil deterioration; to restore eroded and depleted areas; to stabilize runoff and protect sediment on land areas; to improve cover with adapted crop species, on farmland, forest, pasture and rangeland; and to retain water for farm and ranch use and water management. These accomplishments can only be made through implementation of modern inventory and management techniques designed to interpret and determine potential for present and future use of the resources.

Agriculture and Rangeland Management

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

RENEWABLE NATURAL RESOURCES PROFILE
(Agriculture, Range, and Water)

		<u>Amounts</u>
Rangeland/Forest Grazing	(Acres)	43,410,186
Animal units	(No.)	712,300
Dry farmland	(Acres)	1,829,118
Irrigation farmland	(Acres)	917,580
Water reservoirs/lakes	(Acres)	913,000
Reservoirs/Impoundments	(No.)	45,352
Natural Lakes and Ponds	(No.)	3,199
Perennial Streams	(Miles)	12,000

The rangeland and livestock operations on most reservations are an important part of the economy and provide considerable employment and income. Over 44 million acres of the Indians' land are primarily used for grazing by domestic livestock and big game animals. This is four-fifths of their total land area. In 1983, Indian rangeland furnished 712,300 animal units of grazing and provided an estimated 8,500 man years of employment. This was distributed among 21,500

Indian ranching operations devoted to raising and tending livestock utilizing 92 percent of the rangeland. About 8 percent of the rangeland, or approximately 4 million acres, were used by non-Indian livestock operators, providing an estimated 500 man years of employment.

INDIAN USE BY SIZE OF OPERATION - 1983
(Animal Units)

<u>Animal units:</u>	<u>1-50</u>	<u>51-100</u>	<u>101-150</u>	<u>151-200</u>	<u>200+</u>	<u>Total</u>
No. of Indian operators	16,525	2,905	1,026	524	525	21,505

A large majority of the non-Indian use is on productive rangeland on reservations in the northern plains and northwestern States where the landownership is a composite of intermixed tribally and individually owned allotted Indian land, fee patent non-Indian owned land, and State and Federal Government land. Nearly three-fourths of the land used by Indians is almost exclusively tribally owned, on reservations in the States of Arizona, New Mexico, Utah, and Nevada.

INDIAN AND NON-INDIAN USE DISTRIBUTION - 1983
(Range)

<u>Used by:</u>	<u>No. operations</u>	<u>Acres</u>
Indians	21,505	40,040,000
Non-Indians	500	3,960,000
TOTAL	22,005	44,000,000

The soil and moisture conservation program provides Indian people with technical assistance of a kind that will encourage and motivate increased use and better management of agricultural resources by Indians. More Indians need to be trained in resource development, use, and management, so they can take over a much larger part of their agricultural program. Such an involvement will enable Indians to develop and use their land, water, and forage resources in balance with their environment. This will maintain their natural resources for continuous use and still contribute the maximum to their economy and social wellbeing.

In 1983, Indian families or tribes farmed approximately 1,005,292 acres, or 36.6 percent of the dry farming and irrigated farming land on reservations. This provided approximately 4,500 man years of Indian employment, distributed among 19,000 Indian farming operations. Approximately 1,579,351 acres, or 57.5 percent of the cropland, was leased by non-Indian farmers, providing an estimated 6,000 man years of employment. An additional 162,055 acres, or 5.9 percent, were idle.

DRY FARMLAND AND IRRIGATION LAND USE - 1983

<u>Used by</u>	<u>No. Operators</u>	<u>Acres</u>	<u>Percent</u>
Indian	19,000	1,005,292	36.6
Non-Indian	18,057	1,579,351	57.5
Idle	--	162,055	5.9
TOTAL	37,057	2,746,698	100.0

Technical assistance is provided by the following types of professional and technician personnel.

Job Titles

NATURAL RESOURCES OFFICER	RANGE TECHNICIAN
NATURAL RESOURCES SPECIALIST	SOIL TECHNICIAN (CONSERVATION)
RANGE CONSERVATIONIST	SURVEY TECHNICIAN
SOIL CONSERVATIONIST	TRUST SERVICES SPECIALIST
SOIL SCIENTIST	HYDRAULIC ENGINEER
AGRICULTURAL ENGINEER	HYDRAULIC TECHNICIAN
AGRONOMIST	WILDLIFE BIOLOGIST
CIVIL ENGINEER	PEST CONTROLLER
CIVIL ENGINEERING TECHNICIAN	PHYSICAL SCIENCE TECHNICIAN

The following table identifies funding sources and amounts provided to Indian landowners and land users to assist in accomplishing agricultural conservation projects and programs on their lands. These projects include concrete ditch lining and land leveling on irrigated fields for water conservation, strip cropping, terracing and winter cover crops for controlling wind and water erosion, farm pond development, surface and tile drainage to control salinity and high water table, and shelterbelts for wind protection.

	<u>(\$ in millions)</u>				
	<u>1982</u>	<u>1983</u>	<u>Est.</u> <u>1984</u>	<u>Est.</u> <u>1985</u>	<u>Est.</u> <u>1986</u>
USDA*	1.6	1.6	1.6	1.6	1.6
BIA	4.4	8.9**	4.4	4.4	4.4
Tribes	1.6	1.6	1.6	1.6	1.6
Landowners/Operators <u>Contributions</u>	9.9	9.9	9.9	9.9	9.9

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

** \$4.5 million Jobs Bill included.

The following table identifies funding sources and amounts provided to Indian landowners and land users to accomplish rangeland conservation measures on Indian trust lands. Projects consist of water systems, fencing, brush control, livestock water development, "Savory" range management method, reseeding, management fencing and noxious weed control.

	<u>(\$ in millions)</u>				
	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
USDA	.37	.42	.42	.42	.42
BIA	2.19	10.52*	2.52	2.00	2.00
<u>Landowners/permittees</u>	1.10	1.26	1.26	1.26	1.26

* \$8.0 million Jobs Bill included.

Formal commitments of the Bureau through cooperation with Soil and Water Conservation Districts are shown in the following Table. Under the terms of

various statutes administered by the Department of the Interior through its land-management agencies, and more specifically through powers transferred to the Department under Reorganization Plan No. IV, the Secretary of the Interior is authorized to "cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such restrictions as he may deem necessary," for the purpose of protecting the soil and moisture resources of lands administered by the Department of the Interior. In line with this authority, the Secretary has delegated these powers to the Bureau with respect to Indian lands.

STATUS OF COOPERATION WITH SOIL AND WATER CONSERVATION DISTRICTS - 1983

Area	FORMAL			INFORMAL			NONE		
	No. of SWCD's	No. of Units	Acres	No. of SWCD's	No. of Units	Acres	No. of SWCD's	No. of Units	Acres
ABERDEEN	22	1,083	1,761,921	6	159	65,750	-	-	-
ALBUQUERQUE	18	36	954,098	1	14	110,121	-	-	-
ANADARKO	29	4,773	495,680	-	-	-	2	7	555
BILLINGS	16	1,276,117	2,517,224	2	618	1,425,696	4	83	-
EASTERN	2	2	370	-	-	-	-	-	-
MINNEAPOLIS	7	22	60,755	11	19	20,314	3	10	144
MUSKOGEE	52	5,222	408,336	-	-	-	-	-	-
NAVAJO	2	14	7,617	-	-	-	-	-	-
PHOENIX	24	897	1,996,760	13	24	1,883,348	7	788	1,801,343
PORTLAND	17	3,315	2,165,966	11	485	1,455,834	7	30	21,331
SACRAMENTO	<u>13</u>	<u>-</u>	<u>58,670</u>	<u>5</u>	<u>30</u>	<u>80,678</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	202	1,291,481	10,427,397	49	1,349	5,041,741	23	918	1,823,373

BLS: 141

Land Use Investigation and Planning:

Annually, Bureau soil scientists, soil conservationists, and range conservationists prepare over 8,000 management plans and lease/permit stipulations for farming and ranching operations at an estimated cost of \$4.6 million. The farm management plans must be based on specific renewable resource information and capability limitations. Bureau soil scientists conduct soil inventory surveys for soil types, conditions, and capability classification. However, most of this work is conducted under cooperative agreement with the Soil Conservation Service, conforming to standards of the National Cooperative Soil Survey. During 1985, Bureau personnel will conduct \$200,000 of inventory work and \$400,000 will be contracted. Bureau soil scientists and soil conservationists will conduct about 718,000 acres of additional special purpose soil investigations and conservation needs inventories for planning, and to resolve problems with drainage, fertility, salinity, erosion control, crop adaptability and length and slope for irrigated lands.

Monitoring Grazing Permits and Lease Compliance Checks:

In addition to providing technical assistance for land use investigations and planning on Indian lands, Agriculture personnel are responsible for monitoring and compliance actions. The Bureau is responsible for incorporating stipulations in farming and pasture leases and to inspect farming operations directly to evaluate compliance with lease requirements, performance and use. There are about 20,000 such compliance actions on 1,044,526 acres each year at an estimated cost of \$2.5 million.

The Bureau monitors the use of rangeland and modifies grazing permits in order to improve rangeland or because of changes in ranch operations or land ownership. Stocking rates are adjusted by changes in grazing conditions, area site and changes in land ownership. Approximately 1,800 modifications will be processed in 1985 at a cost of about \$800,000. Range unit inspections are also conducted on site to determine if land users and ranchers are complying with the permit requirements. About 4,900 inspections will be performed in 1985 at an estimated cost of \$1,625,000.

The Bureau is also responsible for conducting compliance actions for 220 crossings and 3,999 other actions.

Range Inventory:

Bureau range conservationists will conduct range inventories on 2 million acres. The inventories will be used to identify vegetative cover, soil characteristics, precipitation zones, elevation aspect and past utilization for season of use and type of livestock to be grazed, recommended stocking rate and planning. The resource data base will assist the Bureau in providing technical assistance to 19,000 farmers and landowners and 11,300 ranchers and landowners.

Technical Assistance:

Technical assistance includes: farm plans, erosion control, structure design, land leveling criteria, farm drainage design, fertility recommendations, farm pond specifications, pest control recommendations, wind and water erosion control recommendations, boundary surveys for fencing, water development engineering and design, livestock rotation recommendations, feeding requirements, pest management, brush control, re-seeding, range management planning, wildlife and parks planning and environmental compliance.

Workload Data (Agriculture):

	<u>FY 82</u>	<u>FY 83</u>	<u>Est.</u> <u>FY 84</u>	<u>Est.</u> <u>FY 85</u>	<u>Est.</u> <u>FY 86</u>
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Farmers and landowners Assisted (No.):

Technical services provided to users and owners of Indian lands for needed conservation practices which will improve the Indian resource.	18,950	19,000	19,000	19,000	23,000
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Ranchers and landowners Assisted (No.):

Technical services provided to ranchers and landowners to improve Indian rangelands. Technical services include proper stocking rates, location and design of water systems, location of range fences and reseeding.	11,180	11,500	11,500	11,300	12,000
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Soil Inventories (M Acres):

The classification of Indian lands into soil types and capabilities so that each acre will be utilized according to its potential.	1,500	1,300	1,400	1,600	1,350
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Ag. Cons. Management and Development (M\$):

Conservation management and development measures designed to maintain or improve the Indian resource.	17,500	22,500*	18,500	18,200	18,200
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Includes the preparation of management plans and lease stipulations for farm/ranch operations and practices such as terraces, ponds, upland water wasteways, erosion control construction; and land use changes in the form of brush control, seeding, sodding and drainage.

Additional funds for construction of these conservation measures are from USDA, tribal or individual owners and/or operators

Rangeland Cons. Management and development Measures (M\$):

Includes proper location and design of water systems, fencing, brush control, reseeding and prairie dog control. Also includes range management planning and grazing permit administration. Additional funds for construction of these measures are from USDA and the tribes.	3,650	12,200*	4,200	4,100	5,200
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* Includes effects of \$12.5 million of Jobs Bill funding.

	<u>FY 82</u>	<u>FY 83</u>	<u>Est.</u> <u>FY 84</u>	<u>Est.</u> <u>FY 85</u>	<u>Est.</u> <u>FY 86</u>
<u>Farm and Ranch Management Plans (No.):</u>					
A basic plan of operation which uses sound conservation practices for wise use of the Indian resource. Range site and condition and soil inventories are vital for farm/ranch management planning.	6,900	7,100	7,300	7,300	7,300
<u>Farm Lease Stipulations Prepared (No.):</u>					
The formal agreement in which the user of the Indian resource agrees to perform the specified conservation practices stipulated or otherwise utilize the resources in a manner which will either maintain or improve the Indian resource.	8,300	7,990	8,071	8,071	8,100
<u>Compliance Actions (No.):</u>					
These inspections are for the purpose of performance evaluations and utilization checks to determine if the Indian resource user is in compliance with the lease stipulations or permits.	20,000	19,000	19,916	19,200	20,000
<u>Soil Investigations (M Acres):</u>					
These are soil surveys for special land uses. Soil problems associated with drainage, fertility, salinity and special conservation needs are examples of need for soil investigations.	715	700	718	718	700
<u>Range Permit Modifications (No.):</u>					
The modification of existing grazing permits that will result in an improvement to the Indian rangeland. Stocking rates may be adjusted due to changes in grazing fees, size of the grazing permit area, or weather factors.	1,600	1,650	1,650	1,800	2,000
<u>Range Unit Compliance Inspections (No.):</u>					
These actions are for the purpose of utilization checks to determine if the Indian resource user is in compliance with the permit requirements.	5,100	5,100	5,100	4,900	5,000
<u>Range Inventories (M Acres):</u>					
The classification of Indian rangelands into range site and condition classes and recommended stocking rates. Important factors in this classification are vegetative cover, soil characteristics and precipitation zones.	2,473	2,500	2,700	2,000	2,000

Prairie Dog Control (\$1,516,000):

The FY 1985 prairie dog control program on the Pine Ridge Indian Reservation, South Dakota, will begin the five-year plan established by a Task Force, to rid the reservation of these range and soil damaging animals. The total cost of the plan is estimated at \$5.3 million. One of the first actions will be a land survey to confirm the aerial mapping of dog towns. The location and density of these towns will be used as a basis for organization of field operations. One such operation is the survey of black-footed ferrets, to be completed, in August 1985, just prior to control actions. The purpose of the survey is to develop the necessary protection for the ferret, an endangered species, by preserving their habitat as a non-control area. The remaining dog towns will be pre-baited and baited with zinc phosphide bait during August and September to reduce prairie dog populations to a manageable level. Two years of control work on approximately 300,000 acres are required to eliminate the infestation. The FY 1985 funding will also cover other activities, such as: the preparation of 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. Upon work completion, a photo mission will be carried out to plan the FY 1986 program. These actions address the need to correct a serious problem and to rehabilitate the rangeland, to aid the economic condition of the Pine Ridge reservation. They also address a pending court case against the Bureau of Indian Affairs in the U.S. District Court of South Dakota, initiated by the American Farm Bureau Federation (Civil No. 80-5070).

Decrease from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY</u> 1986 <u>Base</u>	<u>FY</u> 1986 <u>Estimate</u>	<u>Difference</u>
<u>Agriculture</u>				
Tribe/Agency Operations	\$	20,788	19,962	-826
	(FTE)	(523)	(500)	(-23)
	(<u>See Appendix</u>)			
Area office Operations	\$	1,182	1,131	-51
	(FTE)	(22)	(22)	(--)
	(<u>See Appendix</u>)			
Totals	\$			-877
	(FTE)			(-23)

C. Forestry and F. Fire Suppression

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes. The Federal Government has a trust responsibility to provide forest management under the principles of sustained yield and to protect Indian forest lands. This trust responsibility is stated in treaties with individual tribes, and in Federal legislation, particularly 25 U.S.C. 406 and 407 (The Act of June 25, 1910); 25 U.S.C. 466 (The Indian Reorganization Act of June 18, 1934); and 18 U.S.C. 1853, 1855 and 1856. It has been reiterated and supported by numerous legal decisions from Federal courts, up to and including the Supreme Court.

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

Base Program for Forestry (\$33,311,000); for Fire Suppression (\$422,000): The FY 1986 base includes \$1,117,000 as the redistribution of contract support funds as directed by Congress. The forestry program addresses the need to provide forest management services on 14.1 million acres of Indian forest land. The most important of these services is the charge to sell the allowable annual cut from each reservation with a commercial forest land base. This is accomplished by employing the most modern and effective techniques for forest protection, by implementing modern inventory and management planning systems, by harvesting the full allowable annual cut with consideration of other use values and tribal objectives, and by intensifying forest development activities to eliminate backlog, maintain accruals and enhance forest productivity (growth).

Problems associated with the forestry program include a deficiency in state-of-the-art forest management inventory and planning on some reservations from which the Indian owners can make multiple-use management decisions. Only 33 of a total of approximately 104 forested trust reservations or properties have current forest management or operating plans. The remaining locations continue to operate with no plans, or outdated plans. Funds added in FY 1985 will be used to update those plans of most critical need or potential for improving the economic development of the reservations involved. The Bureau cooperates with the U.S. Forest Service and other Federal and State agencies in the protection of Indian lands and adjacent lands from insects and disease. The Forest Service, by law, is the lead agency for all major protective actions and for securing necessary funding.

The Bureau's trust responsibility in forestry is extended to approximately 104 forested reservations and/or properties in 23 States, with a commercial forest land base of approximately 6.1 million acres that support a total commercial volume of about 44.5 billion board feet and an allowable annual cut of 1.02 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. The forestry program must work closely with several other Bureau programs. These include: Agriculture and Range Management; Fish and Wildlife; Environmental Services; Realty--particularly appraisals and obtaining ownership (title) information on allotments; Law Enforcement, for assistance in trespass investigations; and Water Resources, for water productivity and protection of groundwater levels.

Beginning in mid-1979, rising interest rates and inflation caused a severe softening in the housing market, which in turn reduced the demand for lumber and logs. This, coupled with the lack of sufficient in-place forest products industries in some areas, prevented the Bureau from selling the full allowable annual cut from many reservations. By late 1982, the lumber market began to show strong signs of recovery. Economists predicted a turnaround and real recovery in the housing industry and lumber market in 1983. These predictions have not been borne out by substantial increases in housing starts. While housing starts increased, the upward trend has been slow and hampered by low wood product prices due to supply being in excess of the anticipated demand. This trend was continued in 1984, with the result that the estimated volume of timber harvested in 1984 was up slightly from the 1983 actual harvest by

33.2 million board feet. The estimated value is down slightly from the actual amount for 1983, by \$167,000. The sale of timber and other forest products from Indian lands follows the general trends of the forest products industry and consequently has not turned around significantly as was predicted for 1983 and 1984.

The forestry program provides valuable income and employment to the Indian owners through the sale of stumpage and subsequent harvest and processing of Indian timber. These operations, plus labor intensive forestry operations, such as forest development work, forest inventory and survey work, and forest protection, help to generate individual Indian employment and income. In addition to these direct income and employment benefits to individual tribal members, revenues generated from the Indian forests produce indirect economic and social benefits by providing funds for the operation of tribal governments.

Since 1933, the Secretary of the Interior has been authorized, in his discretion, to reimburse the United States for certain of its expenses associated with the sale of Indian timber by deducting from the proceeds of those sales what has come to be known as "administrative fees," and by then covering those fees as miscellaneous receipts into the Treasury. In order to improve forest management on Indian lands, the Secretary has exercised his discretionary authority to collect administrative fees (deductions), since 1972, by refraining from doing so to the extent that a tribe or individual Indian expended their own funds on a particular forest.

See the end of the forestry program narrative for the following Tables:
Table 1: Annual production figures, program obligations, and the amount and distribution of administrative deductions for the period 1972-1983. Projections for 1984 and 1985 are included. Table 2: Portrays the number of jobs and income generated from the combined effects of direct, indirect and induced employment for 1980 (depicts a representative level of production), one third of which is Indian. Table 3: Reflects tribal forestry employment, by Area, resulting from administrative deductions. Table 4: Shows the estimated increase in forest productivity, by area, that is likely to be realized by the year 2033. It is expressed in terms of a percent increase in growth and consequently in allowable annual cut. Table 5: Portrays the full cost of the forestry program by activity for Fiscal Years 1984, 1985 and 1986, including a breakdown of timber sales administrative deductions that are available to tribes for investment in the management of their forest resources.

Achievement of the objectives stated above is accomplished through performance of the following activities: (The dollar amounts shown are the FY 1986 base.)

Forest Inventory and Plans (\$4,602,700): Encompasses aerial photography, mapping, field forest management inventories, re-inventories, growth studies, allowable annual cut calculations, and all aspects of the development, preparation and/or revision of multiple-use forest management plans, including inventory analysis, environmental assessment and forest history.

Forest Development (\$11,970,600): Includes all activities of forestation and timber stand improvement that directly enhance commercial timber production on Indian lands. Forestation involves project planning, seed collection or procurement, growing or procuring seedlings, site preparation, planting or seeding, followup surveys, release cuttings and record-keeping. Timber stand improvement includes project planning, inventory (stand examination, etc.), treatment priorities and prescriptions, precommercial thinning, slash treatment, fertilization and recordkeeping. All forest development projects are justified through conduct of benefit/cost analyses.

Beginning with FY 1977, the Congress increased the appropriation for forest development by \$5 million to implement a program to eliminate backlogs of forest development work (primarily forestation and thinning) which had accumulated over past years. Substantial progress has been made in the elimination of these backlogs, as depicted in Figure A (see end of forestry program narrative). At the present level of funding, it is anticipated that backlogs will be totally eliminated by the mid-1990's.

Forest Protection (\$4,149,100): Includes all activities engaged in protecting the forest from fire, insects, disease and trespass. With respect to fire management, protection consists of acquisition and maintenance of fire fighting equipment, fire detection systems, construction of fire breaks, hazard reduction and fire protection contracts with other Agencies. Control of insects and disease encompasses all aspects of detection and evaluation; preparation of project proposals to secure funding, including project descriptions, environmental assessments/statements, and benefit/cost analysis; field suppression operations; and reports. Timber and fire trespass involves field examination and survey, damage appraisal, preparation of reports, assisting in investigations, writing demand letters and giving depositions.

Timber Sales Administration (\$11,564,800): Comprises all activities concerned with the administration and supervision of timber sales, including all aspects of sale and contract preparation (cruising, silvicultural prescriptions, appraisal, advertisement, etc.), executing and supervising contracts, marking and scaling timber, and collecting, recording and distributing stumpage receipts.

Forest Products Permits (\$996,900): Includes cruising, product marking, stumpage appraisal, permit preparation and harvest supervision for a total number of permits exceeding 10,000 annually. Included in this number are approximately 2,000 paid permits. The remainder are of the free use type, which permit the cutting of firewood, house logs, posts and poles, etc., by tribal members for their personal use.

Tribal Enterprises (\$26,900): Consists principally of consultation and technical assistance upon request to tribal forest enterprises in all aspects of timber management and the primary/secondary processing of forest wood products, including stumpage appraisals, sale negotiation, contract supervision, disputes and appeals, economic analysis of potential enterprises, etc.

Fire Suppression/Capitalized Equipment (\$422,000): These funds will be used to begin a revolving capitalized fire equipment account. An equipment needs list has been established based on a schedule (set by priority ranking), the funds will be used for replacing and/or updating equipment, and standardizing fire suppression equipment within each region.

Distribution of Above Programs: The activities described above are carried out at various locations as described below.

1. Tribe/Agency Operations (\$16,062,000): Activities at this level primarily consist of timber sale preparation, timber sale administration, conduct of inventories, preparation of forest management plans, forestation, timber stand improvement, forest protection, and fire suppression. Funding levels are determined by tribal priority and are carried out on the reservations.
2. Area Office Operations (\$1,276,000): Forestry staffs review and recommend approval of timber sales, forest inventories, multiple use forest management plans and fire management plans. They approve forest development projects

and release funds to agencies based on that approval. The Area Office forestry staffs review trespass investigations and recommend settlement actions. (Authority to settle timber and fire trespasses up to \$25,000 is held by the Area Director.) They also review Normal Fire Year Plans and provide Agency forestry staffs with technical assistance on all forestry operations.

3. Central Office Operations (\$635,000): This staff provides the Assistant Secretary-Indian Affairs, his staff, and all Bureau staff with forestry expertise and advice on forestry matters. They establish reporting systems, maintain liaison and coordination with various federal agencies, provide information and technical assistance to area and agency staffs, and propose policies, regulations, and procedures for bureau-wide operation of the forestry program. Forest fire management, including both presuppression and suppression, is handled through a small staff at the Boise Interagency Fire Center. Forest management inventory and planning technical assistance is provided field installations through a small staff located at Portland, Oregon.
4. Field Operations (\$15,760,000): This includes the Forest Development, Forest Inventories and Plans, and Timber Sale Administration as well as the fire suppression equipment fund.

Workload Data: There is an inter-relationship between all forestry program activities that cannot be precisely delineated. Workload factors can generally be categorized as follows:

	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>	<u>Estimate FY 1986</u>
Allowable annual cut (MBM)	1,020,000	1,020,000	1,020,000
Reforestation completed (acres)	15,000	20,000	17,000
Timber Stand Improvement completed (acres)	25,000	40,000	34,000
Volume of timber harvested (MBM)	660,000	660,000	680,000
Value of timber harvested	\$58,000,000	\$60,000,000	\$65,000,000
Timber sales volume offered (MBM)	800,000	800,000	800,000
Timber sales contracts supervised (No.) <u>1/</u>	200	200	200
Forest products permits issued (No.) <u>1/</u>	5,000	6,000	6,000
Forest and range area protected (acres)	59,314,800	59,314,800	59,314,800
Number of fires suppressed (calendar year figures) (No.)	3,250	3,250	3,250

	Estimate FY 1984	Estimate FY 1985	Estimate FY 1986
Acres burned - forest	21,300	--	--
" " - non-forest	48,000	--	--
Total	69,300	70,000	70,000
Employment generated (direct, indirect and induced) (MY)	9,900	9,900	10,200
Employment generated income	\$163,000,000	\$163,000,000	\$168,000,000
Timber cruises for appraisal purposes (No.)	315	315	315
Forest management inventories completed/updated (No.) <u>2/</u>	6	9	7.5

- 1/ Previously, all sales and permits were reported. This shows those on which there is or may be current activity. Source: FY 1983 Annual Forestry Report.
- 2/ This estimates those to be completed. It does not include numerous inventory and planning segments that will be accomplished during the year, such as, field inventory, mapping, management planning, histories, etc.

Decrease from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
C. <u>Forestry--Total Program</u>	\$	33,311	31,486	-1,825
	(FTE)	(682)	(680)	(-2)
Tribe/Agency Operations	\$	16,062	16,010	-52
	(FTE)	(406)	(406)	(--)
(See Appendix)				
Area Office Operations	\$	1,276	1,188	-88
	(FTE)	(53)	(51)	(-2)
(See Appendix)				
Central Office Staff	\$	635	635	--
	(FTE)	(23)	(23)	(--)
Field Operations	\$	15,338	13,653	-1,685
	(FTE)	200	200	--

Forest Development (-\$1,236,000): Reducing the Forest Development fund by this amount will have little effect, in the short term, on the goal to eliminate the reforestation and thinning backlog acres existing at the beginning of this program, Fiscal Year 1977.

Forestry Inventory and Plans (-\$449,000): This reduction in funding will have little near term effect in achieving the elimination of forest management inventory and planning backlogs. Even with this decrease, the program in FY 1986 will be 20% higher than the FY 1984 funding level.

Table 1

Timber Production, Appropriations and Administrative Deductions
(Cash Sales of Timber)

Fiscal Year	Timber Vol. (MBM)	Harvest Value (\$000)	Appropriations Obligated (\$000)			Administrative Deductions (\$000)		
			Federal	Tribe	Total	Federal	Tribe	Total
1972	927,188	37,952,965	5,388,485	848,491	6,236,976	2,708,094	760,241	3,468,335
1973	976,282	57,042,935	5,943,969	3,947,082	9,891,051	932,851	4,032,321	4,965,172
1974	878,126	73,223,357	6,898,928	5,229,874	12,128,802	901,975	5,342,208	6,244,183
1975	806,542	49,867,809	7,276,736	3,835,561	11,112,297	741,633	3,356,294	4,097,927
1976	887,547	75,085,609	9,171,686	4,683,659	13,855,345	1,141,367	4,552,513	5,693,880
1977	908,161	88,901,863	12,772,800	5,241,952	18,014,752	1,098,614	4,564,899	5,663,513
1978	910,587	104,591,751	19,986,648	5,829,561	25,816,209	1,041,825	6,542,339	7,584,164 ^{a/}
1979	818,547	117,171,295	20,962,611	6,609,033	27,571,644	789,038	6,836,143	7,625,181 ^{a/}
1980	731,859	88,529,796	21,137,074	10,017,271	31,154,345	15,385	9,755,259	9,770,644 ^{a/}
1981	676,560	72,610,790	23,671,835	7,922,698	31,594,533	22,571	7,598,763	7,621,334 ^{a/}
1982	522,128	39,672,835	23,272,933	5,603,755	28,876,688	219,695	4,354,336	4,574,031
1983	626,254	58,654,796	23,753,707 ^{b/}	4,194,472	27,948,179	39,399	4,132,887	4,172,286
Totals	9,669,781	863,305,801	180,237,412	63,963,409	244,200,821	9,652,447	61,828,203	71,480,650
Projections								
1984	660,000	58,500,000	27,092,000 ^{c/}	5,265,000	32,357,000	58,500	5,206,500	5,265,000
1985	660,000	65,000,000	32,315,000 ^{c/}	5,850,000	38,165,000	65,000	5,785,000	5,850,000

^{a/} Forest management deductions from Hoopa Reservation approximating \$916,700 excluded because these funds were reinvested in the forestry program under auspices of the "Gerard Plan."

^{b/} Does not include \$5,000,000 in Jobs Bill Funds or \$14,800,000 in fire suppression appropriation.

^{c/} Does not include fire suppression appropriation estimates.

Source: Annual Analysis of Obligations Report

Table 2

ESTIMATED NUMBER OF JOBS AND INCOME GENERATED PER MILLION
BOARD FEET OF INDIAN TIMBER HARVEST (1980) a/

State/Region	Per Million Bd. Ft.		Volume Harvested <u>a/</u>	Total	
	Jobs	Income (\$000)	(Millions of Bd. Ft.)	Jobs	Income (\$000)
Washington	17.6	261,000	341	6,002	89,001,000
Oregon	15.3	214,600	104	1,591	22,318,400
California	14	210,000	45	630	9,450,000
Montana	15.6	338,470	28	436	9,477,160
Southwest	13.6	262,700	117	1,591	30,735,900
Lake States <u>b/</u>	14	210,000	66	924	13,860,000
Other <u>b/ c/</u>	14	210,000	<u>31</u>	<u>434</u>	<u>6,510,000</u>
Total			732	11,608	181,352,460

a/ Cash sales only, does not include free-use cutting. FY 1980 is a representative level of production.

b/ Data not available. After discussions with USFS, used multipliers obtained from other regions.

c/ This includes the residual 4% of all other timber harvest not classified by region. Figures used same as footnote b.

Source: Table 3 of the "Report to the Secretary of the U.S. Department of the Interior from the Task Force on Administrative Fees in Indian Timber Management," and annual timber cutting reports.

Table 3

FY 1984
Tribal Forestry Employment Resulting
from Forest Management Deductions

	<u>Professional Foresters</u>	<u>Technicians & Others</u>
Albuquerque	--	15
Billings	--	28
Eastern	--	--
Juneau	--	--
Minneapolis	--	3
Navajo	6	11
Phoenix	--	10
Portland	8	119
Sacramento	<u>--</u>	<u>25</u>
Total	14	211

Source: Area Offices

Table 4

Estimated Increase in Forest Productivity Attributed to
Intensive Forest Management

Area	FY 1982 AAC (MBM)	Range In Increase in AAC From Intensive Management (%) ^{1/}	Range In AAC in Year 2033 (MBM) ^{1/} & ^{2/}
Aberdeen	7,000	2 - 4	7,140 - 7,280
Albuquerque	30,100	12 - 24	33,712 - 37,324
Anadarko	Unknown	0 - 0	0 - 0
Billings	17,100	12 - 24	19,152 - 21,204
Eastern	23,500	10 - 20	25,850 - 28,200
Juneau	Unknown	0 - 0	0 - 0
Minneapolis	145,000	12 - 24	162,400 - 179,800
Muskogee	1,800	2 - 4	1,836 - 1,872
Navajo	40,000	12 - 24	44,800 - 49,600
Phoenix	115,600	12 - 24	129,472 - 143,344
Portland	610,900	20 - 40	733,080 - 855,260
Sacramento	31,300	12 - 24	35,056 - 38,812
Totals or Avg.	1,022,300	16.6 - 33.3	1,192,498 - 1,362,696

^{1/} This represents the increase in allowable annual cut (AAC) that can be attributed to investment in intensive forest management activities such as - thinning, reforestation, harvesting the full allowable cut forest management planning, tree improvement programs, determination of desirable optimum growing stock levels, forest protection, modern computer technology, etc., with forest development add-ons, forest management deductions, and other appropriated forestry funds. It is assumed that tribes will permit strict control of forest grazing in reforestation areas, and support thinning practices in overstocked stands to move towards optimum growth potential.

^{2/} This is the AAC that is estimated to be realizable by the year 2033, or the date at which it is estimated that Indian forests will on the average, have gone through the period of adjustment and become fully regulated. During the interim period (1983 - 2033), growth, and consequently AAC, will progressively increase as intensive management activities take place.

NOTE: Estimated future volumes (AAC) are based on the assumption that the current 1983 commercial forest land base of approximately 5.9 million acres will remain unchanged (not decrease) and that the full AAC is harvested within each management plan period.

Table 5

COST BREAKDOWN FOR MAJOR FORESTRY PROGRAM ACTIVITIES
(dollars in millions)

Program Activity	FY 1984		FY 1985 Appropriations		FY 1986	
	Federal Appropriation	Administrative Deductions a/	Federal Appropriation	Administrative Deductions a/	Budget Estimate	Administrative Deductions a/
<u>INVENTORY AND PLANS</u>						
Inventory	2,384.1	100.8	3,214.6	126.0	2,980.4	340.2
Plans	1,029.5	43.2	1,388.1	54.0	1,287.0	145.8
Subtotal	3,413.6	144.0	4,602.7	180.0	4,267.4	486.0
<u>FOREST DEVELOPMENT</u>						
Forestation	4,985.0	2,419.2	6,948.2	3,024.0	6,401.4	2,799.4
Thinning	3,603.2	2,620.8	5,022.4	3,276.0	4,627.1	3,032.6
Subtotal	8,588.2	5,040.0	11,970.6	6,300.0	11,028.5	5,832.0
<u>FOREST PROTECTION</u>						
Fire	2,709.2	864.0	2,694.2	1,080.0	2,768.0	1,166.4
Insects and Disease	623.1	216.0	619.7	270.0	636.7	291.6
Trespass	839.8	--	835.2	--	858.1	--
Subtotal	4,172.1	1,080.0	4,149.1	1,350.0	4,262.8	1,458.0
<u>TIMBER SALES ADMINISTRATION</u>						
Sale Preparation	2,465.4	180.0	2,634.9	202.5	2,707.0	359.6
Harvest Admin.	7,423.2	540.0	7,933.9	697.5	8,151.0	1,098.4
Subtotal	9,888.6	720.0	10,568.8	900.0	10,858.0	1,458.0
<u>FOREST PRODUCTS PERMITS</u>	1,002.4	216.0	996.9	270.0	1,024.2	486.0
<u>TRIBAL ENTERPRISES</u>	27.1	--	26.9	--	27.6	--
<u>FIRE SUPPRESSION</u>	6,950.0 b/	--	422.0	--	433.5	--
Totals	34,042.0	7,200.0	32,737.0	9,000.0	31,902.0	9,720.0

a/ Estimated. These funds will actually be available to be utilized by tribes if the projected levels of timber harvest and income are achieved, and the funds are expended within the time limitations set forth by Bureau policy.

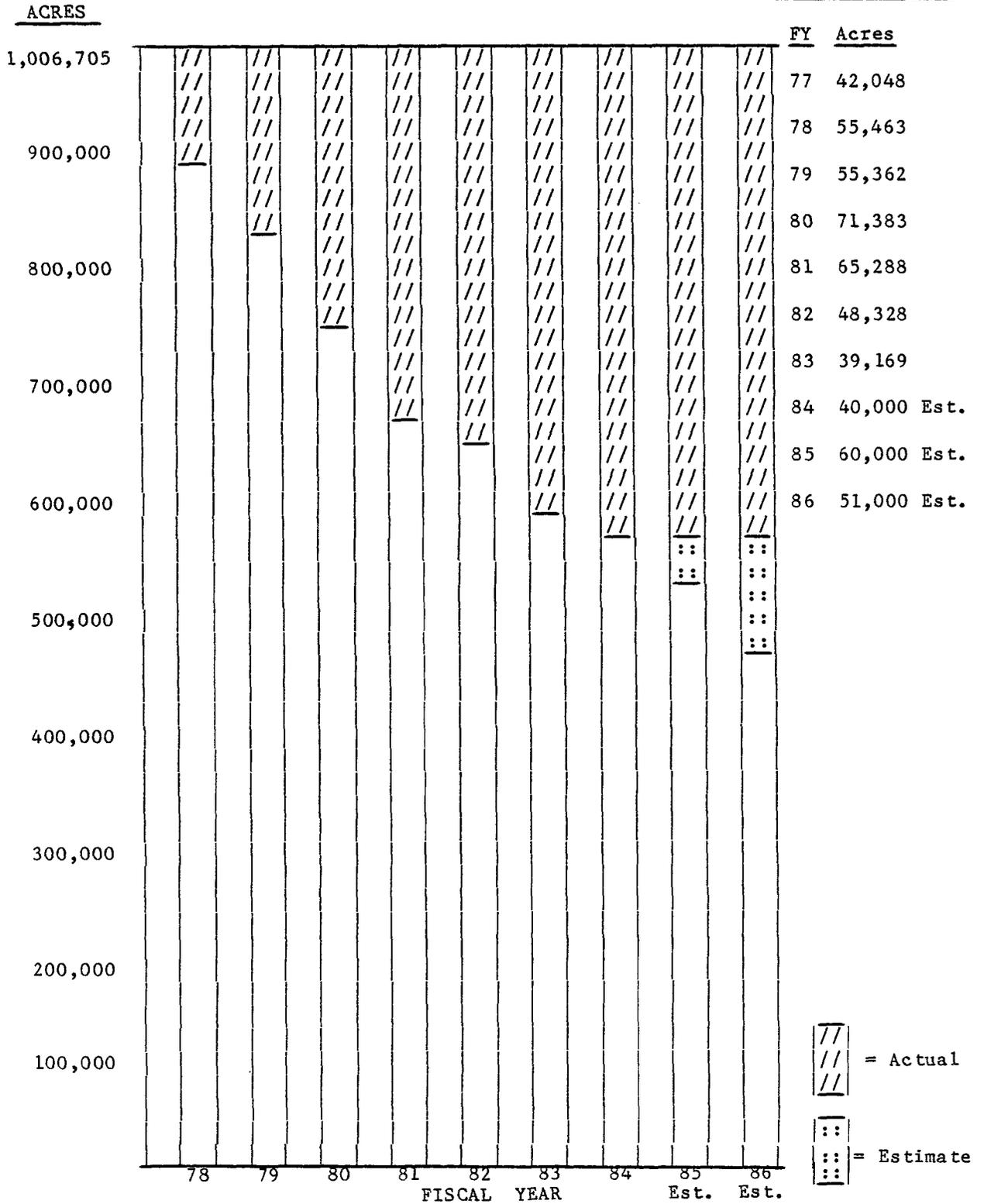
b/ Total federal appropriation \$6,950.0; \$600.0 enacted as part of the FY 1984 appropriation and \$6,350.0 was provided in the FY 1984 Supplemental to cover outstanding obligations through FY 1983.

Figure A

Forest Development

Backlog Reduction

Accomplishments



D. Water Resources

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

Objectives: The objectives of the Water Resources program are (1) to conduct technical studies on Indian reservations for the purposes of assisting tribes in obtaining favorable negotiated water rights settlements and providing comprehensive guides for the orderly development of water resources; and (2) to assist Indians in conserving, developing and using their water resources with particular reference to water resource problems and uses of a special nature.

Base Program (\$7,067,000): The FY 1986 base includes \$160,000 as the redistribution contract support funds as directed by Congress.

1. Tribe/Agency Operations (\$1,388,000): Funding provided through the Indian Priority System includes range water development functions which provide assistance in identifying, conserving and developing range water resources. The types of work provided by this program include range water developments such as wells, storage tanks, pipelines, ponds and deep-pit charcos. A major part of this program is the approximate \$600,000 included for the Navajo Tribal Waterworks program, which is a vital part of their range conservation/management effort.

2. Central Office Operations (\$461,000): These staff provide the Bureau, Department, and Tribes the technical and managerial services in administration of the water policy implementation, water resources, water claims efforts. Emphasis is on policy initiatives dealing with water claims matters, allocation of funds for those activities, establishing reporting systems, maintaining liaison and coordination with other segments of the Department, and with other federal agencies, proposing regulations and procedures for operations of the program, issuing and monitoring contracts and agreements as appropriate in advancement of the program

3. Water Planning/Water Claims Resolution (\$5,218,000): A plan to review Indian water claims was initiated in 1978 in response to the perceived need to find a more efficient way to address the explosive growth in conflicts involving Indian Water Claims. The development of the plan was completed in 1979. Implementation of the plan entails the accomplishment of a comprehensive inventory of the resources of each reservation that needs water for its future development and the production of a comprehensive reconnaissance level plan of development. The following four steps are being carried out according to fixed criteria on each reservation:

- a. An examination of the historical perspectives affecting the water rights of the reservation.
- b. Identification and inventory of available resources.
- c. Identification and inventory of existing water uses.
- d. Identification of future water needs and development potentials.

Each reservation review will entail the collection and development of data sufficient to enable the tribe to make an informed assessment of its present and future water requirements. These studies will also provide tribal leaders with meaningful guidelines for future development alternatives. A reservation

water claim package (a plan encompassing tribal resources, needs, and desires) will be the end-product incorporating all data collected and developed. The completed product can be used for negotiations, as technical preparation for litigation where negotiation fails, and as a basis for more detailed planning studies.

This program has a relationship to the Rights Protection program, although there is no overlap between the two programs. The Water Resources program provides the technical studies which form the basis for negotiated settlements of water rights and for the development of water resources. However, when negotiation is not successful and litigation occurs, the Rights Protection program provides funding to prepare the existing technical data in the proper form for litigation efforts; to conduct detailed, intensive studies on specific areas of concern; and to pay for expert testimony.

The successful implementation of the Water Resources program is dependent in large measure on the competency of the professional staff to produce and enforce technical standards and guidelines, to review contractor competency, to produce adequate contractual documents, to monitor contractor performance, to assure adequate consultation with tribes, and to review and approve final products.

<u>Workload Data:</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
<u>Water Planning Implementation</u>			
Soils studies (# of reservations)	16	20	24
Hydrology studies (# of reservations)	20	20	25
Range studies (# of reservations)	5	4	4
Fishery studies (# of reservations)	2	2	6
Development plans (# of reservations)	6	7	10
Historical Investigations (# of reservations)	6	6	10
Minerals studies (# of reservations)	1	0	0
Recreation studies (# of reservations)	6	6	10
<u>Range/water Development</u>			
Assistance in Range/water developments (# of reservations)	8	8	8

Increase from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Water Resources--Total Program</u>	\$	7,067	9,239	+2,172
	(FTE)	(7)	(7)	(--)
Tribe/Agency Operations	\$	1,388	1,560	+172
	(FTE)	(5)	(5)	(--)
<u>(See Appendix)</u>				
Central Office Staff	\$	461	461	--
	(FTE)	(2)	(2)	(--)
Field Operations	\$	5,218	7,218	+2,000
	(FTE)	(--)	(--)	(--)

Water Policy Implementation (+\$2,000,000): There has been a striking increase of interest in negotiating settlements of water claim controversies in both Federal and private sectors. Tribes have recognized that a number of them have water conflicts that are ripe for settlement, or that circumstances are right for opening negotiations. In addition, the tribes in Montana had to notify the State of their intent to enter into negotiations on their water claims. Five tribes did so and must have their data and planning done to proceed effectively. At Wind River in Wyoming, the trial court has ruled but the State and Tribes have entered into discussions to arrive at a solution that would make appeals unnecessary. The Secretary has placed high priority on negotiated settlement of Indian water claims. To implement that policy emphasis, the pace of technical study performance must be accelerated. The increase of \$2,000,000 in funding will provide for a 20-25% increase in resource data collection. Part of the funding would be used for costs of settlement negotiations. Where negotiations are not attempted, the much more costly and time consuming litigation process is inescapable.

E. Wildlife and Parks

Authorization: 25 U.S.C. 13 (the Snyder Act of November 21, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes. Contracts with tribes for fisheries and wildlife programs are also provided through P.L. 93-638, the Indian Self-Determination Act. Other authorizations include various court decisions and laws, such as, U.S. v. Washington; U.S. v. Michigan; U.S. v. Oregon; Lac Courte Oreilles v. Voigt; the Salmon and Steelhead Conservation Act of 1980; Endangered Species Act of 1973; and Washoe Act of 1956. Through these decisions and laws, Indian tribes are mandated or obligated to take various actions necessary for the management, enhancement, and protection of fish and wildlife resources.

Objectives:

- ° To promote the conservation, development and utilization of fish, wildlife and recreational resources located on Indian lands, and otherwise important to the cultural and economic support of Indians;
- ° To provide assistance, technical support and necessary resources to develop and implement fish, wildlife and recreational resource management plans and programs;
- ° To develop and sustain a dynamic administrative environment which assures that fish, wildlife and recreational resource programs are conducted effectively, efficiently, and in compliance with established objectives, laws, regulations, court decisions, and other directives;
- ° To increase training opportunities and involvement in all aspects of resources management that will achieve full tribal capability in these matters;
- ° To cooperate in the planning and management of fish, wildlife and recreational resources with tribes, inter-tribal organizations, other resource co-managers and other concerned parties.

Base Program (\$23,739,000): The FY 1986 base includes \$2,768,000 as the redistribution of contract support funds as directed by Congress. This program provides assistance to tribes in the conservation, development and utilization of their fish, wildlife and recreational resources, and promotes their capabilities in resource management, regulation and enforcement. Through this program, tribes develop and refine program goals, objectives and strategies for expanding and improving their management efforts. Through cooperative undertakings with State, Federal and private natural resource agencies, and with national and international management councils/commissions, tribes are increasing their participation in the collection, compilation, evaluation and dissemination of important fish and wildlife resources data, and in the formulation of recommendations for implementing management/harvest plans. Cooperation among the Bureau, tribes, and other agencies continues to improve. Common resource philosophies and goals are being developed which will promote better multi-agency management. Coordinated efforts involve exchange of technical information and expertise, training, integration of existing programs, shared funding, and Bureau-wide resource planning.

In recent years, fish and/or wildlife resource programs have been supported on at least 125 reservations in 23 states, accounting for approximately 2.5 million angler-days and countless millions of recreational use days annually. Currently, the great majority of program funding is contracted to three inter-tribal organizations (Northwest Indian Fisheries Commission, Columbia River Inter-Tribal Fish Commission and Great Lakes Indian Fish and Wildlife Commission) formed in

response to recent court decisions, and their 35 member tribes located in the Pacific Northwest and Great Lakes states. Throughout the rest of the country, technical assistance and fish for stocking are provided largely through a reimbursable assistance arrangement negotiated annually with the U.S. Fish and Wildlife Service.

Tribal hatcheries in the Pacific Northwest produce approximately 25 percent of the steelhead and 17 percent of the salmon reared in Western Washington hatcheries. In the Great Lakes area, tribal hatcheries produce more than 30 million walleye annually for stocking into Wisconsin and Minnesota waters. Fisheries and wildlife programs in the Southwest and West provide numerous and diverse fishing and big game hunting opportunities.

A variety of animal and plant species classified as "threatened or endangered" occur on Indian land. The cui-ui lake sucker and Lahontan cutthroat trout are propagated and stocked into Indian waters; and other classified species, including the grizzly bear and bald eagle, receive management assistance.

The Bureau has six professional biologists assigned to the program, two of whom are located in the Central Office. Tribal programs contracted through the Bureau, accounting for approximately 50 professional biologists, and the reimbursable assistance program conducted through the U.S. Fish and Wildlife Service, provide for nearly all of the on-the-ground work. Contracting officers and other Bureau personnel with little training in fish and wildlife management are responsible for administering and monitoring many program activities at area office and agency levels.

Tribal/Agency Operations (\$4,482,000): Funding obtained through the Indian Priority System supports fish and wildlife resource inventories, resource development potential studies, management planning, training, conservation enforcement, resource protection and enhancement measures, biological data collection, and other management related activities. This program enables many tribes to expand and refine their programs, and increase and improve their technical capabilities in order to assume greater responsibility for managing their fish, wildlife and recreation resources.

Central Office Staff Operations (\$441,000): Professional personnel in the Central Office are responsible for establishing program goals, objectives, policies, strategies, and procedures necessary for effective and efficient program administration. They coordinate program planning, assist in budget formulation and execution processes, propose systems for the effective delivery of program services, and serve in a program oversight capacity. Central Office staff also coordinate program responsibilities among area offices, agencies, tribes and inter-tribal organizations, analyze policy and legislation, prepare briefings and issue papers, respond to information inquiries, conduct special projects, perform internal control reviews of potential waste, fraud and abuse, and provide in-depth expertise and advice to the Bureau's executive managers. Finally, they perform liaison with other Federal and State agencies, participate in national and international meetings and negotiations, and assist in the overall management of the trust responsibility.

Field Operations (\$18,816,000):

It should be noted that changes have been made in the composition of items within this field operations listing, as well as in Wildlife and Parks in the Natural Resources Development subactivity, and Hunting and Fishing Rights in the Trust Responsibilities subactivity.

I. Special Fish and Wildlife Management programs (\$11,265,000):

- A. Western Washington Fisheries Management (\$8,277,000): Contracts are executed with 21 treaty fishing tribes of Western Washington to fulfill their obligations and responsibilities, as decreed by the Federal court (Boldt Decision) in the management of treaty salmon, steelhead, and herring fisheries, coordinated (state/intertribal) enhancement projects, and protection of the salmonoid resources originating in waters on and near their reservations. These funds are used for fisheries management, law enforcement, and aid to tribal government. Funds under the three categories are designated exclusively for purposes of fisheries management and enforcement, communication and dissemination of related information, and identification of treaty Indian fishers. The tribes affected by the court case directly conduct management and enhancement activities on 45 stream systems in Puget Sound and on the Washington coast, benefiting both treaty and nontreaty fishers. The tribes regulate the fishing activities of some 1,500 treaty fishers in fresh and marine waters within their usual and accustomed fishing areas.
- B. Columbia River Fisheries Management (\$1,454,000): A contract has been executed with the following tribes that have treaty rights on the Columbia River: Yakima in Washington; Umatilla and the Confederated Tribes of the Warm Springs reservation in Oregon; and Nez Perce in Idaho. The contract funds activities that will fulfill their responsibilities and obligations in the management and enforcement of tribal fisheries, and in the overall protection, development, and management of the Columbia River fisheries while working cooperatively with the three States and the Department of the Interior. For purposes of representation and efficiency in administration of policy and technical management responsibilities, the four tribes have formed the Columbia River Inter-Tribal Fisheries Commission (CRITFC). The BIA contracts with this entity to carry out these activities for the four tribes. The Commission is pursuing an active policy and technical role in the management of the Columbia River System. Substantial co-management of the fisheries resource is required by Federal Court order and Federal law through a multi-State, inter-tribal and Federal agency network. At present, the maintenance of all aspects of tribal fishery programs provides the Tribes and the States with the capability to manage and regulate Indian and non-Indian fisheries within the State and provides for fish passage to subsequent marine and spawning areas.
- C. Voigt Case Area Management (\$1,274,000): In recent years, several Great Lakes Indian tribes have had their treaty hunting and fishing reaffirmed by the courts and, consequently, are assuming their roles as co-managers of these fish and wildlife resources. In their efforts to do so, the tribes formed the Great Lakes Indian Fish Commission in 1982. In 1984, this Commission merged with the Voigt Inter-Tribal Task Force, formed in response to the recent Voigt decision affirming hunting, fishing and gathering rights of eight Chippewa tribes on

ceded lands, creating the Great Lakes Indian Fish and Wildlife Commission (GLIFWC). The GLIFWC allows the member tribes to negotiate with the States of Michigan, Minnesota, and Wisconsin, and to co-manage fish and wildlife resources as a unified entity. By sharing the expertise available, the Commission will provide substantial improvement in the overall efficiency of the tribes to manage and regulate fish and wildlife resources. Member tribes must identify resources, provide biological services, enforce codes, have the capacity to develop, promulgate and apply tribal off-reservation hunting and fishing regulations, and train personnel to provide effective enforcement in the field and through tribal court systems. They must promote positive relations with Departments of Natural Resources in Wisconsin, Minnesota, and Michigan and with the general public to avoid adverse reactions, and to undertake cooperative efforts in the future.

- D. Klamath Conservation Program (\$260,000): The courts have recently ruled that the Klamath tribe, Chiloquin, Oregon, retained treaty hunting, fishing, and gathering rights on 700,000 acres of ceded land, as well as on the 1,100,000 acres previously administered. The courts have also ruled that they have been guaranteed sufficient water to maintain the secured rights. The tribe, in accordance with judgments handed down by the court, has the authority and responsibility to provide fish and wildlife management and regulatory enforcement within the disputed areas. Funding will be utilized to expand the tribe's existing conservation program directed at negotiated cooperative management and regulation with Federal, State, and local fish and wildlife resource agencies. A tribal Game Commission will oversee biological, conservation enforcement, liaison and administrative aspects of the program.

- II. Fish Hatchery Operations (\$4,711,000): Overfishing, habitat degradation and a variety of other factors have contributed to declining populations of salmon, trout, and many warmwater fish species in recent decades. To assist in counteracting this trend, more than 30 artificial propagation programs have been developed on Indian reservations, targeting on salmon in the Pacific Northwest, rainbow trout in the Southwest, and walleye in the Great Lakes region. Increasing the number of fish available for harvest and establishing reasonable harvest opportunities for Indian and non-Indian fishermen are essential elements in establishing a healthy fishery. These projects increase the supply of available fish to all user groups, provide fish culture training to tribal members, generate information necessary for continuing protection and development of the fish resource, and create jobs for Tribal members.

The current budget provides for operation and maintenance of the following fish hatchery facilities:

<u>Tribe/State</u>	<u>FY 1985</u>
Hoh, WA	\$ 24,000
Lummi, WA	440,000
Makah, WA	39,000
Muckleshoot, WA	109,000
Nisqually, WA	129,000
Nooksack, WA	30,000
Point No Point, WA	330,000
Puyallup, WA	58,000
Quileute, WA	48,000
Quinault, WA	261,000
Skagit Systems Coop, WA	60,000
Squaxin Island, WA	81,000
Stillaguamish, WA	59,000
Suquamish, WA	217,000
Tulalip, WA	327,000
Bad River, WI	49,000
Lac du Flambeau, WI	294,000
Metlakatla (Tamgas Creek), AK	343,000
Pyramid Lake, NV	1,078,000
Red Lake, MN	49,000
Mescalero, NM	211,000
	<u>\$4,236,000</u> *

* This total does not include \$475,000 contract support funds, which will be distributed based on contract support experience in FY 1984.

- III. Former U.S. Fish and Wildlife Service Hatcheries (\$380,000): The FY 1986 Bureau request for this program includes funding for the continued operation of hatcheries that had been previously operated by the U.S. Fish and Wildlife Service. Two hatcheries which serve Indian reservations were transferred to the Bureau in FY 1984. They are:

Quinault National Fish Hatchery	\$ 217,500	Aberdeen, WA
Alchesay National Fish Hatchery	162,500	Whiteriver, AZ

The continued operation of the Quinault Fish Hatchery is related to the overall enhancement of the salmonoid fishery in the Pacific Northwest. Production by this hatchery directly supplements enhancement efforts of State management agencies. The operation of the Alchesay Fish Hatchery is related to the continued support of recreational fishery programs in Arizona and New Mexico. Significant economic benefits are derived through these programs.

- IV. Other Fish, Wildlife, and Recreation Management Assistance (\$2,460,000):

- A. Wildhorse Reservoir (\$20,000): Existing government-owned facilities at Wildhorse Reservoir need maintenance to prevent deterioration and to protect the public's health. Trash collection, sewage disposal, and health hazard elimination will be provided in areas of heavy public use.

- B. Summit Lake (\$83,000): Continuation of a program developed in conjunction with the Fish and Wildlife Service to produce a desired pure strain of Lahontan cutthroat trout. Provides about 60% of spawn needed to operate the Pyramid Lake hatcheries, as well as Summit Lake Tribe's own fishery at Summit Lake.
- C. Bad River (\$50,000): Enables the tribes to pursue biological research and continue to carry out cooperative fishery management efforts with the State of Wisconsin. The tribes have been developing a cooperative relationship with the State and other agencies, to protect the fishery resources and provide for their development and enhancement.
- D. Red Cliff (\$313,000): The current program staff consists of one fisheries biologist, a technician, a secretary, and one enforcement officer. Special investigations regarding the Lake Superior fisheries are also conducted in cooperation with the State of Wisconsin. The enforcement program enforces tribal fishing regulations on treaty fishing areas and on-reservation waters.

The Red Cliff Band of Lake Superior Chippewas has developed a sound fisheries management program. The Band has strived to maintain a cooperative atmosphere with the State of Wisconsin regarding fisheries management on Lake Superior. The cooperative relationship is necessarily dependent on the tribe's management capabilities. These funds will be used to enhance the overall efficiency of the Red Cliff fishery management and enforcement program. A considerable amount of technical information on important fish stock harvested by treaty fishers will be collected. Special fishery investigations will be conducted; also, enforcement of tribal fishing regulations will increase.

- E. Yakima Fisheries (\$258,000): Enables the Yakima tribal fisheries management program to continue in protecting and managing anadromous fishery resources. The tribe has established itself as a co-manager of the fishery resources in the Yakima and Klickitat Basins and, therefore, is committed to the restoration of the salmon and steelhead. Considerable on-reservation fishery management activities will be conducted.
- F. Umatilla (\$50,000): Provides funds to respond to anadromous fish resource demands and opportunities generated by implementation of the coordinated strategic plans developed under a joint tribal and Oregon Department of Fish and Wildlife contract with Bonneville Power Administration. It maintains a fishery management biologist to provide technical expertise and supervision of fishery resources that are of great social, economic and cultural importance to the Confederated Umatilla tribes. The plans developed are for restoration of anadromous fishery resources in four drainage basins of northeast Oregon, to meet anticipated needs of the fish and wildlife program required under Section 4(h) of the Pacific Northwest Electric Power Planning and Conservation Act (P.L. 96-501).
- G. Chehalis (\$55,000): The Chehalis Tribe does not have reserved off-reservation treaty fishing rights as do other Washington tribes. They do engage in on-reservation fishing for salmon and steelhead. Because tribal members are generally dependent on the fish stock available within the reservation, efforts to maintain some level of fish population, harvest monitoring, and habitat enhancement measures are important to the economy of the reservation. These funds are utilized for a fisheries enhancement program with professional fisheries staff and conduct of

on-reservation fishery investigations. Enforcement of promulgated rules and regulations is also accomplished.

- H. Red Lake (\$9,000): This funding is used for Red Lake's fishing conservation enforcement program to assist in alleviating the problem of having only part-time service in this important resource protection area. In 1983, the Red Lake program officials made 51 fishing violation arrests.
- I. Keweenaw Bay (\$5,000): Keweenaw Bay has four officers and one secretary/dispatcher. The Keweenaw Bay Conservation Enforcement program receives some funds from the hunting and fishing rights account. This small amount of assistance enables the tribe to cover miscellaneous expenses in order to keep game wardens in the field.
- J. St. Croix (\$22,000): The Tribe has a part-time, 20-hour a week Conservation Officer to carry on the conservation program. Present duties are to enforce the tribal code, concentrating on peak activity times. They are also potential participants in implementation of the U.S. Federal Circuit Court Decision in Lac Courte Oreilles v. Voigt. Less than adequate coverage and participation by the tribe could lead to potential loss of treaty rights because the tribe must assure that the resources are maintained, and the exercise of rights is not abused by eligible members or non-members through indiscriminate, uncontrolled taking of fish and game, and lack of enforcement of regulations and judicial system. These funds provide for limited enforcement and management, necessary equipment, and operation and maintenance.
- K. Lac Courte Oreilles (\$67,000): The Lac Courte Oreilles Tribe of Wisconsin currently maintains a fish and wildlife conservation and enforcement program on the reservation using tribal funds. The tribe regulates hunting, fishing, and trapping on the reservation through its game and fish code. The program is staffed with four conservation officers, one biologist, and five game wardens. The tribe is concerned and aware of the need to develop and protect its fish and wildlife resources. Emphasis is directed toward gathering of data regarding fish and wildlife pertinent to their protection and proper management on and off the reservation; and, development of cooperative management programs with the State of Wisconsin. These funds will continue the operation of the ongoing conservation program, and ancillary needed equipment, management, and operation and maintenance.
- L. Minnesota Chippewas (\$42,000): Each of the six bands of Minnesota Chippewas presently administers fishery and wildlife conservation programs on the reservation. Through these programs, the bands enforce tribal regulations and conduct some management activities. The bands share concern and awareness of the need to properly manage and protect their natural resources. With these funds, some necessary biological information is collected in order to promote proper fish and wildlife resources management, and to improve their overall conservation programs.
- M. Leech Lake (\$9,000): The Leech Lake Band is one of six Chippewa Bands in Minnesota under the aegis of the Minnesota Chippewa Tribe. The band conducts a successful conservation program on the reservation and has a tribally funded conservation enforcement staff of nine. The tribal conservation program is needed to assure protection of the resource and to uphold the agreement executed with the State of Minnesota whereby the State collects permit fees, along with the State license fee, to hunt and fish on the reservation. A percentage of fees is forwarded by the

State to the band for use as the band determines. The band utilizes returns derived from the resources to carry on the program.

- N. Nez Perce (\$159,000): The Nez Perce Tribe's Fisheries Department provides technical assistance in co-managing fisheries resources on the reservation and in the tribe's ceded rights area. This funding will provide for the full-time services of: 1) the Tribal Fisheries Department Director, whose major duties will be to administer, develop and implement the activities of the Department while coordinating with State and Federal fisheries agencies and providing the tribe with technical input for management decisions; 2) a fishery biologist for environment/habitat protection through permit, EA and EIS review; 3) a fishery technician for creel census evaluations to determine tribal harvest for the setting of fishing seasons; and 4) clerical services and necessary travel.
- O. Colville (\$106,000): Until recently, the Colville Tribe received assistance from the U.S. Fish and Wildlife Service covering approximately 16 lakes and 10 streams on the reservation, but these services are no longer available. Funds will be used to hire a fisheries biologist to continue these efforts and to expand a trout stocking program, including purchase of stock and distribution costs. The program provides subsistence benefits for tribal members and recreational benefits to the non-Indian community.
- P. Metlakatla (\$159,000): Funds will be used to hire a fisheries biologist and procure equipment for the Metlakatla field office, associated with the Metlakatla Tamgas Creek Hatchery. Studies will be initiated to assess stock availability and harvest management options. In addition, information will be gained concerning continued protection and development of the fisheries resources, and aquaculture training will be provided to tribal members.
- Q. Other Fish and Wildlife Management (\$1,000,000): Indian tribes throughout the country continue to develop considerable interest and concern for the protection and conservation of their fish and wildlife resources. Many programs have progressed to the point where they are fully capable of managing their resources, but require financial support from time to time to maintain projects and/or implement special biological investigations. Through this activity, to the extent that funds may be available, tribes are able to collect baseline inventory data for fish and wildlife studies, develop comprehensive fish and wildlife management plans, implement management plans and promote the training of tribal members in fish and wildlife conservation.

In those cases where tribes have significant fish and wildlife resource potentials and needs, but lack the expertise to develop sound management programs, technical assistance is provided through a reimbursable funding arrangement with the U.S. Fish and Wildlife Service (FWS). Funding includes \$158,000 for the Lander, Wyoming Fisheries Assistance Office, and \$30,000 for fish disease control work at the FWS Fish Health Center in Olympia, Washington. Memoranda of agreement negotiated annually with the FWS define the scope of each year's reimbursable assistance program.

- R. Contract Support (\$53,000): Amount to be distributed, based on contract support experience in FY 1984.

Workload Data:

<u>Fishery & Hatchery Operations</u>	<u>Estimate 1984</u>	<u>Estimate 1985</u>	<u>Estimate 1986</u>
<u>I. Special Fish & Wildlife Mgmt Programs:</u>			
<u>Western Washington Fisheries Management</u>			
Tribal treaty fishers identification programs maintained.....	21	21	21
Intertribal organizations involved in joint-management programs.....	3	3	3
Salmonoids released into Western Washington waters by tribal facilities (MM).....	31.2	35.0	37.0
<u>Columbia River Fisheries Management</u>			
Tribal regulations issued and enforced.....	4	4	4
Salmon run predictions shared w/state.....	7	7	7
Technical studies conducted.....	3	5	5
<u>Great Lakes Fisheries Management</u>			
Agreements w/state negotiated.....	2	3	6
Management programs established.....	2	4	6
Tribal regulations issued and enforced.....	2	4	6
<u>II. Other Fish Hatchery Operations:</u>			
<u>Alaska Fishery Management</u>			
Salmonoids released into waters surrounding Annette Island/Metlakatla (MM).....	6.5	6.5	6.5
<u>Inland Fisheries Management</u>			
Threatened & Endangered Species protected and enhanced (Pyramid Lake) (No.).....	2	2	2
Salmonoids released into Pyramid Lake (MM).....	2	3	3.5
Production & Distribution of salmonoids by FWS hatcheries under reimbursement (MM).....	1	1	1.5
<u>III. Former U.S. Fish & Wildlife Hatcheries:</u>			
Salmonoid production: Alchesay, AZ.....	100.0	120.0	130.0
(in thousands of lbs.) Quinalt, WA.....	140.0	150.0	160.0
<u>IV. Fish and Wildlife Management:</u>			
Agreements negotiated.....	1	4	6
Management programs established.....	15	20	25
Management programs maintained.....	50	70	70

Decrease from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Wildlife and Parks--Total Program</u> \$	23,739	23,789	+50
(FTE)	(51)	(51)	(---)
Tribe/Agency Operations \$	4,482	4,479	-3
(FTE)	(10)	(10)	(---)
(See Appendix)			
Central Office Staff \$	441	441	--
(FTE)	(4)	(4)	(---)
Field Operations \$	18,816	18,869	+53
(FTE)	(37)	(37)	(---)

Field Operations (+\$50,000): The net increase of \$50,000 consists of an increase of \$400,000 in Other Fish and Wildlife Management, and a decrease of \$347,000 in Fish Hatchery Operations, as follows:

1. Other Fish, Wildlife and Management Programs (+\$400,000):

- a. White Earth (+\$76,000): The White Earth Reservation contains 45,720 acres of open water, 21,920 acres of wetlands, and abundant fish and wildlife resources. A comprehensive five-year plan for managing the reservation's natural resources was submitted by the tribe in 1984 and includes conservation enforcement, research and management elements. Existing tribal law enforcement and biological staffs will utilize this funding to begin implementing their five-year plan.
- b. Leech Lake (+\$40,000 for a total of \$49,000): The Leech Lake Reservation contains 232 lakes totalling over 274,000 acres. Sport fishing and tourism activities are vital to the Tribe and to the economy of the area. The Leech Lake Division of Resource Management is responsible for conservation enforcement, maintenance of a judicial system for trying alleged violations of the Tribe's conservation code, and for participating with state officials in fisheries resources management investigations. This funding will be used to supplement these efforts, for which there is only \$9,000 in the Base Program.
- c. Red Lake (+\$60,000 for a total of \$69,000): The Red Lake Reservation comprises 805,845 acres, including 241,296 acres of lakes. Approximately 25 lakes and 22 miles of streams are managed for sport fishing, and the 229,296 acre Red Lake supports an important subsistence and commercial fishery. The Tribe maintains a wildlife refuge on the reservation, and manageable species include the sharptail and ruffed grouse, deer, moose, black bear, bald eagle, eastern timber wolf, and a variety of waterfowl and furbearers. This funding, added to the \$9,000 in the base budget will be used to support a conservation enforcement program on the reservation, and to develop a fish and wildlife resource management capability within the tribe.
- d. Minnesota Chippewas (+\$24,000 for a total of \$66,000): These funds are needed to augment the tribal enforcement, judicial and management programs; replace equipment; and upgrade the biological and enforcement capabilities to a small degree. Each of these limited improvements will add a modicum of stability to these operations.
- e. Great Lakes Indian Fish and Wildlife Commission (+\$100,000 for a total of \$1,374,000): This Commission was formed as a result of a common concern of tribes in the region for their rights and responsibilities to use and manage the lake and inland resources to maximum benefit of their members, while practicing proper conservation methods. Although increased funds have been provided in the past two years, these added funds are vital to the success of Commission efforts and tribes' fishing rights. The funding will be utilized to further develop staffing, for enforcement responsibilities, judicial services, and operational needs.
- f. Sault Ste. Marie, Bay Mills, Grand Traverse (+\$100,000): These funds will allow the three Michigan tribes to upgrade their fisheries enforcement, biological and judicial capabilities to further ensure effective utilization and protection of the Great Lakes fishery resources, for which they share responsibility with the State of Michigan. With these funds, the tribe can hire additional staff and procure needed

equipment which will allow them to fully exercise their treaty fishing rights, while protecting the fishery resource. The conservation program is a vital function in regulation of fishing activities in the treaty area. Efforts could reduce the possibilities of illegal fishing; enforce limits; generate biological information on which to base sound management decisions; and facilitate discussions with intergovernmental management groups, and aid in the development of cooperative relationships with the State.

2. Fish Hatchery Operations (-\$347,000): The reduction is only of increases added in recent years. When prorated to all hatchery operations, there are no detrimental effects to any one hatchery; economies in operations should be able to handle the various reductions, which are applied as follows:

<u>Tribe/State</u>	<u>FY 1985 Allocation</u>	<u>Proposed Reduction</u>	<u>FY 1986 Request</u>
Hoh, WA	\$ 24,000	\$ - 2,000	\$ 22,000
Lummi, WA	440,000	-36,000	404,000
Makah, WA	39,000	- 3,000	36,000
Muckleshoot, WA	109,000	- 9,000	100,000
Nisqually, WA	129,000	-11,000	118,000
Nooksack, WA	30,000	- 2,000	28,000
Point No Point, WA	330,000	-27,000	303,000
Puyallup, WA	58,000	- 5,000	53,000
Quileute, WA	48,000	- 4,000	44,000
Quinault, WA	261,000	-21,000	240,000
Skagit Systems Coop, WA	60,000	- 5,000	55,000
Squaxin Island, WA	81,000	- 7,000	74,000
Stillaguamish, WA	59,000	- 5,000	54,000
Suquamish, WA	217,000	-18,000	199,000
Tulalip, WA	327,000	-27,000	300,000
Bad River, WI	49,000	- 4,000	45,000
Lac du Flambeau, WI	294,000	-24,000	270,000
Metlakatla (Tamgas Creek), AK	343,000	-28,000	315,000
Pyramid Lake, NV	1,078,000	-88,000	990,000
Red Lake, MN	49,000	- 4,000	45,000
Mescalero, NM	211,000	-17,000	194,000
	<u>\$4,236,000 *</u>	<u>\$-347,000</u>	<u>\$3,889,000 *</u>

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

Object Class Distribution - Forestry and Agriculture Subactivity Amount

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation (FTE).....	-25	\$ -575,000
Personnel Benefits.....		-50,000
Travel and transportation of persons.....		-30,000
Other Services		+754,000
Supplies and materials.....		-122,000
Total.....		<u>\$ -23,000</u>

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Minerals and Mining/Irrigation and Power

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Minerals and Mining	\$	12,801	12,931	8,507	-4,294	-4,424
	(FTE)	(41)	(40)	(40)	(-1)	(--)
B. Irrigation and Power	\$	7,957	7,981	7,981	(+24)	(--)
	(FTE)	(17)	(17)	(17)	(--)	(--)
Total Requirements	\$	20,758	20,912	16,488	-4,270	-4,424
	(FTE)	(58)	(57)	(57)	(-1)	(--)

Distribution:

Tribe/Agency Operations	\$	1,464	1,632	1,717	+253	+85
Central Office Staff Operations	\$	692	654	654	-38	--
Energy/Mineral Res.	\$	7,105	7,105	6,136	-969	-969
Ute Mtn. Ute	\$	3,540	3,540	--	-3,540	-3,540
Irrigation O & M	\$	7,957	7,981	7,981	+24	--

A. Minerals and Mining

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians tribes.

Objective: To provide technical, economic, and land-use data and advice to Indian landowners, and to Bureau and Department personnel who are assisting Indian owners seeking to manage and develop their mineral resources. To cooperate in the planning, management and development of mineral resources with tribes, other agencies, councils and commissions. To assist tribes in achieving the maximum income and employment return from utilization of their mineral resources.

Base Program (\$12,931,000): The FY 1986 base includes \$156,000 as the redistribution of contract support as directed by Congress. The Bureau of Indian Affairs is responsible for protecting the interests of Indian land owners in the development of the mineral resources on Indian lands, because the title to those lands is held in trust or restricted status by the United States. At the same time, the Bureau supports the Administration's policy of self-determination for Indian tribes. The Bureau thus helps the tribes attain the maximum benefits which can be derived from developing their resources; however, the decision to develop or not is left to the tribes and individual Indian landowners.

Almost 53 million acres of land are held in trust for Indians. As of September 30, 1983, tribes or individual Indians had 4,167,471 acres under mineral leases with a total income to Indians of over \$183.9 million. Oil, gas and minerals are extracted through about 14,607 leases and permits. Most of the revenue is from oil and gas leases. The following table displays by Bureau area offices, the leases, acreage and income for FY 1983 (latest data available) and comparable income for FY 1982.

Area	No. Leases FY 1983	Acreage FY 1983	Income	
			(\$) FY 1982	(\$) FY 1983
Aberdeen	1,593	219,809	1,540,246	1,555,783
Albuquerque	560	816,211	31,236,937	36,958,804
Anadarko	4,144	265,231	140,392,465	35,589,139
Billings	5,390	1,597,146	70,644,203	40,756,199
Eastern	382	168,823	1,841,561	400,511
Juneau	--	--	--	--
Minneapolis	1	19	1,522	4,000
Muskogee [Non-add]	NA*	NA*	[70,167,104]	NA*
Navajo	1,043	687,188	54,690,532	45,679,510
Phoenix	1,311	403,405	23,169,685	20,844,222
Portland	178	8,680	2,424,175	1,982,650
Sacramento	5	959	158,021	205,165
Totals **	14,607	4,167,471	\$326,099,347	\$183,975,983

* NA = Not Available. No lease information was received from the Muskogee Area Office for FY 1983. MMS computerized accounting systems did not allow for FY 1983 reporting. All other Area Office reports were completed manually.

** Without Muskogee Area information.

The decrease in income from FY 1982 to FY 1983 is chiefly due to a sharp drop of oil and gas bonus payments and an economic depression in the mining industry.

The benefits of Indian mineral development include not only revenues from oil, gas and mining operations, but also employment and associated economic development on reservations. These benefits result not only from Indians participating directly in production activity as employees but also from providing goods and services to project operations.

Income and other benefits are expected to increase as further development occurs. In addition to the projects listed in the prior budget justifications, the following areas of mineral interest have surfaced: zeolite and bentonite, mine reclamation, uranium deposits, a proposed copper lease, molybdenum-copper deposit, sand and gravel, limestone quarry renovation, exploration for precious metal deposits, and numerous oil and gas proposals. Increased activity was generated in part by the passage of the Indian Minerals Development Act of 1982.

Mineral development will mean financial independence for some tribes and individual members. For others, it will provide a substantial contribution to their economic needs.

In order to oversee these extensive ventures, the Bureau has personnel located in Washington, D.C.; Lakewood, Colorado; and other staff located in area and agency offices. These employees are geologists, geophysicists, petroleum and mining engineers and realty specialists. They organize minerals information

and coordinate with tribes, the Minerals Management Service, the Bureau of Land Management and industry. They also perform economic analyses of leases and other types of development agreements, and prepare and hold competitive bid lease sales.

Washington Office staff coordinate Bureauwide energy and mineral resources policies and program standards; prepare regulations and procedures pertaining to the conservation, development and leasing of mineral resources on Indian lands; provide liaison with the Minerals Management Service, the Bureau of Mines and the U.S. Geological Survey (U.S.G.S.); approve nationwide oil and gas lease bonds; review and recommend approval on appeal decisions; draft and review Federal Register publications; provide Bureau responses to Department requests on Outer Continental Shelf sales, Secretarial issue documents, and Bureau of Land Management coal program issues; review proposed legislation and environmental impact statements; meet with tribal delegations, the public and other Federal agencies; prepare the budget; and provide advice and assistance to top Bureau management.

Lakewood, Colorado, staff provide assistance and advice regarding coordination of Bureauwide Indian energy and mineral resource policies, standards, goals, objectives, and programs involving Indian energy and mineral resource management; recommend procedures for application by area and agency offices in activities pertaining to the conservation, leasing and development of mineral resources on Indian lands; advise Bureau management on mineral-related technical issues; review mineral accounting procedures; supervise the Bureau mineral assessment program; monitor contracts and production programs in oil and gas; and provide economic analyses and other activities related to coal, oil, gas, uranium, copper, molybdenum, tungsten, and other mineral resources. They are also responsible for direct assistance to area and agency offices in the negotiation of agreements and monitoring compliance with the terms of mineral agreements, as well as liaison with the Bureau of Mines, the U.S. Geological Survey, the Minerals Management Service, the Bureau of Land Management, and the Office of Surface Mining officials located in Denver.

For many years, personnel in Bureau area and agency realty offices have assumed many administrative tasks associated with mineral development as a part of their duties. Although most of these people have little or no formal training in mineral development, they have performed extremely well. However, it is recognized that some form of training for these people is urgently needed. A major role of the Colorado Branch of Energy and Minerals is to take the lead in providing training sessions for these realty and other agency personnel.

Once operations commence for mineral development on Indian land, the Department's Minerals Management Service and the Bureau of Land Management supervise the extracting activities. If a serious problem of noncompliance occurs, only the Bureau of Indian Affairs, as the surface management agency, can take contract cancellation actions, if necessary, usually as a result of recommendations from these two sister agencies.

The major portion of the base program is the Energy/Mineral Resource Assessment program which is funded at a level of \$10,645,000 for FY 1985. Those funds are broken down as follows:

	<u>FY 1985 Estimate</u>	<u>FY 1986 Estimate</u>
U.S. Geological Survey	\$4,095,000	\$3,556,000
Bureau of Mines	1,480,000	1,430,000
Council of Energy Resource Tribes (CERT)	500,000	432,000
Ute Mountain Ute Energy Development	3,540,000	-0-
Positions and Other Special Projects	<u>1,030,000 a/</u>	<u>718,000</u>
	<u>\$10,645,000</u>	<u>\$6,136,000</u>

a/ Estimated breakdown for FY 1985:

Funding of mineral positions & support functions	\$ 690,000
Pine Ridge sand and gravel mine design	10,000
Bureau & tribal contracting activities for expert assistance in lease negotiations and analyses	<u>330,000</u>
	<u>\$1,030,000</u>

Mineral Assessment Program. This program began in FY 1975 and consists primarily of work done under interagency agreements with the Bureau of Mines and the Geological Survey, with additional amounts of contract funding diverted to individual tribes for special projects. The general structure of the program under the interagency agreements includes three phases described as follows:

Phase I Reports -- These reports were all completed in FY 1982 for 272 reservations covering 39 million acres of Indian land. They were prepared by doing library research on each reservation. Known written material is gathered on minerals, oil and gas, and other commodities on the reservation. This information is then put in narrative form, along with the geography, the known geology in and around the reservation and a bibliography. Estimates of mineral reserves are hypothetical and speculative. Based on these findings, the U.S. Geological Survey and Bureau of Mines make tentative recommendations on whether or not to pursue development with further research. The Phase I Reports have cost \$3,380,582 to produce at an average of \$.05 per acre. Generally they took about 9 months to prepare; however, some took as long as 12 months and cost about \$150,000 each.

Phase II Reports -- Once it has been determined that further study should be done, the tribe, through the Bureau, requests the Bureau of Mines or the U.S. Geological Survey to conduct Phase II studies. The U.S.G.S. earth scientists prepare geological maps, conduct aerial gravity surveys and do other mineral assessment work, such as geophysical, geochemical, and geological. To test the potential for mineral discoveries based on this work, a geologist may drill and take core samples. The cores are then analyzed to determine the amount of mineral reserves. These reports usually do not determine whether the deposits are economically mineable.

As of September 1, 1984, 30 Phase II studies were completed covering 30 reservations, and 23 studies are underway. These studies take about 36 months to complete at an average cost of \$525,000. However, costs have ranged from \$25,000 to \$4,000,000. Through FY 1985, \$28,383,242 be spent on Phase II studies, and for FY 1986, \$4,164,000 is scheduled to be spent on Phase II studies.

Phase III Reports -- These reports are prepared by the Bureau of Mines. Physical scientists define ore grades, tonnage, or reserve size along with the economics of removal of the resource. The estimates of reserves are then considered proven and mineable. The final reports are delivered to agency superintendents or area office officials who then present the reports to the tribes for their decisions on whether or not to develop the resource. If their decisions are positive, the Bureau further assists the tribes in mine plans, oil lease sales, or in negotiating. Twelve Phase III investigations on nine reservations have been completed as of September 1, 1984, at an average cost of \$224,795, and nine others are underway. Through FY 1985, \$5,273,371 will have been spent on Phase III studies, and in FY 1986, \$747,000 is scheduled to be spent on Phase III studies.

As a result of these studies, it is believed that enough detail will be available in certain areas so that individual tribes will be adequately aware of what materials occur on their lands and the associated problems and benefits of development.

One of the primary reasons for choosing the U.S. Geological Survey and the Bureau of Mines to take the lead in performing this mineral assessment work is that these organizations are composed of highly trained geologists and engineers (many with doctoral degrees) whose work is of professional quality. Our ability to coordinate and assist these agencies in all phases of mineral resource development has been greatly enhanced with the establishment of the Energy and Mineral Resources Office in Lakewood, Colorado.

For Fiscal Years 1985 and 1986, available funding distribution would be as follows:

	<u>Estimate FY 1985</u>	<u>Estimate FY 1986</u>
Bureau of Mines	\$1,480,000 *	\$1,430,000*
U.S. Geological Survey	<u>4,095,000</u>	<u>3,556,000</u>
Total	\$5,575,000 **	\$4,986,000 ***

* Includes \$75,000 for mineral economic analysis to be completed on the Bureau of Mines Mineral Availability System (MAS).

** Provides for 32 Phase II and Phase III work studies for tribes at an average of \$171,875 each.

*** Provides for 28 Phase II and Phase III work studies for tribes at an average of \$178,071 each.

Plans for FY 1985 include the following reservations:

		<u>Reservation</u>	<u>Amount</u>
Phase II	In Progress:	Hualapai, AZ	\$1,144,600
		Colville, NM	305,000
		Navajo, AZ	220,000
		San Carlos, AZ	752,000
		Choctaw, MS	72,000
		Wind River, WY	30,600
		Cherokee, NC	417,000
		Fort Hall, ID	408,000
		Lac du Flambeau, MI	200,800
		New Projects:	
		Ft. McDermitt/ Summit Lake, NV	\$ 135,000
		Moapa River, NV	21,700
		Shivwits, NV	31,650
		Annette Island	61,600
		Standing Rock	240,000
	Southern Ute	119,500	
	Ute Mountain Ute	119,500	
	Southern California:	110,000	
	La Jolla Mission		
	Pala Mission		
	Pauma Mission		
	Pechanga Mission		
	Rincon Mission		
	San Pasqual Mission		
Phase III	In Progress:	Duck Valley, NV	119,650
		Flathead, MT	145,650
		Pine Ridge, SD	35,000
		Rocky Boy's, MT	249,200
		New Projects	
		Acoma, NM	96,650
		Laguna, NM	182,650
		Tule River, CA	82,250
		Nez Perce	100,000
	Colorado River	100,000	
		<u>\$5,500,000</u>	

The following Mineral Assessment Projects are proposed to be undertaken in FY 1986:

		<u>Reservation</u>	<u>Estimated Amount</u>	
Phase II	In Progress:	Fort Hall, ID	\$ 420,000	
		Cherokee, NC	250,000	
		Hualapai, AZ	800,000	
		San Carlos, AZ	1,184,000	
		Choctaw, MS	25,000	
		Great Lakes:	325,000	
			- Fond Du Lac	
			- Lac du Flambeau	
			- White Earth	
			- L'Anse	
	Ute Mountain Ute	125,000		

		<u>Reservation</u>	<u>Estimated Amount</u>
Phase II	In Progress: (Continued)	Ft. McDermitt:	
		- Summit Lake	150,000
		Southern Ute	125,000
		Standing Rock, ND	250,000
		Annette Island	400,000
		Southern California:	110,000
		La Jolla Mission	
		Pala Mission	
		Pauma Mission	
		Pechanga Mission	
		Rincon Mission	
		San Pasqual Mission	
Phase III	In Progress:	Acoma, NM	150,000
		Laguna, NM	247,000
		Flathead, MT	25,000
		Colorado River, AZ	100,000
		Tule River, CA	50,000
		Rocky Boy's MT	25,000
		Nez Perce	150,000
			<u>\$4,911,000</u>

Some of the technical and economic assistance which the Bureau funds in this activity is provided by the Council of Energy Resource Tribes (CERT), a non-profit tribal organization of thirty-nine (39) tribes, which possess significant quantities of energy-producing potential in the form of oil, gas, coal, uranium, and hydroelectric generating capability, as well as other forms of mineral resources. Working in cooperation with the BIA, the Bureau of Land Management, the Office of Surface Mining, the Geological Survey, the Minerals Management Service, the Bureau of Mines, Environmental Protection Agency, and the Departments of Energy and Health and Human Services, CERT has provided assistance to dozens of tribes, including many that are not members of the organization, as well as to the Bureau in carrying out its mission.

In recent years, CERT has renegotiated major pipeline rights-of-way, provided assistance to in the difficult matter of reaching a negotiated value of phosphate ore, provided technical and economic assistance to the Navajo Tribe in the recent negotiations for Navajo land selections in the San Juan Basin.

In addition to the work that CERT has performed for tribes in securing fair value for minerals developed from, or transported across, their lands, CERT has also emerged in recent years as a leading environmental organization serving Indian tribes. CERT has assisted the BIA in evaluating the environmental effects on the of a planned copper-molybdenum mine upstream on the Wild and Scenic Wolf River, on the Menominee Reservation. CERT has also been instrumental in providing assistance to those tribes designated as affected by the proposed nuclear waste storage sites throughout the West.

Through an interagency agreement, the Bureau transfers money to the Department of Energy, which acts on behalf of the Government as the contract agent for all Federal funding for CERT projects.

The final determination for FY 1985 and FY 1986 projects has not been made at this time. However, the following types of projects have been undertaken by CERT: Oil and Gas Environmental Assessment, Combined Hydro EIS/Analysis, Mining Lease Negotiations, Air Quality Analysis, Development of Energy Resolution/Assessment of Mineral Resources, and a Tax Status Act Workshop.

Workload Data: (See Tables I and II.)

Table I following this narrative displays the funding of the various phases of the Mineral Assessment Program throughout its history. Table 2 displays the mineral leasing directly resulting from the assessment program.

Increase from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
A. <u>Minerals and Mining--Total Program</u>	\$	12,931	8,507	-4,424
	(FTE)	(40)	(40)	(--)
Tribe/Agency Operations	\$	1,632	1,717	+85
(See Appendix)	(FTE)	(31)	(31)	(--)
Central Office Staff Operations	\$	654	654	--
	(FTE)	(9)	(9)	(--)
Field Operations:	\$	10,645	6,136	-4,509
Energy/Mineral Res.	\$	(7,105)	(6,136)	(-969)
Ute Mountain Ute	\$	(3,540)	(--)	(-3,540)

Energy/Minerals Resources Field Operations (\$-4,509,000): The decrease includes \$3,540,000 from FY 1985 for the Ute Mountain Ute Tribe for energy development (P.L. 96-492). The FY 1985 funds completed the \$4,000,000 payment to the tribe as authorized in the Act. There are also decreases totalling \$969,000 in special projects and the assessments programs for projects, or portions thereof, that we anticipate will be completed in FY 1985. The program will concentrate efforts for on-going projects, with no new projects started in FY 1986.

TABLE 1
MINERAL ASSESSMENT PROGRAM FUNDING
(\$000)

<u>Bur. of Mines</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986*</u>
Phase I	243	93	93	180	113	345	500	123	0	0	0	0
Phase II	0	180	280	490	585	648	501	323	246	321	329	608
<u>Phase III</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>425</u>	<u>250</u>	<u>64</u>	<u>545</u>	<u>1,095</u>	<u>1,218</u>	<u>469</u>	<u>1,151</u>	<u>747</u>
Subtotal	243	273	373	1,095	948	1,057	1,546	1,541	1,464	790	1,405	1,355
<u>US Geological Survey</u>												
Phase I	243	93	93	180	112	345	500	125	0	0	0	0
Phase II	0	200	280	1,616	3,196	3,845	2,800	3,125	2,976	2,380	4,060	3,501
<u>Phase III</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>129</u>	<u>35</u>	<u>55</u>
Subtotal	243	293	373	1,796	3,308	4,190	3,300	3,250	2,976	2,509	4,095	3,556
<u>Total BOM Projects</u>	<u>243</u>	<u>273</u>	<u>373</u>	<u>1,095</u>	<u>948</u>	<u>1,057</u>	<u>1,546</u>	<u>1,541</u>	<u>1,464</u>	<u>790</u>	<u>1,480**</u>	<u>1,430**</u>
<u>Total USGS Projects</u>	<u>243</u>	<u>293</u>	<u>373</u>	<u>1,796</u>	<u>3,308</u>	<u>4,190</u>	<u>3,300</u>	<u>3,250</u>	<u>2,976</u>	<u>2,509</u>	<u>4,095</u>	<u>3,556</u>
Grand Total:	<u>486</u>	<u>566</u>	<u>746</u>	<u>2,891</u>	<u>4,256</u>	<u>5,247</u>	<u>4,846</u>	<u>4,791</u>	<u>4,440</u>	<u>3,299</u>	<u>5,575</u>	<u>4,986</u>

* Proposed distribution

** Plus \$75,000 for Mineral economic analysis.

TABLE 2
MINERAL LEASING DIRECTLY RESULTING FROM BIA MINERAL ASSESSMENT PROGRAM

<u>Tribe</u>	<u>Type of Lease</u>	<u>Type of Information Available</u>	<u>Revenue Directly Attributable To Mineral Assessment Program</u>	
			<u>FY 1982</u>	<u>FY 1983</u>
1) Colusa Rancheria, CA	Oil and Gas	Phase I Study <u>c/</u>	39,000	6,000
2) Miccosukee, FL	Oil and Gas	Phase I Study <u>c/</u>	982,000	230,000
3) Seminole, FL	Oil and Gas	Phase I Study <u>c/</u>	822,000	188,000
4) Fort Peck, MT	Oil and Gas	Phase I Study <u>c/</u>	1,600,000 <u>a/</u>	1,700,000 <u>a/</u>
5) Blackfeet, MT	Oil and Gas	Phase I Study <u>c/</u>	1,000,000 <u>a/</u>	1,000,000 <u>a/</u>
6) Fort Belknap, MT	Oil and Gas	Phase I Study <u>c/</u>	146,000 (total)	0
7) Crow, MT	Coal (with Shell Oil Company)	Phase I, and II Studies	0	10,000,000 <u>b/</u>
8) Papago, AZ	Copper and Silver (Lease is inactive because of slumping copper market)	Phase I, II and III Studies	0	0
9) Pine Ridge, SD	Negotiating for a Zeolite and Bentonite Contract	Phase I, II and III Studies	0	950
10) San Carlos, AZ	Negotiating for a Copper Contract	Phase I and II Studies	0	1,000,000

Note: Only the Fort Peck and Blackfeet revenues include royalties; the remainder of the revenues are from initial contract payments

a/ These estimates are interpolated (10 percent of total revenues) since only part of the leasing can be directly attributable to the Mineral Assessment Program.

b/ In about 5 years another \$20 million will be paid to the tribe before mining begins. Once mining begins royalty payments will be made.

c/ Phase I Studies are only valid in areas where past production has taken place such as oil and gas. In wildcat areas (i.e. no production exists) they do not provide adequate information to the tribes.

B. Irrigation Operation and Maintenance

Authorization: The Snyder Act (25 U.S.C. 13) specifically authorizes services for the operation and maintenance of existing irrigation systems. Other laws (25 U.S.C. 385) authorize the Secretary to charge and collect for those services. Additional legislation (34 Stat. 1024; 39 Stat. 142 and 68 Stat. 1026) relates to the collection of charges on specific projects. The general regulations for administration of these services appear in 25 CFR Part 171.

Objective: To financially assist Indian landowners, through supplementing water user collections, in order to conserve water and to properly operate and maintain the irrigation water delivery systems on 71 Indian irrigation projects in a safe, economical, beneficial, and equitable manner.

Base Program (\$7,981,000): The FY 1986 base includes \$24,000 as the redistribution of contract support as directed by Congress. The Irrigation & Power O&M program provides funds to pay the operation and maintenance assessment for those Indians who are financially unable to pay their assessments. Paying these assessments assures adequate and proper operation and maintenance service for all users, including Indians and non-Indians, who have paid their assessments. (Non-Indian users of the Indian irrigation systems pay the full assessment in advance, as do Indians who are able to pay the full assessment.) Adequate funds are essential to properly maintain the delivery system for all users, to avoid costly crop failures for Indians and non-Indians, and to also avoid unnecessary major rehabilitation costs to the Government.

Collections are deposited in the operation and maintenance receipt account and are available for operating and maintaining the respective projects pursuant to the provisions of the Act of August 7, 1946 (60 Stat. 895). These collections include payments by Indian and non-Indian water users, and payments made on behalf of Indian water users who are financially unable to pay their assessments for current annual operation and maintenance. Collections from Indian water users for prior year assessments which have previously been paid from reimbursable appropriated funds are deposited directly into the Treasury, to the Miscellaneous Receipts Account as a repayment of reimbursable indebtedness. Where non-Indians receive water services from Indian irrigation systems, they are required to pay the full per acre cost.

Indian irrigation systems and projects fall into the following categories:

- (1) Projects where the repayment capabilities of the land will permit landowners and water users as a whole to pay the full annual cost of the operation and maintenance of the system. The lands have characteristics to produce crops under sustained irrigation. Assessment rates on these projects are fixed to return the full operation maintenance costs. Any unpaid assessment becomes a lien against the land for which the assessment is paid.

No funds are requested for payment of assessments under this category pursuant to Congressional directive; however, in the past, such funds were used, when necessary, to pay into the Collection Account that part of the uncollectible current annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover such unpaid assessments become reimbursable debts due the United States.

(2) Projects where the repayment capabilities of the land will not permit payment of the full annual operation and maintenance costs. Assessment rates for Indian water users on these projects are based on the ability of the Indian to pay and do not cover the full cost of operation and maintenance. All or any part of any unpaid assessment becomes a lien against the land for which such assessment is not paid.

Funds requested for payment of costs under this category will be used when necessary to pay into the Collection Account that part of the annual operation and maintenance cost on Indian-owned lands in excess of the annual assessment and any part of the uncollectible annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover these costs become reimbursable debts due the U.S. when used to pay all or any part of the annual costs included in the assessment rate. Costs in excess of the assessment rate are non-reimbursable.

(3) Irrigated areas, such as subsistence garden tracts and tracts of a few acres which do not represent economical units, but provide Indian landowners with a means of supplementing their livelihood. Because of the low income of the Indian landowners and water users on these irrigated areas and tracts, it is not feasible from an economic standpoint to assess these lands. Accordingly, the operation and maintenance costs are non-reimbursable and do not become a lien against the lands benefitted.

Funds requested for payment of costs under this category will be used, when necessary, to pay into the Collection Account the total cost for operation and maintenance of these subsistence garden tracts and irrigated areas, or if no Collection Account has been established, and it is not desirable or proper to establish such an account, the funds will be expended, when necessary, directly from the appropriation account.

(4) Irrigation systems and reservoirs serving Indian-owned lands located within and operated by various private and public irrigation districts and water user associations. Assessments for operation and maintenance of the irrigation systems and reservoirs serving these Indian-owned lands are made by the irrigation district or water users association embracing and serving such Indian-owned lands.

Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account for payment to private and public irrigation districts and water users associations for operation and maintenance costs assessed for Indian-owned lands included within such irrigation districts and water users associations. Funds used for payment of assessments covering these costs are reimbursable and become debts due the U.S., except for those payments that are non-reimbursable by legislation.

(5) Projects that are operated by the Bureau at no cost to the Indian landowners and water users, as provided for under legislation or court decree. Funds requested for payment of assessments under this category will be used, when necessary, to pay into the Collection Account appropriated funds for irrigation projects operated by the Bureau at no cost to the Indian water users, as provided by legislation or court decree.

Following is a summary for the 1982 crop year latest data available of irrigation project acreage and estimated value of crops grown:

<u>Land Ownership in Projects</u>	<u>Acreage</u>	<u>Gross Crop Value (\$ Millions)</u>
<u>Indian Owned Land</u>	523,000	\$ 95.0
Indian Farmed	(201,000)	(45.5)
Non-Indian Farmed	(245,000)	(49.5)
Idle	(77,000)	(-0-)
<u>Non-Indian Owned and Farmed</u>	154,000	21.0
Grand Total	677,000	\$ 116.0

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

<u>BIA Area</u>	<u>No. of Projects</u>
Albuquerque	23
Billings	6
Navajo	1
Phoenix	29
Portland	7
Sacramento	<u>5</u>
	71

The Appropriation Act for FY 1984, P. L. 98-146, authorized the Secretary of the Interior to invest irrigation and power operation and maintenance collections. The initial investments were made on November 10, 1983. The full impact of this initiative is not yet known, but it is believed that it will reduce the need for appropriated funds for irrigation operation and maintenance. A tabulation of the status of the investments, by project, as of September 30, 1984 indicated \$23.3 million invested, with interest of \$1,062,485.33.

The Senate Committee Report on the FY 1985 Appropriations Bill directs preparation of standards and establishment of a system to review Indian inability to pay "Irrigation O & M assessments." A part of the on-going Irrigation Task Force assignment is to prepare guidelines and criteria on the determination by the Agency Superintendents of those they certify as unable to pay. Their report is not yet completed; however, annual review of individual cases will be necessary to make the required certification each year.

The estimated breakdown by category for FY 1985 and FY 1986 appropriations is as follows (dollars in thousands):

<u>Category</u>	<u>No. of Projects</u>	<u>Estimate FY 1985</u>	<u>Estimate FY 1986</u>
1	9	-0-	-0-
2	8	262	303
3	43	1,348	1,120
4	5	242	344
5	5	2,716	3,168
NIIP	<u>1</u>	<u>3,413</u>	<u>3,046</u>
	<u>71</u>	<u>\$ 7,981</u>	<u>\$ 7,981</u>

Object Class Distribution - Minerals, Mining/Irrigation and Power Subactivity

	<u>Amount</u>
Travel and transportation of persons	\$- 50,000
Other services	- 4,324,000
Supplies and materials	<u>- 50,000</u>
Total	\$- 4,424,000

Activity Summary
(dollars in thousands)

Activity: Trust Responsibilities

<u>Subactivity (program)</u>	<u>FY 1984 Actual (B.A.)</u>	<u>FY 1985 Approp. Enacted</u>	<u>FY 1985 Revised Estimate</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) or Dec. (-) 1986 Est. over 1986 Base</u>
Indian Rights Protection	17,938	20,550	20,329	19,565	19,290	-275
Real Estate & Financial Trust Services	27,665	28,301	28,326	28,713	31,160	+2,447
Trust Respons. Contract Support	---	797	797	Distrib.	---	---
Total	45,603	49,648	49,452	48,278	50,450	+2,172

Justification of Program and Performance

Activity: Trust Responsibilities
 Subactivity: Indian Rights Protection

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted To Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Environmental Quality	\$	1,166	1,148	1,053	-113	-95
	(FTE)	(36)	(36)	(33)	(-3)	(-3)
B. Indian Rights Protection	\$	19,384	18,417	18,237	-1,147	-180
	(FTE)	<u>(142)</u>	<u>(139)</u>	<u>(134)</u>	<u>(-8)</u>	<u>(-5)</u>
Total Requirements	\$	20,550	19,565	19,290	-1,260	-275
	(FTE)	(178)	(175)	(167)	(-11)	(-8)

Distribution:

Tribe/Agency Operations	\$	5,316	5,681	5,418	+102	-263
Area Offices Operations	\$	642	536	524	-118	-12
Central Office Staff Operations	\$	707	703	703	-4	--
All Other Trust Responsibilities Programs	\$	13,885	12,645	12,645	-1,240	--
Archeological Clearances	\$	(294)	(294)	(294)	(--)	(--)
Other Rights Protection	\$	(10,239)	(8,999)	(8,999)	(-1,240)	(--)
Alaska Lands Act	\$	(1,784)	(1,784)	(1,784)	(--)	(--)
ANCSA Cemetery/Historical Sites	\$	(1,568)	(1,568)	(1,568)	(--)	(--)

A. Environmental Quality Services

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) which authorizes the Secretary to provide services to federally recognized Indian tribes.

42 U.S.C. 4321, et. seq. "The National Environmental Policy Act," January 1, 1970, which requires Federal agencies to consider environmental impacts of proposed Federal actions and issue environmental impact statements for actions significantly affecting the human environment prior to decisions to proceed with them.

16 U.S.C. 470 et. seq. and 16 U.S.C 470aa et. seq. "The National Historic Preservation Act" and "The Archeological Resources Protection Act" which establish a national policy for the management, preservation and protection of cultural and archeological resources.

Executive Order 12088, October 1978, "Federal Compliance with Pollution Control Standards," implemented by Departmental Manual 516 DM 4, requires all Bureaus to comply with Federal environmental pollution control laws, regulations and standards affecting air, water, noise, and those related to applicable provisions of other laws. These other laws include the Clean Water Act (P.L. 92-500), the Clean Air Act (P.L. 84-159), the Resource Conservation and Recovery Act, (P.L. 94-580), the Comprehensive Environmental Response, Compensation and Liability Act, "Superfund" (P.L. 96-510), Endangered Species Act (P.L. 93-205), and Federal Environmental Pesticide Control Act (P.L.92-516), as amended.

Objectives: The objectives of the Environmental Quality program are: (1) to ensure that proposed Bureau actions affecting the reservation environment comply with procedural and substantive requirements of the National Environmental Policy Act (NEPA); (2) to review and comment on other Federal agency NEPA documents for proposals that may have potential impacts on 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 (\$1,148,000): The problems being addressed are basically those which have been recognized by Congress in enacting legislation for environmental protection and cultural resources management.

The National Environmental Policy Act, as well as the National Historic Preservation Act, Fish and Wildlife Coordination Act, and the Archeological Resources Protection Act, require the examination of proposed actions on Indian lands to determine if they may affect the quality of the human environment or resources which are protected by specific statutes. These activities include coal mining, oil and gas exploration, uranium mining, timber harvesting, and other surface disturbing activities. When the examination or assessment indicates a significant impact, then an environmental impact statement (EIS) will be prepared to insure that the Indian people and bureau officials are aware of impacts on the environment, the resources, tribal cultural heritage, and social welfare.

The relationship between Environmental Quality and other Federal programs is that other programs initiate or receive proposals which may affect the environment, while the Environmental Quality program coordinates compliance with NEPA and other environmental laws. The Environmental Quality program also includes the coordination of activities regarding the protection of cultural resources, the Clean Water Act, Clean Air Act, Endangered Species Act, Hazardous Waste Disposal and other laws or regulations concerning the environment, and environmental issues which may not be addressed by existing law.

An important part of the Environmental Quality program is the dissemination of environmental impact statements for review and comment, which are prepared by other agencies. This insures the Indian people that their concerns relative to the proposed actions and the potential impacts that may affect them are considered. Environmental program funds are used for personnel and support services at the Area and Central Office levels. Where staff is not available, the Bureau contracts with private consulting firms for resource investigations leading to reports, preparation of assessments, and environmental impact

statements necessary to attain the objectives and goals of the program. The funds which are requested for the tribe/agency level are for such contracts, environmental assessments, archeological surveys, water quality monitoring, and testing of hazardous waste sites.

These EIS's which are required of the Bureau are prepared by consulting firms, and cost approximately \$300,000 each. Funding for impact statements is not included in this request, since they are normally funded by the project applicant or by the program responsible for management of the resources proposed for development.

Of the 21 FTE for environmental services, 4 are located at the Central Office and 17 in the field offices. Not all environmental work is accomplished by these personnel. Efforts by staff of other programs (minerals, forestry, real estate, etc.) are required in environmental examinations and reviews. Funds for those activities are provided by those programs. In addition, there are major environmental assessments or impact statements which must be contracted for, usually from the program funds of the program involved in the assessment.

<u>Workload Data:</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
Environmental Examinations	51,600	52,500	60,000	65,000	67,500
" Assessments	700	730	750	800	825
" Impact Statement	2	6	6	6	4
" Reviews	1,300	1,500	1,600	1,700	1,700

Decrease from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Environmental Quality Services</u>			
Tribe/Agency Operations	\$ (FTE)	691 (33)	596 (30)
(See Appendix)			-95 (-3)

Environmental examinations, assessments and reviews are routine in nature. Impact statements, however, are not routine and could be required at any time, as a result of mineral, fisheries and other natural resources development on reservations, before any leases to commence work can be authorized. The EIS's which are listed above are projections of what may be required. Current projects requiring EIS's are the reclamation of the Jackpile Uranium Mine, New Mexico; the Hoopa River fishery controversy, California; and the Swinomish Marina, Washington.

The Bureau encourages tribes to carry out environmental programs on their respective reservations with assistance from the Bureau, the Environmental Protection Agency and cooperating states. However, for the majority of tribes, their resources do not permit assuming program implementation, and reliance is placed on Federal assistance through the Bureau. Accordingly, the Bureau has prepared an annual average of 5 environmental impact statements (EIS), 6 major environmental assessments (EA), and reviews approximately 1,700 EIS's, EA's and projects from other Federal agencies which may have significant impacts on the Indian tribes and their resources. The role of the Central Office is to effectively coordinate lead and cooperating agency involvement, time agency actions, reduce delay, integrate the NEPA process with other environmental review and consultation requirements, such as the Fish and Wildlife Coordination Act, and process

the environmental impact statement. This includes internal and external review and comment, public involvement and the publication of notices of availability in the Federal Register. Included in this effort is the inviting of the Indian tribes to become cooperating agencies where tribal input and consultations are substantive.

The Archeological Clearance Program is designed to examine areas of trust on Federal lands being considered for construction or modification and to identify significant historic, archeological or cultural features, sites or data that may be present. If any of these features are found, measures are outlined to preserve, maintain or salvage the resources involved. These plans are also made available to the tribes.

The Bureau assumed full control of its archeological clearance program from the National Park Service during the fourth quarter of FY 1982. Archeological positions were filled to handle the added workload. At present there are seven full-time archeologists in the Bureau, all at the area level. A full-time position is required in the Central Office for problem solving, guidance and program formulation and direction for the field level. This includes administering the archeological permitting program which allows contractors to survey and treat sites in order for projects to proceed.

The identification of hazardous waste sites on trust lands became a major program initiative during FY 1983. Several sites have been found thus far, with varying degrees of potential impacts. When these sites are discovered, there is a need for sampling, testing, studies and protection (such as fencing), as appropriate. These steps will enable the Bureau to determine if there is a hazardous situation involved, its extent, and possible mitigative measures to be taken. The sites can then be given a priority so that they may be cleaned up in an orderly manner, with those posing a threat to human health and safety getting highest priority.

Thus far, the Bureau has cleaned up a polychlorinated biphenyl (PCB) site at the San Carlos Irrigation project in Arizona at a cost of \$180,000 and an Arsenic site on Northern Cheyenne (Montana) at a cost of \$50,000. The Environmental Protection Agency (EPA), using its "Superfund" money, recently cleaned up the Celtor Chemical site on the Hoopa Indian Reservation in California. The cost for this cleanup was approximately \$340,000.

B. Indian Rights Protection

Authorization: 25 U.S.C. 13 (the Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes including Litigation Support, Attorneys Fees, Hunting and Fishing Rights and Unresolved Indian Rights Issues.

Also, 28 U.S.C. 2415 (Statute of Limitations) provides that the United States initiate claims for money damages in behalf of a recognized tribe, band or group of American Indians. This section also allows for similar actions for or on behalf of an individual whose land is held in trust or restricted status.

P.L. 97-394, the "Indian Claims Limitation Act of 1982," was included in the Bureau of Indian Affairs' Administrative Provisions of the Appropriation Act for FY 1983. The Act extended the deadline for resolving claims.

P.L. 96-487, the Alaska National Interest Lands Conservation Act, (ANILCA) provides for subsistence protection for Alaska Natives, conveyance of title to Alaska Native allotment applicants, and economic development grants to Native groups.

The Alaska Native Claims Settlement Act, (ANCSA) P.L. 92-203, provides, among other things, for the investigation and certification of cemetery sites and historical places and their transfer to Native Regional Corporations.

Objective: To protect those rights which the United States guaranteed the various federally recognized Indian tribes through treaty, statute or Executive Order, and to preserve the resources upon which the exercise and benefits of the rights depend. To provide for tribes the financial ability to become involved through legal or legislative advocacy; to address all unresolved issues, i.e., trespass, water rights, fishing and hunting rights, tribal sovereignty; and to bring potentially contesting parties together on a broad scale to consider Indian rights issues and seek areas of common interests and goals.

Base Program (\$18,417,000): The FY 1986 base includes \$598,000 as the redistribution of contract support funds as directed by the Congress. In performing its fiduciary responsibilities, the Bureau of Indian Affairs, as the Federal agency with primary responsibilities, must meet whatever challenges may occur and initiate action necessary for the protection and continued viability of those rights. Seventy lawsuits related to Indian rights have been filed to date. Possibly ten of these will be in the trial or appeal stage during FY 1985, requiring major litigation support efforts; many of the other cases will be active, requiring research and evidence gathering efforts; unresolved issues will continually be identified and resolved. Evidence will also be gathered for Statute of Limitations active claims.

Within the Federal Government, in addition to the Bureau of Indian Affairs, the Department of the Interior Solicitor and the Department of Justice both have key roles in rights protection. The Department of Justice usually represents the Indian interest in cases under adjudication. The Interior Solicitor provides legal advice to the Bureau and to tribes concerning rights issues and prepares litigation reports for consideration by the Department of Justice. If the Federal Government were to withdraw from requesting funds for and supporting Indian tribes in rights protection efforts, few tribes would be able to afford the extremely high costs of litigation or negotiation. Consequently, land, water, and other resources belonging to a tribe would often be diverted to non-Indian use. However, court rulings sometimes require the Federal Government to provide the protection needed because of treaty or statutory requirements.

It is incumbent upon the Federal Government, by virtue of its fiduciary responsibility, to see to it that Indian rights are not abrogated, lost, or infringed upon. A majority of the tribes are not financially able to undertake the programs necessary to protect their rights and resources. As pressures mount on scarce resources, especially water, program efforts must assure that Indian rights are effectively protected.

1. Area (\$536,000) and Agency Operations (\$4,990,000): The rights protection activity provides the Bureau of Indian Affairs with problem-solving staff and technical support services at the reservation or regional level for the protection of the multibillion dollar estate which the United States administers on behalf of the Nation's Indian tribes. This includes support to meet challenges to tribal rights and interests that are protected by treaty, statute, or Executive Order, as well as the initiation of those actions required of a prudent trustee to clarify the nature of, and to ensure the continued viability of, those rights. Where negotiated agreements are not possible, this activity provides the historical, technical, scientific, and other professional expertise necessary for the Government to litigate challenges to Indian rights which the United States has guaranteed through treaty or statute.

The major costs for services required in the protection of Indian rights cannot be met within the Tribe/Agency level of funding, and has for several years been programmed in the subactivities described below; i.e., Litigation Support, Attorney Fees, Unresolved Indian Rights Issues, and Hunting and Fishing Rights. Those subactivities are programmed at the Central Office, based on information provided by the tribes and Agency and Area Offices. The funds are used to support rights protection activities, on a priority basis, considering the relative importance and urgency of the controversy being negotiated or litigated.

2. Central Office Staff Operations (\$540,000): This element provides the Bureau of Indian Affairs professional, technical and managerial personnel to administer rights protection activities at the national level, to undertake policy initiatives, to initiate and review legislation, to make allocation determinations for centrally controlled rights protection funds and to issue and monitor contracts for rights protection research on a multi-regional or national basis.
3. Other Indian Rights Protection (\$12,351,000)

- a. Litigation Support (\$4,275,000): This activity provides the information and evidence gathering capability required by the United States to successfully defend the Government's position in litigation involving Indian rights issues. In some instances, the United States is suing in actions brought on its own behalf or on behalf of the Indian tribes. In other cases, the United States is a named defendant in actions brought by third parties; and in others, it is a named defendant in actions brought against the United States by Indian tribes.

Litigation support is also provided to the tribes in cases where they are separately represented because other interests of the United States conflict with those of the affected tribe. In such cases, a trust relationship or fiduciary obligation still exists. Much of the activity conducted in support of litigation is actually directed towards negotiated settlement of lawsuits. The great majority of cases requiring litigation support involve the defense of Indian water rights. Others include trespass, title questions, such as property line disputes, rights-of-way, allotment claims, mineral entry, pollution issues, and activities which have harmed or could harm the health and safety of the reservation population.

Cases are addressed on a priority basis, with those either in court or due to be in court within a short period of time receiving first consideration. Amounts expended for each case vary based upon the data needed. Data needed could range from historical studies to establish prior use of the resources, to hydrologic studies to determine water tables and volume available and its capacity to irrigate a certain number of acres.

Cases addressed since FY 1980 are as follows: FY 1980, 13 cases; FY 1981, 9 cases; FY 1982, 18 cases; FY 1983, 15 cases; and in FY 1984, 12 cases. Not all cases are necessarily totally addressed in any one fiscal year. Some case studies may be phased over two, three or more years.

- b. Attorneys Fees (\$1,891,000): Decisions of the Comptroller General and Court of Appeals for the 10th Circuit have ruled that it is appropriate to expend appropriated funds to enable a tribe to retain independent counsel in situations in which the United States cannot represent the tribes as contemplated by 25 U.S.C. 175, or where separate representation

is required due to inherent conflicts of interest because the United States is representing its own proprietary interests, or because several tribes with conflicting interests are involved in the same case.

Regulations (25 CFR 89) that govern the expenditure of appropriated funds for the fees of private attorneys representing tribes in cases being litigated, or where the tribe is initiating litigation are in the process of revision for clarity and specificity. Also, guidelines and procedures are being issued to assist tribes and Bureau staff in processing these requests. The existing policy guidelines determining priority classification of eligibility for attorney fee funding are as follows:

- (a) The Bureau's first priority funding of a tribe's attorney fees will be applied in cases where a tribe is sued directly and must defend its immunity from suit, as well as on the merits, and the Attorney General declines to defend the tribe.
- (b) In the event that the United States is sued and a tribe's (or tribes') rights and interests (e.g., Winters right) are challenged by the action and, in addition, other identified interests of the United States (BuRec, BLM, etc.) or the rights and interests of another tribe conflict with those of the affected tribe, such facts will constitute the Bureau's second-priority funding of a tribe's (or tribes') attorney fees.
- (c) In the event that the actions (or inactions) of another party detrimentally affect the rights and interests of a tribe, and the Attorney General declines to bring suit to enjoin such action, thus forcing the affected tribe to bring suit to protect its rights and interests, such facts will constitute the Bureau's third-priority funding of a tribe's attorney fees. All attorney fee requests are reviewed by the Attorney Fee Review Committee, consisting of the Deputy Assistant Secretary; the Director, Office of Trust Responsibilities; and the Associate Solicitor. Fee payments recommended by the Committee are reviewed and approved by the Assistant Secretary-Indian Affairs and by the Solicitor.

In FY 1985, by statute (P.L. 96-305), \$160,000 each was provided to the Navajo and Hopi tribes for attorneys fees. That amount is to be provided each year until the case is settled. In addition, by a related statute, (P.L.93-531), \$190,000 more may be provided to each of the two tribes in 1985.

c. Unresolved Indian Rights Issues/Statute of Limitations (\$1,470,000):

The Unresolved Indian Rights Issues activity provides for research that is requisite to the identification and resolution of issues necessary for the protection and preservation of Indian rights associated primarily with natural resources. The Statute of Limitations (28 U.S.C. 2415) activity originally provided for the identification, research and filing of claims for money damages against third actions taking place prior to 1966. Until the amendatory Indian Claims Limitation Act of 1982, this activity was governed by a time limit after which the United States was forever barred from pursuing said claims through litigation. On December 30, 1982, Congress extended the Statute of Limitations until the Secretary had defined the universe of all such claims. With the publication of two lists in the Federal Register, in compliance with the 1982 act, a universe of approximately 36,000 claims cases has been estab-

lished, and the United States is now barred from filing suit on any claim not appearing therein. With respect to those claims appearing on either of these lists, the Statute of Limitations is now indefinitely extended until such time as the United States files litigation, formally rejects the claims for litigation or legislative solution, or submits legislation to the Congress to resolve such claims. A considerable amount of research remains to be done on the approximate 6,000 claims appearing on the second list, said claims having been submitted by tribes since the publication of the first list on March 31, 1983. The work no longer focuses on the identification of Statute of Limitations claims, but rather on the resolution of said claims. On October 19, 1984, the Old Age Assistance Claims Settlement Act, P.L. 98-500, was enacted, which will resolve several thousand Statute of Limitations Claims. The exact amount of the claim, plus interest, must be established, and lists published in the Federal Register (the first in six months, and the second within one year from the date of the Act). The identification and location of those individuals to be compensated (an estimated 9,000 in number), and the amount of compensation due each of them, must also be determined.

This joint activity is designed to protect Indian rights and to avoid government liability for failure to discharge the fiduciary responsibilities of the United States. Information generated by the activity is used primarily to seek and obtain negotiated settlements or other administrative remedy; failing these, it can be used to support the initiation of litigation and for legislative resolution. The issues addressed include, but are not limited to, those involving title to land, trespass, water rights, mineral entry, renewable problems of pollution, and activities which endanger reservation persons or property.

- d. Hunting and Fishing Rights (\$1,363,000): Tribes are engaging in litigation to establish their rights to hunt and fish, to assure that sufficient natural resources (i.e., water, forage, etc.), are available to make those rights meaningful, to prevent the misuse of the resource by persons and agencies and to guarantee that the resources are protected for use by future generations. Courts maintain continuing jurisdiction in implementing decisions that reaffirm treaty fishing rights. This activity results in providing the United States and Indian tribes with information necessary to determine the extent to which treaty hunting and fishing rights may be asserted without damaging the fish and game resources, including biological data to establish herd sizes, stocking rates, and harvest quotas, and information describing the impacts of a variety of activities on fish and wildlife resources and their habitats. Such data and information provide a basis for regulation by tribes, who demonstrate to the satisfaction of the States and the courts that they have the management and enforcement capacity to regulate their members' exercise of treaty hunting and fishing rights in a manner which assures appropriate conservation and utilization of the resources for the benefit of all concerned. Failure to demonstrate such management could lead to increased State regulation and a diminution of treaty rights.

4. ANCSA Site Surveys (\$1,568,000): This funding provides field support units for investigation and certification of cemetery sites and historical places authorized by the Alaska Native Claims Settlement Act (ANCSA). Most of the sites are remote and accessible only by helicopter. Travel is an integral part of the ANCSA program, absorbing about 1/3 of annual funding requirements. Field Support units for FY 1984 were located in Doyon, NANA, Bristol Bay, Calista, and Aleut Regions. At this funding level, 160 sites could be

located and additional information gathered and verified.

The National Park Service formerly provided formal consultation services to the Bureau through agreements and contracts with the University of Alaska (which have since been terminated). Historical and cemetery site studies and assessments were conducted, evaluated and reported to the Bureau. Since the Bureau has its own site assessment and evaluation field program, to which the National Park Service reviews were complementary, it was determined that the information provided by the National Park Service could easily be obtained in the same operation by the Bureau. Therefore, a transfer of funds was made, starting in FY 1985, for more efficient operations and better utilization of funds. The National Park Service will continue to consult with the Bureau and comment on cemetery and historic sites located on lands managed by the Service, as needed.

5. Alaska Lands Act (\$1,784,000): This funding provides for implementation of those activities authorized by P.L. 96-487, the Alaska National Interest Lands Conservation Act (ANILCA).
 - a. Subsistence and Allotment Program (\$1,372,000): This portion of the ANILCA program provides for effective coordination/consultation with land managing agencies and the State on subsistence preference for Alaska Natives and administration of programs affecting the acquisition of Native allotments. Provisions of subsistence are monitored to assure preservation of rights, resources, immunities and prerogatives to which the U. S. has committed itself by various statutes and regulations. Complaints that preference for subsistence uses is not adequately provided are investigated.

Limited services to facilitate transfer of Alaska Native allotments are provided, such as rights of way, leases, timber, transfers, probate, environmental services, archeological services, etc. A Native Allotment Plan has been drawn up by the Juneau Area Office to facilitate and expedite conveyance of all Native allotments in Alaska through a coordinated, cooperative inter/intra agency six-year plan of action. It is imperative that a workable plan be put into effect as quickly as possible to eliminate the conveyance problem that is impeding implementation of the settlement laws enacted by the Congress. The Bureau is charged with the responsibilities of assisting Alaska Natives to acquire title to the lands they use and occupy. The critical and complex issues to be resolved hinge on an organized approach to resolution 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 10,000 applications are presently pending before the Department, on which there are many years of research, review, and resolution work to be accomplished before the lands can be conveyed, in addition to the extensive survey work that is required.
 - b. Native Group Grants (\$412,000 *): Section 14h(2) of the Alaska Native Claims Settlement Act authorizes the Secretary to provide grants to Alaska Native Group Corporations which are too small in number to qualify as Village Corporations. Section 14i3 of ANILCA authorized the Secretary to pay each of these groups an amount not more than \$100,000 or less than \$50,000, adjusted according to the population of each Group. Funds authorized may be used only for planning, development, and other purposes for which Native Groups are organized under ANCSA. The funds will assist the Native Groups to become capable managers of their lands and resources. Of the twenty-seven (27) possible groups to be certified, nine (9) have

been declared eligible; others have been denied and have appeals pending with Interior Board of Land Appeals (IBLA); others are pending. The Board has approved applications from five (5) groups, which are listed below, with the grant amounts approved for each:

Klan Trie	\$ 90,000
Olsonville	100,000
Gold Creek	67,500
Point Possession	75,000
Nagamuit	87,500
	<u>\$420,000 *</u>

* Note: The \$412,000 reflects the 2% reduction to the \$420,000 that was required; however, the Bureau has provided the additional \$8,000 from other Alaska funds in order to finalize these payments in FY 1985.

Workload Data:

In FY 1981, Litigation Support was provided for 9 cases, Attorney Fees for 10 tribes, Hunting and Fishing rights support for 8 tribes, and 7 major unresolved Indian rights issues. Funds were also provided to research files to determine possible claims subject to the Statute of Limitations, 28 U.S.C. 2415. Approximately 5,000 possible claims were identified.

In FY 1982, Litigation Support was provided for 18 cases, Attorney Fees for 10 cases, and Hunting and Fishing rights support for 16 tribes, as well as to initiate an Indian fisheries commission in the Great Lakes Area and to provide for public educational program to acquaint the non-Indian public in regard to Indian rights. Funds were also provided to research possible claims subject to the Statute of Limitations (28 U.S.C. 2415). Over 19,000 possible claims were identified.

In FY 1983, 15 cases were funded to support litigation, 13 tribes were provided support funds for hunting and fishing rights protection, and approximately 18 to 20 tribes were provided funds for attorney fees to pursue their cases independently. Funds were provided for continuation of work on unresolved Indian rights issues and for additional research as needed to support those cases filed in court or for those claims submitted for legislative resolution under the Statute of Limitations (28 U.S.C. 2415).

Decrease from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY</u> 1986 <u>Base</u>	<u>FY</u> 1986 <u>Estimate</u>	<u>Difference</u>
<u>Indian Rights Protection</u>				
Tribe/Agency Operations	\$	4,990	4,822	-168
	(FTE)	(118)	(113)	(-5)
	(<u>See Appendix</u>)			
Area Office Operations	\$	536	524	-12
	(FTE)	(12)	(12)	(--)
	(<u>See Appendix</u>)			
Totals	\$			-180
	(FTE)			(-5)

Justification of Program and Performance

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

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Trust Services, General	\$	999	966	1,049	+50	+83
	(FTE)	(18)	(16)	(17)	(-1)	(+1)
B. Real Estate Services	\$	23,644	23,643	26,148	+2,504	+2,505
	(FTE)	(605)	(597)	(616)	(+11)	(+19)
C. Financial Trust Services	\$	3,658	4,104	3,963	+305	-141
	(FTE)	(145)	(150)	(146)	(+1)	(-4)
Total Requirements	\$	28,301	28,713	31,160	+2,859	+2,447
	(FTE)	(768)	(763)	(779)	(+11)	(+16)
<u>Distribution:</u>						
Tribe/Agency Operations	\$	20,810	21,164	21,839	+1,029	+675
Area Office Operations	\$	2,560	2,383	2,317	-243	-66
Central Office Staff Operations	\$	1,385	1,623	1,623	+238	--
Other Trust Responsi- bilities Programs	\$	3,546	3,543	5,381	+1,835	+1,838
Cadastral Surveys	\$	(1,078)	(1,078)	(2,916)	(+1,838)	(+1,838)
Land Records Improve.	\$	(882)	(882)	(882)	(--)	(--)
Lease Compliance	\$	(1,488)	(1,485)	(1,485)	(-3)	(--)
Miccosukee Real Estate Program	\$	(98)	(98)	(98)	(--)	(--)

A. Trust Services, General

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

Objective: To provide consistent, quality and timely direction and assistance in technical operations of all trust responsibilities programs; to direct, formulate and coordinate program policy, planning, development and execution; to provide managerial assistance in the execution of trust services; to provide direction and coordination of geographic information systems in order to expedite information to tribes in resources planning and development and to do so with efficient and effective use of funds.

Base Program (\$966,000): The FY 1986 base includes \$34,000 as the redistribution of contract support funds as directed by the Congress. The Trust Services General program provides program management and support for trust and natural resources activities in the Central Office and for field office land and trust matters. The responsibilities of these staff may include all or some of the following activities: environmental services; rights protection; real estate services, appraisals, land use planning and land records improvement; financial trust services; agriculture; range; soil and moisture conservation; forestry; fire suppression; energy and minerals; water resources; wildlife and parks; irrigation construction, operation and maintenance; fish and game management; water policy implementation; cultural resources and archeological clearances; road construction and maintenance' and other trust related activities.

In the Washington office, the Office of the Director of Trust Responsibilities provides program direction and support for these programs. This program provides funding for the Office of the Director, Trust Responsibilities, including the Program Coordination Staff; for Rights Protection staff at some field locations, and for studies, contracts, geographic information system agreements and other services that may affect trust responsibilities and natural resources programs at both the Central and field offices.

Increase from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY</u> <u>1986</u> <u>Base</u>	<u>FY</u> <u>1986</u> <u>Estimate</u>	<u>Difference</u>
<u>Trust Services, Gen.</u>				
Tribe/Agency Operations	\$	371	262	-109
	(FTE)	(4)	(1)	(-3)
<u>(See Appendix)</u>				
Area Office Operations	\$	268	460	+192
	(FTE)	(9)	(13)	(+4)
<u>(See Appendix)</u>				
<u>Totals</u>				<u>+83</u> <u>(+1)</u>

B. Real Estate Services

Authorization: 25 U.S.C. 13 (the Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

The Bureau of Indian Affairs' responsibility under 25 U.S.C. 13 is to provide general administration of Indian property. Additional real estate services are mandated by other codes, statutes and court decisions. These legal requirements include: approval of all contracts related to services on Indian lands (25 U.S.C. 176); consent to the alienation of tribal lands (25 U.S.C. 311-328); extending periods of trust and regulating descent and partition of kinship's interest (25 U.S.C. 398); requirements of P.L. 97-459, Indian Land Consolidation Act; and sub-surface leasing of trust lands (25 U.S.C. 39, and subparts a through g). Under Seminole Nation v. United States (316 U.S.C. 286 (1942), the Federal Government is charged to exercise its trust responsibilities by using the "most exacting fiduciary standards." More recent Federal statutes with which real estate services must interact are the National Environmental Policy Act, the Historic Preservation Act, the Archaeological Antiquities Act, and the Archaeological Resources Protection Act of 1979.

Objective: To protect and enhance the corpus of the Indian trust estate by providing both individual Indian landowners and Indian tribes with the professional, technical, administrative, and protective services required of the United States in its role as trustee of Indian owned real property. To work with the Indian tribes, Congress and other interested parties toward resolution of the undivided heirship problem of allotted Indian land in accordance with existing authorities. To provide assistance in land use planning and resource management planning to those tribal entities which have requested and demonstrated a need for these services. To facilitate economic use of land by developing a capability to provide accurate and timely land record information and boundary delineation.

Base Program (\$23,643,000): The FY 1986 base includes \$329,000 as the redistribution of contract support funds as directed by Congress.

1. **Tribe/Agency Operations (\$17,507,000):** In addition to the administration of lands under trust, the Bureau of Indian Affairs provides real property management, counseling, appraisals, land use and management planning services to individual Indian allottees and 517 federally recognized tribes which own a beneficial interest in over 52 million acres of trust land. Various decision-making processes are developed through a cooperative effort with the Indian landowners for the proper utilization, development and enhancement of Indian trust lands.

The overall aim of these interrelated activities is to provide Indian land owners the essential data and assistance in support of the management and development of their surface and sub-surface land resources in keeping with the trust management role of the Federal Government. As a result, trust land leasing activities are a major part of the real estate program and provide a major source of income to the Indians. Over \$400,000,000 was derived from farm, business, oil, gas and mineral leases for the fiscal year ending September 30, 1982. In addition, land owners derive millions of dollars in added land values from land improvement and conservation stipulations contained in bureau leases.

Land ownership (title) recordkeeping becomes more complicated each day because of the heirship problem and segregated surface and sub-surface ownership. There are over 200,000 tracts of trust land with an average tract ownership of ten undivided interest owners in allotted tracts, resulting in over 2,000,000 separate undivided interests on which to keep records.

The preparation and administration of probates are required in the administration of trust property and are essential functions of our basic program. This has also caused, and continues to cause, the mounting Indian land heirship problem. Work with governmental and tribal entities to utilize existing authorities to resolve this problem will continue to be pursued.

2. **Area Office Operations (\$2,013,000):** The Area Offices provide technical support and general policy direction as well as administrative review of agency real property management services. Technical support services include appeals assistance, review and developmental initiatives, appraisals and land use planning.
3. **Central Office Operations (\$580,000):** Central Office staff operations provide the basic real estate services policy, advice, appeals and title research required at the national level, budget services, training initiatives, directives for implementation of new legislation, establishment and review of regulations.

4. Other Trust Responsibilities Programs (\$3,543,000):

- a. Cadastral Surveys (\$1,078,000): Funding for surveys in the amount of \$1,078,000 will provide approximately 800 miles of boundary surveys in FY 1985. 25 U.S.C. 176 specifies that surveys of Indian Lands be accomplished by the Bureau of Land Management. The program is directed toward accomplishing tribally-identified survey priorities particularly in the areas of energy and energy-related mineral development, where lack of a correctly identified boundary constrains management and/or development of resources. The table below shows accomplished [a] and estimated [e] number of miles of cadastral surveys performed by the Bureau of Land Management in the following fiscal years:

<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
600 [a]	1,146 [a]	1,200 [a]	1,000 [e]	1,200 [e]	1,200 [e]

Accomplishment of the estimated 1,200 miles of surveyed boundary is possible because of the three cadastral survey "project offices" established by Interagency Agreement between the Bureau of Indian Affairs and the Bureau of Land Management. These project offices are operated on the Navajo Reservation in Arizona; for the Penobscot and Passamaquoddy Indians in Maine; and recently, at White Earth, Minnesota. A "project office" is a "temporary" BLM organization, established for a minimum period of time (usually three years) to survey a given (and usually large) area of land. The project office's survey crew is dedicated to that survey for the duration of the project office and does not move from one reservation to another, as is the case with non-project office survey efforts. In addition to BLM's acquiring an intimate knowledge of the land to be surveyed and thus getting surveys done more efficiently, the BIA realizes significant administrative cost savings by not having to pay per diem and travel costs for BLM surveyors. The result is that a large number of miles are surveyed at a given funding level. Without such project offices, accomplishments would drop off sharply.

- b. Lands Records Improvement (\$882,000): This program will continue land title examinations and verifications by Bureau title plant and agency personnel and under contract. The land title examination effort has resulted in the examination, to date, of over 40,000 land titles. The present schedule is to complete the title backlog on the previously identified 200,000 tracts in two additional years. One of the next major steps in the process will be the microfilming of land title documents so that the originals can be sent or returned to the archives. The requirement of keeping titles and records current will also be receiving major attention in FY 1985 and 1986. Current information must be maintained or the efforts of past years would be wasted.
- c. Lease Compliance (\$1,485,000): The resources allocated to this activity are used by the Bureau for systematic lease compliance monitoring. Terms and conditions of approximately 18,000 leases are enforced through these efforts. In many cases, actions by the Bureau for noncompliance will result in recovery of funds for the Indian landowner. The basic real estate program will continue to provide for routine inspections required to assure the integrity of the trust lands management responsibilities. Leases to be given priority under this compliance activity are oil and gas, mining, agricultural (developmental stipulations), and rights-of-way.

The basis for systematic lease monitoring is the agency lease files. Approximately 20% of the leases expire each year. These leases are selected as the first priority for inspection. Lease compliance personnel, sometimes acting in conjunction with other land operations, forestry or mineral personnel, physically inspect the leased premises for compliance with the lease terms and stipulations, ranging from proper fencing and cropping patterns to oil and gas well royalty accounting procedures. These activities are undertaken by agency level compliance specialists, at the direction of the Agency Superintendent.

Current benefit/cost ratios for the program show that 3.0 to 3.5 dollars are recovered for every dollar that is expended. Benefits from enhanced land base and improvements that result are not counted at this stage of the program. The favorable ratio is achieved by economies of scale (better coordination, multiple inspections and inspectors on the same trip, etc.).

Business and energy-related leases involve auditing of corporate books by professional personnel. Because of the nature of the work, contracted services will be used. As tribal priorities are identified (such as a program for monitoring production of producing oil and gas wells), the short response time-frames necessitate contracting as opposed to hiring new personnel. It is anticipated that the Southwest and the Dakotas will be primary targets of emphasis since resource extraction activities in these locations have intensified during the past few years.

- d. Miccosukee Real Estate Services Program (\$98,000): In order for the Secretary of Interior to carry out the provisions of P.L. 97-399, the Florida Indian Land Claims Settlement, Act, and to carry out his trust responsibility following the transfer of the lands into federal trust status, the funds will be utilized in a P.L. 93-638 contract with the Miccosukee Tribe. The tribe plans to establish a Resources Management and Real Estate office that will handle such issues as fish and wildlife, recreation, agriculture, range and grazing, land use planning and economic development.

Increase for FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
B. <u>Real Estate Services</u>				
<u>--Total Program</u>	\$	23,643	26,148	+2,505
	(FTE)	(597)	(616)	(+19)
Tribe/Agency Operations	\$	17,507	18,404	+897
	(FTE)	(481)	(505)	(+24)
(See Appendix)				
Area Office Operations	\$	2,013	1,783	-230
	(FTE)	(54)	(49)	(-5)
(See Appendix)				
Central Office Staff	\$	580	580	--
	(FTE)	(13)	(13)	(--)
Field Operations	\$	3,543	5,381	+1,838
	(FTE)	(49)	(49)	(--)

Cadastral Surveys - Alaska (+\$1,838,000): The 1906 Native Allotment Act authorizes the conveyance of lands to individual Alaska Natives. The Alaska Native Claims Settlement Act authorizes conveyances to the regional and village corporations. The Bureau's concern with unsurveyed allotments is primarily with protecting the rights of the individual Alaska Native allottees, and in assisting them in the management and protection of their lands. The Bureau is also concerned with achieving finality in conveyance, which cannot be done until all inholdings (including allotments and 14(c) village surveys) are completed. Surveys are necessary to show location of section corners of allotments. Re-surveys are needed where corners have been destroyed or removed. A survey must be accomplished before BLM can issue a certificate of allotment and without a certificate, the allottees cannot lease, sell, or properly manage the development of their allotments, to their economic benefit.

Lack of cadastral survey in Alaska is the single largest impediment to completing transfers of land title to the State of Alaska, the Native Regional corporations the Village corporations, and the Native allottees. Cadastral surveys of native allotments in Alaska have been accomplished and funded by the Bureau of Land Management (BLM), or their approved contractors, under their regulatory and budgetary authorities. Historically, the allotment surveys have been afforded a very low priority by the BLM because of competing interests. This condition is caused by the enormity of the survey task in Alaska; as well as the competing demands for priority by the State, the Regional corporations, Federal agencies, and the larger Village corporations, which leaves little room for small village priorities (such as 14(c) requirements of ANCSA) and native allotments. This request for \$1,838,000 will be used to address these last two areas of concern.

Presently, BIA is the primary agency required to fulfill the Secretary's trust responsibility for managing 4,700 allotments, in 7,400 individual parcels, which have not been surveyed, have no legally defined and marked boundaries and no nearby rectangular grid. The BLM survey office presently has 7,400 survey requests for allotment parcels backlogged, on which they are ready to act, except that they lack the funding to do so. BLM estimates another 7,000 parcels will eventually be approved. These parcels need BIA assistance in correcting legal descriptions, locations, and boundary conflicts, as well as determining heirship and gathering data. These functions have been previously spelled out in an allotment completion plan and some of these funds will be used to provide this presurvey assistance.

The additional small village survey need, that has not been given priority by BLM, is the 14(c) reconveyance surveys necessary for the village corporations to fulfill their administrative responsibilities as defined in section 14(c) of ANCSA, to reconvey title to all classes of occupants. Currently, this category has not been prioritized by BLM. Additionally, a number of villages have not been able to complete their presurvey work. A portion of the increase in funding will be applied toward providing assistance to village corporations in this presurvey work and the remainder applied to the BLM surveys.

It is expected that presurvey technical assistance and 100 high priority development area allotment surveys (180 parcels) could be completed with these funds, as well as establishment of the framework for 14(c) assistance to villages.

C. Financial Trust Services

Authorization: 25 U.S.C. 13 (the Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes. The Act of June 24, 1938, 25 U.S.C. 162a, authorizes the Secretary of the Interior to invest tribal trust funds.

Objective: To provide individual Indians and Indian tribes the same or equivalent technical, administrative and protective services that are expected and duly rendered to a beneficiary under any lawful trust created or imposed to protect, maintain or enhance the corpus of the trust estate.

Base Program (\$4,104,000): The FY 1986 base includes \$23,000 as the redistribution of contract support funds as directed by Congress. This program provides various services, including accounting for and disbursing of tribal and individual Indian monies derived from the sale or lease of tribal resources such as land, timber, minerals and water; disbursing per capita payments, judgments, awards and claims; providing for trust fund histories and research projects involving special fiscal problems; providing special financial reports for use in litigation cases; and compiling trust fund data for legislative acts and recommendations for the execution of the acts. The program is also responsible for investing the various trust fund revenues so as to maximize returns while protecting the funds, and providing, through an automated accounting system, monthly reports for the appropriate tribes and individuals. Income from investments is a direct economic benefit to Indian tribes and individuals.

Actions are currently in progress to determine the feasibility of implementing accepted and affordable recommendations contained in a recent study of the Investment and Trust fund operations conducted by Price Waterhouse. As part of this effort, additional staff and resources have been transferred from the General Administration activity to the base program to reinforce and improve investments, cash management and trust fund accounting. This transfer is explained in the "Justification of Adjustments to Base" portion of this justification document.

Workload Data:

	<u>FY 1982</u>	<u>FY 1983</u>
Total invested	\$1.5 billion	\$1.6 billion
Per annum Earnings	\$215.9 million	\$171.4 million
Tribes Serviced (#)	269	262
Individual Indian Money Accounts (#)	250,000	250,000

Decrease from FY 1986 Base:

(Dollar amounts in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
<u>Financial Trust Services</u>				
Tribe Agency Operations	\$	3,286	3,173	-113
	(FTE)	(113)	(109)	(-4)
(See Appendix)				
Area Office Operations	\$	102	74	-28
	(FTE)	(18)	(18)	(--)
(See Appendix)				
Totals	\$			-141
	(FTE)			(-4)

Object Class Distribution - Real Estate/Financial Trust Services Subactivity

	<u>FTE/T</u>	<u>Amount</u>
Total Personnel Compensation (FTE/T).....	+16	\$+ 368,000
Personnel Benefits.....		+ 32,000
Travel and transportation of persons.....		+ 35,000
Other Services		+1,998,000
Supplies and materials.....		+ 50,000
Equipment.....		- 36,000
		<u>\$+2,447,000</u>

Activity Summary
(dollars in thousands)

Activity: Facilities Management

<u>Subactivity</u> (program)	FY 1984 Actual (B.A.)	FY 1985 Approp. Enacted	FY 1985 Revised Estimate	FY 1986 Base	FY 1986 Estimate	Inc. (+) or Dec. (-) 1986 Est. over 1986 Base
Facilities Management (Total)	91,857	88,368	88,344	91,450	90,390	-1,060

Justification of Program and Performance

<u>Activity:</u>		<u>Facilities Management</u>				
(Dollar amounts in thousands)						
<u>Program Elements</u>		<u>FY 1985</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1986</u> <u>Base</u>	<u>FY</u> <u>1986</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From 1985</u>	<u>Inc.(+)</u> <u>Dec.(-)</u> <u>From Base</u>
A. GSA Rentals	\$	7,071	10,300	10,300	+3,229	---
B. Facilities Operation & Maintenance	\$ (FTE)	80,205 (1,371)	79,806 (1,364)	78,746 (1,318)	-1,459 (-53)	-1,060 (-46)
C. Fac. O&M Contract Support	\$ (FTE)	1,092 ---	1,344 ---	1,344 ---	+252 ---	---
Total Requirements	\$ (FTE)	88,368 (1,371)	91,450 (1,364)	90,390 (1,318)	+2,022 (-53)	-1,060 (-46)

Distribution

Existing GSA Rentals	\$	7,071	10,300	10,300	+3,229	---
Existing Facilities O&M*	\$	75,875	76,069**	75,097	-778	-972
New Facilities O&M	\$	323	**	662	+339	+662
New Direct Rentals	\$	25	**	---	-25	---
FACCOM, et. al.	\$	799	799	799	---	---
Area Office Operations	\$	2,821	2,617	1,867	-954	-750
Central Office Staff	\$	362	321	321	-41	---
Fac. O&M Contract Support	\$	1,092	1,344	1,344	+252	---

* Includes previously private schools O&M.

** 1985 New Direct Rentals (\$25,000) and New Facilities O&M (\$323,000) became part of Existing Facilities O&M in the FY 1986 Base.

A. GSA RENTALS

Authorization: Public Building Amendments Act of 1972 (P.L. 92-313).

Objective: To provide adequate space and physical facilities in which to effectively operate the programs of the Bureau at locations which do not have adequate Bureau-owned facilities.

Base Program (\$10,300,000): The base program includes funds for 1,223,000 square feet of GSA-provided space serving Bureau programs throughout the country. The increase for GSA space rentals does not reflect an increase in actual occupied space. The increase is required to directly budget for the total amount of FY 1986 GSA space rentals (\$10,300,000) projected for the Bureau by GSA based upon occupancy and rental rates charged as of December 1984, which have been frozen for FY 1986. Should space management goals not be achieved sufficiently by FY 1986 to maintain the total cost of GSA space to the budgeted amount, the programs served will be assessed for additional costs.

B. FACILITIES OPERATION AND MAINTENANCE

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

Objective: To provide basic facility operating services to existing Bureau-owned and/or operated facilities and previously private schools (institutions now funded by the Bureau which were either operated privately or by tribes in the past) and to maintain these facilities in satisfactory operating condition for the conduct of Bureau programs.

Base Program (\$79,806,000):

1. Existing Facilities O&M (\$76,069,000): The Existing Facilities O&M program provides essential services to about 10,000 buildings containing approximately 30,000,000 square feet at over 400 locations throughout the United States. The types of buildings are varied and include academic dormitories, kitchen/dining, law enforcement offices, quarters, recreation and their associated grounds and streets. Costs to the O&M program for providing essential services to the varied facilities include personal services, supplies, materials and equipment. Essential services are heating, cooling, electricity, water, sewage, refuse disposal, communications, preventive maintenance, janitorial and protection services. The Bureau utilizes 1,249 FTE, consisting of preventive maintenance, custodial, and other support personnel, to provide the essential services for the facilities.

The existing facilities O&M program includes Bureau contract schools, which are provided the same services as those for the Bureau-operated facilities cited above.

The base program includes funding for new direct rental of space for the Pawnee Agency, Oklahoma, as well as for the facilities listed below, which were scheduled to become operational in FY 1985:

<u>Facility</u>	<u>Est. Additional Square Feet</u>	<u>Est. Added O&M Costs</u>
Borrogo Pass, NM	20,000	\$ 91,355
Red Lake School, AZ	15,000	68,506
Chilchinbeto Day School, AZ	12,500	57,115
Rocky Ridge Boarding School, AZ	7,200	32,904
Choctaw Agency, MS	14,000	63,980
Seminole Agency, FL	2,000	9,140
Totals	70,700	\$323,000

2. New Facilities O&M (\$0): The 1985 New Facilities O&M request (\$323,000) has been moved to the 1986 Existing Facilities O&M base as noted above.

3. New Direct Rental (\$0): The 1985 New Direct Rentals (\$25,000) request has been moved to the 1986 Existing Facilities O&M base.

4. FACCOM, et. al. (\$799,000): At the direction of Congress, the Office of Construction Management (OCM), in the Office of the Secretary, has been working with the Bureau to implement improvements in the areas of facility construction and operation and maintenance. The Bureau uses 11 FTE in accomplishing the FACCOM objectives. This FTE is included in the Program Management subactivity because organizationally the FACCOM personnel are part of the Facilities Engineering Staff. These employees consist principally of computer systems analysts, with management and clerical support. Three major initiatives, formerly funded by OCM, were transferred to the Bureau in FY 1983 and are consolidated here for funding purposes.

FACCOM, the Bureau's automated facilities information system, is designed to provide management with necessary data for: (1) planning, design, and construction of new facilities; (2) facility improvement and repair; and (3) facility operation and maintenance. When fully developed, the system will provide information required by management for developing annual budgets, and making policy and program decisions; provide current information to assist operating or facility managers to manage programs; and enhance the development of timely reports, as required.

The Bureau is currently using the FACCOM/OMS system in providing an accurate documented update to the Bureau's facility inventory. Distribution of existing facilities O&M funding for essential services is described on the FACCOM/OMS system. This system is comprised of a computerized matrix of work items in relation to site inventory. Basically, the OMS system is composed of operation and maintenance standards derived from engineered performance standards used by GSA and other Government entities. These standards take into account all work items required to operate and maintain a specific type of building space. Enrollment and utilization of facilities will be considered for public school operations and maintenance funding in a manner similar to the Indian School Equalization Formula (I.S.E.F.) for education. Factors unique to specific locations, i.e., climate, isolation, age of facility, etc., will be applied. This standards-based approach provides a systematic and equitable formula for the allocation of operations and maintenance funds.

The construction inspection program utilizes contracts with architectural/engineering firms to provide progress inspections of the many facility improvement and repair and school construction projects which the Bureau awards. This program assures that buildings are constructed in accordance with plans and specifications and reduces the possibilities for fraud, waste, and abuse.

The boiler inspection program utilizes the services of professional firms through contracts to provide inspection and certification of boilers, fuel trains, and pressure vessels in Bureau facilities. This critical life safety task must be performed yearly.

5. Area Office Operations (\$2,617,000): The area office facility management staff provides technical coordination and engineering services, which include developing the agency facility improvement and repair program; furnishing overall guidance to the agency facility operation and maintenance program; distributing available funds within the area; providing technical guidance and inspection and evaluation service to agency staff on facilities; and providing field activities with energy conservation and environmental protection expertise. The area office facility management and engineering section provides engineering survey services and construction management and engineering technical assistance. The area office staff also provides direct support to the execution of the agency level facility program. These direct support activities include supervision and inspection of major repair and improvement projects; inspection and evaluation of specialty systems such as boilers, water and waste disposal, water treatment, and control systems for heating and cooling plants, alarms and communications; performing trouble diagnosis in electrical and mechanical systems; and identifying and developing repair project need, scope and cost. The Bureau has allocated 100 FTE for the above functions, which primarily consist of area facility managers, engineers, and clerks.

6. Central Office Staff (Facilities Management Services) (\$321,000): The Central Office Facilities Engineering Staff, Branch of Facilities Management, coordinates the Bureau's facility management responsibilities, deals with other Federal agencies, evaluates performance of field programs, and develops program

policy recommendations for line management. Fifteen FTE are used in this management function, including engineers, communication specialists, technical, and clerical support personnel.

Decreases and Increases from 1986 Base: (dollar amounts in thousands)

	FY 1986 <u>Base</u>	FY 1986 <u>Estimate</u>	<u>Difference</u>
1. Existing Facilities O&M	\$ 76,069	75,097	-972
2. New Facilities O&M	\$ ---	662	+662
3. FACCOM et al	\$ 799	799	---
4. Area Office Operations	\$ 2,617	1,867	-750
5. Central Office Staff	\$ 321	321	---
TOTALS	\$ 79,806	78,746	-1,060

1. Existing Facilities O&M (-\$972,000; FTE -26): The decrease in funding and staffing (from 1,249 to 1,223) is due to the transfer of the last 10 day schools to the State of Alaska and the closing of Magdalena Dormitory.

2. New Facilities O&M (+\$662,000): As construction projects are completed, the facilities are added to the building maintenance inventory. The expected increase in square footage in FY 1986 is estimated at 198,700 for a dollar increase in new facilities operation and maintenance of \$662,000. This includes Navajo Area projects at Canoncito, Black Mesa, Ojo Encino, Pueblo Pintado, and Chi-Chil-Tah as well as school expansions in other states.

3. Area Office Operations (-\$750,000; FTE -20): See Appendix.

C. FACILITIES O&M CONTRACT SUPPORT

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs during FY 1986.

Base Program (\$1,344,000): The base funding for FY 1985 was tentatively based on FY 1983 contracting experience. A redistribution of contract support funds based on FY 1984 contracting experience resulted in an increase in the FY 1986 base funding to a total of \$1,344,000. This base funding will be used to cover indirect costs incurred by tribes and/or tribal organizations in the operation and maintenance of facilities contracted under P.L. 93-638 as of FY 1985.

Since contract support funds are only to be applied to those facilities which are operated under contract, the contract support funds for the Facilities Management program will not be merged in with the program funds because distribution of program dollars is based on a square footage formula applied to both contract and non-contract operations. The funds will continue to be shown as a separate line item. However, the specific amounts to be allocated to each contract have been identified in FY 1985. These amounts will be allocated on a one-time basis and will not be supplemented nor reduced because of direct program funding changes. If a contract school were to add a major expansion to its facilities at any future time (e.g., adding a secondary school facility to an existing elementary facility), consideration will be given to allocating additional contract support funds from the separate line item requested under the Self-Determination Services subactivity on the same basis as if it were a "new" contract.

OBJECT CLASS DISTRIBUTION - FACILITIES MANAGEMENT ACTIVITY

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	-53	\$-1,120,000
Personnel Benefits.....		-106,000
Benefits for former employees.....		+50,000
Travel and transportation of persons.....		-20,000
Transportation of things.....		-50,000
Communication, utilities, and rent.....		+50,000
Other Services.....		+100,000
Supplies and materials (net).....		+150,000
Equipment.....		<u>-114,000</u>
Total.....		<u>\$-1,060,000</u>

Activity Summary
(dollars in thousands)

Activity: General Administration

<u>Subactivity (program)</u>	<u>FY 1984 Actual (B.A.)</u>	<u>FY 1985 Approp. Enacted</u>	<u>FY 1985 Revised Estimate</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) or Dec. (-) 1986 Est. over 1986 Base</u>
Management and Administration	46,839	48,260	48,476	46,741	48,910	+2,169
ADP Services (new in 1986)	13,900	17,748	17,680	17,663	17,966	+303
Employee Compensation Pymts.	6,829	6,858	6,858	7,523	7,523	---
Program Management	5,970	4,805	4,788	4,311	4,311	---
Total	73,538	77,671	77,802	76,238	78,710	+2,472

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Justification of Program and Performance

Activity: General Administration
 Subactivity: Management and Administration*

(Dollar amounts in thousands)						
<u>Program Elements</u>		FY 1985 Enacted to Date	FY 1986		Inc. (+) Dec. (-) From 1985	Inc. (+) Dec. (-) From Base
			Base	Estimate		
A. Executive Direction	\$ (FTE)	9,532 (230)	9,278 (227)	9,904 (239)	+372 (+9)	+626 (+12)
B. Administrative Services	\$ (FTE)	36,813 (1,021)	35,873** (960)	37,491 (985)	+678 (-36)	+1,618 (+25)
C. Safety Management	\$ (FTE)	759 (25)	752 (25)	677 (24)	-82 (-1)	-75 (-1)
D. P.L. 93-638 Oversight/Cost Determination	\$ (FTE)	666 (25)	666 (25)	666 (25)	---	---
E. Improve Fin. System/(Trust Fund)	*** \$ (FTE)	490 (---)	172*** (---)	172 (---)	-318 (---)	---
Total Requirements	\$ (FTE)	48,260 (1,301)	46,741 (1,237)	48,910 (1,273)	+650 (-28)	+2,169 (+36)

Distribution

Tribe/Agency Operations	\$	17,880	17,735	17,621	-259	-114
Area Office Operations	\$	12,604	12,903	14,284	+1,680	+1,381
Central Office Staff	\$	9,469	8,114	8,114	-1,355	---
Intra-Gov. Billings	\$	6,073	6,073	6,975	+902	+902
Fin. Mgmt. ADP Systems	\$	1,078	1,078	1,078	---	---
638 Oversight/Cost Det.	\$	666	666	666	---	---
Improve Fin. Sys./(Trust Fund Accounting)	\$	490	172***	172	-318	---

* ADP Services transferred to new subactivity under General Administration.

** Base transfer of TAAS (\$490,000 and 13 FTE) to Self-Determination Services and Trust Fund Accounting (\$100,000 and 5 FTE) to Real Estate/Financial Trust Services subactivity.

*** Base transfer of Trust Fund Accounting (\$318,000) to Real Estate/ Financial Trust Services subactivity.

A. Executive Direction and EEO

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

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 (\$9,278,000): This program covers the operation of the immediate office and staffs of the line manager at all three organizational levels of the Bureau. The line managers and their staffs provide for organizational leadership and coordination to ensure that all programs operated at their level are effectively integrated to achieve the overall mission of the Bureau. Basic activities include decision-making, direction, policy formulation and adaptation, public relations, representation of the Bureau to other governmental agencies and private sector organizations, and overall management of assigned resources.

Each organizational level is funded as a separate activity. While none of the activities of this program is contracted, the amount of funding at the Tribe/Agency level is determined by tribes under the Indian Priority System. Thus, the funding at this level is a direct result of tribal decisions.

1. Central Office (\$831,000). Programs and support services managed by the Public Affairs, Congressional and Legislative Affairs, Equal Employment Opportunity, and Controlled Correspondence staffs are funded from this activity. These organizations provide professional services to both the program and the administrative organizations which directly support the objective of providing organizational leadership at the headquarters level.

2. Area Office (\$1,596,000). This activity funds the Area Office Director and a limited professional staff at 12 locations to provide for the management and direction of the entire area office structure.

3. Agencies (\$6,851,000). Funding covers the activities of the Superintendent and staff within the immediate Office of the Superintendent at 83 agencies.

Workload Data: Workload measurement in terms of quantifiable outputs is not appropriate for this activity. The executive direction function encompasses both administrative and programmatic decision-making, directing actions at each organizational level in accordance with delegated authorities, and responding to the external environment in which Indian affairs are conducted. Quantifying output to generate workload indicators would be artificial.

Increase from FY 1986 Base:

(dollar amounts in thousands)

	FY 1986 <u>Base</u>	FY 1986 <u>Estimate</u>	<u>Difference</u>
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A. Executive Direction

Tribe/Agency Operations	\$	6,851	7,058	+207
	(FTE)	(165)	(169)	(+4)

(See Appendix)

Continued - Increase from FY 1986 Base:

(dollar amounts in thousands)

		FY 1986 <u>Base</u>	FY 1986 <u>Estimate</u>	<u>Difference</u>
Area Office Operations	\$	1,596	2,015	+419
	(FTE)	(41)	(49)	(+8)
<u>(See Appendix)</u>				
TOTALS	\$			+626
	(FTE)			(+12)

B. Administrative Services

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes.

Objective: To manage that portion of the Bureau's program service delivery system which simultaneously provides administrative services to program operations and acts as a control agent to minimize fraud, waste, abuse, and mismanagement.

Base Program (\$35,873,000): The Bureau's administrative services staffs are an integral part of the Bureau's system established to meet the service needs of Indian and Alaska Native people and to protect, enhance, and develop their trust resources. The function serves as an equal partner with the Bureau's 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 performs this service role, it also provides the foundation for the control and accountability of resources used by the Bureau 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.

The service role of Administrative Services personnel permits and ensures the delivery of program services throughout the Bureau. Services to program managers include the recruitment, training, and retention of program and administrative employees; the negotiation, award, and administration of program contracts; the acquisition of equipment, materials, and supplies necessary for program operations; the development and coordination of the budget process through which programs obtain funding resources; and operational support in the distribution of mail, management of records systems, development of directives and regulations, acquisition of office space, and maintenance of a safe working environment.

Performed simultaneously with the service role, the control function of Administrative Services is executed to limit the occurrence of fraud, waste, abuse, and mismanagement of resources. Basic to this are the control systems providing for accountability in the management of funds, property, staff, and other tangible assets used by the Bureau in administering its programs. Administrative Services employees operate the Bureau's fiscal accounting system, provide for the inventory of property, assist program managers in ensuring effective and efficient distribution and use of the work force, and participate in the evaluation of internal control systems.

Performing these administrative functions is the responsibility of professional staffs at all three levels of the Bureau's organizational structure. The headquarters staffs provide for the development and coordination of nationwide administrative policies, systems, and procedures. Field office employees implement these systems primarily through the operation of service centers at the area office level with some limited activity at the agency level for the processing of administrative documents originated by program managers.

External activity of the administrative services function has increased as a result of the Indian Self-Determination and Education Assistance Act. Administrative services staffs now provide technical assistance to potential and existing tribal contractors who request help in establishing, improving, changing, or maintaining tribal administrative systems. This technical assistance helps ensure that tribal organizations create and maintain adequate systems for accountability and control of Federal funds and other resources used in administering contracted programs.

1986 Actions: The overall goal of the administrative services function for FY 1986 is to provide adequate services to program functions in the most effective and efficient manner, sharing with program managers the responsibility for ensuring the delivery of quality services to Indian and Alaska Native people. Within that overall objective, major emphasis will be placed on enhancing control systems and implementing Congressional directives with activities directed toward:

a) Developing and implementing a 5 to 10-year plan to develop qualifications standards and intensified training for Indians for excepted appointment to Bureau

positions consistent with the tenets of the Indian preference section of the Indian Reorganization Act and the Circuit Court's mandate in the Preston v. Heckler decision. Additionally, a system will be created to identify job requirements and the education, training, and experience necessary, over time, to enable employees and candidates for Bureau positions to accomplish the work assigned and to achieve their employment and career goals.

b) Improving all phases of financial management, with particular attention to the enhancement of the Bureau's accounting system, improving program planning, and upgrading cash management and fund control activities. These improvements include refinements in the Indian Priority System of budgeting; publication and implementation of directives; and development and implementation of comprehensive and systematic Bureauwide monitoring and review processes to strengthen fund control and cash management control.

c) Streamlining the Bureau's organization and procedures in response to management improvement initiatives and reductions in fiscal resources.

d) Developing and implementing a multi-year plan for establishing a records management system that provides for the proper retention, maintenance, preservation, and disposition of records created during the conduct of Indian affairs activities.

e) Increasing the utilization of contracting as a vehicle for operating Bureau programs and services.

f) Developing and implementing property management controls and improvements, including a recently designed Bureauwide personal property and motor vehicle inventory and general ledger reconciliation system; initiating a real property inventory system to provide reliable real property inventory, building, cost, space, quarters, and acreage data; a more adequate system to account for and control firearms within the Bureau; establishing building space utilization

standards to reduce and dispose of unneeded and underutilized space holdings; and a regulation and companion user's handbook on Government property in the possession of tribal contractors and grantees.

g) Establishing contract administrator positions to work closely with tribal contractors to prevent the occurrence of problems currently being reported in both internal and external evaluations of the Indian Self-Determination and Education Assistance Act contracting program.

In the base program, \$100,000 and 5 FTE have been transferred to Financial Trust Services of the Trust Responsibilities Activity, Real Estate/Financial Trust Services Subactivity. This transfer has been made due to the fact that accounting for trust funds is inherently a trust function and all its funding/staffing should be requested under the same line item.

Financial Management ADP Systems (\$1,078,000): Funding covers estimated FY 1986 cost (\$980,000) for payroll processing services provided by the Denver Payroll/Personnel System (PAY/PERS) and estimated FY 1986 cost (\$98,000) for operating and maintaining the Indian Priority System (IPS). The IPS provides for direct tribal government involvement in the setting of relative priorities for the local operating programs during each annual budget cycle. The amounts requested are continuing the FY 1985 funding levels for these applications.

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
B. Administrative Services	\$	35,873	37,491	+1,618
	(FTE)	(960)	(985)	(+25)

Intra-Governmental Billings (+\$902,000): The FY 1986 program includes an increase to finance increased costs of FTS, postage, and other intragovernmental billings. The breakdown in the various categories is as follows:

(dollar amounts in thousands)

	<u>1985 Approp. to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
Postage	2,250	2,250	2,595	+345
FTS-General	3,283	3,283	3,800	+517
GSA-Telegraphic Services	160	160	200	+40
Departmental Billings <u>a/</u>	380	380	380	---
Total	<u>6,073</u>	<u>6,073</u>	<u>6,975</u>	<u>+902</u>

a/ Departmental billings are those charges by the Department for services provided to the Bureau by programs under the Office of the Secretary. The charges are computed by statistical proration or based upon actual usage. The services for FY 1984 were:

Storage and Shipping	Enforcement and Security Mgmt.
Medical and Health	Space Management
Printing	GAO Audit Index Hearing
General Services	EEO Branch of Investigation
Departmental Training	Minority Business Procurement and Policy
	Quarters Management Inventory System

Tribe/Agency Operations (-\$275,000; FTE -8): See Appendix.

Area Office Operations (+\$991,000; FTE +33): See Appendix.

C. Safety Management

Authorization: Numerous authorities exist for the various safety programs operated by the Bureau. These include: Executive Order 12196 requiring Federal Agencies to comply with applicable sections of the Occupational Safety and Health Act (29 U.S.C. 1910), P.L. 89-554 (5 U.S.C. 7901), the Federal Employees' Compensation Act (5 U.S.C. 8101), P.L. 83-766 (40 U.S.C. 491), Federal Aid Highway Act (23 U.S.C. 402), the Snyder Act (25 U.S.C. 13), and the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450).

Objective: To provide a safe and healthful working environment through the management of an aggressive safety and health program which minimizes the loss of human and material resources due to accidents or illnesses.

Base Program (\$752,000): The Safety Management subactivity provides for the development, implementation, and review of a Bureauwide multifaceted safety program. While the program is primarily executed by program management staff at the operating level, safety management employees provide overall program coordinations along with training and technical assistance to program management. These Safety Management employees administer those programs required by, or established as a consequence of, statutes or other Federal Agency mandates such as the Occupational Safety and Health Act, the Federal Employees Compensation Act, the Indian Highway Safety Program, and the Federal Tort Claims Act.

FY 1986 Actions: During FY 1986 the primary emphasis of the safety management function will be on developing a long-range plan to bring Bureau facilities into compliance with nationally accepted safety and health codes and standards as required by the Education Amendments of 1978 (25 U.S.C. 2005).

<u>Distribution:</u>	<u>Tribe/Agency</u>	<u>Area Office</u>	<u>C.O.</u>	<u>Total</u>
\$000	322	96	259	677
(FTE)	(10)	(5)	(9)	(24)

Decrease from FY 1986 Base: (dollar amounts in thousands)

<u>Program</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Difference</u>
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C. Safety Management

Tribe/Agency Operations	\$ 368	322	-46
(FTE)	(11)	(10)	(-1)
(See Appendix)			
Area Office Operations	\$ 125	96	-29
(FTE)	(5)	(5)	(---)
(See Appendix)			
TOTALS	\$		-75
(FTE)			(-1)

D. P.L. 93-638 Oversight/Cost Determination

Authorization: 25 U.S.C. 450 (the Indian Self-Determination and Education Assistance Act) authorizes the Secretary to provide grants to tribal governments to improve their governmental capacity and directs the Secretary to contract with

tribes, at their request, to operate Bureau programs. 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians.

Objective: To permit better and more consistent oversight of tribal contract and grant activities, to insure enforcement of contract administration requirements, and to provide technical assistance to the tribes in fund accountability, management and control; to determine the reasonableness of direct and indirect program costs that provide funds to support tribal expenses incurred in managing and operating P.L. 93-638 programs.

Base Program (\$666,000): The Assistant Secretary has required the Office of Administration to devote additional efforts to the oversight and evaluation of the Bureau's P.L. 93-638 contract and grant administration operation to assure contract/grant fund accountability, proper delivery of services and improved management control. The objective is to identify problem areas early in the contract/grant administration process for which corrective actions can be taken to increase management effectiveness. Their oversight and monitoring effort will permit the Bureau to focus on those aspects of contract/grant administration related to:

- fiscal accountability and control of contract support expenditures;
- proper and prompt preparation and submission of expenditure documents by tribes to meet Federal regulatory requirements;
- proper administration of contract/grant programs by Bureau and tribal field officials;
- the monitoring of expenditures for direct and/or indirect costs under P.L. 93-638 contracts and/or grants; and
- the implementation of GAO and OIG recommendation; and
- modifying, or improving contracting and grants administration.

Through its monitoring and evaluation activities, the Bureau will provide highly visible support to Bureau and Tribal field management officials in resolving existing problems, as well as in identifying potential problem areas so that remedial action can be expedited. The funding will be used to support personnel located in the Bureau's central and field offices and to provide funds for necessary travel and other support services. In FY 1986, this specific effort will be merged into the total effort to improve all procurement actions in the Bureau.

E. Improve Finance System/Trust Funds Accounting

Authority: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians.

Objective: To enhance and redesign the Bureau's automated accounting and financial information systems, which provide management with an immediate and systematic capability for monitoring operations, ensuring accountability for appropriated and Indian trust funds, and obtaining decision-making information on a timely basis.

Base Program (\$172,000): The Bureau is holding in abeyance its plan to redesign its accounting system pending completion of a review of the opportunities which may be identified in a Financial Integration Review Study (FIRM) being conducted by the Department of the Interior. While that study is underway, the Bureau is working on enhancements to its present system. These enhancements, in priority order, are:

1. An Automated Fund Control system that includes all sources of funds (appropriations, reimbursements, refunds)
 - Apportionment, allotment, program monitoring vs. obligations
 - Allotments vs. programs vs. obligations

2. An Accounts Receivable system
 - Automated billing
 - Automated demand letters
 - Debtor consolidation reporting
 - Provisions for bad debt calculations
 - Write-off reporting
 - Automated Schedule Nine preparation
 - Interface with travel and contract systems
 - Receipt verifications
 - Income tracking system with automated interest penalty/fees calculations

3. A Contract Reimbursement/Advance Payment system

4. A Travel Management system
 - Edit against personnel master file
 - Check for duplicate advances
 - Check for delinquent advances
 - Travel cost history

5. A Reporting Capacity Improvement
 - Electronic transmission to all program management levels
 - Customized managerial reports vs. budgetary/accounting reports
 - Refined standard management reports
 - Electronic preparation and transmission of Standard Form (SF) reports
 - Report user manuals

Further, the Bureau has underway a Bureauwide compliance review of each of the 12 Area Offices and 12 Agency Offices. These reviews are scheduled for completion by May 1, 1985, and are aimed at identifying progress made toward improving the day-to-day Finance and Accounting operations of the Bureau, its control over appropriated funds, compliance with regulations, materials, and prescribed policy, practices, and standards.

With the systems improvement and review described above currently taking place, future development and operations costs are difficult to project. Certain assumptions are necessary to project estimates, which are:

- (1) the Bureau will initiate its own requirements study, in which case FY 1986 funding will be used to contract for development; or
- (2) the FIRM study will provide the detailed requirements for the Bureau system, in which case the Bureau will continue to develop and implement the short-term Accounting System enhancements and supplement costs associated with FIRM.

In FY 1986, base funding in the amount of \$318,000 for Trust Fund Accounting functions formerly funded under this line item has been transferred to Financial Trust Services of the Trust Responsibilities Activity, Real Estate/Financial Trust Services Subactivity. This transfer has been made due to the fact that accounting for trust funds is inherently a trust function. Therefore, all funds and staffing for the function should be requested in one program item.

Object Class Distribution - Management and Administration Subactivity

	<u>FTE</u>	<u>Amount</u>
Total Personnel Compensation.....	+36	\$ +828,000
Personnel Benefits.....		+72,000
Travel and transportation of persons.....		+175,000
Communications, utilities and other rent.....		+902,000
Supplies and materials.....		<u>+192,000</u>
 Total		 \$+2,169,000

Justification of Program and Performance

Activity: General Administration
 Subactivity: Automatic Data Processing Services

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted To Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Central Management	\$ (FTE)	1,430 (---)	3,220 (91)	3,220 (91)	+1,790 (+91)	---
B. Central Management System Support	\$ (FTE)	---	8,173 (---)	8,173 (---)	+8,173 (---)	---
C. Decentralized System Support	\$ (FTE)	---	2,604 (49)	2,604 (49)	+2,604 (+49)	---
D. Bureau Mission System Support	\$ (FTE)	---	3,666 (---)	3,666 (---)	+3,666 (---)	---
E. Tribe/Agency Operations	\$ (FTE)	---	---	95 ()	+95 ()	+95 ()
F. Area Office Operations	\$ (FTE)	---	---	208 ()	+208 ()	+208 ()
G. ADP Direct Program Costs	\$ (FTE)	11,423 (142)	---	---	-11,423 (-142)	---
H. ADP Transfers From Other Programs	\$ (FTE)	4,895 (---)	---	---	-4,895 (---)	---
Total Requirements	\$ (FTE)	17,748 (142)	17,663 (140)	17,966 (140)	+218 (-2)	+303 (---)

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians.

Objective: To operate a viable, computer-oriented data processing function in support of the Bureau's programs, organizations, and administrative systems.

Base Program (\$17,663,000): The base for the Bureau's automatic data processing services is being restructured for FY 1986. The amounts appropriated in FY 1985 for direct ADP costs and transfers from other programs have been spread among four new categories: Central Management, Central Management System Support, Decentralized System Support, and Bureau Mission System Support. Three additional amounts, funded and justified elsewhere in the budget, complete Bureau ADP funding: (1) \$1,078,000 for Financial Management ADP Systems (including the Payroll/Personnel (PAY/PERS) System and the Indian Priority System (IPS)), which are described and funded as indicated under the Management and Administration section of the Budget Justifications; (2) \$774,000 for the Education Management Information System (MIS), which is described and funded as indicated under the

School Operations section; and (3) \$1,063,000 for the Indian Integrated Resource Inventory Program (IIRIP), which is described and funded as indicated under the Natural Resources, General section.

A. Central Management (\$3,220,000): This amount will be allocated for the costs of the Central Office staff (Washington, D.C. only) and for the National Technical Support Center (NTSC), formerly named the National Computer Center (NCC), in Albuquerque, New Mexico. The Central Office will provide, through an Office of the Director, Policy and Planning Staff, and Division of ADP Management, national program direction, incurring salary, benefits, travel, and office expenses. The NTSC, as the principal Bureau computer center, provides services of computer operation, production control, and telecommunications management, incurring salary, benefits, travel, communications, and office expenses.

B. Central Management System Support (\$8,173,000): This amount will be allocated mainly for the costs of these central lifeblood ADP systems: Area and Agency Distributed Interchange Executive (AADIX) and Martin-Marietta Data Systems (MMDS) network accessed via GSA's Teleprocessing Services Program (TSP). AADIX costs are attributed to Burroughs computers (leased equipment and maintenance), Racal Milgo modems (leased equipment and maintenance), and AT&T telecommunications lines (line usage charges). MMDS (TSP) will provide computer teleprocessing to support Bureau users nationwide. In addition, Central Management System Support funding is planned for the OMB Circular A-76 study, data preparation (keystroke transcription), NTSC hardware maintenance and software lease, and software development by "Buy Indian" Basic Ordering Agreement (BOA) contractors.

C. Decentralized System Support (\$2,604,000): This amount will be allocated for the ADP Services costs of salary, benefits, travel, training, telecommunications, and office expenses of the 12 area offices, six Information Management Centers (IMC's), and a support center in Juneau, Alaska.

D. Bureau Mission System Support (\$3,666,000): This amount will fund systems operated by five organizations which carry out Bureau mission programs: the Offices of Indian Education Programs, Indian Services, Trust Responsibilities, and Administration; and the Division of Facilities Engineering.

Funding for the Offices of Indian Education Programs and Administration ADP mission applications are included within those programs, as previously indicated. Funding for the Office of Indian Service's ADP systems (Social Services, Law Enforcement, Tribal Government Services, Financial Assistance, Judicial, and Self-Determination) will cover computer processing at the Bureau of Mines, including telecommunications terminals and line usage, data preparation, and software development contracting. Expenditures for the Office of Trust Responsibilities will fund purchased and leased equipment and data processing services provided commercially and from State and Federal agencies, which support the functions of land record information for real estate services, bridge and road design, appraisals and statute research, and investment analysis. Funding for the Division of Facilities Engineering's FACCOM system will include equipment maintenance.

E. Tribe/Agency Operations (\$0): See Appendix.

F. Area Office Operations (\$0): See Appendix.

Overall BIA ADP Program

FY 1986 funding has been frozen at the FY 1985 level. As plans evolve in FY 1985, and economies are realized, some readjustments may be necessary. A subdivision of ADP costs for FY 1986 based on an anticipated total funding level of \$20,881,000 is as follows (dollars in thousands):

<u>ADP Category</u>	<u>Estimated FY 1986 Costs</u>
A. Central Management.....	\$3,220
B. Central Management System Support.....	8,173
AADIX.....	\$ 3,062
MMDS (TSP).....	3,528
A-76 Study.....	80
Data Preparation.....	955
NTSC Hardware & Software.....	156
Basic Ordering Agreements.....	392
C. Decentralized System Support.....	2,907
Area Office ADP and IMC's.....	\$ 1,823
Burroughs Technical Consultants...	781
Agency level (tribal priority)....	95
Area level (priority).....	208
D. Bureau Mission System Support.....	6,581
*Administration.....	\$ 1,078
PAY/PERS.....	(\$980)
IPS.....	(98)
*Education.....	774
Indian Services.....	2,787
*Indian Integrated Resource	
Inventory Program (IIRIP).....	1,063
Other Trust Responsibilities.....	858
Facilities Management.....	21
 Total Estimated FY 1986 Cost.....	 <u>\$20,881</u>

Recapitulation - Sources of Funds:

ADP Services direct funding.....	\$17,663
Field level priorities.....	303
*Education (School Operations--MIS Program)	774
*Trust Responsibilities (Nat. Res. General--IIRIP)...	1,063
*General Administration (Mgmt & Admin--Admin Svs)....	<u>1,078</u>
Total ADP funding.....	<u>\$20,881</u>

*These applications are described and funded as indicated under the program narratives of other sub-activities as indicated earlier.

From FY 1979 through FY 1983, the Bureau's Automatic Data Processing (ADP) services were configured around an ADP modernization program which emphasized equipment acquisition and upgrade, with limited prior consultation and coordination with users to determine actual need and purpose. This effort resulted in a significant expenditure of funds and produced actual user data which was not creditable nor readily available to management program users, the Congress, and others. As a result, in FY 1984, the Congress directed the Bureau to cancel leases and to return unused equipment and restricted ADP

expenditures to \$3 million for support of essential program and administration functions. The Bureau was also directed to cease acquisition of hardware and software systems.

Subsequently, the Bureau began implementing a series of major organizational and operational changes to meet the directives of Congress and to provide the Bureau with a sound ADP service base. Toward that end, the Bureau performed a confirmation of its FY 1983 and FY 1984 expenditures through March 31, 1984. Since the amount of funds originally appropriated for FY 1984 were insufficient to fund essential ADP operations, the Bureau prepared and submitted a reprogramming/supplemental request. The final appropriation action in FY 1984 provided a limit of \$19,700,000 for the overall ADP program, including appropriation of \$12,725,000 in direct ADP funds, an approved reprogramming of \$6,026,000 from various Bureau programs, and use of a portion of the pay cost supplemental up to the statutory limit.

The Bureau also developed Bureau-wide ADP cost estimates for FY 1984 and FY 1985 to support the new organizational and operational strategies. It initiated a quarterly Financial Program Planning system to control ADP budgets and implemented an ADP cost accounting project to track and report current ADP expenditures. In addition, Bureau management has instituted a freeze on the acquisition of hardware and software components and has taken steps to ensure cost avoidance through cancellation of existing leases, the return of unneeded equipment and supplies, and the conversion of leases to purchases where cost-effective. Twenty-four B94 systems were returned for an annual savings of \$364,000; elimination of three excess Harris computers saved \$28,000 annually. Recompetition of the Social Services equipment maintenance contract allows \$276,000 in annual cost avoidance. Recent recompetition of the Teleprocessing Services Program (TSP) contract is expected to yield annual savings of \$900,000, if usage rates remain constant.

The Office of Data Systems (ODS) was established within the Bureau in October 1983 by Secretarial Order No. 3098, dated October 24, 1983, as directed in the FY 1984 House Appropriations report language, to direct the Bureau's ADP program. A Director was appointed on October 28, 1984, and the office's organization was given formal approval by Departmental Manual (130 DM 9) publication on December 24, 1984. This office is charged with restructuring the Bureau's resources to meet the requirements for ADP services and to respond to the directives and guidance of the Congress and the Department to correct identified deficiencies in ADP management throughout the Bureau.

The Office requested that the Congress provide relief from the \$3 million budget limitation imposed in FY 1984, and the Bureau submitted a detailed reprogramming request to the Congress which delineated the funding required to operate existing systems during FY 1984 and the source of funds being utilized to fund Bureau ADP costs, including the new Office of Data Systems and the Information Management Centers (IMC's). Similarly, the Bureau submitted a revised request for FY 1985 to continue implementation and operation of ADP services.

Among the programs or systems to be supported by the Office of Data Systems are social services (welfare checks), individual Indian monies (payments to beneficiaries of trust funds), forestry (timber sales receipts), land records, real and personal property, irrigation (water user charge receipts), finance/accounting, personnel, and payroll.

The policies, standards, and management direction for the Bureau's ADP services will come from the Office of Data Systems (ODS) in Washington, D.C. The operation and maintenance of existing data systems for areas, agencies, and tribes

will be provided primarily through the National Technical Support Center (NTSC) in Albuquerque; the six Information Management Centers (IMC's), which are located in Aberdeen, Albuquerque, Anadarko, Billings, Phoenix and Portland; and a support center in Juneau.

Technical assistance in, and administrative control of, Bureau computer information, technology, and hardware support will also be accomplished through ODS. This organization will direct the implementation and operation of a cost-effective, modern information resources capability within the Bureau, and it will be the basis for institutionalizing the operations of the teleprocessing system, serviced under contract with Martin-Marietta Data Systems, and the social service system operated on the Bureau of Mines computer.

The Director of ODS has begun reviews with each program and Area Director to measure the priorities and scope of ADP services currently being provided from all sources and to direct a user-oriented, cost-effective program of ADP services throughout the Bureau.

The Bureau believes the organization and management strategies being implemented are the best ways to resolve specific issues and to correct the many ADP problems which have developed in the past decade. The Bureau will continue to provide reports to the Appropriations Committees on the progress of our ADP services program. The Bureau will also report to the Committees on indirect ADP expenditures (those costs covered through Bureau contracts) so that the total cost of the ADP program is available for review.

Increase from FY 1986 Base:

(dollars in thousands)

<u>Program</u>		FY 1986 <u>Base</u>	FY 1986 <u>Estimate</u>	<u>Difference</u>
E. Tribe/Agency Operations	\$	---	95	+95
				(See Appendix)
F. Area Office Operations	\$	---	208	+208
				(See Appendix)
				TOTAL
				+303

Object Class Distribution - Automatic Data Processing Services Subactivity

Other Services..... \$+303,000

Justification of Program and Performance

Activity: General Administration
 Subactivity: Employee Compensation Payments

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985</u> <u>Enacted</u> <u>to Date</u>	<u>FY</u> <u>1986</u> <u>Base</u>	<u>FY</u> <u>1986</u> <u>Estimate</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1985</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
A. Employee Compensation Payments	\$ (FTE)	4,898 (--)	5,563 (--)	5,563 (--)	+665 (--)	-- (--)
B. Unemployment Compensation	\$ (FTE)	1,960 (--)	1,960 (--)	1,960 (--)	-- (--)	-- (--)
Total Requirements	\$ (FTE)	6,858 (--)	7,523 (--)	7,523 (--)	+665 (--)	-- (--)
<u>Distribution:</u> Other Admin. Pgms.	\$	6,858	7,523	7,523	+665	--

EMPLOYEE COMPENSATION PAYMENTS

Authorization: 5 U.S.C. et. seq. 39 Stat. 742. The Federal Employees' Compensation Act of September 7, 1916, as amended, provides compensation for disability or death and full medical care for civilian officers and employees of the U.S. Government who suffer injuries or occupational illnesses in the performance of their duties.

Objective: To provide for repayments of expenses to the Federal Employees' Compensation Fund.

Base Program (\$5,563,000): The funding provides reimbursement to the Department of Labor for expenses of the Employees' Compensation Fund incurred during the 1983-84 expense period.

UNEMPLOYMENT COMPENSATION

Authorization: P.L. 96-499. The Omnibus Reconciliation Act of 1980 requires that each Federal agency pay the cost of regular and extended benefits paid to its former employees by State employment security agencies for Federal service performed after December 31, 1980, and deposit such payments quarterly into the Federal Employee Compensation account in the U.S. Treasury.

Objective: To provide repayment of unemployment compensation charges to the Department of Labor.

Base Program (\$1,960,000): The funding provides reimbursement for unemployment compensation payments to former Federal employees who are eligible for compensation benefits if affected by reduction in force, expiration of temporary appointment, or resignation due to permanent change in station.

Justification of Program and Performance

Activity: General Administration
 Subactivity: Program Management

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Base</u>	<u>FY 1986 Estimate</u>	<u>Inc. (+) Dec. (-) From 1985</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Construction	\$	2,626	2,298	2,298	-328	---
Management	(FTE)	(93)	(86)	(86)	(-7)	(---)
B. Education	\$	2,179	2,013	2,013	-166	---
Program Mgmt.	(FTE)	(50)	(46)	(46)	(-4)	(---)
Total	\$	4,805	4,311	4,311	-494	---
Requirements	(FTE)	(143)	(132)	(132)	(-11)	(---)
<u>Distribution:</u>						
Central Office						
Staff Operations	\$	4,805	4,311	4,311	-494	---

A. Construction Management

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authorization under which the Secretary provides services including construction of facilities to support operating programs to federally recognized Indians.

Objective: To provide for the management of a program to plan, design, construct, and repair adequate and safe facilities in eligible Indian communities.

Base Program (\$2,298,000): Through the expenditure of \$2,298,000 and the use of 86 FTE, the Bureau provides adequate and safe facilities to eligible Indian communities. The base program provides funding and FTE for executing the Construction - Buildings and Utilities portion of this Justification. This responsibility requires personal services, equipment, travel, management and accountability systems, and general logistical needs.

During FY 1985, the Bureau will manage approximately 20 construction projects. In FY 1986, a similar workload is expected, including the supervision of remaining projects financed by the FY 1983 Jobs Bill to rehabilitate Bureau-owned detention facilities. The facilities improvement and repair projects for FY 1986 require the services of Bureau staff (School Facilities staff) for the purpose of identifying and planning future projects, and (Facilities Engineering staff) for contracting with vendors for design, construction and construction supervision, each managing and reviewing all phases of the overall process for which they are responsible. Bureau staff (School Facilities staff) also provide for the proper equipping of school facilities. Bureau architects, engineers, and contract specialists are used in monitoring the contracting activities. Bureau staff (Facilities Engineering staff - FACCOM) also develop, operate, and maintain management information systems for the Construction (B&U) and Facilities Management (Operation and Maintenance) programs. Eleven FTE are included in the base program for this purpose; however, funding of \$799,000 is included in the Facilities Management ("FACCOM") portion of the Justification.

B. Education Program Management

Authorization: 25 U.S.C. 2008-2325, the Education Amendments of 1978 (P.L. 95-561), provide for line authority administration of all Indian Education Programs by the Office of Indian Education Programs (OIEP). The law also mandates responsibilities for direct formula funding to Bureau elementary and secondary schools and emphasizes local decision-making for Indian School Boards.

Objectives: To provide Bureau level direction and control by establishing or revising education policies and/or procedures that will result in the provision of a comprehensive and quality education program meeting specialized learning needs of federally recognized Indian students not attending public or sectarian schools. These needs include bilingual/bicultural education; residential care programs with developmental guidance; fiscal resources for the operation of early childhood, elementary, secondary and postsecondary school programs/services, either directly by the Bureau or by tribal contract; programs for exceptional students; and Chapter I. OIEP also provides direction for: (1) activities for adults through the Adult Education Program; (2) Tribally Controlled Post-Secondary institutions; and (3) Scholarship Programs for both graduate and undergraduate Indian students.

Base Program (\$2,013,000): The Director, Office of Indian Education Programs, provides line direction for all OIEP programs and systems through field line offices and through Central Office staff. The OIEP Director's authorities and responsibilities include policy analysis, formulation, and implementation; management systems development, implementation, and evaluation; program planning, oversight, and evaluation; allocation and expenditure of appropriated and flow-through funds; and personnel management of education staff at all levels of the organization.

The Director exercises line authority and control over Field Office education programs which, in turn, supervise Bureau off-reservation residential schools, peripheral dormitories housing Indian students attending public schools, local on-reservation day and boarding schools, and three Bureau post-secondary institutions. The OIEP Director is assisted by a Deputy Director, three Assistant Directors, and program support staff at the Central Office level.

Bureau of Indian Affairs
 Summary of Requirements by Object Class
 (dollar amounts in thousands)

Appropriation: Operation of Indian Programs (Direct Program Only)

Object Class:	1986 Base		1986 Estimate		Inc. (+) or Dec. (-)	
	FTE	Amount	FTE	Amount	FTE	Amount
11.0 Personnel compensation:						
11.1 Permanent positions.....	8,982	219,124	8,923	217,582	-59	-1,542
11.3 Positions other than permanent.....	3,103	47,831	3,103	47,831	--	--
11.5 Other personnel compensation.....		8,741		8,741		--
Total personnel compensation.....	12,085	275,696	12,026	274,154	-59	-1,542
Object Class:						
12.1 Personnel benefits.....		36,048		35,884		-164
13.0 Benefits for former personnel.....		3,607		3,957		+350
21.0 Travel and transportation of persons.....		10,805		11,415		+610
22.0 Transportation of things.....		7,427		7,827		+400
23.1 Standard level of users charge.....		10,300		10,300		--
23.2 Communications, utilities and other rent....		13,548		14,500		+952
24.0 Printing and reproduction.....		1,244		1,244		--
25.0 Other services.....		332,971		311,684		-21,287
26.0 Supplies and materials.....		48,328		51,961		+3,633
31.0 Equipment.....		7,927		7,933		+6
32.0 Lands and structures.....		743		743		--
41.0 Grants, subsidies, and contributions.....		124,684		123,970		-714
42.0 Insurance claims and indemnities.....		115		115		--
Total Requirements.....	12,085	873,443 *	12,026	855,687 *	-59	-17,756

* Does not include obligations relating to unobligated balances carried forward (\$3,000,000) for the multi-year funds in Continuing Education and Navajo-Hopi Settlement Program.

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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	1984 Actual	1985 Estimate	1986 Estimate
Program by activities:			
Direct program:			
00.01 Education.....	300,196	274,405	247,764 *
00.02 Indian services.....	229,033	220,559	220,068 *
00.03 Economic development and employment programs.....	56,521	65,945	64,569 *
00.04 Natural resources development	116,409	110,693	106,736 *
00.05 Trust responsibilities.....	41,776	50,012	50,450 *
00.06 Facilities management.....	91,399	88,916	90,390 *
00.07 General administration.....	64,521	78,386	78,810 *
00.91 Total direct program.....	899,855	888,916	858,687
01.01 Reimbursable program.....	43,697	48,200	48,000
10.00 Total obligations.....	943,552	937,116	906,687
Financing:			
Offsetting collections from:			
11.00 Federal funds.....	-42,000	-44,700	-46,000
14.00 Non-Federal sources.....	-10,501	-3,500	-2,000
21.40 Unobligated balance available, start of year.....	-61,777	-39,532	-33,532
24.40 Unobligated balance available, end of year.....	39,532	33,532	30,532
25.00 Unobligated balance lapsing..	17,673	---	---
39.00 <u>Budget authority</u>	886,479	882,916	855,687
Budget authority:			
40.00 Appropriation.....	856,773	895,834	855,687
40.00 Reduction pursuant to Public Law 98-473.....	---	-17,918	---
42.00 Transferred from other accounts	18,606	---	---
43.00 <u>Appropriation (adjusted)</u>	875,379	877,916	855,687
Transfers in for:			
46.10 <u>Wage-board pay raises</u>	---	1,036	---
46.20 <u>Civilian pay raises</u>	---	3,964	---
50.00 <u>Reappropriation</u>	11,100	---	---

* Obligation amounts by activity modified from President's Budget Appendix to reflect adjustments made due to changes in tribal priorities.

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	1984 Actual	1985 Estimate	1986 Estimate
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	891,051	888,916	858,687
72.40 Obligated balance, start of year.....	254,756	250,424	258,090
74.40 Obligated balance, end of year.....	-250,424	-258,090	-258,501
77.00 Adjustments in expired accounts.....	-12,573	---	---
90.00 Outlays, excluding pay raise supplemental.....	882,810	876,350	858,176
91.10 Outlays from wage-board pay raise supplemental.....	---	1,015	21
91.20 Outlays from civilian pay raise supplemental.....	---	3,885	79

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	1984 Actual	1985 Estimate	1986 Estimate
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	218,180	218,514	217,582
11.3 Other than full-time permanent	47,745	46,429	47,831
11.5 Other personnel compensation.	9,037	8,729	8,741
11.8 Special personal services payments.....	2,018	---	---
11.9 Total personnel compensation.	276,980	273,672	274,154
12.1 Personnel benefits: Civilian...	34,745	35,282	35,884
13.0 Benefits for former personnel..	3,810	3,869	3,957
21.0 Travel and transportation of persons.....	12,190	11,997	11,415
22.0 Transportation of things.....	8,359	8,226	7,827
23.1 Standard level user charges....	8,918	10,300	10,300
23.2 Communications, utilities, and other rent.....	14,669	14,500	14,500
24.0 Printing and reproduction.....	1,329	1,308	1,244
25.0 Other services.....	340,507	334,562	313,684
26.0 Supplies and materials.....	55,493	54,612	51,961
31.0 Equipment.....	8,472	8,338	7,933
32.0 Lands and structures.....	794	781	743
33.0 Investments and loans.....	1	1	---
41.0 Grants, subsidies, and contributions.....	133,465	131,347	124,970
42.0 Insurance claims and indemnities	123	121	115
99.0 Subtotal, direct obligations	899,855	888,916	858,687
99.0 Reimbursable obligations	43,697	48,200	48,000
99.9 Total obligations.....	943,552	937,116	906,687

* Object classification amounts modified from President's Budget Appendix to reflect adjustments made due to changes in tribal priorities.

PERSONNEL SUMMARY

Direct:			
Total number full-time permanent positions.....	9,952	9,836	9,704
Total compensable workyears:			
Full-time equivalent employment...	12,200	12,175	12,026 **
Full-time equivalent of overtime and holiday hours.....	331	380	376
Reimbursable:			
Total full-time permanent positions.	568	563	567
Total compensable workyears:			
Full-time equivalent employment...	902	891	896
Full-time equivalent of overtime and holiday hours.....	17	17	17

** FTE differs from Appendix, includes 30 from Quarters O&M program.

CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

For construction, major repair and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and [construction,] repair [,] and improvement of Indian housing, [\$109,686,000] \$75,145,000, of which \$4,900,000 shall be derived by transfer from "National Capital Region Arts and Cultural Affairs," National Park Service, to remain available until expended: Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation.

(Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Justification of Proposed Language Change

1. Addition: "...\$75,145,000, of which \$4,900,000 shall be derived by transfer from 'National Capital Region Arts and Cultural Affairs,' National Park Service...."

In Fiscal Year 1984, \$17,750,000 was transferred from the Construction account to the Operation of Indian Programs (OIP) account under Section 102 authority, to cover fire suppression costs incurred in FY 1984. A total of \$12,850,000 is proposed to be transferred from National Park Service Construction (Trust Funds) in FY 1985 to reimburse the BIA Construction account for a portion of the funds used. The balance (\$4,900,000) is proposed to be financed by transfer of FY 1986 budget authority from the National Capital Region Arts and Cultural Affairs account of the National Park Service.

Appropriation Language and Citations

1. For construction, major repair and improvement of irrigation and power systems, For construction, major repair and improvement of irrigation and power systems involving irrigation canals, wells, hydro-electric dams, and water and electrical distribution systems.

25 U.S.C. 13
25 U.S.C. 631(2)

25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services including construction of facilities to support operating programs to federally recognized Indians. This Act also provides for the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies. In addition, most of the major projects have specific authorizations.

25 U.S.C. 631(2), In order to further the purposes of existing treaties with the Navajo and Hopi Indians to provide facilities essential in combating hunger, disease, poverty, and demoralization among its members, section 2 includes the following:

- (2) Completion and extension of existing irrigation projects, and completion of the investigation to determine the feasibility of the proposed San Juan-Shiprock irrigation project.

2. buildings utilities, and other facilities,

For construction, major repair, and improvement of all BIA buildings, utilities, and other facilities, including demolition of obsolete structures and consolidation of underutilized facilities.

25 U.S.C. 13
25 U.S.C. 450
25 U.S.C. 631(12)(14)

25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act) in Section 458 authorizes construction of public school facilities serving Indian children and permits expending not more than 25 percent of any funds appropriated for construction of previously private schools.

25 U.S.C. 631 (12)(14), In order to further the purposes of existing treaties with the Navajo and Hopi Indians to provide facilities essential in combating hunger, disease, poverty, and demoralization among its members, sections 12 and 14 include the following:

(12) School buildings and equipment, and other educational measures.

(14) Common service facilities.

3. including architectural and engineering services by contract;

The construction program includes the advertisement for architectural and engineering services through the Buy Indian Act, P.L. 93-638, and open market contracts.

25 U.S.C. 13
25 U.S.C. 450 (P.L. 93-638)

4. acquisition of lands and interests in lands;

The program includes the acquisition of land and interests in lands, as directed by Congress and the judicial decisions.

25 U.S.C. 465

The Secretary of the Interior is hereby authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted allotments, whether the allottee be living or deceased, for the purpose of providing land for Indians.

5. preparation of lands for farming;

The construction program includes functions relating to preparation of lands for farming and irrigation, such as cleaning, leveling, terracing, and installation of irrigation systems.

25 U.S.C. 13
25 U.S.C. 465

6. and repair and improvement of Indian housing,

The construction program also includes funds for housing improvement and development to provide decent, safe, and sanitary housing to Indian communities.

25 U.S.C. 13

7. \$, of which \$4,900,000 shall be derived by transfer from "National Capital Region Arts and Cultural Affairs," National Park Service,

Funds are proposed to be financed by transfer of FY 1986 budget authority from the National Capital Region Arts and Cultural Affairs account of the National Park Service, to partially cover fire suppression costs incurred in FY 1984 by the Bureau.

P. L. 98-146

Title I - Department of the Interior
General Provisions, Section 102

P. L. 98-146 (General Provisions), Section 102, The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires....

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 stages through the actual construction of facilities. Therefore, funds are to remain available until expended.

9. Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation.

Any funds appropriated for this project are transferred to the Bureau of Reclamation to carry out construction.

25 U.S.C. 631(1)(2)

31 U.S.C. 1535 (formerly 31 U.S.C. 686)

25 U.S.C. 631 (1)(2), In order to provide basic improvements for the conservation and development of the resources of the Navajo and Hopi Indians, sections 1 and 2 include the following:

- (1) Soil and water conservation and range improvement work.
- (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.

31 U.S.C. 1535, Provides for the purchase or manufacture of stores or performance of services by Bureau or Department of another Bureau or Department.

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: Construction 14X2301

FY 1985 Budgetary Status

Budget Authority Available:

Appropriation realized.....	\$107,492
Prior-year unobligated balance brought forward.....	63,382
Anticipated recovery of prior-year obligations.....	---

Total available for obligation..... 170,874

Less anticipated obligations (by activity):

1. Buildings and Utilities.....	\$-63,759
2. Irrigation systems.....	-43,021
3. Housing.....	-22,700
4. Land acquisition.....	- 2,394
5. Transfers (proposed).....	- 5,000
Total anticipated obligations.....	<u>\$-136,874</u>

FY 1986 Request

Anticipated unobligated balance brought forward..... \$34,000

Plus increases proposed (by activity):

1. Buildings and Utilities.....	+\$37,490
2. Irrigation systems.....	+15,759
3. Housing.....	+16,996
4. Land acquisition.....	---
5. Transfers (proposed).....	+4,900
Total increase proposed.....	<u>\$ 75,145</u>

Total Anticipated BA available for obligation..... \$109,145

BUREAU OF INDIAN AFFAIRS
Analysis of Budgetary Resources by Activity

Account: Construction

Activity	FY 1984 Appropriation	FY 1985 Appropriation	FY 1986 Appropriation	FY 1986 Inc.(+)/Dec.(-) from 1985 Appropriation
1. Building & Utilities				
BA available for obligation:				
Appropriation.....	50,220,000	56,509,000	37,490,000	-19,019,000
Unoblig. bal. brt. fwd.....	57,971,000	24,012,000	11,762,000	-12,250,000
Total BA available.....	108,191,000	80,521,000	49,252,000	-31,269,000
Less obligations.....	83,323,000*	63,759,000*	41,417,000†	-22,342,000
Subtotal.....	24,868,000	16,762,000	7,835,000	-8,927,000
Transfers.....	-856,000	-5,000,000	---	-5,000,000
Unoblig. bal. brt. fwd.....	24,012,000	11,762,000	7,835,000	-3,927,000
(FTE)	(---)	(---)	(---)	
2. Irrigation Systems				
BA available for obligation:				
Appropriation.....	22,700,000	25,853,000	15,759,000	-10,094,000
Unoblig. bal. brt. fwd.....	53,109,000	37,168,000	20,000,000	-17,168,000
Total BA available.....	75,809,000	63,021,000	35,759,000	-27,262,000
Less obligations.....	20,891,000*	43,021,000*	21,900,000†	-21,121,000
Subtotal.....	54,918,000	20,000,000	13,859,000	-6,141,000
Transfers.....	-17,750,000	---	+4,900,000	+4,900,000
Unoblig. bal. brt. fwd.....	37,168,000	20,000,000**	18,759,000	-1,241,000
(FTE)	(80)	(80)	(80)	(---)
3. Housing				
BA available for obligation:				
Appropriation.....	23,000,000	22,736,000	16,996,000	-5,740,000
Unoblig. bal. brt. fwd.....	---	1,035,000	1,071,000	+36,000
Total BA available.....	23,000,000	23,771,000	18,067,000	-5,704,000
Less obligations.....	21,965,000†	22,700,000*	17,828,000†	-4,872,000
Subtotal.....	1,035,000	1,071,000	239,000	-832,000
Transfers.....	---	---	---	---
Unoblig. bal. brt. fwd.....	1,035,000	1,071,000	239,000	-832,000
(FTE)	(69)	(69)	(69)	

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(Continued)

BUREAU OF INDIAN AFFAIRS
Analysis of Budgetary Resources by Activity

Account: Construction

	FY 1984 Appropriation	FY 1985 Appropriation	FY 1986 Appropriation	FY 1986 Inc.(+)/Dec.(-) from 1985 Appropriation
<u>4. Land Acquisition</u>				
BA available for obligation:				
Appropriation.....	----	2,394,000	----	-2,394,000
Unoblig. bal. brt. fwd.....	1,205,000	1,167,000	1,167,000	----
Total BA available.....	1,205,000	3,561,000	1,167,000	-2,394,000
Less obligations.....	38,000*	2,394,000*	----†	-2,394,000
Subtotal.....	1,167,000	1,167,000	1,167,000	----
Transfers.....	----	----	----	----
Unoblig. bal. brt. fwd.....	1,167,000	1,167,000	1,167,000	----
(FTE)	(--)	(--)	(--)	(--)
<u>Account Totals</u>				
BA available for obligation:				
Appropriation.....	95,920,000	107,492,000	70,245,000	-37,247,000
Unoblig. bal. brt. fwd.....	112,285,000	63,382,000	34,000,000	-29,382,000
Total BA available.....	208,205,000	170,874,000	104,245,000	-66,629,000
Less obligations.....	126,217,000	131,874,000	81,145,000	-50,729,000
Subtotal.....	81,988,000	39,000,000	23,100,000	-15,900,000
Transfers.....	-18,606,000	-5,000,000	+4,900,000	+9,900,000
(FTE)	63,382,000	34,000,000	28,000,000	-6,000,000
	(149)	(149)	(149)	

* Do not agree with Budget Appendix amounts which were erroneous.

** Does not include effects of \$12,850,000 proposed transfer to reimburse account for FY 1984 fire suppression transfer to the Operations of Indian Programs account.

† Numbers agree with Budget Appendix.

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Program and Performance.

1. Building and Utilities - This activity consists of construction and additions to Bureau facilities.
2. Irrigation systems - This activity provides for the construction, extension and rehabilitation of irrigation projects and related power systems on Indian reservations.
3. Housing - This program provides for the repair of housing for needy Indians.

Justification for Construction

Activity: Construction
 Subactivity: Buildings & Utilities

(Dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Estimate</u>
A. Education Construction	\$	13,661	---
	(FTE)	(---	(---
B. Non-Education Construction	\$	2,668	---
	(FTE)	(---	(---
C. Advance Planning & Design	\$	---	---
	(FTE)	(---	(---
D. Facility Improvement & Repair	\$	40,180	37,490
	(FTE)	<u>(---</u>	<u>(---</u>
Total Requirements	\$	56,509	37,490
	(FTE)	(---	(---

A. Education Construction

Authorizations: 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.

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% of any funds appropriated for reconstruction of previously private schools.

25 U.S.C. 631-640, Section 631, permits use of funds to construct facilities for programs serving the Navajo and Hopi Tribes.

Justification: The Bureau of Indian Affairs has been authorized to provide adequate and safe educational facilities to eligible communities. Schools may be Bureau operated or contract operated by tribal organizations.

In FY 1985, \$4,449,000 was appropriated for construction of the Western Cheyenne River Boarding School, and \$9,212,000 for the Papago High School.

For FY 1986, the Bureau is not requesting funds for Education Construction.

B. Non-Education Construction

Authorizations: 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.

25 U.S.C. 631-640, Section 631, permits use of funds to construct facilities for programs serving the Navajo and Hopi Tribes.

Justification: Priorities for new construction do not include requests in this category in FY 1986. In FY 1985, \$2,315,000 was appropriated for Tamgass Fish Hatchery, and \$353,000 for the Rosebud Water Development.

C. Advance Planning and Design

Authorizations: 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.

25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act) Section 458, authorizes construction of public school facilities serving Indian children and permits expending not more than 25% of any funds appropriated for construction of previously private schools.

25 U.S.C. 631-640, Section 631, permits use of funds to construct facilities for programs serving the Navajo and Hopi Tribes.

Justification: Priorities for new construction do not include requests in this category in FY 1986.

D. Facility Improvement and Repair Program

Authorizations: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including improvement and repair of facilities to support operating programs, to federally recognized Indians.

Objectives:

1. Reduce facility improvement and repair needs with emphasis on critical life safety needs as they arise;
2. Consolidate underutilized facilities, particularly school plants;
3. Repair or refurbish facilities through alternative consideration of the FI&R Program (e.g., renovation, improvements, demolitions, or additions); and
4. Continue the Boiler Repair and Emergency Repair Programs.

Justification (\$37,490,000): The Bureau of Indian Affairs manages over 10,000 structures at approximately 400 locations throughout the United States. The improvement and repair of these structures is a continuing effort. There are opportunities for cost savings through consolidation of facilities which are underutilized. Also, unused facilities that are unsafe or determined to be in excess of Bureau needs will be disposed of by transfer, sale, or demolition. The major thrust of the Construction - Buildings and Utilities subactivity has

shifted primarily from building new facilities to improving and repairing existing facilities. Further studies of schools and other facilities on or near the various reservations will continue to be undertaken to determine which facilities can be consolidated and/or closed and which should be repaired or remodeled.

In addition to accomplishing needed repairs and improvements, correcting functional deficiencies, and modernizing to meet today's standards, there are requirements for compliance with the specifically mandated programs concerning safety, environmental protection, energy conservation, and the handicapped. Included are the following repair tasks: updating buildings and utilities to correct existing functional, unsafe and/or unsanitary conditions; and bringing various structures up to regulatory requirements. Immediate repairs will be required on some facilities to correct unforeseen damages which prevent the operation of the Bureau programs housed therein. Some structures, because of prohibitive costs to update or renovate, will be demolished and replaced. The installation of equipment will be required when accomplishing many of the repairs in order for the facilities to serve their intended purposes.

Funding will continue for boiler repair or replacement and for continued safe operations. Funds will also be provided for advance design to facilitate obligation of future year repair and improvement projects.

The need for FI&R projects will continue until all Bureau facilities can be maintained under a normal maintenance program and all antiquated but still needed facilities are replaced. The FI&R backlog was last completely updated in 1979. The Bureau is currently updating the backlog to provide an accurate inventory of its total FI&R needs. This inventory will be completed by August 31, 1985. One significant item which was not included in the 1979 inventory, but which will be included in the current update, is the backlog of approximately \$80,000,000 in underground utility system repair items.

Repair projects are selected by Area priority, with review by Central Office staffs, from the FI&R backlog. The following list identifies the FY 1985 FI&R priority list:

<u>Area</u>	<u>Project</u>
Aberdeen	Little Wound/Kyle Elementary School Marty Indian School (Sewer & Misc.) Crow Creek Indian School (Sewer Sys.) Oglala Community School Ft. Yates Law and Order Kyle and Wanblee Sewers
Billings	Browning Headquarters (Jail)
Minneapolis	Red Lake Law and Order
Phoenix	Sherman Indian High School
Albuquerque	Isleta Day School Zia Day School Laguna Elementary School Acomita Day School (Sky City) Ramah School (Elec. Meters)

(FY 1985 priority list--continued)

<u>Area</u>	<u>Project</u>
Navajo	Many Farms High School Chi-Chil-Tah Day School Chuska-Tohatchi School Ft. Wingate Elementary School Sanostee School (K-1)
Eastern	Indian Township School Pleasant Point School

FACILITY IMPROVEMENT & REPAIR PROGRAM JUSTIFICATION FOR FY 1986

Description:

Construction	\$26,000,000
Construction Support	11,490,000
TOTAL FY 1986 PROGRAM	\$37,490,000

A project priority list for FY 1986 FI&R will be prepared and published in the Federal Register as required, by September 30, 1985. The \$26,000,000 request is the amount required for meeting estimated FI&R construction contract awards. The \$11,490,000 required includes design and engineering costs; the emergency, boiler, and minor improvement repair programs; equipment, construction contingency, and management and inspection costs.

Construction (\$26,000,000)

Benefits: The program provides needed repair, improves the function of the facilities, corrects unsafe and unsanitary conditions, and reduces the level of energy consumption. Primary concerns will continue to be the correction of life safety deficiencies in Bureau facilities and increased utilization of facilities through consolidation and/or demolition of underutilized facilities. These efforts will also help to control the total costs of operating and maintaining Bureau facilities. Work to be performed in FY 1986 will consist of construction improvements of the following general types (not all types of work will be performed on each project):

General Repair: This includes all items needing repair but which do not involve safety codes or proper functional use of the building. Examples: replacing deteriorated roofing, siding, flooring.

Functional Deficiency Correction: This work involves correcting those deficiencies that interfere with the intended functional use of the structure. Examples: moving partitions to provide proper traffic patterns or better classroom space, upgrading electrical circuits, providing adequate lighting.

Code Deficiency Correction: This work involves correcting those deficiencies related to building codes but which are not considered to be of imminent danger to the occupants. Examples: improving ventilation, adding bathrooms and drinking fountains.

Life Safety or Environmental Hazards Correction: This type of work involves correcting all items that threaten the lives of occupants under normal or emergency circumstances. Examples: providing fire-rated exits, fire alarms, and emergency lighting, removal of asbestos.

Energy Efficiency Improvement: This type of work involves modifications and remodeling to reduce energy loss through the shell of the building or to increase the efficiency of heat generation and distribution. Examples: installing insulation, replacing deteriorated utility systems.

Handicapped Accessibility Improvement: These improvements are made by modifications, remodeling, or providing additions to make occupied portions of the structure accessible to handicapped people in wheelchairs (e.g., installation of ramps, modifications of restrooms).

Demolition: Structures which are unsafe or otherwise unfit for use and which cannot be economically restored to useful service will be demolished.

Construction Support (\$11,490,000)

Emergency Repair (\$410,000): Emergency Repair items result from unforeseen occurrences and require immediate corrective action to allow the day-to-day operations of the various Bureau programs to continue. These funds are administered by the Facilities Engineering Staff and are channeled through the Area Facilities Management Offices to the facility location for accomplishment of work. The projects are then completed via force account or emergency contract for the work involved. Examples: repairing or replacing mechanical and utility system components, correcting fire or storm damage.

Boiler Repair (\$1,990,000): The Bureau has approximately 2,600 boilers and 500 L.P. tanks at 215 facilities. To insure the safe, proper, and efficient use of these boilers, the Bureau provides for operator training, annual inspections, routine maintenance, and necessary repairs. Funds for the Boiler Repair Program will be programmed to locations identified by the annual boiler inspection. The Bureau estimates that during the fiscal year approximately 40 facilities will need major repair work, involving some 100 boilers. The repairs are estimated to average about \$20,000 per repair. The Boiler Repair Program is performed by the Bureau's Area and Agency Offices, with oversight provided by the Facilities Engineering Staff. (Routine maintenance of boilers is a part of the Bureau's Operation & Maintenance program, not the FI&R program, but is mentioned here to provide a total picture of the Bureau's boiler activities.)

Minor Repair (\$3,590,000): Minor repair involves correcting all items needing repair which can be accomplished at the local level without engineering or design assistance, and which are beyond the capability of the Operation & Maintenance Program. Examples: repairing water tanks, windows, roofs.

Advance Planning and Design (\$1,000,000): Funds for advance planning and design will be used to provide project working drawings and specifications for construction during the following fiscal year. When a project design is completed in advance, construction contracts can be awarded in the first and second quarters of the fiscal year. In addition, projects can be coordinated and phased to minimize classroom disruption, to allow for climatic considerations (e.g., northern States have a short construction season), and to provide for modifications required by curriculum changes.

The remaining amount (\$4,500,000) for Construction Support includes funds for equipment purchase (\$900,000); construction supervision (\$1,800,000); and construction contingency (\$1,800,000).

Justification for Construction

Activity: Construction
 Subactivity: Irrigation Systems

(Dollar amounts in thousands)

		FY 1985	FY 1986
		<u>Enacted</u>	<u>Estimate</u>
Project Construction:		<u>to Date</u>	
NIIP	\$	8,918	---
Papago (P.L. 97-293)	\$	4,180	2,500
Ak-Chin (P.L. 95-328)	\$	---	1,400
Other Projects	\$	2,744	---
Dam Safety	\$	7,350	9,307
Surveys & Designs	\$	980	876
Engineering and Supervision	\$	1,681	1,676
	(FTE)	<u>(80)</u>	<u>(80)</u>
 Total Requirements	 \$	 \$25,853	 \$15,759
	(FTE)	(80)	(80)

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides for the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies. In addition, most of the major projects have specific authorizations.

Program Summary: The estimate of \$15,759,000 will provide \$2,500,000 to implement the Southern Arizona Water Settlement Act; \$1,400,000 to implement the Ak-Chin Water Settlement Act; \$9,307,000 to implement the safety of dams program as directed by Secretarial Order No. 3048 of February 28, 1980; \$876,000 for surveys and designs to determine the need for rehabilitation work on existing projects, as well as to determine the need for the construction of new small irrigation projects; and \$1,676,000 for engineering and supervision.

Program Goals: The primary and ultimate goal is to develop water supplies and the distribution systems needed to irrigate all practicably irrigable Indian lands. This involves the construction of new irrigation systems and the extension and/or rehabilitation of existing irrigation systems so that Indian lands in the arid and semi-arid West can be developed to their full productive capacity. By doing so, this program will provide a means by which Indians can put much of their valuable water to beneficial use.

Justification: Detailed justifications are provided for irrigation construction expenditures identified herein.

Irrigation Construction Projects
Fiscal Year 1986

The detailed project justifications for the irrigation construction expenditures are as follows:

a. Project Construction.....\$3,900,000

Papago (\$2,500,000)

The Southern Arizona Water Rights Settlement Act (Title III of P.L. 97-293, dated October 12, 1982) prescribes actions required by the Government and the Papago Tribe to effectuate the settlement with the Papagos. The FY 1983 Supplemental Appropriations Act provided \$20,490,000 to establish two trust funds directed by the Act (totaling \$20,250,000) and \$240,000 to commence activities associated with fulfillment of responsibilities directed by the Act. Other available funds totaling \$315,000 were also assigned to these activities in FY 1983. For FY 1984, \$1,850,000 was approved for reprogramming and \$4,180,000 will be provided in FY 1985 to continue required implementation measures. The following activities are required during FY 1986 to maintain the implementation schedule:

Design and construction of on-reservation irrigation system improvements.....	\$1,110,000
Water Resources Inventory and Exploration on the main (Sells) reservation.....	1,340,000
Staff support.....	50,000
	\$2,500,000

Should a current study determine that the wastewater and exchange facilities are required, the distribution of these funds would change, but the total would not.

Ak-Chin (\$1,400,000)

The Act of July 28, 1978 (P.L. 95-358, 92 Stat. 409), provides for the settlement of the Ak-Chin Indian Community's Claim to water for its reservation in Central Arizona. The Secretary of the Interior and the Indian Community entered into an "Agreement in Principle for Revised Ak-Chin Water Settlement" on September 23, 1983, with the objective of securing legislation to ratify a revised settlement and to authorize appropriations to complete implementation of the settlement. The agreement provided for an economic development grant of \$3.4 million to the Community as an ingredient in relieving the United States of interim damages for failure to deliver an interim water supply from 1984 through 1987. \$2 million was provided in the FY 1984 supplemental appropriation of \$17 million. The \$1,400,000 completes the funding for the \$3.4 million grant.

Economic Development Grant - \$1,400,000

b. Surveys and Designs.....\$876,000

Surveys and designs are required to provide the various planning ingredients for development of new irrigation and power projects or units and for extension and rehabilitation of existing projects in future fiscal years. Engineering

and soil surveys, geologic investigations, and water availability determinations are essential in ascertaining physical feasibility of development. Costs and benefits are calculated for proposed developments, and projects are formulated to provide Indian economic development where water is the critical element.

These surveys and designs are performed by or under the direction of existing staff at Area and Project Offices. Where necessary, in-house capability will be supplemented by contract.

c. Safety of Dams.....\$9,307,000

In recognition of a need to assess and address dam safety deficiencies of structures being managed and operated by the Bureau of Indian Affairs, the Assistant Secretary - Indian Affairs, on May 5, 1978, executed a Memorandum of Understanding with the Commissioner of Reclamation to provide technical expertise in the field of dam safety inspection, consultation, and related activities. Subsequently, dam safety deficiencies were identified as a Department-wide concern, and on February 28, 1980, Secretarial Order 3048 was issued in recognition of this program need. The Memorandum of Understanding executed in 1978 continued to be utilized as the primary instrument in implementing the Secretarial Order. The Bureau of Reclamation, on a reimbursable basis, provides initial inspections and evaluations of the high and significant hazard-potential dams and follows up with required periodic inspections and reevaluations of structures that are under the responsibility of the Bureau of Indian Affairs. The first round of initial on-site inspections was completed in FY 1984, with a number of evaluations and reports to be completed in FY 1985; however, five additional dams have been identified for formal review, i.e., initial on-site inspection. The magnitude of funding required for structural modifications for 50 structures will be reasonably ascertained in FY 1985. Schedules for corrective work have been developed and priorities have been established, based upon the severity of the identified safety deficiencies, among other factors, as they relate to public safety.

The Bureau of Indian Affairs has designated an irrigation program engineer at each Area Office and at the Central Office to perform safety of dam activities as a collateral duty.

The summary of Safety of Dams funding for FY 1986 is as follows:

High-hazard dams - inspections and evaluations	\$ 400,000
Low-hazard dams - inspections and evaluations, and program coordination	650,000
Early Warning Systems	340,000
Structural modifications, in priority order:	
1. Coolidge Dam	4,050,000
2. Blackrock	1,720,000
3. White Clay	257,000
4. Bonneau	340,000
5. Weber	450,000
6. Oglala	635,000
7. Parmelee	465,000
TOTAL	<u>\$9,307,000</u>

- (1) High-hazard dams - inspections and evaluations (\$400,000): With the five additional dams added to the high-hazard category, this work will continue in FY 1986. This program will be ongoing because once the initial inspections are complete, intermediate inspections and reevaluations must be made at 3 and 6-year intervals. Ten intermediate inspections and reevaluations were conducted in FY 1984.

(2) Low-hazard dams - inspections and evaluations, and program coordination (\$650,000): Inspections and evaluations of 228 low-hazard dams have not proceeded as rapidly as those for high-hazard dams. Funds are provided to continue this work in FY 1986. 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) Structural Modifications:

Coolidge Dam (\$4,050,000): These funds are required for the second step in addressing emergency needs at Coolidge. The first step, funded with the \$2.5 million provided in FY 1985, will be for major work in replacement of the penstocks and for the dismantling of the existing electric power switchyard. The additional \$4,050,000 is needed to complete the penstock replacement and to relocate/construct the new switchyard.

Blackrock (\$1,720,000): Funds will be used to start work needed on this dam: enlarging spillway capacity and constructing new cutoff and slurry trenches. \$1.78 million will be needed to complete the work.

White Clay (\$257,000): Funds will be used to provide for modification analysis and conceptual and final design and to enlarge the spillway capacity.

Bonneau (\$340,000): Funds will provide for the modification analysis and conceptual and final design, and complete enlargement of the spillway capacity.

Weber (\$450,000): An amount of \$125,000 will be used for modification analysis and conceptual and final design; \$325,000 will be used to start the work to enlarge the spillway and/or to raise the dam, and to provide a downstream stability berm.

Oglala (\$635,000): Funds will provide for the modification analysis and preparation of conceptual and final designs to either enlarge the spillway capacity or raise the dam and to perform whichever construction effort is identified.

Parmelee (\$465,000): An amount of \$90,000 will provide for the modification analysis and preparation of the conceptual and final designs; \$375,000 will start the work to enlarge the spillway capacity, to extend outlet works, and to provide a downstream stability berm.

Early Warning Systems (\$340,000): Funds will be used to provide early warning systems, which are listed as first priority of funding for corrective measures, for all 14 dams now in need of them. Amounts for these systems range from \$10,000 to \$30,000. The fourteen early warning systems dams are: Many Farms, Bonneau, Weber, Oglala, Ganado, Parmelee, Picacho, Aassyi, Acomita, Ponca, Rosebud, Elgo, He Dog, and Standing Rock.

d. Engineering and Supervision.....\$1,676,000

This item represents funds for salaries, travel, and operational expenses for project engineering, design, and construction supervision. Most staff employees engaged in these activities are located in Bureau of Indian Affairs

field offices and are headquartered in Albuquerque, New Mexico; Billings, Montana; Phoenix, Arizona; Portland, Oregon; Sacramento, California; and Window Rock, Arizona.

Justification for Construction

Activity: Construction
Subactivity: Housing

(Dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Enacted to Date</u>	<u>FY 1986 Estimate</u>
Housing	\$	22,736	16,996
	(FTE)	<u>(69)</u>	<u>(69)</u>
Total Requirements	\$	22,736	16,996
	(FTE)	(69)	(69)
<u>Distribution:</u>			
Housing Development	\$	2,437	2,155
Housing Improvement Program	\$	19,586	14,128
Training	\$	713	713

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes. It is under this authority that housing assistance is provided.

Objectives: The Housing program contributes to the Bureau's economic, social, and educational programs for Indian tribes and Indian people and particularly to the achievement of the overall objective of Federal housing programs to provide decent, safe, and sanitary housing in Indian communities.

Justification: Based on the Congressional Directive for contract support, \$2,828,000 of contract support funds have been transferred from the Operation of Indian Programs (OIP) account to Housing, to cover the indirect costs of the contracted portion of this program. This level of funding has been continued in the FY 1986 request for this program.

The Housing program requirements are based on the FY 1983 Indian housing inventory, which contains the most recent available information on Indian housing needs. The inventory shows the following needs:

Service populations (families)	182,320
Less: Existing dwellings in standard condition	<u>-92,920</u>
Families in need of housing assistance: (total need)	89,400
Houses suitable for renovation to standard	(31,400)
New homes required	(58,000)

The funding requested for FY 1986 will be allocated among reservations in accordance with the distribution system developed as a result of the effort to address the Congressional directive of FY 1984 to ". . . develop a program which is more cost effective and better meets identified housing needs." The primary goal is to reduce or eliminate substandard housing on a planned basis, recognizing priorities and available resources. This planned effort will achieve a balance of a sustained housing improvement effort in those places of larger needs while rotating funds to complete those areas of smaller needs.

In FY 1986, the BIA construction programs are held to a minimum, consistent with a freeze approach that minimizes new construction starts. Thus, the Bureau's Housing program will concentrate its efforts on repairs and renovations of

existing housing. The Housing program is divided into two components -- Housing Improvement Program (HIP) and Housing Development. There are no separate FTE's for these components. Housing Development is the staff component of the Bureau's Housing program.

1. Housing Development (\$2,155,000): The Housing Development component consists of Bureau staff whose responsibilities are: (a) to implement, monitor, inspect and coordinate the HIP; and (b) to a lesser extent, to assist Indian tribes in working with other Federal agencies--Housing and Urban Development (HUD), Indian Health Service (IHS), and the Farmer's Home Administration (FmHA)--involved in producing Indian housing. This assistance is provided in accordance with an Interdepartmental Agreement among HUD, IHS, and the Bureau, which lists Bureau responsibilities. In an effort to develop a more cost-effective program, the types of positions in the housing program will include housing program officers, housing construction management specialists, inspectors, and secretaries/clerks. The redirected program effort will place heavier emphasis on personnel knowledgeable in standard construction practices, including engineering assessments, and will also include heavier emphasis on construction management experience, construction progress scheduling, cost accounting, architectural and engineering technical experience, and housing program development experience.

- a) Agency Operations (\$1,600,000): The Agency Office staff responsibilities are the implementation, monitoring, and inspection of the Housing Improvement Program described in section 2, which follows.
- b) Area Office Operations (\$342,000): The housing operation at the Area Office level provides staff support within the Area jurisdiction with respect to reservation housing programs, with special emphasis on:
 - (1) fulfilling the Bureau's responsibilities in administering a program which is cost effective and meets identified housing needs;
 - (2) distributing HIP funds;
 - (3) administering the Bureau's HIP effectively and efficiently in order to insure proper construction practices;
 - (4) monitoring, evaluating, and inspecting the HIP to assure that the funding is used for purposes intended;
 - (5) assuring that HIP is administered as a housing construction (repairs/renovations) program;
 - (6) developing and maintaining the housing statistics; and
 - (7) meeting the Bureau's responsibilities under the Interdepartmental Agreement.
- c) Central Office Staff Operations (\$213,000): Consistent with the Bureau's long-standing commitment to provide decent housing, which requires the development and the implementation of a total range of housing and related activities, this office formulates and carries out policy, provides direction for and monitoring of the Bureau's HIP, and provides Washington level technical advice about HUD, FmHA, and IHS programs, as well as serving as a liaison with other Federal agencies, OMB, and Congress on matters related to Indian housing. The Central Office housing staff is responsible for continued development of national housing statistics, including the inventory of need. Under the new distribution system, the office will consolidate and approve tribal construction plans, maintain cost figures, and prepare the overall budget request. It will distribute funds based on the budget, built from the inventory of need, and will monitor the progress made toward the planned goals. The Office is also responsible for training tribal HIP coordinators, as well as the Bureau staff, so that there is a proper understanding of the process for administering and implementing the HIP, beginning with the requirement for a valid and reliable inventory, through the development of multi-year plans, to the construction and inspection work.

2. The Housing Improvement Program (\$14,128,000): The Housing Improvement Program (HIP) is the major component of the Bureau housing program. In FY 1986, it will provide for renovations, repairs, or additions to existing homes. There are two types of repair categories in use: (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 renovation effort is an important element in reducing the total cost of achieving the goal of eliminating substandard Indian housing. The program benefits to Indian families are both direct and indirect. Indirect benefits are generated by providing decent, safe, and sanitary shelter, thus reducing the health and social costs created by an unsafe and unsanitary environment.

Whenever possible, HIP funding is combined with the funding of other programs in order to stretch the housing dollar and to provide as much housing as possible. Under this arrangement, HIP generally provides the construction material while other programs, except for the IHS programs, furnish the necessary labor. During FY 1983, \$7,809,500 was contributed to the HIP in the form of labor and materials.

The following chart shows the number of housing units constructed and repaired:

NEW HOMES AND REPAIRS CONSTRUCTED
FY 1963 through FY 1983

HUD ownership.....	30,551
HUD rental.....	19,735
Housing improvement, new homes.....	9,170
Flood rehabilitation.....	387
Built with judgment funds.....	547
Built with credit loans.....	2,665
Other.....	<u>7,922</u>
Total, New Homes.....	70,977
Housing improvement, repairs.....	57,344

The following is a breakdown of FY 1982 and FY 1983 contributions by other sources:

<u>Source</u>	<u>FY 1982</u>	<u>FY 1983</u>
Indian Health Service.....	\$2,204,200	\$1,990,300
Tribal appropriated funding.....	1,214,400	1,575,000
Individual (includes materials and labor costs).....	403,100	500,800
Other Bureau Programs (IAT, TWEP, etc.)	363,600	142,400
Department of Labor Programs (Mainstream, CETA, etc.).....	505,500	1,414,600
Department of HHS (excludes IHS).....	<u>1,782,500</u>	<u>2,186,400</u>
Total, other programs.....	\$6,473,300	\$7,809,500

In FY 1984, the program was approximately 79% contracted, with the value of contracts amounting to \$15,683,000 out of the HIP funds of \$20,035,000.

Program Accomplishments: During FY 1983, the Bureau provided for the financing of 581 new housing units and the repair and renovation of 3,881 existing units. FY 1984 program accomplishments are estimated to be approximately 507 new units and 3,546 repairs (the FY 1984 Indian housing inventory is not available yet). In fiscal years 1985 and 1986, it is estimated that the Bureau will provide:

	<u>Est. FY 1984</u>	<u>Est. FY 1985</u>	<u>Est. FY 1986</u>
New	507	330	---
Repairs	3,546	2,639	2,343

The cost factors derived for FY 1985 HIP operations and for the FY 1986 proposed level are as follows:

	<u>Fiscal Year</u>	<u>Estimate Average Cost</u>	<u>No. of Units</u>	<u>Total Cost a/</u>
Repairs to standard	1985	\$ 8,000	1,193	\$ 9,548,175
	1986	8,000	1,059	8,475,000 <u>b/</u>
Non-standard repairs	1985	2,200	1,446	3,182,725
	1986	2,200	1,284	2,825,000 <u>b/</u>
New construction	1985	36,000	171	6,169,590
	1986	---	---	---
Down payments	1985	4,300	159	685,510
	1986	---	---	---

a/ Detail may not compute exactly due to rounding of the average cost factors.

b/ Contract support funds of \$2,828,000 are not included in the calculation of FY 1986 proposed level of repair/renovations production.

Workload Data: The FY 1986 workload based on the proposed funding level is expected to be:

	<u>Actual FY 1981</u>	<u>Actual FY 1982</u>	<u>Actual FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>	<u>Estimate FY 1986</u>
New house starts (HIP)	641	524	581	507	330	---
Repairs	4,074	3,667	3,881	3,546	2,639	2,343

3. Housing Training (\$713,000): No FTE's are involved in the operation of the HIP Management Training and the Resident Training and Counselling Program (RTCP) Staff Training. The Bureau will continue to offer the HIP management training to tribal HIP Coordinators and Bureau staff involved in the implementation of the Housing Improvement Program. The Bureau will also continue to provide RTCP staff training courses to those Indian housing authorities which will receive HUD funding to undertake counselling programs for families occupying HUD housing projects.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Programming and Financing (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
Direct Program:			
1. Buildings and utilities.....	83,323*	63,759*	41,417
2. Irrigation systems.....	20,891*	43,021*	21,900
3. Housing.....	21,965	22,700*	17,828
4. Land acquisition.....	38*	2,394*	---
Total direct program	126,217	131,874	81,145
Reimbursable Program:			
1. Buildings and utilities.....	---	500	500
2. Irrigation systems.....	21	1,500	1,500
Total reimbursable program.....	21	2,000	2,000
10.00 Total obligations.....	126,238	133,874	83,145
<u>Financing:</u>			
11.00 Offsetting collections from:			
Federal funds.....	-21	-2,000	-2,000
21.40 Unobligated balance available, start of year.....	-112,285	-63,382	-34,000
24.40 Unobligated balance available, end of year.....	63,382	34,000	28,000
39.00 Budget Authority.....	77,314	102,492	75,145
<u>Budget Authority:</u>			
40.00 Appropriation.....	95,920	109,686	70,245
40.00 Reduction pursuant to P.L.98-473	---	-2,194	---
41.00 Transfer to other accounts	-18,606	---	---
43.00 Appropriation (adjusted)	77,314	107,492	70,245
45.00 Transfer out for pay raises....	---	-5,000	---
62.00 Transfer in.....	---	---	4,900
63.00 Appropriation (adjusted).....	---	---	4,900
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	126,216	131,874	81,145
72.40 Obligated balance, start of year	79,739	104,847	109,221
74.40 Obligated balance, end of year..	-104,847	-109,221	-93,522
90.00 Outlays.....	101,108	127,500	96,844

* Obligation distribution has been corrected. The amounts shown in the Budget Appendix are in error.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Object Classification (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1984 Actual	1985 Estimate	1986 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	2,554	2,674	2,691
11.3 Other than full-time permanent..	570	598	602
11.5 Other personnel compensation....	85	89	90
11.9 Total personnel compensation....	3,209	3,361	3,383
Personnel benefits:			
12.1 Civilian.....	381	463	466
21.0 Travel and transportation of persons.....	381	450	425
22.0 Transportation of things.....	195	350	400
23.2 Communication, utilities & other rent.....	---	250	250
24.0 Printing and reproduction.....	---	10	10
25.0 Other services.....	48,381	43,024	28,369
26.0 Supplies and materials.....	2,986	5,000	2,900
31.0 Equipment.....	600	1,000	500
32.0 Lands and structures.....	65,026	65,000	44,442
41.0 Grants, subsidies & contributions	3,319	3,000	---
99.0 Subtotal, direct obligations	124,478	121,908	81,145
Reimbursable Obligations:			
25.0 Other Services.....	21	2,000	2,000
ALLOCATION TO BUREAU OF RECLAMATION			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	1,222	1,344	---
11.3 Other than full-time permanent..	13	8	---
11.5 Other personnel compensation....	51	49	---
11.9 Total personnel compensation	1,286	1,401	---
Personnel benefits:			
12.1 Civilian.....	133	145	---
21.0 Travel and transportation of persons.....	56	68	---
22.0 Transportation of things.....	30	30	---
23.1 Standard level user charges.....	13	147	---
23.2 Communications, utilities & other rent	91	85	---
24.0 Printing and reproduction.....	18	7	---
25.0 Other services.....	---	536	---
26.0 Supplies and materials.....	70	72	---
31.0 Equipment.....	---	31	---
32.0 Lands and structures.....	42	7,444	---
99.0 Subtotal, direct obligations, allocation account.....	1,739	9,966	---
Reimbursable Obligations:			
99.91 Total obligations.....	126,238	133,874	83,145

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Personnel Summary (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1984 Actual	1985 Estimate	1986 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct:			
Total no. of full-time permanent positions.....	109	109	109
Total compensable workyears:			
Full-time equivalent employment..	149	149	149
Full-time equiv. overtime and holiday hrs.....	11	11	11
 ALLOCATION TO BUREAU OF RECLAMATION			
Total no. of full-time permanent positions.....	53	53	---
Total compensable work years:			
Full-time equivalent employment....	49	49	---

ROAD CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

[For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$6,000,000, to remain available until expended: Provided, That not] Not to exceed five percent 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, 1985, as included in Public Law 98-473.)

Justification of Proposed Language Changes

1. Deletion: "For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$6,000,000, Provided, That not..."

In FY 1986, no budget authority is requested for the road construction account, therefore, the cited language is unnecessary.

2. Addition: "Not..."

Since the preceding language is proposed for deletion, the word "not" requires capitalization.

Appropriation Language and Citations

Authorization: 25 U.S.C. 13, (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including road construction, to federally recognized Indians. 25 U.S.C. 318a, authorizes "material, equipment, supervision and engineering...in survey, improvement, construction... of Indian reservation roads..." 23 U.S.C. 203, provides that "Funds authorized for... Indian reservation roads shall be available for contract upon apportionment..."

The Federal Aid Highway Act, of various years, has authorized funds to be appropriated for Indian reservation roads and bridges. The current Act authorizes a total of \$100 million in contract authority for Indian roads for FY 1986.

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: ROAD CONSTRUCTION

FY 1985 Budgetary Status

Appropriation realized.....	\$5,880,000
Prior year unobligated balance brought forward.....	4,904,000
Estimated collections during fiscal year.....	<u>11,200,000</u>
Total, Available for Obligation.....	\$21,984,000
Less anticipated obligations.....	<u>-17,984,000</u>

FY 1986 Request

Anticipated unobligated balance brought forward.....	\$4,000,000
Plus increases proposed:	
New Budget Authority.....	-0-
Estimated collections during fiscal year.....	<u>10,900,000</u>
Total available for obligation.....	\$ 14,900,000

Justification for Road Construction

Activity: Road Construction

(Dollar amounts in thousands)

		FY 1985 Enacted <u>to Date</u>	FY 1986 <u>Estimate</u>
Program Total:	\$	5,880	---
Equipment Pool Operations (Reimbursement)	(FTE)	(40)	(40)
Allocation From FHWA	(FTE)	(673)	(667)

Authorization: P.L. 97-424, the Surface Transportation Assistance Act (STAA) of 1982, provides for funds available for Indian reservation roads to be used by the Secretary of the Interior (23 U.S.C. 204).

Objective: To provide roads on Indian reservations for safe and convenient transportation of people and goods.

Program Justification: Project Funds (\$100,000,000) are included in contract authority from the Highway Trust Funds of the Federal Lands Highway Program, Department of Transportation, and are not included in the Bureau's budget. The Bureau will finance all costs of the Indian Road Construction program through this contract authority. These include funds for Central Office program management and for program supervision by the area/agency offices, not to exceed 5% of the total contract authority allocation.

In addition to awarding road construction contracts to private contractors, the Bureau operates a road construction equipment pool to undertake projects in isolated or high cost areas where such a "force account" operation is more economical than private contracting. The equipment pool is financed by a revolving fund which collects equipment rentals charged to projects funded from the Highway Trust Fund. Federal cost principles currently permit the Bureau to establish equipment rental rates based on actual direct and indirect operating costs and an allowance for depreciation. Charging rentals at rates based on these cost principles generates sufficient revenues to permit replacement of existing equipment.

A total of 40 FTE is financed in this account for the field equipment pool operations. All other program FTE/T (667) will be available from the FHWA allocation account to carry out work under the funding provided by FHWA.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

ROAD CONSTRUCTION

Program and Financing (in thousands of dollars)

		1984	1985	1986
Identification Code: 14-2364-01-452		Actual	Estimate	Estimate
<u>Program by activities:</u>				
	Direct program.....	4,147	8,880	---
	Reimbursable program.....	100	9,104	10,900
10.00	Total obligations.....	4,247	17,984	10,900
<u>Financing:</u>				
Offsetting collections from:				
11.00	Federal sources.....	---	-10,300	-10,000
14.00	Non-federal sources.....	-1,953	-900	-900
21.40	Unobligated balance available, start of year.....	-3,198	-4,904	-4,000
24.40	Unobligated balance available, end of year.....	4,904	4,000	4,000
39.00	Budget authority.....	4,000	5,880	---
<u>Budget authority:</u>				
40.00	Appropriation.....	4,000	6,000	---
40.00	Reduction pursuant to Public Law 98-473.....	---	-120	---
43.00	Appropriation (adjusted).....	4,000	5,880	---
<u>Relation of obligations to outlays:</u>				
71.00	Obligations incurred, net.....	2,294	6,784	---
72.40	Obligated balance, start of year	29,353	8,979	4,763
74.40	Obligated balance, end of year	-8,979	-4,763	-2,013
90.00	Outlays.....	22,667 <u>a/</u>	11,000	2,750

a/ Does not add due to rounding.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Object Classification (in thousands of dollars)			
Identification Code: 14-2364-01-542	1984 Actual	1985 Estimate	1986 Estimate
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	2,013	---	---
11.3 Other than full-time permanent	742	---	---
11.5 Other personnel compensation.....	325	---	---
11.8 Special, personal services payment	128	---	---
11." Total personnel compensation.....	3,208	---	---
21.1 Personnel benefits: civilian....	476	---	---
21.0 Travel and transportation of persons.....	202	---	---
22.0 Transportation of things.....	---	250	---
24.0 Printing and reproduction.....	---	10	---
25.0 Other services.....	---	10	---
26.0 Supplies and materials.....	---	50	---
32.0 Lands and structures.....	261	8,560	---
99.0 Subtotal, direct obligations...	4,147	8,880	---
99.0 Subtotal, reimbursable oblig...	100	9,104	10,900
99.9 Total obligations.....	4,247	17,984	10,900

PERSONAL SUMMARY

Total number of full-time permanent positions.....	65	43	43
Total compensable work years:			
Full-time equivalent employment.....	60	40	40
Full-time equivalent of overtime and holiday hours.....	2	1	1

EASTERN INDIAN LAND
CLAIMS SETTLEMENT

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS
14-2202-0-1-806

EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND

Program and Performance

1. 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.
2. Mashantucket Pequot Claims Settlement Fund. Payments for settlement of the Mashantucket Pequot land claim in Ledyard, Connecticut, as authorized by P.L. 98-146.

Program and Financing (in thousands of dollars)

Identification Code: 14-2202-0-1-806	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
1. Rhode Island Indian claims settlement fund.....	303	---	---
2. Pequot claims settlement fund.....	900	---	---
10.00 Total obligations (obj class 32)	1,203	---	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	-356	-53	-53
24.40 Unobligated balance available, end of year.....	53	53	53
40.00 Budget Authority.....	900	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	1,203	---	---
90.00 Outlays.....	1,203	---	---

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 14-2624-0-7-452
 UTAH PAIUTE TRUST FUND

[For deposit into the Economic Development and Tribal Government Fund established pursuant to Public Law 98-219, to be held in trust fund for the benefit of the Utah Paiute Tribe pursuant to that law, \$2,500,000.]

(Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Program and Performance

1. Economic Development Fund - Payments were made to the Utah Paiute Trust Fund pursuant to P.L. 98-219 which establishes an economic development fund, and in accordance with the provisions stated in P.L. 96-227, the "Paiute Indian Tribe of Utah Restoration Act".
2. Tribal Government Fund - Payments were made to the Utah Paiute Trust Fund pursuant to P.L. 98-219 which establishes a tribal government fund, and in accordance with the provisions stated in P.L. 96-227, the "Paiute Indian Tribe of Utah Restoration Act".

UTAH PAIUTE TRUST FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-2624-0-7-452	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
1. Economic Development Fund	---	1,225	---
2. Tribal Government Fund	---	1,225	---
10.00 Total obligations (object class 41.0)	---	2,450	---
<u>Financing:</u>			
39.00 Budget Authority	---	2,450	---
<u>Budget Authority:</u>			
40.00 Appropriation	---	2,500	---
40.00 Reduction pursuant to Public Law 98-473	---	-50	---
43.00 Appropriation (Adjusted)	---	2,450	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net	---	2,450	---
90.00 Outlays	---	2,450	---

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; purchase of not to exceed [275] 150 passenger carrying motor vehicles of which [225] 100 shall be for replacement only, and hereafter such appropriations under this or any other act shall be available for: the expenses of exhibits; advance payments for services (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), the Act of August 3, 1956 (70 Stat. 896), as amended (25 U.S.C. 309 et seq.), and legislation terminating Federal supervision over certain tribes; and expenses required by continuing or permanent treaty provision: Provided, That [hereafter passenger carrying motor vehicles of the Bureau may be used for the transportation of Indians: Provided further, That hereafter no part of any appropriation to the Bureau of Indian Affairs under this or any other Act shall be available to continue academic and residential programs of the Chilocco, Seneca, Concho, and Fort Sill boarding schools, Oklahoma; Mount Edgecumbe boarding school, Alaska; Intermountain boarding school, Utah; and Stewart boarding school, Nevada: Provided further, That hereafter no part of any appropriation to the Bureau of Indian Affairs under this or any act shall be used to subject the transportation of school children to any limitation on travel or transportation expenditures for Federal employees: Provided further, That notwithstanding any other provision of law, within sixty days of enactment of this Act, the Secretary of the Interior shall employ in the Flathead Irrigation and Power Project of the Bureau of Indian Affairs twenty-eight employees of the Joint Board of Control of the Flathead, Mission, and Jocko Valley Irrigation Districts at appropriate rates of pay which shall not be less than their rates of pay as of September 27, 1984: Provided further, That] none of the funds contained in this Act may be used to implement the provisions of sections 501 through 512 of title V, Public Law 98-473 [of S. 2496, as agreed to by the Senate on October 3, 1984 (legislative day of September 24, 1984)].

(Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Justification of Proposed Language Changes

1. Deletion: "...hereafter passenger carrying motor vehicles of the Bureau may be used for the transportation of Indians: Provided further, That hereafter no part of any appropriation to the Bureau of Indian Affairs under this or any other Act shall be available to continue academic and residential programs of the Chilocco, Seneca, Concho, and Fort Sill boarding schools, Oklahoma; Mount Edgecumbe boarding school, Alaska; Intermountain boarding school, Utah; and Stewart boarding school, Nevada: Provided further, That hereafter no part of any appropriation to the Bureau of Indian Affairs under this or any act shall be used to subject the transportation of school children to any limitation on travel or transportation expenditures for Federal employees: Provided further, That notwithstanding any other provision of law, within sixty days of enactment of this Act, the Secretary of the Interior shall employ in the Flathead Irrigation and Power Project of the Bureau of Indian Affairs twenty-eight employees of the Joint Board of Control of the Flathead, Mission, and Jocko Valley Irrigation Districts at appropriate rates of pay which shall not be less than their rates of pay as of September 27, 1984: Provided further, That..."

Language pertaining to the use of passenger carrying vehicles for the transportation of Indians and to the unavailability of BIA appropriations to

continue academic and residential programs of the Chilocco, Seneca, Concho, and Fort Sill boarding schools, Oklahoma; Mount Edgecumbe boarding school, Alaska; Intermountain boarding school, Utah; and Stewart boarding school, Nevada (which have been closed) has been published in the United States Code. In addition, the 28 employees of the Joint Board of Control of the Flathead, Mission, and Jocko Irrigation Districts have been added to the FTE for the Flathead Irrigation and Power Project of the BIA. Therefore, this language is no longer needed.

2. Modification: "none of the funds contained in this Act may be used to implement the provisions of sections 501 through 512 of title V, Public Law 98-473 [of S. 2496, as agreed to by the Senate on October 3, 1984 (legislative day of September 24, 1984).]"

The language is modified to include the Public Law citation as enacted.

Appropriation Language and Citations

1. Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guaranty and insurance fund) shall be available for expenses of exhibits; purchase of not to exceed... passenger carrying motor vehicles of which... shall be for replacement only, which may be used for the transportation of Indians;

31 U.S.C. 638a(a)

31 U.S.C. 638a(a) provides "Unless specifically authorized by the appropriation concerned or other law no appropriation shall be expended to purchase or hire passenger motor vehicles for any branch of the Government..."

2. advance payments for services (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), the Act of August 3, 1956 (70 Stat. 896), as amended (25 U.S.C. 309 et seq.), and legislation terminating Federal supervision over certain Indian tribes; and expenses required by continuing or permanent treaty provisions:

25 U.S.C. 452 (48 Stat. 596) 25 U.S.C. 309 (70 Stat. 896)

25 U.S.C. 452 provides that "The Secretary of the Interior is authorized... to enter into a contract or contracts with any state or territory, or political subdivision thereof... for the education... agriculture assistance, and social welfare, including relief of distress, of Indians... and to expend under such contract or contracts, moneys appropriated by Congress for the education... agriculture assistance, and social welfare, including relief of distress, of Indians..."

25 U.S.C. 309 provides "For the purpose of this program (vocational training) the Secretary is authorized to enter into contracts or agreements with any federal, state, or local government agency, or with any private school...or with any Corporation or association..."

3. and legislation terminating Federal supervision over certain Indian tribes;

This language authorizes use of appropriated funds to carry out the provisions of any legislation which terminates Federal supervision over Indian tribes. In recent years the situation has been to restore previously terminated tribes and not to initiate any additional termination actions.

4. and expenses required by continuing or permanent treaty provisions:

Payments are made to fulfill treaty obligations with the Senecas of New York (Act of February 19, 1831), the Six Nations of New York (Act of November 11, 1794), and the Pawnees of Oklahoma (the Treaty of September 24, 1857); and benefit claims to the Sioux Indians (Acts of March 2, 1889, June 10, 1896, and June 21, 1906).

5. none of the funds contained in this Act may be used to implement the provisions of sections 501 through 512 of title V Public Law 98-473 [of S. 2496, as agreed to by the Senate on October 3, 1984 (legislative day of September 24, 1984)].

P.L. 98-473

The provisions of the referenced Act prohibit use of the appropriated funds for the implementation of sections 501 through 512 of Title V of the Education Amendments of 1984, P.L. 98-511, referred to as S. 2496 at the time the appropriation was passed. The citation is being changed to include the reference to the Public Law.

JUSTIFICATION

Appropriation: Operation of Indian Programs

Activity: Education

Vehicles: School buses - various sizes: 25 for replacement required in the Aberdeen area where GSA motor pool is not available.

Activity: Indian Services

Subactivity: Law Enforcement

Vehicles: Sedans fully equipped for police work, 50 new vehicles and 75 for replacement, at a cost of \$9,000 per vehicle, required to carry out law enforcement throughout the Bureau.

Summary of Proposed Acquisition of Certain Types of Vehicles, FY 1986

Type	Total	New	Replacement
Police	125	50	75
School Buses	25	0	25
	150	50	100

MISCELLANEOUS
APPROPRIATIONS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
FY 1986

Program Title: Miscellaneous Appropriations

Description:

1. Claims and Treaty Obligations - \$2,000,000
 - A. Fulfilling treaties with the Senecas of New York - \$6,000. This money is to be paid in equal shares to members of the Seneca Nation as provided by the Act of February 19, 1831 (4 Stat. 442).
 - B. Fulfilling treaties with the Six Nations of New York - \$4,500. The Six Nations comprise 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 is distributed per capita to the Oneida Indians under the jurisdiction of the Great Lakes Agency, Wisconsin, as provided by the Act of November 11, 1794.
 - C. Fulfilling treaties with the Pawnees of Oklahoma - \$30,000. This money is distributed per capita to the Pawnees as provided by the treaty of September 24, 1857, Article 2.
 - D. Payments to Indians of the Sioux Reservation - \$1,959,500. This is an annual charge against the general fund of the Treasury, the amount being indefinite until individual applications for payments are made and approved. Sioux benefits were originally for articles of farming equipment and stock or, more commonly today, the commuted cash value of such articles. The approved commuted value of an individual share of Sioux benefits for FY 1986 is \$4,129.57. The legal authority for these payments is found in the Act of March 2, 1889, section 17 (25 Stat. 894); Act of June 10, 1896 (29 Stat. 334); and the Act of June 21, 1906 (34 Stat. 326).
2. Operation and Maintenance, Indian Irrigation Systems - \$16,000,000. Funds obtained from the collection of assessments against water users on various projects are deposited in the Treasury to the credit of the respective projects. Funds are used for such purposes as annual cleaning of canals and laterals to remove silt, moss, and weed growth; repair and replacement of water control structures; operation and maintenance of reservoirs, dams and pumping plants, including the purchase of electrical energy; payment to other irrigation systems on Indian lands included and benefitted; repair of flood damage; etc. The various projects located on Indian reservations are thus maintained in good operation, permitting the facilities constructed by the government to be utilized by the Indian and non-Indian landowners within the project who depend upon proper operation and maintenance of the projects for irrigation farming and subsistence. As authorized by the FY 1984 Appropriation Act (P.L. 98-146, dated November 4, 1983), collections are invested in interest-bearing securities until required for project operations.

3. Power System, Indian Irrigation Projects - \$28,000,000. Funds are obtained from earned revenue deposited in the Treasury and credited to the respective projects. Funds are used for the operation and maintenance of two hydrogen-generating 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 Reservations) in many instances is the only source of electrical energy available to the consumers. Approximately 618 million kilowatt-hours are transmitted over all projects. Annually, the distribution systems serve approximately 36,335 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 Appropriation Act (P.L. 98-146, dated November 4, 1983).

4. Lummi Diking Project. Revenues which have been collected for construction, operation, and maintenance, including interest and penalties, against each tract of land within the project which, as of September 17, 1965, were in a trust or restricted status and are available to pay assessments made against each such tract (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821.). No activity is anticipated for this program in fiscal year 1986.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-9925-0-2-999
MISCELLANEOUS APPROPRIATIONS

Program and Performance

1. Claims and Treaty Obligations. Payments are made to fulfill treaty obligations with the Senecas of New York (Act of February 19, 1831), the Six Nations of New York (Act of November 11, 1794), and the Pawnees of Oklahoma (the Treaty of September 24, 1857); and benefit claims to the Sioux Indians (Acts of March 2, 1889; June 10, 1896; and June 21, 1906).
2. Operation and Maintenance, Indian Irrigation Systems. Revenues derived from charges for operation and maintenance of Indian irrigation projects are used to defray, in part, the cost of operating and maintaining these projects (60 Stat. 895). The Secretary of the Interior is authorized to invest the funds, derived from collections, in interest-bearing securities until required for project operations, pursuant to P.L. 98-146, dated November 4, 1983.
3. Power Systems, Indian Irrigation Projects. Revenues collected from the sale of electric power by the Colorado River, Flathead, and San Carlos power systems are used to operate and maintain these systems (60 Stat. 895; 65 Stat. 254). The Secretary of the Interior is authorized to invest the funds, derived from collections, in interest-bearing securities until required for power system operations, pursuant to P.L. 98-146, dated November 4, 1983.
4. Lummi Diking Project. Revenues which have been collected for construction, operation, and maintenance, including interest and penalties, against each tract of land within the project which, as of September 17, 1965, were in a trust or restricted status and are available to pay assessments made against each such tract. (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821.)

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
1. Claims and Treaty Obligations...	1,634	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	15,450	16,000	16,000
3. Power Systems, Indian Irrigation Projects.....	24,682	27,000	27,000
4. Lummi Indian Diking Project.....	2		
10.00 Total Obligations.....	41,768	45,000	45,000
<u>Financing:</u>			
21.00 Unobligated balance available, start of year.....	-13,624	-17,488	-18,347
24.00 Unobligated balance available, end of year.....	17,488	18,347	19,347
25.00 Unobligated balance lapsing...	---	141	---
60.00 Budget authority appropriation (Permanent, indefinite).....	45,632	46,000	46,000
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	41,768	45,000	45,000
72.40 Obligated balance, start of year.....	4,743	7,269	7,769
74.40 Obligated balance, end of year	-7,269	-7,769	-8,269
90.00 Outlays.....	39,242	44,500	44,500
<u>Distribution of budget authority by account:</u>			
1. Claims and Treaty Obligations...	1,775	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	16,025	16,000	16,000
3. Power Systems, Indian Irrigation Projects.....	27,832	28,000	28,000
Total.....	45,632	46,000	46,000
<u>Distribution of outlays by account:</u>			
1. Claims and Treaty Obligations...	1,607	2,000	2,000
2. Operation and Maintenance, Indian Irrigation Systems.....	14,754	15,000	15,000
3. Power Systems, Indian Irrigation Projects.....	22,881	27,500	27,500
Total.....	39,242	44,500	44,500

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Object Classification (in thousands of dollars)			
Identification Code: 14-9925-0-2-999	1984	1985	1986
	Actual	Estimate	Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	10,163	11,088	11,039
11.3 Other than full-time positions	1,090	1,118	1,113
11.5 Other personnel compensation..	569	617	614
11.9 Total personnel compensation	11,822	12,823	12,766
Personnel Benefits:			
12.1 Civilian.....	1,274	1,373	1,367
21.0 Travel & transportation of persons.....	68	68	68
22.0 Transportation of things.....	515	515	515
23.2 Communications, utilities, and other rent.....	13,255	13,255	13,255
24.0 Printing and reproduction.....	9	9	9
25.0 Other services.....	6,420	8,552	8,615
26.0 Supplies and materials.....	5,361	5,361	5,361
31.0 Equipment.....	1,404	1,404	1,404
32.0 Lands and structures.....	7	7	7
41.0 Grants, subsidies, and contributions.....	1,633	1,633	1,633
99.9 Total obligations.....	41,768	45,000	45,000

Personnel Summary

Total number of permanent positions.	477	508	508
Total compensable work years.....	494	522	522
Full-time equiv. of overtime and holiday hours.....	23	24	24

MISCELLANEOUS
REVOLVING FUNDS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

During fiscal year [1985] 1986, 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 [\$18,600,000] \$16,300,000.

(Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Appropriation Language and Citations

This language is an administrative limitation required by OMB Circular A-11, 31.5, and is not required by law.

Authorization: The Bureau's revolving loan fund was authorized by the Indian Reorganization Act of 1934 (25 U.S.C. 4070). It has been amended and expanded several times adding new programs and authorizing additional funds.

25 U.S.C. 470: Authorized \$20,000,000 to be established as a revolving fund to make loans to Indian chartered corporations for the purpose of promoting the economic development of such tribes and their members. Repayments of amounts loaned under this authorization shall be credited to the revolving fund and shall be available for further loans.

25 U.S.C. 470a: Interest or other charges shall be credited to the revolving loan fund and should be available for making loans to individual Indians and associations or corporate groups of Indians in Oklahoma.

25 U.S.C. 471: Authorized to be appropriated funds not to exceed \$250,000 annually for loans to Indians for payment of tuition and expenses in recognized vocational and trade schools.

25 U.S.C. 631-634: Established a revolving loan fund for the Navajo and Hopi Indians.

25 U.S.C. 70n-1: Authorized to be appropriated the sum of \$1,800,000 for the establishment of a revolving fund from which the Secretary of the Interior may make loans to Indian tribes and bands and to other identifiable groups of American Indians for use in obtaining expert assistance for the preparation and trial of claims pending before the Indian Claims Commission. All claims were transferred to the Court of Claims in 1978 when the Indian Claims Commission terminated.

25 U.S.C. 1461-1469: Authorized an additional \$50,000,000 of which \$41,000,000 has been appropriated. Administered as a single Indian Revolving Loan Fund sums from diverse sources; availability of funds for loans to Indians and for administrative expenses.

REVOLVING FUND FOR LOANS

Program and Performance

This fund, established by the Indian Financing Act of 1974, provides a source of financing for Indians who cannot borrow from other Government credit agencies or from ordinary commercial lenders because of their low economic status, isolated geographic location, lack of bankable security or other reasons. Loans are made to tribes and other Indian organizations for relending to individual members and groups of members, and to finance tribal business enterprise. Loans are also made to tribes for use by them in obtaining expert assistance to prepare and argue claims pending before the Court of Claims. Direct loans are made for any purpose that will promote the economic development of the borrower including loans for education purposes.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

	Budget Authority			Change-----
	FY 1984 Available	FY 1985 Available	FY 1986 Requested	1986 Compared With 1985
Revolving Fund for Loans	-0-	-0-	-0-	-0-

Revolving Fund for Loans: FY 1985: -0-; FY 1986: -0-, no positions.

Proposal: No new funds are requested in fiscal year 1986. It is anticipated that the FY 1986 loan program will amount to \$16.3 million which will be funded from the unobligated fund balance available at the start of the 1986 fiscal year, and collections into the fund during the year. Almost \$7 million worth of loans were pending at the end of FY 1983 which were not finalized by September 30, 1983, and were carried over for funding against FY 1984 authority. Funding ceilings for FY 1984 prohibited funding \$5.9 million in approved loans. These were carried over into FY 1985. An additional \$7.5 million in new requests are at the Central and Area Offices.

Four factors have been the primary causes of increased loan activity: (1) Improvement in the general economic climate; (2) the effect the weather phenomenon known as "El Nino" has had on fishing operations on the west coast; (3) increasing tribal interest and activity in promoting economic development; and (4) the decline in the Treasury interest rate from a high of 15% in 1982 to 11% in 1983 and 1984. The decline in interest rates has encouraged tribes and individuals to expand present operations and to start new businesses. This trend should continue as long as the economy improves and will be spurred on by the Indian Financing Act Amendments of 1984 which broadened some eligibility criteria for individuals. Larger loans are being requested. We are also experiencing increased demands from cattle operators who have previously been financed primarily by the Farmers Home Administration and the Production Credit Associations.

Program Description: The Indian Revolving Loan Fund was established as three separate funds by the Indian Reorganization Act and other related acts with periodic appropriations of \$26.5 million over a period of years. Of this amount, \$4.1 million was used for administrative purposes, leaving \$22.4 million available for lending purposes. The Indian Financing Act of 1974 (P.L. 93-262) combined these funds into one fund and authorized an additional appropriation of \$50 million for the fund, bringing to \$76.5 million the total authorization of the fund. From 1975 to 1984, \$97.4 million has been loaned from the fund. A total of 71 new tribal enterprises were started at an average cost of \$451,151. A breakdown by area and purpose is included in Table I. The FY 1986 program will provide \$16.3 million in direct loans to Indian tribes and organizations, individual Indians, and Alaska Natives for economic development purposes; and loans to tribes for relending to tribal members through their credit programs. In addition, the program will include funding for loans for expert assistance to tribes in the preparation and litigation of claims pending before the Court of Claims.

Over the history of the program, \$180.0 million has been loaned with \$7.6 million of the principal written off, about 4.3% of total loans. A \$5 million loan was

transferred from another fund. Interest in the amount of \$42.5 million has been earned in this program. As of September 30, 1984, outstanding loans totaled \$92.6 million. Delinquent payments totaled \$9.1 million, about 10% of loans outstanding. This includes \$3.6 million in loans made to Southeast Alaska Native communities for the fishing industry.

OMB Circular A-70 Information: The following information is provided as required by the Circular.

Most banks located in Indian communities are small and offer limited services. They do not make loans for small businesses on reservations unless they are guaranteed either by the Small Business Administration or the Bureau. Interest rates for direct loans are usually prime plus points depending on the borrower. Since many Indian businesses involve trust property, they are charged the higher rates, or cannot receive financing without a guarantee. Origination fees average 1%, with an additional 1% added for other costs such as title searches, legal fees, etc. Repayment schedules for business loans vary. For instance, farm and ranch purchase loans may be for five years; operating expense loans for one year; and equipment loans for the useful life of the item. Larger loans over \$1 million usually exceed the resources of smaller banks.

Many loans have been made to the cattle ranchers in the Dakotas by the Production Credit Associations and the Farmers Home Administration. However, these sources are reluctant to lend any additional funds, partly because of the decrease in the land values due to failures in the farming and ranching business. These ranchers are now looking to the Bureau for financing of their current needs.

The interest rate on loans charged by the Bureau is set monthly by the Treasury Department. In 1985, it has averaged at a little over 11%, with December's rate being 11 1/8%, while the prime dropped to 10 3/4%. Maturity of the loans varies with the type, but by law may not exceed 30 years. Under Bureau operating procedures, loans for land, buildings, permanent fixtures, and relending purposes may not exceed 30 years. Loans for other capital items may not exceed the lesser of 10 years or remaining useful life of the item at the time of purchase. Operating loans should be for one year and should not exceed two years. Borrowers are required to use their own capital, and to contribute to the equity of the business.

In November 1984, an analysis of the subsidy implicit in Bureau direct loans was made by comparing typical BIA and private economic development loans. The analysis assumed rates of interest of 11 1/4% for the BIA and 14% for the bank; and typical terms of 20-30 years for BIA loans and 15 years for the bank loans. In addition, the bank would charge an origination fee of 1% plus an additional 1% for other expenses. In the first year, the interest subsidy on a direct loan would be 4.69% and the principal subsidy would be 1.03%. The total subsidy rate would be 5.72%.

SUMMARY OF ACTIVITY - REVOLVING FUND FOR LOANS

BUREAU OF INDIAN AFFAIRS
Through September 30, 1984

	<u>Collections</u>			<u>Loans</u>	
	<u>Loaned</u>	<u>Principal</u>	<u>Interest</u>	<u>Cancelled</u>	<u>Outstanding</u>
Through September 30, 1983	\$168,230,209	\$75,148,673	\$38,606,278	\$7,590,098	<u>\$85,491,438</u>
FY 1984	<u>11,711,599</u>	<u>4,576,224</u>	<u>3,873,146</u>	<u>-0-</u>	
Through September 30, 1984	179,941,808	79,724,897	42,479,424	7,590,098	92,626,813
Cumulative					

Comparison of Fund Balances
FY 1983 and FY 1984

	<u>General Fund</u>	<u>Expert Assistance</u>	<u>Total</u>
Through September 30, 1983	<u>14,756,733</u>	<u>1,923,818</u>	<u>16,680,551</u>
Through September 30, 1984	<u>11,730,973</u>	<u>1,731,269</u>	<u>13,462,242</u>

TABLE I

REVOLVING FUND FOR LOANS
Funds Allotted to Areas by Purpose
Selected data for FY 1975-1984
(in thousands of dollars)

AREA	RELENDING	TRIBAL ENTERPRISES		LAND	COOPERATIVES & INDUSTRIAL	CREDIT ASSOCI- ATIONS	DIRECT TO INDIVIDUALS	TOTAL
		New	Existing					
Aberdeen	\$5,890.0	\$5,624.9	\$6,350.9	\$1,445.0			\$2,534.1	\$21,844.9
Albuquerque	900.0	3,649.8	4,421.0				2,686.4	11,657.2
Anadarko		1,150.7	467.6	840.7			563.0	3,022.0
Billings	4,215.0	300.0	680.0	1,418.0			926.9	7,539.9
Eastern	560.0	775.0					395.0	1,730.0
Juneau	1,215.0	5,071.0	407.0		\$1,590.0	\$300.0		8,583.0
Minneapolis	500.0	3,418.3	2,307.2	310.0			1,016.1	7,551.6
Muskogee		1,175.0	429.9			2,210.0	1,326.5	5,141.4
Navajo		2,700.0	946.4					3,646.4
Phoenix	1,250.0	4,318.0	5,445.0	190.0		200.0	555.4	11,958.4
Portland	1,425.0	3,622.0	4,924.5	892.2	13.6**		2,522.5	13,399.8
Sacramento		227.0					1,059.4	1,286.4
TOTALS	\$15,955.0	\$32,031.7*	\$26,379.5	\$5,095.9	\$1,603.6	\$2,710.0	\$13,585.3	\$97,361.0

*71 new tribal enterprises were started at an average cost of \$451,151.

**\$13,600 for industries at Portland.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

Program and Financing (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
10.00 Total obligations (obj. class 33.0)	12,400	18,600	16,300
<u>Financing:</u>			
14.00 Offsetting collections from Non-Federal sources:			
Collections on loans.....	-4,596	-5,300	-6,000
Revenues.....	-3,929	-5,275	-6,195
21.98 Unobligated balance available, start of year: Fund balance.....	-16,005	-12,130	-4,105
24.98 Unobligated balance available, end of year: Fund balance.....	12,130	4,105	---
39.00 <u>Budget Authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	3,875	8,025	4,105
72.98 Obligated balance, start of year: Fund balance.....	675	1,332	857
74.98 Obligated balance, end of year: Fund balance.....	-1,332	-857	---
90.00 Outlays	3,218	8,500	4,962

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 REVOLVING FUND FOR LOANS
 Status of Direct Loans (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1984 Actual	1985 Estimate	1986 Estimate
<u>Position with respect to limitation on obligations:</u>			
1110 Limitation on obligations.....	13,075	18,600	16,300
1151 Obligations incurred, gross			
Direct loans to the public.....	12,400	18,600	16,300
1190 Unused balance of limitation expiring.....	675	---	---

Cumulative balance of direct loans outstanding:

1210 Outstanding, start of year.....	85,545	92,693	103,968
1231 New loans: Disbursements for direct loans.....	11,744	19,075	17,157
1251 Recoveries: Repayments and prepayments.....	-4,596	-5,300	-6,000
1261 Adjustments: Write-offs for default.....	---	-2,500	-3,000
1290 Outstanding, end of year.....	92,693	103,968	112,125

Revenue and Expense (in thousands of dollars)

Loan Program:

Revenue.....	3,929	5,275	6,195
Expense.....	---	-2,500	-3,000
Net operating income, total	3,929	2,775	3,195

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

Financial Condition (in thousands of dollars)

<u>Assets:</u>	<u>FY 1983</u> <u>Actual</u>	<u>FY 1984</u> <u>Actual</u>	<u>FY 1985</u> <u>Estimate</u>	<u>FY 1986</u> <u>Estimate</u>
Fund balance with Treasury.....	16,681	13,462	4,962	---
Loans receivable, net.....	76,988	84,136	95,411	103,568
Total assets.....	<u>93,669</u>	<u>97,598</u>	<u>100,373</u>	<u>103,568</u>
 <u>Liabilities:</u>				
Selected liabilities, accounts payable	675	1,332	857	---
 <u>Government equity:</u>				
Selected equity Unexpended budget authority:				
Unobligated balance.....	16,005	12,130	4,105	---
Invested capital.....	76,989	84,136	95,411	103,568
Total Government equity.....	<u>92,994</u>	<u>96,266</u>	<u>99,516</u>	<u>103,568</u>
 <u>Analysis of Changes in Government Equity:</u>				
<u>Paid in capital:</u>				
Opening balance.....		75,282	75,282	75,282
Closing balance.....		<u>75,282</u>	<u>75,282</u>	<u>75,282</u>
 <u>Retained income:</u>				
Opening balance.....		18,387	22,316	25,091
Transactions: Net operating income		<u>3,929</u>	<u>2,775</u>	<u>3,195</u>
Closing balance.....		<u>22,316</u>	<u>25,091</u>	<u>28,286</u>
Total Government equity end of year..		<u>97,598</u>	<u>100,373</u>	<u>103,568</u>

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 14-4320-0-3-452

Liquidation of Hoonah Housing Project Revolving Fund

Program and Performance

This fund was transferred from the Housing and Home Finance Agency to the Secretary of the Interior under the provisions of Public Law 85-806. The Secretary uses the funds transferred from the Housing and Home Finance Agency, along with any other revenues that may be received from the Hoonah Housing project, for the purpose of liquidating this project in accordance with the provisions of the law.

LIQUIDATION OF HOONAH HOUSING PROJECT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-4320-0-3-452	1984 Actual	1985 Estimate	1986 Estimate
Program by activities:			
10.00 Total Obligations (Object Class 41.0).....	3	---	---
Financing:			
21.98 Unobligated balance available, ... start of year: Fund balance.....	-27	-25	---
24.98 Unobligated balance available, ... end of year: Fund balance.....	25	---	---
25.00 Unobligated balance lapsing.....	---	25	---
39.00 Budget authority.....	---	---	---
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3	---	---
90.00 Outlays.....	3	---	---

LOAN GUARANTY

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.), \$1,485,000, to remain available until expended: Provided, That [During] during fiscal year [1985] 1986, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974 [(88 Stat. 77; 25 U.S.C. 1451 et seq.)], 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] \$20,000,000.

(Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Justification of Proposed Language Changes

1. Addition: " 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.), \$1,485,000, to remain available until expended: Provided, That during..."

In accordance with the Indian Financing Act Amendments of 1984, Public Law 98-449, funds may be appropriated as necessary to pay interest subsidies and to provide for competent management and technical assistance.

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 by the Indian Financing Act Amendments of 1984.

25 U.S.C. 1481-1512: Authorized a loan guaranty and insurance program not to exceed \$200 million to provide access to private money sources which otherwise would not be available to Indian tribes or organizations or to individual Indians. No more than 90 percent of a loan may be guaranteed or insured.

25 C.F.R. 1541: Authorizes competent management and technical assistance for loan recipients.

Under the Indian Financing Act Amendments of 1984, funds are authorized to pay for management and technical assistance expenses.

INDIAN LOAN GUARANTY AND INSURANCE FUND

Program and Performance

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to support a program of guaranteeing or insuring loans made by commercial lending institutions to Indians and to tribes and other Indian organizations for economic development purposes. An interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest. The purpose of this program is to provide an incentive to the private lending sector to make loans to Indians which would not otherwise be made.

BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

	FY 1984 Available	FY 1985 Available	FY 1986 Estimate	Change----- FY 1986 Compared with FY 1985
Loan Guaranty and Insurance Program	-0-	-0-	\$1,485,000	+\$1,485,000

Loan Guaranty and
Insurance Program: FY 1985, -0-; FY 1986, \$1,485,000; no positions.

Proposal: No funds were requested in FY 1985, but \$1,485,000 is requested in FY 1986. The Indian Financing Act Amendments of 1984 authorize yearly appropriations for interest subsidy, management and technical assistance, and losses on defaulted loans. The funds are to be used as follows: \$1 million for interest subsidy and \$0.5 million for management and technical assistance. A \$20 million loan guaranty program is proposed for FY 1986. To support loans guaranteed for FY 1985 and FY 1986, \$1.2 million is estimated for interest subsidies. The additional \$0.2 million will come from collections into the fund. A reserve for losses is maintained to pay defaulted guaranteed loans. As of September 30, 1984, \$7.1 million has been paid for defaulted loans since 1975. As of the end of FY 1986, it is estimated that \$12.1 million will be in the reserve. This amount will represent 8.5% of the \$141.2 million in guaranteed loans expected to be outstanding at the end of FY 1986.

Under current legislation, appropriations were made to the fund of \$20 million, \$10 million, and \$15 million in 1975, 1976, and 1977, respectively, making a total of \$45 million available for administration of this program. Collections during FY 1986 are estimated at \$0.6 million from premiums on guaranteed loans, and \$0.3 million on sale of assets acquired in liquidation, making an estimated \$0.9 million available for programming. There will be no unobligated carryover funds from the previous year.

Program Description: The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to provide access to private money sources through guaranteeing or insuring loans which otherwise would not be available to Indian tribes and organizations, individual Indians, and Alaska Natives for economic development purposes. 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. It is estimated that \$1.0 million in previously obligated funds will be disbursed in FY 1985 to pay interest subsidy, leaving a balance at the end of FY 1985 of \$8.8 million. This balance will decrease each year as the loans are repaid. Under the 1984 amendments, subsidy funds will be obligated on a yearly basis for new loans. It is estimated that \$1.2 million will be necessary for interest subsidies in FY 1986 to support loans approved since passage of the Amendments.

If necessary, as authorized by Section 302 of the Indian Financing Act of 1974, funds will be used to pay administrative expenses in connection with processing and collecting loans, and evaluating field processing and ADP costs to support the program.

The first loan guaranty under the program was approved in August 1975. As of September 30, 1984, guarantees were approved on 176 new loans totalling \$136.1 million. The breakdown by fiscal year and current status is shown in Table I. Of the total loans, 54 were to Indian tribes, 46 to Indian-owned

corporations, and 76 to Indian individuals. To date, 176 lenders have been approved for participation in the program. As of September 30, 1984, 82 loans are outstanding, 39 have been paid off, and 41 loans have been defaulted. The total pay out for the defaulted loans, including interest, is \$7.1 million, or 5.3% of the total dollar amount guaranteed to date. This information is broken down by area in Table II.

OMB Circular A-70 Information: The following information is provided as required by the Circular.

Most banks located in Indian communities are small and offer limited services. They do not make loans for small businesses on reservations unless they are guaranteed either by the Small Business Administration or the Bureau. Interest rates for direct loans are usually prime plus points depending on the borrower. Since many Indian businesses involve trust property, they are charged the higher rates, or cannot receive financing without a guarantee. Origination fees average 1%, with an additional 1% added for other costs such as title searches, legal fees, etc. Repayment schedules for business loans vary. For instance, farm and ranch purchase loans may be for five years; operating expense loans for one year; and equipment loans for the useful life of the item. Larger loans over \$1 million usually exceed the resources of smaller banks.

Many loans have been made to the cattle ranchers in the Dakotas by the Production Credit Associations and the Farmers Home Administration. However, these sources are reluctant to lend any additional funds, partly because of the decrease in the land values due to failures in the farming and ranching business. These ranchers are now looking to the Bureau for financing of their current needs.

The interest rate on loans charged by the Bureau is set monthly by the Treasury Department. In 1985, it has averaged at a little over 11%, with December's rate being 11 1/8%, while the prime dropped to 10 3/4%. Maturity of the loans varies with the type, but by law may not exceed 30 years. Under Bureau operating procedures, loans for land, buildings, permanent fixtures, and relending purposes may not exceed 30 years. Loans for other capital items may not exceed the lesser of 10 years or remaining useful life of the item at the time of purchase. Operating loans should be for one year and should not exceed two years. Borrowers are required to use their own capital, and to contribute to the equity of the business.

In November 1984, an analysis of the subsidy implicit in Bureau direct loans was made by comparing typical BIA and private economic development loans. The analysis assumed rates of interest of 11 1/4% for the BIA and 14% for the bank; and typical terms of 20-30 years for BIA loans and 15 years for the bank loans. In addition, the bank would charge an origination fee of 1% plus an additional 1% for other expenses. In the first year, the interest subsidy on a direct loan would be 4.69% and the principal subsidy would be 1.03%. The total subsidy rate would be 5.72%. During November, bank rates for direct loans and guaranteed loans were the same.

TABLE I

LOAN GUARANTY ACTIVITY
 FY 1976 - FY 1984
 as of September 30, 1984

<u>Loans Guaranteed</u>							
<u>Year</u>	<u>No.</u>	<u>Amount</u>	<u>Defaulted</u>	<u>Repaid</u>	<u>Guaranty Cancelled</u>	<u>Modified</u>	<u>Current</u>
1976	55	\$14,863,405	19	18	5	3	10
1977	46	42,872,532					
+ Mod. <u>a/</u>	3	333,211	16	10	7	3	13
*1978	11	8,215,875					
+ Mod. <u>a/</u>	3	129,585	4	5	2		3
1979	5	1,640,000					
Additional loan <u>b/</u>		624	1	1			3
1980	1	8,500,000					
Additional loan <u>b/</u>		10,094		1			0
1981	1	1,000,000		1			0
1982	8	25,880,000	1	1			6
1983	14	12,900,000		2			12
Additional loan <u>c/</u>		800,000					
1984	<u>35</u>	<u>18,993,348</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>35</u>
Total	182	136,138,674	41	39	14	6	82
NEW	(176)						
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 for expansion.

TABLE II

Status of Loan Guarantees as of September 30, 1984

AREA	NO.	FACE AMOUNT	NO.	CURRENT AMOUNT	AMOUNT WHEN DEFAULTED		PAID OFF		GUARANTY CANCELLED	
					NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
Aberdeen	16	5,952,982	6	3,509,586	3	443,851	6	1,687,000	1	2,900
Albuquerque	18	13,333,014	6	11,564,463	4	906,569	6	249,652	2	81,000
Anadarko	21	2,297,585	3	197,819	11	492,829	4	554,254	3	856,131
Billings	13	7,803,000	6	3,935,045	3	2,138,798	3	824,000	1	250,000
Eastern	16	9,440,900	9	5,854,697	5	2,476,057	2	539,709		129,291
Juneau	7	36,304,000	5	33,148,279				11,618	2	1,098,382
Minneapolis	15	4,387,631	7	3,399,007	4	68,710	4	469,751		24,816
Muskogee	12	1,576,485	1	41,624	5	850,214	3	226,411	3	263,529
Navajo	4	35,975,000	2	19,275,000			1	8,500,000	1	8,200,000
Phoenix	6	8,754,000	2	5,586,580	1	13,308	2	1,035,154	1	1,594,846
Portland	45	10,393,440	34	6,163,935	3	135,272	8	3,105,092		
Sacramento	3	213,400	1	67,648	2	110,072				
TOTALS	176	136,431,437	82	92,743,683	41	7,635,680	39	17,202,641	14	12,500,895
(Percent)		(100)*		(68.0)		(5.6)		(12.6)		(9.2)

* \$6,348,538 in repayments on current loans or 4.6% needs to be included in order to total 100.0%

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND
Summary of Program and Funding Data
(\$ in millions)

<u>Funds Available for Reserves and Costs:</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1 Fund Balance, start of year	13.2	8.0	0.0
2 Collections	.3	.5	.6
3 Liquidation of assets	.1	.3	.3
4 Appropriation	<u>.0</u>	<u>.0</u>	<u>1.5</u>
5 Total Available	13.6	8.8	2.4
<u>Less:</u>			
6 Net Reserves for loan losses (line 22 less 23)	-1.6	-3.0	3.2
7 Reserves for interest subsidies (line 14)	-1.6	-2.2	-1.2
8 Mgmt. & tech. assistance cost	-.4	-.8	-.5
9 Defaulted loan costs	-.1	-.1	-.1
10 Purchase of default loans	<u>-1.9</u>	<u>-2.7</u>	<u>-3.8</u>
11 Total needs for reserve and costs	<u>-5.6</u>	<u>-8.8</u>	<u>-2.4</u>
12 Fund Balance, end of year	8.0	0.0	0.0
<u>Status of reserves and obligations:</u>			
<u>For Interest Subsidies:</u>			
13 Obligated Balance, start of year	7.7	8.2	8.8
14 Obligated during year	1.6	2.2	1.2
15 Expenditures	<u>-1.1</u>	<u>-1.6</u>	<u>-2.2</u>
16 Obligated Balance, end of year	<u>8.2</u>	<u>8.8</u>	<u>7.8</u>
<u>For Protective Advances:</u>			
17 Obligated Balance, start of year	.4	.3	.2
18 Obligated during year	.0	.0	.1
19 Expenditures	<u>-.1</u>	<u>-.1</u>	<u>-.3</u>
20 Obligated Balance, end of year	<u>0.3</u>	<u>.2</u>	<u>0</u>
<u>For Defaults (Administrative commitments):</u>			
21 Reserve for losses, start of year	10.7	12.3	15.3
22 Reserved during year	2.4	3.9	0
23 Reduction to the reserve during year	<u>-.8</u>	<u>-.9</u>	<u>-3.2</u>
24 Balance, end of year	<u>12.3</u>	<u>15.3</u>	<u>12.1</u>
Total reserves and obligations	<u>20.8</u>	<u>24.3</u>	<u>19.9</u>
<u>Total Program Outlay:</u>			
Mgmt. & tech. assistance (line 8)	.4	.8	.5
Defaulted loan costs (line 9)	.1	.1	.1
Purchase of default loans (line 10)	1.9	2.7	3.8
Interest subsidy expenditures (line 15)	1.1	1.6	2.2
Protective advances (line 19)	<u>.1</u>	<u>.1</u>	<u>.3</u>
Total Outlay	<u>3.6</u>	<u>5.3</u>	<u>6.9</u>
Less collections (line 2)	-.3	-.5	-.6
Less liquidation of assets (line 3)	<u>-.1</u>	<u>-.3</u>	<u>-.3</u>
Net Total Program Outlay	<u>3.2</u>	<u>4.5</u>	<u>6.0</u>
<u>Guaranteed Loans:</u>			
Outstanding, start of year	79.5	92.8	130.8
New loans during year	19.0	45.0	20.0
Repayments during year	-3.0	-4.2	-5.7
Defaults during year	-2.0	-2.8	-3.9
Guarantees Cancelled	<u>-.7</u>	<u>-</u>	<u>-</u>
Outstanding, end of year	92.8	130.8	141.2

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	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
Operating expenses:			
1. Interest subsidy expenses.....	1,766	2,235	1,125
2. Technical assistance.....	371	785	500
3. Administrative expenses.....	-187	---	50
Total operating expenses.....	1,950	3,020	1,675
Capital investment.....	2,020	2,780	3,940
10.00 Total obligations.....	3,970	5,800	5,615
<u>Financing:</u>			
14.00 Offsetting collections from Non-federal sources:.....	-401	-800	-938
21.98 Unobligated balance available, start of year.....	-23,862	-20,293	-15,293
24.98 Unobligated balance available, end of year.....	20,293	15,293	12,101
40.00 <u>Budget Authority</u>	---	---	1,485
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net....	3,569	5,000	4,677
72.98 Obligated balance, start of year.....	8,020	8,422	8,952
74.98 Obligated balance, end of year	-8,422	-8,952	-7,674
90.00 Outlays.....	3,167	4,470	5,955

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	1984 Actual	1985 Estimate	1986 Estimate
<u>Position with respect to limitation on obligations:</u>			
1130 Obligations exempt from limitation.....	2,005	2,780	3,940
1152 Obligations incurred, gross: Obligations for guaranty claims	2,005	2,780	3,940
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	3,753	5,924	6,193
New loans:			
1231 Disbursements for direct loans.	15	260	300
1232 Disbursements for guaranty claims.....	2,005	2,520	3,640
Recoveries:			
1251 Repayments and prepayments.....	-110	-86	-90
1254 Other capital recoveries.....	---	-150	-250
Adjustments:			
1261 Write-offs for default.....	---	-1,985	-2,500
1263 Other adjustments, net <u>1/</u>	+261	-290	-300
1290 Outstanding, end of year.....	5,924	6,193	6,993

1/ Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

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	1984 Actual	1985 Estimate	1986 Estimate
<u>Position with respect to limitation on commitments:</u>			
2111 Limitation on commitments:			
Loans by private lenders <u>1/</u> .	19,000	---	20,000
2151 New commitments made, gross:			
Loans by private lenders....	18,993	45,000	20,000
2190 Unused balance of limitation, expiring.....	7	---	---
<u>Cumulative balance of guaranteed loans outstanding:</u>			
2210 Outstanding, start of year.....	79,444	84,551	130,825
2231 Loans guaranteed: New Loans...	10,801	53,192	20,000
2250 Repayments and prepayments.....	-3,002	-4,158	-5,670
<u>Adjustments:</u>			
2261 Terminations for default.....	-1,982	-2,760	-3,940
2263 Other adjustments, net <u>2/</u>	-710	---	---
2290 Outstanding, end of year.....	84,551	130,825	141,215

MEMORANDUM:

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	74,432	115,150	126,760
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1/ Amount shown is based on the full principal amounts of loans that are partially guaranteed by the U.S. Government.

2/ Guaranteed certificates cancelled.

Revenue and Expense (in thousands of dollars)

Loan Guaranty and Insurance Fund

<u>Program:</u>			
Revenue.....	288	564	610
Expense.....	-1,484	-2,960	-3,344
Write-offs.....	---	-1,985	-2,500
Net operating loss, total.....	-1,196	-4,381	-5,234

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

Financial Condition (in thousands of dollars)

<u>Assets:</u>	<u>1983 Actual</u>	<u>1984 Act.</u>	<u>1985 Est.</u>	<u>1986 Est.</u>
<u>Selected assets:</u>				
Fund balance with Treasury.....	31,882	28,715	24,245	19,775
Advances.....	93	154	---	---
Assets acquired through default....	3,420	5,330	5,573	6,294
Total assets.....	35,395	34,199	29,818	26,069

Liabilities:

<u>Selected liabilities:</u>				
Accounts payable.....	96	245	---	---

Government equity:

<u>Selected equities:</u>				
<u>Unexpended budget authority:</u>				
Unobligated balance.....	23,862	20,293	15,293	12,101
Undelivered orders.....	8,017	8,331	8,952	7,674
Invested capital.....	3,420	5,330	5,573	6,294
Total Government equity.....	35,299	33,954	29,818	26,069

Analysis of Changes in Government Equity:

<u>Paid in capital:</u>				
Opening balance.....		45,000	45,000	45,000
Appropriation.....		---	---	1,485
Closing balance.....		45,000	45,000	46,485
<u>Retained income:</u>				
Opening balance.....		-9,605	-10,801	-15,182
Transaction: Net operating loss...		-1,196	-4,381	-5,234
Closing balance.....		-10,801	-15,182	-20,416
Total Gov't equity (end of year).		34,199	29,818	26,069

OBJECT CLASSIFICATION (in thousands of dollars)

21.0 Administrative expenses.....	---	---	50
25.0 Other services.....	184	785	500
33.0 Investments and loans	2,020	2,780	3,940
41.0 Grants, subsidies, and contributions	1,766	2,235	1,125
99.9 Total Obligations.....	3,970	5,800	5,615

MISCELLANEOUS
TRUST FUNDS

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 TRUST FUNDS
 14-8366-0-7-452

COOPERATIVE FUND (PAPAGO)

Program and Performance

This Cooperative Fund, established by section 313 of the Southern Arizona Water Rights Settlement Act, P.L. 97-293 (96 Stat. 1274-1285), provides a source of funds for the Secretary of the Interior to carry out the obligations of the Secretary under sections 303, 304 and 305 of the Act. Only interest accruing to the fund may be expended. However, the law provides that no such interest can be spent prior to the earlier of 1992 or the completion of the main project works of the Central Arizona Project.

COOPERATIVE FUND (PAPAGO)

Program and Financing (in thousands of dollars)

Identification Code: 14-8366-0-7-452	1984 Actual	1985 Estimate	1986 Estimate
<u>Financing:</u>			
21.40 Unobligated balance available, start of year:			
Treasury balance.....	-5,250	-4,260	-4,251
U.S. Securities (par).....	---	-8,155	-12,014
24.40 Unobligated balance available, end of year:			
Treasury balance.....	4,260	4,251	4,251
U.S. Securities (par).....	8,155	12,014	13,294
60.00 Budget Authority (appropriation) (permanent, indefinite).....	7,165	3,850	1,280
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

TRIBAL TRUST FUNDS

MISCELLANEOUS TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated not to exceed \$4,000,000 from tribal funds not otherwise available for expenditure [and in addition hereafter tribal funds may be advanced to Indian tribes during each fiscal year for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary including: expenditures for the benefit of Indians and Indian tribes, care, tuition, and other assistance to Indian children attending public and private schools (which may be paid in advance or from date of admission); purchase of land and improvements on land, title to which shall be taken in the name of the United States in trust for the tribe for which purchased; lease of lands and water rights; compensation and expenses of attorneys and other persons employed by Indian tribes under approved contracts; pay, travel, and other expenses of tribal officers, councils, committees, and employees thereof, or other tribal organizations, including mileage for use of privately owned automobiles and per diem in lieu of subsistence at rates established administratively but not to exceed those applicable to civilian employees of the Government; and relief of Indians, including cash grants].

(Department of the Interior and Related Agencies Appropriations Act, 1985, as included in Public Law 98-473.)

Justification for Proposed Language Changes

Deletion: Language contained in the FY 1985 Appropriation Act, under the heading Tribal Funds, provided permanent authority for the Secretary of the Interior to advance funds to the tribes for approved purposes. The words "...in addition, hereafter..." eliminated the need to request expenditure authority on an annual basis for those funds previously identified as annual/indefinite.

Appropriation Language and Citations

25 U.S.C. 123 provides that no money shall be expended from Indian tribal funds without specific appropriation by Congress except as follows: Equalization of allotments, education of Indian children in accordance with existing law, per capita and other payments, all of which are hereby continued in full force and effect: Provided, That this shall not change existing law with reference to the Five Civilized Tribes.

25 U.S.C. 123a provides that funds of any tribe of Indians under the control of the United States may be used for payments of insurance premiums for protection of the property of the tribe against fire, theft, tornado, hail, earthquake, or other elements and forces of nature, and for protection against liability on account of injuries or damages to persons or property and other like claims.

25 U.S.C. 123b provides that on and after May 9, 1938, tribal funds shall be available for appropriation by Congress for traveling and other expenses, including supplies and equipment for members of tribal councils, business committees, or other tribal organizations, when engaged in business for the tribes.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-9973-0-7-999
TRUST FUNDS

Program and Performance

1. TRIBAL TRUST FUNDS (14X8365)-- Tribal funds are deposited into a consolidated account in the U.S. Treasury pursuant to: (1) general or specific acts of Congress enacting the judgment awards of the Indian Claims Commission and the Court of Claims; and (2) Federal management of tribal real properties, the titles to which are held in trust for the tribes by the United States. These funds are available to the respective tribal groups for various purposes, under various acts of Congress, and are subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, or groups. Tribal funds may be used for the conduct of tribal financial programs, enterprises, businesses, per capita payments, and other tribal affairs. These funds are not Federal monies as the funds belong strictly to the tribes. The Bureau only invests and monitors the numerous tribal accounts in fulfilling its trust responsibility as the respective trustee of the United States. These funds are reported annually in the budget schedules to give Congress the opportunity to review the activity conducted under the authorities extended to the Secretary of the Interior.

2. FUNDS CONTRIBUTED FOR THE ADVANCEMENT OF THE INDIAN RACE (14X8563)-- This program accounts for any contributions, donations, gifts, etc., which are to be used for the benefit of American Indians in accordance with the donor's wishes (82 Stat. 171).

3. BEQUEST OF GEORGE C. EDGETER (14X8060)-- This account consists of a bequest, the principal of which is invested in U.S. Treasury bonds and notes, and the interest is to be used for the relief of American Indians (82 Stat. 171), as specified by the donor's wishes.

4. INDIAN MONIES, PROCEEDS OF LABOR, AGENCIES, AND SCHOOLS (IMPL) (14X8500)-- Until recently, this account was also included in the Trust Funds category. These funds represented miscellaneous revenues derived from agencies and schools which were deposited in a Federal trust fund and used to support agency functions and schools. There are no longer any funds in the IMPL account except those required to complete prior year business transactions. Once these transactions are all liquidated, any balances remaining as of the close of business on September 30, 1987, will be transferred to the General Fund of the U.S. Treasury as miscellaneous receipts as provided by law.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 14-9973-0-7-999
 TRUST FUNDS

Analysis of Changes in Requirements
 (in thousands of dollars)

	Budget Authority	Outlays
FY 1984 Total.....	\$378,118	\$433,951
<u>Decreases</u>		
Program decreases:		
Advances to Indian Tribes.....	-48,258	-48,258
Other Trust.....	---	-251
<u>Increases</u>		
Program increases:		
Direct Program.....	+1,214	+1,214
Other Trust.....	+168	---
Miscellaneous Permanents (Tribal).....	<u>+91,144</u>	<u>+73,744</u>
FY 1985 Total.....	\$422,386	\$460,400
<u>Decreases</u>		
Program decreases:		
Miscellaneous Permanents (Tribal).....	-2,250	-2,400
FY 1986 Total.....	<u>\$420,136</u>	<u>\$458,000</u>

TRIBAL TRUST FUNDS

Highlight Statement

Tribal funds are deposited into a consolidated account in the U.S. Treasury pursuant to: (1) general or specific acts of Congress enacting the judgment awards of the Indian Claims Commission and the Court of Claims; and (2) Federal management of tribal real properties, the titles to which are held in trust for the tribes by the United States. Each of these two sources of funds contributes 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 (BIA).

Tribal funds are available to the respective tribal groups for various purposes, under various acts of Congress, and are subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, or groups. Tribal funds may be used for the conduct of tribal financial programs, enterprises, businesses, per capita payments, and other tribal affairs.

The Act of October 19, 1973 (87 Stat. 466), provides general authority for the distribution of funds appropriated in satisfaction of judgments of the Indian Claims Commission and the Court of Claims, subject to certain conditions, including the development of a plan for the use of the funds. Funds derived from the management of tribal trust properties are available for tribal use in accordance with approved budgets under annual/definite, or permanent/indefinite authorizations.

Funds programmed under annual/definite authorizations are not otherwise available for expenditure without Congressional action, and the \$4 million requested for Fiscal Year 1986 is to provide the Secretary of the Interior with expenditure authority for the implementation of programs for those tribes which are not sufficiently organized to be represented by a recognized governing body, or to permit disbursements through a Treasury Regional Disbursing Office when no other legislative authority exists. Expenditures made under this authority are individually made through the Regional Disbursing Offices, subject to the same regulations and procedures as appropriations from the general fund of the Treasury.

The annual/indefinite authorization in the FY 1984 Appropriation Act, under the heading Tribal Funds, provided the necessary authority, on an annual basis, 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. These funds are advanced to tribes for disbursement by Indian Services Special Disbursing Agents or by bonded tribal treasurers under approved plans of operation.

Note: Language contained in the FY 1985 Appropriation Act, under the heading Tribal Funds, provided permanent authority for the Secretary of the Interior to advance funds to the tribes for approved purposes. The words "...in addition, hereafter..." eliminated the need to request expenditure authority on an annual basis for those funds previously identified as annual/indefinite.

Funds programmed under permanent/indefinite authorization are made available under legislation which gives the Secretary of the Interior continuing authority to carry out the provisions of specific acts. 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. These funds do not require annual approval by Congress but are reported annually in the budget schedule to give Congress an opportunity to review the activity conducted under the authorities extended to the Secretary of the Interior.

No part of the funds contained in this estimate represents a charge upon the Federal Treasury. This item reflects the disbursement of funds to the credit of Indian tribes or bands under numerous special acts of Congress in compliance with the terms of the various trusts and for carrying out tribal programs recommended by the tribal governing bodies with the approval of the Assistant Secretary for Indian Affairs.

The budget schedule under the Permanent Authorization reflects disbursements from the tribal trust funds authorized by permanent legislation and, under the Annual and Definite Authorizations, amounts requested annually by the various tribes for carrying out various tribal activities.

The estimate, therefore, is restricted to the funds requested annually, as required by section 27 of the Act of May 18, 1916 (39 Stat. 158).

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ANNUAL DEFINITE AUTHORIZATION - TRIBAL FUNDS

Statement Relating to FY's 1984, 1985 & 1986 Programs

1984 Appropriation.....	\$4,000,000
1985 Budget Estimate.....	4,000,000
Total Appropriation for 1985.....	4,000,000
Total Estimate for 1986.....	<u>\$4,000,000</u>

Analysis of Annual Definite Authorization, Tribal Trust Funds, by Activity:

ACTIVITY/SUBACTIVITY	Actual 1984	Appro- priation 1985	1986 Budget Estimate	Inc(+)/Dec(-) 1985 Compared w/ 1986
1. Education & Welfare Services	-0-	-0-	-0-	-0-
2. Resources Management	-0-	-0-	-0-	-0-
3. Construction & Land Acquisition	1,374,441	2,000,000	2,000,000	-0-
4. General Tribal Affairs	<u>1,411,615</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-0-</u>
Total	<u>\$2,786,056</u>	<u>\$4,000,000</u>	<u>\$4,000,000</u>	<u>-0-</u>

Summary of Trust Fund Budget Authority

	1984 <u>Actual</u>	1985 <u>Estimate</u>	1986 <u>Estimate</u>
A. Tribal Funds:			
1. Annual Definite Authorization	\$2,786,056	\$4,000,000	\$4,000,000
2. Annual Indefinite Authorization	48,258,477	---	---
3. Permanent Authorization	327,005,584	418,150,000	415,900,000
B. Other Trust Funds - (Permanent Indefinite):	<u>67,979</u>	<u>236,000</u>	<u>236,000</u>
TOTAL	<u>\$378,118,096</u>	<u>\$422,386,000</u>	<u>\$420,136,000</u>

Tribal Funds - Annual Definite: Fiscal Year 1985, \$4,000,000; Fiscal Year 1986, \$4,000,000.

STATUS OF PROGRAMS

Funds programmed under the annual definite authorization as shown on the following tabulation are to be used for various education and welfare programs, resources management, construction and land acquisition, and general tribal affairs, including taxes and attorneys' fees. All amounts in the FY 1986 estimate have been requested by the Indian tribal groups except the sum of \$300,000 for miscellaneous tribes. The amount under "miscellaneous tribes" is requested to provide for additional tribal requests that are anticipated during the fiscal year.

COMPARATIVE STATEMENT OF ANNUAL DEFINITE AUTHORIZATIONS BY TRIBE

<u>STATE-AGENCY TRIBE</u>	<u>ACTUAL FY 1984</u>	<u>ESTIMATE FY 1985</u>	<u>ESTIMATE FY 1986</u>
<u>California</u>	\$ 52,816	---	---
Agua Caliente	50,716	---	---
Hoopa Valley	2,100	---	---
<u>Florida</u>	\$ 234,350	---	---
Seminole	234,350	---	---
<u>Idaho</u>	56,133	\$ 100,000	\$ 100,000
Nez Perce	56,133	100,000	100,000
<u>Maine</u>	701,449	---	---
Penobscot	701,449	---	---
<u>Montana</u>	1,331,883	2,070,000	2,070,000
Crow	705,143	770,000	770,000
Fort Peck	626,740	1,370,000	1,300,000
<u>Oklahoma</u>	22,700	30,000	30,000
Choctaw	12,700	15,000	15,000
Creek	10,000	15,000	15,000
<u>Washington</u>	268,525	500,000	500,000
Colville	148,413	300,000	300,000
Yakima	120,112	200,000	200,000
<u>Wyoming</u>	118,200	1,000,000	1,000,000
Arapahoe	---	500,000	500,000
Shoshone	118,200	500,000	500,000
<u>Miscellaneous Tribes</u>	---	300,000	300,000
<u>Grand Total</u>	\$2,786,056	\$4,000,000	\$4,000,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
1. Direct program (limitation).....	2,786	4,000	4,000
2. Advances to Indian tribes (indefinite authorization).....	48,258	---	---
3. Miscellaneous permanent.....	381,993	459,400	463,900
4. Other trust funds.....	135	100	100
10.00 Total obligations.....	433,172	463,500	468,000
<u>Financing:</u>			
21.00 Unobligated balance available, start of year:			
Treasury balance.....	-748,875	-889,051	-853,584
U.S. Securities (par).....	-401,077	-205,847	-200,200
24.00 Unobligated balance available, end of year:			
Treasury balance.....	889,051	853,584	805,720
U.S. Securities (par).....	205,847	200,200	200,200
Budget authority.....	378,118	422,386	420,136
<u>Budget authority:</u>			
Current:			
40.00 Appropriation.....	2,786	4,000	4,000
Appropriation (indefinite).....	48,258	---	---
Permanent:			
60.00 Appropriation (indefinite).....	327,074	418,386	416,136
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	433,172	463,500	468,000
72.40 Obligated balance, start of year.....	1,746	967	4,067
74.40 Obligated balance, end of year	-967	-4,067	-14,067
90.00 Outlays.....	433,951	460,400	458,000
<u>Distribution of budget authority by account:</u>			
Indian tribal funds.....	378,050	422,150	419,900
Indian moneys, proceeds of labor....	13	---	---
Funds contributed for the advancement of the Indian race.....	50	230	230
Request of George C. Edgeter.....	5	6	6

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1984 Actual	1985 Estimate	1986 Estimate
Distribution of outlays by account:			
Indian Tribal funds.....	433,650	460,350	457,950
Indian moneys, proceeds of labor.	358	---	---
Funds Contributed for the advancement of the Indian race.	-57	50	50

OBJECT CLASSIFICATION

Personnel compensation:			
11.1 Full-time permanent.....	150	152	---
11.3 Other than full-time permanent	33	33	---
11.5 Other personnel compensation.	18	18	---
11.8 Special pers. svcs. payments..	---	---	---
11.9 Total pers. compensation...	201	203	---
Personnel Benefits:			
12.1 Civilian.....	10	10	---
21.0 Travel and trans. of persons.	5	10	10
22.0 Transportation of things.....	4	5	10
23.2 Communications, utilities, and other rent.....	16	20	50
24.0 Printing and reproduction....	9	15	30
25.0 Other Services.....	90,363	70,000	70,000
26.0 Supplies and materials.....	33	100	100
31.0 Equipment.....	1	10	10
32.0 Lands and structures.....	---	200	200
44.0 Refunds.....	342,530	392,927	397,590
99.9 Total obligations.....	433,172	463,500	468,000

Personnel Summary

Total number of full-time permanent positions.....	8	8	---
Total compensable workyears:			
Full-time equivalent employment...	10	10	---
Full-time equivalent of overtime and holiday hours.....	1	1	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS

	<u>1984</u> <u>Actual</u>	<u>1985</u> <u>Estimate</u>	<u>1986</u> <u>Estimate</u>
ES-6.....	1	1	1
ES-5.....	2	2	2
ES-4.....	8	8	8
ES-3.....	1	1	1
ES-2.....	3	3	3
ES-1.....	4	4	4
Subtotal.....	19	19	19
GS/GM-15.....	30	30	30
GS/GM-14.....	187	187	186
GS/GM-13.....	339	339	339
GS-12.....	725	725	715
GS-11.....	1,026	1,018	1,005
GS-10.....	26	26	25
GS-09.....	1,362	1,352	1,334
GS-08.....	114	112	110
GS-07.....	526	522	515
GS-06.....	644	639	631
GS-05.....	1,108	1,100	1,086
GS-04.....	2,136	2,120	2,092
GS-03.....	440	437	431
GS-02.....	17	17	16
Subtotal.....	8,680	8,624	8,515
Ungraded.....	2,983	2,964	2,926
Total permanent positions.....	11,682	11,607	11,460
Unfilled position, end-of-year.....	-801	-929	-917
Total permanent employment, EOY.....	<u>10,881</u>	<u>10,678</u>	<u>10,543</u>

APPENDICES

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

(Supplemental now required, existing legislation)

For an additional amount for "Construction", not to exceed \$12,850,000 to be derived by transfer from "Construction (Trust Funds)", National Park Service.

Program and Financing (in thousands of dollars)			
Identification Code: 14-2301-1-1-452	1984 Actual	1985 Estimate	1986 Estimate
<u>Program by activities:</u>			
10.00 Total obligations.....	---	12,850	---
<u>Financing:</u>			
13.00 Offsetting collections from trust funds.....	---	-12,850	---
39.00 Budget Authority (appropriation)	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

Object Classification (in thousands of dollars)			
<u>Personnel compensation:</u>			
11.1 Full-time permanent.....	---	1,117	---
11.3 Other than full-time permanent..	---	1,263	---
11.5 Other personnel compensation....	---	1,083	---
11.8 Special personal services payments.....	---	4,135	---
11.9 Total personnel compensation....	---	7,598	---
<u>Personnel benefits:</u>			
12.1 Civilian.....	---	248	---
21.0 Travel and transportation of persons.....	---	225	---
22.0 Transportation of things.....	---	327	---
23.2 Communication, utilities & other rent.....	---	430	---
24.0 Printing and reproduction.....	---	183	---
25.0 Other services.....	---	388	---
26.0 Supplies and materials.....	---	3,200	---
31.0 Equipment.....	---	64	---
41.0 Grants, subsidies & contributions.....	---	187	---
99.9 Total obligations.....	---	12,850	---

Personnel Summary

Identification Code: 14-2301-1-1-452	1984 Actual	1985 Estimate	1986 Estimate
Direct:			
Total number of full-time permanent positions.....	---	---	---
Total compensable workyears:			
Full-time equivalent employment....	---	117	---
Full-time equivalent of overtime and holiday hours.....	---	58	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

(Rescission proposal)

Program and Financing (in thousands of dollars)

14-2100-5-1-999		FY 1984 Actual	FY 1985 Est.	FY 1986 Est.
Program by activities:				
10.00	Total obligations.....	---	-5,570	---
Financing:				
40.01	Budget authority (appropriation rescission proposal, sec. 2901, Public Law 98-369).....	---	-5,570	---
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	---	-5,570	---
72.40	Obligated balance, start of year	---	---	-220
74.40	Obligated balance, end of year..	---	220	---
90.00	Outlays.....	---	-5,350	-220

This rescission is proposed to effect savings in congressionally specified management categories pursuant to section 2901 of the Deficit Reduction Act of 1984.

Object Classification (in thousands of dollars)

14-2100-5-1-999		FY 1984 Actual	FY 1985 Est.	FY 1986 Est.
Direct obligations:				
11.1	Full-time permanent.....	---	-93	---
12.1	Personnel benefits: Civilian..	---	-9	---
21.0	Travel and transportation of persons.....	---	-1,820	---
22.0	Transportation of things.....	---	-30	---
24.0	Printing and reproduction.....	---	-187	---
25.0	Other services.....	---	-1,051	---
26.0	Supplies and materials.....	---	-680	---
31.0	Equipment.....	---	-1,700	---
99.9	Total obligations.....	---	-5,570	---

ACCOUNTS WITH SECTION 2901 SAVINGS
DEPARTMENT OF THE INTERIOR
(obligations in thousands)

<u>BUREAU/OFFICES ACCOUNTS</u>	Category I Motor Vehicles	Category II Travel	Category III Public Affairs	Category IV Publish- ing	Category V Consul- tants	Total all Categories
<u>Bureau of Indian Affairs</u>						
Operation of Indian Programs						
14-2100-0-1-999						
Sec. 2901 Proposed						
Rescission.....	3,076	1,684	102	187	521	5,570

FY 1985 Rescission Impacts by Category

<u>Category</u>	<u>(\$000)</u>	<u>Impacts</u>
Motor Vehicles	\$3,076	Will reduce the number of motor vehicle replacements in Law Enforcement and Natural Resources. It will curtail law enforcement patrol activities, road maintenance operations, and street and ground maintenance at schools and agencies.
Travel and Transportation of Persons and Things	1,684	Will curtail official staff travel and training but will not adversely affect level and quality of operations.
Public Affairs	102	Will reduce Central Office Public Information activity of providing information to the public.
Printing and Reproduction	187	Will curtail but not adversely affect production of materials prepared for operations and general information.
Consultant Services	521	Will reduce the number of contracts that are negotiated for special studies and expertise not available in current BIA work force for litigation, ADP, and economic and resource development.
TOTAL.....	<u>5,570</u>	

Activity Breakdown of Rescission (\$000)

<u>Activity</u>	<u>Amount</u>
Education.....	297
Indian Services.....	1,320
Economic Development & Employment Programs...	655
Natural Resources Development.....	1,582
Trust Responsibilities.....	560
Facilities Management.....	572
General Administration.....	<u>584</u>
TOTAL.....	<u>5,570</u>

APPENDIX

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

FY 1986 BUDGET REQUEST

TRIBE/AGENCY OPERATIONS

AND

AREA OFFICE OPERATIONS

PRIORITY PROGRAMS

BUREAU OF INDIAN AFFAIRS

FY 1986 BUDGET REQUEST FOR TRIBE/AGENCY AND AREA OFFICE OPERATIONS PROGRAMS

Introduction

The direct involvement of tribal governments in the development of the Bureau of Indian Affairs annual budget requests was initiated in the early 1970's and is in keeping with the provisions of the Indian Reorganization Act of 1934 (48 Stat. 948; 25 U.S.C. 461 et seq.) and the Indian Self-Determination and Education Assistance Act of 1975 (188 Stat. 2203; 25 U.S.C. 450).

Section 16 of the Indian Reorganization Act (25 U.S.C. 476) includes language as follows:

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

The Bureau's budget request for FY 1986 includes funding for local service programs which are planned and operated at the Tribe/Agency level and Area Office level. The funding levels for these local programs are determined during the annual budget development process in consultation with the tribes being served. The tribal consultation effort for FY 1986 was carried out during early 1984 starting during the month of February.

Tribe/Agency Operations

Tribe/Agency Operations include programs operated at the Agency or reservation level. The tribe(s) served by each Agency Office is(are) offered the opportunity to be directly involved in establishing funding levels for each program and ranking each program in terms of relative priority. Based upon the funding and staffing "base" information provided on the FY 1985 President's request for tribal priority programs, each Agency Superintendent consulted with the tribal government(s) on the levels of funding to be requested in FY 1986. The tribe(s) was(were) asked to set priorities by ranking four alternative funding "packages" for each program. An illustration of the process is provided later in this Appendix. Unless either the Superintendent or Area Director believed that essential Federal responsibilities could not be met by the tribal priorities, changes were not made to the tribes' program rankings. Any decision by these line officials contrary to the tribes' wishes could be appealed to the Central Office for resolution.

The funding, staffing, priority, and other explanatory data developed during the planning process at the Tribe/Agency level are entered into the Bureau's computer based budget development system which is called the Indian Priority System (IPS). These data are used at the national level to determine the programmatic distribution of funding for the Tribe/Agency Operations portion of the Bureau's annual budget request.

To the extent possible, the priorities expressed by the tribes are maintained unchanged throughout the budget process. The national decisions affect only the overall funding level for all Tribe/Agency Operations programs as a group and usually do not adjust individual program requests. At times programs are added or removed from the tribal priority process, usually based upon legislative

action. Appropriation action on the base year budget also affects program funding amounts which may require adjustments during the planning year.

In addition to the Agency or reservation level programs, the funding amounts included under Tribe/Agency Operations in the Justifications also include Area Field Operations. These are consolidated programs operated at the Area Office level which provide direct services to the reservation or tribal level. Since these programs often serve most or all of the tribes within a given Area Office jurisdiction, tribal priorities for these programs are considered, but the involvement of tribes in setting priorities is less direct. Each Area Director has established consultation procedures to obtain as much advice as possible on the program priorities of each tribe being served. This advice is consolidated and used to develop the funding levels and priority of each Area Field Operations program. Area Field Operations data are also entered into the IPS data base for use at the national level. The Area Field Operations programs are consolidated with the programs operated at the Tribe/Agency level for purposes of overall budget development.

The overall funding level requested each year for these programs as a group is decided at the national level. The priority data contained in the IPS data base are used to determine the specific amounts requested at each Tribe/Agency location for each program included in the tribal priority process. In FY 1986, the overall funding level for Tribe/ Agency Operations (including Area Field Operations) has been maintained at the FY 1985 appropriation level. A detailed listing of the programs and the specific funding and staffing amounts requested are provided later in this Appendix.

Area Office Direct Operations

Area Office Direct Operations represents funding for technical support, program management, executive direction and administrative services at the Area Office level. These funds are used to provide middle management and consolidated administrative services staff at Area Office locations to support the local Tribe/Agency programs throughout Indian Country. Currently there are 12 area offices located at Aberdeen, SD; Minneapolis, MN; Anadarko and Muskogee, OK; Billings, MT; Juneau, AK; Portland, OR; Sacramento, CA; Phoenix and Window Rock (Navajo), AZ; Albuquerque, NM; and Arlington, VA (Eastern).

Each Area Director, obtaining as much advice as possible from the governments of the tribes served, establishes the funding levels and priorities for the Area Direct Operations programs. These data are also entered into the IPS data base for use at the national level in development of the annual budget request for Area Direct Operations programs. For FY 1986, the request differs from the FY 1985 appropriation level for Area Direct Operations programs only by the base adjustments for pay, the grade bulge and headquarters/administrative reductions. A detailed listing of the programs and the specific funding and staffing amounts requested are provided later in this Appendix.

Explanations of Funding and Staffing Tables

Each of the priority programs are listed and briefly described in a Priority Program Narratives section. Several tables are also provided detailing the programmatic breakdown of the FY 1986 budget request for Tribe/Agency Operations and Area Direct Operations as established using the priorities expressed by tribal governments and Bureau field managers. Separate but similar sets of tables are provided for Tribe/Agency Operations (labelled TR/AG 1, 2, 3, 4, and 5) and Area Direct Operations (ADO 1, 2, 3, 4, and 5). Tables 1-4 display funding information and Table 5 provides FTE/T distributions. Each table is introduced with a brief explanatory section which describes the data it contains.

IPS and the Tribe/Agency Priority Setting Process

As the first step in the Bureau's annual budget formulation process, funding and staffing allowances for the current budget year, to be used as a "base" for the planning year, are provided to each tribe/agency location. The following discussion and the accompanying three charts graphically illustrate the methodology and procedures followed by the tribes and superintendents when establishing program priorities for the planning year using the IPS data system.

The first chart (Funding & Staffing) depicts funding and staffing data for four selected programs. The Base amounts are derived from the budget year request (in the case of FY 1986, this was the FY 1985 President's Budget amounts). Based upon these amounts, the superintendent consults with the tribe(s) on what amounts should be provided to each program during the planning year (FY 1986). Four alternative "levels" are established for each program within the overall planning limits established nationally. In FY 1986, "level" amounts for each location's Grand Total line were not to exceed 70%, 85%, 100%, 115% of the Base respectively. Amounts established for each program are not bound by these limits, only the Grand Totals for each "level" at the location. Therefore, within the Grand Total amounts for each "level", program amounts can be established based upon needs. These amounts do not have to follow a set percentage of the Base. These data are then entered into the Bureau's IPS data system by the agency staff. The IPS generates the next chart (Increment Chart) automatically and a printout can be obtained by the agency or tribe to continue the next step of the planning process.

Funding & Staffing Chart:

Line Code	Program Title	Base		Level 1		Level 2		Level 3		Level 4	
		\$M	FTE	\$M	FTE	\$M	FTE	\$M	FTE	\$M	FTE
11	Scholarships	100.0	0	50.0	0	50.0	0	80.0	0	110.0	0
24	Social Services	50.0	2	50.0	2	50.0	2	50.0	2	75.0	3
25	Law Enforcement	75.0	3	60.0	2	75.0	3	95.0	4	110.0	4
41	Agriculture	125.0	4	85.0	2	115.0	3	125.0	4	125.0	4
99	Grand Total	350.0	9	245.0	6	290.0	7	350.0	10	420.0	11

Increment Chart:

Line Code	Program Title	Level 1		Level 2		Level 3		Level 4	
		\$M	FTE	\$M	FTE	\$M	FTE	\$M	FTE
11	Scholarships	50.0	0	0	0	30.0	0	30.0	0
24	Social Services	50.0	2	0	0	0	0	25.0	1
25	Law Enforcement	60.0	2	15.0	1	20.0	1	15.0	0
41	Agriculture	85.0	2	30.0	1	10.0	1	0	0
99	Grand Total	245.0	6	45.0	2	60.0	2	70.0	1

The Increment Chart data is used to create the priority rankings for the programs which are funded at the location. Each program is assigned a line code and each "level" is assigned a number. By this method, each "package" of funding and staffing is assigned a unique number. For example, the package or increment code for "level" 1 of the Scholarship program is 111, "level" 2 is 112, etc. The agency staff, in consultation with the tribe(s), establishes the relative priority of each "package" and enters the increment codes into the IPS in order of priority (see the Priority Ranking Entry Data chart which follows). Zero increments are not ranked. The priority data is stored in the IPS files and is transmitted to the national data base for use later in the budget process.

The agency can obtain a printout of the data after data entry is completed. The increment numbering scheme is automatically recognized by the computer system when creating the printout for the ranking chart, which lists each increment's funding and staffing amounts in order of priority as entered into IPS and the cumulative amounts until all increments are listed.

Priority Ranking Entry Data:

<u>Ranking</u>	<u>Package Code</u>	<u>Ranking</u>	<u>Package Code</u>
1	241	7	113
2	251	8	413
3	411	9	253
4	111	10	244
5	252	11	254
6	412	12	114

At the national level, as soon as a decision is made on the amount of funds to allocate to Tribe/Agency Operations, a "target" is established and entered into the IPS data base. This target, calculated as a percentage of the planning base, is used to determine the programmatic and location distribution of the funding allocated to Tribe/Agency Operations. The IPS applies the target percentage equally to all locations and uses their priority ranking data to determine the program amounts. This procedure can be used at any stage in the budget process, either prior to submitting the Bureau's request to the Department, the Office of Management and Budget, or the Congress. Applying the target generates the Tribe/Agency funding request for each program as reflected in the President's Budget. This information is stored by the IPS, both in total and by tribe/agency location. The IPS can be used to report the results of applying any "target" back to the tribe/agency location. This reporting capability can either be by providing hard copy reports or as a data file transmission to the regional computer centers which can then be accessed by terminal at each agency.

The IPS has the capability to treat each location differently in application of the planning year "target" by adjusting the location's "base" stored in the computer file. To date this option has not been used because of the difficulty of determining an acceptable method of equitably redistributing the "base" between the various tribe/agency locations.

The IPS also has the capability to be used to allocate appropriated funds during the operating year. In FY 1985, it has been used to develop the funding distributions to back up the official allotments of appropriations, based upon the Congressional action to date.

The IPS has been enhanced to provide additional data which is especially useful in preparing budget data and justifications. The system can provide summaries of program justification narratives, object class distributions, and program outputs for each level of funding within a given "target" allowance. The narratives for each program at each location can be used to identify detailed reasons for significant increases/decreases in program funding. The object class data provides the capability to display the total object class distribution for each program on the IPS. The output data can be used to quantify program activity, provide a data base for workload and can be used for comparative productivity analysis among the locations funded for each program. The IPS also has the capability to collect, aggregate and report current year output data on a quarterly basis with comparisons against the planned level of accomplishment. This information for FY 1986 is complete but not available from the system; however, the system will be fully operational for use in preparing the FY 1987 budget.

PRIORITY PROGRAM NARRATIVES

The Priority Program Narratives describe each program within the seven major activities of the Operation of Indian Programs appropriation which are included in the Indian Priority System. The programs are listed by name and IPS line code with the FY 1986 requested funding amounts for Tribe/Agency Operations and Area Direct Operations, the amount of increase or decrease compared to the FY 1986 Base in parentheses and a brief description of the program.

EDUCATION:

Scholarships (IPS Line Code 11):

Tribe/Agency Operations \$29,380,000 (\$+59,000)

Area Direct Operations \$43,000 (no change)

The scholarships program awards grants to students, provides funds for program supervision and contract counselors at colleges and universities with a large number of Indian students. It provides assistance to students who are pursuing courses of study in professional fields such as law, medicine, science, engineering, business administration, etc. A large portion of this program is contracted to tribes.

Adult Education (IPS Line Code 12):

Tribe/Agency Operations \$3,535,000 (\$-147,000)

Area Direct Operations \$169,000 (\$-34,000)

The program provides courses such as adult basic education (GED), personal finance, income tax preparation, and driver's education. This program is designed to reach the adult Indian/Alaska Natives population who live primarily in rural and isolated locations.

Tribal Controlled Community Colleges (IPS Line Code 13):

Tribe/Agency Operations \$897,000 (\$-19,000)

Area Direct Operations - Not Authorized

This program, using Snyder Act authority, allows tribes to use priority funding to supplement the financial assistance grants provided under the provisions of P.L. 95-471 to their Tribally Controlled Community Colleges. The colleges provide a two year degree granting, postsecondary education for resident Indians. At the present time only four tribes in the Aberdeen Area and two tribes in the Billings Area have established priorities for this program.

B. INDIAN SERVICES

Community Services, General (IPS Line Code 20):

Tribe/Agency Operations \$1,093,000 (\$+473,000)

Area Direct Operations \$260,000 (\$-143,000)

This program provides funds primarily for program staff at the Agency and Area Office levels who over-see all of the various Indian Services programs. Some Agency funding is used for consolidated human resource programs that are operated by tribes under P.L. 93-638 contracts. Area staff provide technical assistance, program monitoring and management.

Agriculture Extension Services (IPS Line Code 21):

Tribe/Agency Operations \$840,000 (\$-93,000)

Area Direct Operations - Not Authorized

The Bureau contracts this program either directly with state land grant colleges or with the tribes, who in turn subcontract with the colleges, to cover costs for extension agents and home economists. Services rendered are training, educational programs on animal husbandry, new and better crop production methods, pasture management, weed control, food and nutrition, family life and finance, etc.

Other Aid to Tribal Government (IPS Line Code 22):

Tribe/Agency Operations \$11,377,000 (\$+366,000)

Area Direct Operations \$1,263,000 (\$-2,000)

The Aid to Tribal Government program provides staff and funds at the Agency and Area level to assist tribes in the development, improvement or amendment of tribal ordinances, constitutions, by-laws, codes and ordinances and membership rolls. The funds allow tribes to develop needed legislation in unregulated areas. A large portion of this program is performed under P.L. 93-638 contracts with the tribes. Area staff provide technical assistance, program monitoring and management.

Tribal Courts (IPS Line Code 23):

Tribe/Agency Operations \$9,119,000 (\$+615,000)

Area Direct Operations Not Funded

This program pays, through P.L. 93-638 contracts, the personnel and administrative costs for the operation of 126 tribal courts and 19 Courts of Indian Offenses (courts established and operating pursuant to 25 CFR 11). The courts enforce and adjudicate civil disputes and criminal provisions of tribal law and order codes.

B. INDIAN SERVICES (Continued)

Social Services (IPS Line Code 24):

Tribe/Agency Operations \$21,218,000 (\$+409,000)

Area Direct Operations \$954,000 (\$-67,000)

This program provides social counselling services and supervises the provision of general assistance grants to tribal members, non-medical institutional or custodial care for incapacitated adults, child welfare assistance, burial expenses of Indians and contracts with tribes under P.L. 93-638 to administer the Tribal Work Experience Programs. A large number of tribes are operating this program under contract. Area staff provide program management and professional assistance to tribes contracting for program operations at Agencies.

Law Enforcement (IPS Line Code 25):

Tribe/Agency Operations \$37,785,000 (\$+992,000)

Area Direct Operations \$472,000 (\$-26,000)

This program provides funds for Federal criminal investigation services and to tribal governments for development and operation of criminal justice systems on Indian reservations. The services provide police protection, detention facilities, criminal investigators, patrol vehicles, radio dispatchers/clerks, etc. At least 47% of this program is operated by tribes under P.L. 93-638 contracts. Area staff provide program management and professional assistance to tribes contracting for program operations at Agencies.

Self-Determination Services - Grants (IPS Line Code 26):

Tribe/Agency Operations \$11,514,000 (\$-4,306,000)

Area Direct Operations Not Funded

The program provides grants to tribes to assist them in the operation of other programs contracted under P.L. 93-638. Services provided by these grants are training; planning; orientation; evaluation of Federal programs; and the development, implementation and maintenance of office management, personnel and financial management systems. The main purpose is to improve and strengthen the administration of tribal governments and encourage the tribes to operate Bureau funded programs under contract.

Self-Determination Services - Training & Technical Assistance (IPS Line Code 27):

Tribe/Agency Operations \$2,294,000 (\$+1,641,000)

Area Direct Operations \$572,000 (\$-160,000)

This program provides Bureau staff who offer services which enhance the opportunity of tribes to contract under P.L. 93-638. These include training tribal staff; providing technical assistance in preparation of contract applications and the operation of Bureau programs; managing the application review process; and monitoring contract operations. A portion of the funding may also be used to finance third party contracts to assist tribes in operating Bureau programs under contract.

B. INDIAN SERVICES (Continued)

Community Fire Protection (IPS Line Code 28):

Tribe/Agency Operations \$828,000 (\$-39,000)

Area Direct Operations Not Authorized

This program provides funds for operation of the community fire department, purchase of new equipment, training of volunteer fire fighters responsible for the protection of individual homes, schools, businesses, churches and human safety.

C. ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS

Credit and Financing (IPS Line Code 31):

Tribe/Agency Operations \$3,218,000 (\$-79,000)

Area Direct Operations \$838,000 (\$-202,000)

This program involves assisting Indians on or near reservations in obtaining loans from banks and other financial lending sources in the private sector; working with other Federal funding sources; processing loans under the Loan Guaranty and Insurance program; providing assistance in administration of BIA direct loans or tribal relending programs; and processing Bureau economic development grant applications.

Adult Vocational Training (IPS Line Code 32):

Tribe/Agency Operations \$21,381,000 (\$-20,000)

Area Direct Operations \$130,000 (\$+18,000)

The AVT program is available to adult Indians who reside on or near an Indian reservation. The agency staff assists the applicants in the selection of their training program; provides counseling guidance; determines the needs of each applicant; and guides the applicant selection process. Area staff provide technical assistance, program monitoring and management.

Other Employment Assistance (IPS Line Code 33):

Tribe/Agency Operations \$4,234,000 (\$-917,000)

Area Direct Operations \$180,000 (\$-209,000)

The program provides staff to assist applicants in job placement and provides grants to individuals for transportation, emergency subsistence, medical costs and eye glasses, and purchase of necessary tools. Area staff provide technical assistance, program monitoring and management.

C. ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS (Continued)

Road Maintenance (IPS Line Code 34):

Tribe/Agency Operations \$22,353,000 (\$+1,051,000)

Area Direct Operations \$49,000 (\$-9,000)

This program provides funds for road maintenance on the 24,000 miles of public roads serving Indian reservations and is a major source of employment for tribal members. Major emphasis is placed on the program in the northern geographic and high altitude areas where snow and ice are major threats to life and property during the winter months. This program is crucial to the bus transportation of students attending Bureau, public and contract schools.

D. NATURAL RESOURCES DEVELOPMENT

Natural Resources, General (IPS Line Code 40):

Tribe/Agency Operations \$1,112,000 (\$+453,000)

Area Direct Operations \$232,000 (\$+4,000)

This program provides funding for multi-disciplinary activities not readily identified to any one particular natural resource program. Activity accomplishments primarily under tribal contracts include conservation studies and/or inventories in agriculture, soil and range, irrigation and power operations, fisheries, wildlife, parks, water needs and environmental quality concerns. Area staff provide technical assistance, program monitoring and management.

Agriculture (IPS Line Code 41):

Tribe/Agency Operations \$19,962,000 (\$-826,000)

Area Direct Operations \$1,131,000 (\$-51,000)

This program provides funds for staff who assist in applying soil and water conservation measures to Indian lands. Conservation measures include the construction of terraces, ponds, upland water wasteways, erosion control structures and the preparation of management plans to protect the resources. Range management services are also provided at locations with substantial livestock grazing resources. Area staff provide technical assistance, program monitoring and management.

Forestry (IPS Line Code 42):

Tribe/Agency Operations \$16,010,000 (\$-52,000)

Area Direct Operations \$1,188,000 (\$-88,000)

The forestry program at the Tribe/Agency level primarily consists of timber sale preparation and administration, conduct of inventories, preparation of forest management plans, forestation, timber stand improvement, forest protection, and fire suppression. Area staff provide technical assistance, program monitoring and management.

D. NATURAL RESOURCES DEVELOPMENT (Continued)

Water Resources (IPS Line Code 43):

Tribe/Agency Operations \$1,560,000 (\$+172,000)

Area Direct Operations Not Funded

The funds allocated at the Tribe/Agency level are primarily for costs of well drilling, pipe and other construction items, plus salary costs for employees of tribal contractors providing rangeland water development services. At some locations this program provides funds for inventorying water resources and the development of water rights.

Wildlife and Parks (IPS Line Code 44):

Tribe/Agency Operations \$4,479,000 (\$-3,000)

Area Direct Operations Not Funded

This program provides support to tribal fishery programs as well as funds for management of wildlife, hunting and fishing regulation and recreation resource development.

Mineral and Mining (IPS Line Code 45):

Tribe/Agency Operations \$1,717,000 (\$+85,000)

Area Direct Operations Not Funded

This program provides funds for training in oil and gas production, site inspections and contracts for engineering consultant advice related to economic decisions to be made by tribal governments regarding the development of mineral and mining resources.

E. TRUST RESPONSIBILITIES

Trust Services - General (IPS Line Code 50):

Tribe/Agency Operations \$262,000 (\$-109,000)

Area Direct Operations \$460,000 (\$+192,000)

This program at the Tribe/Agency provides trust services of a generalized nature. The services are primarily contracted, and make available technical assistance for resource protection activities. Area staff provide technical assistance, program monitoring and management.

Environmental Quality Services (IPS Line Code 51):

Tribe/Agency Operations \$596,000 (\$-95,000)

Area Direct Operations Not Funded

The funds are used primarily for archeological clearances or reduced species consultation of a major nature. Program funds also provide for any necessary tribal government participation at environmental training sessions.

E. TRUST RESPONSIBILITIES (Continued)

Other Rights Protection (IPS Line Code 52):

Tribe/Agency Operations \$4,822,000 (\$-168,000)

Area Direct Operations \$524,000 (\$-12,000)

This program provides Bureau staff and technical support services involved in identifying and protecting Indian rights; collecting resource and historical data; researching and developing evidentiary materials for litigation; and other efforts which carry out the Bureau's trust responsibility. Area staff provide technical assistance, program monitoring and management.

Real Estate Appraisals (IPS Line Code 53):

Tribe/Agency Operations \$3,799,000 (\$+190,000)

Area Direct Operations \$66,000 (\$-33,000)

This program provides appraisals and evaluations on Indian land that require a fair market value to complete land sales, partitionment or leasing and in some instances for loan purposes. Area staff provide technical assistance, program monitoring and management.

Other Real Estates Services (IPS Line Code 54):

Tribe/Agency Operations \$14,605,000 (\$+707,000)

Area Direct Operations \$1,717,000 (\$-197,000)

This program provides real property management, counseling, leasing, land use management planning, as well as title and land records services to Indians on their trust lands. Area staff provide technical assistance, program monitoring and management.

Financial Trust Services (IPS Line Code 55):

Tribe/Agency Operations \$3,173,000 (\$-113,000)

Area Direct Operations \$74,000 (\$-28,000)

This program provides various services such as collecting, accounting for, and distributing tribal and individual Indian monies which are held in trust and invested while in custody of the Bureau. Area staff provide technical assistance, program monitoring and management.

F. FACILITIES MANAGEMENT

Facilities Management (IPS Line Code 60):

Area Direct Operations only \$1,867,000 (\$-750,000)

This program provides funds for facilities management staff at the Area Office level which provide technical assistance, program monitoring and management over the facilities operation, maintenance and repair programs.

F. FACILITIES MANAGEMENT (Continued)

New Direct Rental of Facilities (IPS Line Code 65):

Tribe/Agency Operations Not Funded in FY 1986

Area Direct Operations Not Funded in FY 1986

This program allows the field levels to reallocate a portion of their base funding to the cost of renting additional space, usually in tribally owned or leased facilities. The funds are removed from the priority system and merged with Existing Facilities O&M funding requests.

New GSA Rental of Facilities (IPS Line Code 66):

Tribe/Agency Operations Not Funded in FY 1986

Area Direct Operations Not Funded in FY 1986

This program allows the field levels to reallocate a portion of their base funding to the cost of renting additional space in GSA owned or leased facilities. The funds are removed from the priority system and merged with the GSA Space Rental funding request.

G. MANAGEMENT AND ADMINISTRATION

Executive Direction (IPS Line Code 70):

Tribe/Agency Operations \$7,058,000 (\$+207,000)

Area Direct Operations \$2,015,000 (\$+419,000)

The Executive Direction program provides funds for the support of the office of the superintendent at the agency level and the office of the area director at the area level. These are the line management offices at those organizational levels and must be maintained to carry out the delegated authorities and responsibilities of the Bureau.

Program Development and Budget (IPS Line Code 71):

Although separate priorities are obtained for this program, for purposes of display in these Justifications, it has been merged with the Administrative Services program (see below). This program provides staff charged with the responsibility of assisting the agency superintendents, tribal governments and area directors in the development and implementation of reservation-wide program plans and budgets, often involving other Federal agencies and tribal resources as well as the Bureau's budgetary resources.

Administrative Services (IPS Line Code 72):

Tribe/Agency Operations \$10,241,000 (\$-275,000)

Area Direct Operations \$12,173,000 (\$+991,000)

The program provides support for staff involved in the implementation of Federal Government statutes, orders, regulations and other directives which provide the foundation of control and accountability of funding and staffing

G. MANAGEMENT AND ADMINISTRATION (Continued)

resources. Agency staff provide limited general administration services at the Agency level. Their primary role is to assure proper processing of administrative actions and paperwork to the consolidated area office service centers. Area level staff provide consolidated specialized services such as budget, finance, personnel, procurement, property management, contract and grant management, management analysis, etc. in support of the field offices at the reservation level.

ADP Services (IPS Line Code 73):

Tribe/Agency Operations \$95,000 (\$+95,000)

Area Direct Operations \$208,000 (\$+208,000)

This program provides funds for automatic data processing (ADP) services, such as rental and operation of equipment, development of software applications, and data entry to existing systems. These priority funds are supplementary to the overall ADP program of the Bureau and their use will be coordinated with the nationally managed systems. Three Agency and two Area Office locations have established priorities for this program.

Safety Management (IPS Line Code 74):

Tribe/Agency Operations \$322,000 (\$-46,000)

Area Direct Operations \$96,000 (\$-29,000)

This program provides safety management training to all agency/tribal personnel, as well as limited staff involved in safety investigations and inspections.

TRIBE/AGENCY OPERATIONS FUNDING AND STAFFING TABLES

Table TR/AG 1: This overall summary table compares the FY 1986 Request for the Tribe/Agency Operations (including Area Field Operations) funding to the FY 1986 Base and the FY 1985 Appropriation to Date. In addition, several columns are provided detailing the development of the FY 1986 Base amounts for each program.

Column (1) - FY 1985 Appropriations to Date

This column is the amount of funding appropriated to date for FY 1985 which is the starting point to develop the FY 1986 Base for each program.

Column (2) - Subtotal Base Adjustments

This column consists of the base adjustments summarized in Column (5) of Table TR/AG 2 (see introduction to that table for explanations).

Column (3) - Area Base Adjustments

This column consists of adjustments made to the FY 1985 Appropriations to Date amounts at several areas to bring their base amounts in line with current organizational structures. The details of these adjustments are explained in the introduction to Table TR/AG 3. These adjustments are offset by corresponding adjustments in Area Direct Operations funding as detailed in Table ADO 3.

Column (4) - Total Base Adjustments

This column is the sum of Columns (2) and (3). The amounts are applied to Column (1) to obtain the FY 1986 Revised Base amounts displayed in Column (5).

Column (5) - FY 1986 Revised Base

This Base column is the FY 1985 Appropriations to Date amounts adjusted for base changes as detailed on Tables TR/AG 2 and 3. The difference between this and the FY 1986 Total Request is the "real" programmatic increase or decrease for each program.

Column (6) - FY 1986 Total Request

This column is the FY 1986 requested amount for each program. The details of how this column was developed are described on Table TR/AG 4 (see introduction to that table for explanations).

Column (7) - Difference vs. FY 1985 Appropriations

Column (8) - Difference vs. FY 1986 Revised Base

These two columns list the differences between the FY 1986 Total Request (6) and either the FY 1985 Appropriations to Date (1) or the FY 1986 Revised Base (5).

BUREAU OF INDIAN AFFAIRS
 FY 1986 TRIBE/AGENCY OPERATIONS a/
 (dollars in thousands)

TABLE: TR/AG 1
 2/8/85

FY 1986 Request Compared to FY 1986 Base and FY 1985 Appropriation to Date:

IPS Line Code	Program Title	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		FY 1985 Approp. to Date	Subtotal Base Adjust.	Area Base Adjust.	Total Base Adjust.	FY 1986 Revised Base	FY 1986 Total Request	Difference vs. FY 1985 Approp.	FY 1986 Rev. Base
11	Scholarships.....	26,825	+2,996	-500	+2,496	29,321	29,380	+2,555	+59
12	Adult Education.....	3,271	+411	---	+411	3,682	3,535	+264	-147
13	Trib. Control. Comm. Colleges..	916	---	---	---	916	897	-19	-19
19	Education, Subtotal.....	31,012	+3,407	-500	+2,907	33,919	33,812	+2,800	-107
20	Community Services, General....	620	---	---	---	620	1,093	+473	+473
21	Agric. Extension Services.....	802	+131	---	+131	933	840	+38	-93
22	Other Aid to Tribal Gov't.....	9,848	+1,269	-106	+1,163	11,011	11,377	+1,529	+366
23	Tribal Courts.....	7,257	+1,247	---	+1,247	8,504	9,119	+1,862	+615
24	Social Services.....	15,945	+4,894	-30	+4,864	20,809	21,218	+5,273	+409
25	Law Enforcement.....	33,655	+3,274	-136	+3,138	36,793	37,785	+4,130	+992
26	Self-Deter. Svs.—Grant.....	15,820	---	---	---	15,820	11,514	-4,306	-4,306
27	Self-Deter.—Trng/Tech. Asst...	663	-10	---	-10	653	2,294	+1,631	+1,641
28	Community Fire Protection.....	794	+73	---	+73	867	828	+34	-39
29	Indian Services, Subtotal...	85,404	+10,878	-272	+10,606	96,010	96,068	+10,664	+58
31	Credit and Financing.....	3,356	+257	-316	-59	3,297	3,218	-138	-79
32	Adult Vocational Training.....	19,742	+1,875	-216	+1,659	21,401	21,381	+1,639	-20
33	Other Employment Ass't. (DE)...	4,753	+398	---	+398	5,151	4,234	-519	-917
34	Road Maintenance.....	21,428	+221	-347	-126	21,302	22,353	+925	+1,051
39	Econ. Dev. & Empl., Subtotal	49,279	+2,751	-879	+1,872	51,151	51,186	+1,907	+35
40	Natural Resources, General.....	560	+99	---	+99	659	1,112	+552	+453
41	Agriculture.....	20,492	+385	-89	+296	20,788	19,962	-530	-826
42	Forestry.....	14,932	+1,028	+102	+1,130	16,062	16,010	+1,078	-52
43	Water Resources.....	1,440	+158	-210	-52	1,388	1,560	+120	+172
44	Wildlife and Parks.....	4,113	+307	+62	+369	4,482	4,479	+366	-3
45	Minerals and Mining.....	1,464	+146	+22	+168	1,632	1,717	+253	+85
49	Natural Resources, Subtotal	43,001	+2,123	-113	+2,010	45,011	44,840	+1,839	-171
50	Trust Services, General.....	337	+34	---	+34	371	262	-75	-109
51	Environmental Quality Services.	709	-3	-15	-18	691	596	-113	-95
52	Other Rights Protection.....	4,607	+569	-186	+383	4,990	4,822	+215	-168
53	Real Estate Appraisals.....	3,655	-10	-36	-46	3,609	3,799	+144	+190
54	Other Real Estate Services.....	13,633	+235	+30	+265	13,898	14,605	+972	+707
55	Financial Trust Services.....	3,185	+6	+95	+101	3,286	3,173	-12	-113
59	Trust Respons., Subtotal....	26,126	+831	-112	+719	26,845	27,257	+1,131	+412
65	New Direct Rental of Facil.....	---	---	---	---	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---	---	---	---	---
69	Facilities Mgmt., Subtotal..	---	---	---	---	---	---	---	---
70	Executive Direction.....	7,000	-54	-95	-149	6,851	7,058	+58	+207
71	Prgm. Dev. & Budget.....	Combined	with	Administrative	Services	---	---	---	---
72	Administrative Services.....	10,508	-74	+82	+8	10,516	10,241	-267	-275
73	ADP Services.....	---	---	---	---	---	95	+95	+95
74	Safety Management.....	372	-4	---	-4	368	322	-50	-46
79	General Admin., Subtotal....	17,880	-132	-13	-145	17,735	17,716	-164	-19
99	Grand Total.....	252,702	+19,858	-1,889	+17,969	270,671	270,879	+18,177	+208b/

a/ Includes priority programs at tribe/agency and area field operations locations.

b/ Amount of net transfer from Area Direct Operations due to changes in priorities.

NOTE: Tribe/Agency Tables 2, 3 and 4 (which follow) explain the amounts in columns (2), (3) and (6).

Table TR/AG 2: This table is provided to detail the base adjustments to be applied to the Tribe/Agency Operations program requests for FY 1986.

Column (1) - Pay Cost (+)

This column distributes the pay cost amount which has been added to the FY 1986 Budget Request to cover the FY 1986 cost of the January 1, 1985 pay raise for Federal employees.

Column (2) - Pay Cut (-)

This column distributes the FY 1986 effects of the proposed 5% Federal pay reduction scheduled to begin January 1, 1986. The distribution was made based upon total Federal salaries paid as of December, 1984.

Column (3) - Grade Bulge (-)

This column distributes the proposed management savings associated with the personnel management initiative to reduce grade levels among the Bureau's GS/GM 11-15 positions. The distribution was made based upon the number of existing, filled positions of those grade levels in each program.

Column (4) - Contract Support Distribution

This column displays the amount of contract support that was distributed to each Tribe/Agency priority program during FY 1985 in response to the directive of Congress to merge funds for tribal contractor indirect costs into the direct program funds. The amounts for each program were determined by location and contractor based upon FY 1984 contracting experience.

Column (5) - Subtotal Base Adjustments

This column is the sum of columns 1-4. These base adjustments are applied equally to the FY 1985 Appropriation to Date amounts and the FY 1986 Total Priority Request amounts for each program.

BUREAU OF INDIAN AFFAIRS
 FY 1986 TRIBE/AGENCY OPERATIONS a/
 (dollars in thousands)

TABLE: TR/AG 2
 2/8/85

FY 1986 Base Adjustments--Tribe/Agency & Area Field Operations:

IPS Line Code	Program Title	(1) Pay Cost (+)	(2) Pay Cut (-)	(3) Grade Bulge (-)	(4) Contract Support Distrib.	(5) Subtotal Base Adjust.
11	Scholarships.....	---	---	---	+2,996	+2,996
12	Adult Education.....	+26	-30	---	+415	+411
13	Trib. Control. Comm. Colleges..	---	---	---	---	---
19	Education, Subtotal.....	+26	-30	---	+3,411	+3,407
20	Community Services, General....	---	---	---	---	---
21	Agric. Extension Services.....	---	---	---	+131	+131
22	Other Aid to Tribal Gov't.....	+113	-126	-19	+1,301	+1,269
23	Tribal Courts.....	---	---	---	+1,247	+1,247
24	Social Services.....	+175	-190	-24	+4,933	+4,894
25	Law Enforcement.....	+305	-339	-24	+3,332	+3,274
26	Self-Deter. Svs.--Grant.....	---	---	---	---	---
27	Self-Deter.--Trng/Tech. Asst...	+27	-30	-7	---	-10
28	Community Fire Protection.....	---	---	---	+73	+73
29	Indian Services, Subtotal....	+620	-685	-74	+11,017	+10,878
31	Credit and Financing.....	+75	-83	-15	+280	+257
32	Adult Vocational Training.....	+45	-51	-5	+1,886	+1,875
33	Other Employment Ass't. (DE)...	+38	-43	-6	+409	+398
34	Road Maintenance.....	+356	-397	---	+262	+221
39	Econ. Dev. & Empl., Subtotal	+514	-574	-26	+2,837	+2,751
40	Natural Resources, General.....	+4	-4	---	+99	+99
41	Agriculture.....	+422	-472	-63	+498	+385
42	Forestry.....	+356	-409	-36	+1,117	+1,028
43	Water Resources.....	+5	-5	-2	+160	+158
44	Wildlife and Parks.....	+11	-11	-2	+309	+307
45	Minerals and Mining.....	+24	-31	-3	+156	+146
49	Natural Resources, Subtotal	+822	-932	-106	+2,339	+2,123
50	Trust Services, General.....	+2	-2	---	+34	+34
51	Environmental Quality Services.	+25	-28	---	---	-3
52	Other Rights Protection.....	+92	-105	-16	+598	+569
53	Real Estate Appraisals.....	+95	-105	---	---	-10
54	Other Real Estate Services.....	+347	-385	-56	+329	+235
55	Financial Trust Services.....	+60	-72	-5	+23	+6
59	Trust Respons., Subtotal....	+621	-697	-77	+984	+831
65	New Direct Rental of Facil.....	---	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---	---
69	Facilities Mgmt., Subtotal..	---	---	---	---	---
70	Executive Direction.....	+196	-211	-39	---	-54
71	Prgm. Dev. & Budget.....	Combined with Administrative Services				---
72	Administrative Services.....	+292	-316	-50	---	-74
73	ADP Services.....	---	---	---	---	---
74	Safety Management.....	+9	-11	-2	---	-4
79	General Admin., Subtotal....	+497	-538	-91	---	-132
99	Grand Total.....	+3,100	-3,456	-374	+20,588	+19,858

a/ Includes priority programs at tribe/agency and area field operations locations.

NOTE: This table explains the details of column (2) of Tribe/Agency Table 1.

Table TR/AG 3: This table provides backup information on the Area Base Changes. These changes are applied only to the FY 1985 Appropriations to Date to calculate the FY 1986 Base amounts.

Column (1) - Area Base Adjustments--Navajo Area

These base changes result from the realignment of the Navajo Area as part of the general overhead reduction taken in FY 1984. Because of delays in approving the Navajo realignment plan during FY 1984, the FY 1985 President's Budget did not include the program adjustments necessary to finance the revised Navajo Area organization. Therefore, the FY 1985 Appropriations to Date for the Navajo Area priority programs is not consistent with the approved organization which is now in place. A reallocation of funds for FY 1985 operations is underway. Since the FY 1985 Appropriations are the starting point for the FY 1986 Request, changes to the Navajo Area priority program base were also required to properly reflect the current organizational structure. The adjustments made net to zero within all Navajo Area priority programs. A total of \$1,925,000 has been moved from programs within the Tribe/Agency and Area Field Operations portion of the Area's programs to Area Direct Operations programs. The distribution of the increases to Area Direct Operations are shown on Table ADO 3.

Column (2) - Area Base Adjustments--Minneapolis Area

This column displays a reduction made to Area Field Operations as a base transfer to Area Direct Operations. The distribution of the increase is shown on Table ADO 3. The transfer involves the Real Estate Appraisals and Forestry programs.

Column (3) - Area Base Adjustments--Sacramento Area

This column displays an increase made to Area Field Operations as a base transfer from Area Direct Operations. The distribution of the decrease is shown on Table ADO 3. The transfer involves the Financial Trust Services program.

Column (4) - Total Area Base Adjustment

This column is the sum of columns (1), (2) and (3); and consists of adjustments made to the FY 1985 Appropriations to Date amounts at several areas to bring their base amounts in line with current organizational structures. These adjustments net to zero between Tribe/Agency Operations and Area Direct Operations and are not applied to the Priority Request amounts since the adjustments have been incorporated into the FY 1986 priorities.

BUREAU OF INDIAN AFFAIRS
 FY 1986 TRIBE/AGENCY OPERATIONS a/
 (dollars in thousands)

TABLE: TR/AG 3
 2/8/85

Tribe/Agency and Area Field Operations—Backup Table to Area Base Changes:

IPS Line Code	Program Title	(1)	(2)	(3)	(4)
		Area	Area	Area	Area
		Area Base Adjustments			Total
		Navajo	Minnea.	Sacram.	Area Base
		Area	Area	Area	Adjust.
11	Scholarships.....	-500	---	---	-500
12	Adult Education.....	---	---	---	---
13	Trib. Control. Comm. Colleges..	---	---	---	---
19	Education, Subtotal.....	-500	---	---	-500
20	Community Services, General....	---	---	---	---
21	Agric. Extention Services.....	---	---	---	---
22	Other Aid to Tribal Gov't.....	-106	---	---	-106
23	Tribal Courts.....	---	---	---	---
24	Social Services.....	-30	---	---	-30
25	Law Enforcement.....	-136	---	---	-136
26	Self-Deter. Svs.—Grant.....	---	---	---	---
27	Self-Deter.—Trng/Tech. Asst...	---	---	---	---
28	Community Fire Protection.....	---	---	---	---
29	Indian Services, Subtotal...	-272	---	---	-272
31	Credit and Financing.....	-316	---	---	-316
32	Adult Vocational Training.....	-216	---	---	-216
33	Other Employment Ass't. (DE)...	---	---	---	---
34	Road Maintenance.....	-347	---	---	-347
39	Econ. Dev. & Empl., Subtotal	-879	---	---	-879
40	Natural Resources, General.....	---	---	---	---
41	Agriculture.....	-89	---	---	-89
42	Forestry.....	+102	---	---	+102
43	Water Resources.....	-210	---	---	-210
44	Wildlife and Parks.....	+62	---	---	+62
45	Minerals and Mining.....	+22	---	---	+22
49	Natural Resources, Subtotal	-113	---	---	-113
50	Trust Services, General.....	---	---	---	---
51	Environmental Quality Services.	-15	---	---	-15
52	Other Rights Protection.....	-186	---	---	-186
53	Real Estate Appraisals.....	---	-36	---	-36
54	Other Real Estate Services.....	+30	---	---	+30
55	Financial Trust Services.....	+23	---	+72	+95
59	Trust Respons., Subtotal....	-148	-36	+72	-112
65	New Direct Rental of Facil.....	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---
69	Facilities Mgmt., Subtotal..	---	---	---	---
70	Executive Direction.....	-95	---	---	-95
71	Prgm. Dev. & Budget.....	Combined with Administrative Services			
72	Administrative Services.....	+82	---	---	+82
73	ADP Services.....	---	---	---	---
74	Safety Management.....	---	---	---	---
79	General Admin., Subtotal....	-13	---	---	-13
99	Grand Total.....	-1,925	-36	+72	-1,889

a/ Includes priority programs at tribe/agency and area field operations locations.

NOTE: This table explains the details of column (3) of the Tribe/Agency Table 1.

Table TR/AG 4: This table is provided to outline in detail how the FY 1986 Total Request for Tribe/Agency Operations was developed. Data on the FY 1986 Priority Requests for Tribe/Agency and Area Field Operations programs are provided on the first two columns. The subtotal base adjustments summarized in Table TR/AG 2 which are applicable to the FY 1986 Request amounts are also provided. The area base adjustments summarized in Table TR/AG 4 are not set out and applied separately here, since these adjustments are already incorporated into the FY 1986 priority request amounts.

Column (1) - Tribe/Agency FY 1986 Priority Request

This column provides the summary programmatic distribution of funds allocated to all tribal and/or Agency locations. These are the amounts developed with direct tribal involvement in the priority setting process. These amounts have not been adjusted for certain base adjustments [see Column (4)].

Column (2) - Area Field Operations FY 1986 Priority Request

This column provides the summary programmatic distribution of funds allocated to all area field operations locations. These are the amounts developed by each Area Director with less direct tribal involvement in the priority setting process. These amounts have not been adjusted for certain base adjustments [see Column (4)].

Column (3) - Total FY 1986 Priority Request

This column is the sum of Columns (1) and (2) and represents the total priority request for each program based upon the aggregated priorities for all tribal, agency and area field operations locations. These amounts must be adjusted for certain base adjustments [Column (4)] which are detailed on Table TR/AG 2.

Column (4) - Subtotal Base Adjustments

This column consists of the base adjustments summarized in Column (5) of Table TR/AG 2 (see introduction to that table for explanations).

Column (5) - FY 1986 Total Request

This column is the sum of Columns (3) and (4). The amounts represent the FY 1986 total requested amount for each Tribe/Agency Operations program in the priority system.

BUREAU OF INDIAN AFFAIRS
 FY 1986 TRIBE/AGENCY OPERATIONS a/
 (dollars in thousands)

TABLE: TR/AG 4
 2/8/85

FY 1986 Request—Tribe/Agency and Area Field Operations Priority Distributions:

IPS Line Code	Program Title	(1)	(2)	(3)	(4)	(5)
		FY 1986 Tribe/ Agency	Area Fld.Ops.	Priority Total	Subtotal Base Adjust.	FY 1986 Total Request
11	Scholarships.....	21,275	5,109	26,384	+2,996	29,380
12	Adult Education.....	3,124	—	3,124	+411	3,535
13	Trib. Control. Comm. Colleges..	897	—	897	—	897
19	Education, Subtotal.....	25,296	5,109	30,405	+3,407	33,812
20	Community Services, General....	1,093	—	1,093	—	1,093
21	Agric. Extention Services.....	517	192	709	+131	840
22	Other Aid to Tribal Gov't.....	9,727	381	10,108	+1,269	11,377
23	Tribal Courts.....	7,041	831	7,872	+1,247	9,119
24	Social Services.....	13,537	2,787	16,324	+4,894	21,218
25	Law Enforcement.....	30,631	3,880	34,511	+3,274	37,785
26	Self-Deter. Svs.—Grant.....	11,514	—	11,514	—	11,514
27	Self-Deter.—Trng/Tech. Asst... 1,072	1,072	1,232	2,304	-10	2,294
28	Community Fire Protection.....	755	—	755	+73	828
29	Indian Services, Subtotal....	75,887	9,303	85,190	+10,878	96,068
31	Credit and Financing.....	2,786	175	2,961	+257	3,218
32	Adult Vocational Training.....	18,139	1,367	19,506	+1,875	21,381
33	Other Employment Ass't. (DE)...	3,786	50	3,836	+398	4,234
34	Road Maintenance.....	21,859	273	22,132	+221	22,353
39	Econ. Dev. & Empl., Subtotal	46,570	1,865	48,435	+2,751	51,186
40	Natural Resources, General.....	1,013	—	1,013	+99	1,112
41	Agriculture.....	17,546	2,031	19,577	+385	19,962
42	Forestry.....	14,391	591	14,982	+1,028	16,010
43	Water Resources.....	579	823	1,402	+158	1,560
44	Wildlife and Parks.....	3,579	593	4,172	+307	4,479
45	Minerals and Mining.....	1,017	554	1,571	+146	1,717
49	Natural Resources, Subtotal	38,125	4,592	42,717	+2,123	44,840
50	Trust Services, General.....	47	181	228	+34	262
51	Environmental Quality Services.	15	584	599	-3	596
52	Other Rights Protection.....	1,681	2,572	4,253	+569	4,822
53	Real Estate Appraisals.....	1,365	2,444	3,809	-10	3,799
54	Other Real Estate Services.....	12,864	1,506	14,370	+235	14,605
55	Financial Trust Services.....	2,574	593	3,167	+6	3,173
59	Trust Respons., Subtotal....	18,546	7,880	26,426	+831	27,257
65	New Direct Rental of Facil.....	—	—	—	—	—
66	New GSA Rental of Facil.....	—	—	—	—	—
69	Facilities Mgmt., Subtotal..	—	—	—	—	—
70	Executive Direction.....	7,112	—	7,112	-54	7,058
71	Prgm. Dev. & Budget.....	Combined with Administrative Services				
72	Administrative Services.....	10,315	—	10,315	-74	10,241
73	ADP Services.....	95	—	95	—	95
74	Safety Management.....	326	—	326	-4	322
79	General Admn., Subtotal....	17,848	—	17,848	-132	17,716
99	Grand Total.....	222,272	28,749	251,021	+19,858	270,879

NOTE: This table explains the details of column (6) of Tribe/Agency Table 1.

Table TR/AG 5: This overall summary table compares the FY 1986 Request for the Tribe/Agency Operations (including Area Field Operations) staffing (FTE/T) to the FY 1986 Base and the FY 1985 Appropriation to Date. In addition, a column is provided detailing the development of the FY 1986 Base staffing for each program.

Column (1) - FY 1985 Estimate to End of Year (EOY)

This column is the amount of staffing associated with the funds appropriated to date for FY 1985 which is the starting point to develop the FY 1985 Base for each program.

Column (2) - Subtotal Base Adjustments

This column consists of base adjustments in staffing, if any. On this table base staffing change are not proposed for Tribe/Agency Operations.

Column (3) - FY 1986 Revised Base

This Base column is the staffing associated with the FY 1985 Appropriations to Date funding adjusted for any base changes. The difference between this and the FY 1986 Total Request is the "real" programmatic staffing increase or decrease for each program. Since there were no base adjustments to Tribe/Agency staffing, this column is identical to column (1).

Column (4) - FY 1986 Total Request

This column is the FY 1986 requested staffing for each program. The total of this column equals the total of the Base column (3), since the increases and decreases net to zero.

Column (5) - Difference vs. FY 1985 Estimate to EOY

Column (6) - Difference vs. FY 1986 Revised Base

These two columns list the differences between the FY 1986 Total Request (4) and either the FY 1985 Estimate to EOY (1) or the FY 1986 Revised Base (3).

BUREAU OF INDIAN AFFAIRS
 FY 1986 TRIBE/AGENCY OPERATIONS a/
 (Full-time Equivalants)

TABLE: TR/AG 5
 2/8/85

FY 1986 Request (FTE/T) Compared to FY 1986 Base and FY 1985 Appropriation to Date:

Line Code	Program Title	(1)	(2)	(3)	(4)	(5) (6)	
		FY 1985 Estima. to EOY	Subtotal Base Adjust.	FY 1986 Revised Base	FY 1986 Total Request	Difference vs. FY 1985 Estima.	FY 1986 Rev. Base
11	Scholarships.....	---	---	---	---	---	---
12	Adult Education.....	28	---	28	28	---	---
13	Trib. Control. Comm. Colleges..	---	---	---	---	---	---
19	Education, Subtotal.....	28	---	28	28	---	---
20	Community Services, General....	---	---	---	---	---	---
21	Agric. Extension Services.....	---	---	---	---	---	---
22	Other Aid to Tribal Gov't.....	128	---	128	132	+4	+4
23	Tribal Courts.....	---	---	---	---	---	---
24	Social Services.....	205	---	205	210	+5	+5
25	Law Enforcement.....	508	---	508	519	+11	+11
26	Self-Deter. Svs.--Grant.....	---	---	---	---	---	---
27	Self-Deter.--Trng/Tech. Asst...	33	---	33	52	+19	+19
28	Community Fire Protection.....	---	---	---	---	---	---
29	Indian Services, Subtotal....	874	---	874	913	+39	+39
31	Credit and Financing.....	86	---	86	83	-3	-3
32	Adult Vocational Training.....	60	---	60	60	---	---
33	Other Employment Ass't. (DE)...	51	---	51	34	-17	-17
34	Road Maintenance.....	393	---	393	393	---	---
39	Econ. Dev. & Empl., Subtotal	590	---	590	570	-20	-20
40	Natural Resources, General.....	2	---	2	2	---	---
41	Agriculture.....	523	---	523	500	-23	-23
42	Forestry.....	406	---	406	406	---	---
43	Water Resources.....	5	---	5	5	---	---
44	Wildlife and Parks.....	10	---	10	10	---	---
45	Minerals and Mining.....	31	---	31	31	---	---
49	Natural Resources, Subtotal	977	---	977	954	-23	-23
50	Trust Services, General.....	4	---	4	1	-3	-3
51	Environmental Quality Services.	33	---	33	30	-3	-3
52	Other Rights Protection.....	118	---	118	113	-5	-5
53	Real Estate Appraisals.....	103	---	103	103	---	---
54	Other Real Estate Services.....	378	---	378	402	+24	+24
55	Financial Trust Services.....	113	---	113	109	-4	-4
59	Trust Respons., Subtotal....	749	---	749	734	+9	+9
65	New Direct Rental of Facil.....	---	---	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---	---	---
69	Facilities Mgmt., Subtotal..	---	---	---	---	---	---
70	Executive Direction.....	165	---	165	169	+4	+4
71	Prgm. Dev. & Budget.....	Combined with Administrative Services	---	---	---	---	---
72	Administrative Services.....	344	---	344	336	-8	-8
73	ADP Services.....	---	---	---	---	---	---
74	Safety Management.....	11	---	11	10	-1	-1
79	General Admin., Subtotal....	520	---	520	515	-5	-5
99	Grand Total.....	3,738	---	3,738	3,738	---	---

a/ Includes priority programs at tribe/agency and area field operations locations.

AREA DIRECT OPERATIONS FUNDING AND STAFFING TABLES

Table ADO 1: This overall summary table compares the FY 1986 Request for the Area Direct Operations funding to the FY 1986 Base and the FY 1985 Appropriation to Date. In addition, several columns are provided detailing the development of the FY 1986 Base amounts for each program.

Column (1) - FY 1985 Appropriations to Date

This column is the amount of funding appropriated to date for FY 1985 which is the starting point to develop the FY 1985 Base for each program.

Column (2) - Subtotal Base Adjustments

This column consists of the base adjustments summarized in Column (6) of Table ADO 2 (see the introduction to that table for explanations).

Column (3) - Area Base Adjustments

This column consists of adjustments made to the FY 1985 Appropriations to Date amounts at several areas to bring their base amounts in line with current organizational structures. The details of these adjustments are explained in the introduction to Table ADO 3. These adjustments are offset by corresponding adjustments in Tribe/Agency Operations funding as detailed in Table TR/AG 3.

Column (4) - Total Base Adjustments

This column is the sum of Columns (2) and (3). The amounts are applied to Column (1) to obtain the FY 1986 Revised Base amounts displayed in Column (5).

Column (5) - FY 1986 Revised Base

This Base column is the FY 1985 Appropriations to Date amounts adjusted for base changes as detailed on Tables ADO 2 and 3. The difference between this and the FY 1986 Total Request is the "real" programmatic increase or decrease for each program.

Column (6) - FY 1986 Total Request

This column is the FY 1986 requested amount for each program. The details of how this column was developed are described on Table ADO 4 (see the introduction to that table for explanations).

Column (7) - Difference vs. FY 1985 Appropriations

Column (8) - Difference vs. FY 1986 Revised Base

These two columns list the differences between the FY 1986 Total Request (6) and either the FY 1985 Appropriations to Date (1) or the FY 1986 Revised Base (5).

BUREAU OF INDIAN AFFAIRS
 FY 1986 AREA DIRECT OPERATIONS REQUEST a/
 (dollars in thousands)

TABLE: ADO 1
 2/8/85

FY 1986 Request Compared to FY 1986 Base and FY 1985 Appropriation to Date:

IPS Line Code	Program Title	(1)	(2)	(3)	(4)	(5)	(6)	(7) (8)	
		FY 1985 Approp. to Date	Subtotal Base Adjust.	Area Base Adjust.	Total Base Adjust.	FY 1986 Revised Base	FY 1986 Total Request	Difference vs. FY 1985 Approp.	FY 1986 Rev. Base
11	Scholarships.....	43	---	---	---	43	43	---	---
12	Adult Education.....	203	---	---	---	203	169	-34	-34
19	Education, Subtotal.....	246	---	---	---	246	212	-34	-34
20	Community Services, General....	339	-68	+132	+64	403	260	-79	-143
22	Other Aid to Tribal Gov't.....	1,295	-103	+73	-30	1,265	1,263	-32	-2
23	Tribal Courts.....	---	---	---	---	---	---	---	---
24	Social Services.....	942	-42	+121	+79	1,021	954	+12	-67
25	Law Enforcement.....	499	-1	---	-1	498	472	-27	-26
26	Self-Deter. Svs.--Grant.....	---	---	---	---	---	---	---	---
27	Self-Deter.--Trng/Tech. Asst....	770	-60	+22	-38	732	572	-198	-160
29	Indian Services, Subtotal....	3,845	-274	+348	+74	3,919	3,521	-324	-398
31	Credit and Financing.....	863	-9	+186	+177	1,040	838	-25	-202
32	Adult Vocational Training.....	144	-32	---	-32	112	130	-14	+18
33	Other Employment Ass't. (DE)...	425	-66	+30	-36	389	180	-245	-209
34	Road Maintenance.....	58	---	---	---	58	49	-9	-9
39	Econ. Dev. & Empl., Subtotal	1,490	-107	+216	+109	1,599	1,197	-293	-402
40	Natural Resources, General.....	229	-1	---	-1	228	232	+3	+4
41	Agriculture.....	1,212	-67	+37	-30	1,182	1,131	-81	-51
42	Forestry.....	1,342	-110	+44	-66	1,276	1,188	-154	-88
43	Water Resources.....	---	---	---	---	---	---	---	---
44	Wildlife and Parks.....	---	---	---	---	---	---	---	---
45	Minerals and Mining.....	---	---	---	---	---	---	---	---
49	Natural Resources, Subtotal	2,783	-178	+81	-97	2,686	2,551	-232	-135
50	Trust Services, General.....	300	-32	---	-32	268	460	+160	+192
51	Environmental Quality Services.	---	---	---	---	---	---	---	---
52	Other Rights Protection.....	642	-106	---	-106	536	524	-118	-12
53	Real Estate Appraisals.....	99	---	---	---	99	66	-33	-33
54	Other Real Estate Services.....	1,987	-151	+78	-73	1,914	1,717	-270	-197
55	Financial Trust Services.....	174	---	-72	-72	102	74	-100	-28
59	Trust Respons., Subtotal....	3,202	-289	+6	-283	2,919	2,841	-361	-78
60	Facilities Management.....	2,821	-204	---	-204	2,617	1,867	-954	-750
65	New Direct Rental of Facil.....	---	---	---	---	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---	---	---	---	---
69	Facilities Mgmt., Subtotal..	2,821	-204	---	-204	2,617	1,867	-954	-750
70	Executive Direction.....	1,590	-15	+21	+6	1,596	2,015	+425	+419
71	Prgm. Dev. & Budget.....	Combined	with Administrative Services	---	---	---	---	---	---
72	Administrative Services.....	10,888	-923	+1,217	+294	11,182	12,173	+1,285	+991
73	ADP Services.....	---	---	---	---	---	208	+208	+208
74	Safety Management.....	126	-1	---	-1	125	96	-30	-29
79	General Admin., Subtotal....	12,604	-939	+1,238	+299	12,903	14,492	+1,888	+1,589
99	Grand Total.....	26,991	-1,991	+1,889	-102	26,889	26,681	-310	-208b/

a/ Includes priority programs at area direct operations locations.

b/ Amount of net transfer to Area Field Operations due to changes in priorities.

NOTE: Area Office Direct Operations Tables 2, 3 and 4 (which follow) explain the amounts in columns (2), (3) and (6).

Table ADO 2: This table is provided to outline in detail the base adjustments to be applied to the Area Direct Operations program requests for FY 1986.

Column (1) - Pay Cost (+)

This column distributes the pay cost amount which has been added to the FY 1986 Budget Request to cover the FY 1986 cost of the January 1, 1985 pay raise for Federal employees.

Column (2) - Pay Cut (-)

This column distributes the FY 1986 effects of the proposed 5% Federal pay reduction scheduled to begin January 1, 1986. The distribution was made based upon total Federal salaries paid as of December, 1984.

Column (3) - Grade Bulge (-)

This column distributes the proposed management savings associated with the personnel management initiative to reduce grade levels among the Bureau's GS/GM 11-15 positions. The distribution was made based upon the number of existing, filled positions of those grade levels in each program.

Column (4) - Headquarters and Administrative Reduction (-)

This column displays the reduction applied to each Area Direct Operations program as part of the \$4,000,000 reduction to headquarters and administrative staff. These reductions were treated as a base adjustment in the development of the FY 1986 request.

Column (5) - Other Adjustments

This column includes miscellaneous base changes to Area Direct Operations.

Column (6) - Subtotal Base Adjustments

This column is the sum of columns 1-5. These base adjustments are applied equally to the FY 1985 Appropriation to Date amounts and the FY 1986 Total Priority Request amounts for each program.

BUREAU OF INDIAN AFFAIRS
 FY 1986 AREA DIRECT OPERATIONS
 (dollars in thousands)

TABLE: ADO 2
 2/8/85

FY 1986 Base Adjustments-- Area Direct Operations:

IPS Line Code	Program Title	(1)	(2)	(3)	(4)	(5)	(6)
		Pay Cost (+)	Pay Cut (-)	Grade Bulge (-)	HQ & Adm Reduc(-)	Other Adjust.	Subtotal Base Adjust.
11	Scholarships.....	---	---	---	---	---	---
12	Adult Education.....	+6	-6	---	---	---	---
19	Education, Subtotal.....	+6	-6	---	---	---	---
20	Community Services, General....	+21	-21	-4	-64	---	-68
22	Other Aid to Tribal Gov't.....	+47	-47	-7	-96	---	-103
23	Tribal Courts.....	---	---	---	---	---	---
24	Social Services.....	+19	-26	-3	-32	---	-42
25	Law Enforcement.....	+11	-11	-1	---	---	-1
26	Self-Deter. Svs.--Grant.....	---	---	---	---	---	---
27	Self-Deter.--Trng/Tech. Asst....	+15	-15	-3	---	-57 a/	-60
29	Indian Services, Subtotal....	+113	-120	-18	-192	-57	-274
31	Credit and Financing.....	+21	-25	-5	---	---	-9
32	Adult Vocational Training.....	+2	-2	---	-32	---	-32
33	Other Employment Ass't. (DE)...	+19	-19	-2	-64	---	-66
34	Road Maintenance.....	+5	-5	---	---	---	---
39	Econ. Dev. & Empl., Subtotal	+47	-51	-7	-96	---	-107
40	Natural Resources, General.....	+10	-11	---	---	---	-1
41	Agriculture.....	+21	-21	-3	-64	---	-67
42	Forestry.....	+77	-86	-5	-96	---	-110
43	Water Resources.....	---	---	---	---	---	---
44	Wildlife and Parks.....	---	---	---	---	---	---
45	Minerals and Mining.....	---	---	---	---	---	---
49	Natural Resources, Subtotal	+108	-118	-8	-160	---	-178
50	Trust Services, General.....	+12	-12	---	-32	---	-32
51	Environmental Quality Services.	---	---	---	---	---	---
52	Other Rights Protection.....	+11	-11	-10	-96	---	-106
53	Real Estate Appraisals.....	---	---	---	---	---	---
54	Other Real Estate Services.....	+44	-55	-12	-128	---	-151
55	Financial Trust Services.....	+22	-22	---	---	---	---
59	Trust Respons., Subtotal....	+89	-100	-22	-256	---	-289
60	Facilities Management.....	+102	-102	-12	-192	---	-204
65	New Direct Rental of Facil.....	---	---	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---	---	---
69	Facilities Mgmt., Subtotal..	+102	-102	-12	-192	---	-204
70	Executive Direction.....	+55	-60	-10	---	---	-15
71	Prgm. Dev. & Budget.....	Combined with Administrative Services				---	---
72	Administrative Services.....	+484	-521	-64	-822	---	-923
73	ADP Services.....	---	---	---	---	---	---
74	Safety Management.....	+3	-4	---	---	---	-1
79	General Admin., Subtotal....	+542	-585	-74	-822	---	-939
99	Grand Total.....	+1,007	-1,082	-141	-1,718	-57	-1,991

a/ Base transfer to Central Office Staff.

NOTE: This table explains the details of column (2) of the Area Direct Operations Table 1.

Table ADO 3: This table provides backup information on the Area Base Changes. These changes are applied only to the FY 1985 Appropriation to Date to calculate the FY 1986 Base amounts.

Column (1) - Area Base Adjustments--Navajo Area

These base changes result from the realignment of the Navajo Area as part of the general overhead reduction taken in FY 1984. Because of delays in approving the Navajo realignment plan during FY 1984, the FY 1985 President's Budget did not include the program adjustments necessary to finance the revised Navajo Area organization. Therefore, the FY 1985 Appropriations to Date for the Navajo Area priority programs is not consistent with the approved organization which is now in place. A reallocation of funds for FY 1985 operations is underway. Since the FY 1985 Appropriations are the starting point for the FY 1986 Request, changes to the Navajo Area priority program base were also required to properly reflect the current organizational structure. The adjustments made net to zero within all Navajo Area priority programs. A total of \$1,925,000 has been moved from programs within the Tribe/Agency and Area Field Operations portion of the Area's programs to Area Direct Operations programs, as shown on this Table and on Table TR/AG 3.

Column (2). - Area Base Adjustments--Minneapolis Area

This column displays an increase made to Area Direct Operations as a base transfer from Area Field Operations. The distribution of the decrease is shown on Table TR/AG 3. The transfer involves the Real Estate Appraisals and Forestry programs.

Column (3) - Area Base Adjustments--Sacramento Area

This column displays a decrease made to Area Direct Operations as a base transfer to Area Field Operations. The distribution of the increase is shown on Table TR/AG 3. The transfer involves the Financial Trust Services program.

Column (4) - Total Area Base Adjustment

This column is the sum of columns (1), (2) and (3); and consists of adjustments made to the FY 1985 Appropriations to Date amounts at several areas to bring their base amounts in line with current organizational structures. These adjustments net to zero between Tribe/Agency Operations and Area Direct Operations and are not applied to the Priority Request amounts since the adjustments have been incorporated into the FY 1986 priorities.

BUREAU OF INDIAN AFFAIRS
 FY 1986 AREA DIRECT OPERATIONS
 (dollars in thousands)

TABLE: ADO 3
 2/8/85

Area Direct Operations--Backup Table to Area Base Changes:

IPS Line Code	Program Title	(1)	(2)	(3)	(4)
		Area	Area	Area	Area
		Area Base Adjustments			Total
		Navajo	Minnea.	Sacram.	Area Base
		Area	Area	Area	Adjust.
11	Scholarships.....	---	---	---	---
12	Adult Education.....	---	---	---	---
19	Education, Subtotal.....	---	---	---	---
20	Community Services, General....	+132	---	---	+132
22	Other Aid to Tribal Gov't.....	+73	---	---	+73
23	Tribal Courts.....	---	---	---	---
24	Social Services.....	+121	---	---	+121
25	Law Enforcement.....	---	---	---	---
26	Self-Deter. Svs.--Grant.....	---	---	---	---
27	Self-Deter.--Trng/Tech. Asst...	+22	---	---	+22
29	Indian Services, Subtotal...	+348	---	---	+348
31	Credit and Financing.....	+186	---	---	+186
32	Adult Vocational Training.....	---	---	---	---
33	Other Employment Ass't. (DE)...	+30	---	---	+30
34	Road Maintenance.....	---	---	---	---
39	Econ. Dev. & Empl., Subtotal	+216	---	---	+216
40	Natural Resources, General....	---	---	---	---
41	Agriculture.....	+37	---	---	+37
42	Forestry.....	+8	+36	---	+44
43	Water Resources.....	---	---	---	---
44	Wildlife and Parks.....	---	---	---	---
45	Minerals and Mining.....	---	---	---	---
49	Natural Resources, Subtotal	+45	+36	---	+81
50	Trust Services, General.....	---	---	---	---
51	Environmental Quality Services.	---	---	---	---
52	Other Rights Protection.....	---	---	---	---
53	Real Estate Appraisals.....	---	---	---	---
54	Other Real Estate Services.....	+78	---	---	+78
55	Financial Trust Services.....	---	---	-72	-72
59	Trust Respons., Subtotal....	+78	---	-72	+6
60	Facilities Management.....	---	---	---	---
65	New Direct Rental of Facil.....	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---
69	Facilities Mgmt., Subtotal..	---	---	---	---
70	Executive Direction.....	+21	---	---	+21
71	Prgm. Dev. & Budget.....	Combined with Administrative Services			
72	Administrative Services.....	+1,217	---	---	+1,217
73	ADP Services.....	---	---	---	---
74	Safety Management.....	---	---	---	---
79	General Admin., Subtotal....	+1,238	---	---	+1,238
99	Grand Total.....	+1,925	+36	-72	+1,889

NOTE: This table explains the details of column (3) of the Area Office Direct Operations Table 1.

Table ADO 4: This table is provided to outline in detail how the FY 1986 Total Request for Area Direct Operations was developed. Data on the FY 1986 Priority Requests are provided in the first column. The subtotal base adjustments summarized in Table ADO 2 which are applicable to the FY 1986 Request amounts are also provided. The area base adjustments summarized in Table ADO 3 are not set out and applied separately here, since these adjustments are already incorporated into the FY 1986 priority request amounts.

Column (1) - FY 1986 Priority Request Area Direct Operations

This column provides the summary programmatic distribution of funds allocated to all Area Office Direct Operations locations. These are the amounts developed by the Area Director during the priority setting process. These amounts have not been adjusted for certain base adjustments [see Column (2)].

Column (2) - Subtotal Base Adjustments

This column consists of the base adjustments summarized in Column (6) of Table ADO 2 (see the introduction to that table for explanations).

Column (3) - FY 1986 Total Request

This column is the sum of Columns (1) and (2). The amounts represent the FY 1986 total requested amount for each Area Direct Operations program in the priority system.

BUREAU OF INDIAN AFFAIRS
 FY 1986 AREA DIRECT OPERATIONS REQUEST a/
 (dollars in thousands)

TABLE: ADO 4
 2/8/85

FY 1986 Request--Area Direct Operations Distributions:

IPS Line Code	Program Title	(1) FY 1986 Priority Request Area Direct Operations	(2) Subtotal Base Adjust.	(3) FY 1986 Total Request
11	Scholarships.....	43	---	43
12	Adult Education.....	169	---	169
19	Education, Subtotal.....	212	---	212
20	Community Services, General....	328	-68	260
22	Other Aid to Tribal Gov't.....	1,366	-103	1,263
23	Tribal Courts.....	---	---	---
24	Social Services.....	996	-42	954
25	Law Enforcement.....	473	-1	472
26	Self-Deter. Svs.--Grant.....	---	---	---
27	Self-Deter.--Trng/Tech. Asst....	632	-60	572
29	Indian Services, Subtotal....	3,795	-274	3,521
31	Credit and Financing.....	847	-9	838
32	Adult Vocational Training.....	162	-32	130
33	Other Employment Ass't. (DE)...	246	-66	180
34	Road Maintenance.....	49	---	49
39	Econ. Dev. & Empl., Subtotal	1,304	-107	1,197
40	Natural Resources, General.....	233	-1	232
41	Agriculture.....	1,198	-67	1,131
42	Forestry.....	1,298	-110	1,188
43	Water Resources.....	---	---	---
44	Wildlife and Parks.....	---	---	---
45	Minerals and Mining.....	---	---	---
49	Natural Resources, Subtotal	2,729	-178	2,551
50	Trust Services, General.....	492	-32	460
51	Environmental Quality Services.	---	---	---
52	Other Rights Protection.....	630	-106	524
53	Real Estate Appraisals.....	66	---	66
54	Other Real Estate Services.....	1,868	-151	1,717
55	Financial Trust Services.....	74	---	74
59	Trust Respons., Subtotal....	3,130	-289	2,841
60	Facilities Management.....	2,071	-204	1,867
65	New Direct Rental of Facil.....	---	---	---
66	New GSA Rental of Facil.....	---	---	---
69	Facilities Mgmt., Subtotal..	2,071	-204	1,867
70	Executive Direction.....	2,030	-15	2,015
71	Prgm. Dev. & Budget.....	Combined with Administrative Services		
72	Administrative Services.....	13,096	-923	12,173
73	ADP Services.....	208	---	208
74	Safety Management.....	97	-1	96
79	General Admin., Subtotal....	15,431	-939	14,492
99	Grand Total.....	28,672	-1,991	26,681

a/ Includes priority programs at area direct operations locations.
 NOTE: This table explains the details of column (6) of Area Direct Operations Table 1.

Table ADO 5: This overall summary table compares the FY 1986 Request for the Area Direct Operations staffing (FTE/T) to the FY 1986 Base and the FY 1985 Appropriation to Date. In addition, a column is provided detailing the development of the FY 1986 Base staffing for each program.

Column (1) - FY 1985 Estimate to End of Year (EOY)

This column is the amount of staffing associated with the funds appropriated to date for FY 1985 which is the starting point to develop the FY 1985 Base for each program.

Column (2) - Subtotal Base Adjustments

This column consists of base adjustments in staffing, if any. On this table base staffing reductions totalling 54 FTE/T relating to the Area Offices' share of the \$4,000,000 reduction to headquarters and administrative staff are detailed by program.

Column (3) - FY 1986 Revised Base

This Base column is the staffing associated with the FY 1985 Appropriations to Date funding adjusted for any base changes. The difference between this and the FY 1986 Total Request is the "real" programmatic staffing increase or decrease for each program.

Column (4) - FY 1986 Total Request

This column is the FY 1986 requested staffing for each program. The total of this column equals the total of the Base column (3), since the increases and decreases net to zero.

Column (5) - Difference vs. FY 1985 Estimate to EOY

Column (6) - Difference vs. FY 1986 Revised Base

These two columns list the differences between the FY 1986 Total Request (4) and either the FY 1985 Estimate to EOY (1) or the FY 1986 Revised Base (3).

BUREAU OF INDIAN AFFAIRS
 FY 1986 AREA DIRECT OPERATIONS a/
 (Full-time Equivalants)

TABLE: ADO 5
 2/8/85

FY 1986 Request (FTE/T) Compared to FY 1986 Base and FY 1985 Appropriation to Date:

Line Code	Program Title	(1)	(2)	(3)	(4)	(5) (6)	
		FY 1985 Estima. to EOY	Subtotal Base Adjust.	FY 1986 Revised Base	FY 1986 Total Request	Difference vs. FY 1985 FY 1986 Estima. Rev. Base	
11	Scholarships.....	---	---	---	---	---	---
12	Adult Education.....	7	---	7	7	---	---
19	Education, Subtotal.....	7	---	7	7	---	---
20	Community Services, General....	20	-2	18	14	-6	-4
22	Other Aid to Tribal Gov't.....	49	-3	46	46	-3	---
23	Tribal Courts.....	---	---	---	---	---	---
24	Social Services.....	27	-1	26	26	-1	---
25	Law Enforcement.....	19	---	19	19	---	---
26	Self-Deter. Svs.—Grant.....	---	---	---	---	---	---
27	Self-Deter.—Trng/Tech. Asst....	14	---	14	10	-4	-4
29	Indian Services, Subtotal....	129	-6	123	115	-14	-8
31	Credit and Financing.....	26	---	26	21	-5	-5
32	Adult Vocational Training.....	2	-1	1	1	-1	---
33	Other Employment Ass't. (DE)....	19	-2	17	12	-7	-5
34	Road Maintenance.....	3	---	3	3	---	---
39	Econ. Dev. & Empl., Subtotal	50	-3	47	37	-13	-10
40	Natural Resources, General.....	5	---	5	5	---	---
41	Agriculture.....	24	-2	22	22	-2	---
42	Forestry.....	56	-3	53	51	-5	-2
43	Water Resources.....	---	---	---	---	---	---
44	Wildlife and Parks.....	---	---	---	---	---	---
45	Minerals and Mining.....	---	---	---	---	---	---
49	Natural Resources, Subtotal	85	-5	80	78	-7	-2
50	Trust Services, General.....	10	-1	9	13	+3	+4
51	Environmental Quality Services...	---	---	---	---	---	---
52	Other Rights Protection.....	15	-3	12	12	-3	---
53	Real Estate Appraisals.....	---	---	---	---	---	---
54	Other Real Estate Services.....	58	-4	54	49	-9	-5
55	Financial Trust Services.....	18	---	18	18	---	---
59	Trust Respons., Subtotal....	101	-8	93	92	-9	-1
60	Facilities Management.....	106	-6	100	80	-26	-20
65	New Direct Rental of Facil.....	---	---	---	---	---	---
66	New GSA Rental of Facil.....	---	---	---	---	---	---
69	Facilities Mgmt., Subtotal..	106	-6	100	80	-26	-20
70	Executive Direction.....	41	---	41	49	+8	+8
71	Prgm. Dev. & Budget.....	Combined with Administrative Services					
72	Administrative Services.....	442	-26	416	449	+7	+33
73	ADP Services.....	---	---	---	---	---	---
74	Safety Management.....	5	---	5	5	---	---
79	General Admin., Subtotal....	488	-26	462	503	+15	+41
99	Grand Total.....	966	-54	912	912	-54	---

a/ Includes priority programs at area direct operations locations.