

**Tribal Interior Budget Council
May 20-21, 2015
Washington Plaza, Washington, DC**

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Invocation, Buster Attebery

Roll Call

Great Plains: Harold Frazier, Vernon Miller
Southern Plains: Ronnie Thomas, Carrie O’Toole
Western: Norman Honanie, One vacancy
Pacific: Robert Smith, Russell Attebery
Rocky Mountain: Alvin Not Afraid, Jr.; Darwin
St. Clair, Jr.
Alaska Region: Sam Thomas, Jr.; Rick Harrison
Southwest: Gary Hayes, Governor Luarkie

Navajo Region: Jackson Brossy, for President
Begay, Lorenzo Bates.
Midwest: Charles Dolsen for Darrell Seki;
Dave Connor for Jimmy Mitchell
Eastern Oklahoma: Chris Redman, Greg Pitcher
Northwest: Ron Allen, Greg Abrahamson
Eastern: Brenda Fields, Kitcki Carrol

Indian Affairs

Kevin Washburn
Thomas Thompson
George Bearpaw
Phillip Brinkley
Mike Black
Mike Smith
Hankie Ortiz
Feline Davis for Helen Riggs
Sharee Freeman
James Schock

Jack Stevens
Debra DuMontier
Darryl LaCounte
Kathy Klein for Bruce Loudermilk
Diane Rosen
Bryan Bowker
William Walker
Sharon Pinto
Stanley Speaks

Quorum is present**Agenda approved**

Approval of Minutes postponed until later in the meeting.

Opening Remarks

WASHBURN: Thank you and thank you all for being here. As always, this is really important and it really means a lot to us that you come in. The budget is as important as ever.

We've had a couple of really troubling hearings on the House side and I'm sure many of you are aware of those. About three weeks ago there was a hearing over on the house side that took aim at the tribes that the Department of the Interior has recognized through its processes and we've recognized about 17 tribes since 1978, but the executive branch has recognized more than 60 tribes over time. Basically the House was questioning whether the Department of the Interior (DOI) or the executive branch has any authority to recognize tribes.

The undertone there was that if you're not a treaty tribe or a tribe created by congressional statute, you aren't legitimate. Then at a hearing last week, they went up not just against the Department of Interior recognized tribes, but they went after all land into trust and started questioning Interior's authority to take land into trust for tribes. We let the committee know that land into trust remains one of President Obama's highest priorities and we will continue to take lands into trust, and that power is entirely legitimate and we will continue to fight with Indian Country side by side with tribes and tribal organizations to make sure that we aren't going to turn back the clock and bring back really negative types of Indian policy.

It doesn't bode well for good budgets if they don't even think we're legitimate or that we have legitimate lands, or that we deserve to have homelands. NCAI took some unfair abuse during the second hearing for trying to make tribes aware of what's going on over there and trying to get them engaged in the political process. USET also really got organized. If we don't get a budget that's appropriate, I will ask the president to veto that bill if Indian Country is not properly treated in the appropriations that congress enacts. And the president has said similar things about the overall domestic budget. So we need to stand firm.

Right now congress is going through the appropriations process and they're not going to get to us for a little while yet. I want you to know that this is a crucial time and you ought to all be reaching out to your members of congress to make sure that they know your priorities and know what's important to you, and know that we need a budget, and we need a good budget because we need to keep moving forward in Indian Country. And certainly, the policy nonsense that's going on over there, we have to join together and fight back on those sorts of things.

Tribes need land, we don't have enough land as it is and we will continue to be taking land into trust until they take that power away from us. And I will tell you that not on my watch will they take away our ability to take land into trust for tribes, and I'm sure the president agrees. So we're going to keep fighting that, but again, we need everybody to be paying attention and make sure you're talking to your own members to keep this craziness from spreading.

We've been doing a lot of other stuff, aside from battling a subcommittee over on the Hill; we've been doing a lot of work on the Indian Child Welfare Act regulations. Last meeting I mentioned we'd gotten the guidelines out and proposed rule to toughen up the Indian Child Welfare Act rules so that our children are protected and not taken from our communities. We've been doing consultations all over the country the past couple of months, and those are also quite contentious. We've got a lot of people that are unhappy with the proposed rules so we are getting lots of comments in. In fact, we got a petition to stop the rule making that had something like 12,000 signatures. So we've got, again, some opposition there and we certainly will consider their views as we are formulating a final rule. But we've heard from a lot of tribes, as well, and a lot of tribal organizations and others and we know there are a lot of people that think we need those regulations, so thank you for those of you who've let us know about that.

We need your support. We're feeling kind of embattled these days. The Obama Administration has done a lot for tribes over the last 6+ years and I think we're finally seeing a bit of a backlash because eventually people are, we've always known that we've got a few people out there that are not onboard with supporting Indian Country and a lot of those people have started to show themselves and have been much more vocal about those things lately.

I've never seen anything like it, and I didn't think I would see anything like it in my lifetime, because I really think that tribal self determination is the answer and that everybody thinks that tribes should be given the room to be tribes. But we are seeing, a backlash against that whole idea. And so we all need to be standing together right now, and so I am glad that all of you are here

Thank you for being here. This is very important stuff. Getting the budget right is really, really important and again, all this other stuff does not bode well for our budgets going forward, but you all being engaged does bode well and we've got great turnout.

ALLEN: Well thank you, Kevin. And just in response and also an update from our tribal caucus, the hearing the last couple of weeks on the Hill on the house side caused us a lot of heartburn as well, including the tenor of the attitudes or the comments that were being made, and so we share your concerns, whether it's the federal recognition, land into trust, or whether it's Indian Child Welfare regulations, I'm sort of reflecting on my thoughts, the 12,000 signatures, I kind of wonder how many of those were actually Indians.

WASHBURN: Mostly not.

ALLEN: I would suspect that. And I think we know about the groups that organize those kinds of efforts that are contrary to implementing the Indian Child Welfare Act that's so important to our respective communities. Without a doubt, we're definitely going to be locking arms in terms of the pushback, we will push back strongly. I appreciate Jackie and Brian Cladoosby, NCAI leadership, in terms of what they're doing to help that cause as well.

We saw where Congressman Kilmer from Washington State, along with about two dozen other congressman, are asking for a review and an update on the Quiet Crisis Report of 2003, which is essentially 12, 13 years ago, and the same issues that were revealed and deficiencies of the federal government living up to its treaty obligations to Indian Country, was revealed back then and the question of the day is how well are we doing today in terms of advancing the goals and objectives of the respective tribal communities.

With regard to the TIBC's subcommittee on budget, we gave you our recommendations, and we revealed to you then that we find it unacceptable to go through the process of entertaining any kind of a BIA budget that is a step back from where we are today, noting that last year we basically made the case that we're probably a billion dollars off from what the real needs are, and many could argue that it's even more than just a billion dollars.

We're going to be entertaining that here at TIBC to basically make a strong statement that we are very supportive of the president's budget, which is \$300-some-odd-million increased and plus some. As you know from our report to you that we went through a process where we added another 10 percent on top of that addressing many other very urgent needs of the tribes, which includes subject matter such as Chairman Frazier raised with regard to the additional road maintenance needs which is a big number. I know we added a lot of money in our proposal to you to underscore that particular point.

So we're here to talk about those priorities and the importance of all the priorities, not just the top 5 that normally float to the top in this process across Indian Country, so that is a big issue to us.

A high priority is to restore the losses of sequestration. We're aware of that debate that's going on on the Hill in terms of how congress responds to the Budget Control Act and how the president would respond to whatever their proposal is. We're hopeful that there will be a bill at the end of this fiscal year for the next fiscal year and that it will be reflective of what the president is advocating to address those issues. And we're very much onboard with that agenda.

Also, if there are new monies coming in or monies that should be also appropriated to the tribes such as the pay costs, those kinds of resources that come to the administration should also be transferred on to the tribes, and is done in a fair way for all tribes' interests.

Climate change was an issue that was raised by this administration for this year and for next year and for an increase. We think that we're pretty aware of what is being proposed for this year, FY '15. For FY 2016, how will it be administered in a way that's going to benefit the tribes to address those climate change challenges that we have in our respective communities.

Issues raised in our tribal caucus included droughts that many are experiencing and resources that are necessary for tribes to respond to crises, disasters, whether it's tornadoes or hurricanes or water drought problems, et cetera. How are we to respond to that and in collaboration with FEMA?

On DOI's strategic plan, we engaged with the administration previously and underscored the point that it was hard in previous DOI plans to find where the tribal priorities are. The current plan more clearly identifies the tribes' agenda and its commitment to advancing the tribe's goals and objectives. Some deficiencies in the plan were because it's just not about Indian affairs, it is about the whole department as the tribes bob and weave our way through DOR, BOR, Land Management, et cetera, Parks, Fish and Wildlife. We're a part of those components of the plan, as well, and we want to be engaged in that process.

In the budget for '16 is a proposal for \$10 or \$12 million for data collection in collaboration with the Bureau of Census. It's our understanding that you are currently engaged with Census now on what would be done with that money to improve the profile and the status of Indian Country. We want to be engaged with that and we want to discuss how that might happen so that whatever is done with DOI and Census, that it will be data that we can actually be more effectively, we will be more effective in representing our interests.

Going back to the climate change for a moment, climate change kind of rolls over into water management issues, as well, the Clean Water Act and we're dealing with drought issues, et cetera, in terms of how BOR collaborates with DOI on tribal interests. And we want to talk about how we can improve our relationships with regard to water management issues and how they affect our interests, treaty rights, et cetera. It could be fisheries and those kinds of matters.

There is a special request coming from the Northwest, Greg Abrahamson will touch on it more in detail, but there's 15 tribes of the Columbia River that are affected by a treaty with the United States on their rights and their interest and they're making a special request to Interior with regard to the assistance that they need to preserve those treaty rights and resources. So it's about water, it's about salmon and the needs of those respective tribal communities.

Another budget issue is the CSC, as you well know from the last meeting we emphasized and supported here an agreement on the contract support being moved into mandatory, so tribes have been united. The CSC obligations, both indirect and direct, would be moved over into mandatory. We're still very supportive of that, we have language in terms of we've been advocating for that to be moved into mandatory and we support the administration's proposal which is targeted for FY '17. We would like to see it moved up to '16 and the issue is how to make that happen and to move that agenda forward so that it no longer competes against tribal direct programs for all tribes, contracting, self governance and direct service tribes.

There's a new proposal that is being entertained on the Hill now, we just got word of it within the last two week timeframe, and that is to take a different approach than mandatory but almost make it a quasi mandatory within the discretionary so that it has its own budget resource. So we don't know where you are, how much you know about it, but we know that that conversation has gone on between both houses and from our perspective, however we can get it done, we need to get it done so that, one, we continue the 100 percent; and two, it no longer competes against direct service programs.

SAM THOMAS: Just to highlight a little bit on the contract support costs issue, the subcommittee is going to be meeting here June 16th through the 18th, and the OMB and the IBC have not been sitting at the table with the subcommittee and we're seeing if you can help get OMB and IBC to the table to help us flesh out some of the internal issues that are coming forth with the contract support subcommittee would be helpful.

ALLEN: Yesterday we had a good meeting with our data management subcommittee and we're making some recommendations for appointments by the TIBC, both to what we call the data management committee, which is members of this committee, and the control configuration board which is a technical team that advises the Chickasaw Nation who has taken the lead on that data collection development. And then we have some federal appointees that we're looking for. George Bearpaw has been taking the lead, and I think that he was going to talk to you and Tommy about the federal components on both the DMC committee and TCB, technical team. The purpose is to provide or to gather data, meaningful data that shows that we are using this money well and we can use it to identify the unmet need.

When we go to OMB and make the case that we need more money, they make argument that we don't have enough data to show how well you're using this money to its intended purposes. So we knew we needed more data in order to show it. It was driven by mostly self governance tribes because they're not required to provide the specific data, but then when we got into it we realized we needed data from

all tribes, self governance, 638 and direct service, in order to show an appropriate profile of how well this money is used and how much more money is needed.

Update from Interior

OLIVIA FERRITER: Thank you, Chairman Allen and President Thomas, we really appreciate it. Before the budget update, the next really big opportunity to revise the department's strategic plan will be after the inauguration of the next president. So it would be a good time now to start looking at things that are not likely to change and to get sort of a better understanding of what is in there, and then what are the kinds of thing that we would like to see continue no matter which administration comes in. And I'm more than happy to help facilitate because many of us who are engaged in that process would like to be able to make recommendations as you eventually will gear up for it. So we would need to know who the point would be to send our recommendations.

The first point of contact will be the Assistant Secretary, Kevin's office, and BIA and BIE, but I'll also give you my card because I have the department's performance office under my purview.

On the budget for 2015, that budget was 3 percent above '14 which was good news for us and BIA is working to get funding out to the tribes. This is the second year for the contract support costs to be fully funded, that is also very good news. We are moving full speed ahead with the Tiwahe initiative and I think Hankie Ortiz is going to give you a briefing on that tomorrow. We have the increase, \$9 million for the Tribal Climate Resilience Fund and we are looking to see the good work that is going to come out of the tribes on this funding.

Climate Resilience has been a major priority not only for the president, but also for our secretary. We have all of our bureaus that are really engaged in this, there's a lot of attention being paid to the science and kind of the underpinning of what we need to know to make our communities more resilient. If any of you want more information on that, we are happy to connect you with like the climate experts in the department. I know that USGS, in particular, works closely with a number of tribes trying to look at how to model changes in temperature and other factors to really help tribes understand better how to manage their own natural resources. So please know that this is a very strong interest for us and we are very interested in engaging with you on that.

For 2016, there are challenges ahead. The allocation to our subcommittee was 1 percent below 2015 levels which is not good and it will be a big challenge and a heavy lift for the committees. Having said that, BIA presented a very strong budget proposal to the Hill and it was a part of a top presidential priority that involves a number of federal agencies. So across government the increase for 2016 for tribal programs is a \$1.5 billion increase. For BIA/BIE, it's a 12 percent increase, \$2.9 billion total and it really addresses a number of priorities.

Chief among them is contract support costs. We do have the proposal in for mandatory funding to shift to that and again, we are calling for full funding for those costs. We also want to incentive tribal administration of education programs.

We also recognize, and I think the same might be able to be said for everyone across the country that they would like to better understand how to tap into government programs, but this is something that we are paying particular attention to in terms of trying to support the tribes. So we have a \$4 million proposal to establish a one stop tribal support center. The idea behind that is to help Native Americans figure out how to best access the government programs that are there to help them. It would be around

the clock access and the initial focus is on how to really fund the programs that help Native American youth.

There is also a \$4.5 million proposal to establish an Indian Energy Service Center, and again, the idea here is to really help tribes as they develop their own energy resources, something very important for economic development. And this would be staffed with people who have a lot of know how on how to get that done.

For Indian education, we have a billion dollar proposal, a \$153 million increase. This is a multiyear plan for really beefing up that educational system. It calls for full funding, \$75 million to cover tribal grant support costs for delivering their own education programs, looking at funding for some educational program enhancements, other measures to improve student performance.

The deferred maintenance repairs have always been an issue but we have requested \$68 million to address those, and \$57 million for school construction. And that's to address the remaining schools that are on the 2004 list and then to make some plans going forward for the future.

We want to continue the Tiwahe initiative. We have a \$15 million increase proposed for that. And again, on getting back to the climate proposal, there is a \$50 million proposal, which is a big chunk, to help tribes in building resilience.

So across the whole department, it's not just Indian Affairs that has responsibilities towards tribes, we have a number of other bureaus that do, so across Interior our Native American programs total \$3.6 billion and that's an increase of \$384 million.

So moving on, we don't have an exact date for when the 2016 bills might be marked up. We are fielding a lot of questions right now from the committees. Some of the questions that we get we don't like to answer because they frankly are looking for places that they can cut. And they are asking us where they can cut and we are supporting the president's budget. So I just wanted to let you know that we are holding the line on that and remain optimistic that there is, despite some of the sniping that we hear, we do know that there is strong support for Native American initiatives on the hill.

We are in the process of our formulation now for 2017, so in any given year we're sort of in three different budgets. We're in the current year which is '15, we've got '16 on the Hill, and then we are starting to plan for '17. It seems like there's no time anymore to take a vacation, it's kind of an endless loop there as it were.

Our Bureau submissions are due actually next week on May 27, and we will be meeting with all of the directors and the assistant secretaries shortly after that. And then we'll spend the summer working with the bureaus to develop the proposal that the secretary will then send over to OMB in the fall.

We have sent guidance out, it's pretty broad. There's a couple of different scenarios for looking at the potential for reduction and then more at target kinds of proposals. I would be very hopeful that we would not have to go to that reduction scenario particularly here towards the end of the administration. It would be very nice to think that we would come forward yet again with another bold budget that supports your initiatives.

So with that, I'm happy to take questions or I will defer to the experts.

QUESTION: asked about the Johnson O'Malley program.

RESPONSE: One of the challenges that we have with JOM is getting a student count because there are a number of non-tribal related entities that want to go with Census and make it a nationwide program off of Census rolls or their rolls that may or may not have any tribal affiliation. We are putting the count forward that the tribes submitted this year. It was our second attempt to get a good count from folks and we are working with the Hill to identify a path forward as to what they would like to do, but that's part of it is making sure that we're addressing the Native American student needs out there, and there is interest on the Hill to fund it.

SAM THOMAS: No Child Left Behind Act was unfunded mandate. We're seeing in Alaska that a lot of people are going from the rural areas to the hubs, from the hubs to the metropolitan areas, and basically considering themselves failing. That's not acceptable; we should be finding a way to keep them back at the village, get the resources, and bring it to them.

My other thing was on the data management scenario was there's \$12 million that was talked about for data management, I think it was \$1 million for outreach and technical assistance to tribal government, and the other one was \$2 million, I forget what it was for but the other \$9 million was to help Census Bureau. And I'm not really gathering the help of the Census Bureau because when they compile data anyways it seems to be a little bit twisted sometimes. And so why would we take tribal resources and throw it at the Census Bureau? But I think there's some value in some component of it but I also see where we're trying to go with the data component because every time we ask for increases the government asks for data to back up the reason why we want increases. In trying to get funding back to the tribes, I think we need more data on the tribal side versus technical assistance, because technical assistance, once we do compile and get the data, it's what do you do with the data once it's there. I value the point behind going that direction.

TOMMY THOMPSON: I can address part of it and hand it off to Olivia. I really see this as a longer term view of where we need to go. There's got to be that initial surge to untangle the data to really allow the tribes to self direct what they need from Census. So rather than looking at them as they're not giving us what we want, we need to be able to go in and say this is what we would like from the Census going forward. And really the next opportunity to get there is 2020 where they really get the collective data there.

A lot of this will be setting the various benchmarks going forward. There is a consultation that the census is coming out with and we would like to have that more granular so that we're actually getting data for tribal administrations to use that is beneficial to them. So we're looking at it as really a long-term plan, we've got the initial surge to get them to put the testing in place, but then it would migrate to the tribes as to how they would self direct that information. So it is sort of a pivotal thing that we would hope that \$12 million is a continuum based funding going forward so that we have that resource there to collect the information, but it's a longer term plan than just the one year to get there. And I would hope that the emphasis would go off of Census and go on to the tribes in year 3, 4, 5 as we go forward and for the 2020 census to make sure that we're getting the data that we need out of it.

ALLEN: Yeah, that's why I mentioned in the tribal caucus report that we want to know what is being discussed, what is being negotiated so that we're engaged. We want to make sure that it works for us and so being inclusive is an important part of that process, I mean if it's targeted \$8 or \$9 million, I can't remember the exact number, but how do you use that?

THOMAS THOMPSON: It's \$9 million. The only discussions, there's two discussions going on with Census right now. The one on the \$9 million, all we've done is told them that we didn't like what they're doing so we sort of left that at that point. The other is that they are currently the official repository for boundary surveys for reservations. They define what Indian Country is or have been. And what we have done, we have negotiated with them that our trust office will be the official repository for what reservation boundaries should be. So when they send out a census thing and say this town is within or not within the reservation, rather than Census making that call, we will make that call as basically the trustee of the reservation. So that's the only thing that we've discussed in detail at this point is our responsibility and our ownership of the reservation boundaries. The bigger picture of what the detail of the \$9 million, the only discussion we've had at this point is we don't like the information that we have, what do we need to do to change it, and then we talked about the tribal consultation. So we've had a couple of sessions, of course all of that is hinging on whether congress funds it or not. So it's sort of the chicken and an egg, so we're in discussion as to what we don't like, we haven't discussed what we want.

NAVAJO SPEAKER BATES: I appreciate the \$4.5 million proposed for energy services. I don't quite understand where that all fits into but for those of us that have an abundance of natural resources within our nation; it's the coal industry in Navajo that we support for obvious reasons, jobs and revenue. However, the administration has taken it upon itself to shut down power plants as it relates to the climate change.

One of the areas that we see as a detriment is the regulations that are applied, but not taking into consideration how shutting down a coal mine or a power plant that's within Navajo affects jobs and revenue. In Navajo's case it's over nearly two-thirds of our budget that it's dependent on. And when you have 100 years of a resource, Navajo in this case is determined to keep those jobs and those revenues in place. And I brought this to the Secretary's attention several times as to how, what the administration, what the department would be doing in assisting, in this case again, Navajo in doing what it needs to do. Now we recognize the fact that alternative forms of energy is coming about; however, there needs to be a transition to get to that point.

The second is that counties are beginning to reduce services. Navajo is in that same situation today with fire and rescue. Fire and rescue services going onto Navajo are being reduced in the state of New Mexico as well as Arizona. So is there anything within the budget process that more dollars can be sent to Indian nations to assist with those services that are being cut by the counties? In this case, the impact on Navajo Nation just on fire and rescue could be up to a million dollars that the nation would have to come up with, and that becomes a reoccurring expense to the Navajo Nation.

I heard one of my brothers also indicate roads, road maintenance as it applies. Again, Navajo is in the same situation. Navajo has nearly 13,000 miles of road and of those 13,000 miles, nearly 50 percent of them are gravel. And we recognize the process; we do get dollars from the Federal Highway Department in being able to address some of those areas. However, it comes down to maintenance. So those are just a few of the concerns that we have as it pertains to Navajo.

Lastly, is the indirect costs. Again, working with NBC, Navajo has had their proposal on the table for over a year and indirect costs is a revenue stream that the nation depends on. And so when it sits in an office on a shelf it causes some concern in terms of being able to provide services to our people. Thank you.

WASHBURN: Thank you, Mr. Speaker. Let me say that Four Corners Power Plant we've been working very hard on issues related to that. And so I mean I assure you we hope that Navajo is producing coal for

a long time and we've got staff that's been working really hard on getting the permits that you all need so that you can continue mining and running that power plant and getting the remaining units up to snuff for the future. We know how important mining is to you, we know how it is important to some other tribes, as well, and so that remains a priority. The president doesn't have great enthusiasm for coal, in particular, but we know that in Indian Country these energy resources are important.

One of the things the Energy Service Center would do is serve energy producing tribes; a lot of the tribes that are engaged in that activity need various kinds of permitting and often it involves not just BIA but it might involve BLM or other agencies. The Fish and Wildlife Service has roles to play and others. The idea behind the Energy Service Center is locate those people that do that kind of work under one roof so they can work together and to get projects across the line quicker and get more resources devoted to those sorts of things. Some of those processes take years and they're quite complicated with environmental review and all that.

Yeah, I'm sorry to hear about the counties reducing services -- that's troubling. We know that's happening to some degree. I'll tell you one of the other disturbing things going on over on the Hill is there's a lot of folks who are arguing, a lot of congressmen who are arguing that federal lands should be returned to the states. Does that strike anybody as wrong? Where was that land taken from? Was it taken from the states? No, it wasn't taken from the states, it was taken from the tribes. So if there's any returning, I think we think they should remain federal land, that's the department, then the government's official position, but if you are talking about returning the lands, it's not to states that they would go back to, it's tribes. But that should be something that alarms you because the United States does have a trust responsibility to tribes, states don't have a trust responsibility to tribes and that's why a county can reduce services to you all, because they don't have that trust responsibility.

So if they get the public land and it's all state public land, then they won't have a trust responsibility to you as to how they use that land. We don't necessarily achieve tribal goals entirely on federal public lands off the reservations but it is at least recognized that we've got a trust responsibility and so we try to take care of those concerns as best we can, but states won't do that.

So there's just a lot of tension right now around funding resources, and so I think the states' view federal lands as a resource that they can take control of and they would have more revenues, but honestly, so much of our federal lands need to be well managed and that takes revenue. You have to have a large agency to be able to manage federal public lands.

So there's just a lot of tension right now around funding issues, and states are desperate for funds and they're contracting a bit, and we especially don't like to see that in Indian Country.

ALLEN: When we were identifying the backlog of road maintenance needs, which was a significant number, and I think that we added, we emphasized that as a priority to try to underscore that point and that need in the communities.

CONNOR: BIA staff have updated their estimate of the actual backlog or underfunded amount of road maintenance nationwide and it's a \$203 million of a backlog. So we received \$203 million less than what's needed to cover the existing maintenance needs and so in the budget subcommittee exercise, road maintenance was put forth as an initiative for additional funding, a couple of different levels at the high scenarios but upwards of the sixth scenario, the over target, the suggestion was an initiative of \$113 million increase in road maintenance in 2017.

FERRITER: Thank you for that, but did we forget to add in the increase of cost of equipment? We have not increased the cost of that line item for 20 years, but the price of equipment has, how much has it increased since 20 years ago for that heavy duty equipment to do those roads or road maintenance. We need to include that cost as an unmet need in there also.

ALLEN: We appreciate your and the secretary's support for the Indian budget, it's always been a concern to the tribes that against the backdrop of the Department of Interior's overall responsibilities with Parks, Fish and Wildlife, et cetera, that for many years we have felt that we are kind of like the poor stepchild in terms of priorities on Interior's budget. So we appreciate that the secretary is raising the prioritization of the tribe's budget needs in our community.

You talked about the CSC proposal that the administration has been advancing and we're confident that both you and HHS/IHS have been part of that process to get OMB convinced that we need to fix it. So some of us have been engaged with OMB and we know that there was not any language. Now we have proposed language in that agenda and what we reported, and I don't know if you heard, is that our understanding is that the Hill is coming with an alternative idea. We'll be very interested in the secretary and subsequent administration's view about that proposal which is very unique. I refer to it as a quasi mandatory, it's an appropriation process I have not heard of before. And I'm hopeful that we will get support from the administration to make that happen, if that becomes the will of congress and it become acceptable to the president to sign off on that kind of a bill. At the end of the day, I'm rushing up to the Hill to talk to some of the staffers about that proposal and what it means.

FERRITER: Anything that they propose, either in bill or report language, they tend to run it by us first and then we will run it by Indian Affairs.

THOMAS THOMPSON: We've had some discussions but they've been real broad, we would have to see what the sideboards own or what the stipulations are. And particularly if it's still staying within the discretionary budget, what does that do to us. If it's just a separate appropriation line and coming out with the same pot of money, it may or may not have the effect that we want, but I haven't seen anything in detail on it.

ALLEN: On a separate issue, you talked about the one stop shop proposal, was that \$4 million. What OMB refers to as the \$19 billion that's out there, whatever the number actually is. So we received a number of questions from different regions, what does that mean, how will that help us, have you thought through what that proposal would be, how it would work? Is it working from the central office, is it being broken down into the regional office so that it is more practical and the tribes can access that kind of assistance. And also, I just want to put on the table that we have regularly said that we believe that we should be exempt from any sequestration.

FERRITER: We would all like to be exempt from the sequester, so I hear you on that. And the only other thing, I want to just comment on something that you said in terms of the secretary's priorities. For 2016 Indian Affairs was right up there, the only other bureau that got a higher increase was the Parks Service because of their centennial. But BIA/BIE faired very well in comparison. So it was a 17 percent increase for the Parks Service, 12 percent for Indian Affairs.

NOT AFRAID: Upon any type of drilling the APD fees that the BLM imposes on Indian lands, that's a basic fee that is given to the industry for development prior to being awarded a permit. Right across the border in Montana, you have the Crow reservation, not even 50 yards, it's more feasible for that industry to develop off the reservation at about \$125 as to oppose the BLM's fee of \$6,000+. So again,

when they're trying to prospect quantities and say they need to drill approximately 10 times, you're looking at about \$65,000, yet they apply for the same 6 off reservation, less than \$1,000.

FERRITER: Thank you. And there is a proposal to try to streamline that process.

HAYES: Thank you to the secretary for your support and this administration's support. It's good to hear that some of the discussions that you're having in these subcommittees that you are still standing firm and strong with the president's proposal for the budget. In this environment, there has been a tremendous increase. Thank you for your support on behalf of Indian Country to stand firm together,. The bottom line is the quality of life of our people back home. And we have data that shows the disparities in health care, education, across the board, and it's just the way we articulate that message to congress that would be able to I would say sustain what we have gained with this administration, because the next administration we don't know.

WASHBURN: Thank you, Gary, that means a lot and let me tell you that there's not a BIA person in this room who isn't exhausted from the sprinting that we're doing, everybody is working really hard. We need to keep the appropriators on our side because we can't be fighting all fronts at the same time. But thank you, and you guys are all the ones that have to live with the results, so I know you're fighting, too, and so thank you for that.

FERRITER: Thank you. I want you to know your voices are heard. We appreciate getting your ideas.

Office of Special Trustee Update

DEBRA DUMONTIER: Good afternoon, everyone, my name is Deb DuMontier and it is my pleasure this afternoon to give the Tribal Interior Budget Council the update for the Office of Special Trustee for American Indians. And today I'm going to cover the leadership at OST, a budget update, the Special Trustee, Mr. Vince Logan's, priorities, progress on those priorities which are probate reform, investment review, financial education, and then I'm going to give just a little overview of debit vouchers and the IIM distribution.

Our leadership at OST, Vince Logan, is our political confirmed, senate confirmed political appointee. He is currently at the South Dakota Indian Business Alliance Conference and that was scheduled sometime ago, so he apologizes he couldn't be here today. Mr. Logan is Osage and many of his priorities reflect economic development and financial education. Again, I'm Deb DuMontier, since March I've been the Deputy Special Trustee, that position is located in Albuquerque at our, we refer to it as our headquarters west office, or Masthead, and before I forget, I know that TIBC is scheduled for Albuquerque in August and if any of you would like to see our operations at Masthead please let me know, we'd be happy to give you a tour.

I'm from the Confederated Salish and Kootenai tribes, Flathead Reservation in Montana. And I had the opportunity, my first position with the tribe was to be assistant clerk of court in our tribal court system, that was my little position of power, and I was very lucky that I had mentors and role models, one being Evelyn Stevenson, and attorney, tribal member attorney who started our in-house legal counsel. And she recently passed on but she was one of the authors of the Indian Child Welfare Act, and so it's nice to see hat her legacy is still with us in the rule making of the Indian Child Welfare Act.

I had an opportunity with trust reform to go to work for the federal government as a fiduciary trust officer with OST at the Flathead agency, and worked with the tribe to implement trust reform. And then I had the opportunity to come here to DC and work as a litigation coordinator, for the past three years

we've been working on the tribal trust settling cases, it's been a very self rewarding project. And currently now the Deputy Special Trustee.

Next, Travis Trueblood is our Chief of Staff and that position is located here in Washington, DC. Mr. Trueblood is Choctaw and he was recently legal counsel for the Seminole tribe. He's also worked with the BIA and law enforcement, and our prior Chief of Staff was Helen Riggs. Our former Principal Deputy Special Trustee, Michelle Singer, had an opportunity to go to work with CADR, the Collaborative Action and Dispute Resolution Office and so she has been doing that for the past few months and we certainly miss her, but that's what she's doing now.

Our budget is \$139 million and we basically have two lines: executive direction, \$2 million, and programs, \$137 million.

FRAZIER: Got a question on appraisals. On Cheyenne River on the land buyback program, OST is refusing to do appraisals on lands off of reservation, even those these lands have been in trust since 1776 maybe. But you guys are not doing them appraisals, I want to know why. I think that needs to happen.

DUMONTIER: The land buyback that you bring up is one of the boxes here on the chart. We have reimbursable agreements with the land buyback program so those are not our appropriated funds. There are many things that go into doing the appraisals for land buyback including their priorities, so let me look into that for you and we'll get back on it.

FRAZIER: How can we develop lands when it's so fractionated, and why are you limiting us to stay within our 1889 boundaries? We have land off the reservation that we could do economic development; it's so fractionated with individual ownership, yet you guys won't do any appraisals.

WASHBURN: John McClanahan will be here tomorrow and he's with the buyback program.

DUMONTIER: Next is our Office of Historical Trust Accounting and those are accountants that provide litigation support and they were very instrumental to our Internal Division, Alice Larson was leading that, very instrumental in providing the documentation needed to complete the recent tribal trust case settlements.

We also have a Land and IIM Division and they're responsible for, we still have special deposit accounts and UP interests that we're redistributing, but they've also been very busy with the Cobell payments that have gone out and working on that project, as well.

Our next major program is Field Operations and our leadership there is Jim James. Field Operations is responsible for our trust investments as well as our beneficiary contact, they're our primary beneficiary contact. And Secretary Jewel recently last August provided reaffirmation of the trust principles, one of them is providing comprehensive information back to our beneficiaries and that's something that we take very seriously. And our trust funds investment, we currently are managing a little over \$5 billion.

We also have an IIM pool, individual Indian money pool, that we manage and currently the income factor is about 2.8 percent. So that is much better than you can get in your regular savings account. We work very closely with our financial education to make sure that our IIM account holders are aware of that information.

We also have a Trust Beneficiary Call Center, it started about 10 years ago, it's fielded about 1.5 million calls. Their average resolution rate for the first time when you call in answering your question is about

97 percent. And the average industry that we've been able to find is about 47 percent. So that's, part of it is because of all the trust reform efforts that the department has undergone in the past few years that allows us to access information whether it's in the trust asset management system that houses the BIA information or whether it's the trust funds asset system which is our TFAS system with our financials. So some of that has come about because we have access to the information.

We have our regional trust administrators that supervise our fiduciary trust officers. We have fiduciary trust officers co-located out with BIA and on reservations to assist, again, our beneficiaries.

Trust Services is our next program, and Trust Services provides what we refer to as the backroom accounting functions. So they're receipting and disbursing the funds that come in that BIA has collected. And we also have report and reconciliation and so now with trust reform we are able to provide statements not only to tribes but to individuals and not only of income that has come into their account but also the lands and the interests that they own and have ownership in.

We have program management that John White supervises and program management provides our support for records and also evaluations, trust evaluations. And we have a facility at Lenexa, Kansas, we call it the AIRR, the American Indian Records Repository. It's actually in a cave, it's very efficiently run but it's also efficient given the temperature of the cost to house, we have over 280,000 boxes of trust records, so they've been, to the best of our ability, located in one area and if someone from the agency or a tribe operating a trust program should need a document, they generally can get that document within 24 hours.

And we also have a risk management program that basically is our internal controls for OST. And they use a program we call RM Plus which asks all our employees certain questions and, like, for example, if your charge card, your credit card, your statements have been reviewed and signed you can answer that question, but they also have internal control folks who are going around that are checking to make sure that we have provided that accurate information. It's pretty unique to the department to have an electronic internal control mechanism, we share that with other programs as well, but it's been very helpful for us.

And lastly, we have our business management and Mark Davis, our Deputy Special Trustee, is here with me today back in the back there, and Mark basically provides leadership to all the programs that are backbone of OST. Our budget, our IT, information technology, our external affairs, our training for employees which is very important, and also our HR which we contract through BESI (phonetic).

And then again we have, by law, the Special Trustee is required to have a Special Trustee Advisory Board, and we are currently in the process of vetting the names of individuals who showed interest to our Federal Register notice that he was going to be, Mr. Logan, was going to be establishing the board. And so we're hopeful that we'll have our first meeting in August at the same time in Albuquerque, similar to TIBC, when that's convening.

And I should point out under Mark's program, when you see that he has \$33 million in his budget, a portion of that over \$8 million, we fund the Office of Hearings and Appeals, we have pass through funding, and we also have just a little over \$3 million that goes to the Solicitor's Office for litigation support. So some of those funds are passed through and you'll see on the chart here whenever it has a bracketed item, those are the pass through funding.

So we had three program increases for 2016 that was requested, \$1.6 million for field operations, and

one thing that we're finding as we're working with our beneficiaries and particularly with land buyback, we have individuals who have interests in trust and we don't have a lot of tools. We've had the Indian Land Consolidation Act that attempted to reduce fractionization. As a result we ended up with the American Indian Probate Reform Act of 2004, that basically is federal law if there is not tribal law that will determine who will inherit your interests. And we also have for a fee, if we have any interest in fee, we have a small claims affidavit. So we're looking at the tools that are available, generally when you estate plan you try to avoid probate.

We also have \$1.2 million for appraisal services and for the appraisal training program we have collaborated with the Office of Valuation Services to provide training for 12 appraisers. And when you think about the appraisal occupation, when you come in basically you need a four year degree and then it's a three to four year training program. And one reason why we wanted to reach out and start this program is we have a difficult time retaining appraisers and we know we need to build our capacity.

Regulatory investment review is another one of the priorities, we currently have a comprehensive review of our current policies. Facilitating probate reform, again collaborating with our partners that are involved with probate, trying to reach ways to reduce that burden of doing a probate and also providing additional tools.

Financial education, Mr. Logan has talked about the holistic approach of financial education from cradle to grave is how he puts it, and it's a lifecycle, and providing the information individuals may need to assist them with their finances.

FRAZIER: I thought the Office of the Special Trustee was going to be phased out once Cobell got settled, but it appears to me that you're kind of getting into other areas, that you're here to stay. And when I read estate planning, for who? You guys are buying all the individual tracks up, so individual Indians won't have any land.

DUMONTIER: If land buyback should be so successful that that could be accurate, we still have individuals who own their trust 100 percent, but there's always probably going to be that need because not everybody is going to sell their interests or they may inherit more interests. But we are continuing to review, and financial education is something that we've been collaborating with our other partners for sometime now, we're putting an emphasis on it because of the revenue that we have in IIM accounts.

Consultation is always very, very important, and certainly investment review is going to be a big one. We currently, with IIM accounts, we basically have a pooled account. Is that something we want to do with tribal funds now? There will be tribal consultation coming in the future regarding investment review.

ALLEN: The question being raised to you and the trustee is for a number of years the tribes have asked for when OST will sunset and transition back into the overall BIA Interior operation, so that it's not two different distinct entities, it's one entity that serves Indian Country. And so we have heard about a draft transition plan but that has not come to light here for a number of years.

DUMONTIER: I don't have a draft transition plan. Certainly we review our operations and we've seen a real benefit in the segregation of the duties, and being able to focus purely on the receipting and the investing side of the funding. And certainly we continue to review that and will continue reviewing that.

ALLEN: Okay, so I think that we need to get the message back to the trustee that we're going to

continue to ask that question. It serves all, Department of Interior services all of Indian Country and it's always been awkward going back and forth between the two agencies with respect to these different roles that, and overlapping roles, quite frankly. So that would be a question we're going to ask is when are we going to propose a transition to meld it back into one entity?

CONNOR: The \$2.9 billion, it was about 10 percent over the '16 budget request and part of the reason in that target which was the first of the two high targets was to not present something that was so far out of touch, I don't mean out of touch, we have the need, but to try and not over extend the request.

Budget Subcommittee Update

ALLEN: We had a two-day meeting, mostly by conference call. Tommy, George and our budget representatives, and Arbin Mitchell were there in person, but the rest of us called in. At the back of this report you can see who was there, who was a part of it, myself and Amber, Dave, Arbin, Gary Hayes, Sam Thomas, Jimmy Mitchell, Rick Harrison over here, Brenda Fields and Jennifer McLaughlin who's with my tribe. And then you can see who was participating from the BIA side. I do want to say that I appreciate them and particularly Peter Probst, he was kind of a tech guy who kept making the adjustments.

Sometimes people ask who are the subcommittee guys, how did you become part of the subcommittee, well we were appointed by this committee a while back and none of us are wedded to being on this subcommittee, if anybody wants to be on it, we can make room for it, but we also pointed out that any member of the TIBC can call in and be a part of this process. We sent out notice that everybody could call in.

CONNOR: We went into this session with several overarching factors or issues to keep in mind and one of those was that we're under sequestration. All of our BIA and tribal programs lost 5 percent in 2013 across the board and it continued in '14 and '15, so we had that cut. And in addition, going back to 2000, we've had an additional 8 percent in across the board rescissions imposed on us through 14 different rescissions all across the board. So if you add the 8 percent in rescissions since 2000 and 5 percent in sequestration, our base programs and recurring programs have been cut by 13 percent. So that basically says any further cuts are not supportable. And so the first order of business in all budget scenarios was to restore the 2013 sequestration cuts, first for tribal programs, both TPA and recurring, and also where possible in some of the larger budget option scenarios for programs such as regional office programs, which support direct service tribes. Another scenario was under contract support. Of course we fully support full contract support cost funding, but in this 2017 exercise, the current BIA estimate for that need is \$302 million. And it was not physically possible to use this budget number and all the scenarios because it would automatically force reductions in other BIA program line items which tribes are on record as opposing.

A main focus was on the core programs for tribal TPA and other recurring. These are the programs that provide critical government services and pay the wages of staff performing those services in Indian Country. Some of the focus in recent budget submissions has tended to be on initiatives or grant type programs, it's not unique to this administration. Presidents do the proposing of budgets and they always have initiatives and things that they want to see, but we believe that the focus of President Obama's last budget, 2017, should be on our core BIA and TPA and recurring programs. So we'd really like to see the administration go out with a bang and have a budget request as big as with another \$300 million in '17 but one that focuses on recurring programs.

When it comes to fixed costs and pay costs, OMB dictated that we use a \$5.2 million planning figure for all fixed cost scenarios including tribal and BIA pay costs, and this \$5 million is by far the lowest amount every suggested in a budget exercise.

We ended up with five budget scenarios. The first one was 1.5 percent below '15 enacted, and the second one, 5.1 percent below the 2016 request. These were so difficult to try and address and deal with that we had to make some broad, sweeping items like we have done in past budget scenarios.

For instance, we had taken positions that Indian land and water claims settlements, about \$40 million in the bureau's budget, that these had to be paid but it shouldn't come out of the BIA's budget, it should come out of treasury. And that's a position we've taken in the past when forced to make these sweeping deep cuts.

Another thing in the first couple of budget scenarios, the targeted cuts were such that we virtually had to eliminate the central office. I think the assistant secretary was the only position spared. So that's really how we had to approach it, so it gives an example of how difficult and frustrating that can be, but we did maintain and restore sequestration cuts.

But further on when we were able to get into the, like budget scenario 5 and 6, which were actually above the president's 2016 request, that's where we were able to make some positions and recommendations that are realistic and worth looking at. They included restoring sequestration cuts entirely for all tribal and bureau, and we supported at all levels restoration of sequestration for the Office of Justice Services, criminal investigation, police services and detention, because those are really TPA like. These dollars go out to the tribes, whether they're a BIA run agency or a 638 or self-governance, so we strongly supported those. Also we provided in the budget scenario 5 which is higher than the 2016 request, 10 percent additional increases for all TPA and tribal recurring, and also 10 percent increases for all of the 2017 TIBC budget priorities which were identified at the March meeting. So those were a focus of attention.

And then we focused on some initiatives which we were asked to do in the budget scenario or budget scenario 5, was to include potential initiatives that tribes would support and the bureau could support, and these included road maintenance. We particularly latched onto that one in this exercise, in part because of a recent BIA analysis showing a \$203 million shortfall for road maintenance backlogs. And like the lady across the table pointed out, in fact, that number is probably way low because of the condition of various equipment. Part of the road maintenance formula dates to the 1990s, so it's 15 to 20 years old. Road maintenance is a desperately needed area for funding, so we targeted that, and under budget scenario 5, recommended \$118 million increase for road maintenance. We also recommended strong increases for the Tiwahe initiative at this level which would be 10 percent above the previous level, and the previous level was 10 percent above the level before that. So there were strong increase, it really showed support for the Tiwahe initiative.

And part of the reason for that is, of course, as you know, the Tiwahe initiative reaches across multiple human service programs, the administration really hit on a great idea when they first proposed that in '15, and most of these Tiwahe programs like social services and ICWA, hadn't seen funding increases in decades. And the congress signaled support of Tiwahe by funding the president's request in 2015. So there's a lot of reasons to support the Tiwahe initiative.

And so again, in these over target scenarios, we focused on TPA and recurring programs first with

increases across the board of 10 and 20 percent, same for the TIBC 2017 priorities and then a push for initiatives.

So I wanted to point that out, and also just to say in my experience I've been, appreciated the opportunity to participate in the TIBC budget subcommittee efforts. I've had the privilege to be involved with them going back to the previous administration, and I can say though we don't always agree on everything, I can say that never has there been the close level of consultation that this administration has provided. I'm sure there's many of you around the room who are nearly as old as I am that would agree with that. So there is a lot to say and some of this consultation, whether it be the TIBC priority rankings from the March meeting and other discussions at the table, but also the budget subcommittee efforts, they do translate their way into budget increases in areas that tribes support.

So sorry for that lengthy thing but that's kind of a summary of the budget subcommittee work, it's an exercise that's worth being involved in. Thank you.

BATES: What Mr. Mitchell is handing out is a budget resolution of the Navajo Nation Council specifically talking to what has been talked about.

JOHNSON PATA: Thank you, we did get a copy of that and we looked at that when we were developing the core of the resolution that was drafted for consideration of the TIBC and we'll take other amendments. In the version that was just distributed to you by Amy, we've made two additions, the ones that were talked about earlier, we added 566 tribes and we added the Budget Control Act in that.

ALLEN: Okay. So where we are right now would be that we would like the body to, if you're in agreement, to endorse and approve or support, I guess approve the recommendations of the budget committee which basically puts us in the scenario 3, puts us at \$2.9 billion, in the scenario 4 you see that it adds the 5 percent increase. The \$2.9 billion I think is close to the administration's request, it is, you're nodding yes, so that's a minimum, we've considered that a minimum. Then scenario 4, Dave pointed out, was 5 percent above, and then scenario 5 is 10 percent above where we feel there's a need. so if you're so inclined to agree to embrace the recommendations of the subcommittee and make it a part of the full TIBC, then that's basically what our recommendations are to the administration.

Action on resolution postponed until the next day.

Indian Education Update

ROESSEL: We had two hearings last week and from my perspective it gives me an opportunity to talk about all the ideas and dreams that not only we have within BIE but that are also articulated from tribes and the tribal leaders that we've met with throughout our consultation process.

When we talk about BIE, the reorganization, and the reform efforts, what we're really talking about is how do we improve the outcomes of the kids, that's our focus. The underlying premise is how do we build from the classroom out and that's what we focused on. If we're going to improve test scores it's going to be by teachers and it's going to be by principals. So everything else has to build up from there and that's the reorganization that we're now implementing through our proposals, through consultation, that we will be implementing.

One example, circles of reform, is teacher development. We have about a third of our teaching force that could retire today, so we need to fill new positions, but we also need to reeducate the teachers that we have today. But it's not just the teachers, it's also talking about how do we reeducate school boards,

how do we reeducate tribal councils, how do we reeducate BIE, how do we reeducate the Secretary of Interior, how do we try to bring all these stakeholders together.

One of the ideas that we have is a national board certification process. It's a very intense process. By the time they come on the other side in three years, the attrition rate in this process is 40 percent or so. So in other words, it's very difficult, but that one person can impact.

You may have seen the book and read the book, The Tipping Point, by Gladwell, where one person can help move an organization. Well if we had the right teachers at the right spot, they can start having that influence that will be greater than just one person improving. It is not just focusing on BIE operated schools, but also on grant schools.

One of the many purposes of the secretarial order is to try to relieve the burden we have on schools. As a principal I should be focused on the classroom, yet what we do is we have principals that are focused on everything but the classroom. The way you ensure learning is happening is ensure that you have a principal in those classrooms having instructional rounds, doing walkthroughs.

We also have JOM, we have tribal colleges, we have SIPI and Haskell, we have adult education, we have school construction, all of those are important, don't get me wrong, but the core of BIE is the instructional component of K12 where we have a majority of what we do, a huge majority is focused in those areas.

We're looking to realign by function and not geography. Some of these are really simply questions that we ask ourselves, how do you realign, what is my job, who do I report to, what's my responsibility? One of the things that the GAO report talked about is that there was a lack of accountability. One of the things that we've done in the reorganization is to clarify roles.

One of the other great areas of our reform effort is to promote self determination. That's the foundational element here. That's one of the areas that we're most proud of right now within BIE and Indian Affairs and Interior, is that if you look at what we've proposed, we have really put money where our mouth is, that within this current year and next year, secured funding and already about \$5 million for tribal ed departments.

The Tribal Ed Department Grant was just now released and we have two trainings happening, next week I believe in Albuquerque, and also one in Bismarck, and a webinar. But this is an opportunity for tribes, if you want to create a tribal ed department or you have one and it's not what you want to provide an application and receive funding to build and application code or expand an education code, or look at a way to try to consolidate your education, Head Start, JOM, adult ed, to try to put it under one roof. That's what we're talking about is this gives you an idea and an opportunity to move forward in those areas.

Partnerships. One of the things that we're really focused on is how can we bring tribal colleges into the mix. They're an untapped resource, you've heard me say that many times, we need to find a way to bring them aboard, that they have a role in this structure, they have a role in the solution.

Our kids don't think about college until 11th grade, 12th grade, and it's too late at that time. We need to get them started in kindergarten, 1st grade, 2nd, 3rd grade, get them thinking about college at that level.

When I oversaw and AmeriCorps, 20 year olds were in the program and they earned a scholarship, 20 year olds never thought that they could go to college. We just took a fieldtrip to colleges, went to U and M, and they realized it's not as scary as they thought.

The Department of Education has a program for elementary or preschool students; BIE cannot access it. Currently we have an early childhood program that only meets one-quarter of the need of the students.

Some of our schools can't apply for a preschool program. Secretary Jewel thought that was ridiculous. She picked up the phone and called Secretary Duncan and said, told him the situation, he thought that was ridiculous. And just like that, they allow now BIE schools to apply for these early childhood development grants, which have a huge impact. It really goes to the tribes, not necessarily just BIE, but what you can do is you can now utilize the space that we have in our school system to operate because you're the grantee in many of these situations.

We need to align the budget to priorities, that's the whole point of TIBC. A few years ago, BIE's budget was all over the place. Now we're focused; we have our priority in the classroom, we have our priority on professional development for teachers.

A few months ago we had a congressional delegation come out to Hopi Moenkopi and Navajo to visit Moenkopi Day School and Little Singer School. To get to Little Singer School you have to go from on a dirt road about 15 miles, and the congressional delegation, we put them on a school bus and it just was, it's 14 miles but on this road it was probably 20 because they're going up and down as much as they are going forward. They got off that bus and they said, "We'll never again ask you to justify transportation costs for education, but you didn't need to put square wheels on the bus." Having that impact though, they're interested, they're looking at things.

This was just taken out of the newspaper, *Washington Post* two days ago. It comes back to what we talked about and what you've been talking about today, there is a focus, there is a big heightened focus on Indian education, BIE, in particular, and they talk about the hearings that took place last week. When the *Washington Post*, *New York Times*, *Minneapolis Star Tribune*, all this attention, we have an opportunity, and we need a plan.

When you look at our '16 priorities in the budgets, those are the new school and the school components, school construction. Some schools have three-fourths of their campuses in good condition but one building is not, so in our formula they get ranked lower, yet they really need a library, or a cafeteria, so we add a school component to that so they can just take that one component and be more strategic with the money. You heard tribal grant support costs; in our '15 it would be 100 percent. JOM, that's the increase that we're proposing, scholarships and adult ed, almost \$5 million. So we're putting our money where our mouth is here but we also have to take light of this opportunity that's before us.

Our BIE dorms that service public schools. Through a partnership we provide connectivity and iPad type tablets to be utilized for about 1,000 of our students that are in these dorms. We have now a JOM coordinator. One of the things that we're focused on with JOM now is looking at not just letting it go out, what influence do we have as the federal government to help ensure that your public schools our serving our students. I had a meeting this morning with a tribe and their concerns about the local public schools not listening to their needs. So we are trying to align what we can do from the federal government. We have the JOM count.

We are also really focused being more transparent. We now have webinars. Tomorrow we have one on ISEP, our formula for calculating how much money each school gets, and next week it's going to be on how do we calculate tribal grant support costs. Coming up we will focus on the new construction application, how do you calculate ONM budgets, the basics of BIE funding, the basics of Department of Interior funding, so they understand the process.

We just completed our tribal consultation and we have until this Friday for written comments on it. In individual consultations we had with tribes and tribal leaders, 13 of them, some people say we don't like it, we like the big consultation, even though some of these consultations I met with tribal leaders for 8 hours, 6 hours, talking about one specific tribe and their education process. They'd rather have a larger group and get 15 minutes.

FRAZIER: Let me say something there. This winter, I was invited to go to our high school to speak to our kids, and I was there for four hours, and the whole time I sat with my jacket on, it was that cold in that classroom. In Cheyenne Eagle Butte, a BIE school, K-12, this past school year we have had 18 unfilled positions. Our high school had not had a math teacher all year.

Mr. Washburn, do you agree with this plan? One of the things I see when I went to these meetings, I see another Office of Special Trustee, another bureaucracy being created, taking certain functions away from the Bureau of Indian Affairs. I don't know how you as tribal leaders feel, but I don't like running all over the country and trying to get assistance for our people. There should be one place.

The Cheyenne River Sioux Tribe opposes this reorganization. They're trying to create line offices; we have three schools, we're going to have to go to two different places, when before we used to have a line office right on our reservation. Distance is a big problem. Half our reservation, Zeibach County, was classified as the poorest county in the United States, now we have to run over almost to the Canadian border, and we have to go to Rapid City. Right now currently everything is a loss. Any time there's a reorganization it should be from the grassroots up, not from top down. So that's my comments, I know most of the Great Plains tribes oppose this, so thank you.

ROESSEL: You bring up a really good point and actually your example is an example I will use why we need to have that reform or reorganization. HR was not handled by BIE, but now it will be reporting to BIE. So if there are no teachers in the classroom I can be held accountable. Right now I can't be held accountable because that's under BIA, so having that real clear line of roles and responsibilities and authority actually would help in this situation, because now you can say Dr. Roessel, why aren't those teachers hired, and I would have to come up with an answer. Now I would say, well, you know what, that's handled by someone else, that's not handled by me.

Same way when people ask how come we don't have textbooks in the classrooms, because acquisitions doesn't report to me, it reports over here. So that's part of that process.

FRAZIER: He mentions about where principals need to focus on academics, which I totally agree with, but when your schools are facing a lot of unmet needs financially, you can't focus on academics. I asked our school Cheyenne Butte High School, I said what's your average ACT score in the past 10 years, 16.5, at Topa it was 15.9, at Takini it was 13, and I believe the national average is 21.

I don't know why they created this Bureau of Education; it should have stayed with the one agency, one place. Because right now the BIA is in charge of backlogs or whatever they call it, Operation and

Maintenance. And if the BIA doesn't do their job, it's the schools that get left out. Dopa is facing a 45 percent cut in their operation and maintenance. Who does that fall back on? The tribes. We're not a rich tribe financially.

ROESSEL: Describing the slide, taking what was up here at a central level, we're taking those people down to the school level so they have support and can help tribes and schools with their reform efforts, school improvement efforts, administration and grant oversight also. So if you look at this you're seeing that these functions are actually moving down what was central and isolated, now it's down at the school the level, the education resource centers. That's a major focus that we have in that areas. The other is the alignment of the policy, education and post secondary, pulling Haskell and SIPI out of the mix to help them in terms of their Higher Learning Commission accreditation process, so they're not just hidden within a box, but they're actually standalone.

So what we tried to do was provide that opportunity that we have here, we also created an Office of Native Language, History and Culture. One of the things we heard a lot from tribes was that we want to teach our language but we don't know where to start. So providing that resource to help them move forward.

QUESTION: Will the teachers be allowed to be integral in the input provided for this curriculum and textbooks and whatever else.

ROESSEL: When we tried to implement, you have the standards that are set and that's what we're trying to focus on -- the unitary set of standards and the assessment that's aligned. The curriculum would actually come from that process of teachers and principals, school boards still developing that curriculum, but we'd have a curriculum framework so that we'd have all subjects covered and the approach we want, but the actual curriculum should be based on the local community so you can integrate local tribal history, language and culture into those standards and assessments.

COMMENT: I'm concerned with that; we just discussed the ACT scores on average were extremely lower and there's a disparity between the national average and those that are at the local BIE schools; so how is that going to take effect if you're following national standards and are already failing at that level of assessment to increase that.

ROESSEL: Right now what you see is most states are going to common core, some have backed out, but if they don't call it common core it's still the same idea, a common set of standards. And BIE has started that process two years ago so the standards are relatively the same. Now every state or local school can supplement the standards up to 15 percent so you can localize the standards 15 percent, 85 percent is standard across the country. So you still allow and afford a local community, a school board, to address their local concerns, but you still have the common core standards that address the majority of the other subject areas.

For example, Arizona is against common core, but if you look at their standards, it's almost identical to common core, they just don't like the word common core. So what we've done is we've done an analysis of all of the different schools in our different states, and we have five separate states counting today that two take part in common core and three are independent. But if you look at those independent standards they look just like the common core standards.

QUESTION: I noticed one of your beginning slides you're talking about each TCU will receive is it \$50,000

to help improve the number of low income students who are prepared to enter and succeed, is \$50,000 really adequate enough to allow this bridge to be reached?

ROESSEL: Yes, and we got that number, actually the number that we got after meeting with AIHEC and tribal college university presidents; they were looking at a lot of the grants that they received are in the \$25,000 range. S

O'TOOLE: The students at Haskell are starting class, juniors and seniors are starting classes without books, they're just getting handouts because they have to wait for the Pell grants to get their books. So how would this change be able to affect them so they can have classes? Books, classes and teachers to start their education?

ROESSEL: Part of the challenge we have is the federal system, which doesn't have really a place for scholarships like that so they're considered employees and it takes a while to go through that. We haven't fixed it yet, but I think we streamlined it, and if we can actually get people reporting just for us with our education, I think it would be more helpful.

O'TOOLE: Well that was part of the problem with our accreditation process for Haskell and SIPI because of the status that we're going to have to do legislation to change how we are.

ROESSEL: And that's one of the things that we're looking at, we're having actually a meeting this summer between the two boards to talk about sustainability in the future.

BATES: How much funding, if any, is coming from the BIA, and how will it be utilized or will it be utilized as well as the has the source of funding been identified to this process, and any reduction in terms of services that are already provided to Indian Country?

ROESSEL: One of the directives we got moving forward was that we don't want to build the BIE structure at the expense of BIA. So one of the things that we're looking at is how do we try to build up and correct a problem that everyone knows exists without saying it cripples BIA and their functions at the regional level? So how do we do that?

So the first phase that we're going through is primarily the educational phase and that is budget neutral for the most part. It's moving different funding sources then utilizing it, that's creation of education resource centers and providing those services to schools, that's that part. Phase two of the secretarial order is the moving of those five areas, contract and acquisitions, HR, those different areas, and bringing them under BIE. We're in the process right now of finalizing that plan, and the deadline is not until September 30, so we're working on that right now to try to figure out how do we try to build up BIE so they can provide the services to the schools without hurting.

Now in some areas we'll probably be taking from BIE or from BIA for BIE but right now they're doing that work for BIE so how do you distribute, what percentage is BIA doing for BIE. And so we're going through that process right now.

ATTEBERY: I know, Monty, we're getting to the end of the day so just two questions. You've heard me before, I'm not satisfied with the school system, we are a non-reservation tribe and our tribe is located in three different communities. Sixty percent, over 60 percent of the high school students end up in an alternative school in one of the communities out in Waurika, it's just not working for them, it's all public

schools.

So my question is we want to maybe take another direction if there is one. Are there monies available to fund schools on trust lands because we don't have a reservation? We have housing trust lands, we have over 200 acres, we just got a grant to build a new wellness center, which is a gymnasium facility for our elders for health issues. So would there be monies available for us to build a BIE school on trust lands?

ROESSEL: Currently there's a moratorium on school expansion so we're not able to expand our schools right now, a congressional moratorium.

HAYES: You talked about improving teachers, making them more qualified, getting them the qualifications they need to upgrade our standards for our students, and you said that many of them can retire. Are the teachers, the administrators, are they supportive of this? Are they going to jump onboard or are they going to wait until Kevin or this administration is gone? The HR system for Interior is not good: look at law enforcement officers. It takes them half a year to a year to go through the whole process and now you want to recruit highly educated teachers. How are you going to streamline this process?

ROESSEL: I think you can have a great plan but you still need to execute. There is no guarantee, but I think what we're looking at is how do we try to set everything up in place that we have the best, the odds are stacked in our favor that we're going to be successful, that's what we're trying to do. We had a problem with the organization; we're addressing it. We had a problem with training; we're addressing it. We had a problem with funding fidelity; we're addressing it.

WASHBURN: I'll tell you this; Indian education is broken. Those ACT scores that Chairman Frazier mentioned, those are bad, but they've been bad for a long time. The Bureau of Indian Education was set up long before I got here; it wasn't a decision that I made and it's one of those things that was handed to me, but I was told that we set it up to fail because we didn't give it the resources we needed.

And so, for example, they weren't getting special ed teachers hired in a timely way, and if you don't get special ed teachers hired in a timely way in the United States, you've got to pay damages. So our money was going, instead of hiring teachers and paying teachers, we were paying fines basically because we weren't getting special education teachers. I said, why is that happening? I was told, BIE doesn't have its own personnel people; the people they have don't understand the academic schedule so they're not hiring them on time so we're paying fines. It resonated that we needed to give BIE the resources that it needed to succeed, which is why we think this plan works. The President of the United States is committed to this. It's not just at our level. We've got to take advantage of that. We've got to get that momentum and push it.

CONNOR: Thanks, Mr. Chairman, and by the way, I think Kevin Washburn is the longest serving assistant secretary in more than a decade, so hang in there. Dr. Roessel, one comment and one question, the two BIE programs that served the largest number of tribes are JOM and scholarships, and so just ask that you continue to consider and support those in the 2017 budget, you'll make a lot of tribes happy.

Secondly, on some of the grant programs, and specifically the Department of Indian Education grants program and then the new preschool grants program you spoke of, I know we had a little trouble with the Department of Indian Ed grants, but are those two grant programs available only to tribes that have BIE schools on their reservation?

ROESSEL: No, they're not, they're open to anybody. We're just saying that we're willing to be aligned with that grant to utilize our school facilities for that if a tribe so chooses.

JOHNSON PATA: I think Assistant Secretary Washburn made it very clear that this is one of the pieces of this president's legacy for Indian Country was, it's not just Gen I, but it's really around native youth across the board. And as we're looking at putting together recommendations for the next 18 months, we're also seeing there's a lot of attention, you mentioned there was the *New York Times* article, there was the *Washington Post* article, the articles go on and on around native youth.

We've put together some post White House convenings with the funders to talk about resources, and I find that one of the things that's missing is really what is it that we want, what are the asks. You mentioned things like IT; what are the asks? Where can we be helpful? Because I don't want this window of opportunity to close, and we just look at the federal resources or just look at some of the challenges. When you're talking about teachers and filling those needs for the teachers it's hard to get people to come out to our communities without additional incentives. So is there something that you want us to be advocating for that can help bring more interest or more energy to getting the right quality of teachers to our communities? Are there some things that we can do to be able to help you as you are putting together your plan?

ROESSEL: The foundation of this plan is all of you, the tribes. I don't think that there has been a role defined for tribes and tribal ed departments in looking at schools, public or BIE. So how do you make the ask to look, what does that look like? What does a Tribal Education Department look like for Hopi, for Navajo, and I really think it focuses on that. I think empowering tribes to be able to give them the capacity to operate their schools. That's probably not as detailed as you need, but I think it goes back to the tribe and building that capacity.

JOHNSON PATA: I agree that that's the first step, in fact, that's one of the reasons why we've been advocating that in the congressional reforms on education. Still something we haven't achieved yet in the existing early childhood education bills that are in congress, we still don't have the tribes, in the role that we see them being and holding within the local education policies and curriculum that's needed to be there. But I do think that's one element of it. This is an opportunity right now that it would be helpful if we could come together and say what are some of those investments that we could seek while the lens is on us is there something that we can do that can help achieve some of the goals.

ROESSEL: We need to raise salaries for our teachers at our school level while they deal with all these other issues of housing, etc. The other the opportunity is allowing a tribe to be able to define its own standards, curriculum, assessments and accountability. We just approved Miccosukee and their alternative definition of AYP; we're working with Navajo, and hopefully we'll have that completed. We need the Department of Ed to recognize tribal education departments.

Day Two

KEVIN WASHBURN: OMB continues to really engage with us a lot more and engage with Indian Country a lot more. Last year as we were preparing the budget submission that is currently before congress was the first time in history that OMB had brought multiple agencies together to talk about the Indian Country budget. We've now had three or four of those meetings; OMB has decided that's a good thing and that's productive, and I think that's a real step forward because you guys inform on the Department of Interior Budget, but that's about 15 percent of the federal budget going to Indian Country according

to OMB's cross-cut. So 85 percent of the budget is not stuff we talk about in this room, but everything in that part of the budget affects what we do here, too. I think it's really great that OMB is trying to do that, trying to take a much more holistic approach, and it's coming from the political leadership over at OMB.

We've been meeting with Congress on native youth issues. That affects everything we do. There's been a much more holistic approach within the whole administration and including OMB on working on our budget issues. And so we've asked OMB really to institutionalize that to make that permanent so that this becomes a regular thing even.

Motion made by Greg Abrahamson and seconded by Buster Attebery to adopt the May minutes, as amended

BATES: That's correct, Mr. Chairman.

ALLEN: Okay, any other questions with regards to the resolution? So chairman, entertain a motion to that effect to approve the resolution? Okay, motion by Navajo, is there a second? Second by Alaska, Rick, okay. Further questions? Further discussion? Any objections? Yes, Gary.

Resolution in Support of High Level FY17 Planning Target

Motion was made by Speaker Bates and seconded by Rick Harrison to adopt the resolution, "Supporting the FY 2017 High Level Planning Target for the Bureau of Indian Affairs." The resolution is in line with the Navajo Nation resolution, which can be attached when presented during meetings. Motion carried.

(Link to [resolution posted online.](#))

Approving Data Management Members

ALLEN: Participants in the data committee would make sure that when we map the criteria that we want to gather, that it's the same criteria works for 638, self governance, or direct service. So we want to make sure there's a crosswalk of that data. And the intent is that it has to reach out to the people who actually would give us input back.

Data Management

Gary Hayes, Ute Mountain Ute

Rick Harrison, Chickaloon Tribe

Vicki Hanvey, Cherokee Nation

Buster Attebery, Karuk Tribe

Brenda Fields or Kitcki Carroll, Eastern Region

Dr. Kenneth Reinfeld, Senior Policy/Program Analyst, Office of Self-Governance

Rachael Larson, Budget Officer, BIA Alaska Budget and Accounting

Configuration Control Board:

Dave Conner, Administrative Officer, Red Lake Band of Chippewa Indians

Robert Scabby, Self-Governance Coordinator, Salt River Pima-Maricopa Indian Community

Nancy Jones, Regional Housing Program Officer, BIA-Western Regional Office,

Melvin Gilchrist, Program Analyst, Office of Budget and Performance Management

Steve Dunn, Tribal Data Exchange Systems Analyst, Chickasaw Nation

Rachael Larson - Budget Officer, BIA Alaska Budget and Accounting

Clint Hastings, Cherokee Nation

Great Plains Placeholder
Navajo Nation placeholder

ALLEN: We also want OMB participation.

HARRISON: Data Management meetings are open meetings, anyone that is not a member can still come to the meeting and participate and have input.

Motion by Vernon Miller and seconded by Rick Harrison. The motion and appointment is approved.

Update on CSC from Tribal Co-Chair

We met with a Hill staffer yesterday. Basically one of the key staffers up there in the Hill said that they are entertaining the idea of a quasi mandatory CSC proposal. It would have a separate account; it would still be in discretionary. In order to move any kind of money into mandatory it requires statutory authority. When we reported on this topic, we were looking for a legislative vehicle to make that happen. Mandatory falls into the Authorization Committee's jurisdiction, not the appropriator's. So we're dealing right now with the appropriation and they're moving fast. He said that what they're entertaining is they agree that CSC needs to be paid 100 percent and that they do not want to see CSC obligations to the tribe compete for direct service activities, program, whether they're direct service or contracting out, doesn't make any difference. They see that that's a competition; they see that's a problem for both BIA and IHS. Pardon me? So what they're proposing to do is when the bill is final it would be designated its own account. CSC would have its own account and there's a firewall between it and the facilities account and programs. And it will be there until the obligation is fulfilled. It's a very unique appropriation process, and they feel that the number that they're putting is going to be more than sufficient for new and expanded, so that they're very conscious of that fact.

CARROL: We just wrapped up our USET board of directors meeting, but there was a conversation that came up during that discussion. It's the prerogative of the United States about how it wants to measure its own performance, its regional directors by example. But in terms of funding that goes out to Indian Country, our USET leaders had a very robust conversation around this notion of treating tribes as any other grant or funding entity in terms of demonstrating performance. We get so focused on this data and outcomes conversation that we lose target of the bigger fact that with funding to other sovereigns, that same sort of process to ask for those monies and to report on those monies is nowhere near the same. In fact, it's absent in many occasions.

WASHBURN: If the United States has a trust responsibility, even when it contracts to tribes to enforce or perform that trust responsibility, the United States still has a responsibility to make sure that it's being met, the work is getting done. So I actually feel like to some degree anybody that's spending trust responsibility dollars has to be accountable to make sure the trust responsibility is being met.

I think it's a little different when it's the tribe doing it. It's important to build the flexibility in for the money so that they can do what needs to be done even if it's slightly different than what the money was originally appropriated for because that meets the trust responsibility better.

FY2017 Tribal Budget Submission

ALLEN: Yesterday, issues that came up included road maintenance, prioritization in the respective regions, and public safety issues. Greg Abrahamson raised the issue of Columbia River Tribes, those 15 tribes who are looking for help on important treaty right issues, the transportation issues and so forth, so we need somebody to make sure that we're making our last pitch to you on those various priorities.

CONNOR: One of the reasons the budget subcommittee emphasized road maintenance as one initiative was the fact that congress did add \$2 million in 2015 for road maintenance. It's a very small amount but sometimes you get a signal from congress that they're supportive, like they supported the Tiwahe initiative in '15.

WILL MAYO: I wanted to raise an issue for Alaska, I'm a tribal member for the native village of Tanana in central Alaska and I'm working for a tribal consortium of 42 tribes in central Alaska. The Venetie case ruled that Alaska had no Indian Country over which to exert our sovereignty, so that's why the land into trust issue is really important for us.

The way that we're able to exercise tribal sovereignty is through our membership. And so the issue of ICWA and our children has hit the forefront and we're really exerting the sovereignty in that arena because it's one of our only options. The issue I wanted to raise that we really need assistance with is to have TIBC support our tribal court funding. Our tribes are remote and they are without any tribal court resources, yet they exert tribal court authority because their tribal councils will also serve as their tribal court judges, some of them. And in some cases they seat a tribal panel of judges separately from the council but they are at various levels of their development, and let we get no funding for tribal courts. And yet this is the area which we are able, one of the few areas we are able to exert our sovereignty and push back against the state of Alaska, push back against those who fight our sovereignty.

So the importance of this is something we would like Indian Country's support with to back us up, to try to get this funding. Now we have been told that because we're a 280 state we aren't eligible, but we don't believe that's true. We believe that instead of looking for excuses not to help us in exerting our sovereignty, that our trust relationship should be looking for excuses why you should help us, why you should cut out some portions of this. But I just want to say that it is number 2 on the list, but not for Alaska, and that is why we're request TIBC's support in our struggle to be able to exert our sovereignty. We're excluded from these funds and so we appeal to you to consider this if not now, then for consideration in our next round of budget.

Motion on Regional Input to Improve Budgeting

VERNON MILLER: He made a motion that TIBC set a deadline of July 1, before the August Albuquerque meeting to receive recommendations from each region on improving the trust obligation process, to make it more fair for our regions and the recommendations to be considered at that meeting in August. Motion seconded by Rick Harrison.

Discussion:

THOMPSON: Here's what I would propose that we, the feds, get out guidance to our points of contacts at the regions to push out to the TIBC members, somewhat of a template, sort of loose template that we would get everything back in some type of standard. We would take those, compile those as to what each region's recommendations were and how it would be applicable to the current process and then put those as options that we would bring back to the August meeting once everyone concurs that would be the better approach or the current approach is okay, then we would formalize that, send it out after the August meeting to indicate this is the approach that we would look at doing for '18. But at least get the information back to where everybody gets a clear look at it and we can weigh the pros and cons of it in the August meeting so that when we walk out of the August meeting we're pretty much sure this would be the process that would work.

THOMAS: Can you talk more about tribal courts and 280 states?

WASHBURN: We are examining what the needs might be for funding tribal courts in 280 states, which we will report out to congress relatively soon. OJS has been working really hard on this. We are looking at if we funded tribes in Public Lot 280 states for tribal courts the same way we do in non-Public Lot 280 states, what would that look like and how much would that cost. We under fund tribal courts in non-Public Lot 280 states already, which is probably why it's ranked as the number two priority by this organization for funding.

VICKY: Over the last five years have we examined how effective our process is with the top five priorities versus what actually got funded, what were the top five that actually got funded. The second thing that I wanted to bring up was about the grant process. Our OIED funds in our compact are now being sent through as a grant. There's been some decision that it can no longer filter through our compact.

ALLEN: If we were to juxtapose this ranking process over the last ten years, this is pretty consistent. At least my experience is this is pretty consistent. So cross our respective 12 regions, those areas, for the most part, stayed the same because everybody cares about them.

Office of Natural Resource Revenue (ONRR)

[Presentation available at the [link](#).]

PHILIP GLEASON: I work for the Department of Interiors Budget Office, and with a colleague of mine we handle the BIA budget for the Secretary's Budget Office. We continue to bring different bureaus to present to TIBC at your request so other bureaus can take input – NPS, USFWS, Wildland Fire, and DOJ have all come over. Today we have Richard Adamski from the Office of Natural Resources Revenue and I'll turn it over to him for an update.

RICHARD ADAMSKI: I'm here representing our director, Greg Gould. We collect the royalties due for federal and Native Americans on onshore/offshore lands within the United States. In 1982 there was a Commission and it was decided that more focus needed to be placed on the process of collecting accurate royalties. At that time they created the Minerals Management Service, which morphed into the Office that we are now. We have a history of taking our trust responsibility to Indian Country very seriously.

In fiscal year 14, overall we disbursed \$13.4 billion, collecting the royalties due on oil, gas and coal and some other minor mineral production. That's the total for everyone. We are proud of the \$1.1 billion collected on behalf of 34 Indian tribes and approximately 30,000 individual Indians. In 2014 that was the first time that we hit that kind of milestone, and it's due to increased production on Native American lands and also prices were very robust in 2014. Unfortunately, because everybody is aware of the price of oil and gas this year, right now it's about \$60 a barrel, we don't expect to see that figure again, but hopefully it won't be much below a billion, but it will be probably lower in fiscal year '15 collections.

The states share 50 percent of the royalties that we collect on federal lands go to the state in which the production occurs. Typically for onshore production the royalty rate is 12.5 percent, that varies here and there. The revenues that go to the individual Indians and also Indian tribes, that's 100 percent, that's not shared with anyone, we just collect on behalf of Indian Country.

QUESTION: Our people back home, they say that the federal government never took our mineral rights; through treaties they only took the surface, so all this revenue from minerals underground belongs to the Indian people. Back home they say all federal lands are Indian lands. So how did that come about, is that congressional legislation or case law that determined the states get 50 percent of revenue off

federal lands?

ADAMSKI: Well just to clarify that, and I'm not an expert in how this all transpired, but for the lands that are Indian tribal lands and also that belong to individual Indian mineral owners, again, the royalties that are produced from any production in those areas, 100 percent goes to the tribe or the individual Indian owners. The states, say like in Wyoming, and that does not include any tribal lands in Wyoming or New Mexico, it's just the federal land in those states, half of that, the royalties that are produced from those federal properties are shared with the states and that's just by I guess statutes that were passed determining that they would get 50 percent.

Actually, Alaska has a special situation and state of Alaska actually gets 90 percent of the royalties that are produced on federal lands in the state of Alaska. If it's tribal lands, again, they're separated out and they go to the tribes. We have CIRI up in Alaska. Again, I don't know that I'm an expert in answering that question, I'm sure it was decided between the federal government and the states under the Mineral Leasing Act of 1920 as a way of disbursing or separating out who gets what, the 50 percent.

WASHBURN: That's been going on for many, many years. I don't know, for each one of these how that developed but it's been going on for many, many years. Some people think they stole that land fair and square.

ALLEN: Well, okay, we're not going to solve this problem here. The point is well taken and it's been a strong position of the tribes for generations, so let's continue on with the presentation, Richard.

ADAMSKI: We are a collection and disbursement agency, and that's our primary focus, to make sure that when companies come in and produce lands, either they're from Indian lands or from federal lands, that the Native Americans get their fair share of that. We set values, we audit those values and we make sure that the monies get to where they're supposed to go, be it either a tribe or an individual Indian mineral owner.

O'TOOLE: Do you show where people have gotten fines, revenue from fines back because they have spilled the oil or something on the land and it affected the water. How do you account for the fines back, does it go back to the lease holder, does it go back to a different place, how is it accounted for?

ADAMSKI: That would be more in the purview for operations and inspection and enforcement for the Bureau of Land Management and the Bureau of Indian Affairs that would be involved in those types of issues. Our focus for Office of Natural Resources Revenue again is just the money collected. If there was misreporting of volume we would have civil penalties that would be charged against the company. If there was misreporting of or under reporting of royalties, there are penalties associated with the dollars collected from production from those lands and that would be our focus.

We have a specific office within our agency whose main focus is state and tribal support. We have what's called cooperative agreements with six tribes and that is a Section 202 cooperative agreement. It involves the Black Feet, Ute, Shoshoni and Arapaho, Navajo Nation, Southern Ute and Ute Mountain Ute. Those tribes have decided to assert their independence and take control of most of their audits and inspections on their tribal lands.

The 202 agreements are funded each year at about \$2 million. We actually fund the auditors that are needed by those tribes and the inspectors and they decide what is needed to do an adequate job for their particular areas. So we have a strong relationship there.

The funds come out of the overall budget that's allocated to our office to ONRR by congress, the president each year, and again, the percentages is based on need and how many auditors each one of them have. And we have formulas for I guess how they determine what tribe gets what money, but it's a portion of our overall budget.

And that leads into the question of the Native American crosscut budget. Our agency is a little bit different than some of the other agencies like the Forest Service and Parks Service, because we collect royalties on federal and Indian lands a lot of those lands are interspersed. There's a lot of areas in New Mexico, Wyoming, Montana, Colorado, where you would have a federal and Indian lease on the same parcel, they're allocated their particular percentages, so our budget isn't set up overall like specific to Indian versus federal. But each year we do allocate a significant portion of ONRR's budget and typically it's around \$35 million, to collections on Indian lands. In 2015 fiscal year it was \$34 million that were allocated for that purpose and going forward this year in 2016 or in coming up in that, is actually one of the first times, because there was now a special relationship developing with the Osage tribe that we've specifically allocated approximately \$4 million and separated out that budget for the effort that we'll be working with director Mike Black going forward after July 10 to begin collecting some royalties, the royalties for the Osage tribe and area. And that's for the first time in history because they were always independent in our regulations and had their own royalty collection process.

Now, again, because we just passed a new Osage valuation regulations, which again is effective July 10, we will begin the process of helping out with that effort and again we've been given the specific budget to help out with that effort. A huge amount of land, payers, producers, is coming over to our area, we're estimating that it's going to increase our Indian focus by 82 percent just for taking our part in the Osage. And we're looking forward to that because we do have tried and true systems in place to make sure that people are receiving the correct royalties that are due them.

QUESTION: On the fourth bullet, tribes receive 100 percent of minimum revenues from their leases, how are these leases disbursed, which tribes get leases?

ADAMSKI: The Indian tribes have their own authority to enter into leases with the companies, oil and gas companies or coal companies that would come in and drill on their lands. There is oversight provided by the Bureau of Land Management and Bureau of Indian Affairs in establishing those leases. Our office also has a role in reviewing those leases to make sure that the Indian owners are getting basically every dollar due and that there's no detriment to the tribe. Once the lease is established that's where we come in and there is production under those given leases for oil and gas, we will make sure that the royalty rate established in those leases and any special provisions are followed when we collect the money for that production.

Indian leases are a little bit different than federal leases. In the past there were standard Indian leases with standard language. As of 1982, under the Indian Mineral Development Act, tribes had the ability to write special clauses in their leases. So it's really pretty much in their control as far as what they want to set the royalty rate at, if they allow deductions for transportation or processing of gas, and the lease terms override any regulations that we have if there's a conflict. For the individual Indian allottees, that's the purview of the Bureau of Indian Affairs to negotiate those leases on behalf of allottees.

About 10 years ago, we established what we call the Federal Indian Minerals Office in Farmington, NM, to service the tribes in that area. ONRR has two FTEs down there. We have specific regulations that go through the Administrative Procedure Act process. We changed the regulations for Indian gas back in

2000 and those regs have been working very well for collections on Indian properties and have served as a model for the last 10, 15 years for the current regulations that we're working on.

A hundred percent of the revenue goes back to the beneficiaries. Our agency does not collect any percentage as far as administrative costs, it's just all rolled into our budget and what we spend. Our State and Indian Compliance Office, in an effort of collecting royalties does outreach. In 2014, we had 129 outreach sections at community and elder centers, college campuses, fairs, powwows, tribal council meetings and local BIA offices, again to just make sure that we have a presence. In fiscal year 2014 our outreach staff resolved 14,488 inquiries by fielding phone calls, responding to emails and answering in person questions posed by tribes and individual Indian mineral owners.

QUESTION: How can tribes access these programs?

ADAMSKI: Contact our director, Greg Gould, or through Paul Tyler, who is our trust representative for our office. He's with the State and Indian Compliance Office that is housed in Denver, but through his outreach efforts, he would be a perfect individual and I could get you his name. And his email address would be paul.tyler@onrr.gov. But he would probably be the best point of contact.

STANLEY SPEAKS: I just wanted to clarify an issue, I know Mr. Black brought up the issue about does a tribe share in the utility company as far as in the case of Warm Springs, they do have agreement with Portland Utility. At this time their share is something like close to \$15-20 million a year, and that's the Peltan dam. Eventually they will share in about 50 percent of that income.

FY 2016 Budget Initiatives

THOMPSON: Major initiatives, White House Council. Secretary Jewell heads this council. Through collaboration, they brought the Native American crosscut and everybody looked at those numbers and said what is all of that, what does that mean, how does that affect us. It was actually stovepipes across the entire federal government.

If you go back and look at those agencies' budgets now, you will see a word in there called generation indigenous, they describe it as Native American youth, how do we affect that within our budget to address it here. So it's really bringing a focus to our budget needs.

There is a \$35 million increase in SAMHSA for mental health services. In HUD, they did a \$10 million plus up to address teacher housing that is only available to tribes to get the money. Another policy statement is Tiwahe. Through each line we've included Tiwahe: in social services, Indian child welfare, courts, job training, housing, law enforcement initiatives. It assists the tribes, because these are TPA monies, all except for the law enforcement initiative, to direct those to what you need once the money has been appropriated. These are our actual policy statements to congress telling them what the change of our policies are. Investment in youth, that is what the whole Gen-I initiative is about.

Native American One Stop. There's two initiatives within our budget that are outcomes of this august body, we talked about the Native American crosscut, the Native One Stop is how do we access that, how do we get all the information necessary from all of the agencies, how do we get it to a usable format? We don't know if we'll get the \$4 million from congress but it's a policy statement in our budget.

What we're looking at is the portal for information. We're also looking for those individuals that go out to those other agencies and advocate for the change and the sideboards on those resources. So that happens this time a year for '17 and '18 when we start talking about the collaboration with other

agencies, how do we change that to where we take all the grant requirements, all these other things out, and simplify the process so that it's less competitive and more service delivery, if you will.

Dr. Russell was very clear on some of the educational investments. Obviously we have not made the investment in our infrastructure. We have an infrastructure problem with our agency buildings as well, we're trying to figure out how do we address those. Because once a tribe contracts or compacts a program, you're the tenant in those buildings so we should have them to where you can move into a decent building and continue on with those services.

Nation building: there are a couple of obvious ones. The contract support costs, there is only one way that you can get the infrastructure in your organization, is one, to have the money to do the administrative parts; the other is that we have to look at how do we get all of the tribes operating at the same functional level, if you will, from an infrastructure standpoint.

One of the things that we have done is when the super circular from OMB that was going to lay a number of requirements on tribes, from our perspective, we went in and asked for a waiver of those requirements for self determination 638 contracts and compacts. We felt that the requirements within our agreements were sufficient that we didn't need the other requirements in order to succeed. That is going to exempt some of the tribes from going through that, but if you're competing for other grants and contracts with the other agencies, you're going to need the indirect cost rate.

One of the things that we're working on from a policy perspective is how do we simplify that requirement.

Energy system. ONRR is going to be a part of that. BLM will be a part of it, Indian Affairs. All of the people that have a responsibility for oil and gas, minerals, renewables, will all be coordinating.

FY '16 is the third year we've asked for initiatives in climate resiliency. This isn't the project money. This is to build the case for you to have the necessary science behind what you need to do. We put it in as '13 as the initiative money which means it came from the White House, we were able to roll that over as recurring dollars in '14. '14 got funded with a little pushback because one of the things that we got written up in in our report language was that we didn't listen to congress' wishes on this subject. We went back to the green book and said this is what we want to do and that's when we had the omnibus bill and they didn't address it. It is all about the scientific capacity building within the tribes. And then the '16 actually gets into looking at how do we map out some of the corrective actions that have been identified going forward.

With that, that's why I wanted to talk about policy in the green book versus the dollars within it.

ALLEN: It's always good to know what the bureau is targeting as initiatives. Some of them stem from the present. The president's visit to Standing Rock moved him and let to the Indian youth initiatives.

We know also the importance of transportation relative to self-reliance, economic development, generating new revenues or just fundamental infrastructure to handle the community responsibility, schools and roads to schools, et cetera. Nation building also addresses a whole bunch of issues. In the context of contract support, I think of it in terms of the fundamental governing infrastructure, what I often refer to as a political legal infrastructure. Many tribes have it well in place but there are also lots of gaps.

THOMPSON: When we say tribal nation building, we're taking the things that we're fiduciarily responsible for and trying to get the funding for those. What the tribal structure wants to be, if we're relieving that burden because you're taking tribal administrative dollars to support our initiatives, then that's taking away from the strength of the nation. So we're trying to take those and take them offline to where they are not an issue. It's sort of the same thing with contract support, taking it to a mandatory instead of a discretionary. So if we move those offline then the tribe is not having to support BIA programs with the infrastructure that they have back home.

Let me talk to grants. One of the policy issues that you're going to see in the green book is we're trying to remove the G word out of the language because this is what we're telling congress that we're doing. The only ones that you would see going forward is new initiative monies would be possibly tagged to a grant, the rest of them we're going to go with the self governance agreement or the 638 agreement. Some of them have deliverables that we would have to write in the agreement but we're trying to move that paradigm back to self determination instead of the grant.

By exempting us from the super circular we're getting away from grants.gov. We will post it on grants.gov but the official communiqué will be a dear tribal leader letter from Assistant Secretary Washburn announcing any additional new funding coming out. And the application process will be outside of grants.gov, that is our path forward that we're looking at how do we solve that problem.

ALLEN: In the past the department has tried to advance the use of grants for what you often refer to as one time monies or you don't know if there's going to be reoccurring monies or not. Grants are nothing more than just a legal instrument to get the money to the tribe and we have lots of legal instruments.

Like you said, self governance, funding agreements, 638 contracts, it's a matter of which vehicle the tribes want to use that makes it easier for them to use those resources for their intended purposes. So I do think the bureau needs to be more flexible in terms of whether it's one time monies or it's reoccurring monies.

But I would also advocate more and more of the resources that are intended to be base monies back into base monies. And my quick example is law enforcement. Years ago it was taken out of TPA and yet it keeps coming back to us through our various legal instruments. But the issue is that it should be a part of the base. The old notion that separated them out from the TPA was the fear that tribes were not going to use the money for the intended purposes which is false. It never happened. For the most part we can make a case that tribes spend a great deal of their own monies to actually supplement the federal monies for those intended purposes. So the old notion that we would misuse it or abuse it is just wrong and those monies need to be moved back in. Other examples we've advocated: HIP monies, general assistance monies, et cetera, those are monies that need to be moved into our base and provide the tribe with greater flexibility to basically address the needs of the communities, because it's going to vary from community to community.

CARROL: Three points in response to that: one is that I'm glad to hear that we're moving away from that grant language. Our region fundamentally opposes grants as the execution of that responsibility. This issue of recurring/nonrecurring needs to be resolved. There is no reason that ISDA contracts, compacts, cannot receive non-reoccurring dollars through them; we've done it for many years. The third point is I understand what you're saying in terms of massaged scope of work language to be able to address dollars that go, expand the dollars that go into those contracts and compacts, especially on the 638 side, but I would say not to over define it so much because those scopes are meant to be general frameworks

that we don't want to lance, and where we are denoting every specific element of a scope of work that becomes problematic and over burdensome to tribes in terms of from a reporting standpoint.

THOMPSON: Your number two, we're working on standardization to get that done. The third one, what is the deliverable that the tribe wasn't for the use of that fund and negotiate that towards the agreement. Here's what we're going to produce for ourselves, and that's your deliverable. It's much about getting the checkmark for the feds, but it is getting the data for the tribes that they were looking for in that initiative.

CARROL: My only point is I don't want to end up replicating a scope of work model that basically reflects a performance outcomes driven grant methodology model, as well, and that could happen very easily if you're not careful.

QUESTION Ron and Tommy, I remember last year at this time a former chairman, three affiliated Tex Hall introduced a resolution from this body to DOJ and the BIA on those grant dollars, and that we are requesting interdepartmental language or documents to move that money back. I haven't seen a response to that, not that it's not out there but I just haven't seen it.

ALLEN: I don't think that the department has formally responded to it but I can tell you that Charles and I raised that question yesterday at the house level and explained what our frustration was and why we were seeking collaboration with those resources. The house staff committed to get the DOJ approps staff together with a small group of tribal leaders to discuss how those resources can be better coordinated and Charles made the point that there's like a firewall between the two and the tribes don't have the kind of discretion that Tex was trying to address. And so he said let's see if we can't fix that.

That's something we need to follow up on. I think it would be good if we could get Darren Cruzan and his counterpart over at DOJ into that same meeting with a small group of us. So Tommy or Kevin, maybe we could try to make that happen in the very near future. Our resolution proposal was to try to transfer those monies over to DOI and we could certainly have that conversation with them as well. They would have to authorize it; it would have to be approved by them to even make that kind of a transfer.

WASHBURN: I'd just say it's a difficult subject. I think DOJ has about \$100 million a year that they give out in grants to tribes, they've got, the crosscut shows about \$400 million the DOJ spends in Indian Country each year or related to Indian Country, but I think \$200 million of that is money that they spend on the BOP housing, our convicted people from Indian Country. So that's not really available. I think it's around \$100 million.

The Indian Law and Order Commission that issued its report, chaired by Troy Eid, their recommendation was the opposite of that. They said all BIA OJS should be moved over to the Department of Justice. I was talking to Troy Eid yesterday who chaired the Indian Law and Order Commission and he said that was the single most controversial thing that they recommended. And he said, if he had it today he probably wouldn't have recommended it now that he's heard a lot of feedback about that.

Moving big amounts of money like that from one agency to another in the federal government is really hard because of the number of people that have to agree to that, but we'll take money wherever we can get it from. We would take it, of course, but Department of Justice has to agree to it, Department of Justice appropriators have to agree to it, all the people in the house and the senate side that have their account which is a different committee, different subcommittee than ours. OMB has to be onboard

with it, too, and basically for all those people you're taking that money away from them because they view that as their money.

I wouldn't say this isn't politics, I'm just telling it like I see it, but I'm not very hopeful about seeing that happen. It's grant money. The frustrations are tremendous. DOJ gives out money in three year stints, and then they say when it's done, it's done, so try to spend all this time putting up programs for a three year grant and then at the end of it they don't allow you to renew it sometimes and it just goes away. I know why tribes would rather us have it, because it tends to go into your base funding, and if we send up a program it tends to live forever.

ALLEN: Could Kevin and Darren put together a list of issues that we would like to engage in with all those key parties on these issues, the subject matter that you're raising and Tex raised, points that Kevin is raising. I received some emails on concerns about the new reporting requirements for law enforcement. It's caused some heartburn for tribes in that it is too extensive, too often, and it is causing additional burden and doesn't allow them to do their job, et cetera.

HARRISON: I just wanted to remind, when DOJ was here at one of our meetings last year this was brought up to them directly and they were open to the idea that with the, although it's different for Alaska, we had the caveat that we'd want, we'd still have to get our money through them. But just a reminder we had that discussion with them and they were receptive.

DOLSEN: We could ask DOJ to consider more block style grants, very similar to the way self governance is given out, to afford more latitude in moving and deciding how law enforcement should be done. Because each region and each tribe is going to be unique and have unique law enforcement needs.

HAYES: CTAS asked that BIA participate as they go through the process when they receive the applications. And I don't know if that's happening.

WASHBURN: We have a lot better communication with DOJ now, but the basic problem is three years is only three years. I think DOJ is somewhat sympathetic; they've heard it over and over, too. I've heard a fairly high official over there say what about five years, what if we could do it longer.

With most of their programs, they're accustomed to funding state and local governments and their deal is with the COPs program and others. They're going to fund you for three years but then you've got to take it over after that, find the funding. Their model doesn't work so well for us.

Land Buy Back Program

JOHN MCCLANAHAN: I'm the program manager for the land buyback program. I wanted to do three things basically. First I'm going to just let you know what's in the folders that I passed out to most everybody; second, I want to highlight some of our accomplishments; and then, finally, I just want to talk about some of the things that are coming, some of the next steps.

The folders that I tried to get to all the tribal leaders have on the left-hand side a status report. We put this out back in November; this is a good description of the program, how it started, how it operates and the progress that we had achieved up until that time.

We've got offers out at 17 locations so far, we've paid out more than \$400 million to individual land owners that have decided that they want to consolidate some fractional interests, and that has amounted to the equivalent of more than 600,000 acres going into tribal trust ownership where it's

going to remain forever. We are about 25 percent through the time period that we have which is just 10 years under the settlement, and we've paid out more than that in our fund that goes to the landowners. I wanted to highlight a couple of our priorities. The first priority is that this program is here because of the Cobell settlement, which obviously involved hundreds of thousands of individual landowners and account holders. Our main priority is to get information out there in Indian Country so that those land owners are equipped to make informed decisions about this program.

Our second main priority: we've got almost 20 agreements with tribes across the country to implement this program locally on the reservations. We're upholding tribal sovereignty, we're respecting the tribes and the priorities that they have for their reservations in this program.

We want the program to purchase the fractional interests that are most important to the tribes. Tribes have economic development projects that we've been able to support through the program, for example, Gila River had a utility corridor project that we focused our efforts on. So we're here to serve the interests of Indian Country, and that's the individual Indians and the account holders, those are our main priorities.

FRAZIER: You mentioned economic development, but for Cheyenne River how come you're not purchasing individual tracks off reservation?

MCCLANAHAN: Yeah, and we recognize that there are some locations that have tracks that are off reservation or sometimes we call it public domain. One of our key principles from the settlement is that we're able to put land in to trust for a federally recognized tribe that has jurisdiction.

Sometimes that jurisdiction will be in question. Those are areas where we need to work more closely. I know for Cheyenne River, 94 percent of the tracks there were captured through our appraisal effort. We did not get the ones that you're talking about there, but 94 percent of the tracks were appraised. We're really trying to get as much land as we can through this program.

We've got a limited amount of money to implement this program. Under this settlement, congress said no more than 15 percent can be used for implementation costs, that's things like appraisal work and outreach and title work. And so that's basically no more than \$258 million. Thus far we've spent 9.5 percent of what we're allowed to do, so we're being pretty efficient and judicious with the funds that we have.

This shows the money that we've paid to the individuals that have decided to sell so far, and this fund is obviously mainly geared towards that. We also have scholarship contributions that we make every time somebody decides to sell and that's going to be up.

FRAZIER: That's another thing I kind of have concerns with, because most of that revenue derived that is going to fund that scholarship is from the Great Plains and the Rocky Mountains. So therefore that's who should be getting them scholarships.

MCCLANAHAN: I've heard that comment quite a bit in discussions with tribes listening to their feedback on the settlement and the scholarship portion of the settlement is managed by the American Indian Graduate Center. There's a board of trustees, two of those trustees are appointed by the secretary, two by the plaintiffs, and so it's that board that determines the policies for how the scholarship funds will be distributed. I know at the end of April there was an announcement made that they're accepting applications for the fall term and one of the criteria that the scholarships will go to members of the

Cobell class.

And so the criteria, I just want to emphasize, is not something that Interior alone is determining, it's really outside of Interior, but I would encourage, like I have before, tribal leaders to talk to the folks that are running that scholarship fund if they have ideas about how that ought to work.

DOLSEN: The scholarship fund, is that a statute, is there a statute that dictates the amount for that?

MCCLANAHAN: Essentially, yeah, it comes from the Cobell settlement, which was approved by congress in the statute. The Cobell settlement has a section that establishes that scholarship fund. It does establish a maximum amount that can be contributed and so there's a formula that's set forth in the settlement agreement that says every time a sale occurs, if it's more than \$100 this is the amount Interior will contribute to that scholarship fund, up to \$60 million. There's some other sources, as well, but for the buyback program we're able to contribute up to \$60 million. And it's not deducted from the payments that go to the individuals for their land if they choose to sell, so it's separate from that.

ALLEN: Okay. And the criteria is out there online so the tribes can look at it in terms of where they solicit the applications, et cetera?

MCCLANAHAN: Right, I had suggested folks would go to the American Indian Graduate Center website to get more details about it.

WASHBURN: We've been working really hard to get the word out. You can certainly Google it really easily. We've been trying to get the word out because, honestly, sometimes these scholarship monies go unused because people don't apply for them which is a tragedy in Indian Country. There's now \$17 million in this fund and there's going to be much more, as John and his team continue to be successful in making these purchases. There are people that would like to have that money but ultimately what was come up with was the idea that all of Indian Country could benefit from this, and I think that's probably what helped get it through congress. Because if it was just a program for the Great Plains and the Rocky Mountain region, I'm not sure that congress would have enacted this settlement, and all of Indian Country came to support that settlement. Part of it was because it could benefit all those kids. Certainly the needs are very great in the Great Plains and Rocky Mountain regions, but there are needs elsewhere, too.

MCCLANAHAN: If anybody needs additional information, if you'd like some of these outreach materials, let me know and we can send those.

ALLEN: Thank you, and we appreciate you coming and giving us an update on where we are, John. This is a big deal, and everybody knows that a big bulk of the fractionated is in the Great Plains/Rocky Mountain area, but looking at your report there's fractionated ownership all over the place. So it's a matter of just where you can get traction and make sure that it's being done fairly and very transparent, put it that way.

OMB Update

ANNA NAIMARK: I am the Indian Affairs examiner at OMB in the Interior branch. The FY '16 budget that the administration really supported Indian Affairs with a huge increase in the budget and it's something that's really been a priority of the Obama administration and something that we at OMB have tried to

support to fall in line with that. But we also know that it's not just about money, programs don't work on money alone, so one thing we've tried to do is be better ourselves and be better on coordination and do a better job of making sure that when tribes come to town that we meet with tribal leaders, that we listen, that we have honest conversations about how we can do a better job, not just as OMB but as an entire federal government.

We've turned in the '16 budget to congress in February, we've been doing a lot of hearings, Kevin has done a great job on those, as well as Monty who is out right now. And the agencies are working on preparing the FY '17 budgets. In that process OMB has tried to get involved earlier and say earlier we need to do a better job of coordinating, and so we're working, ourselves, to break down some of those barriers that exist within our own bureaucracy to try and work better together.

A lot of you have seen the Native American crosscut for FY '16. It was \$20.8 billion, and I know a lot of you have said we haven't seen that money. We're trying to figure out what that \$20.8 billion means, if every dollar equals every other dollar, and how we can make sure that those funds are better reaching tribes and tribal communities. We also work with a number of other branches benefitting Indian Affairs.

We have a number of colleagues.

OMB Contacts

Ed Branch, Community Colleges/Tribal Colleges: Philip Tizzani, Philip_M_Tizzani@omb.eop.gov

Ed Branch, k-12: Brittany Beth, Brittany_M_Beth@omb.eop.gov

Ed Branch, k-12: Will Carroll, William_S_Carroll@omb.eop.gov (wasn't in attendance, but is the lead on Indian education and the Native Youth Community Project)

Income Maintenance Branch, ACF: Maria Sciannameo, Mariarosaria_Sciannameo@omb.eop.gov

Interior Branch, Indian Affairs: Peter Clunie, Peter_C_Clunie@omb.eop.gov

PETER CLUNIE: Good afternoon, my name is Peter Clooney and I'm actually an employee with the Department of Homeland Security. I am on detail to OMB supporting the Interior branch and particularly helping out Anna with the Indian Affairs portfolio and a number of issues related to that. So glad to be here and look forward to helping any way I can.

NAIMARK: And Peter is being very modest, he's on the Presidential Management Council, which is sort of one of the most senior things you can do in the government and he's at OMB to help develop that portfolio. So he brings a lot of management expertise, he was also on Wall Street so he knows finance, so he has a lot of skills that I don't and it's great to have him around.

PHILIP TIZZANI: I'm the program examiner for higher education in the education branch at OMB. Some of the programs that I work on include community colleges and tribal colleges. The America's College Promise program is something I worked on, spent a lot of time in the winter working on, we're still kind of seeing it through now. We're trying to get some support on the Hill for it. Obviously, tribal colleges will play a major role in the success of that program and so I look forward to learning more about how that might work should congress pick it up and pass the legislation. Also the budget in '16 continues to support tribally controlled colleges and universities through formula grants and there are a number of other competitive grants that continue to be funded in the '16 budget.

There's also through the SAFRA Act that was passed with health care reform in 2010, there was a separate piece of funding for higher education, and with that came a lot of mandatory funding that isn't up to the appropriations process that continues to be scheduled to go to tribal colleges, and many of our

universities and colleges around the country. I look forward to learning more about the way all of you plug into this work and I'll introduce Brittany who is also on my team in the education branch.

BRITTANY BETH: I'm also on detail to the education branch from the Department of Education. I've been working with Will Carroll who is the program examiner for the Indian education portfolio, and I'm learning a lot, too, as I go into this. But I think the program that I wanted to highlight here today is the Native Youth Community Projects, which is in the, it's in the FY 2015 budget and they just released the notice inviting applications and those applications are due on June 29.

But some exciting news is that it was originally intended to be funded at \$3 million and the Department of Ed was able to obtain an additional million so now there is going to be \$4 million going out in grants for that program this year. And then in the FY '16 budget, the president has proposed an additional \$50 million to expand that program.

MARIA SCIANNAMEO: Hi, my name is Maria Sciannameo, I'm a program examiner in the income maintenance branch, and our branch oversees the budget for the Administration for Children and Families programs which provide a lot of social services, community based services that will include things like Head Start, childcare, temporary assistance for needy families, child welfare programs, so it's a whole wide range of social service programs. And in the president's budget, the FY '16 budget, there were significant increases over what was enacted in 2015, in particular for child welfare and childcare. Overall in those programs, there was about a 20 percent increase in proposed funding.

NAIMARK: So we don't have much more of like a formal presentation but I think what we want to show is like we're here, and in this process of formulating this budget, if you have thoughts please feel free to reach out to us and we'll do the best we can to get the right examiners in the room, so it's not just me saying, well, that's not my program, we really want the right people in the right place at the right time.

We also had two folks, one from HUD and one from EPA who had to, unfortunately had last minute things come up today. So I know they really wanted to be here but if any of you have questions on these programs or thoughts that we can bring back, I think we have like 15 more minutes or so. So please feel free and let us know your thoughts.

HAYES: Thank you for being here. I think this is an historic moment for TIBC to have. We've always been wanting OMB at the table and we really appreciate your bringing other examiners here because it is important. The need in our communities is a tragedy when you look at the history of the relationship with the federal government. I'm hoping that somehow you will increase your experiences and contact with tribes or reservations. Some reservations throughout Indian Country are third world conditions and they're still fighting about running water. You would think that the greatest nation on earth would have running water for all of our communities, plus be able to have cellular phones and communication where many of our lands have been neglected as far as keeping up with technology.

If you have time, go to the American Indian Museum, go to the top floor and spend some time up there and look at the history of the relationship. In this committee, a couple of years ago, we wanted to put forth a message of where we were and where we are today and what we're trying to do for the future for our communication, because it talks about a history that's not taught in our education system of the tragedy of the relationship between tribes and federal government, that it continues today.

NAIMARK: They're working on it, there's a native youth listening tour with cabinet members and I think that shows sort of the commitment of the administration to get those in decision making positions out

to Indian Country, and to really understand. I went to Montana last summer and it really opened my eyes. I think some of my co-examiners, sometimes we get to go on trips, sometimes we don't, but I think that there's been a real interest in having that experience as well. And we understand this kind of, the history that's on the shoulders of this relationship, and we seek to understand it more. So thank you so much.

CONNOR: One of the most important education programs for tribes across the country, it's within the BIE, Bureau of Indian Education, but it's a small program called Tribal Scholarships. It's part of the TPA and that funding goes out all across Indian Country into the hands of tribes which then use that money to take college scholarship applications from Indian kids, and they then give them tuition assistance so that they can get a college degree. It's arguably one of the most important programs in Indian Country period. However, unfortunately, it's quite a small program and it's only had one increase in two decades. Compare that to the growth of Indian populations and the increase in the costs of scholarships.

Now, we appreciate that the 2016 budget request includes \$4.8 million within the broader category, but some of that \$4.8 million, I think maybe \$3 million, is for the tribal scholarships, TPA, and the rest for higher education and post graduate scholarships, those are all very important. We appreciate the president's request for an increase in the scholarships, TPA program, and the higher ed scholarships of \$4.8 million total, but considering only one prior increase in two decades, and the cost of college and the need, tribes can show they have to turn away thousands of students for this scholarship assistance. So we ask that in 2017 you try and focus another increase, a good increase for this program. It's very, very important and it's consistent with the president's initiative. And I know we'd like to invite you out to the Midwest region maybe for the grand opening of the Red Lake Nation College this summer and talk about that.

NAIMARK: Thank you so much. I think, as far as I know, and I don't want to misspeak, that the majority of the funding is going to the TPA scholarships line, 4.7, I believe, was for that higher education scholarships line, and then there was some of the other scholarships in there, but we can check on that. We tried to put increases in there to be responsive to that being a major priority. We do look at the ranked priorities of TIBC when we do our budget making, so I think that's something that we've tried to be responsive with to have those kind of increases there.

FRAZIER: We had some suicide attempts and sadly a couple of completions up on Cheyenne River. We try to provide opportunities for you but it's hard to change the whole environment and high poverty that our people live in. For many of our families, education is the furthest thing from their mind. They are trying to meet their basic needs, buy food, and pay bills for water and electricity. Education is a good tool, the easiest way out of poverty; however, there are other needs, high unemployment, low economic development, a lot of hopelessness in our area, and that's why a lot of these suicides take place, or alcoholism, drugs. We need law enforcement money, we need courts, so all these things need to be considered. I would truly invite you to come to our region and really hope that you can make it this summer.

BUSTER ATTEBERY: I had a question, the Native American Community Program?

NAIMARK: Yeah, they'll be at the Department of Ed website and the notice inviting applications for that was posted in the Federal Register on April 28. And there's also on the website for the Office of Indian Education, there's a series of webinars that have been posted to provide technical assistance to applicants.

ALLEN: We deeply appreciate all of you coming from OMB.

One of the things about the \$20 billion that is referenced, the issue that we raised is three things: one, access; and two, just being aware of how we can improve that access; and three, how we can improve the conditions and criteria with regard to these programs, and how we can cross-pollinate them so that they can be working together. So ACF is a big program, big set of programs, and a whole lot of them interface with the BIA programs or IHS programs, just for an example, and how we can use those resources together in a way that actually addresses the needs of our respective communities. They will vary from Alaska to Florida, so that's our challenge.

CARROL: We understand that there is a large federal bureaucracy that you work within to move things forward. We're told that there's this special and unique relationship between the United States and tribes, but when it comes to dealings such as budgetary issues, we get dealt with just like everybody else. And that's what the crux of our frustration is. It's not special and unique to deal with us from a budgetary standpoint the same way you deal with everybody else.

So I'd just ask you to take that with you and explore that further. The USDA I think it's through the NRCS, have been working effectively with Native American's curriculum which is a weeklong session where it's an opportunity for the feds to hear from tribal leaders and Indian Country.

We aren't not-for-profits, we're not loosely formed organizations, these are tribal nations with a specific and unique relationship with the United States that needs to be honored and treated respectfully.

NAIMARK: Would you mind saying one more time the name of that USDA program?

CARROL: I believe it's called Working Effectively with Native Americans, I think it's actually run through NRCS I believe of the USDA.

BEGAY: In a conversation I had with the community a couple of days ago, the youth came up and they said we still have to study using flashlight at our house, in our homes, because we don't have electricity out where we live. And we are talking about a whole community of 900+ people not having electricity and so their children have to educate themselves by flashlight. And to me that's not living up to the treaty that we signed as a nation.

We don't have a competitive salary to meet that treaty obligation. We need internships in addition to classroom education. The scholarship for graduate and post graduate studies: in order for us to go beyond the undergrad we have to put our people into grad school and to post graduate studies and be able to support them and to consider things like loan payoffs incentives. If our people come back home after they get a post graduate degree, let's bring them back by paying off their loans because those loans are huge, but we need their education, we need their skills, we need them back on the Nation for our nations to move forward. So speaking from the standpoint of treaty obligation, the treaty that we signed back in 1868, I'm speaking to that from that perspective. Thank you.

NAIMARK: Thank you very much, I really appreciate that perspective and I think that some of our ed folks can take some of that feedback back with them. I will certainly have a conversation with some of the folks in our USDA branch, I know they have a lot of funding for infrastructure and talk a bit more about electricity. I know we've been talking a lot about broadband and that was a focus of our '16 proposal, but obviously if there is no electricity we can't have broadband either.

WASHBURN: During the second term of the Obama administration, there is a lot more engagement with the other departments and OMB around our issues. It's the United States' trust responsibility, Indian tribes, it's not the BIA's, it's the United States, and we're really seeing other agencies step up.

Alaska Pilot Project

Sitting in for Mr. Bruce Loudermilk will be Kathy Klein who is the Deputy Regional Director for Tribal Services, and Rachael Larson who is the Budget Officer for the region.

KATHY KLEIN: Because of the high number of tribes throughout the Alaska region, it's proven to be quite challenging to coordinate the needs and the priorities that our leadership deals with in their communities and their villages. Our regional director, Mr. Loudermilk, has tasked Rachael Larson with taking the lead on reinvigorating our system, the Tribal Priorities System, which brought about this survey that she and the help of Brian Hardy and his IT staff here in the central office, with their help they've been able to put together this survey which has helped us immensely. Because of the large number of villages we were just getting a very minute picture of what the needs were and what the priorities are throughout Alaska and with all the technology that we have today, there are better ways. And so this project, you'll see, how we're able to get a much higher percentage of the feedback from our communities.

RACHAEL LARSON: As you've probably heard, in the Alaska Region we have a lot of tribes, 229 tribal entities, and it has been really hard to try and get all the input we need for the tribal priorities. I spent 20 years working in the Midwest and we have 36 tribes there, and then I went up to Alaska and had quite a few more. So it was really, really a big task.

This is just a snapshot of the approach that we took for 2017 for the tribal input. Normally we send out a letter to the tribal entities and it was hard to, sometimes, faxes or letters get lost and they don't understand how important we need their input. So this kind of shows in 2012, I think I got around maybe 18 responses out of 229 tribes and they weren't used to providing the input. So then the second time, in 2013 we had a providers conference and kind of got out the word ahead of time and tried to get better responses and I think we got around 35.

So the approach we did with the survey was incredible, we got like 59 percent of our tribal input back with responses. So we did the online survey and it just, hopefully we are going to do even better for 2018.

The one thing that I liked about having the survey online is it could store all the responses. Each tribal entity was listed, you could see, I could see them as they were responding, and then there was a handout that showed what the responses were and what was their priority. When you have 229 tribes, it's a lot of work, a lot of responses to keep track of. So basically that's about it, we had 136 tribes that participated and we hope for more responses next year.

CARROL: We did a survey, as well, out of the Eastern Regional Office, we used Survey Monkey, and you're right, we were able to get a far better participation than we were before and it was the first time that we did it. I'd be interested in getting together to see how we can learn from what you did. An online survey drove greater participation than we had experienced in the past. We were running at about 20, 25 percent participation rate. I think we doubled that this last time around.

LARSON: We did a face to face at the conference, we do an annual conference every year. We had the face to face and we did an introduction to the budget survey, and then we shared it, and if anybody wanted some one on one help, we had computers there so that they could see it and --

ALLEN: If you were to do it over would you do the survey first and then have the face to face to engage with regard to the results of that survey?

LARSON: Yeah, we're trying to see what's going to work best for us for 2017. We got a lot of feedback as far as how to improve it.

CARROL: Somebody mentioned earlier, I think it was on that side of the table, one of the things that would be valuable to us, so even though we did experience an increase in participation, for those that are not participating, what we're hearing back is they don't believe it to be a good investment in time. So even though we talk about the need to have this, make our case, there's a good portion of folks out there that don't believe that. They don't believe that the effort is translating into real dollars. We're still struggling with that because they don't see the value in the investment and the time because they don't necessarily see the return on that time. Having any type of data that would support that, that could be built into this survey to help explain some of this in hard numbers would be very helpful for our effort.

MILLER: What was the timeline?

LARSON: We sent out a letter from the regional director to let them know online is one of the ways they could respond to the survey, instead of filling it out. We gave them options to do it both ways, send in their written format like usual or do the survey online. And then we gave them deadlines.

MILLER: Okay, so 59 percent of the tribes responded using the online format.

BRIAN HARDY: You can contact me if you have questions. We can work with any region do the same thing. A

Tiwahe Update

HANKIE ORTIZ:

Tiwahe summarizes the interconnectiveness of all living things and one's personal responsibility to honor family, community and the environment. And so that's kind of the basis of Tiwahe is to support the family and to provide services and put families in touch with services that can help them before the situation becomes an emergency type situation.

The purpose of Tiwahe is to demonstrate the importance of service coordination between programs within tribal communities so that critical services have more effectively and efficiently reached native families. Tiwahe received funding for Indian Child Welfare Act, social services, job training and placement. For Indian Child Welfare Act received an increase in FY 2015 and it was the first time we've gotten an increase in ICWA in a large number of years, maybe almost 20 years since we got an increase.

For Tiwahe and social services, the total FY '15 enacted amount was a \$5 million increase for Tiwahe over the 2014 amount.

The other funding that Tiwahe received was for job placement and training and social services, which was just recently transferred to Indian Services also.

HARRISON: I was just wondering, when was that 7 percent increase supposed to take effect?

ORTIZ: FY '15, yes. FY '15 was a 7 percent increase in social services and the 28.5 percent increase in ICWA. Both FY '15, both going out now, either has gone out or is in the process of going out.

Job placement and training, the increase was much, much less.

Most recently, where we are right now is that we're in the process of getting the increases that are going to be given out across the board, we're getting those out right now. We have been working on developing a model that we can present to the pilot project tribes to give them an idea of how Tiwahe could help to benefit their communities. And the model is a flexible model, it's one where they can look at the model and identify which pieces of it work best for them or what they already have in place and shape their own model to meet the needs of their community.

It includes a tribal advocate coordinator position that is going to be working with our national Tiwahe coordinator. The purpose of that position located at the tribal level is to identify services not only that the BIA provides, but that other federal agencies provide, state, local services, other sources that the family may be able to access but maybe they don't know about it. The purpose of that coordinator is to bring those people to those services.

We've tentatively scheduled and pending approval for a meeting on July 7 and 8 to the tribes who have been invited to participate in Tiwahe. Notices have not gone out yet to those tribes, but they will be going out no later than next week.

BLACK: Basically we haven't released the names of the tribes yet until we have the opportunity to reach out to them first. But we've tried to look at a broad range of all, of direct service, compact, contract and Alaska tribes, or they're part of that whole process. So we are trying to get a broad range of everybody so that we can really kind of look at the results and see what works best for each individual tribe and each individual situation. But that will be coming out here very soon, next week.

FRAZIER: These 21.5 percent increases, is this just for 4 years or is this going to be --

ORTIZ: It's recurring, it's going to be ongoing.

BLACK: The four tribes will be released next week.

Old Business

EBARB: In the action tracking there are three -- the old business is usually we just go over the action from the previous meeting. The first resolution we discussed already extensively, which is on improving the structure and process and I think that's where we'll have the drop box and all of the work in preparation for the August meeting, the July 1 deadline.

The second resolution is to include the Indian Child Protection/Family Violence Prevention Act in Tiwahe, and from the programs as authorized to the fullest extent and to expand Tiwahe to include Child Protection and Family Violence Prevention funding.

ORTIZ: We did receive funding for domestic violence and we've been in the process of implementing that program, that part of it. There is additional funding proposed for FY '16 and that funding is going to fall within tribal courts. Those are programs that are related that we are working on but it's not

specifically what you said.

EBARB: Yeah, this authorizes more funding to address child abuse and family violence, \$30 million. There's a lot of money authorized that hasn't ever been appropriated as far as I know.

ORTIZ: We haven't been appropriated any funding to address that specifically, but what we did receive funding for was domestic violence. And with the domestic violence, that's where we put, I believe it's 26 positions located in tribes and gave the tribes the funding for it, and there were 6 federal positions identified to address domestic violence. Before the BIA received domestic violence funding, we had not done any kind of domestic violence work. But the money for what you're saying that's been authorized but not appropriated, we haven't received funding for that. If we were to get the funding appropriated we definitely could work on that.

ALLEN: Did NICWA submit to us a position paper on that proposal?

EBARB: Yes, this is in NCAI's budget document too and I think it's one of their top budget asks. It looks like it would fit in the Tiwahe initiative. The idea was that if it was folded into Tiwahe, it fits with the mission and goals of that initiative. If it could be included in at least the president's budget, that would get the ball rolling because it's obviously tight times in congress and with the appropriators.

The resolution includes the authorizing statute and a description of what the funding would do, so you can refer to that.

ALLEN: Okay. So it's not '16, so the issue is can we encourage it to be a part of '17. I mean we have a proposal. We have a proposal and option 5 was our option, but that was not incorporated into it as a matter of recommendation.

EBARB: Right. It does include social services and ICWA but since this is a new program area it might require an amendment to that summary and report.

ORTIZ: We would definitely go along supporting what we're doing with domestic violence and the amount of funding we've gotten for domestic violence hasn't been very much. And I'm sure the tribes can attest to that, just getting a position may not be enough and there's always more work that can be done in that area. I mean it's a significant problem across Indian Country, we all know that, and it's an important one to us. And I think it goes along with the president's Generation Indigenous initiative to protect children.

ALLEN: It is a recommendation to us, to the administration, for their consideration for the '17 budget that they're getting ready to propose.

Rick Harrison moved to amend TIBC's FY 2017 recommendations to include the Indian Child Protection and Family Violence Prevention Act funding (from the [TIBC resolution](#)). Harold Frazier seconded.

Motion carried.

EBARB: The other old business is we voted on the August meetings for 2016 and 2017. We had to switch around Albuquerque and Rapid City for this year due to the Sturgis rally. For 2017 we identified the Navajo region for our August TIBC meeting.

We're working on locations for 2016 just following the general dates for this and looking for conflicts and we'll send that out to everybody electronically to try to avoid any conflicts.

New Business

Agenda Items for August Meeting

- Recommendations on budget process, region discussion
- Transportation/Roads
- Law Enforcement
- Tribal courts, public defenders, prosecutors, transporting convicted, new technology in courts
- Indian Highway safety office

HARRISON: For the record, we wanted to put forward Will Mayo for the Alaska Region as our alternate.

Meeting adjourned.