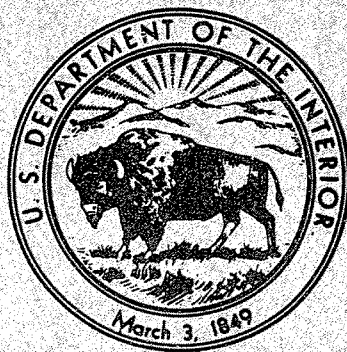


CHUCUATE

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F. Y. 1985**



BUREAU OF INDIAN AFFAIRS

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DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Budget Justification, Fiscal Year 1985
Congressional Submission

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DEPARTMENT OF THE INTERIOR
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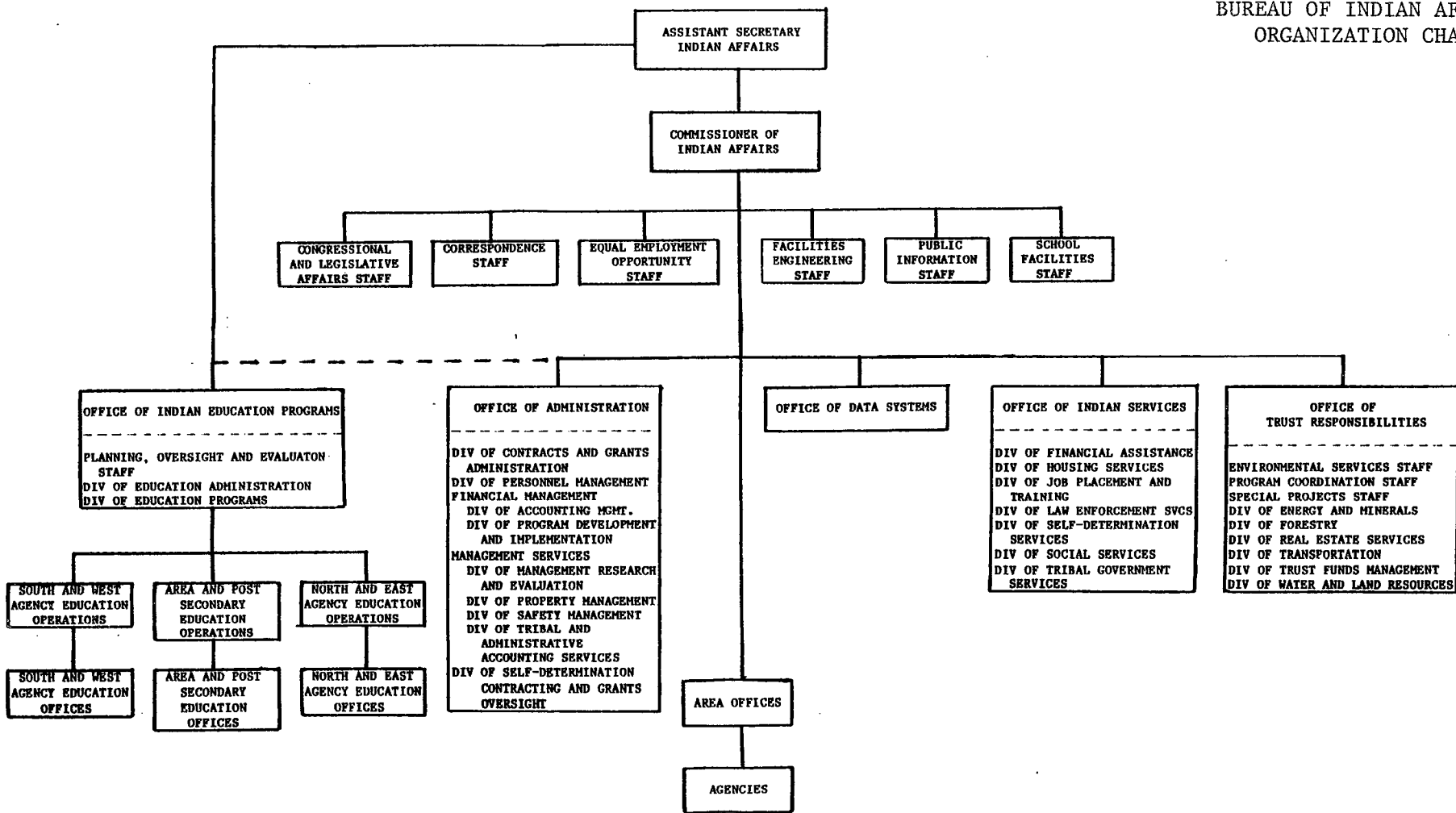
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SUMMARY

BUREAU OF INDIAN AFFAIRS
ORGANIZATION CHART



BIA-1

Replaces #2502
Dated 6/8/83

GENERAL STATEMENT

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

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

The following summary provides a comparison between the 1984 appropriations to date and the 1985 request (dollar amounts in thousands):

<u>Appropriation</u>	<u>FY 1984</u> <u>Appropriation</u> <u>to Date</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Inc.(+)</u> <u>or</u> <u>Dec.(-)</u>	<u>Permanent</u> <u>Employment</u> <u>12/31/83</u>
<u>Federal Funds:</u>				
Operation of Indian Programs.....\$	823,902	855,372	+31,470	
(FTE-T)	(13,491)	(13,198)	(-293)	11,946
Construction.....\$	78,920	73,324	-5,596	
(FTE-T)	(151)	(151)	(--)	131
Road Construction.....\$	4,000	-- *	-4,000 *	
(FTE-T)	(60)	(--)	(-60)	474
(FHWA FTE-T)	(535)	(638)	(+103)	
Eastern Indian Land Claims.....\$	900	--	-900	--
Sub-Total, Appropriations	<u>900</u>	<u>--</u>	<u>-900</u>	<u>--</u>
Requested.....\$	907,722	928,696	+20,974	
(FTE-T)	(14,237)	(13,987)	(-250)	12,551
<u>Permanent and Trust Funds:</u>				
Miscellaneous Permanents.....\$	40,000	40,000	--	
(FTE-T)	(474)	(474)	(--)	470
Trust Funds.....\$	475,599	510,477	+34,878	
(FTE-T)	(16)	(16)	(--)	15
Budget Authority, <u>Total BIA</u>\$	1,423,321	1,479,173	+55,852	
(FTE-T)	(14,727)	(14,477)	(-250)	13,036

* This reduction is offset by the road construction program funded from the Highway Trust Fund by the Department of Transportation (\$100 million).

Emphasis in 1985

This administration continues to further Indian self-determination by strengthening tribal governments, decreasing unnecessary Federal intrusion in reservation affairs and seeking ways to build economic self-sufficiency for the 755,000 American Indians and Natives living on reservations or in Indian Country. The key to the new approach is this Administration's American Indian Policy Statement issued in January 1983. That policy reaffirms the government-to-government relationship; reinforces the concept of Indian self-government and self-determination; supports economic development by attracting private capital; and establishes a Presidential Commission to seek ways to improve the economies on Indian reservations. The major thrust for the past three years has been one of creating strong, stable tribal governments that will lead to the development of both the human and natural resources.

- ° The economic development and employment program budget targets support for the growth of the non-governmental sector of reservation economies with major emphasis on stimulating the investment of private capital in this process.
- ° The Indian services budget is directed toward the enhancement of tribal governmental capabilities to deal independently and successfully with both social and economic growth on the reservations. While this budget also proposes to meet actual and critical needs in human services, it focuses an increasing share of the Bureau's resources on those efforts which support the economic development area.
- ° The natural resources development budget concentrates on activities which will provide income and support economic growth on the reservations. Activities in the areas of forestry management and development, minerals exploration and production, improving range and farm lands, and in improving agriculture methods to increase yield and quality of production remain a high priority within the Bureau's thrust toward self-determination for tribes.
- ° Strengthening of the trust responsibility role continues as a critical objective of the Bureau. This objective is strongly supported at the local level where the tribes/agencies have increased budgets in both real services and the financial trust activities.
- ° The education budget will continue to meet the basic and special educational needs of Indian students attending Bureau and contract schools and will provide residential care and guidance programs at the same level as in FY 1984.
- ° The construction programs of the Bureau continue to emphasize constructing and improving existing facilities in support of the education program; continues funding for the Papago Irrigation Project and a dam safety program; and provides for the renovation of Indian homes.
- ° Indian road construction program will be funded by a \$100.0 million allocation of contract authority from the Highway Trust Fund of the Federal Lands Highway Program, Department of Transportation.

An analysis of our fiscal year 1985 appropriations by program is reflected in the details provided below:

Indian Education (\$273.5 million)

In FY 1985, \$273.4 million is requested for Indian education under the Operation of Indian Programs appropriation, an increase of \$17.7 million over the FY 1984 appropriations. The education budget will continue to meet the basic and special educational needs of Indian students attending Bureau and contract schools and will provide residential care and guidance programs at the same level as in FY 1984.

The education program will provide \$180.7 million for a Federally supported school system presently comprised of 191 schools and 15 dormitories for Indian students. The decrease in number of students served (from 43,193 in 1984 to 42,982 in 1985) will result from the transfer of up to 10 Bureau day schools to the State of Alaska and the closure of Intermountain off-reservation boarding school. The Alaska day school transfers are being negotiated with the State and are consistent with the State's constitution to establish a single school system in Alaska. The majority of the schools in the Bureau's system are operated by the Bureau; however, an increasing number are controlled, operated and managed by Indian groups under contractual arrangements with the Bureau. When necessary, residential programs are provided.

The \$26.2 million for the Johnson O'Malley program will provide services to 176,000 Indian students in 26 states. Nearly 800 local Indian education parent committees help to determine program needs.

The \$53.2 million for continuing education programs will provide \$29.5 million for graduate and undergraduate level scholarship grants to approximately 13,930 Indian students; \$11.1 million for financial assistance to 19 tribally controlled community colleges serving a total of 3,549 students; and \$3.5 million for adult education programs to serve approximately 10,400 Indians. The Bureau also operates three postsecondary institutions serving an estimated 2,031 students at a cost of \$9.1 million.

Indian Services (\$212.6 million)

The proposed FY 1985 budget for social services is \$105.8 million, a net decrease of \$8.4 million from FY 1984 reflecting the spread of contract support funds to the other program activities. The Indian services budget is directed toward the enhancement of tribal governmental capabilities to deal independently and successfully with both social and economic growth on the reservations. While this budget also proposes to meet actual and critical needs in human services, it focuses an increasing share of the Bureau's resources on those efforts which support the economic development area.

The program includes an estimate of \$80.4 million for welfare grants, including both general assistance and payments for the care of dependent, neglected, handicapped or delinquent children. The amount for grants under the Indian Child Welfare Act is \$7.7 million. A total of \$17.6 million is also requested for the professional staff required to operate the program.

The \$25.2 million FY 1985 self-determination services program includes a request for \$1.8 million to finance contract support and employee displacement costs for new P.L. 93-638 contracts negotiated Bureauwide in FY 1984 and FY 1985, \$16.8 million for grants to tribal governments, \$1.6 million for training and technical assistance, and \$5.0 million for grants to small tribes to acquire and

maintain needed core-management capability. In FY 1985, contract support for P.L. 93-638 contracts in existence prior to FY 1984 will be provided as part of the direct program funding and has been financed by a transfer to the program accounts.

The budget includes \$36.4 million for law enforcement and \$26.1 million for tribal government services including tribal courts. The FY 1985 Navajo-Hopi settlement program of \$3.8 million continues the range restoration and stock reduction programs.

Economic Development and Employment Programs (\$67.1 million)

The FY 1985 budget proposes \$67.1 million for economic development and employment programs, an increase of \$8.1 million above the FY 1984 appropriation. A highlight of the FY 1985 budget is the request for \$10.0 million for economic development grants and \$0.3 million to fund a highly specialized staff to manage the economic development initiative. It is anticipated that the grants will attract \$30 million or more in private sector financing for new enterprises.

The FY 1985 budget requests \$5.0 million to manage the credit and financing program. This program will administer \$16.1 million in new direct loans for FY 1985; and, will continue to administer \$91.2 million in direct loans and \$92.9 million in guaranteed and insured loans which are projected to be outstanding at the start of FY 1985.

The request also includes \$25.8 million for direct employment and adult vocational training; \$22.3 million for road maintenance on Indian reservations; and \$0.9 million for the Indian Arts and Craft Board.

Natural Resources Development (\$96.9 million)

The request of \$96.9 million for natural resources development in FY 1985 is an increase of \$4.2 million above the FY 1984 appropriation. The budget concentrates on activities which will provide income and support economic growth on the reservations. Activities in the areas of forestry management and development, minerals exploration and production, improving range and farm lands, and in improving agriculture methods to increase yield and quality of production remain a high priority within the Bureau's thrust toward self-determination for tribes.

Funds are also provided for the operation and maintenance of Indian irrigation systems to insure the continued delivery of water to meet contractual and legal obligations and to prevent deterioration of the irrigation systems.

Trust Responsibilities (\$47.7 million)

The FY 1985 request for trust responsibilities programs totals \$47.7 million, an increase of \$2.4 million above the FY 1984 appropriation. Strengthening of the trust responsibility role continues as a critical objective of the Bureau. This objective is strongly supported at the local level where the tribes/agencies have increased budgets in both real estate services and the financial trust activities.

This budget request will continue litigation efforts, real estate services and appraisals, boundary surveys, land records improvement, lease compliance efforts, cultural resources activities, archeological clearances, and financial management for funds held in trust.

Facilities Management (\$90.2 million)

The facilities management budget of \$90.2 million, a \$0.9 million decrease from FY 1984 appropriations, maintains the FY 1984 operations level and continues to focus on planned maintenance activity which targets life/ safety requirements, energy savings, and effective space utilization. The program includes rental cost for facilities, operation and maintenance of all facilities (including those used for tribally contracted programs), and facilities management staff at all levels of the Bureau.

General Administration (\$67.4 million)

In FY 1985, \$67.4 million, an increase of \$8.3 million over the FY 1984 appropriation, is requested for General Administration which supports on-going operations and special initiatives to improve contract management and the accounting and finance system in the areas of trust fund management, compliance with the Prompt Payment Act, debt collection, cash management, and fund control. The program includes executive direction, EEO, and administrative services for all levels of the Bureau; ADP services; safety management; intragovernmental charges for postage, the Federal telephone system, and GSA rentals; reimbursements to the Department of Labor for employee compensation and unemployment compensation payments to former Bureau employees; and program management at the central office level for the construction and education programs. The program management for the road construction program is no longer funded under this activity but will be financed by allocations from the Federal Highway Trust Fund, Department of Transportation.

Construction Programs (\$73.3 million)

The construction programs of the Bureau provide for the construction of a new new school; continue to emphasize constructing and improving existing facilities in support of the education program; continue funding for the Papago Irrigation Project and a dam safety program; and provide for the renovation of Indian homes.

(Buildings & Utilities)

The Buildings and Utilities program primarily concentrates on constructing and improving existing facilities in support of the Bureau's school operations program. The FY 1985 budget request for construction of buildings and utilities is \$40.5 million, which includes \$4.5 million for construction of the Western Cheyenne River Consolidated School, South Dakota.

The program also includes \$36.0 million for facilities improvement and repairs. Funding requested will be used to correct unsafe conditions as they arise, to improve waste disposal facilities, initiate high priority energy conservation projects, to correct functional deficiencies in existing Bureau facilities, and to fund preparation of plans, engineering supervision and surveys.

(Irrigation Systems)

The proposed FY 1985 irrigation construction program will provide a total of \$11.9 million. This amount includes \$4.3 million for the Papago Project in Arizona. Funding is being requested in the amount of \$5.0 million for continuation of a major effort for assuring dam safety which was initiated in FY 1982. The request includes \$1.7 million for supervision and engineering and \$1.0 million for surveys and design for irrigation construction and rehabilitation work on existing Indian irrigation projects.

(Housing)

The housing request of \$20.8 million will continue renovation of existing homes, construction of new homes for those clients who do not qualify for other Federal housing or private financing for home construction, and general management of the program Bureauwide.

Road Construction (\$ -0-)

In FY 1985, the entire road construction efforts of the Bureau of Indian Affairs will be financed from the contract authority allocations from the Highway Trust Fund of the Federal Lands Highway Program, Department of Transportation (\$100.0 million in FY 1985). This includes funds for program management at the central office level and project supervision at the area and agency levels. Specific language is being requested to utilize up to 6% of the available contract authority for these purposes with the balance to be available for project construction.

Supplementals

The President's FY 1985 budget includes a FY 1984 supplemental of \$14.0 million for fire suppression. These funds will be used in FY 1984 for anticipated wildfire suppression, emergency prevention and rehabilitation efforts on Indian forest and rangeland.

Included in the FY 1985 budget is a request for \$5.9 million to cover a portion of the FY 1984 cost of the Federal employee pay raise which became effective January 1, 1984.

A transfer of \$7.4 million from Construction to Operation of Indian Programs is proposed in a supplemental request to increase the funds currently available for welfare grants in FY 1984. The funds are to be transferred from appropriations received in FY 1984 for construction of the Alamo Navajo School, New Mexico. Funds for this project will be restored in a future request.

A supplemental request of \$17.0 million is requested in construction which includes payments to the Ak Chin Indian Community for acquisition of temporary water supplies in settlement of their water rights claims in Arizona.

Organizational Distribution

The tribal priority system has been used in the development of the FY 1985 budget to provide continued opportunities for tribal governments to participate in the Federal budget process. Tribal priorities are reflected in this budget to the maximum extent. The input from the tribes was both by tribe/agency location and program basis. The FY 1985 request for the tribe/agency portion reflects offsetting increases and decreases in various programs due to changes in priority ranking by tribes. An analysis of the total Federal appropriations for a three year period by benefiting location is reflected in the table below (in thousands of dollars):

	<u>1983 Final</u>	<u>1984 Apprp. to date *</u>	<u>1985 Request *</u>
Direct programs:			
Tribe/Agency Operations.....	270,212	251,265	258,622
Area Direct Operations.....	32,481	28,040	29,092
Central Office Staff Operations.....	29,281	26,501	27,864
Field Program Operations.....	817,928**	601,916	613,118
Total direct program.....	<u>1,149,902**</u>	<u>907,722***</u>	<u>928,696</u>
Reimbursable programs (total).....	<u>49,787</u>	<u>55,200</u>	<u>55,200</u>
Total program.....	<u><u>1,199,689</u></u>	<u><u>962,922</u></u>	<u><u>983,896</u></u>

* The Tribe/Agency amount is lower primarily because Housing was transferred to Construction and therefore is included in Field Operations in FY 1984 (\$21,560) and FY 1985 (\$20,260).

** Includes \$114,450 for Jobs Bill; \$40,700 for Alaska school transfers and closures; \$14,000 for fire suppression supplemental.

*** Does not include supplementals such as pay cost, fire suppression, etc. which are requested in the FY 1985 President's budget.

The Tribe/Agency Operations are those programs operated at the Agency level in which tribes formally participate in setting funding priorities. The amounts shown also include all Area Field Operations funding since these programs, even though operated at the Area Office level, provide direct services to the reservation or tribal level. The programs for Tribe/ Agency Operations include law enforcement, social services, economic and natural resources development and other activities similar to those conducted by a state or local government.

Central and Area Office Direct Operations represent funding for technical support, program management, executive direction, and administrative services at those organizational levels.

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

Program Changes

The total change from the FY 1984 appropriations-to-date is an increase of \$20,974,000. The following table details the FY 1984 - FY 1985 dollar changes by subactivity for the appropriated accounts.

BUREAU OF INDIAN AFFAIRS
FY 1985 BUDGET REQUEST (IN THOUSAND DOLLARS)

	FY 1984 Approp. to date	FY 1985 Budget Estimate	(+)(-) Changes
School Operations	176,933	180,683	+3,750
Johnson O'Malley Education Assistance	26,000	26,185	+185
Continuing Education	52,821	53,243	+422
Education Contract Support	--	13,340	+13,340
EDUCATION	<u>255,754</u>	<u>273,451</u>	<u>+17,697</u>
Tribal Government Services	23,694	26,115	+2,421
Social Services	99,609	105,752	+6,143
Law Enforcement	34,944	36,409	+1,465
Self-Determination Services	58,779	25,255	-33,524
Navajo-Hopi Settlement Program.	3,951	3,830	-121
Indian Services Contract Support	--	15,240	+15,420
INDIAN SERVICES	<u>220,977</u>	<u>212,601</u>	<u>-8,376</u>
Employment Development	26,341	25,787	-554
Business Enterprise Development	10,521	16,220	+5,699
Road Maintenance.	22,081	22,337	+256
Econ. Develop./Employ. Contract Support	--	2,730	+2,730
ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS.	<u>58,943</u>	<u>67,074</u>	<u>+8,131</u>
Forestry and Agriculture.	76,282	76,552	+270
Minerals, Mining, Irrigation and Power.	16,406	15,819	-587
Natural Res. Dev. Contract Support	--	4,551	+4,551
NATURAL RESOURCES DEVELOPMENT	<u>92,688</u>	<u>96,922</u>	<u>+4,234</u>
Indian Rights Protection.	17,823	17,951	+128
Real Estate and Financial Trust Services.	27,531	28,979	+1,448
Trust Responsibilities Contract Support	--	813	+813
TRUST RESPONSIBILITIES.	<u>45,354</u>	<u>47,743</u>	<u>+2,389</u>
FACILITIES MANAGEMENT	<u>91,113</u>	<u>90,196</u>	<u>-917</u>
Management and Administration	46,274	54,568	+8,294
Employee Compensation Payments.	6,829	6,998	+169
Program Management	5,970	5,819	-151
GENERAL ADMINISTRATION.	<u>59,073</u>	<u>67,385</u>	<u>+8,312</u>
OPERATION OF INDIAN PROGRAMS (Total)	<u>823,902</u>	<u>855,372</u>	<u>+31,470</u>
Irrigation Systems.	5,700	11,981	+6,281
Building and Utilities.	50,220	40,540	-9,680
Housing	23,000	20,803	-2,197
CONSTRUCTION	<u>78,920</u>	<u>73,324</u>	<u>-5,596</u>
ROAD CONSTRUCTION (Total)	<u>4,000</u>	<u>-0-</u>	<u>-4,000</u>
EASTERN INDIAN LAND CLAIMS (Total)	<u>900</u>	<u>-0-</u>	<u>-900</u>
TOTAL, FEDERAL APPROPRIATIONS	<u>907,722</u>	<u>928,696</u>	<u>+20,974</u>

OPERATION OF
INDIAN PROGRAMS.

Appropriation Summary Statement

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

The Operation of Indian Programs appropriation consists of a wide range of services to provide the American Indian with the opportunity to live in prosperity, dignity and honor. Special emphasis is placed on tribal participation and involvement in attaining these goals. Activities that provide these services are:

1. Education - The Bureau of Indian Affairs provides support for the education of Indian children through direct operation of schools, support of tribally operated schools, and financial assistance to public schools serving Indian children. The Budget assumes transfer of the remaining BIA schools in Alaska to the State as part of the continuing cooperative effort between the Bureau and the State to establish a single system of education. The number of children attending Federal, tribal, and public schools is shown below:

	<u>Actual</u> <u>FY 1983</u>	<u>Estimate</u> <u>FY 1984</u>	<u>Estimate</u> <u>FY 1985</u>
Number of pupils:			
Federal and tribal schools.....	42,535	43,193	42,982
Public schools.....	170,030	175,000	176,000*

* This number has been updated subsequent to final development of the Appendix to the President's Budget.

The Bureau also assists Indian adults by providing financial assistance to students for higher education studies, by direct support of some tribally operated post-secondary institutions, and by offering continuing education programs in many communities. The number of participants in these programs is indicated in the following table:

	<u>Actual</u> <u>FY 1983</u>	<u>Estimate</u> <u>FY 1984</u>	<u>Estimate</u> <u>FY 1985</u>
Continuing education participants:			
Higher education			
scholarships.....	14,221*	13,430	13,930*
Adult Education enrollment.....	12,891	11,325	10,400*
Post-Secondary.....	1,910*	2,031*	2,031*
Tribally controlled community colleges	3,080	3,400*	3,549*

* These numbers have been updated subsequent to final development of the Appendix to the President's Budget.

2. Indian services - This activity includes municipal-type government services for Indian communities, along with assistance to tribes in self-government and self-determination projects, and a program for small tribes to acquire and maintain needed core-management capability. Also included are activities associated with the Navajo-Hopi settlement.

3. Economic development and employment programs - This activity is designed to stimulate reservation economies, and to help Indian people participate fully in those economies.

Business enterprise development is encouraged and assisted through programs of technical and financial aid, with emphasis on enterprises owned and operated by Indian individuals and organizations. Indian tribal organizations and individuals are assisted with securing and managing loans for resource and business enterprise development, public utility facilities, education, and other purposes. Individual Indians are assisted in qualifying for, finding and occupying jobs on and near reservations consistent with their needs, capabilities, and desires. Roads are maintained to provide for the movement of people and goods as needed for the well-being of the community.

4. Natural resources development - This activity is designed to provide for the conservation, development, and utilization of Indian land, water, and related resources. Resources are surveyed and inventoried, and agriculture and forestry development is assisted.

5. Trust responsibilities - This activity entails the protection of Indian rights and property, particularly those related to land and natural resources; environmental and archeological clearance services; real estate services and the management of assets held in trust for Indian tribes and individuals.

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

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

Reimbursable programs are provided primarily for operation, maintenance and repair of federally owned quarters financed by payroll deductions from employees occupying such quarters; programs funded by other Federal agencies; operation of the North Star III shipping operation in Alaska (operated in the Miscellaneous Trust account prior to 1981); reimbursements from the States for school lunches for Indian children; and for miscellaneous goods and services provided to others.

The planned distribution of budget authority requested in 1985 as compared to funds for 1983 and 1984 follows:

(thousands of dollars)

<u>Direct program:</u>	<u>Actual FY 1983</u>	<u>Estimated FY 1984</u>	<u>Estimated FY 1985</u>
1. Tribe/Agency operations.....	270,212	253,426	258,622
2. Area office operations.....	32,481	28,503	29,092
3. Central office staff operations...	29,101	26,604	27,481
4. Field program operations.....	<u>622,333</u>	<u>521,240</u>	<u>540,177</u>
Total direct program.....	954,127	829,773	855,372
Reimbursable program			
(total revenues).....	<u>49,087</u>	<u>52,300</u>	<u>52,300</u>
Total available	<u>1,003,214 1/</u>	<u>882,073</u>	<u>907,672</u>

1/ Includes \$53,298 thousand for housing activities and \$50,000 thousand for one-time jobs bill activities.

Tribe/agency operations are primarily programs in which tribes formally participate in setting funding priorities. Tribe/agency programs include law enforcement, economic and natural resources development, and other activities similar to those conducted by a State or local government.

Central and area office staff operations represent funding for program management, executive direction and administrative services.

Field program operations support those national programs, such as education, facilities management, rights protection and welfare, which are the unique responsibility of the Bureau because of its special relationship to Indians and Indian tribes.

Appropriation Language

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

For operation of Indian programs by direct expenditure, contracts, cooperative agreements and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment (in advance or from date of admission) of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order and payment of rewards for information or evidence concerning violations of law on Indian reservation lands or treaty fishing rights tribal use areas; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums, development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [\$822,302,000] \$855,372,000 of which not to exceed [\$54,135,000] \$55,693,000 for higher education scholarships and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall remain available for obligation until September 30, [1985] 1986, and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, [1985] 1986; Provided, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs; and includes expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640(d)-18(a)), [\$3,951,000] \$3,830,000, to remain available until expended: Provided further, That none of these funds shall be expended as matching funds for programs funded under section 103(a)(1)(B)(iii) of the Vocational Education Act of 1963, as amended (20 U.S.C. 2303(a)(1)(B)(iii)): Provided further, That in addition, moneys received by grant to the Bureau of Indian Affairs from other Federal agencies to carry out various programs for elementary and secondary education, handicapped programs, bilingual education, and other specific programs shall be deposited into this account and remain available as otherwise provided by law: Provided further, That any cost of providing lunches to nonboarding students in public schools from funds appropriated herein shall be paid from the amount of such funds otherwise allocated for the schools involved without regard to the cost of providing lunches for such students: Provided further, That notwithstanding the provisions of Section 202, Title II, of the Indian Child Welfare Act of 1978 (25 U.S.C. 1932), none of the funds appropriated herein for Indian Child Welfare Act grants shall be expended on grants to offreservation Indian organizations [\$200,000 shall be transferred to the city of Brigham City, Utah, for the purpose of conducting a study to: (1) assess the socioeconomic impact on the local community due to the closure of the Intermountain Inter-tribal School, (2) identify and analyze possible uses for the facilities and property now occupied by the Intermountain Inter-tribal School, and (3) meet other appropriate objectives, as identified by the mayor of Brigham City to minimize any negative impact on the city resulting from the school's closure: Provided further, That the first section of the Act of June 24, 1938 (52 Stat. 1037; 25 U.S.C. 162a), is amended by inserting "(a)" immediately after the enacting clause and by adding at the end thereof the following new subsection:

"(b) The Secretary of the Interior is authorized to invest any operation and maintenance collections from Indian irrigation projects and revenue collections from power operations on Indian irrigation projects in-

"(1) any public-debt obligations of the United States;

"(2) any bonds, notes, or other obligations which are unconditionally guaranteed as to both principal and interest by the United States; or

"(3) any obligations which are lawful investments for trust funds under the authority or control of the United States.

The Secretary of the Interior is authorized to use earnings from investments under this subsection to pay operation and maintenance expenses of the project involved."].

[For an additional amount for pre-kindergarten programs, \$1,600,000.

Notwithstanding the provisions of Public Law 97-257, the funds appropriated therein under this head for transfer to the State of Alaska shall remain available until expended and may be used for reconstruction of day schools formerly operated by the Bureau of Indian Affairs.] (7 U.S.C. 1651-56; 16 U.S.C. 583, 590a-590f, 594; 25 U.S.C. 13, 250-250f, 305-309, 309a, 318a, 381, 385, 631-639, 1481-1498; 33 Stat. 595; 35 Stat. 558; 36 Stat. 855; 49 Stat. 887; 52 Stat. 80; 54 Stat. 707; 88 Stat. 2203; 92 Stat. 1325, 2143, 3069; 94 Stat. 929-936; Public Law 98-146, making appropriations for the Department of the Interior and Related agencies, 1984; Supplemental Appropriations Act, 1984.)

Justification of Proposed Language Changes

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

1. Addition: "... Provided further, That notwithstanding the provisions of Section 202, Title II of the Indian Child Welfare Act of 1978 (25 U.S.C. 1932), none of the funds appropriated herein for Indian Child Welfare Act grants shall be expended on grants to off-reservation Indian organizations...."

The above language was added to discontinue the provision of Indian Child Welfare Act grants to off-reservation programs not within traditional Bureau service areas.

2. Deletion: "... \$200,000 shall be transferred to the city of Brigham City, Utah, for the purpose of conducting a study to: (1) assess the socioeconomic impact on the local community due to the closure of the Intermountain Inter-tribal School, (2) identify and analyze possible uses for the facilities and property now occupied by the Intermountain Inter-tribal School, and (3) meet other appropriate objectives, as identified by the mayor of Brigham City to minimize any negative impact on the city resulting from the school's closure...."

This language provided for a one-time transfer of FY 1984 funds to the City of Brigham City, Utah, to conduct an impact study on the Intermountain Inter-tribal School closure, and is therefore no longer required.

3. Deletion: "... Provided further, That the first section of the Act of June 24, 1938 (52 Stat. 1037; 25 U.S.C. 162a), is amended by inserting "(a)" immediately after the enacting clause and by adding at the end thereof the following new subsection:

"(b) The Secretary of the Interior is authorized to invest any operation and maintenance collections from Indian irrigation projects and revenue collections from power operations on Indian irrigation projects in-

"(1) any public-debt obligations of the United States;

"(2) any bonds, notes, or other obligations which are unconditionally guaranteed as to both principal and interest by the United States; or

"(3) any obligations which are lawful investments for trust funds under the authority or control of the United States.

The Secretary of the Interior is authorized to use earnings from investments under this subsection to pay operation and maintenance expenses of the project involved...."

This language authorized enactment of the amendment to the statute as stated and is no longer required.

4. Deletion: "... For an additional amount for pre-kindergarten programs, \$1,600,000."

This language provided for a one-time supplemental appropriation for existing pre-kindergarten programs in FY 1984, the last year of funding in BIA, and is therefore no longer required.

5. Deletion: "... Notwithstanding the provisions of Public Law 97-257, the funds appropriated therein under this head for transfer to the State of Alaska shall remain available until expended and may be used for reconstruction of day schools formerly operated by the Bureau of Indian Affairs."

As stipulated by Public Law 98-63, the Bureau will not fund any schools in Alaska after June 30, 1985. Since the funds were appropriated and are available until expended, this language is no longer required.

Appropriation Language Citations

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

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

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

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

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

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

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

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

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

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

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

3. maintenance of law and order and payment of rewards for information or evidence concerning violations of law on Indian reservation lands or treaty fishing rights tribal use areas;

25 U.S.C. 13

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

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

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

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

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

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

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

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

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

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

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

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

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

49 Stat. 887

52 Stat. 80

54 Stat. 707

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

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

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

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

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

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

6. advances for Indian industrial and business enterprises;

25 U.S.C. 13

88 Stat. 82

(25 U.S.C. 1521)

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

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

25 U.S.C. 305

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

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

25 U.S.C. 13

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

9. \$ _____ and of which not to exceed \$ _____ for higher education scholarships and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall remain available for obligation until September 30, 19 __,).

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

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

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

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

10. and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 19 : Provided, that this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs;

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

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

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

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

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

12. Provided further, That none of these funds shall be expended as matching funds for programs funded under section 103(a)(1)(B)(iii) of the Vocational Education Act of 1963, as amended (20 U.S.C. 2303 (a)(1)(B)(iii)):

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

BUREAU OF INDIAN AFFAIRS

Appropriation: Operation of Indian Programs

13. Provided further, That in addition, moneys received by grant to the Bureau of Indian Affairs from other Federal agencies to carry out various programs for elementary and secondary education, handicapped programs, bilingual education, and other specific programs shall be deposited into this account and remain available as otherwise provided by law:

This language has been added to the appropriation act to allow collection of "pass-through" funds from other Federal agencies and placement of these funds into accounts which have fund availability periods equivalent to that of the parent appropriations in the other agencies.

14. Provided further, That any cost of providing lunches to nonboarding students in public schools from funds appropriated herein shall be paid from the amount of such funds otherwise allocated for the schools involved without regard to the cost of providing lunches for such students:

This language has been added to allow the use of only Johnson-O'Malley (JOM) education assistance funds to pay the parental cost of school lunches for all Indian students if so requested by JOM local Indian education committees. The JOM funds are to be the only source of funds for such payments.

15. Provided further, That notwithstanding the provisions of Section 202, Title II, of the Indian Child Welfare Act of 1978 (25 U.S.C. 1932), none of the funds appropriated herein for Indian Child Welfare Act grants shall be expended on grants to offreservation organizations.

This language was added to discontinue the awarding of Indian Child Welfare Act grants to off-reservation Indian programs not normally within traditional Bureau service areas.

BUREAU OF INDIAN AFFAIRS
Summary of Requirements

Appropriation: Operation of Indian Programs

(dollar amounts in thousands)

	<u>FTE/T</u>	<u>Amount</u>	<u>FTE/T</u>	<u>Amount</u>
<u>SUMMARY OF BASE ADJUSTMENTS</u>				
<u>Appropriation currently available, 1984</u>			13,491	\$823,902
<u>Anticipated savings from management initiatives:</u>				
Adjustment for grade bulge.....	--	-413		
Adjustment for A-76 efforts.....	-88	-1,850		
<u>Total adjustment for 1984 pay increase:</u>				
Federal employee pay increase.....	--	+12,573		
Adjustment for 638 pay costs.....	--	+2,683		
<u>Transfers:</u>				
Transfer from National Park Service (ANCSA archeology).....	--	+600		
Transfer of Office of Construction Management to BIA.....	+16	+916		
Transfer to Office of Aircraft Services (from Fire Supp.).....	--	-139		
Transfer to Employee Compensation Funds from Fire Suppression.....	--	-30		
Internal transfers of Contract Support funds.....	--	+37,788		
Transfers between activities (area office adjustments).....	--	+41,993		
Transfer from Housing (adjustment of 1984 gen. overhead reduc.).....	--	+53		
Transfer to Postage from various activities (tribe/agency & schools).....	--	+835		
<u>Other increases:</u>				
Employee Compensation Fund (partly financed by transfer from token Fire Suppression amount, -30).....	--	+169		
Proposed 1984 program supplemental for welfare grants (transfer from Construction account).....	--	+7,400		
Subtotal, adjustments to base and built-in changes.....			<u>-72</u>	<u>+21,962</u>
<u>1985 Base Budget</u>			13,419	\$845,864
Program changes (changes to base budget detailed below).....			<u>-221</u>	<u>+9,508</u>
<u>Total Requirements</u> (1985 Estimate).....			<u>13,198</u>	<u>\$855,372</u>

BIA-23

Operation of Indian Programs:

Summary of Requirements - Continued
(dollar amounts in thousands)

Comparison by activity/subactivity:	1983		1984		1985		1985		Change from		
	Appropriation		Appropriation		Base Budget		Estimate		Base		
	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	FTE/T	Amount	
<u>Direct Program:</u>											
<u>Education:</u>											
School Operations.....	5,253	\$179,556	5,047	\$176,933	5,047	\$182,249	4,888	\$180,683	-159	\$-1,566	
Johnson O'Malley.....	---	66,929	---	26,000	---	26,185	---	26,185	---	---	
Continuing Education.....	300	51,658	274	52,821	274	53,173	274	53,243	---	+70	
Education Contract Support.....	---	---	---	---	---	13,340	---	13,340	---	---	
Subtotal.....	5,553	\$298,143	5,321	\$255,754	5,321	\$274,947	5,162	\$273,451	-159	\$-1,496	
<u>Indian Services:</u>											
Tribal Government Services.....	266	25,609	243	23,694	243	23,905	243	26,115	---	+2,210	
Social Services.....	300	100,187	283	99,609	283	107,505	283	105,752	---	-1,753	
Law Enforcement.....	615	35,972	573	34,944	573	35,694	573	36,409	---	+715	
Housing.....	82	53,298	transferred to Construction in FY 1984.								
Self-Determination Services.....	58	58,876	53	58,779	53	21,153	53	25,255	---	+4,102	
Navajo-Hopi Settlement Program..	54	3,923	66	3,951	66	4,005	62	3,830	-4	-175	
Indian Services Contract Support	---	---	---	---	---	15,240	---	15,240	---	---	
Subtotal.....	1,375	\$277,865	1,218	\$220,977	1,218	\$207,502	1,214	\$212,601	-4	\$+5,099	
<u>Economic Dev./Employ. Programs:</u>											
Employment Development.....	180	27,554	167	26,341	167	26,465	167	25,787	---	-678	
Business Enterprise Development	162	10,966	158	10,521	158	10,723	162	16,220	+4	+5,497	
Road Maintenance.....	436	21,301	407	22,081	407	22,428	407	22,337	---	-91	
Econ. Dev./Emp. Contract Support	---	---	---	---	---	2,730	---	2,730	---	---	
Subtotal.....	778	\$59,821	732	\$58,943	732	\$62,346	736	\$67,074	+4	\$+4,728	
<u>Natural Resources Development:</u>											
Forestry & Agriculture.....	1,233	\$104,236	1,238	\$76,282	1,238	\$77,409	1,238	\$76,552	---	\$-857	
Minerals, Mining, Irrigation and Power.....	54	15,005	46	16,406	46	16,457	46	15,819	---	-638	
Nat. Res. Dev. Contract Support.	---	---	---	---	---	4,551	---	4,551	---	---	
Subtotal.....	1,287	\$119,241	1,284	\$92,688	1,284	\$98,417	1,284	\$96,922	---	\$-1,495	

BIA-24

Operation of Indian Programs:

Summary of Requirements - Continued
(dollar amounts in thousands)

<u>Comparison by activity/subactivity:</u>	1983		1984		1985		1985		Change from	
	<u>Appropriation</u>		<u>Appropriation</u>		<u>Base Budget</u>		<u>Estimate</u>		<u>Base</u>	
	<u>FTE/T</u>	<u>Amount</u>	<u>FTE/T</u>	<u>Amount</u>	<u>FTE/T</u>	<u>Amount</u>	<u>FTE/T</u>	<u>Amount</u>	<u>FTE/T</u>	<u>Amount</u>
Trust Responsibilities:										
Indian Rights Protection.....	207	\$19,523	187	\$17,823	187	\$18,369	187	\$17,951	---	\$-418
Real Estate & Financial Trust										
Services.....	873	28,877	825	27,531	825	27,891	825	28,979	---	+1,088
Trust Respons. Contract Support.			---	---	---	813	---	813	---	---
Subtotal.....	<u>1,080</u>	<u>\$48,400</u>	<u>1,012</u>	<u>\$45,354</u>	<u>1,012</u>	<u>\$47,073</u>	<u>1,012</u>	<u>\$47,743</u>	---	<u>+\$670</u>
Facilities Management.....	1,304	\$89,872	1,413	\$91,113	1,325	\$91,175	1,276	\$90,196	-49	\$-979
General Administration:										
Management and Administration...	1,536	\$48,826	1,471	\$46,274	1,471	\$50,364	1,478	\$54,568	+7	+\$4,204
Employee Compensation Payments..	---	4,582	---	6,829	---	6,998	---	6,998	---	---
Program Management.....	173	7,377	157	5,970	173	7,042	160	5,819	-13	-1,223
Subtotal.....	<u>1,709</u>	<u>\$60,785</u>	<u>1,628</u>	<u>\$59,073</u>	<u>1,644</u>	<u>\$64,404</u>	<u>1,638</u>	<u>\$67,385</u>	-6	<u>+\$2,981</u>
Total Direct Program (Total APPROPRIATION).....	13,086	\$954,127	12,608	\$823,902	12,536	\$845,864	12,322	\$855,372	-214	+\$9,508
Reimbursable Programs (All):	853	\$23,257	883	\$52,300	883	\$52,300	876	\$52,300	-7	---
TOTAL PROGRAM OPERATIONS.....	13,939	\$977,384	13,491	\$876,202	13,419	\$898,164	13,198	\$907,672	-221	+\$9,508

BIA-25

Justification of Adjustments to Base

Anticipated savings from management initiatives

In FY 1985 certain management initiatives will be conducted to improve performance and cost-effectiveness of the Bureau's management and support functions. The savings expected to result from these initiatives are discussed below.

Position management bulge reduction..... \$ -413,000

In FY 1985, 117 positions in the GS/GM-11 to GS/GM-15 range will be affected by this management initiative to fill these positions at a lower grade.

A-76 contracting.....\$ -1,850,000

In FY 1985, it is estimated that this management initiative will result in a reduction of 88 FTE/T in the Facilities Management program of the Bureau. The estimated savings from contracting is anticipated to be \$1,850,000.

Total adjustment for 1984 pay increase

Anticipated FY 1984 pay increase supplemental.....	\$5,871,000	
Amount of FY 1984 pay increase to be absorbed.....	<u>5,282,000</u>	
Total cost of pay increase in FY 1984.....	\$11,153,000	
Amount in FY 1985 to provide full-year 1984 costs.	<u>4,103,000</u>	
Total adjustment for 1984 pay increase.....		\$ +15,256,000

The anticipated 1984 pay supplemental of \$5,871,000 includes \$3,695,000 for the general schedule and executive schedule pay increase effective January 1, 1984; \$1,051,000 for wage board pay increases during 1984; and \$1,125,000 for 638 pay cost for tribal contractor employees. An additional amount of \$4,103,000 is required in 1985 to cover the full-year cost of the 1984 pay increase, including \$2,805,000 for general and executive schedule; \$737,000 for wage board; and \$561,000 for 638 pay cost for tribal contractor employees.

The amount requested for 638 pay cost is provided in order to meet the provisions of Section 106(h) of P.L. 93-638, the Indian Self-Determination and Education Assistance Act.

Transfers

Transfer from Operation of the National Park System,
National Park Service..... \$ +600,000

In FY 1983, under a Memorandum of Agreement, the Bureau assumed responsibility for all historical and cemetery site studies in the State of Alaska, pursuant to Section 14(h)(i) of P.L. 92-20, the Alaska Native Claims Settlement Act. In FY 1983 and FY 1984, \$600,000 was transferred from the National Park Service (NPS) to the Bureau to conduct these studies in consultation with NPS. FY 1985 is the first opportunity to effect the base transfer and request the funds under the Bureau's budget.

Transfers (Continued)

Transfer from Departmental Management, Office of the Secretary (Office of Construction Management)..... \$ +916,000

At the beginning of FY 1985, the transfer of management oversight responsibilities for construction of buildings and utilities from Departmental level to the Bureau will be initiated. This will allow the Bureau to assume all management and oversight functions for the program and will eliminate the current fragmentation of those responsibilities between the Department and the Bureau. A total of 16 FTE/T are included in the transfer.

Transfer to Departmental Management, Office of the Secretary (Office of Aircraft Services)..... \$ -139,000

In FY 1985, funds for operating the Office of Aircraft Services will appear as a line item in the budget request for the Office of the Secretary. Therefore, a base adjustment has been applied to the budgets of each of the Department's bureaus or offices which received and were billed for aircraft services in prior fiscal years based on the history of each benefiting organization's participation. In the Bureau the transfer amount was applied to the token fire suppression item since most services received relate to the suppression of fires.

Transfer to Employee Compensation Payments..... \$ +30,000
Transfer from Forestry & Agriculture (Fire Suppression)..... \$ -30,000

A total of \$30,000 of the increased cost of the Employees' Compensation Fund has been applied to the Fire Suppression program token appropriation in the FY 1985 Base. This activity, because of the dangers involved in firefighting, has contributed to a high portion of the increased cost to the Fund.

Transfer to various activities (see below)..... \$ +22,548,000
Transfer from Indian Services (Contract Support)..... \$ -22,548,000

In FY 1985, contract support for P.L. 93-638 contracts in existence prior to FY 1984 will be provided as part of the direct program funding and has been transferred to the program accounts. The specific amounts by activity are as follows:

<u>Activity</u>	<u>FY 1984 Amount Approp.</u>	<u>Amount Transferred</u>	<u>FY 1985 Base Program Amount</u>
Education	\$ -0-	\$+13,340,000	\$13,340,000
Indian Services.....	37,788,000	-22,548,000	15,240,000
Economic Dev./Employ. Progs..	-0-	+2,730,000	2,730,000
Natural Resources Development	-0-	+4,551,000	4,551,000
Trust Responsibilities.....	-0-	+813,000	813,000
Facilities Management.....	-0-	+1,114,000	1,114,000
Total	\$37,788,000	-0-	\$37,788,000

Transfers (Continued)

Transfers between activities (area office operations)..... \$ +41,993,000

The increase in the FY 1985 Base for the area offices results from an adjustment in the resource allocations which were made in the FY 1984 budget request on a tentative basis to support the objectives of the FY 1983 general overhead reduction. The increase is totally offset by other reductions at the area offices in all other program management activities. The FY 1984 budget request stated that the distribution of the FY 1983 general overhead reduction (which was annualized in FY 1984 at \$17.4 million) was tentative pending completion of plans for implementing the reductions. The FY 1984 level of funding is maintained for area offices in FY 1985, but the distribution among the program activities has been adjusted as shown in the following table (\$000):

<u>Area Office Ops. Program Activity</u>	<u>FY 1984 Tentative Distribution</u>		<u>FY 1985 Request *</u>		<u>Difference</u>	
	<u>Direct</u>	<u>Field</u>	<u>Direct</u>	<u>Field</u>	<u>Direct</u>	<u>Field</u>
	Education	287	304	243	258	-44	-46
Indian Services	4,276	2,372	3,777	2,629	-499	+257
Housing **	368	180	328	167	-40	-13
Econ. Dev./Employ. Prgs.	1,650	1,740	1,483	1,826	-167	+86
Natural Res. Development	2,703	1,601	2,783	1,343	+80	-258
Trust Responsibilities	3,743	7,226	3,158	7,134	-585	-92
Facilities Management	3,370	---	2,791	---	-579	---
General Administration	12,011	162	13,845	228	+1,834	+66
Total	28,408	13,585	28,408	13,585	---	---

* FY 1985 Request amounts do not include January, 1984 pay cost increases or other small FY 1985 base adjustments applied to area office programs.

** Transfer from Construction (Housing) to cover changes to area office Housing program levels. Results in a \$ +53,000 to the FY 1985 Base for the Operation of Indian Programs account.

Transfer from various activities (see below)..... \$ -835,000
Transfer to General Administration (Postage)..... \$ +835,000

In the FY 1985 Base, a transfer from tribe/agency and school operations has been effected to provide funds to cover recent franked mail cost increases.

<u>Activity</u>	<u>FY 1984 Postage Approp.</u>	<u>Amount Transferred</u>	<u>FY 1985 Base Program Amount</u>
Education	\$ ---	\$ -378,000	\$ ---
Indian Services.....	---	-151,000	---
Economic Dev./Employ. Progs..	---	-122,000	---
Natural Resources Development	---	-94,000	---
Trust Responsibilities.....	---	-48,000	---
General Administration.....	---	-42,000	---
Postage.....	1,580,000	+835,000	2,415,000
Total	\$1,580,000	---	\$2,415,000

Other increases

Employees' Compensation Fund..... \$ +169,000

The increase in the repayment to the Employees' Compensation Fund is the result of higher costs in the 1982-83 expense period. These charges will be reimbursed to the Department of Labor, Employees' Compensation Fund, with 1985 funds pursuant to Public Law 94-273.

Proposed 1984 program supplemental for welfare grants
(transfer from Construction account)..... \$ +7,400,000

A transfer of \$7,400,000 from Construction to Operation of Indian Programs is proposed in a supplemental request to increase the funds currently available in FY 1984 for welfare grants. Since the supplemental amount is part of the reestimate for FY 1984, it has been included in the FY 1985 Base for the Social Services program.

Activity Summary
(dollars in thousands)

Activity: Education

<u>Subactivity (program)</u>	<u>FY 1983 Actual (B.A.)</u>	<u>FY 1984 Approp. Enacted</u>	<u>FY 1984 Revised Estimate</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) or Dec. (-) 1985 Est. over 1985 Base</u>
School Operations	179,556	176,933	179,168	182,249	180,683	-1,566
Johnson O'Malley Educ. Assist.	66,929	26,000	26,077	26,185	26,185	---
Continuing Education	51,658	52,821	52,998	53,173	53,243	+70
Education Contract Support	---	---	---	13,340	13,340	---
Total	298,143	255,754	258,243	274,947	273,451	-1,496

Justification of Program and Performance

Activity: Education
 Subactivity: School Operations

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Indian School Equal. Program:						
1. Indian School (\$)	154,010	158,837	157,771	3,761	-1,066	
Equal. Formula (FTE-T)	(4,535)	(4,535)	(4,376)	(-159)	(-159)	
2. Indian School Prog. Adjustments (\$)	--	--	500	+500	+500	
B. Institutionalized Handicapped (\$)	2,390	2,390	2,390	--	--	
C. School Board Training Fund (\$)	525	525	525	--	--	
D. Student Transportation (\$)	9,958	10,245	10,245	+287	--	
(FTE-T)	(283)	(283)	(283)	(--)	(--)	
E. Technical Support- Agency and Area Offices (\$)	8,450	8,652	9,252	+802	+600	
(FTE-T)	(229)	(229)	(229)	(--)	(--)	
F. Pre-Kindergarten Programs (\$)	1,600	1,600	--	-1,600	-1,600	
Total Requirements (\$)	176,933	182,249	180,683	+3,750	-1,566	
(FTE-T)	(5,047)	(5,047)	(4,888)	(-159)	(-159)	

Distribution:

Education and Training, General (Area/Agency Technical Support) (\$)	8,450	8,652	9,252	+802	+600
(FTE-T)	(229)	(229)	(229)	(--)	(--)
School Operations (\$)	168,483	173,597	171,431	+2,948	-2,166
(FTE-T)	(4,818)	(4,818)	(4,659)	(-159)	(-159)

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes. 25 U.S.C. 2001-2019, the Education Amendments of 1978 (P.L. 95-561), provided new authorities to the Office of Indian Education Programs (OIEP), including establishment of a new personnel

system, line authority to the field, direct formula funding of schools, and specific decision-making authority to Indian school boards.

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

A. Indian School Equalization Program

Base Program: While 80% of Indian students, as defined by the Department of the Interior, are served by state operated public schools, there continues to be a need for a Federal role in Indian Education. Approximately 42% of the estimated average daily membership (ADM) in Bureau operated or funded schools in FY 1984 are in residential schools because the students live farther than a 1 1/2 mile walk from public or Federal day schools, bus routes, or because of special social or academic factors such as poverty, family difficulties or problems encountered in other school systems.

Approximately 20% of all Indian children in school are provided an education in schools run by the Bureau or by tribes under contract with the Bureau of Indian Affairs pursuant to P.L. 93-638. The Bureau also administers programs funded by the Department of Education such as Chapter I of P.L. 97-35 and P.L. 94-142. Chapter I provides financial assistance to schools for programs designed to raise the academic level of Indian children in the areas of math, reading, and language. P.L. 94-142 provides supplemental funding for special education and related services to identified handicapped children.

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

- KINDERGARTEN AND ELEMENTARY EDUCATION (K-8) - Basic education programs for children utilizing specialized staff in small groups, in education, school health, nutrition, counseling, and the relevance of education to the child's culture.
- SECONDARY EDUCATION (9-12) - Basic educational curricula at grades 9-12 and special curricula including vocational courses and extra-curricular activities. Also included are specialized courses to prepare students for meaningful, productive careers or to continue in institutions of higher learning.
- BILINGUAL/BICULTURAL EDUCATION - Special programs for children who are non-functional or limited in English-speaking abilities.
- EXCEPTIONAL CHILD PROGRAMS - Education programs to meet the unique needs of handicapped Indian children in existing, approved programs at no cost to the parents. This includes classroom instruction, instruction in physical education, home instruction and instruction in hospitals and institutions.

The need for special education and related service programs for handicapped Indian children is being met in Bureau operated and contracted elementary and secondary schools.

- RESIDENTIAL PROGRAMS - These programs provide for the housing and care of students, including room and board, recreation, libraries, tutoring and other programs unique to residential situations. Supplementary services are provided to handicapped children in residential care programs as identified in Individualized Education Plans (IEP's). The IEP's outline the special education and related services requirements to meet the unique needs of individual handicapped students. In most cases, the services include, but are not limited to, physical therapy, psychological counseling, and specific instructional activities. Students who are in the residential setting as a result of social placements participate in the Intensive Residential Guidance Program.
- SUMMER PROGRAMS - At the option of school boards, available funds may be expended to support summer programs including remedial instruction, recreational activities, scouting, etc.

The Bureau, in carrying out its educational responsibilities in FY 1984, will operate, either directly or by contract, 191 elementary and secondary schools and 15 dormitories. These federally operated and contracted schools will serve an estimated student ADM of 43,193 in 24 states in FY 1984. This figure includes 41,289 ADMs under the basic instructional programs and 1,904 ADMs under the basic residential programs for students receiving residential care while attending public schools. The 206 educational facilities are:

1. Day Schools (72): Provide basic elementary and secondary education programs to children who reside at home. This figure will be reduced in FY 1985 due to the planned transfer of nine Alaska day schools to the State of Alaska by June 30, 1984. The remaining ten Alaska day schools will transfer to the State of Alaska at the end of the 1984-1985 school year.
2. On-Reservation Boarding Schools (49): Located within the boundaries of an Indian reservation and providing residential care in addition to the education program.
3. Off-Reservation Boarding Schools (8): Located outside the boundaries of an Indian reservation and providing residential care in addition to the education program. There are two fewer schools being operated in FY 1984 due to the closure of Mt. Edgecumbe and the consolidation of Concho with the Riverside off-reservation boarding school at the end of the 1982-83 school year. The Intermountain School will close June 30, 1984, after the 1983-84 school year.
4. Dormitories (15): Provide residential care for students attending public schools. There is no change in the number of Bureau funded dormitories from FY 1984.
5. Contract Schools (62): Fifty-two day and ten boarding schools are operated by the tribes under P.L. 93-638 contracts. These schools include nineteen formerly Bureau operated schools and 43 previously private tribal schools.

As a new initiative, a Computers in Education Programs system was established in FY 1983. The objective of this program is to enable schools to plan and implement computer-aided instruction programs. Types of computer education programs to be maintained in the Office of Indian Education Programs education system will be computer literacy, computer assisted instruction, and computer managed instruction. OIEP has developed and implemented a three-year application computer plan for use by those agencies planning to implement computer programs, the application instrument and the approval process for those schools planning to implement computer programs has also been established. Local school resources (ISEP and/or flow-through funds such as Chapter I and Special Education) are used to cover the cost of purchasing equipment and software programs. By the end of FY 1984, approximately 50 schools will be using some form of classroom computer instruction. An estimated 100 schools will be using classroom computer instruction by the end of FY 1985. The estimated cost to implement a basic computer assistance instruction program ranges from \$2,000 (for a small school) to \$40,000 (for a very large school). To date, 33 schools have approved applications totalling approximately \$533,000.

The Solo Parent Program has been transferred from the Intermountain Boarding School to the Flandreau and Sherman Boarding Schools. Funds totalling \$106,000 for services for the 10 children at Flandreau and 8 children at Sherman are allotted from the Pre-Kindergarten Program. Approximately \$90,000 is provided through the regular ISEP process for the instructional and residential costs of the parents. Services provided for the children, who range in age from 6 months to 4 years, include development of motor skills, perception, and other social and behavioral adjustments related to children in this age group. As with other students in off-reservation boarding schools, special needs of the parents, such as nutrition, health and child growth, development, and overall care are included in their curriculum. Both parents and children are encouraged to participate in extra curricular activities and where the event includes the parent and not the child, baby sitting services are provided. A total of 13 staff are assigned to the two programs at Flandreau and at Sherman.

The following table reflects the ISEP cost of the Bureau's school system for FY 1983.

SUMMARY OF FISCAL YEAR 1983 BUREAU SCHOOL SYSTEM FUNDING

<u>TYPE OF SCHOOLS</u>	<u>ADM</u>	<u>Ins. WSU</u>	<u>Res. WSU</u>	<u>Formula Funds</u>	<u>O & M ^{1/} Funds</u>	<u>Total Funds</u>
<u>Bureau Operated Day Schools (75)</u>	<u>10,814</u>	<u>13,840.80</u>	<u>---</u>	<u>30,879,708</u>	<u>7,725,287</u>	<u>38,604,995</u>
Elementary (69)	(8,427)	(10,918.65)	(--)	(24,275,542)	(6,311,516)	(30,587,058)
Elementary/Secondary (6)	(2,387)	(2,922.15)	(--)	(6,604,166)	(1,413,771)	(8,017,937)
<u>On-Reservation Boarding Schools (49)</u>	<u>17,105</u>	<u>21,066.93</u>	<u>14,311.33</u>	<u>74,398,256</u>	<u>15,466,162</u>	<u>89,864,418</u>
Elementary (40)	(12,160)	(14,822.58)	(10,854.95)	(53,996,533)	(11,804,141)	(65,800,674)
Secondary (3)	(2,058)	(2,762.15)	(2,603.00)	(11,149,309)	(1,598,103)	(12,747,412)
Elementary/Secondary (6)	(2,887)	(3,482.20)	(853.38)	(9,252,414)	(2,063,918)	(11,316,332)
<u>Off-Reservation Boarding School (10)</u>	<u>3,657</u>	<u>4,882.90</u>	<u>5,179.79</u>	<u>21,527,564</u>	<u>9,313,584</u>	<u>30,841,148</u>
Elementary (2)	(443)	(496.30)	(611.35)	(2,353,323)	(1,008,819)	(3,362,142)
Secondary (8)	(3,214)	(4,386.60)	(4,568.44)	(19,174,241)	(8,304,765)	(27,479,006)
<u>Dormitories (15)</u>	<u>1,939</u>	<u>97.29</u>	<u>2,738.21</u>	<u>6,146,651</u>	<u>3,007,655</u>	<u>9,154,306</u>
Elementary (1)	(146)	(36.46)	(173.55)	(451,836)	(62,000)	(513,836)
Secondary (4)	(628)	(--)	(793.26)	(1,783,210)	(399,467)	(2,182,677)
Elementary/Secondary (10)	(1,165)	(60.83)	(1,771.40)	(3,911,605)	(2,546,188)	(6,457,793)
<u>Contracted Schools (61)</u>	<u>9,020</u>	<u>11,698.49</u>	<u>1,828.75</u>	<u>30,185,192</u>	<u>6,673,186</u>	<u>36,858,378</u>
Elementary (27)	(2,390)	(3,166.39)	(338.40)	(7,700,486)	(1,825,072)	(9,525,558)
Secondary (7)	(1,034)	(1,455.48)	(175.00)	(3,694,590)	(546,421)	(4,241,011)
Elementary/Secondary (27)	(5,596)	(7,076.62)	(1,315.35)	(18,790,116)	(4,301,693)	(23,091,809)
<u>Grand Total (210)</u>	<u>42,535</u>	<u>51,586.41</u>	<u>24,058.08</u>	<u>163,137,371</u>	<u>42,185,874</u>	<u>205,323,245</u>

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^{1/} Includes funds "direct-charged" to schools.

The major portion of Bureau school operating funds for instruction, boarding, and dormitory costs is distributed directly to Bureau and contract schools by a formula using a weighted student funding approach called the Indian School Equalization Formula (ISEF). Monies used to fund other educational support and administrative school services are provided apart from the ISEF. An explanation of the FY 1985 ISEF, with estimates by program level, follows:

	<u>Summary of Weighted Student Units by Program</u>			
	Estimated FY 1984		Estimated FY 1985	
	<u>ADM</u>	<u>WSUs</u>	<u>ADM</u>	<u>WSUs</u>
I. <u>Instructional Programs</u>				
A. Basic	41,289 <u>a/</u>	46,616	41,078 <u>a/</u>	46,344
B. Exceptional Child	4,501	2,696	4,433	2,654
C. Intense Bilingual	8,384	<u>1,679</u>	8,194	<u>1,639</u>
Total Instructional WSUs		<u>50,991</u>		<u>50,637</u>
II. <u>Residential Programs</u>				
A. Boarding Schools				
1. Basic	15,570	19,969	15,652	20,075
2. Exceptional Child Residential	178	78	178	78
3. Intensive Residential Guidance	1,374	687	1,374	687
B. Dormitories				
1. Basic	1,904 <u>a/</u>	2,407	1,904 <u>a/</u>	2,407
2. Intensive Residential Guidance	578	289	578	289
3. Exceptional Child Residential	4	<u>2</u>	4	<u>2</u>
Total Residential WSUs		<u>23,432</u>		<u>23,538</u>
Total ISEF Program WSUs		<u>74,423</u>		<u>74,175</u>
Small School Adjustment		950		833
Alaska Adjustment		<u>304</u>		<u>150</u>
GRAND TOTAL		<u>75,677</u>		<u>75,158</u>

a/ These "Basic" student ADM amounts are added together to obtain the total unduplicated, unweighted ADM for each year (43,193 in FY 1984 and 42,982 for FY 1985).

Under the Indian School Equalization Formula, different educational activities conducted by Bureau operated and contract schools, such as elementary and secondary education, bilingual education, residential programs, and programs for

different types of handicapped students, are assigned various weights using a base amount of 1.00 which reflects the relative costs associated with the various activities. The relative weight factors are determined on the basis of the best practice and experience of state school systems which have developed equalization funding formulae. The number of students a school has participating in the various educational activities is identified, totalled by activity, and multiplied by the weight factor for each activity to arrive at the number of weighted student units (WSU) at each school. The dollar value of a WSU is determined by the division of the total number of all schools' WSUs into the total available funding. The WSU dollar value is multiplied by the number of each school's WSUs to arrive at each school's amount of funding.

Calculating the Base Student Value - The total WSU figure includes all of the WSU's generated directly by instructional and residential programs, in addition to the Small School Adjustment and the Alaska School Cost Adjustment. The Small School Adjustment is used for 98 schools with less than 100 students, since it costs more per capita to operate very small schools and dormitories. Under the Alaska Adjustment, schools located in Alaska receive an additional 25% of their WSUs to compensate for the high cost of delivering educational services within the State.

The formula used to determine the estimated student ADM for FY 1984 and FY 1985 and the respective WSUs by program is as follows:

Weighted Student Units by Program Area

	<u>FY 1984 Estimated</u>		<u>FY 1985 Estimated</u>	
	<u>ADM</u> <u>(Unweighted)</u>	<u>WSUs</u>	<u>ADM</u> <u>(Unweighted)</u>	<u>WSUs</u>
I. <u>Instructional Programs</u>				
A. <u>Basic</u>				
Kindergarten	3,889 X 1.0 =	3,889	3,842 X 1.0 =	3,842
Grades 1-3	11,842 X 1.2 =	14,210	11,880 X 1.2 =	14,256
Grades 4-8	15,696 X 1.0 =	15,696	15,723 X 1.0 =	15,723
Grades 9-12	<u>9,862 X 1.3 =</u>	<u>12,821</u>	<u>9,633 X 1.3 =</u>	<u>12,523</u>
Subtotal	41,289 <u>a/</u>	46,616	41,078 <u>a/</u>	46,344
B. <u>Exceptional Child</u>				
High Service Level	162 X 3.0 =	486	161 X 3.0 =	483
	787 X 1.0 =	787	774 X 1.0 =	774
Moderate Service Level	2,140 X .5 =	1,070	2,093 X .5 =	1,046
	<u>1,412 X .25=</u>	<u>353</u>	<u>1,405 X .25=</u>	<u>351</u>
Subtotal	4,501	2,696	4,433	2,654
C. <u>Intense Bilingual</u>	<u>8,384 X .2 =</u>	<u>1,679</u>	<u>8,194 X .2 =</u>	<u>1,639</u>
Subtotal	8,384	1,679	8,194	1,639
Total Instructional WSUs		<u>50,991</u>		<u>50,637</u>

Weighted Student Units by Program Area

	<u>FY 1984 Estimated</u>		<u>FY 1985 Estimated</u>	
	<u>ADM</u> <u>(Unweighted)</u>	<u>WSUs</u>	<u>ADM</u> <u>(Unweighted)</u>	<u>WSUs</u>
II. Residential Programs				
A. Boarding Schools				
1. Basic				
Grades 1-3	3,369	X 1.4 = 4,717	3,400	X 1.4 = 4,760
Grades 4-8	6,066	X 1.25= 7,583	6,081	X 1.25= 7,601
Grades 9-12	<u>6,135</u>	X 1.25= <u>7,669</u>	<u>6,171</u>	X 1.25= <u>7,714</u>
Subtotal	15,570	19,969	15,652	20,075
2. Intensive Residential Guidance				
	<u>1,374</u>	X .5 = <u>687</u>	<u>1,374</u>	X .5 = <u>687</u>
Subtotal	1,374	687	1,374	687
3. Residential Exceptional Child				
High Service Level	135	X .5 = 67	135	X .5 = 67
Moderate Service Level	<u>43</u>	X .25= <u>11</u>	<u>43</u>	X .25= <u>11</u>
Subtotal	178	78	178	78
Total Residential Program WSUs		<u>20,734</u>		<u>20,840</u>
B. Dormitories				
1. Basic				
Grades 1-3	177	X 1.4 = 248	177	X 1.4 = 248
Grades 4-8	461	X 1.25= 576	461	X 1.25= 576
Grades 9-12	<u>1,266</u>	X 1.25= <u>1,583</u>	<u>1,266</u>	X 1.25= <u>1,583</u>
Subtotal	1,904	a/ 2,407	1,904	a/ 2,407
2. Intensive Residential Guidance				
	<u>578</u>	X .5 = <u>289</u>	<u>578</u>	X .5 = <u>289</u>
Subtotal	578	289	578	289
3. Residential Exceptional Child				
High Service Level	2	X .5 = 1	2	X .5 = 1
Moderate Service Level	<u>2</u>	X .5 = <u>1</u>	<u>2</u>	X .5 = <u>1</u>
Subtotal	4	2	4	2
Total Dormitory WSUs		<u>2,698</u>		<u>2,698</u>
Total Program WSUs		<u>74,423</u>		<u>74,175</u>

a/ These "Basic" student ADM amounts are added together to obtain the total unduplicated, unweighted ADM for each year (43,193 in FY 1984 and 42,982 in FY 1985).

The following represent the estimated "total" WSUs for FY 1984 and FY 1985.

	<u>FY 1984</u>	<u>FY 1985</u>
	<u>WSUs</u>	<u>WSUs</u>
Program Totals	74,423	74,175
Small School Adjustment	950	833
Alaska Adjustment	<u>304</u>	<u>150</u>
Total	<u>75,677</u>	<u>75,158</u>

The FY 1984 appropriation-to-date for ISEF of \$154,010,000 divided by the total estimated WSUs (75,677) produces a base student value for FY 1984 of \$2,035. However, using the FY 1985 Base amount for ISEF (\$158,837,000) in combination with the FY 1984 WSUs (75,677) produces a base student value of \$2,099. The FY 1985 estimate for ISEF of \$157,771,000 divided by the total estimated WSUs (75,158) also produces a base student value for FY 1985 of \$2,099.

No school closures or program reductions are reflected other than Intermountain and the Alaska day school transfers. In FY 1984 the Bureau will operate nineteen (19) day schools for Alaska Natives. The Tuntutuliak school was transferred at the end of FY 1983.

Intermountain off-reservation boarding school is planned for closure at the end of the 1983-84 school year. Consultation, concerning the planned closure, continues with the affected tribes, parents, school board, and other interested parties. Student profiles and individual alternative school placements are being developed in final form to ensure that each student is provided comparable educational opportunities at the proposed school of placement which will be primarily Sherman and Phoenix boarding schools. The competitive civil service rights of the staff at Intermountain will be protected. The employees will be provided opportunities for Bureau employment through normal procedures required by law, regulations, and union agreements. Usable supplies and equipment at Intermountain will be transferred to the schools where Intermountain students are placed.

Public Law 98-63 states "that after June 30, 1984, the Bureau of Indian Affairs shall fund no more than ten day schools in Alaska." In order to comply with this directive it is necessary that at least nine (9) Alaska day schools be transferred from Bureau operation to the State of Alaska operation by no later than June 30, 1984. This action is consistent with the commitment the Bureau has undertaken in recent years to align its education goals in Alaska to the State system. Since Alaska gained statehood, some eighty-one (81) Bureau owned and operated schools have been transferred from Bureau operation to the State of Alaska operation. Public Law 98-63 states further "that while consultation concerning day school transfers to the State of Alaska will continue with affected villages, local concurrence is not required in this continuing effort to establish a single system of education envisioned by the State's constitution."

Public Law 98-63 further states that the Bureau will not fund any schools in Alaska after June, 30, 1985, and therefore will have transferred the remaining ten (10) day schools to the State of Alaska control by that date.

In regard to the transfer of contract schools, Public Law 98-63 states "that when any Alaska day school operated by contract is transferred, the State shall assume any existing contract pertaining to operation or maintenance of such school for a minimum of two years or until the expiration of the negotiated contract, whichever comes first." Five Alaska day schools are contract schools and are anticipated to be transferred in FY 1985.

Consultations have been conducted with affected parents, school boards, villages, and the State of Alaska to determine the order in which the day schools will transfer. Disposition of funds appropriated in FY 1983 for facility renovation at Mt. Edgecumbe will be based upon the outcome of continuing negotiations within the State of Alaska.

Decrease for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Indian School Equalization Program	($\$$)	158,837	158,271	-556
	(FTE-T)	(4,535)	(4,376)	(-159)

The estimated program change resulting from the transfer of up to ten day schools in fiscal year 1984 is calculated using one-half of the total WSUs for the twenty Alaska day schools operated by the Bureau in FY 1983.

The estimated program change resulting from the closure of Intermountain off-reservation boarding school assumes that approximately 70% of the potential FY 1985 Intermountain students will remain in the Bureau school system.

The FY 1985 estimate for ISEP includes \$500,000 for Indian school program adjustments, including start-up costs for school year 1985-86 for at least one new contract school and four schools with expanded programs on the Navajo Reservation.

Six Navajo school expansions and a continued increase in students moving from public schools to BIA schools, will generate an additional 794 WSUs in school year 1984-85, for an increase funding requirement of \$1,615,790.

The following table outlines the estimated FY 1985 ISEP planned program changes:

INDIAN SCHOOL EQUALIZATION FORMULA
 PLANNED PROGRAM CHANGES FROM FY 1984 to FY 1985

Including Estimated ADM's, WSUs, and Funding

PROGRAM AREA	FY 1984 ESTIMATE		FY 1985 ESTIMATE		NET PROGRAM CHANGE	
	(ADM)	(WSU)	(ADM)	(WSU)	(ADM)	(WSU)
Alaska day schools ^{a/}	1,067	1,848	533	924	(-)534	(-)924
Est. Cost	\$3,768,670		\$1,879,335		(-)\$1,889,335	
Intermountain School ^{b/}	450	1,300	315	910	(-)135	(-)390
Est. Cost	\$2,643,300		\$1,850,310		(-)\$792,990	
Increased enrollment	FY 1984 New Students Included in FY 1985 Base		467	794	(+)467	(+)794
Est. Cost			\$1,615,790		(+)\$1,615,790	
TOTALS					(ADM)	(WSU)
					(-)202	(-)520
					(-) \$1,066,535	<u>c/</u>

- ^{a/} Twenty Alaska day schools operated in FY 1983, with up to 10 planned for transfer by June 30, 1984, and the remaining 10 to be transferred by June 30, 1985.
- ^{b/} It is estimated that 70% of the potential FY 1985 Intermountain students will remain in the Bureau school system.
- ^{c/} This decrease is partially offset by the request of (+) \$500,000 for the Indian School Program adjustment element. The net result is a decrease of (-) \$566,000 for the Indian School Equalization Program.

B. Institutionalized Handicapped Program

Base Program: The Office of Indian Education Programs (OIEP) is mandated by P.L. 94-142 to provide financial support for the educational costs of handicapped Indian children who are placed in institutions. All educational placements of handicapped Indian students are made jointly between the Bureau's Division of Social Services, and the OIEP. This is necessary to insure proper placement of handicapped children consistent with the least restrictive environment and to insure adequate educational funding of children placed in institutions. The institutionalized handicapped program serves the special education and related service needs of handicapped Indian children in state operated institutions, approved private non-profit facilities, and facilities operated by Navajo tribal organizations. The program typically provides education and related services to severely handicapped and severely multi-handicapped children between the ages of 5-20 years. Some of the direct services include: instruction by special education teachers and aides; services by physical and occupational therapists; adapted physical education; medical-related services; psychological services; special vocational services and speech therapy. Some of the indirect services affecting costs include: assessment of handicapping conditions and service needs; admissions and appropriate placement; individual education program development; inservice training for professionals and aides; supplies and materials; transportation; food services; facility operation; and program administration.

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

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

For example, in FY 1982-83, for a multi-handicapped child placed in a private non-profit residential facility for 12 months, the special education rates were as follows:

Per day child rate:	\$30.69
Number of days:	<u>X 365</u>
Total:	\$11,201.85

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

Education costs :	\$11,201.85
Living care costs:	16,116.00
Total:	\$27,317.85

In most cases the living care costs are paid by Social Services. There is no way of knowing how many placements are going to be made only for educational reasons during the next school year. Based on experience over several years, it is estimated that only 20 placements will be made throughout the system and that the costs will average about \$20,000 per placement. Total costs for children requiring special education services vary greatly depending on educational placement (e.g., the costs of a mentally retarded child placed in a day school program are significantly less than the costs of a mentally retarded child placed in a residential or institutional placement). Moreover, the total cost varies within categorical handicapping condition (e.g., it costs more to educate a blind child than a learning disabled child in the same setting). In every case, the funds are provided for special education and related services.

Estimated FY 1984 Costs for Institutionalized Handicapped Children

<u>Facility Name, Location</u>	<u>Total costs</u>	<u>Number of Students</u>	<u>Approximate Cost per Student</u>
1. St. Michaels Association for Special Education, AZ.....	\$500,000	52	\$9,615
2. Chinle Valley School for Exceptional Children, AZ....	387,200	40	9,680
3. A School for Me, Inc., NM.....	667,600	70	9,537
4. Hozhoni Foundation for the Handicapped, Inc., AZ.....	90,000	15	6,000
5. Valley of the Sun, AZ.....	211,670	30	7,056
6. Ann Carlson School, ND.....	42,268	4	10,567
7. New Mexico School for the Deaf, NM.....	3,750	1	3,750
8. Desert Willow, AZ.....	27,000	10	2,700
9. Arizona Baptist Children's Associates, AZ.....	17,848	5	3,570
10. Arizona Boys' Ranch, AZ.....	24,982	7	3,569
11. Beacon Foundation for the Mentally Retarded, AZ.....	3,000	2	1,500
12. Helaman House, AZ.....	14,000	4	3,500
13. New Foundation, AZ.....	7,139	1	7,139
14. Prehab of Mesa, AZ.....	14,278	4	3,570
15. San Pablo, AZ.....	15,000	5	3,000
16. Yellowstone Boys' Ranch (Billings), MT.....	16,000	2	8,000
17. Arizona Children's Home, AZ....	7,139	2	3,570
18. Brown School, TX.....	7,440	2	3,720
19. Devereux, AZ.....	3,570	1	3,570

<u>Facility Name, Location</u>	<u>Total costs</u>	<u>Number of Students</u>	<u>Approximate Cost per Student</u>
20. Jane Wayland, AZ.....	17,849	5	3,570
21. Arizona Boys' Community, AZ.	14,278	4	3,570
22. Casa De Manana, AZ.....	7,139	2	3,570
23. Black Hills Special Services, S.D.....	28,000	3	9,333
24. South Dakota Children's Home Society, SD	20,000	2	10,000
25. Black Hills Workshop, SD....	6,000	2	3,000
26. Bismarck Early Childhood Program, ND.....	10,000	2	5,000
27. Sky Ranch for Boys, SD.....	5,000	1	5,000
28. Aberdeen Adjustment Training Center, SD.....	<u>14,000</u>	<u>2</u>	<u>7,000</u>
Total Program.....	\$2,182,150	280	\$7,793 Average

The above figures reflect special education and related service costs, except for isolated cases in which the total care cost may be included as described in the narrative.

Program management costs estimated at \$207,850 are included in the total request of \$2,390,000 to provide for the program direction, supervision, and operation of all mandated institutional program activities. These program activities include monitoring and evaluating program services; providing technical assistance and advice to subordinate units; preparing budgets and financial programs; and writing quarterly reports.

Change for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Institutionalized Handicapped	(\$) 2,390	2,390	---

No change in funding is proposed for the Institutionalized Handicapped program.

C. School Board Training Fund

Base Program: Public Law 95-561, the Education Amendments of 1978, authorized and mandated the facilitation of Indian control of Indian affairs in all matters relating to education. To accomplish this goal, Indian school boards of Bureau schools are actively involved in local education planning and decision making activities. Policy making, education standards, school administration and operations, education financial management and accountability, planning, internal practices and procedures, and related areas of review and oversight are areas in which school board members have received training.

During the last several years national, regional and local workshops have been conducted by the National School Board Association; Policy Resources Center, Management Concepts, Inc., the former BIA Office of Technical Assistance and

Training; the Navajo Area School Board Association; Diversified Management Services, Inc.; National Indian Training and Research Center; Association of Contract Tribal Schools; state school board associations; local universities and community colleges; and other groups and individual consultants. Tuition or registration fees were charged for the larger workshops or seminars to defray expenses related to the presentation.

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

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

In accordance with Congressional directives, FY 1984 School Board Training funds will be provided from a regional or central point and not distributed equally among the schools, as has been the practice in prior years. This new process for utilization of School Board Training funds will ensure greater economy and efficiency. The major training thrust in FY 1984 and FY 1985 will be on (1) academic and dormitory standards, (2) attendance boundaries, and (3) student's rights.

Change for FY 1985:

(dollar amounts in thousands)

<u>Elements</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
C. School Board Training Fund	(\$)	525	525	--

No change in funding is proposed for the School Board Training Fund program.

D. Student Transportation

Base Program: The regulations established two sub-formulae which determine the allocation of available funds for student transportation. These are the Day Student Formula and the Residential Student Formula. Both are based on the fall (October and November) student transportation survey.

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

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

The FY 1984 appropriation-to-date of \$9,958,000 will provide funds for student transportation costs and necessary safety related maintenance and repair of school bus vehicles for the 1983-84 school year. The funding for the Student Transportation program includes personal services costs for vehicle operators, GSA vehicle rental, vehicle supplies and equipment, vehicle maintenance/repair, and other transportation support costs.

The estimated day student transportation mileage for FY 1984 totals 35,170 miles per day for 16,090 students. The FY 1984 level of funding will provide \$7,055,750 for day school transportation.

The estimated residential transportation mileage for FY 1984 totals 2,516,500 miles which includes 418,520 air miles. The FY 1984 level of funding will provide \$2,902,250 for residential student transportation.

Change for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Student Transportation	(\$ 10,245 (FTE-T) (283)	10,245 (283)	--- (--)

No change in funding is proposed for student transportation.

E. Technical Support - Area and Agency Offices

Base Program: The FY 1984 total for all technical support is \$8,450,000. This amount represents approximately 3% of all OIEP funds including central office Education Program Management funds. It includes costs for education Management Information Systems (MIS) activities; providing field level staff assistance to the Director, Office of Indian Education Programs (OIEP); and broad technical assistance and leadership for all education programs to local school boards, other tribal members, parents, and other Indian citizens.

In accordance with 25 CFR 39.128, technical support funds to Area and Agency Education Offices are distributed through an administrative cost formula which distributes administrative funds to Area and Agency Education Offices based upon the number and type of education programs administered as well as the sizes, types, and number of schools and tribes served. An education office typically provides technical support and program supervision for several of the following education programs: (1) Public School Assistance (Johnson O'Malley); (2) Post-Secondary Education Programs; (3) Peripheral Dormitories; (4) Off-Reservation Boarding Schools; (5) Tribal Contract Schools; (6) Federal Title Programs; (7) Elementary and Secondary Programs; (8) Adult Education Programs; (9) Exceptional Education Programs; (10) Student Support Services; and (11) Bilingual Programs.

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

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

The major initiatives for the Management Information System (MIS) Program in FY 1984 and FY 1985 includes: a student enrollment system; a curriculum information system; a system that provides information on school administrative and program costs; a community demographics system; an education facilities inventory system; a student assessment system; and an education personnel information system. Data integrity protection mechanisms that insure security controls and cannot be by-passed are integral functions of the student Enrollment System, the Student Assessment System, the Community Demographics System, and the Education Personnel System. These mechanisms prevent corruption of stored data, unauthorized access to sensitive data, and unauthorized types of usage.

I. Student Enrollment System:

Phases I and II of a computerized Student Enrollment System (SES) for Bureau operated and funded schools (elementary/secondary) are included in the MIS program. The purpose of the SES is to provide Bureau schools with an automated management tool to better administer their school systems and to provide aggregate student data information for policy, planning, and evaluation purposes for the Office of Indian Education Programs (OIEP). Data elements for the SES Phase I include basic student information, sibling and family information, grade, attendance and course information. Data elements for SES Phase II include student scheduling, mark reporting, special education and/or history of student standardized test scores. All data elements presently collected on the Indian School Equalization Program (ISEP) form are included in the SES data elements form.

The SES Phase I was pilot tested in ten Bureau schools in the Albuquerque Area and one Bureau school in the Eastern Navajo Agency in FY 1983. In FY 1984, SES Phase II will be pilot tested in one Bureau secondary school. This pilot testing for both Phase I and II included: orientation and training of school personnel; completion of student data code sheets; encoding data into the computer at Albuquerque; data and report verification; review and validation of data and report formatting by school administrators; and system retesting and revision. By the end of FY 1985, the SES will have been implemented in all Bureau schools that either have or have access to ADP equipment/telecommunication lines.

II. Curriculum Information System:

In FY 1985 the design and development phases will be completed for a curriculum information system. The objective of this system is to analyze school offerings in academic and academic support programs. Special attention is being given to

resource allocation of professional and paraprofessional staff and compliance to Bureau Education Standards. This system will record and maintain information on existing curricula for all Bureau operated and funded schools; provide schools with information necessary to meet the Bureau Education and/or State standards; assist schools and school boards in curriculum development; and to provide the OIEP with information for policy, planning, and evaluation purposes. The system will be pilot tested and modified, as appropriate, in FY 1986.

III. Program Cost Accounting System:

In FY 1985, the design and development phases of a program cost accounting system will be implemented. The objective of this system is to provide a financial reporting system which includes program cost accounting to support budgetary planning and program management. The requirements may be accommodated through modification of the existing financial management system in coordination with the effort occurring to improve the Bureau's overall financial management system. In FY 1983, a plan for establishing an education-wide program cost accounting system was developed. The plan included reviewing the existing education finance system, describing and analyzing those needed components that will improve the system, and recommending the steps for implementing changes to the system. The completion of the School Finance Cost Accounting System will be accomplished in FY 1986.

IV. Community Demographics System:

The planning and design phase for a Community Demographics subsystem in the Student Enrollment System is scheduled for FY 1985. The objective of this system is to provide information necessary to identify factors to support future planning in school construction, expansions, consolidations, budgetary planning, and personnel recruitment. The scope of this system relates to the location of a Bureau school facility and other factors affecting program costs.

V. Facilities Inventory System:

In late FY 1983, the plan and design for an Education Facilities Inventory System was developed. In FY 1984, OIEP implemented the development phase of a system that provides education staff access to and updating of the Bureau's FACCOM and School Facilities System. The reports generated from this system will be used at the local school, agency, area, and Central Office levels.

VI. Student Assessment System:

In FY 1983, a Bureau Work Group was established to review types of tests and testing procedures used by Bureau schools and to recommend to OIEP procedures to follow in establishing a Bureau-wide Student Assessment System. In FY 1984, the planning and developmental work will be completed on this project. The objective of the Student Assessment System is to evaluate the effectiveness of academic programs under the jurisdiction of the Bureau. This will be accomplished through the collection of normative and criterion test scores and compilation of individual and group performance analyses. There are four major capabilities which are crucial to this system. First, report generation requires interface with other subsystems. Second, student performance data must be aggregated among and between academic years. Third, this system must provide a compliance structure with the Privacy Act and the Freedom of Information Act. Fourth, the system must account for performance in all subject areas that provide quantitative information. In FY 1985, it is planned to implement, evaluate, and if necessary, revise this system.

VII. Personnel Information System:

In FY 1985, OIEP will begin the development of an Education Personnel Computerized Information System. Expanded data elements and computer program conversion to allow entry into the Bureau personnel system will be the main features of the project. The objective of the Education Personnel System is to maximize the process of matching the knowledge and skills needed at a school, agency or area level with those possessed by the staff employed or projected to be employed.

Effective school administration should include the careful, systematic assignment of educational staff to provide for Indian student needs. This system will also provide agency, area, and central offices with information that will facilitate long-range planning and recruitment purposes. This system is scheduled for full implementation in FY 1986.

By the end of FY 1985, OIEP expects to begin planning of the following systems: a Tribally Controlled Community College Information System; an Adult Education Information System; a Special Scholarship System; and a Vocational Education Information System; and a Chapter I Evaluation and Information System.

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Technical Support Agency and Area Offices			
(\$)	8,652	9,252	+600
(FTE-T)	(229)	(229)	(--)

The \$600,000 increase provides funding for the above Management Information Systems required under P.L. 95-561 and for lease of terminals for 30 schools.

The following is an estimated breakdown of the MIS FY 1985 budget estimate:

	<u>FY 1984</u>	<u>FY 1985</u>	<u>Difference</u>
1. Systems Development	-0-	\$ 355,000	\$ +355,000
2. Equipment for Schools	-0-	200,000	+200,000
3. ADP Services	\$ 80,000	140,000	+60,000
4. MIS salaries, materials, supplies, data communication lines, travel, maintenance of systems at MIS.	110,000	95,000	-15,000
	<u> </u>	<u> </u>	<u> </u>
TOTAL	\$190,000	\$ 790,000	\$ +600,000

The following table reflects the planned MIS schedule for FY 1984, FY 1985, and FY 1986.

EDUCATION MIS SCHEDULE

Information Areas	FY 1984	FY 1985	FY 1986
1. Student Enrollment System I & II	--pilot test Phase II--	--operational-----	-----o
2. Curriculum System	--study-----	--design-----	--pilot-----o
3. Program Cost Accounting System	--study-----	--plan and design----	--implement-----o
4. Community Demographics System	--study-----	--plan and design----	--pilot-----o
5. School Facilities System	--develop. & imple.----	--operational-----	--revise-----o
6. Student Assessment System	--design-----	--pilot and revise----	--operational---o
7. Personnel System	--study-----	--plan and design----	-implementation-o
8. Higher Education Grants System	--finalize-----	--operational-----	-----o
9. Computer Assisted Instruction	-implement--operational	-----	-----o
10. TCCC System	--study-----	--plan and design----	--pilot-----o
11. Adult Education Information System	--study-----	--plan and design----	--pilot-----o
12. Special Scholarship System	--study-----	--plan and design----	--pilot-----o
13. Vocational Education System	--study-----	--plan and design----	--pilot-----o
14. Chapter One Information System	--study-----	--plan and design----	--pilot-----o
15. Chapter One Evaluation System	--study-----	--plan and design----	--pilot-----o

F. Interim Formula Implementation Funds - Pre-Kindergarten

Base Program: A Congressional directive to the Bureau of Indian Affairs (P.L. 93-1292, August 14, 1974) required the Bureau "to provide to the House and Senate Committees on Appropriations an analysis of the need for a program in early childhood education together with recommendations for carrying out such a program in the future." Guidelines were prepared with tribes. "Requests For Proposal" were sent to all tribes and the program contracted to two tribes, Acoma and Mississippi Choctaw, for planning and pilot operation.

With the passage of P.L. 95-561, the Pre-Kindergarten Programs were omitted from the Indian Student Equalization Program (ISEP). A new subpart was added to the regulations which "grandfathered" for two years 16 Pre-Kindergarten programs which received FY 1979 Education funding. The same level of funding was maintained in FY 1982 and FY 1983. The Conference Report on the FY 1983 appropriation for Interior states the following: "While the funds have been restored for the pre-kindergarten programs, the managers agree that this activity should either be terminated after fiscal year 1983 or funded through social services." A decision was made to terminate the program in FY 1984; however, the Congress added \$1,600,000 in supplemental appropriations. The Conference Report for that appropriation stated: "The amount provided, \$1,600,000, is for the last year of funding in BIA for existing pre-kindergarten programs. The managers direct the Bureau of Indian Affairs to work closely with those tribes funded by the BIA program to develop applications for the Headstart program in the future."

Decrease for 1985

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Interim Formula Implementation Fund (Pre-Kindergarten)	\$ 1,600	---	- 1,600

The deletion of the Pre-kindergarten funding (\$-1,600,000) in FY 1985 discontinues Bureau education program funding for the pre-kindergarten program. This is consistent with Congressional intent that Bureau funds not be used for these programs.

Object Class Distribution - School Operations Subactivity

	<u>FTE-T</u>	<u>Amount</u>
Total Personnel Compensation (FTE-T).....	-159	\$ -3,428,000
Personnel Benefits.....		-308,000
Benefits to Former Personnel (severance pay, etc.).....		+592,000
Travel and Transportation of Persons.....		+100,000
Transportation of Things.....		+300,000
Other Services.....		+345,000
Supplies and Materials.....		+795,000
Equipment.....		+38,000
Total.....		\$ <u>-1,566,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Elements</u>		FY 1984 Approp. Enacted to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
Johnson-O'Malley (\$) Educational Assistance		26,000	26,185	26,185	+185	--
Total Requirements (\$)		26,000	26,185	26,185	+185	--
<u>Distribution:</u>						
Johnson-O'Malley (\$)		26,000	26,185	26,185	+185	--

Supplementary Educational Assistance

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides educational and other services to federally recognized Indian tribes. The Johnson-O'Malley Act of April 16, 1934, includes authorization to contract for the education of Indians. The Indian Self-Determination Act of January 4, 1975, P. L. 93-638, amends the Johnson O'Malley (JOM) Act to provide for maximum Indian participation in Indian education. The Education Amendments of 1978 dated November 1, 1978, P. L. 95-561, authorizes the development of an equitable distribution formula for supplemental funds.

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

Base Program (\$26,185,000): Many Indian children attending public schools have special and unique needs resulting from cultural, disadvantaged economic and social backgrounds. Many state education departments and public schools have not specifically addressed these particular problems of Indian students in their basic education program. In earlier years, funding to states and public schools from the Johnson-O'Malley Act was generally used for basic support and operations. Congress enacted the Indian Self-Determination and Education Assistance Act to establish a revised program of assistance to upgrade Indian education in public schools.

The Johnson-O'Malley Act, as amended by P.L. 93-638, authorizes funding for supplemental programs for eligible Indian students, age three years through grade twelve, to meet their special and unique educational needs, as determined by contractors and local Indian education committees. These supplemental programs address specific educational needs resulting from the disadvantaged socioeconomic status of the parents or cultural factors. These programs include preschool activities for three and four-year-old children.

Eligible Indian students are defined as follows:

Indian students, from age 3 years through grade(s) 12, except those who are enrolled in Bureau operated or sectarian schools, shall be eligible for benefits provided by a contract pursuant to this part if they are 1/4 or more degree Indian blood and recognized by the Secretary as being eligible for Bureau services. Priority shall be given to contracts (a) which would serve Indian students on or near reservations and (b) where a majority of such Indian students will be members of the tribe(s) of such reservations.

Funding of programs under the Johnson-O'Malley Act is designed to supplement other school, state or Federal programs in meeting the special and unique educational needs of Indian students. This supplemental assistance is administered at the local level through contracts with tribal organizations, public school districts, and state departments of education. Under the Indian Self-Determination and Education Assistance Act (P.L. 93-638), parent committees must fully participate with the contractor in the planning, implementation, and evaluation of the contracted programs. Contractors and parent committees conduct needs assessments to determine the special and unique educational needs of eligible students in order of priority. The priority needs of Indian communities may differ from area to area. The types of supplemental services include such programs as remedial tutoring, home-school coordinators, teacher aides, early childhood programs, summer education and activity programs, educational field trips, gifted and talented programs, and parental costs (including school lunch costs).

This program is successful not only in meeting the special needs of students, but it also promotes cooperative relationships between Indian communities and school systems which serve to enhance parental involvement in the education of their children.

In FY 1983, this program provided services to approximately 170,030 students in 26 states. In FY 1984 approximately 175,000 students will be served. The increase is due, in part, to the inclusion by several states of three and four-year-old children who had not previously been served.

The growth in the number of tribal contracts from FY 1978 through FY 1985 is reflected below:

<u>Type of Contractor</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>EST.</u> <u>1984</u>	<u>EST.</u> <u>1985</u>
Tribal Organizations	146	152	174	227	196	221	229	240
Public School Dist.	92	90	76	70	64	59	76	75
State Dept. of Educ.	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total Contracts	244	248	256	303	266	286	311	321

Supplemental support funds are distributed to eligible contractors based upon the number of eligible Indian students to be served. In order to ensure that JOM supplemental funds are used appropriately, proposed revisions have been developed to 25 CFR 273. The proposed revisions, originally published in the Federal Register in September, 1982 along with other parts of the P.L. 93-638 regulations, changed the system from a contract mode to a grant mode. However, due to the objections received on this change, the system will continue as a contract mode and proposed revisions will be republished in the Federal Register for comment.

FY 1984 JOM DISTRIBUTION BY STATE

	*(1)	(2)	(3)	(4)	(5)	(6)
State	State Avg. Per Pupil Cost	State Weighting Factor	Number of Students Served	Weighted Student Unit (2 x 3)	State JOM Per Student Amount (Col. 2x base amt. per WSU)	State Allocation (Cols. 5x3)
Alaska	\$ 5,108	2.19	21,774	47,685	\$ 276.10	6,011,801
(Juneau)			(21,404)	(46,875)		(5,909,644)
(Portland)			(370)	(810)		(102,157)
New York	3,638	1.56	2,050	3,198	196.67	403,173
Oregon	3,014	1.29	1,603	2,068	162.63	260,696
Wyoming	2,917	1.25	869	1,086	157.59	136,946
Kansas	2,679	1.15	786	904	144.98	113,954
Wisconsin	2,635	1.13	4,651	5,256	142.46	662,581
Montana	2,598	1.12	8,270	9,262	141.20	1,167,724
(Billings)			(7,294)	(8,169)		(1,029,913)
(Portland)			(976)	(1,093)		(137,811)
Minnesota	2,569	1.10	5,416	5,958	138.68	751,091
Washington	2,473	1.06	5,844	6,195	133.64	780,992
New Mexico	2,406	1.03	25,462	26,226	129.85	3,306,241
(Navajo)			(15,549)	(16,016)		(2,019,038)
(Albuquerque)			(9,913)	(10,210)		(1,287,203)
California	2,386	1.02	4,575	4,666	128.59	588,299
(Sacramento)			(3,905)	(3,983)		(502,144)
(Phoenix)			(670)	(683)		(86,155)
Michigan	2,352	1.01	2,138	2,159	127.34	272,253
Utah	2,338	1.00	3,036	3,036	126.07	382,753
(Navajo)			(2,062)	(2,062)		(259,960)
(Phoenix)			(974)	(974)		(122,793)
Colorado	2,324	1.00	776	776	126.07	97,832
Nebraska	2,318	1.00	1,671	1,671	126.07	210,665
Iowa	2,260	1.00	528	528	126.07	66,566
(Aberdeen)			(343)	(343)		(43,243)
(Minneapolis)			(185)	(185)		(23,323)
Oklahoma	2,138	1.00	26,876	26,876	126.07	3,388,300
(Anadarko)			(9,811)	(9,811)		(1,236,888)
(Muskogee)			(17,065)	(17,065)		(2,151,412)
Florida	1,969	1.00	406	406	126.07	51,185
Arizona	1,922	1.00	40,373	40,373	126.07	5,089,889
(Navajo)			(21,866)	(21,866)		(2,756,682)
(Phoenix)			(18,507)	(18,507)		(2,333,207)
South Dakota	1,888	1.00	8,957	8,957	126.07	1,129,223
Maine	1,885	1.00	242	242	126.07	30,509
Nevada	1,830	1.00	4,025	4,025	126.07	507,438
Louisiana	1,812	1.00	81	81	126.07	10,212
Idaho	1,795	1.00	2,122	2,122	126.07	267,524
North Dakota	1,789	1.00	2,217	2,217	126.07	279,501
Mississippi	1,429	1.00	259	259	126.07	32,652
TOTALS			175,007	206,232		\$26,000,000

* State Average Per Pupil Cost is taken from unaudited data of the National Council of Educational Statistics on "Current expenditures as defined by P.L. 81-874 and P.L. 89-109".

National average per pupil cost is \$2,333.

Unweighted JOM per student amount is \$126.07 (\$26,000,000 ÷ 206,232).

The distribution formula is applied as follows:

- (1) For every state above the national average, divide the "State Average Per Pupil Cost" by the national average per pupil cost. This will provide the weighting factor for those states above the national average per-pupil cost. The weighting factor for states equal to or below the national average per pupil cost is 1.00.
- (2) Multiply the weighting factor times the number of students served for each state. This will result in the number of weighted student units (WSUs) per state. For those states with a weighting factor of 1.00, the WSUs will equal the number of students served.
- (3) Divide the total number of WSUs into the total available allocation. This will provide the base amount per WSU.
- (4) To arrive at the "State JOM Per Student Amount," multiply the weighting factor for each state by the base amount per WSU.
- (5) To arrive at the "State Allocation" multiply "State JOM Per Student Amount" by "Number of Students Served".

Change for FY 1985:

(dollars in thousands)

<u>Program Elements</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Johnson-O'Malley Educational Assistance	(\$)	26,185	26,185	--

In FY 1985, it is projected that this program will provide services to 176,000 students in 26 states with an estimated 800 local Indian education parent committees helping to determine needs. This program will be administered through contracts with approximately 240 tribal organizations, 75 public school districts, and six partial contracts with State Departments of Education.

No change in funding is proposed for the Johnson-O'Malley Educational Assistance program. The Base funding level includes 638 pay costs for contractor employees, however, since JOM funds are distributed by formula, every student benefits from this base adjustment.

Justification of Program and Performance

Activity:	Education
Subactivity:	Continuing Education

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc.(+) Dec.(-) From 1984</u>	<u>Inc.(+) Dec.(-) From Base</u>
A. Higher Education <u>a/</u>	(\$)	26,197	26,204	27,416	+1,219	+1,212
B. Special Higher Education	(\$)	2,092	2,092	2,092	--	--
C. Adult Education <u>a/</u>	(\$)	3,747	3,854	3,545	-202	-309
	(FTE-T)	(35)	(35)	(35)		
D. Post-Secondary	(\$)	8,892	9,130	9,130	+238	--
	(FTE-T)	(239)	(239)	(239)	(--)	(--)
E. Tribally Controlled Community Colleges <u>b/</u>	(\$)	11,893	11,893	11,060	-833	-833
Total Requirements	(\$)	52,821	53,173	53,243	+422	+ 70
	(FTE-T)	(274)	(274)	(274)	(--)	(--)

Distribution:

Tribe/Agency Operations	(\$)	30,552	30,703	31,646	+1,094	+943
Area Office Operations	(\$)	287	250	250	-37	--
Centralized Schools	(\$)	8,892	9,130	9,130	+238	--
Tribally Controlled Community Colleges	(\$)	10,998	10,998	10,125	-873	-873
Special Higher Education Programs	(\$)	2,092	2,092	2,092	--	--

a/ Tribal Priority System

b/ Includes Snyder Act funds determined by Tribal Priority System of \$895,000 in FY 1984 and FY 1985 Base; \$935,000 in FY 1985 Estimate.

Number of Continuing Education Students Served

	<u>FY 1984</u> <u>Estimate</u>	<u>FY 1985</u> <u>Estimate</u>	Inc. (+) or Dec. (-)
Higher Education Student Grants	13,160	13,660 <u>a/</u>	+500
Special Higher Education Programs	270	270	--
Adult Education	11,325	10,400 <u>a/</u>	-925
Post Secondary Schools	2,031 <u>a/</u>	2,031 <u>a/</u>	--
Tribally Controlled Community Colleges	<u>3,400 a/</u>	<u>3,549 a/</u>	<u>+149</u>
Total	30,186 <u>a/</u>	29,910 <u>a/</u>	-276

a/ These numbers have been updated subsequent to final development of the Appendix to the President's Budget.

A. Higher Education

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

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

Base Program: The Higher Education program provides for grants to students who meet the following eligibility criteria: (1) Indian, Eskimo, or Aleut whose blood quantum is one-fourth degree or more; (2) member of tribe(s) which is federally recognized; (3) admitted for enrollment in an accredited college or university program leading primarily to a baccalaureate degree; and (4) financial need as determined by the institution's financial aid officer. A Certificate of Degree of Indian Blood or other proof of Indian blood certified by the Tribal Enrollment Office of the Bureau must be a part of the students's application. School Operations staff at the area and agency office level provide supervision for this program. The funding level for this program is set by tribes through the Indian Priority System.

Table 1 provides statistical and historical data for selected years (1949, 1960, and 1970) and for 1979 through 1985 to indicate the increasing importance of this program for Indian/Alaska Natives. The table also reflects the rising cost of education and the related tribal contract program direction costs.

Table I - HIGHER EDUCATION GRANT PROGRAM

Fiscal Year	Appropriation	No. of Students Assisted	Average Grant Size d/	No. of Graduates	Number	Tribal Contracts
						Program Direction costs (\$ and as % Appropriation)
1949	a/\$ 9,390	\$ 78	\$ 120	1	0	\$ —
1960	250,000	612	408	65	0	—
1970	3,848,000	4,271	901	286	6	120,000 (3.1%)
1979	26,575,600	14,904	1,783	1,965	32	1,310,000 (4.9%)
1980	27,398,300	15,895	1,724	1,420	38	1,556,000 (5.7%)
1981	26,918,700	15,724	b/ 1,712	b/ 1,290	48	1,964,640 (7.3%)
1982	27,371,000	16,100	b/ 1,700	b/ 1,289	57	2,110,364 (7.7%)
1983	26,357,000	c/ 13,951	b/ 1,889	b/ 1,307	76	2,812,000(10.7%)
1984	26,197,000	13,160	b/ 1,991	b/ 1,300	82	3,034,000(11.6%)
1985	27,416,000	13,660	b/ 2,007	b/ 1,300	85	3,145,000(11.5%)

a/ First year of the Higher Education Grant Program.

b/ Estimate

c/ Includes \$800,000 appropriated for graduate students, Tribes/Agencies.

d/ Calculated by dividing "Appropriation" by "No. of Students Assisted".

The financial aid "package" completed and certified by the institution's financial aid officer serves as the principal basis for determining the Bureau grant amount. The Bureau grant award, combined with the package of any other assistance, cannot exceed the institution's determination of the student's need as stated in 34 CFR 674.15, 675.15 and 676.15, Coordination with Bureau of Indian Affairs Grants-in-Aid.

The extent of unmet need, loans, and work-study portions of packages is dependent upon the priority budgeted amount from tribes and the number of eligible students expected to apply from a particular tribe. Thus, students would be provided proportionately less when a larger than anticipated number of eligible students apply. Table 2 shows the estimated distribution of the funding sources for Indian students at the post-secondary level. The Bureau contribution is approximately forty-two percent (42%) of the total assistance required in FY 1984.

TABLE 2 - SOURCES OF FUNDING FOR HIGHER EDUCATION STUDENTS

	1983	1984 Estimate	1985 Estimate
Total BIA Grant Awards a/	\$26,357,000(41%)	\$26,197,000(42%)	\$27,416,000(44%)
Private Sources b/	12,800,000(20%)	11,834,000(19%)	11,688,000(19%)
Institutional Awards c/	21,434,000(33%)	20,113,000(32%)	19,610,000(31%)
Other Public Sources d/	4,200,000(6%)	4,110,000(7%)	4,000,000(6%)
	\$64,791,000	\$62,254,000	\$62,714,000

a/ The Total BIA Grant Award is the amount appropriated.

b/ Parent, student, tribal, and private scholarship contributions.

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

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

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Higher Education	(\$)	26,204	27,416	+1,212

The increase of \$+1,212,000 at the Tribe/Agency level is a result of tribal determination of program priorities under the Indian Priority System.

It is estimated that 85 tribes will have Bureau contracts to manage the Higher Education program in FY 1985. The Higher Education funds which are used for program direction purposes are for costs incurred by tribes to operate local programs under contract.

The average grant award for FY 1985 is estimated to be \$2,000 including awards ranging from \$200 for part time students to approximately \$6,000 to \$10,000 for students having a family of four or more dependents depending on local tribal policy. Some tribes are setting a ceiling on the maximum grant awarded in the \$6,000 range. Approximately 13,700 students will receive awards in FY 1985.

B. Special Higher Education

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

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

Base Program: Five critical professions were identified by Congress in the early 1970s as being under-represented by Indian/Alaska Natives and the Bureau was instructed to encourage enrollment in these fields. Efforts are being made at all levels of education to increase the number of Indian/Alaska Natives in these critical professions.

From 1970 through 1984, 2,981 students will have participated in the Special Higher Education program and 1,847 will have received advanced degrees for a completion rate of approximately 62%. Table 1 provides the relevant historical and statistical data for the program.

TABLE I - ENROLLMENT AND GRADUATES 1970 - 1984

	Period 1970-1980	FY 1981	FY 1982	FY 1983	FY 1984 Estimate	Total	Compl. Rate
1. Law Program Enrollment	878	114	122	105	120	1,339	
Law Program Graduates	544	36	34	30	30	674	50%
2. All other Grad. Prog.							
Enrollment	920	218	143	211	150	1,642	
All other Grad. Prog. Graduates	765	139	78	111	80	1,173	71%
Total Program Enrollment	1,798	332	265	316	270	2,981	
Total Graduates	1,309	175	112	141	110	1,847	62%

Graduate Student Grant Program: This program provides assistance to students who are pursuing concentrated courses of study in specific professional fields with emphasis in the five congressionally identified critical professions, i.e., Law, Medicine, Engineering, Business Administration and Forestry. Table 2 reflects the enrollment in these critical professions for FY 1981 through FY 1985. Table 3 provides average grant/FTE data for the entire Graduate Student Program, except Law. Table 4 provides average grant/FTE data for the Law program.

TABLE 2 - ENROLLMENT IN CRITICAL PROFESSIONS

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
Law	114	122	105	120	120
Medicine	21	30	20	25	30
Forestry	2	3	3	6	8
Engineering	1	1	2	6	8
Business Administration	16	17	16	20	25
Other	<u>178</u>	<u>92</u>	<u>170</u>	<u>93</u>	<u>56</u>
TOTAL	332	265	316	270	247

TABLE 3 - GRADUATE STUDENT PROGRAM (EXCEPT LAW)

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
1. Enrollment	218	143	211	150	150
2. Funding Level (\$000's)	\$800	\$771	1,600	\$978	\$978
3. Average Grant	\$3,670	\$5,392	\$7,583	\$6,520	\$6,520

TABLE 4 - INDIAN LAW PROGRAM

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
1. Enrollment	114	122	105	120	120
2. Funding Level (\$000's)	\$1,880	\$1,034	\$1,092	\$1,114	\$1,114
3. Average Grant	\$16,491	\$8,475	\$10,400	\$9,283	\$9,283

Change For FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Special Higher Education	(\$)	2,092	2,092	--

C. Adult Education

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

Objective: The objective of the Adult Education program is to provide opportunities for adult Indian/Alaska Natives to complete high school graduation requirements and gain new skills and knowledge for their self-enhancement as parents, citizens, consumers, and employees or employers. The Adult Education program funding is based on tribal priority and the curriculum is a direct result of the assessed needs of the service area.

Base Program: This educational program encompasses programs that address the problems of literacy, unemployment, under-employment, self-improvement, and training. The Bureau seeks to provide programs in the area of Adult Education targeting on the adult Indian/Alaska Native population who live primarily in rural and isolated locations. The funding level for this program is set by tribes through the Indian Priority System.

Adult Education programs are provided in the areas of basic academic and personal skills. Indian/Alaska Native adults who have not obtained high school diplomas may complete their education through the high school level either by regular high school courses or General Education Development (GED) courses. Courses are also provided to improve the adults' competitiveness in seeking employment.

The following tables provide detailed data concerning the Adult Education program. Table 1 shows the number of Adult Education programs, by location, for fiscal years 1980-1983 and estimates for fiscal years 1984 and 1985. Table 2 displays the number of participants in Adult Education programs, by location, for fiscal years 1980-1983 and estimates for fiscal years 1984 and 1985. Table 3 provides the funding allocations, by location, for fiscal years 1982-1984 and an estimate for fiscal year 1985. Table 4 indicates the number of participants who have completed their programs or who have been awarded GED certificates.

TABLE 1 - NUMBER OF ADULT EDUCATION PROGRAMS, BY LOCATION, FY 1980 - 1985

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
Aberdeen	13	13	14	11	11	11
Albuquerque	6	6	6	7	7	7
Anadarko	5	5	4	2	3	3
Billings	4	4	3	2	1	1
Eastern	5	5	5	5	5	5
Juneau	9	9	9	8	6	6
Minneapolis	6	6	5	5	5	5
Muskogee	6	6	5	4	5	5
Navajo	6	6	6	5	6	6
Phoenix	6	6	6	7	5	5
Portland	11	11	11	10	12	12
Sacramento	3	3	3	2	3	3
TOTAL	80	80	77	68	69	69

Typical of the courses offered are: Adult Basic Education (ABE); Personal Finance; Income Tax Preparation; Driver's Education; ABE Teacher Training; Life-Coping Skills (Consumer Education, etc); Application Completion; Business Courses (typing, shorthand and filing, etc.); Arts and Crafts (students are taught to make items, for which their tribes are noted, for sale); College Extension Courses; Alcohol and Drug Abuse; and self-improvement to enhance upward mobility.

The technique for the teaching of the adult Indian/Alaska Native program participants is reflective of the area, taking into account and utilizing the cultural background of the individual.

TABLE 2 - ADULT EDUCATION PROGRAM PARTICIPANTS

<u>Location</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
Aberdeen	2,200	2,400	2,455	2,283	2,200	2,000
Albuquerque	1,755	2,062	1,693	1,574	1,500	1,450
Anadarko	1,077	1,300	1,520	1,413	1,400	1,300
Billings	220	322	284	264	250	240
Eastern	630	638	632	588	550	500
Juneau	175	155	137	127	125	120
Minneapolis	812	291	250	233	200	180
Muskogee	250	230	207	193	175	170
Navajo	1,679	1,790	1,508	1,403	1,200	1,100
Phoenix	161	154	166	155	125	120
Portland	620	650	666	620	600	550
Sacramento	900	4,385	4,341	4,038	3,000	2,670
TOTAL	10,479	14,377	13,859	12,891	11,325	10,400

The cost per student fluctuates from area to area due to the mobility of staff and students, i.e., students have easier access to programs in Oklahoma where travel is less difficult than in Alaska. Program directors conduct the needs assessment surveys, recruit participants, make home visits, and teach some courses. BIA program directors also continuously look for opportunities to bring in local, state, or other federally-funded programs offering courses or instruction in subjects identified in the needs survey.

TABLE 3 - ADULT EDUCATION ALLOCATIONS (\$) BY LOCATION

<u>Location</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>ESTIMATE FY 1985</u>
Aberdeen	\$494,500	\$392,900	\$416,000	\$400,000
Albuquerque	822,800	349,800	422,000	402,000
Anadarko	262,000	224,700	237,000	215,000
Billings	58,800	51,000	50,000	45,000
Eastern	459,300	476,000	466,000	445,000
Juneau	443,800	336,600	313,000	300,000
Minneapolis	79,900	64,300	50,000	47,000
Muskogee	265,300	195,300	244,000	230,000
Navajo	638,600	651,600	606,000	580,000
Phoenix	135,400	134,300	75,000	68,000
Portland	461,000	405,400	442,000	425,000
Sacramento	537,600	415,600	426,000	388,000
TOTAL	\$4,659,000	\$3,697,500	\$3,747,000	\$3,545,000
 Average Cost/ Participant	 \$336	 \$287	 \$331	 \$341

TABLE 4 - NUMBER OF GED CERTIFICATIONS AND PROGRAM COMPLETIONS a/

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>Estimate FY 1983</u>	<u>Estimate FY 1984</u>	<u>Projected FY 1985</u>
GED Certificates	798	1,135	1,321	1,195	1,090	1,100
Prog. Completions	1,769	1,975	1,601	1,474	1,340	1,300
Total	2,567	3,110	2,922	2,669	2,430	2,400

a/ Program completion and GED certification are not synonymous. The Adult Basic Education program responsibility ends upon the student's completion of the GED preparatory courses. The GED test and certification are administered by state officials, therefore, the number of GED certifications awarded is normally lower than the number of completions.

Decrease for FY 1985

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Adult Education	(\$)	3,854	3,545	-309

The decrease of \$-309,000 is at the Tribe/Agency level for Adult Education and is a result of tribal determination of program priorities under the Indian Priority System.

The curriculum is a direct result of the assessed needs of the tribes service area. In FY 1985, 69 Tribe/Agency locations are expected to have an Adult Education program.

It is estimated that 10,400 adult Indians will benefit from these programs in basic course offerings. As a result of this training, approximately 1,100 will receive GED certificates in FY 1985.

D. Post-Secondary Schools

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

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

Haskell Indian Junior College (HIJC): The college presents a comprehensive two-year liberal arts program designed to provide the academic credits needed for transfer to other colleges and universities leading to baccalaureate degrees. The school also provides job placement assistance for its students.

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

Southwestern Indian Polytechnic Institute (SIPI): This school is the only specialized vocational/technical school for young Indian/Alaska Native students in the Nation. SIPI offers training in 11 different vocational/technical fields and grants certificates in 42 program areas. There are currently 70 tribes from 35 different states represented at SIPI. SIPI has been accredited by the North Central Association of Colleges and Schools since 1975.

In accordance with House Report No. 98-253, "Department of the Interior and Related Agencies Appropriation Bill, 1984", FY 1984 funds appropriated for the operation of SIPI have been used to begin implementation of the SIPI Task Force recommendations. Specifically, the SIPI curriculum in the data processing, electronics, drafting, and optics programs has been upgraded; the authority of the Board of Regents has been broadened and its membership expanded to better reflect SIPI's national constituency; more cooperative programs have been executed; private industry involvement and contributions to SIPI have been increased; and recommendations are being developed for facilities modifications to the SIPI campus.

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

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

TABLE 1 - STUDENT FTE DATA

	FY 1983		FY 1984 (Estimate)		FY 1985 (Estimate)	
	TOTAL	DORM	TOTAL	DORM	TOTAL	DORM
	FTE	CAPACITY b/	FTE a/	CAPACITY b/	FTE a/	CAPACITY b/
Haskell	1,097	752	1,100	752	1,100	752
IAIA	194	160	206	160	206	160
SIPI	619	512	725	512	725	512
Total	<u>1,910</u>	<u>1,424</u>	<u>2,031</u>	<u>1,424</u>	<u>2,031</u>	<u>1,424</u>

a/ In prior budget submissions Haskell and SIPI have used 15 hours instead of 12 hours for computing FTE; however, for consistency purposes, the tables in this estimate have been modified to reflect a 12-hour FTE.

b/ Dorms are for single residents only. Tribal funds are used to assist married students with families.

Comparative costs for the three institutions in in FY 1983 are presented in Table 2.

TABLE 2 - COST OF ATTENDANCE BY INSTITUTION a/

	<u>Resident</u>	<u>Commuter</u>
Haskell	\$ 6,700	\$ 4,002
IAIA	7,900	5,500
SIPI	5,619	3,582

a/ Reflects both educational and operation and maintenance program costs.

The number of Indian/Alaska Native students awarded Associate Degrees or certificates of completion from the three schools is shown in Table 3.

TABLE 3 - NUMBER OF GRADUATES

	<u>FY 1983</u>	<u>FY 1984</u> <u>(Estimate)</u>	<u>FY 1985</u> <u>(Estimate)</u>
Haskell	188	200	250
IAIA	29	45	50
SIPI	125	130	140
Total	<u>342</u>	<u>375</u>	<u>440</u>

Change for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
D. Post Secondary (\$)	9,130	9,130	--

No change is requested for the Post Secondary Schools in FY 1985.

<u>School</u>	<u>FY 1985</u> <u>FTE (EST)</u>	<u>FY 1985</u> <u>Cost/FTE (EST)</u>	<u>FY 1985</u> <u>ESTIMATE</u>
Haskell	1,100	\$4,455	\$4,900,000
IAIA	206	8,252	1,700,000
SIPI	725	3,490	2,530,000
TOTAL	<u>2,031</u>		<u>\$9,130,000</u>

E. TRIBALLY CONTROLLED COMMUNITY COLLEGES

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including education, to federally recognized Indian tribes. P.L. 98-192 (dated 12/1/83) is the authority under which funding for Tribally Controlled Community Colleges is provided by the Secretary.

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

Base Program: The Indian Self-Determination and Education Assistance Act (P.L. 93-638) states the role of the Federal Government is to provide comprehensive education programs and services for Indian/Alaska Natives. Community colleges are governed by a local board of regents, a majority of whom are Indian. This enables the sponsoring tribes to pursue educational goals for their people compatible with the needs and assessments of the tribes. Tables 1 and 2 present summary data with respect to sources of funds, number of graduates, and cost per student FTE for the Tribally Controlled Community Colleges for FY 1983 through FY 1985.

Title I of the Tribally Controlled Community College Assistance Amendments Act, 1983, (P.L. 98-192 dated December 1, 1983) authorizes, at the determination of the Tribally Controlled Community College, grants to defray expenditures for academic, educational, and administrative purposes and for the operation and maintenance of all Tribally Controlled Community Colleges except Navajo Community College. Title II grants are authorized only for the Navajo Community College for an amount necessary for operating and maintaining the College, including, but not limited to, administrative, academic, and operation and maintenance costs.

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

<u>Funding</u>	<u>FY 1983</u>		<u>FY 1984</u> <u>Appropriation</u>		<u>FY 1985</u> <u>(Estimate)</u>		<u>Inc./Dec.</u> <u>FY 84-FY 85</u>	
	<u>Grant</u>	<u>FTE</u>	<u>Grant</u>	<u>FTE</u>	<u>Grant</u>	<u>FTE</u>	<u>Grant</u>	<u>FTE</u>
Title I	\$5,506.0	2,194	\$6,440.0	2,500	\$6,092.0	2,549	\$-348.0	+49
Title II	3,840.0	886	4,440.0	900	3,915.0	1,000	-525.0	+100
Tech. Asst.	117.8	--	118.0	--	118.0	--	--	--
Snyder Act	775.2	--	895.0	--	935.0	--	+40.0	--
Totals	\$10,239.0	3,080	\$11,893.0	3,400	\$11,060.0	3,549	\$-833.0	+149

TABLE 2 - SUMMARY OF GRADUATES AND COST PER FTE (\$)

	<u>FY 1983</u>	<u>FY 1984</u> <u>(Estimate)</u>	<u>FY 1985</u> <u>(Estimate)</u>	<u>Increase/Decrease</u> <u>FY 1984 - FY 1985</u>
Graduates	537	537	550	+13
Cost/FTE (\$)	\$3,324	\$3,498	\$3,116	\$-382

TABLE 3 - AVERAGE COST (\$) OF COLLEGE ATTENDANCE BY TYPE OF INSTITUTION, FY 1983 a/

<u>Bureau Funded Program</u> <u>Type of Institution</u>	<u>Resident</u>	<u>Commuter</u>
TCCCs - Title I	\$ 4,600	\$ 2,064
NCC - Title II	7,100	4,830

a/ Does not include operation and maintenance costs.

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

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

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

The funding of some of the Tribally Controlled Community Colleges is supplemented with Snyder Act funds. This is done in order to fulfill the Bureau's commitment to continue assistance to the colleges at the levels of funding determined by tribal priorities. This amount totaled \$895,000 for FY 1984 and \$935,000 for for FY 1985. (see Tables 1 and 4)

Title II of Public Law 95-471 exempts the Navajo Community College (NCC) from being included in ratably distributed funds. Title II has been amended to fund NCC at an amount equal to the amount necessary for operation and maintenance of the college including, but not limited to, administrative, academic, and operation and maintenance costs.

Table 4 reflects the prorata distribution of funds per student FTE for the Tribally Controlled Community Colleges. It also reflects distribution of funds under Title II, the Snyder Act, and funds for Technical Assistance and Feasibility Studies.

TABLE 4 - Distribution of Funds & FTE

<u>College</u>	<u>Estimated FY 1984</u>		<u>Estimated FY 1985</u>		<u>Increase (+) or Decrease (-)</u>	
	<u>Student FTE</u>	<u>Grant a/</u>	<u>Student FTE</u>	<u>Grant a/</u>	<u>FTE</u>	<u>Grant</u>
Standing Rock	192	\$501,400	194	\$464,000	+2	\$-37,400
Blackfeet	145	375,400	150	358,500	+5	-16,900
Sinte Gleska	230	602,100	230	550,000	--	-52,100
Turtle Mountain	180	463,500	181	432,600	+1	-30,900
Salish Kootenai	170	435,900	171	409,000	+1	-26,900
Ganado	145	380,500	150	358,500	+5	-22,000
Little Hoop	60	151,200	60	143,400	--	- 7,800
Sisseton-Wahpeton	103	267,100	103	246,200	--	-20,900
D-Q University	100	264,600	100	239,000	--	-25,600
Fort Berthold	71	178,900	71	169,700	--	- 9,200
Dull Knife	191	488,800	191	456,800	--	-32,000
Oglala Sioux	440	1,121,200	445	1,064,000	+5	-57,200
Nebraska	145	377,900	150	358,500	+5	-19,400
Lummi	65	163,800	65	153,400	--	-10,400
Little Big Horn	91	229,300	91	217,500	--	-11,800
Fort Peck	62	156,200	62	148,200	--	- 8,000
Cheyenne River	50	126,000	50	119,500	--	- 6,500

TABLE 4 - Distribution of Funds & FTE, (cont.)

<u>College</u>	<u>Estimated FY 1984</u>		<u>Estimated FY 1985</u>		<u>Increase (+) or Decrease (-)</u>	
	<u>Student FTE</u>	<u>Grant a/</u>	<u>Student FTE</u>	<u>Grant a/</u>	<u>FTE</u>	<u>Grant</u>
Lac Courte Oreilles Ojibwa	60	156,200	85	203,200	+25	+47,000
Fort Belknap <u>b/</u>	--	--	--	--	--	--
Subtotal-Title I	<u>2,500</u>	<u>\$6,440,000</u> <u>c/</u>	<u>2,549</u>	<u>\$6,092,000</u>	<u>+49</u>	<u>-348,000</u>
Technical Assistance and Feasibility Studies	--	118,000	--	118,000	--	--
Navajo Community College-Title II	<u>900</u>	<u>4,440,000</u>	<u>1,000</u>	<u>3,915,000</u>	<u>+100</u>	<u>-525,000</u>
Subtotal-Title I and Title II	<u>3,400</u>	<u>\$10,998,000</u>	<u>3,549</u>	<u>\$10,125,000</u>	<u>+149</u>	<u>\$-873,000</u>
Sinte Gleska <u>d/</u>	--	119,500	--	127,500	--	+8,000
Dull Knife <u>d/</u>	--	366,900	--	381,900	--	+15,000
Oglala Sioux <u>d/</u>	--	354,000	--	369,000	--	+15,000
Turtle Mountain <u>d/</u>	--	54,600	--	56,600	--	+2,000
Subtotal Snyder Act	<u>--</u>	<u>\$895,000</u>	<u>--</u>	<u>\$935,000</u>	<u>--</u>	<u>+40,000</u>
Total Estimate <u>e/</u>	<u>3,400</u>	<u>\$11,893,000</u>	<u>3,549</u>	<u>\$11,060,000</u>	<u>+149</u>	<u>\$-833,000</u>

a/ Estimates may not compute exactly due to rounding.

b/ This tribe has requested a feasibility study for funding eligibility in FY 1985. If approved, funding would be provided, on a prorata basis, from within available funds.

c/ Amount of funding and number of FTE associated with the operation of 19 TCCC's are based on revised data since the submission of the President's Budget.

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

e/ An annual audit of the FTE Indian student count is made by the BIA Office of Indian Education Programs staff and an independent financial audit is made annually by the college.

The technical assistance amount of \$118,000 is provided to assist the tribal colleges in gaining full accreditation and maintaining quality cost effective program operations. Two colleges received accreditation in FY 1983 and two are expected to receive accreditation in FY 1984 and one in FY 1985.

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

Table 5 shows the list of tribally controlled community colleges and the comparative data on the number of FTE Indian students, graduates, accreditation status, and the types of degrees and certificates awarded by each college for fiscal years 1981-84.

TABLE 5 - FTE and Graduates

Tribal College	FTE				GRADUATES				Accred- <u>a/</u> itation	Degrees or Certificate Offered <u>d/</u>
	FY 1981	FY 1982	FY 1983	(EST) FY 1984	FY 1981	FY 1982	FY 1983	(EST) FY 1984		
Standing Rock	142	154	172	192	23	23	24	24	Cand	AA, AAS, AS, Voc. Cert.
Blackfeet	184	211	176	145	96	80	84	84	Cand	AA, AAS, Voc. Cert.
Sinte Gleska	197	181	194	230	26	23	24	24	Accred	AS, AAS, BS, Voc. Cert.
Turtle Mountain	159	198	172	180	39	50	53	53	Cand	AA, AAS, Voc. Cert.
Salish Kootenai	118	162	190	170	16	40	42	42	Cand	AA, AAS Voc. Cert.
Ganado	84	99	130	145	15	8	9	9	Accred	AA, AAS
Little Hoop	21	41	39	60	2	11	12	12	Cand	AAS, Voc. Cert.
Sisseton- Wahpeton <u>b/</u>	72	84	71	103	4	36	38	38	NA	AA, Voc. Cert.
D-Q University	91	99	100	100	9	10	12	12	Accred	AA, AS
Fort Berthold	46	49	41	71	15	14	16	16	Cand	AA, Voc. Cert.
Dull Knife	73	104	146	191	14	16	20	20	Cand	AA, AAS
Oglala Sioux	282	331	371	440	33	50	53	53	Accred	AA, BS Voc. Cert.
Nebraska	128	183	162	145	12	20	21	21	Cand	AA, AS, AAS Voc. Cert.
Lummi <u>b/</u>	40	33	26	65	18	18	20	20	Cand	AS
Little Big Horn <u>c/</u>	--	32	81	91	--	--	5	5	NA	AA, Voc Cert.
Fort Peck <u>b/</u>	52	60	50	62	6	13	14	14	NA	AA, AAS Voc. Cert.
Cheyenne River <u>c/</u>	--	66	73	50	4	2	10	10	NA	AA, AS, Voc. Cert.
Lac Courtes Oreilles Ojibwa <u>e/</u>	--	--	--	60	--	--	--	--	NA	AA
NCC	868	800	886	900	80	76	80	80	Accred	AA, AS, ASN Cert.
Total	2,557	2,887	3,080	3,400	412	490	537	537		

- a/ Accred - Fully accredited by a recognized accreditation association.
- Cand - Candidate status towards accreditation.
- NA - Not accredited but meets the three institutional certification requirements of Public Law 95-471.
- b/ Funded in FY 1981.
- c/ Funded in FY 1982.
- d/ Degrees Awarded by TCCC:

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

- e/ Funded in FY 1984.

TABLE 6 - TITLE I FUNDS

	<u>FY 1984 Estimate</u>		<u>FY 1985 Estimate</u>		<u>Increase/Decrease</u>	
	<u>Grants</u>	<u>FTE</u>	<u>Grants</u>	<u>FTE</u>	<u>Grants</u>	<u>FTE</u>
Title I	\$6,440,000	2,500	\$6,092,000	2,549	\$-348,000	+49
GRANT/FTE	\$2,576		\$2,390		\$-186	

TABLE 7 - TITLE II FUNDS

	<u>FY 1984 Estimate</u>		<u>FY 1985 Estimate</u>		<u>Increase/Decrease</u>	
	<u>Grant</u>	<u>FTE</u>	<u>Grant</u>	<u>FTE</u>	<u>Grant</u>	<u>FTE</u>
Title II	\$4,440,000	900	\$3,915,000	1,000	\$-525,000	+100
GRANT/FTE	\$4,933		\$3,915		\$-1,018	

Decrease for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Tribally Controlled Community Colleges	(\\$)	11,893	11,060	-833

The decrease of \$833,000 in FY 1985 will provide the same dollar amount for each FTE intended by the Congress in the FY 1984 appropriation for this program. The chart below compares the levels for FY 1984 and FY 1985.

	FY 1984				FY 1985		
	Est. FTE in Pres. Budget	Fall Stud. Count (unverified)	Funds Approp (000's)	Amt. per FTE Est. in Budget	Est. FTE	Req. Funds (000's)	Amt. per Est. FTE
Title I	2,695 <u>1/</u>	2,556	\$ 6,440.0	\$2,390	2,549	\$6,092.0	2,390
Title II (NCC)	<u>1,134</u>	<u>772</u>	<u>4,440.0</u>	\$3,915	<u>1,000</u>	<u>3,915.0</u>	3,915
Total	3,829 <u>1/</u>	3,328	\$10,880.0		3,549	\$10,007.0	

1/ Includes 40 for Lac Courte Oreilles added after the President's Budget.

Based on the fall 1983 student count submitted by the TCCCs, the FY 1984 enrollment estimated in the FY 1984 Justifications was overstated. The revised number is 2,556 for Title I and 772 for Title II. Congress intended to provide \$2,390 per Title I FTE and \$3,915 per Title II FTE. The FY 1985 requested level, therefore, is consistent with the level intended by the Congress in FY 1984.

Object Classification for Continuing Education Subactivity

Supplies and materials.....	\$-209,000
Equipment.....	-100,000
Grants, subsidies and contributions (net).....	<u>+379,000</u>
Total.....	<u>\$+ 70,000</u>

Activity Summary
(dollars in thousands)

Activity: Indian Services

<u>Subactivity (program)</u>	<u>FY 1983 Actual (B.A.)</u>	<u>FY 1984 Approp. Enacted</u>	<u>FY 1984 Revised Estimate</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) or Dec. (-) 1985 Est. over 1985 Base</u>
Tribal Government Services	25,609	23,694	23,875	23,905	26,115	+2,210
Social Services	100,187	99,609	107,279 *	107,505	105,752	-1,753
Law Enforcement	35,972	34,944	35,280	35,694	36,409	+715
Housing	53,298	transferred to Construction in FY 1984				
Self-Determination Services	58,876	58,779	58,799	21,153	25,255	+4,102
Navajo-Hopi Settlement Program	3,923	3,951	3,976	4,005	3,830	-175
Indian Services Contract Support	---	---	---	15,240	15,240	---
Total	277,865	220,977	229,209	207,502	212,601	+5,099

*Include 7,400 supplemental (transfer from Construction account) for welfare grants.

BIA-73

Justification of Program and Performance

Activity: Education
 Item: Education Contract Support

(dollars in thousands)

		FY 1984 Approp. to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
Total						
Requirements	(\$)	---	13,340	13,340	+13,340	---

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$13,340,000): The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request.

As a part of the implementation of this directive in the budget process, this request distributes the FY 1984 appropriated amount of \$37,788,000 to each activity which has existing (in FY 1983) P.L. 93-638 contracts. The amount distributed to this activity is \$13,340,000. The actual distribution by program within this activity will be determined when the FY 1985 contracts are negotiated for programs currently (FY 1983) under contract. After the actual distribution is made, separate identification of the distributed funds will cease as they will become part of the program amounts in future budget requests.

The detailed base program description and justification for contract support funds and their overall purpose is included under the Self-Determination Services justification.

The following table provides a tentative distribution by programs within this activity of the base amount of contract support funds. The distribution was made by prorating contract support funds based on actual FY 1983 contract amounts. Since this distribution has not been based on individual contractor indirect cost rates (to be established at the time FY 1985 contracts are negotiated), it is not to be viewed as final.

<u>Program</u>	<u>Tentative Amount</u>
School Operations.....	\$ 7,991,000
Johnson O'Malley.....	2,891,000
Continuing Education.....	<u>2,458,000</u>
Total.....	<u>\$13,340,000</u>

Justification of Program and Performance

Activity:	Indian Services					
Subactivity:	Tribal Government Services					
(dollar amounts in thousands)						
<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Aid to Tribal Government	(\$) (FTE-T)	16,066 (243)	16,202 (243)	18,110 (243)	+2,044	+1,908
B. Tribal Courts	(\$)	7,628	7,703	8,005	+377	+302
Total Requirements	(\$) (FTE-T)	23,694 (243)	23,905 (243)	26,115 (243)	+2,421 (--)	+2,210 (--)
Distribution:						
Tribe/Agency Operations		18,407	18,812	19,716	+1,309	+ 904
Area Office Operations		1,895	1,667	1,667	- 228	--
Central Office Staff Operations		1,424	1,458	1,708	+ 284	+ 250
Other Indian Services Programs		1,968	1,968	3,024	+1,056	+1,056
Special Tribal Courts		(400)	(400)	(600)	(+200)	(+200)
New Tribes Undistributed		(793)	(793)	(2,424)	(+1,631)	(+1,631)
New Tribes Distributed		(775)	(775)	(--)	(-775)	(-775)
<u>A. Aid to Tribal Government</u>						

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

completion of certain tasks, within specified time frames, relative to judgment awards of the Indian Claims Commission or the Court of Claims.

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

Base Program (\$16,202,000): The Aid to Tribal Government subactivity contains a number of separate and distinct program elements providing technical and/or financial assistance to Indian tribes. Each program element is discussed in more detail below.

A. Community Services General (\$1,189,000 - FTE 26):

Tribe/Agency	\$609,000	FTE	-0-
Area Offices	\$346,000	FTE	20
Central Office	\$234,000	FTE	6

At the area office and central office levels this program provides the staff responsible for advising line officers (area directors, Assistant Secretary, and Deputy Assistant Secretary) on matters concerning the entire Indian Services program. The staff is responsible for advising on policy and operation of the entire Indian Services program. At the agency level funds have been established by tribal priorities primarily to carry out the consolidated human resource programs, usually under P.L. 93-638 contracts.

B. Community Fire Protection (\$683,000 - FTE -0-): This program is necessary for those tribes which do not receive community fire protection services from state or local governments. During FY 1983 approximately 50 tribes participated in this program with funding ranging from \$600 to \$48,000. The larger community fire protection programs provide funding to train volunteer fire fighters, repair existing fire fighting equipment, purchase additional equipment, and personnel costs. In those instances when funding is less than \$1,000, the funds are used to purchase such basics as smoke detectors, fire extinguishers, fire escapes and emergency lights for public tribal buildings. For example, during FY 1982 the Fort Hall Agency was allocated \$20,000 for Community Fire Protection. Approximately \$11,000 of that money was used by the tribe for the repair and maintenance of a 750 gallon pumper furnished by the Bureau in addition to one-300 gallon quick response unit and two-200 gallon quick response units owned by the Shoshone-Bannock Tribes. The remaining funds have been combined with tribal funds and used for training its 32-person fire crew in the areas of safety, pump operation, initial fire attack, chemical fire and all structural fires. The Fort Hall fire department has the responsibility for providing fire protection to 884 Indian homes, 1,400 non-Indian homes, 4 schools, 11 businesses and 6 churches. The service population is approximately 3,600 people.

C. Agriculture Extension (\$1,446,000 - FTE -0-): This program is one which the Bureau contracts with either State land grant colleges and universities or with the tribes. During FY 1983, the Bureau contracted with 12 colleges to provide technical advice and assistance to 18 tribes and its members in areas such as agriculture, soil restoration, crop rotation, animal husbandry, use of controlled substances, home extension services, and 4-H club activities. Funding was also provided to 18 other tribes in the lower 48 states and 9 Alaska Native Associations to provide services to approximately 70 Alaskan groups. A total of approximately 106 Indian tribes and Alaska Native groups benefited from this program during FY 1983.

The largest contracted program (\$262,000) in the lower 48 is with the New Mexico State University to provide services to the Navajo Nation. Aside from providing the regular agriculture extension service activities, the University also conducted four 40-hour training sessions on the application of controlled pesticide substances. As a result of these sessions, approximately 80 tribal members are recognized by 4 States as certified pesticide applicators. This program benefits the tribe by enabling its members to assist in controlling outbreaks of livestock pest infestation and related diseases that periodically occur in epidemic proportions.

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

D. All Other Aid to Tribal Government (\$11,316,000 - FTE 217):

Tribe/Agency	\$8,771,000	FTE 117
Area Offices	\$1,321,000	FTE 69
Central Office	\$1,224,000	FTE 31

Tribe/Agency: Approximately 90 percent of the tribe/agency funding is used for contracts between the Bureau and the tribes. During FY 1983 approximately 80 tribes contracted with the Bureau in the areas of Tribal Enrollment, Tribal Administration - General, and Work/Learn Programs. The Tribal Enrollment program enables tribes to maintain and update tribal enrollment records for the purpose of making tribal per capita/dividend distributions, hold Secretarial and tribal elections, and to identify tribal members for the purpose of exercising off-reservation treaty rights; i.e., hunting and fishing. The Tribal Administration - General program enables tribes to develop and update tribal government documents, develop policy, legislation and regulations in previously unregulated areas, to conduct constitutional amendment elections, and provide administrative support. The Work/Learn program is a cleanup program in and around Indian villages. In addition to the end product of cleaner villages, the program has the purpose of providing young people with work opportunity and experience.

Area Office: The majority of the area office funding is used to provide technical assistance to 288 federally recognized Indian tribes in the lower 48 and 197 Alaska Native groups. The area staff and funds are used to assist the tribes in developing, improving or amending tribal constitutions, bylaws, codes and ordinances and membership rolls; conducting of elections;

reviewing and approving of tribal attorney contracts; assuring the integrity of the separate branches of government; resolving issues involving intratribal disputes, membership, recall and removal; and providing other related assistance to tribal government activities in general. In addition, the area office staff conducts the Hearings of Record for the use and distribution of judgment fund awards. Once the distribution plan becomes effective, the area staff implements the plan and has the responsibility of performing the enrollment work necessary for making a per capita distribution. When the award is distributed on a descendancy basis, the applications are filed with the area director. Often the enrollment staff has the responsibility of processing 10 to 20 thousand applications before the payment can be made.

Central Office: The central office staff provides technical assistance in the areas of tribal claims, tribal enrollment, tribal government, and Federal acknowledgement of the existence of tribal entities not currently recognized by the Bureau. With respect to tribal claims, there are two areas with which the central office staff is involved. The first area involves providing technical assistance to tribes and their claims attorneys concerning the prerequisites for obtaining Secretarial approval of compromise settlements of claims pending before the U.S. Claims Court, many of which are multimillion dollar settlements, and auditing attorney fee and expense vouchers after judgments are awarded. The second area involves performing the detailed ethnohistorical research concerning beneficiaries of judgment awards and processing detailed plans after soliciting tribal input, or preparing the legislation, for tribal use of the judgment funds in compliance with the Indian Judgment Fund Distribution Act. The type of work performed includes the identification of modern-day tribal beneficiaries and often involves complex multitribal determinations where more than one tribe is involved. In those instances where the funds are to be distributed to the descendants of historical tribes, the staff develops the eligibility criteria which will govern individual rights to participate in the judgment fund distribution. Once the beneficiaries have been identified and the area offices have held the Hearing of Record, the central office staff develops the Judgment Fund Distribution Plan or proposed legislation for submittal to Congress.

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

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

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

E. New Tribes (\$1,568,000): The New Tribes program provides the initial source of funding for newly acknowledged tribes so that they can begin regular federally funded operations under their proposed budgets. New tribes are expected to assess their needs, design or propose operational programs to meet their needs, and submit proposed budgets to implement the proposed programs. New tribes funding is used to support a wide variety of needs as expressed by the newly acknowledged tribe. These needs cover such things as social services, enrollment, housing improvement, adult vocational training, natural resources conservation, reservation planning, higher education scholarships and development of tribal organic documents.

Funding for newly acknowledged tribes which have approved budgets are carried in the Summary Table of Funding under the Undistributed category until such time as their funding level can be reflected in the Tribe/Agency base. At this time their funding is transferred to the Distributed category and the Undistributed category is reduced accordingly. In the FY 1985 planning cycle, funds totalling \$775,000 were identified as a base funding level for the Narragansett Tribe.

Workload Data:

	<u>Actual FY 1982</u>	<u>Actual FY 1983</u>	<u>Estimated FY 1984</u>	<u>Estimated FY 1985</u>	<u>Change</u>
Judgement Fund/ Per Capita Payment Rolls	68	75	73	70	-3
Enrollment Appeals	6,319	5,500	4,490	4,400	-90
Rolls other than Judgement Funds/ Per Capita Rolls	158	182	183	183	--
Judgement Fund Plans, Legislation & Hearings	48	52	45	38	-7
Tribal Constitutions	155	155	165	170	+5
Federal Acknowledgement Cases:					
Cases Completed	3	2	5	4	-1
Cases Pending	6	6	6	3	-3

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Aid to Tribal Government	(\$) (FTE-T)	16,202 (243)	18,110 (243)	+1,908 (--)

- A. Community Services General (+\$24,000). The increase will provide additional overall supervision of Indian Services programs at the reservation level as determined by tribal priority setting. With the emphasis being placed on tribal governments having responsibility for charting their own development as enunciated in the President's Indian Policy Message, more and more tribal governments are arranging their priority to assure that supervision of community services programs is carried out at the reservation level.
- B. Community Fire Protection (+\$127,000). The increase is a result of the tribal priority setting process. It will enable additional tribes to provide services under this program.
- C. Agricultural Extension (-\$628,000). The decrease is a result of the tribal priority setting process.
- D. All Other Aid to Tribal Government (+\$1,529,000). The tribe/agency level is increased by \$1,279,000 as a result of the tribal priority setting process. The Central Office Staff Operations is increased by \$250,000. For some time now there has been a critical need to increase central office staff capabilities in the Branch of Tribal Relations to provide increased technical assistance to area, agency, and tribal governments, and staff review of tribal constitutions and bylaws, ordinances, and other government documents requiring study to adequately address intra-tribal disputes and other issues that require tribal constitutions interpretations. It is essential that we address these needs as the quality and quantity of assistance furnished by this level to the field is an important factor in furthering the Administration's efforts to strengthen tribal governments and aid tribal governments in their efforts to become more responsive and accountable to its members. Strong tribal governments are better able to deal with private business and local, state, and Federal agencies for the development of their reservation economies.
- E. New Tribes (+\$1,631,000 undistributed and -\$775,000 distributed). The increase will allow the Bureau to provide services and funding to cover new tribes up to an estimated 6,000 total number of members.

In FY 1985, \$775,000 has been distributed to the Narragansett Tribe. This amount appears as a decrease in New Tribes funding but is shown as increases in those programs selected by the tribe in their participation in the FY 1985 tribal priority setting process.

B. Tribal Courts

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

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

Base Program (\$7,703,000): This program is essentially a tribe/agency program with almost all of the program funds being expended at that level. The Bureau assists tribes in the operation of their court systems in recognition of the fact that a strong and viable judiciary is a critical element in strengthening tribal governments. In view of the imposition on Indian tribes of nontraditional requirements for dispute resolution, there has been a pronounced need to develop systems capable of coping with these requirements.

Tribe/Agency (\$7,303,000 - FTE -0-): This program pays the personnel and administrative costs for the operation of 109 tribal courts and 31 Courts of Indian Offenses (courts established and operating pursuant to 25 CFR 11). These courts all enforce and adjudicate the criminal provisions of tribal law and order codes and, as is the case with Courts of Indian Offenses, the criminal provisions found in 25 CFR. They also adjudicate civil disputes based upon the same authorities cited above. The criminal and civil adjudication provisions enforced by Indian courts vary considerably in their coverage, sophistication and procedures. The primary efforts to upgrade these tribal codes are assumed by the tribes themselves with assistance provided by Bureau staff primarily at the area and central office program levels.

The Courts of Indian Offenses differ from tribal courts only in respect to their jurisdictional authority for existence. Whereas the authority for the establishment and existence of tribal courts is generally found in tribal constitutions, Courts of Indian Offenses have no such authorization. They are established by the Bureau of Indian Affairs primarily upon a determination that a tribe has, or must, exercise civil and criminal jurisdiction over its members and a further finding that the traditional agencies for the enforcement of tribal law and custom have become inoperative and for which no adequate substitute has been provided under Federal or state law. In instances where there has been such a declaration and finding, there has been provided a ready-made set of laws and procedures which can be utilized until such time as the tribe itself adopts a law and order code and begins enforcing tribal law. At the tribal level these funds are provided to pay for judges, prosecutors, defenders, clerks of court, probation officers, juvenile officers and a variety of other court-support personnel. Additionally, the program pays for the administrative operational expenses incurred in running a court system.

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

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

Special Tribal Courts (\$400,000): This program enables the Bureau to provide training for Indian court personnel. In FY 1981, a special effort was initiated to upgrade the judicial capabilities of Indian court systems nationwide. Emphasis has been placed on increasing the capabilities in existing court systems and improving the prosecution functions. Since the special effort was initiated the Bureau has provided approximately 40 training sessions, through contracts, for Indian court personnel. In order to make the training as accessible as possible, training sessions have been conducted in various parts of the country. Formal course-work training has covered subjects such as: Basic and Advanced Criminal Law and Procedures, Basic and Advanced Civil Law and Procedure, Family Law Torts, Contracts, Legal Writing, Evidence, Indian Probate, etc. Since the turnover rate for all judicial personnel is exceedingly high, it is essential that training sessions be held on a regular basis.

Workload Data:

<u>Tribal Courts</u>	<u>Actual FY 1982</u>	<u>Actual FY 1983</u>	<u>Estimated FY 1984</u>	<u>Estimated FY 1985</u>	<u>Change</u>
Tribal Court Cases	132,000	141,000	161,000	170,000	+9,000
Tribal Courts Evaluated	22	25	25	25	--
Tribal Codes Reviewed	20	30	30	30	--

<u>Special Tribal Courts Training</u>	<u>Actual FY 1982</u>	<u>Actual FY 1983</u>	<u>Estimated FY 1984</u>	<u>Estimated FY 1985</u>
Training Sessions	15	12	14	14
Trainees	1,080	550	500	100
Judges	620	245	250	350
Other Court Personnel	460	305	250	350

Increase for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
B. Tribal Courts	(\$)	7,703	8,005	+302

Based upon tribal priorities, the tribe/agency level will be increased by \$102,000 to provide for additional court personnel. The Special Tribal Courts program will be increased by \$200,000 to permit an expansion of the training program and to provide technical assistance in the areas of court management and court evaluation aimed at increasing court capacities at the tribal government level. Inasmuch as the Bureau of Indian Affairs no longer has any court personnel available at the area level, which has been the normal level from which these technical services are provided, these funds will also be used for expenses associated with providing such technical assistance from the Central Office.

Distribution of change by object class:

The object class detail for the proposed \$2,210,000 increase is as follows:

	<u>Amount</u>
Travel and transportation of persons.....	\$+ 150,000
Other services.....	+1,960,000
Supplies and materials.....	+ 100,000
	<u>\$+2,210,000</u>

Justification of Program Performance

Activity: Indian Services
 Subactivity: Social Services

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Welfare Assistance						
Grants	(\$)	81,741	89,141*	88,141	+6,400	-1,000
B. All Other Social						
Services	(\$)	17,868	18,364	17,611	-257	-753
	(FTE-T)	(283)	(283)	(283)	(--)	(--)
<hr/>						
Total Requirements	(\$)	99,609	107,505	105,752	+6,143	-1,753
	(FTE-T)	(283)	(283)	(283)	(--)	(--)
<hr/>						
<u>Distribution:</u>						
Tribe/Agency Operations	(\$)	16,400	17,024	16,271	-129	-753
Area Office Operations		1,096	961	961	-135	--
Central Office Staff Operations		372	379	379	+ 7	--
Other Indian Services Programs:		81,741	89,141	88,141	+6,400	-1,000
Welfare Grants		(73,041)	(80,441)*	(80,441)	(+7,400)	(--)
Indian Child Welfare Grants		(8,700)	(8,700)	(7,700)	(-1,000)	(-1,000)

* Includes FY 1984 Supplemental (\$7,400,000) proposed in the President's Budget as a transfer from Construction.

A. Welfare Grants

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) and 25 U.S.C. 1901-1952 (The Indian Child Welfare Act of 1978, Public Law 95-608) are the basic authorities under which the Secretary provides assistance and services to eligible Indians.

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

Base Program (\$89,141,000): The Bureau of Indian Affairs provides welfare assistance to otherwise eligible Indians in its administrative jurisdictions when such assistance is not available through state or local public agencies.

It is the Bureau's general position that insofar as possible, Indians should have the same relationship to public welfare agencies as non-Indians under similar circumstances. However, financial assistance and social services required by some indigent Indians are not being provided by public welfare agencies, and the tax-exempt status of Indian lands affects the ability of some states and counties to provide this assistance, particularly if Indians constitute a considerable portion of their population.

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

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

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

Fourteen (14) states which meet the above criteria for provision of Bureau (financial) assistance are:

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

The same rationale regarding general (financial) assistance also applies to the provision of child welfare assistance which includes foster care and special care for handicapped children. The Bureau follows state established rates of payment in its child welfare assistance program.

In addition to welfare assistance for eligible clientele, the Bureau also provides The Indian Child Welfare Act (1978) Title II grants to Indian tribes for family and child services programs. These grants are designed to maintain the integrity of Indian family life and thus avoid the unwarranted placement for adoption or foster care of Indian children.

Four types of grants or contracts for services are available to tribes and tribal members. They are: General Assistance grants; Child Welfare Assistance grants; Miscellaneous Assistance grants; and The Indian Child Welfare Act programs. A detailed description of each type follows.

A. General Assistance -- \$64,346,000 in the FY 1985 Base. This consists of:

1. Direct financial assistance -- \$58,618,000 in the FY 1985 Base. This assistance is provided in 14 states to families and individuals to pay living expenses for those whose income is below state standards. These states have been listed on the previous page.
2. Non-medical institutional or custodial care -- \$2,890,000 in FY 1985 Base. This assistance is provided to disabled adults in 10 states, estimated as follows:

Arizona.....	\$2,780,000
Minnesota.....	9,000
Mississippi.....	1,500
Montana.....	10,000
Nebraska.....	1,500
Nevada.....	1,500
New Mexico.....	40,000
North Dakota.....	25,000
South Dakota.....	20,000
Wyoming.....	1,500

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

3. Contracts with tribes to run Tribal Work Experience Programs (TWEP) -- \$2,838,000 in the FY 1985 Base. About 4,300 tribal members who receive general assistance and who work on tribal projects under TWEP receive \$55 per month for work-related costs over their welfare payments. Examples of work projects include: road repair; building maintenance; facility construction; and housing construction and repairs.

B. Child Welfare Assistance -- \$14,741,000 in the FY 1985 Base. This program provides for the costs of care of abandoned, neglected, or handicapped children in foster homes, private or tribal group care homes, or in residential settings designed to provide special care and programs for the handicapped. These payments are made directly or through contract to the provider and involve the 14 states. These children are not eligible for care under any other programs.

C. Miscellaneous Assistance -- \$1,354,000 in the FY 1985 Base. These funds are used to pay burial expenses of Indians who die indigent or whose survivors cannot afford funeral expenses. This fund is also used to help Indians meet costs for natural disasters and related emergencies. In FY 1985, \$375,250 is estimated for such emergencies. Examples of how this money is used are: emergency subsistence and shelter in event of weather disaster; relocation and care of flood victims.

D. The Indian Child Welfare Act Title II Grant -- \$8,700,000 in the FY 1985 base. Public Law 95-608 authorizes grants to Indian tribes and Indian organizations to establish and operate Indian child and family services programs. During 1984, approximately 140 tribes and Indian organizations will operate such programs. These programs include:

1. Systems to license and regulate Indian foster homes and adoptive homes. The Shoshone and Arapaho Indian Child Welfare Program is an example of the systems.

2. Facilities for counseling and treating Indian families and providing temporary custody of Indian children. Examples of such facilities are: Cherokee Child and Family Services, N.C. and the Comanche Child Welfare and Family Service Program, Oklahoma.
3. Programs to provide homemaker services. Examples of these services include: teaching parents how to care for children in danger of neglect or abuse, and providing respite for parents in stressful situations.
4. Day care facilities. Examples of these are Ft. Sill Apache Family Service Center and the Shoshone-Paiute Tribe (Duck Valley) Day Care Center.
5. Programs for after school care. An example of this type of program is the Walker River Paiute Tribe Day Care and After School Care program for high risk children emphasizing the cultural, academic, and social needs of children.
6. Programs to provide recreational activities. Examples of these are: The Tyonek Family Services Program, the Kodiak Area Native Association and the Picuris Youth Services Recreation and Child Day Care Center.
7. Programs to provide training of tribal court personnel. These programs train Indian Child Welfare providers in the legalities of the act and the provision of quality court related child welfare services.
8. Adoptive subsidies. These funds are used to provide financial assistance to families to assist them with the maintenance or special needs of an adoptive child, or to assist them in completing the adoption process.
9. Legal representation. Lawyers are hired to provide legal representation, and act as advocates and intervene in state courts as well as provide counseling to families and consultation with tribes.

Workload Data:

The estimated caseloads, estimated unit costs and related estimated funding increases provided below have their origin at the agency/reservation/tribal level. In compiling these estimates, the agency/reservation/tribal staff consider such factors as: past, current, and projected caseload and unit cost trends; current and projected local employment opportunities; current and projected levels of state AFDC standards and state foster care/special care payment rates; possible natural disaster occurrences; and current and projected cost of obtaining basic living necessities (food, clothing, shelter, utilities).

		<u>A. Caseload</u>					1984-		
		<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <u>est.</u>	<u>1985</u> <u>est.</u>	<u>1985</u> <u>change</u>	
1.	General Assistance (persons per month):	55,242	55,642	62,482	68,944	70,000	70,000	--	
	a. Direct financial assistance	49,622	49,209	54,984	61,272	62,080	62,080	--	
	(TWEF participants)	(5,620)	(5,064)	(4,167)	(4,167)	(4,300)	(4,300)	--	
	b. Institutional or custodial care	6,229	6,433	7,498	7,672	7,920	7,920	--	
2.	Child Welfare Assistance (persons per month)	2,852	3,175	3,185	2,855	3,000	3,000	--	
	a. Foster home care (including family and small group care)	1,820	2,052	1,815	1,599	1,800	1,800	--	
	b. Residential care for handicapped children	1,032	1,123	1,370	1,256	1,200	1,200	--	
3.	Miscellaneous Assistance								
	a. Burials per year	1,310	1,320	1,325	1,350	1,350	1,350	--	
4.	Indian Child Welfare Grants	165	190	163	164	140	120	-20	
		<u>B. Average Unit Costs (\$)</u>							
1.	General Assistance - \$ per person per month	74.88	79.21	74.88	75.68	76.60	76.60	--	
	(TWEF - \$ per participant per month)	(45.00)	(45.00)	(55.00)	(55.00)	(55.00)	(55.00)	--	
2.	Child Welfare Assistance - \$ per child per month	375.75	357.74	335.92	390.35	409.47	409.47	--	
3.	Miscellaneous Assistance - \$ per burial per year	583.23	598.60	637.41	642.21	725.00	725.00	--	

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

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <u>est.</u>	<u>1985</u> <u>est.</u>	<u>1984-</u> <u>1985</u> <u>change</u>
1. General Assistance (TWEF)	49,637 (3,035)	52,887 (2,735)	56,143 (2,750)	62,615 (2,892)	64,346 (2,828)	64,346 (2,828)	-- --
2. Child Welfare Assistance	12,860	13,630	12,839	13,370	14,741	14,741	--
3. Miscellaneous Assistance*	1,119	1,090	1,032	870	1,354	1,354	--
4. Indian Child Welfare Act Grants	5,500	9,300	9,600	9,700	8,700	7,700	-1,000
Total	69,116	76,907	79,614	86,555	89,141	88,141	-1,000

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

A definitive breakdown of The Indian Child Welfare Act Title II grants by specific category and specific category costs (e.g. 50 licensing systems - \$300,000; 75 homemaker services - \$750,000; 80 day care services - \$800,000, etc.) and subsequently by specific fiscal year is not practical in this space because most of the Title II grant programs are multifaceted social services delivery systems which do not lend themselves to this kind of simple categorization.

For this same reason, it is not possible to provide unit cost per category. Also, please note that The Indian Child Welfare Act Title II grants do not provide monthly "welfare assistance" to individuals as do Bureau general and child welfare assistance grants. Accordingly, unit cost per annual grant given to a tribe is not measurable in the way unit cost is measurable when providing a monthly welfare grant to a family.

Decrease for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
A. Welfare Assistance Grants	(\$)	89,141	88,141	-1,000

The Indian Child Welfare Act Grants (-\$1,000,000): In FY 1985, the Bureau estimates that it will fund approximately 120 Indian Child Welfare Act (ICWA) grant applications for operation of Indian child and family service programs. This level of funding results from a decision to discontinue provision of ICWA grants to 25 off-reservation programs not normally within traditional Bureau service areas. The objective is to strengthen those on-reservation programs in areas where the Bureau regularly exercises jurisdiction. Most of these FY 1985 tribal applicants will actually be programs already operating under grants received in FY 1984 and thus the programs will be continuing ones rather than different ones. The overall grant program is summarized as follows:

INDIAN CHILD WELFARE ACT GRANTS

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>Estimate 1984</u>	<u>Estimate 1985</u>
No. of Grantees	190	163	164	140	120
Grantees On-reservation	145	126	130	115	120
Grantees Off-reservation	45	37	30	25	--
Avg. size of Grant	\$48,947	\$58,896	\$59,145	\$62,143	\$64,167

There will be an estimated decreased number of grants due to an anticipated limitation in appropriation language authorizing grants only to federally recognized tribes. Also, grants during FY 1980-81 were largely for planning purposes, while in subsequent years more grants were awarded for multi-faceted child and family social services systems.

B. All Other Social Services

Base Program (\$18,364,000): The base program consists of the equivalent of 283 full-time Bureau employees at a cost of \$7,357,000 as well as staff funding in the amount of \$6,596,000 for approximately 69 tribal social services contract programs. The breakdown of Bureau personnel is as follows:

<u>Tribe/Agency</u>	
Social Workers	175
Clerical	74
<u>Area Office</u>	
Social Workers	20
Clerical	5
<u>Central Office</u>	
Social Workers	6
Clerical	2
Program Assistant	1

The tribal contract employee positions are not fixed and vary according to changes in contracts. The balance of \$4,411,000 of the overall total of \$18,364,000 is required for the general operational expense for both Bureau and tribal contract programs (staff development and training, contract and field program quality control and monitoring, travel, equipment, office operations) incurred in administering the overall bureauwide social services activity. Bureau and tribal staff are basically trained social workers, paraprofessional social workers and clerical personnel. Their duties include receiving applications for assistance, determining eligibility, computing grant amounts, providing social casework counseling and other services, including case review and follow-up. They also refer clientele to other needed non-BIA programs. The same staff

which administers the overall program also provides the counseling and other social casework services, as well as providing technical assistance and professional expertise to tribal entities in developing tribal social services programs. Since their duties are all-encompassing and multifaceted, no distinction is made between costs incurred for counseling and costs incurred for administration, etc.

The monthly caseload for counseling is:

1981	15,820 persons
1982	15,682 persons
1983	15,726 persons
1984 (estimated)	15,775 persons
1985 (estimated)	15,775 persons

Decrease for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
B. All Other Social Services	(\$) (FTE-T)	18,364 (283)	17,611 (283)	-753 (--)

Tribe/Agency Operations (-\$753,000): The decrease of \$753,000 at the tribe/agency level is a result of tribal determination of program priorities under the Indian Priority System.

Distribution of change by object class:

The object class for the proposed \$1,753,000 decrease is as follows:

	<u>Amount</u>
Travel and transportation of persons.....	\$- 53,000
Supplies and materials.....	-700,000
Grants, subsidies, and contributions.....	<u>-1,000,000</u>
Total.....	<u>\$-1,753,000</u>

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Law Enforcement

(dollar amounts in thousands)

<u>Program Elements</u>		FY 1984	FY	FY	Inc. (+)	Inc. (+)
		Approp. Enacted to Date	1985 Base	1985 Estimate	Dec. (-) From 1984	Dec. (-) From Base
Law Enforcement	(\$)	34,944	35,694	36,409	+1,465	+715
	(FTE-T)	(573)	(573)	(573)	--	--
Total Requirments	(\$)	34,944	35,694	36,409	+1,465	+715
	(FTE-T)	(573)	(573)	(573)	(--)	(--)
<u>Distribution:</u>						
Tribe/Agency Operations	(\$)	33,155	33,877	34,342	+1,187	+465
Area Offices Operations	(\$)	513	509	509	- 4	--
Central Office Staff Operations	(\$)	786	807	807	+ 21	--
Police Academy	(\$)	490	501	501	+ 11	--
Special Law Enforcement	(\$)	--	--	250	+ 250	+250

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

Objectives: Help Indian tribes to: (1) provide continuing law enforcement services aimed at the protection of lives and property on reservations; (2) plan and implement programs to aid in maintaining peace on reservations; (3) develop a cadre of law enforcement administrators/managers in furtherance of the Indian Self-Determination Act; and (4) conduct supportive law enforcement investigations.

Base Program (\$35,694,000): The Bureau's FY 1984 appropriation for Law Enforcement is \$35,694,000. Of this amount, about \$17,000,000, or 47%, will be contracted to Indian tribes under P.L. 93-638 contracts. In addition, tribal governments will spend an estimated \$8,400,000 of their own funds to staff, operate, and manage reservation criminal justice programs.

Uncontracted portions of the Bureau's budget, amounting to approximately \$19,000,000 will be utilized to provide reinforcement to tribal law enforcement, investigative and related support services at the reservation level of operations; to maintain and operate law enforcement programs at the agency level of operations where concerned tribes do not have an ongoing law enforcement program; to manage, supervise, and coordinate Bureau/Tribal law enforcement programs and to provide investigative support services to agency/tribal Law

Enforcement programs from assigned area (regional) levels of operations; and to provide from the Central Office level of operations overall Law Enforcement program policy, operational procedures, management, supervision, coordination of area, agency and reservation law enforcement programs.

Operating costs for direct Bureau enforcement programs are as follows: Salaries and benefit costs for Bureau criminal justice staff will absorb about \$10,500,000 (55%) of the direct portion of the Bureau's Law Enforcement budget. Of this amount approximately \$9,000,000 (86%) will be for salaries and benefits of criminal justice staff serving at the agency/reservation level of operations. Approximately \$1,200,000 (6%) is for equipment purchases (including automobiles). The remaining \$7,300,000 (38%) is for program operations, which includes automotive operations and repair, Bureau operated or contracted detention services, travel and per diem, evidence purchases, equipment rental, individual training, communications, supplies, etc. Tribal programs operated under P.L. 93-638 contracts utilize their funding in a similar manner. An example of a FY 1984 P.L. 93-638 law enforcement services contract (of the Menominee Tribe of Wisconsin), indicates that, of the \$559,000 program allocation, \$335,700 (60%) is for salaries and related expenses, \$167,800 (30%) is for program operations (which includes communications, detention services, etc.), and \$55,900 is for supplies, other equipment and program management.

The Bureau utilizes criminal justice personnel to staff and operate the overall program. Staff positions include investigators, uniformed officers, detention officers and radio dispatchers/clerks. The combined Federal/tribal law enforcement services staff serves an estimated Indian population of 475,413, and patrols approximately 106,000 square miles of Indian country, as well as a number of off-reservation treaty fishery sites.

There are four basic groups of law enforcement officers: criminal investigators; uniformed officers; detention officers; and conservation officers. Criminal investigators and other non-uniformed personnel investigate, arrest and assist in the prosecution of Federal law violators. Uniformed officers provide patrol and protective services within Indian country, including non-enforcement type services. The detention officers are responsible for custody and care of persons incarcerated in Bureau or tribal jails. Additional duties of some detention officers include operation of radio communications equipment on reservations. Conservation officers concentrate primarily on enforcement aspects relating to Federal laws, treaty rights and tribal ordinances regarding hunting, fishing, and trapping within Indian country and within designated off-reservation areas. The conservation officers are primarily funded through the Wildlife and Parks program with the exception of personnel on the Umatilla and Hoopa Reservations which are funded under the Law Enforcement program.

Tribe/Agency Operations (\$33,877,000 - FTE: 519): Individual treaties with Indian tribes, Congressional enactments, and Federal court decisions have created a unique criminal justice requirement on reservations, where state and local units of government do not have civil and criminal jurisdiction. Thus, the Federal and tribal governments have exclusive civil and criminal jurisdiction over offenses committed by persons of Indian descent, and for the enforcement of violations of Federal law.

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

Area Office Operations (\$509,000 - FTE: 21): The functions of the area law enforcement staff are to: 1) assist the Area Director in the management of law enforcement and detention programs on reservations within the jurisdiction of the area office; 2) to investigate offenses on reservations in support of, or where not acted upon by the responsible Federal Agency or agency/reservation law enforcement program investigators; and 3) perform on-going program review of Bureau and tribally operated law enforcement programs within the area office's jurisdiction.

Centralized Program Operations (\$1,308,000 - FTE: 33):

(1) Central Office Staff (\$332,000 - FTE: 8): Provides staff advice and analysis as required by Bureau line officers regarding operations and policy for law enforcement and detention programs. In addition, the office is responsible for the management and operation of the Indian Criminal Justice Automated Data Information system; providing law enforcement programs with information on modern trends, new techniques, legislation, court decision and other items through a library; and providing reports and data system training. In 1982, 848,500 case incident records were received and processed. Non-automated data management and operational reports were processed on a monthly and annual basis. Special reports were also prepared and processed. The Central Office staff provides supervision and direction over the field operations offices that include the Special Operations Services Unit, the Inspection & Evaluation Unit, and the Indian Police Academy.

(2) Special Operations Services Unit (\$250,000 - FTE: 10): This is a three position unit headquartered in Albuquerque, New Mexico, whose primary function is to provide a rapid response and backup to local police departments on reservations where there is a threat of ongoing civil disorder or other untoward situations. When activated, the unit will be augmented by seven police officers stationed at various reservations throughout the United States.

(3) Inspection & Evaluation Unit (\$225,000 - FTE: 4): This is a four-position unit headquartered at Albuquerque, New Mexico, whose primary function is to conduct regular inspections and evaluations of area and local Bureau law enforcement programs, as well as to process evaluation reports for correction and followup. During FY 1983, this unit conducted 28 initial, follow-up, and administrative inspections/investigations nationwide.

(4) Indian Police Academy (\$501,000 - FTE: 11): The Academy is responsible for providing on-site and outreach training in basic courses for recruits and specialized training courses to Bureau and tribal law enforcement officers. During FY 1983 the Academy conducted eight on-site training sessions (166 trainees) and three outreach training sessions (49 trainees).

During 1982 reservation police acted on 174,742 criminal type complaints. Of this total, 81,691 (46.7%) were alcohol/drug related. During this period, 100,643 arrests were made consisting of 89,710 (89.1%) adults and 10,933 (10.9%) juveniles.

Crime index offenses in 1982 totalled 10,204 for a rate of 2,301.6 per 100,000 Indian population served (443,351), compared to 11,276 crime index offenses with a rate of 2,543.2 in 1981. Violent crime index offenses in 1982 totalled 1,431 for a rate of 322.8 compared to 1,339 with a rate of 302.0 in 1981. Property crime index offenses totalled 8,773 for a rate of 1,978.8 in 1982 compared to 9,937 with a rate of 2,141.2 in 1981.

Actual and estimated workload data since 1980 are as follows: (% change is indicated below each workload item)

	1980	1981	1982	Est. 1983	Est. 1984	Est. 1985
Complaints Investigated	179,411	187,574 +4.5	174,742 -6.8	161,986 -7.7	155,993 -3.7	155,057 -0.6
Non-Enforcement Duties Performed	452,682	587,310 +29.7	694,089 +18.2	659,385 -5.0	642,385 -2.5	634,034 -1.3
Arrests	102,493	104,770 +2.2	100,684 -3.9	97,563 -3.1	96,100 -1.5	95,331 -0.8
Traffic Violation Warnings	40,504	46,518 +14.8	38,143 -18.0	35,015 -8.2	33,579 -4.1	32,908 -2.0
Daily Detention Average	972	994 +2.3	955 -3.9	925 -3.1	911 -1.5	904 -0.8
Crime Index Offense Rate	2,312.6	2,543.2 +10.0	2,301.6 -9.5	2,186.5 -5.0	2,077.2 -2.5	2,025.3 -1.2

Increase for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Law Enforcement	(\$)	35,694	36,409	+715
	(FTE-T)	(573)	(573)	(--)

Tribe/Agency Operations (\$+465,000): The increase of \$465,000 at the tribe/agency level is a result of tribal determination of program priorities under the Indian Priority System.

The FY 1985 total operating cost for enforcement and detention programs at the tribe/agency level will be approximately \$42,700,000 of which tribes are expected to provide approximately \$8,400,000. This level of funding will provide for response to an estimated 789,091 complaints and incidents related to law enforcement activities. Response to complaints will result in about 95,331 arrests/citations. Detention programs will be responsible for the custody of about 904 prisoners each day.

Special Law Enforcement (\$+250,000): The \$250,000 increase will be used at the tribal level to meet unexpected law enforcement needs which arise because of jurisdictional status, and in programs where the Bureau has accepted Federal/Tribal Civil/Criminal jurisdiction.

Distribution of change by object class:

The object class detail for the proposed \$715,000 increase is as follows:

	<u>Amount</u>
Other services.....	<u>\$+715,000</u>

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Self-Determination Services

Program Elements		FY 1984 Approp. Enacted to Date	(dollar amounts in thousands)			
			FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
A. Grants	(\$)	16,375	16,517	16,819	+444	+302
B. Training and Technical Assistance	(\$)	1,116	1,136	1,636	+520	+500
	(FTE-T)	(53)	(53)	(53)	--	--
C. Contract Support	(\$)	37,788	--	1,800	-35,988	+1,800
D. Small Tribes Core-Management *	(\$)	3,500	3,500	5,000	+1,500	+1,500
Total Requirements	(\$)	58,779	21,153	25,255	-33,524	+4,102
	(FTE-T)	(53)	(53)	(53)		

Distribution:

Tribe/Agency Operations	(\$)	16,375	16,517	16,819	+444	+302
Area Office Operations	(\$)	772	786	786	+ 14	--
Central Office Staff Operations	(\$)	344	350	350	+ 6	--
Other Indian Services Programs:	(\$)	41,288	3,500	7,300	-33,988	+3,800
Special Training and Technical Assistance	(\$)	--	--	(500)	(+500)	(+500)
Contract Support	(\$)	(37,788)	(---)	(1,800)	(-35,988)	(+1,800)
Small Tribes Core-Management *	(\$)	(3,500)	(3,500)	(5,000)	(+1,500)	(+1,500)

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

A. Grants

Authorization: 25 U.S.C. 450 (the Indian Self-Determination and Education Assistance Act) authorizes the Secretary to provide grants to tribal governments

to improve their governmental capacity. 25 U.S.C. 13 (the Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians. Self-Determination grants can be made under this authority as well.

Objective: Provide financial assistance to tribal governments so that they can improve their capacity to: (1) plan, conduct and administer Federal programs with special emphasis on improving their ability to meet Federal contracting and grant requirements; and (2) put special emphasis on strengthening and improving tribal governments with respect to their fiscal control and management capabilities. This special program emphasis is intended to complement the Aid to Tribal Government Program, which is primarily concerned with aiding tribes in their self-governing efforts.

Base Program (\$16,517,000): Section 104 of P.L. 93-638 (25 U.S.C. 450) authorized grants to tribal governments for the purpose of increasing tribal ability to operate Federal programs under contract/grant/cooperative agreement and to enhance the overall quality and effectiveness of tribal governments. It also provides the means for allowing tribes greater participation in the Federal services/programs being provided to them [Sec. 104(a)(4)].

Federally recognized tribal governments apply for 638 grants in accordance with 25 CFR 272, "Grants under Indian Self-Determination Act." These regulations provide the criteria under which 638 grants can be granted to the requesting tribe(s).

In order for tribes to contract for Federal programs, it is necessary that they have viable personnel, financial and property management systems in place and functioning. Because tribal governments are functional bureaucracies they experience similar or the same types of problems as do other governmental agencies. Tribal governments experience a high personnel turnover, both at the policy and administrative management level. This generates a critical need for orientation and training of tribal staff to ensure effective performance of P.L. 93-638 contracts. Self-Determination grants help to support such tribal efforts, thus meeting an essential need of tribal contractors. An effective tribal administrative structure and staff are essential to tribal operations since many tribes rely quite heavily on Federal programs which must be sought on a competitive grant basis. Initially, the grants were awarded on a tribal population basis; now, they are a part of the tribal priority setting procedure. The requested amount thus reflects tribal priority needs related to tribal contracting capability and basic tribal operational capacities.

Self-Determination grant projects fall into two major categories:

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

To date, the number of 638 grants awarded since the inception of P.L. 93-638 has varied from approximately 460 to 480 per year.

Generally, self-determination grants have been used by tribes to help them prepare for the operation of programs under P.L. 93-638, by undertaking a variety of projects, for example: the development, implementation and maintenance of

office management systems, financial management and related systems; the orientation and training of tribal policy makers and administrative staff in the implementation and responsibilities of P.L. 93-638; the acquisition of property to augment tribal facilities allowable under the specifications of 638 regulations; and the projects that address the specialized needs inherent in the maintenance and implementation of tribal governmental management structures. For the larger, relatively well-established tribe, self-determination grants have provided the support necessary to establish and maintain tribal administrative and financial management systems essential to successful contract program administration. For smaller, less established tribes and rancherias, self-determination grants have provided the nucleus or essential seed money to enable them to become established as governments and to acquire the capability to participate in housing, economic and community development, employee training, and similar available programs through contracts and grants with various Federal agencies.

Workload data: P.L. 93-638 and implementing regulations define the following particular purposes for which tribes may use self-determination grants:

- a. Strengthening and improving administration of tribal government through various methods of management systems improvement.
- b. Planning, training, evaluation of those activities designed to improve tribal capacity to enter into contracting agreements pursuant to Section 102 of the Act or the additional costs associated with the initial year of program operation under such agreements.
- c. Acquisition of land in connection with (a) and (b) as prescribed in related regulations pertaining to property management.
- d. Tribal planning, designing, monitoring and evaluation of Federal programs serving the Indian tribe, to assure that programs presently offered or that could be offered to the tribe are responsive to tribal needs.

The majority of self-determination grants is used to strengthen and improve tribal governments, including their ability to manage contracts and grants. The accompanying table reflects the usage made by tribes within the following authorized general categories for FY 1983, and the projected usage for FY 1984 and FY 1985.

	<u>1983*</u>	<u>1984*</u>	<u>1985*</u>
a. Strengthen tribal governments	434	440	440
b. Planning and evaluation	20	20	20
c. Land acquisition	5	5	3
d. Design of Federal programs	5	5	7
	<u>464</u>	<u>470</u>	<u>470</u>

* Based on available data from Bureau field reports.

The approximate dollar amounts associated with these authorized categories are shown in the following table.

	<u>1983*</u>	<u>1984*</u>	<u>1985*</u>
a. Strengthen tribal government	\$16,075,900	\$15,517,000	\$15,819,000
b. Planning and evaluation	600,731	700,000	700,000
c. Land acquisition	114,224	140,000	140,000
d. Design of Federal programs	131,145	160,000	160,000
	<u>\$16,922,000</u>	<u>\$16,517,000</u>	<u>\$16,819,000</u>

* Based on available data from Bureau field reports.

The tribal needs addressed through activities conducted under self-determination grants reflect an on-going process of political change and growth by the tribes. Frequently changes in the political and administrative framework of individual tribes require orientation for newly installed tribal officers. Also, newly installed tribal administrative infrastructures require on-going maintenance and updating.

An effective use of the self-determination grant program is illustrated by the experience of the Cahto Tribe of the Laytonville Rancheria in California. This small tribe of approximately 148 members is a community where the native language is spoken and the practice of native traditions is evident. Over the past several years, the Cahto Tribe has received a grant of about \$9,000 each year. The tribe has used the annual grant to support their tribal leaders in order to acquire an understanding of the requirements of day-to-day tribal governmental administration as well as to use their community center and small staff as a focal point for dealing with tribal and community relations. The grant funds have provided the seed money to train and support tribal staff who have acquired the capability to deal with the Federal and state agencies. As a consequence, the tribe has become active in local elementary education matters, has acquired a small Johnson-O'Malley project and a Title IV project to train children to run basic computer programs. The tribe also has begun to participate in available housing programs and has acquired HUD funding for thirty-three new homes. The self-determination grant funds have provided the essential seed money to enable the tribe to function effectively as an enterprising tribal government. The tribe now operates contracts and grants at a volume of approximately \$564,000.

The Bureau of Indian Affairs has in progress an analysis of the self-determination grant program to determine changes or modifications which could be effected to improve future operation of the program. This analysis is to address essential administrative and managerial needs of the individual tribe so as to establish and maintain tribal capacity to function effectively as a government and to successfully operate programs under P.L. 93-638 contracts. Results of this analysis will lead to a self-determination grant program structured to ensure a strong core-management capability for all of the individual tribes. In a related move, guidance has been issued to field personnel emphasizing the need to encourage tribes to use self-determination grants in accord with the intent and purpose of P.L. 93-638, as outlined in the FY 1984 Congressional Justifications.

In FY 1984, the Bureau will closely evaluate the results of the grant program study to determine if changes should be made in FY 1986 to improve the tribes capabilities in meeting the goals and objectives of P.L. 93-638.

Increase for FY 1985

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
A. Grants	(\$)	16,517	16,819	+302

The increase of \$302,000 at the tribe/agency level is a result of tribal determination of program priorities under the Indian Priority System. The funds will be used for self-determination purposes as determined in negotiations with the specific tribe or group.

B. Training and Technical Assistance

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians. Training and technical assistance are provided to tribes under this authority.

Objective: (1) To provide technical assistance to tribes to enable them to overcome or to prevent declination issues related to contracting and to solve other problems threatening a tribe's ability to perform its responsibilities under contract or grant arrangements; and (2) to provide necessary Bureau staff to administer the self-determination program at the field and central office levels.

Base Program (\$1,136,000): Funds totaling \$1,136,000 will be utilized in FY 1984 to provide up to 480 eligible tribes with training and technical assistance (T/TA) from Bureau staff or from other available Federal or non-Federal sources such as the Office of Personnel Management, Department of Agriculture, accounting firms, training and technical assistance firms, management system firms, etc. Technical assistance under P.L. 93-638 covers that assistance required to overcome declination issues, assistance to initiate and insure successful tribal contract or grant performance, and technical assistance used as a supplement or complement to grants for tribal capacity building. The self-determination regulations mandate a number of other situations in the contracting and grant processes where technical assistance must be offered to tribes. It is Bureau policy that first priority in the use of T/TA funds must go to meet the obligations imposed by the Act and the regulations. The second priority for use of the technical assistance funds is to address urgent, one-time tribal needs involving various phases of the contract and grant process to prevent, wherever possible, the declination of proposed contracts or the cancellation of on-going contracts because of lack of contractor performance or capability. The third priority has been to include all other activities which support the basic intent of the legislation. This includes those which enhance a tribe's ability to contract for Bureau and other Federal programs; those which strengthen tribal government, especially managerial capability; activities which would enable tribes to exercise personnel options under the Act; and other activities which enable tribes to give direction to Bureau and other Federal programs serving tribes by means of planning, designing, monitoring, and evaluating those activities.

Examples of training and technical assistance offered to tribes and Bureau staff include: orientation and training seminars in the procedures and requirements of contracting under P.L. 93-638; training of tribal staff in such management

areas as personnel, bookkeeping, and property management; training of tribal personnel in tribal planning; and orientation of newly elected tribal officers in P.L. 93-638 procedures and options.

A major part of the training and technical assistance activity is accomplished through Bureau staff assigned to coordinate and monitor tribal self-determination activities. They work directly with tribal contractors in these efforts. These activities encompass: assistance to tribes in the preparation of contract and grant proposals; review and analysis of specific tribal applications; assistance to tribes during the negotiation and award period; consultation and assistance to tribes during the contract/grant performance period; and the provision of specialized assistance on a one-time basis.

The technical assistance activity services provided by Bureau staff are tailored for the diverse requirements that are unique to individual tribes, such as one-time, specialized assistance to overcoming declination or reassumption issues and in aiding tribes in coordination of contract/grant performance requirements. The Bureau staff is responsible for helping tribes address specific requirements, regulations, and laws.

In-house training is provided by Bureau staff as a part of assigned duties and on an as-needed basis. An example of such training has included particular training in the use of OMB Circulars (A-102 and A-87) as related to 638 grant usage/requirements. They also provide basic training in the preparation and planning of proposals, writing proposals, and submission requirements. Training may be requested by tribes for basic office management, financial management, form preparation, personnel system management, property management, etc.

Workload Data: The Training and Technical Assistance program provides funding for the Bureau staff responsible for the coordination of the self-determination activities including the self-determination grants, contract support and the T/TA aspects of the program. Funding is provided for the agency, area and central office levels. Implementation of the T/TA function is effected at the area and agency levels by Bureau staff generally designated as 638 Coordinators. These coordinators act as a focal point in assisting tribal contractors in the P.L. 93-638 contracting/grant process. These coordinators deal with the varied processes and procedures involved in the application, review, negotiation, award and implementation of P.L. 93-638 contracts and grants. They provide a substantial part of the training and assistance requested by tribes in the interpretation and understanding of P.L. 93-638 regulations and in the preparation and processing of 638 applications. They are a focal point through which tribes may review technical problems involved in program implementation, and aid the tribes in identifying and securing assistance needed to overcome such operational difficulties. When the technical assistance requested is beyond the scope, in nature or extent, of available Bureau staff, the 638 Coordinators aid the tribes in securing the needed assistance.

The staffing and functional activities in an area office are shown in the following FY 1984 summary relating to the Phoenix Area Office. Similar staff and activity exist in each of the other area offices.

Staffing

Indian Self-Determination Specialist (638 Coordinator)	1 FTE	\$ 40,000
Secretary (Typing)	1 FTE	15,000
Contract/Grant Specialists	5 FTE	100,000
		<u>\$155,000*</u>

* Includes Employees Benefits and Contributions.

Functional Activities

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

Coordination of P.L. 93-638 applications for contracting/grants; e.g., receipt, review, distribution, formulation of appropriate correspondence, interaction with tribal groups and Bureau program staff (non-638). The coordinator is responsible for the equitable distribution of Contract Support funds and ensures the proper use of self-determination grant funds at the tribal level. The coordinator serves as the focal point for all 638 related activities and, in particular, facilitates communication between the Bureau and tribes at this critical point of interface.	80%
Trains Bureau staff in 638 policies and procedures on an area-wide basis.	5%
Trains tribal groups and personnel in 638 policies and procedures on an area-wide basis.	10%
Assists tribes and tribal organizations with difficulties found within the 638 process and interface with the Bureau	5%

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

Because of the increasing workload in the contracting and grant process the 5 FTE work full-time on the award and administration processes.

The balance of the funds allocated to the Phoenix Area Office in the Training and Technical Assistance function are utilized throughout the year to meet additional, essential needs of the tribes in the Area. Some of the additional T/TA provided to tribes included the development of financial management, procurement, property management, personnel and recordkeeping systems.

These systems have been developed by tribes and tribal organizations through unique contractual and/or grant agreements with the Bureau or through the use of outside contractors. Examples of these systems development are:

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

Similar activities exist in each of the other area offices.

Increase for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
B. Training and Technical Assistance				
	(\$)	1,136	1,636	+500
	(FTE-T)	(53)	(53)	(--)

The Bureau's ability to provide the technical assistance required under P.L. 93-638 to tribes who either have such contracts currently or desire a new program contract has become limited in recent years. Therefore, the requested increase is needed to assist tribes to overcome particular administrative and financial management problems incurred in performance of P.L. 93-638 contracts; to provide special assistance to tribes in initial contract application preparation and processing; and to enable tribes to maintain, under conditions of special circumstances, the level of management capacity essential to enhanced contracting under P.L. 93-638. It is intended to provide this additional assistance through on-call contracts with qualified Indian firms to provide assistance to tribes on an as-needed basis.

C. Contract Support

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

Objective: To pay tribes and/or tribal organizations for tribal incremental costs incurred as a result of their contracting to operate Bureau programs, and to provide funding for costs such as severance pay and lump sum leave payments relative to displacement of Federal employees because of contracting with Indian tribes and/or tribal organizations.

Base Program (-0-): The Contract Support program was addressed in the FY 1983 and FY 1984 Congressional Directives. The Conference Report of FY 1983 stated, "Beginning with the fiscal year 1985 budget submission, Contract Support funds shall be allocated to program accounts with only funds required for new contracts included in the Contract Support line item." The Senate Report of FY 1984 stated, "Contract Support costs have increased far out of proportion with the rather small increases in total dollar volume of contracts. While the Inspector General is charged with the responsibility for determining "allowable costs" neither the IG nor the BIA make any effort to determine the reasonableness of such costs. The Committee believes that this should be the responsibility of the Bureau. Various options for controlling indirect costs

are currently under consideration and the Committee expects a report with recommendations to be included with the submission of the fiscal year 1985 budget which will alter the budget format as indirect costs are to be included in the program accounts rather than as a line item." In response to these Congressional directives, the Bureau is in the process of transferring the Contract Support funding to the operating programs. This budget presents a transition process, where the base funding for Contract Support has been transferred to the activity level of the program accounts; e.g., Education, Indian Services, etc., based upon FY 1983 contracting activity. The funding for indirect contract costs has been displayed within each budget activity with a tentative distribution by program within each activity (see narratives in each program activity section). These will be further distributed into the subactivity program levels once the FY 1985 contracts are negotiated for currently (FY 1983) contracted programs, and crucial decisions have been made by the Bureau concerning the procedural aspects of fully implementing these Congressional directives. After this initial distribution, through this transition budget, all separate identification of these funds will cease, and they will be completely merged with direct programs in future budget requests. A description of the Contract Support program, and the steps which have been taken by the Bureau to address the problems cited in these directives is provided below.

The principal function of contract support is to pay tribes for the incremental costs they incur as a result of entering into P.L. 93-638 contracts. Since the inception of tribal contracting under P.L. 93-638 in 1976, Contract Support funds have been a significant factor in the steady yearly increase in the dollar volume and program scope of tribal contracting. In 1976, approximately 198 tribal contractors engaged in 679 separate P.L. 93-638 contracts with a total value of \$68,390,300. These contracts generally covered the broad range of contractible Bureau programs. In FY 1983, some 400 tribal contractors entered into 1,200 separate contracts for a total of approximately \$241,000,000. The scope of tribal contracting, by area and major programs, is shown in the accompanying Workload Table 1. The trend in tribal contracting in terms of tribal contractors, number of contracts, and dollar volume of contracting, is shown in Workload Table 2.

The Bureau makes these funds available to tribal contractors in accord with Section 106 (h) of P.L. 93-638 (Indian Self-Determination and Education Assistance Act, 25 USC 450, 88 Stat., 2211, 2212) which requires that ". . . the amount of funds provided under the terms of the contracts entered into pursuant to Sections 102 and 103 shall not be less than the appropriate Secretary would have otherwise provided for his direct operation of the program. . . ."

Strict adherence to this provision would require that total funding for a P.L. 93-638 contract would cover specific program dollars and an additional amount equal to the Federal support of such programs including salaries of line managers, administrative services and other management and support costs. Because the BIA budget structures and methods of providing centralized administrative support do not provide a readily identifiable measure of the amount of overhead or support costs related to any particular program, the Bureau implemented a policy to request the additional funds required for tribal incremental costs through the separate budget line item, Contract Support; to use tribal indirect cost rates as a practical basis for determining Contract Support needs; and to use tribal indirect cost rates as a basis for allocating Contract Support funds to tribal contractors.

Use of the Indirect Cost Rate approach as a major factor in projecting the need for Contract Support Funds (CSF), and as the primary basis for allocating such funds to tribal contractors, has resulted in significant difficulties. The Office of the Inspector General, not the Bureau, is the negotiator of tribal contractor indirect cost rates. In practice, it has been difficult to project CSF needs on the basis of anticipated volume of tribal contracting and an estimated average indirect cost rate. Consequently, shortfalls have been experienced which have impacted seriously upon tribal contractors' efforts. Also, the fact that various other Federal agencies, with which tribes also contract, do not meet their full share of the tribal contractors' indirect cost rate, adds to the financial management problems faced by tribal contractors. This difficult situation for tribes is further impacted by the fact that existing audit requirements which the Office of Inspector General must apply to tribal contracts, may result in an under-recovery of funds based on the contractor's indirect cost rate, which requires adjustments in the tribal contractor's subsequent year rates.

As a consequence of all the adverse results associated with the current procedure, an independent organization was selected to conduct, under contract, an in depth study of the Contract Support fund/indirect cost procedures. A major finding of this study was that "most of the problems and difficulties being encountered, in relation to Contract Support/Indirect Cost, lies in the decision to base Contract Support funding on tribal indirect costs and distribute Contract Support funds on the basis of the tribal indirect cost rates." The study noted that while the practice grew out of an effort to "reasonably and readily identify the incremental costs associated with P.L. 93-638 contracting, it was based on a misunderstanding of the true nature of the indirect and direct cost allocation process" prescribed in pertinent Federal regulations. A further finding was that the decision to fund "tribal indirect costs associated with P.L. 93-638 contracts. . . through a separate Contract Support fund. . . did not, as intended, merely provide for the additional funds required for a tribe to manage a new program. . . [it] also created an open-ended uncontrollable, entitlement fund, the size and distribution of which depended solely on the initiative and ingenuity of each tribe in expanding its administrative organization and shifting the maximum amount of expenses to the indirect, rather than direct, category." Consequently, the primary recommendation of the study is to "discontinue the use of Contract Support funds for tribal indirect costs, as such" and to develop "a statistically derived BIA ratio "overhead cost rate " . . ." which would be applied to the program amount of a particular contracted program. The study further recommended that Contract Support funds be used to supplement additional costs incurred by tribal contractors only until the full cost can be included in the basic Bureau of Indian Affairs budget requested for the contracted program.

The Bureau of Indian Affairs accepted the major finding of this study and contracted for the development of a recommended Bureau (overhead cost) rate which will be in keeping with the requirement of P.L. 93-638.

This second contractor's study has been completed and reviewed within the Bureau and the Department. Copies were made available to concerned staff within the Office of Management and Budget, as well as Congressional staff.

In essence, this study presented a methodology for deriving a BIA overhead rate, calculated this rate based upon program and related costs contained in the Bureau's FY 1984 Budget Estimate, and provided alternate plans for implementation of a new procedure for combining funds for program costs and indirect costs into one program budget for tribal contractors. Table 3 provides the computation of this rate.

After review within the Bureau and Department, an all-day seminar was held to review and discuss the study findings and recommendations. This seminar in October 1983 was attended by representative tribal chairmen, business managers, attorneys and management consultants, staff members of the concerned Congressional committees, Bureau and Department staff, and contractor staff. The seminar participants reached a consensus on a procedure that would:

For ongoing contracts, combine program funds with CSF, based on the individual tribal rate, into one program fund for each contract. In effect, this would grandfather in the existing funding levels. At the same time, this would become the program base for that contract henceforth and we would no longer provide separate Contract Support funds for these individual contracts. In this way, a cap would be placed on any additional separate funds made available to tribes to pay for tribal indirect costs.

For new contracts, we would project our budget request on the basis of the 106 rate applied to a projected volume of new contracts. The individual tribe would be allowed to project its individual cost on the basis of program funds made available to the Bureau for the direct program and indirect costs based on a negotiated indirect cost rate. Should this rate be greater than the 106 rate, an adjustment would be made in direct funds made available to the tribe for the CSF new contract pool appropriated to the Bureau in accord with the 106 rate budget request. For the second year of the contract, the tribal contractor would use the prior year cost experience in developing its budget and be funded on this basis. For the third year, the prior, or second year total actual program and indirect costs would establish the program base for that contract in the regular budget development cycle and no additional CSF would be available.

Subsequent to the October seminar, a series of nine consultation meetings were held with tribal representatives throughout the United States. Participation was extensive and a variety of comments were offered. Participants in the consultation conferences generally agree with the procedure that was established in the October seminar. The Assistant Secretary - Indian Affairs has directed that this approach be implemented beginning with FY 1985. This budget justification reflects a combining of Contract Support funds with program by major activity and elements within their major activities. This allocation is based upon and proportionate to actual allocations that were made in FY 1983. A total of \$37,788,000 is thus combined with program requests in this justification. An additional amount of \$1,800,000 is requested to cover an anticipated modest increase in tribal contracting and to cover Bureau costs associated with employee displacement due to contracting.

Since our proposed allocation of Contract Support funds is based on actual FY 1983 operations, actual experience in FY 1985 may reveal the need for program adjustments to reflect these realities. Normal reprogramming procedures will be followed as necessary.

Increase for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
C. Contract Support	(\$)	--	1,800	+1,800

Of the increase, \$1,500,000 is projected as the need to cover new FY 1984 and FY 1985 contracts. This need is projected on the basis of the section 106 rate of 15.5 percent for approximately \$4 million in new contracts in FY 1984 and an additional \$5 million in FY 1985. An additional \$300,000 is projected to cover displacement costs for affected Bureau employees.

WORKLOAD TABLE 1

TRIBAL CONTRACTING BY AREA AND MAJOR ACTIVITY - FY 1983

AREA	INDIAN SERVICES	TRUST ACTIVITIES	FACILITIES OPERATION	IRRIGATION OPERATION	ECONOMIC DEVELOPMENT	NATURAL RESOURCES	EDUCATION	TOTAL
Aberdeen	10,470,021	216,925	2,033,400	643,626	1,745,112	2,262,614	12,096,015	29,467,713
Albuquerque	6,184,720	50,156	1,370,500	0	671,800	94,000	7,376,216	15,747,392
Anadarko	2,951,995	0	83,200	0	585,854	360,467	2,202,279	6,183,795
Billings	3,594,100	162,000	455,949	0	159,350	87,692	5,431,339	9,890,430
Eastern	5,626,947	229,900	432,959	0	975,188	2,225,220	3,820,409	13,310,623
Minneapolis	4,454,481	1,426,285	0	0	2,883,999	580,012	7,121,300	16,466,077
Muskogee	3,945,245	123,837	0	0	864,710	624,043	2,881,246	8,439,081
Navajo	43,338,827	78,260	743,596	0	0	1,029,059	17,155,963	62,345,705
Phoenix	18,938,070	68,820	82,790	802,017	2,094,132	2,072,470	4,510,000	28,568,299
Portland	7,468,373	766,109	375,943	0	1,774,695	15,996,811	5,868,434	32,250,365
Juneau	5,933,453	730,857	24,076	0	2,994,473	1,168,316	6,762,653	17,613,828
Sacramento	269,040	0	0	0	20,000	200,162	548,270	1,037,472
TOTALS	113,175,272	3,853,149	5,602,413	1,445,643	14,769,313	26,700,866	75,774,124	241,320,780

NOTE: Figures tentative - pending final review of Area reports.

Workload Table 2

Trends in Tribal Contracting
Under P.L. 93-638 FY 1980 - FY 1985

<u>Fiscal Year</u>	<u>No. of Tribal Contractors</u>	<u>No. of Contracts</u>	<u>Dollar Volume of Contracts</u>
1980	371*	1,292*	\$204,000,000
1981	382*	1,265*	213,000,000
1982	295***	1,512	235,000,000
1983**	302****	1,255	241,000,000
1984**	305****	1,265	245,000,000
1985	325	1,275	250,000,000

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

** Projected on the basis of past performance trends and initial field reports; these will be updated for Congressional Justifications.

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

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

TABLE 3
106 DISTRIBUTION OF RATE COMPUTATION
(in thousands of dollars, FY 1984)

	I	II	III		Total
Appropriation: Construction *	\$77,264	\$ 679	\$ --	\$ --	\$77,943
Appropriation: Road Construction	--	4,000	--	--	4,000
Appropriation: Operation of Indian Programs					
Education	169,294	9,085	70,689	--	249,068
Indian Services	67,784	10,454	107,787	34,788	220,813
Tribal Government Services	(19,112)	(1,670)	(2,752)	--	(23,534)
Social Services	(11,989)	(5,879)	(80,741)	--	(98,609)
Law Enforcement	(32,732)	(1,789)	(--)	--	(34,521)
Self-Determination	--	(1,116)	(24,294)	(34,788)	(60,198)
Navajo-Hopi	(3,951)	--	--	--	(3,951)
Economic Development and Employment Programs	50,934	2,426	12,175	--	65,535
Natural Resources Development	64,115	5,312	19,869	--	89,296
Trust Responsibilities	24,623	9,299	10,120	--	44,042
Facilities Management	71,468	17,442	--	--	88,910
General Administration	777	57,211	--	3,795	61,783
Total	\$526,259	\$115,908	\$220,640	\$38,583	\$901,390

Category II - \$115,908
Category I + Category III - \$746,899 = 15.5% Rate

*Includes Housing (I, \$21,389; II, \$679; Total, \$22,068)

Distribution of change of object class:

The object class for the proposed \$2,602,000 increase for Self-Determination, excluding Small Tribes Core Management is as follows:

	<u>Amount</u>
Benefits for former personnel.....	\$+ 300,000
Other services.....	+2,000,000
Grants, subsidies, and contributions.....	<u>+ 302,000</u>
	<u>\$+2,602,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
Small Tribes Core- Management	(\$)	3,500	3,500	5,000	+1,500	+1,500
Total Requirement	(\$)	3,500	3,500	5,000	+1,500	+1,500

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

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

Base Program (\$3,500,000): Under present circumstances many small tribes lack sufficient financial resources to meet basic management needs because the level of funding for most Federal assistance grants is based on population size. The Small Tribes Core-Management program started in FY 1983 with a \$2,500,000 budget and expanded to \$3,500,000 in FY 1984. It is intended to assist all eligible tribes to establish and maintain sound core-management capability over a five-year period. This is to be accomplished through supplementing the resources of small tribes in order to enable them to address those needs which are fundamental to sound management. Such assistance will enable small tribes with limited resources to overcome specific problems associated with governmental operations and the administration of tribal and Federal programs, with particular emphasis being placed on financial accountability. Through such support, this program will contribute to the stability of small tribal governments and will set a climate for community and economic development and other activity designed to reduce tribal dependency and promote small tribes' exercise of self-determination.

Applicants may request assistance to meet their respective management needs in a variety of ways. Some examples of how applicants may use core-management grants include:

- Employment of an overall program administrator and necessary support staff if the applicant operates several Federal programs and lacks financial resources to employ such personnel;

Employment of a bookkeeper when it is determined that a multi-tribal organization operating several Federal programs experiences problems resulting from an untrained bookkeeping staff;

Employment of a "circuit rider" accountant to establish and maintain a financial management system for each member tribe of a multi-tribal organization. (Additionally, a "circuit rider office" staffed by an accountant and necessary support staff may be established in support of a large multi-tribal organization);

Employment of a tribal planner or economic development specialist in cases where the tribe has substantial, identifiable undeveloped resources and does not have funds to plan for the development of such resources;

Employment of staff to address specific and/or identifiable managerial problems under a one-time only grant; and

The retention of an accountant to perform annual independent audits.

The employment of such staff is to be on a temporary basis to be specified in terms of the completion of special program requirements or objectives of the tribe and not of a permanent nature.

Eligibility for participation in the Small Tribes Core-Management program depends upon individual tribal population, individual tribal resources, tribal management needs as identified by audits and performance criteria, tribal geographic location factors and other factors pertinent to tribal need. The assessment of tribal need is based upon its meeting at least three of the following criteria:

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

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

Core-management grant funds may be used to supplement other available resources such as tribal income, self-determination grants or certain grants funded by other agencies. However, tribes receiving assistance must demonstrate how these other available resources will be committed to complement or support this effort.

Assessment of tribal applications will be based upon the following information required of all participants:

(1) A statement of the specific needs and/or problems to be addressed under the proposed grant as provided by program guidelines; (2) a description of how the grant funds will be used to overcome the problems or meet the needs which have been identified; (3) a schedule for the start and projected completion dates for actions or efforts to be taken to resolve problems or meet needs identified under this grant; (4) a detailed description of how grant funds will be used in coordination with, to supplement, self-determination grants and/or contracts, or funds from other agencies; and (5) a budget justification which indicates how grant funds will be used to carry out the actions or efforts and achieve the goals and objectives of the proposed application.

Review of this process is performed in two stages. The initial review is conducted by the appropriate Agency Superintendent who examines applications for completeness and issues recommendations to the designated Area Office. The Area Office performs the final review of applications for consistency with program guidelines and uses comments and recommendations of the Superintendent.

Participation in the program is limited to those tribes willing to make the commitments to: prepare a tribal management program with specific objectives; staff the program with competent professional personnel on a merit basis; and agree that tribal political officers will not be appointed to program positions. Procedures have been established and guidelines issued to ensure that eligible tribes commit themselves to meeting these requirements. Bureau agency staff will monitor the program for compliance using existing P.L. 93-638 grants performance standards.

The purpose of monitoring will be to (1) review progress of grant activities and (2) identify technical assistance needs; monitoring will be conducted on a quarterly basis or on an as-needed basis. "Problem grantees" when identified will be monitored more closely and frequently than non-problem grantees. Problem grants will be monitored quarterly which will allow agency staff to provide technical assistance to overcome identified problem areas. Grantees experiencing few or no problems in carrying out the purpose of their grants will be monitored only twice during the grant year thereby allowing Bureau staff to concentrate their time and effort where needed.

Participating tribes will be expected to use P.L. 93-638 grants and indirect cost funding to meet their additional management needs to the greatest extent possible. For eligible tribes, the supplemental funding would assure that the so-called critical mass, in terms of resources to support a sound tribal financial and program management system, would be met.

Through the continuation of this effort, it is intended that small tribes will establish and maintain a sound tribal administration; establish and maintain the capability to operate contracted programs; and the capacity to maintain property and accounting records so as to meet all performance evaluation standards and financial audits. It is also expected that improving small tribes' management systems will contribute to the stability of small tribal governments as well as allow such tribes to set a climate for community and economic development and other activity designed to reduce tribal dependency and promote an increase in the exercise of self-determination by small tribes.

Status of Program: Approximately 110 of the FY 1983 grantees were awarded renewal grants in FY 1984. Most grantees cited multiple problems/needs such as financial management problems and the need to improve program and tribal operations by hiring administrative/management and support personnel. Approximately 10 one-time-only grants were awarded in FY 1983, thereby allowing for 10 new FY 1984 grantees. Preliminary reports from three of nine participant Area Offices indicate the program's grantees made satisfactory progress toward accomplishing their program purpose.

General: Area reports indicate that many small tribes have little or no funds for administration, receive very small self-determination grants, operate few or no programs and thus do not receive contract support or indirect cost funds. With no administrative staff, the tribe cannot establish the management or planning systems necessary for applying for contracts or grants. Core Management (CM) grants have filled this void and, as a consequence, generated considerable enthusiasm among leaders of small tribes and Bureau field staff.

Accomplishments of Individual Grantees: The Burns Paiute Tribe of Oregon used \$15,500 of CM funds to supplement tribal and other funds to purchase and to program an ADP system. The Tribe administers 17 programs and was frequently delinquent in meeting financial and program reports. All reports are now current, the Tribe no longer experiences cost overruns, and cost savings will allow an increase in services where, prior to the ADP system, the Tribe was reducing services because of high personnel costs.

The Shoalwater Bay Tribe of Washington hired an administrator/accountant and a bookkeeper/secretary with \$12,900 of CM funds to resolve financial management problems. The Tribe previously had rejections of contract and grant applications because of financial problems and lack of management systems. Its accounting system has been certified, it has negotiated an approved indirect cost rate and has established property control and personnel systems. The administrator is presently in the final stages of negotiating a number of small grants through its membership in the Small Tribes of Western Washington (STOWW), a consortium. The tribe also expects to receive a block grant from HUD. These developments have had a stabilizing effect on the Tribal Council.

The Apache Tribe of Oklahoma hired an administrator, a secretary and a programs specialist with a \$26,811 CM grant. Before the grant, the Tribe had no 638 contracts, was losing grants from other Federal agencies and was experiencing serious financial problems. Since receiving the CM grant, the Tribe has become current on grant reports and is beginning to receive renewal grants from the Administration of Native Americans (ANA), CETA, and others. Further, the Tribe is contracting a Jobs Bill program, a HIP program and a social services program, all Bureau programs. The Tribe has also been designated as administrator for a USDA Food Program (responsible for the distribution of foods to the several tribes in the Anadarko Area). The improvement of programs and increased grants and contracts has resulted in a marked improvement in tribal government.

The Hualapai Tribe of Arizona received a CM grant of \$40,000 to reconstruct its financial and grant program records. A former tribal employee/bookkeeper embezzled funds from program accounts and destroyed records for several programs. The Tribe, in addition to the CM grant, requested assistance from The Bureau's Tribal Administrative and Accounting Services

(TAAS) group and other of its granting agencies, to reconstruct records for FY 1980, 1981 and 1982 as well as to review and strengthen its financial management, property control and other management systems. The Tribe accomplished all grant objectives, including certification of its financial and other management systems. Consequently, the Tribe will likely receive continuation contracts and grants from the Bureau and grants from other agencies. This grant demonstrates how tribal officials and staff working cooperatively with Federal officials in a short time overcome serious problems.

Workload Data (estimated participation): The FY 1985 grants awarded under this initiative will require no additional Bureau staff; present Agency and Area personnel will administer and monitor the program.

	<u>Estimated Number</u>	<u>Estimated Ave. Cost</u>	<u>Estimated Total Cost</u>
Small Tribe Consortium (Individual population of less than 400 persons)	10	\$80,000	\$ 800,000
Tribal Participants (Individual tribes having populations between 400 and 1,500)	100	\$42,000	\$4,200,000

Increase for FY 1985:

(dollars in thousands)

<u>Program Element</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Small Tribes Core- Management	(\$) 3,500	5,000	+1,500

In FY 1985, nine Area Offices will receive a total of \$5,000,000 of grant funds. The distribution of funds to these Area Offices will be based on:

- The number of small tribes eligible for grants in each of the nine areas;
- The number of multi-tribal or consortium applicants in each Area;
- The population and relative need of the applicants in each area;
- The number of tribes and population of consortia applicants as well as need documented by such applicants.

The \$5,000,000, a \$1,500,000 increase, will allow the Bureau to assist over 300 small tribes and Alaska Native villages (out of a possible 400 small tribes and villages) over the five-year duration of the program. The funds will enable the tribes and villages to establish and maintain sound management systems. As previously mentioned, most tribes have documented multiple administrative related problems and needs. Consequently, many grantees will need two or more Core-Management grants to accomplish the intent of the program.

Distribution of change by object class

The object class detail for the proposed \$1,500,000 increase is as follows:

	<u>Amount</u>
Grants, subsidies and contributions.....	<u>\$+1,500,000</u>

Justification of Program and Performance

Activity: Indian Services
 Subactivity: Navajo-Hopi Settlement Program

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
Navajo-Hopi Settlement Program	(\$)	3,951	4,005	3,830	-121	-175
	(FTE-T)	(66)	(66)	(62)	(-4)	(-4)
Total Requirements	(\$)	3,951	4,005	3,830	-121	-175
	(FTE-T)	(66)	(66)	(62)	(-4)	(-4)

Distribution:

Other Indian Services Programs:	(\$)	3,951	4,005	3,830	-121	-175
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Navajo-Hopi Settlement Program

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

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

Base Program (\$4,005,000): The Navajo-Hopi Settlement Program will be continued as required by P.L. 93-531, enacted in 1974, and amended in 1980. The initial stock reduction program of 160,000 sheep units is near completion. Most of the excess livestock belong to individuals involved in the court case Zee v. Watt. To keep the number of animals within the authorized carrying capacity, herd growth is limited. Trespass action is required on all livestock migrating into the area. Livestock reduction will continue in FY 1985.

With livestock reduction and range restoration of several areas on Hopi Partitioned Lands the carrying capacity has significantly increased. Range restoration and range development were initiated at a later date on Navajo Partitioned Lands. FY 1985 plans will emphasize range restoration, range development, management units, and continued fencing of the exterior and interior boundaries.

Decrease for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1984</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Navajo-Hopi Settlement Program	(\$) (FTE-T)	4,005 (66)	3,830 (62)	-175 (-4)

The decrease is due to abolishment of the Central Office, Joint Use Office, located in Flagstaff, Arizona. The Navajo Partitioned Land Office and the Hopi Partitioned Land Office, both located in Flagstaff, Arizona, will be retained to carry out the provisions of the Navajo-Hopi Settlement Act. The loss of four FTE will not effect the performance of either office.

Distribution of change by object class

The object class for the proposed \$175,000 decrease is as follows:

	<u>FTE-T</u>	<u>Amount</u>
Personnel compensation.....	-4	\$-156,963
Personnel benefits.....		- 13,037
Benefits to former employees.....		+ 17,000
Travel and transportation of persons.....		- 5,000
Communications, utilities and other rent.....		- 5,000
Other services.....		- 5,000
Supplies and materials.....		- 7,000
Total.....		<u>\$-175,000</u>

Justification of Program and Performance

Activity: Indian Services
 Item: Indian Services Contract Support

(dollars in thousands)

		FY 1984	FY	FY	Inc. (+)	Inc. (+)
		Approp.	1985	1985	Dec. (-)	Dec. (-)
		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1984</u>	<u>From Base</u>
Total						
Requirements	(\$)	---	15,240	15,240	+15,240	---

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$15,240,000): The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request.

As a part of the implementation of this directive in the budget process, this request distributes the FY 1984 appropriated amount of \$37,788,000 to each activity which has existing (in FY 1983) P.L. 93-638 contracts. The amount distributed to this activity is \$15,240,000. The actual distribution by program within this activity will be determined when the FY 1985 contracts are negotiated for programs currently (FY 1983) under contract. After the actual distribution is made, separate identification of the distributed funds will cease as they will become part of the program amounts in future budget requests.

The detailed base program description and justification for contract support funds and their overall purpose is included under the Self-Determination Services justification.

The following table provides a tentative distribution by programs within this activity of the base amount of contract support funds. The distribution was made by prorating contract support funds based on actual FY 1983 contract amounts. Since this distribution has not been based on individual contractor indirect cost rates (to be established at the time FY 1985 contracts are negotiated), it is not to be viewed as final.

<u>Program</u>	<u>Tentative Amount</u>
Tribal Government Services.....	\$ 2,560,000
Social Services.....	6,140,000
Law Enforcement.....	2,820,000
Housing *	<u>3,720,000</u>
Total.....	<u>\$15,240,000</u>

* Housing program contract support has not been transferred to the Construction account pending determination of actual distribution. FY 1985 fund transfers will be made between accounts after final distribution amounts are known.

Activity Summary
(dollars in thousands)

Activity: Economic Development & Employment Programs

<u>Subactivity (program)</u>	<u>FY 1983 Actual (B.A.)</u>	<u>FY 1984 Approp. Enacted</u>	<u>FY 1984 Revised Estimate</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) or Dec. (-) 1985 Est. over 1985 Base</u>
Employment Development	27,554	26,341	26,454	26,465	25,787	-678
Business Enterprise Develop.	10,966	10,521	10,591	10,723	16,220	+5,497
Road Maintenance	21,301	22,081	22,241	22,428	22,337	-91
Econ. Dev/Empl. Contract Support	---	---	---	2,730	2,730	---
Total	59,821	58,943	59,286	62,346	67,074	+4,728

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
Employment Assistance	(\$)	26,341	26,465	25,787	-554	-678
	(FTE-T)	(167)	(167)	(167)	(--)	(--)
Total Requirements	(\$)	26,341	26,465	25,787	-554	-678
	(FTE-T)	(167)	(167)	(167)	(--)	(--)

Distribution:

Tribe/Agency Operations	(\$)	25,396	25,673	24,995	-401	-678
Area Office Operations	(\$)	735	581	581	-154	--
Central Office Staff Operations	(\$)	210	211	211	+ 1	--

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

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

Base Program (\$26,465,000): Unemployment on Indian reservations continues to be critical despite progress in the area of economic development. Based on the most recent Bureau labor force estimates report, January 1983, the national unemployment rate among Indians has been estimated at 39%. There is an estimated target group of 175,000 Indians who are currently unemployed and able to work. Of this amount, 107,000 are actively seeking employment and could benefit by some form of assistance in vocational training and job placement.

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

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

Adult Vocational Training (\$20,751,000): The Secretary is authorized to undertake a program of vocational training that provides for vocational counseling or guidance, institutional training in any recognized vocation or trade, apprenticeship and on-the-job training. The period of training is for a maximum of 24 months except for registered nurse training which cannot exceed 36 months. The program is available to adult Indians, 18-35 years of age, who reside on or near an Indian reservation. Applicants are assisted in the selection of their training program through the interpretation of the General Aptitude Test Battery (GATB) and personal counseling. This is to insure that each applicant is in a field where he/she can attain the necessary skills in order to become employable.

Of the \$20,751,000 Adult Vocational Training FY 1985 Base funding, approximately \$8.8 million will be contracted by the tribes and \$0.5 million will be under contract with non-Indian organizations. The remainder is direct Bureau operations. The types of Bureau personnel operating the program include vocational development specialists and counseling assistants. The responsibilities at the various levels are as follows:

Central Office staff provides overall planning, technical supervision, and evaluation of the Adult Vocational Training program, as well as acting as the expert advisors to management for policy, strategy, and decision making.

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

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

The following is a list of all training programs to be funded under AVT at the Base program funding level (FY 1984 operations):

<u>Vocational Training Program Title</u>	<u>FY 1985 Base</u>		<u>FY 1985 Estimate</u>	
	<u>Funding</u>	<u>Participants</u>	<u>Funding</u>	<u>Participants</u>
1. National Ironworker Training Program, Contract with the International Association of Bridge, Structural and Ornamental Iron Workers (AFL-CIO).....	\$ 440,000	102	\$ 440,000	102
2. United Tribes Educational Technical Center (UTETC), contracted with United Sioux Tribes of North Dakota.....	1,238,200	282	1,238,200	282
3. AVT Program, contracted by tribes.....	8,850,787	1,967	8,656,676	1,924
4. AVT Program, operated by Bureau staff.....	<u>10,222,013</u>	<u>2,272</u>	<u>9,957,124</u>	<u>2,213</u>
Totals	<u>\$20,751,000</u>	<u>4,623</u>	<u>\$20,292,000</u>	<u>4,521</u>

The following is a historical listing, from FY 1980 through FY 1982, of the number of all vocational training participants and the success rate of job placement:

<u>Vocational Training Program</u>	<u>AVT Completions 1980 - 1982</u>	<u>% Placed in Employment</u>	<u>% Retained on-the-job After 1 Year*</u>
National Ironworker Training Program	232	95%	100%
United Tribes Educational Technical Center	411	90%	80%
AVT Program (includes tribe and Bureau operation)	5,720	85%	90%

* Does not include FY 1983 participants. This group has not been on-the-job for one year.

Direct Employment (\$5,714,000): It is estimated that \$2.5 million will be contracted by the tribes and the balance will fund direct Bureau operations. Direct Employment (Job Placement) services are provided to members of federally recognized Indian tribes. This program assists those Indians who have an employable skill and need employment. The end result is to assist the individual Indian to find, become established in, and retain suitable employment. The applicant's skills are identified from information submitted on the application form and through personal counseling. The applicant is then placed in a job that meets his/her skills levels.

A majority of the total Bureau staff in this program are located at the agency level where applications are taken and processed, funds committed, employment counseling and guidance provided, and employment contacts made. Staff in this program are vocational development specialists with emphasis on job placement. The responsibilities at the various levels are basically the same as those stated under Adult Vocational Training.

Personnel responsible for job placement, at the agency level, maintain contact with employers in the private sector through state and private employment offices and personal contacts. Employment in state and Federal jobs are accomplished through personal contacts with the appropriate personnel office. Screening applicants to be employed is done in accordance with hiring policies of the prospective employer. In most cases, the job placement specialist is acquainted with those hiring policies. If testing, job interviews, employment form completion, or medical examinations are required, the job placement specialist knows this in advance of referring an individual to a prospective employer.

Applicants are placed in those fields where jobs are available and where they are qualified for employment. Sufficient information is asked for on the program application form to determine the individual's qualifications. Some of the types of jobs the applicants are placed in are auto mechanics, cooks, haircutters/stylists, registered nurses, computer programmers, secretaries, accountants, carpenters, flight attendants, hotel/motel managers, heavy equipment operators, etc.

The following is a historical listing, from FY 1980 through FY 1983, and projected figures for FY 1984 and FY 1985, of all Direct Employment program participants and the success rate of job placement:

<u>Fiscal Year</u>	<u>Total Participants</u>	<u>% Placed in Employment</u>	<u>On-the-Job After 1 Year</u>
1980	8,974	95%	85%
1981	6,527	95%	85%
1982	5,252	90%	88%
1983 est.	5,324	90%	90%
1984 est.	2,653	90%	90%
1985 est.	2,381	95%	90%

Participants in the Adult Vocational Training (AVT) and Direct Employment (DE) activities may receive the following types of assistance. Approximate amounts budgeted for FY 1984 (appropriated to date) and FY 1985 Base (including amounts for program supervision and support services) are also shown:

1. Transportation and subsistence enroute to training or employment location.

(AVT - FY 1984, \$2,050,500; FY 1985 Base, \$2,075,100)
 (DE - FY 1984, \$1,167,200; FY 1985 Base, \$1,142,800)

2. Training applicants receive a weekly subsistence while in training. Job placement applicants receive subsistence until they receive their first paycheck. Emergency subsistence is provided, if needed.

(AVT - FY 1984, \$9,227,250; FY 1985 Base, \$9,337,950)
 (DE - FY 1984, \$3,268,160; FY 1985 Base, \$3,199,840)

3. Purchase of necessary tools for training or employment.

(AVT - FY 1984, \$1,025,250; FY 1985 Base, \$1,037,550)
 (DE - FY 1984, \$1,400,640; FY 1985 Base, \$1,371,360)

4. Tuition and related training costs for trainees.

(AVT - FY 1984, \$8,202,000; FY 1985 Base, \$8,300,400)
 (DE - FY 1984, \$ N/A ; FY 1985 Base, \$ N/A)

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

Workload Data:

A. AVT Program

<u>AVT Participants:</u>	<u>FY 1982</u>	<u>FY 1983 Estimate**</u>	<u>FY 1984 Estimate</u>	<u>FY 1985 Estimate</u>
In training at start of year	2,391	1,602	1,379	1,626
New entries during year	1,825	2,028	2,899	2,549
Total number in training	4,216	3,630	4,278	4,175
Carryover to next FY	*1,602	1,379	1,626	1,461
Completions	1,476	1,271	1,497	1,628
Placements (Completed Training)	1,255	1,093	1,270	1,384
Terminations	1,138	980	1,155	1,086

Ironworkers Training:

Participants	100	102	100	100
Completions	80	80	80	85
Terminations	20	22	20	15
Placements (Completed Training)				77

UTETC:

Participants	152	248	282	282
Completions	90	131	160	169
Terminations	62	117	122	115
Placements (Completed Training)				152

Average cost per AVT trainee (total program)

	\$4,000	\$4,250	\$4,400	\$4,500
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B. Direct Employment Program

Total participants	5,252	5,324	2,653	2,381
Average cost per participant	\$1,800	\$2,000	\$2,200	\$2,400

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

** Some of the changes reflected in FY 1983 data are the result of discontinued use of OMB form 50A as a factor in determining average costs. The adjusted participation rate divided into the total vocational training appropriation in FY 1983 yielded an average cost of \$3,994. A survey of six area offices indicates the average cost per trainee to be \$4,250. This change in costs resulted in changes in the FY 1983 workload data shown above.

Decrease for FY 1985:

(dollars in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Employment Assistance	\$	26,465	25,787	-678
	(FTE-T)	(167)	(167)	(--)

Tribe/Agency Operations (\$678,000): The decrease of \$678,000 (\$459,000 AVT, and \$219,000 DE) at the tribe/agency level is a result of tribal determination of program priorities under the Indian Priority System.

Distribution of change of object class:

The object class detail for the proposed \$678,000 decrease is as follows:

	<u>Amount</u>
Other services.....	\$-289,000
Grants, subsidies and contributions.....	<u>-389,000</u>
Total.....	<u>\$-678,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1984</u> Approp. Enacted to Date	<u>FY</u> 1985 Base	<u>FY</u> 1985 Estimate	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From 1984</u>	<u>Inc. (+)</u> <u>Dec. (-)</u> <u>From Base</u>
Economic Development Grant Program	(\$)	5,000	5,000	10,000	+5,000	+5,000
Total Requirements	(\$)	5,000	5,000	10,000	+5,000	+5,000

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

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

Base Program (\$5,000,000): Many Indian reservations lack a private sector economy in that they do not have the industries, retail outlets, institutions (banks, savings and loans, vocational schools, etc.), or private sector employers as is common to non-Indian communities. This lack of private sector economy has contributed significantly to the high unemployment and low per capita income plaguing Indian reservations. Past economic development efforts to promote sound business development on reservations have had only limited success. Further, earlier Indian economic development was all but totally subsidized by Federal money with little or no involvement of the private sector. This was in part because tribes have difficulty in obtaining loans from private investment sources because of: (1) the unique trust status of tribal resources limiting their use as collateral, (2) the lack of capital equity, and (3) debts to the government which have priority for repayment from tribal income. Notwithstanding these impediments, Indian tribes and Alaska Natives are becoming increasingly aware of their assets in land holdings, water, energy resources, minerals, forestry, oil, and natural gas. Grant funds will be used to attract non-Federal investments for economic development projects on or near reservations.

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

Each grant is to provide no more than 25 percent of the projected capital of a given proposal, with the balance to come from the grantee and from non-Federal

sources. Higher leveraged projects will be given preference. This arrangement will encourage those who are relatively certain that their enterprises are potentially profitable to undertake projects under this program. Thus, there is a greater potential for sound economic development.

Specific economic development activities to be financially assisted through this program are selected from proposals initiated and developed by individual tribes. Furthermore, applications for economic development grants will be accepted only from the governing body of a tribe or a tribal organization which is unable to meet its total financing needs from its own resources and/or by loans or equity investment from private, non-Federal sources. Tribes participating in this program must have provided evidence of a stable tribal governmental structure ensuring continuity of the enterprise through submission of a record of fiscal responsibility and a formal application.

The role of Indian tribes in this program activity is to determine whether to seek development of their resources and the nature of the economic development that is suitable for their reservations; to provide the basic services of local government; and to foster an atmosphere of governmental stability that promotes confidence and attracts private sector capital.

Credit and financing personnel handle the day-to-day oversight responsibility for approved grants. The agency credit officers are responsible for initial grant application review with guidance, support and assistance provided by area offices. Specific monitoring of the program is accomplished by the agency superintendent. Control at the central office level is being specifically administered through the Division of Financial Assistance in the Office of Indian Services. In FY 1983, approximately 5% of the available funds was used for costs related to a management and technical assistance contract awarded to provide the necessary assistance for the grantees to develop their proposals, as well as the costs incurred by a review panel of business representatives from the private sector who were used for an impartial evaluation of the grant proposals. This approach will be continued in FY 1984.

After interim regulations were published, FY 1983 applications were accepted from tribes for the first round of grants. Three rounds of grant applications were accepted ending on May 15, June 30, and August 15. Eleven applications were received in the first round, 13 in the second round, and 22 on the final round.

These 46 grant applications requested a total of \$13,187,516 in grant funds. The average grant request was for \$286,685 with average additional funding of \$2,414,012 being provided from non-governmental sources. Of the total requests, \$5 million in grants were awarded with private sector financing totaling \$23 million. The amount leveraged is shown in the chart below.

Round No.	Number of Applications	FY 1983 Grant Requests	
		Amount Requested	Total Project Amounts
1.	11	\$ 2,216,432	\$ 9,706,228
2.	13	2,912,125	16,150,339
3.	22	8,058,959	80 359,965
Total	46	\$13,187,516	\$106,216,532
	Average	\$ 286,685	\$ 2,414,012

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

<u>Area</u>	<u>Amount of Grant</u>	<u>Purpose</u>	<u>Other Financing</u>
1) Portland	\$ 25,000	Purchase materials and supplies for new restaurant	\$30,000 Bank loan 20,000 Tribal funds 25,000 In-kind
2) Muskogee	125,000	Expand horticultural production and sales area	250,000 Bank loan 125,000 In-kind
3) Portland	500,000	Purchase marina	900,000 Bank loan 192,500 In-kind 300,000 From seller
4) Eastern	50,000	Tribal store	200,000 Tribal funds

Other applications approved include a tug and barge operation, a sand and gravel enterprise, expansion of a resort facility, construction of a machine shop and grain storage bin, and improvements to a commercial business complex. Several applications will be approved from FY 1984 funds.

Historically, Indian reservations have suffered from a severe lack of economic development. This has occurred despite the existence of natural resources and an abundant labor force. The Economic Development Grant program was established as a key element in the Administration's efforts to attract private investment to reservations in order to create local business enterprises which will generate income on reservations. In its first year of operation, the program was enthusiastically accepted by tribes and business interests. Acceptable grant proposals exceeded funding availability. Grants that were awarded attracted over \$20 million in private investment. Because of the success of the program, with its ability to attract private capital, and to generate income benefits through new jobs on Indian reservations, this program should be expanded in FY 1985. Expanding the program will, in addition to generating additional economic development, reemphasize the overall commitment of the Federal Government to economic improvement for Indian tribes.

Workload Data and Estimated Participation: Present agency and area credit personnel administer and monitor individual projects in their respective areas. Currently, at the central office, one staff member and a temporary employee have overall responsibility for the initiative. Estimates for FY 1984 are as follows:

	<u>Number</u>	<u>Estimated Avg. Cost</u>	<u>Estimated Total Cost</u>
Economic Development Grants	20	\$237,500	\$4,750,000
Proposal Review and Evaluation	--	--	\$ 250,000

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>	<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Economic Development Grant Program	(\$) 5,000	10,000	+5,000

The Bureau will continue to use about 5% of the available funds to provide for a technical assistance contract and to obtain advice from business groups in the review of grant proposals. In FY 1985, this is estimated to cost about \$500,000. At an average cost of about \$240,000, at least 40 grants will be awarded in FY 1985. Given the amount of financing being offered by the private sector under the present applications, we anticipate that the \$10 million program will result in an additional \$30 to \$40 million in private capital to help develop Indian economies.

Distribution of change of object class:

The object class detail for the proposed \$5,000,000 increase is as follows:

	<u>Amount</u>
Grants, subsidies, and contributions.....	<u>\$+5,000,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		Fy 1984 Approp. Enacted to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
Credit and Financing	(\$) (FTE-T)	4,646 (142)	4,832 (142)	5,329 (146)	+683 (+4)	+497 (+4)
Total Requirements	(\$) (FTE-T)	4,646 (142)	4,832 (142)	5,329 (146)	+683 (+4)	+497 (+4)

Distribution:

Tribe/Agency Operations	(\$)	3,327	3,424	3,636	+309	+212
Area Office Operations	(\$)	804	881	881	+ 77	--
Central Office Staff Operations	(\$)	515	527	812	+297	+285

Credit and Financing

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

Objective: To assist federally recognized Indian tribes and individual Indians, Indian organizations, and Alaska Natives with developing and utilizing their own resources to better their economic conditions through direct loans from the Revolving Fund for Loans and guaranteed loans from the Loan Guaranty Program under the Indian Financing Act of 1974; and to assist them in obtaining financing from private lending sources utilizing the economic development program grants and from other government sources for the same purpose.

Base Program (\$4,832,000): Unemployment and a lack of local businesses have resulted in most Indian reservations being economically depressed areas. Indian reservations have not enjoyed the same opportunities for economic development as the surrounding communities. Since Indian land is held in trust by the United States Government, Indian tribes and individual Indians cannot mortgage their trust land as security for loans. Also, because of the lack of state jurisdiction over most reservations and the problems encountered with tribal court systems, private lenders are discouraged from making loans on reservations. To help alleviate this situation, Congress enacted legislation to provide financial assistance.

The earliest legislation was enacted in 1934 with the passage of the Indian Reorganization Act. This provided for the organization of Indian tribes as tribal governments and provided them with a federally chartered business corporation. Various other legislative proposals have been passed with the latest being the Indian Financing Act of 1974. In addition, the programs under the Small Business Administration and Farmers Home Administration have been utilized by both Indian tribes and individuals to the extent possible.

The \$4,832,000 in the FY 1985 Base program for Credit and Financing supports the salaries, travel, and operational expenses of the Bureau employees who make, monitor, and collect the loans made under both the Revolving Fund for Loans and Loan Guaranty and Insurance Program and it covers the operating costs of the 15 agency credit programs contracted under P.L. 93-638. In addition, these contracted loan programs are monitored by contracting officer representatives who are part of the area credit offices. Since FY 1983, the credit staff also has the responsibility of administering the Economic Development Grant Program.

Program operations involve assisting tribes in the administration of tribal relending programs and administering the Indian Revolving Fund for Loans (see a. and b. below); assisting tribes and individuals in obtaining loans from banks and other financial lending sources in the private sector (see c. below); working with other Federal funding sources on developing economic enterprises on Indian reservations (see d. below); processing loans under the Loan Guaranty and Insurance Program (see e. and f. below); and making grants under the Economic Development Program (see g. below).

Workload Data:

(dollars in millions)

	FY 1983		FY 1984		FY 1985	
	Actual		Estimate		Estimate	
	No.	\$ Amount	No.	\$ Amount	No.	\$ Amount
a. BIA supervised direct loans - new <u>1/</u>	2,740	\$ 15.1	2,800	\$ 16.0	2,850	\$ 16.5
b. BIA supervised direct loans - outstanding (EOY) <u>1/</u>	10,200	125.3	10,500	130.0	11,000	\$140.0
c. BIA assisted Commercial loans - new	2,160	26.4	1,500	25.0	1,350	25.0
d. Assisted other Federal loans - new	406	20.0	450	23.0	425	21.0
e. Guaranteed and Insured loans - new	15	13.8	20	19.0	0	0
f. Guaranteed and Insured loans - outstanding	58	79.4	93	98.0	90	85.5
g. Economic Development Program Grants - new	21	4.6	20	4.8	40	9.7

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

Follow up assistance is also provided to Indian borrowers and former grantees in credit related matters. In addition, the staff does all the monitoring and collecting of loans made under the Bureau's credit and financing program.

It is estimated about 60 new loans totaling \$30.0 million will be made in FY 1984 for business enterprises. In FY 1985, approximately \$16 million will be lent from the Revolving Loan Fund. Without legislative changes no new loans will be made under the guaranty program.

In FY 1985, the credit and financing workload is estimated to include assistance and administrative services for approximately 90 outstanding guaranteed loans with a face value of over \$85.5 million; assistance and services on outstanding loans totaling over \$100 million made from the Indian Revolving Fund; and assistance in the administration of tribal relending programs. Assistance will also be provided to the estimated 40 recipients to receive economic development grants in FY 1985.

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

(dollar amounts in millions)

Total Available Before 1974		\$22.4
Indian Financing Act (IFA) of 1974		<u>41.0</u>
Total Appropriations		\$63.4
Additions to Fund:		
Principal repayments	\$75.1	
Interest payments	38.6	
Livestock settlements	<u>2.7</u>	
Total Additions		<u>116.4</u>
Total Available for Loans		<u>179.8</u>
Total Loans Made 1934-1983		<u>163.2</u>

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

(dollar amounts in millions)

	<u>Prior to</u> <u>IFA 1974</u>	<u>1977</u>	<u>1983</u>	<u>Estimate</u> <u>1985</u>
Full-time personnel	136	223	155*	159*
Tribal credit employees	55	49	53	53
Contracted programs	--	--	15	18
Outstanding loans:				
Revolving Loan Fund	\$28.0	\$56.0	\$85.5	\$99.7
Loan Guaranty Fund	--	\$44.0	\$79.4	\$85.5
Indian Business Development Program (IBDP) grants outstanding	--	\$25.0	--	--
Tribal relending	--	--	\$40.0	\$41.0
Economic Development Program grants	--	--	\$ 4.6	\$ 9.7

* FTE, not positions.

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

Increase for FY 1985:

(dollars in thousands)

<u>Program Element</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Credit and Financing (\$) (FTE-T)	4,832 (142)	5,329 (146)	+497 (+4)

Central Office Operations (+\$285,000): In FY 1985, it is proposed to establish an Economic Development Facilitator Unit which would consist of four persons. One would be an expert on business financing, one on industrial development, one on tourism and one clerk-typist. Team members would respond to tribal requests for assistance in each of their areas of expertise and would seek out Indian economic development opportunities. These staff members will be responsible for providing policy guidance and expertise to Bureau management as it endeavors to place more emphasis on the economic development in Indian communities. Further, they will be available to provide direct assistance to Bureau field staff and Indian tribes in assisting them to participate in industrial trade shows, tourism seminars and promoting economic development training as well as the packaging of specific proposals.

Tribe/Agency Operations (+\$212,000): The increase of \$212,000 at the tribe/agency level is a result of tribal determination of program priorities under the Indian Priority System.

Distribution of change by object class:

The object class detail for the proposed \$497,000 increase is as follows:

	<u>FTE-T</u>	<u>Amount</u>
Personnel compensation.....	+4	+\$124,000
Personnel benefits.....		+\$ 14,000
Travel and transportation of persons.....		+\$ 32,000
Supplies and materials.....		+\$ 15,000
Other services.....		<u>+\$312,000</u>
Total.....		<u>+\$497,000</u>

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) from 1984</u>	<u>Inc. (+) Dec. (-) from Base</u>
Indian Arts and Crafts Board	(\$) (FTE-T)	875 <u>(16)</u>	891 <u>(16)</u>	891 <u>(16)</u>	+16 <u>(--)</u>	-- <u>(--)</u>
Total Requirements	(\$) (FTE-T)	875 <u>(16)</u>	891 <u>(16)</u>	891 <u>(16)</u>	+16 <u>(--)</u>	-- <u>(--)</u>
<u>Distribution:</u>						
Other	(\$)	875	891	891	+16	--

Indian Arts and Crafts Board

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

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

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

Base Program (\$891,000): The Board is a unique arts agency whose activities are not duplicated either in the Federal or private sectors; it is the only Federal agency that is consistently and exclusively concerned about responding to the cultural needs of the Native people. The Board's policies are determined by its five Commissioners, who serve without compensation, and they employ a professional staff to carry out their responsibilities. For administrative convenience, funds for the Board expenses and staff are carried in the Bureau of Indian Affairs portion of the budget.

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

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

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

- through over 200 Native-owned and operated craft marketing enterprises (an increase of 21% during the past two years);
- through a consumer directory that is an established marketing link between these Native craft enterprises and the more than 100,000 consumers annually who request it;
- through approximately 30 one-person sales exhibitions in the Board's museums;
- through several group sales exhibitions of outstanding contemporary Native art work presented in the Board's museums and at other institutions through cooperative arrangements; and
- through concentrated management advice to some 100 developing Native museums.

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

Justification of Program and Performance

Activity:	Economic Development and Employment Programs
Subactivity:	Road Maintenance

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
Road Maintenance	(\$)	22,081	22,428	22,337	+256	-91
	(FTE-T)	(407)	(407)	(407)	(--)	(--)
<hr/>						
Total Requirements	(\$)	22,081	22,428	22,337	+256	-91
	(FTE-T)	(407)	(407)	(407)	(--)	(--)
 Distribution:						
Tribe/Agency Operations	(\$)	21,919	22,317	22,226	+307	-91
Area Office Operations	(\$)	111	59	59	- 52	--
Central Office Staff Operations	(\$)	51	52	52	+ 1	--

Road Maintenance

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

Objectives: To repair and maintain 25,600 miles of public roads serving Indian reservations in order to promote safety and convenience for reservation residents with particular emphasis on school bus routes and arterial highways. To protect the Government investment by preventing or repairing damage by rain and wind on 18,000 miles of roads on the Bureau system which were graded and surfaced under the Road Construction Program. To plan, schedule and provide maintenance repairs and service in accordance with the standards of the American Association of State Highway and Transportation Officials (AASHTO). Perform maintenance repairs and service in such a manner as to protect the environment of the reservation, adjacent lands, and individual Indian lands.

Base Program (\$22,428,000): Priorities and funding levels for road maintenance are set by tribal governments in consultation with Bureau administrators and engineers. Consideration is given to degree of use, public safety and convenience. On improved roads, an additional consideration is the preservation of the Government's investment in construction, since inadequate maintenance accelerates deterioration and increases road reconstruction costs. The replacement cost for approximately 18,000 miles of improved roads on the Bureau system is estimated to exceed \$2 billion.

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

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

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

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

"Optimal" is that frequency of maintenance which keeps the road in the desired condition at minimum total cost. Bureau road maintenance will average 63% of optimal, based on funds requested in FY 1985. Optimal maintenance costs per mile, per year are:

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

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

Road maintenance is one of the programs included in the tribal priority setting system. With the Bureau's recommendation, a few tribes in recent years have substantially improved the priority given to road maintenance. The Bureau will continue to recommend further improvement in priority of this program.

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

The program is carried out almost entirely by Indian employees on reservations; 98% of the Federal employees are Indian. The Federal payroll for road maintenance will amount to \$9,500,000 for FY 1985. The program also provides employment for 60 tribal employees under P.L. 93-638 contracts which are estimated at \$1,200,000, 5% of the total road maintenance program.

Workload Data: The program will provide for the following activities at an average of 63% of optimal maintenance in FY 1985.

<u>Road by surface type</u>	<u>Unit of Measure</u>	<u>Estimate 1983</u>	<u>Estimate 1984</u>	<u>Estimate 1985</u>
Unimproved	Miles	8,000	7,800	7,800
Average cost/mile	\$	200	200	300
Earth	Miles	10,200	10,500	10,500
Average cost/mile	\$	790	800	1,200
Gravel	Miles	2,900	2,800	2,800
Average cost/mile	\$	1,600	1,700	2,400
Paved	Miles	4,100	4,000	4,000
Average cost/mile	\$	1,800	2,000	2,500
Bridges	Lineal feet	61,000	61,500	61,500
Average costs/LF	\$	7	7	8

The Surface Transportation Assistance Act of 1982 requires uniform policies for Federal roads and state Federal-aid roads. Bureau policies are being adopted to improve the level of maintenance on paved and graveled roads, along with the major construction/reconstruction programs funded from the Highway Trust Fund, to support the Assistant Secretary's initiative for economic development on reservations by providing a safe and convenient road network serving job access, commerce and industrial development.

Decrease for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>1985 Estimate</u>	<u>Difference</u>
Road Maintenance	\$	22,428	22,337	-91
	(FTE-T)	(407)	(407)	(--)

Tribe/Agency Operations (\$91,000): The decrease of \$91,000 at the tribe/agency level is a result of tribal determination of program priorities under the Indian Priority System.

Distribution of change by object class:

The object class detail for the proposed \$91,000 decrease is as follows:

	<u>Amount</u>
Other services.....	<u>\$-91,000</u>

Justification of Program and Performance

Activity: Economic Development and Employment Programs
Item: Econ. Dev./Empl. Contract Support

(dollars in thousands)

	FY 1984 Approp. to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
Total Requirements (\$)	---	2,730	2,730	+2,730	---

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$2,730,000): The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request.

As a part of the implementation of this directive in the budget process, this request distributes the FY 1984 appropriated amount of \$37,788,000 to each activity which has existing (in FY 1983) P.L. 93-638 contracts. The amount distributed to this activity is \$2,730,000. The actual distribution by program within this activity will be determined when the FY 1985 contracts are negotiated for programs currently (FY 1983) under contract. After the actual distribution is made, separate identification of the distributed funds will cease as they will become part of the program amounts in future budget requests.

The detailed base program description and justification for contract support funds and their overall purpose is included under the Self-Determination Services justification.

The following table provides a tentative distribution by programs within this activity of the base amount of contract support funds. The distribution was made by prorating contract support funds based on actual FY 1983 contract amounts. Since this distribution has not been based on individual contractor indirect cost rates (to be established at the time FY 1985 contracts are negotiated), it is not to be viewed as final.

<u>Program</u>	<u>Tentative Amount</u>
Employment Development.....	\$2,144,000
Business Enterprise Development...	280,000
Road Maintenance.....	<u>306,000</u>
Total.....	<u>\$2,730,000</u>

Activity Summary
(dollars in thousands)

Activity: Natural Resources Development

<u>Subactivity (program)</u>	FY 1983 Actual (B.A.)	FY 1984 Approp. Enacted	FY 1984 Revised Estimate	FY 1985 Base	FY 1985 Estimate	Inc. (+) or Dec. (-) 1985 Est. over 1985 Base
Forestry and Agriculture	104,236	76,282	90,911 *	77,409	76,552	-857
Minerals, Mining, Irr. & Power	15,005	16,406	16,424	16,457	15,819	-638
Natural Res. Dev. Contract Support	---	---	---	4,551	4,551	---
Total	119,241	92,688	107,335	98,417	96,922	-1,495

*Includes fire suppression supplemental (14,000).

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Forestry and Agriculture

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Natural Resources, General	(\$) (FTE-T)	787 (5)	827 (5)	805 (5)	+18 (--)	-22 (--)
B. Agriculture	(\$) (FTE-T)	22,881 (463)	22,967 (463)	22,449 (463)	-432 (--)	-518 (--)
C. Forestry	(\$) (FTE-T)	27,092 (717)	28,163 (717)	27,492 (717)	+400 (--)	-671 (--)
D. Water Resources	(\$) (FTE-T)	7,222 (9)	7,253 (9)	7,426 (9)	+204 (--)	+173 (--)
E. Wildlife and Parks	(\$) (FTE-T)	17,700 (44)	17,768 (44)	17,949 (44)	+249 (--)	+181 (--)
F. Fire Suppression	(\$)	600	431	431	-169	(--)
Total Requirements	(\$) (FTE-T)	76,282 (1,238)	77,409 (1,238)	76,552 (1,238)	+270 (--)	-857 (--)
<u>Distribution:</u>						
Tribe/Agency Operations	(\$)	41,250	42,345	42,384	+1,134	+39
Area Office Operations	(\$)	2,703	2,840	2,840	+137	(--)
Central Office Staff Operations	(\$)	1,911	1,946	1,946	+35	(--)
Other Natural Resources Development Programs:	(\$)	30,418	30,278	29,382	-1,036	-896
Forest Development	(\$)	(5,000)	(5,000)	(5,000)	(--)	(--)

(dollar amounts in thousands)

Distribution: (continued)		FY 1984 Approp. Enacted to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
Timber Sale Admin.	(\$)	(6,000)	(6,000)	(5,200)	(-800)	(-800)
Fire Suppression	(\$)	(600)	(431)	(431)	(-169)	(--)
Water Policy Implementation	(\$)	(5,450)	(5,450)	(5,450)	(--)	(--)
Wildlife & Parks Field Operations	(\$)	(13,368)	(13,397)	(13,301)	(-67)	(-96)

A. Natural Resources, General

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

Objective: To provide managerial direction and support for those operations which span multi-resource disciplines in protecting, inventorying, developing and managing Indian natural resources on 52.5 million acres of Indian lands held in trust by the United States.

Base Program: Tribe/Agency, Area Office Operations (\$827,000): This program provides funding for multidisciplinary activities not readily identified to one particular natural resource program, including assistant area directors at some areas who may direct several natural resource programs; and other staff who are responsible for administering multi-disciplinary activities, including contracts with Indian tribes, sometimes covering various natural resource program under a single contract. Accomplishments under tribal contracting include conservation studies and/or inventories in the various natural resource disciplines which include agriculture, soil and range, irrigation and power operations, fisheries, wildlife, parks, water needs and environmental quality concerns.

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

Decrease for FY 1985:

(dollar amounts in thousands)

	1985 <u>Base</u>	1985 <u>Estimate</u>	<u>Difference</u>
<u>Natural Resources General</u>	<u>827</u>	<u>805</u>	<u>-22</u>
Tribe/Agency	593	571	-22
Area Offices	234	234	(--)

The decrease of \$22,000 at the Tribe/Agency level represents a change of tribal priorities.

B. Agriculture

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

Objective: To protect and enhance the value of the Indian agronomic and range resources; and to maximize income while maintaining and/or improving the Indian resources on 52 million acres, of which 42 million acres are rangelands.

Base Program (\$22,967,000): The Bureau of Indian Affairs provides technical assistance on 284 Indian reservations to Indian landowners or operators of trust property through professional staffs located at 76 agency offices.

The types of professional personnel are:

Job Titles

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

The above staff provides a variety of assistance, a major portion of which is to assist in applying conservation measures to Indian lands. The Bureau leased 4.3 million acres for agricultural use in 1982, which resulted in \$52 million in rental income, and issued grazing permits on about 35 million acres of rangeland. Agricultural conservation measures applied to these lands include constructing terraces, ponds, upland water wasteways, erosion control structures and management plans to protect the resource. They also include brush control, seeding, sodding, and drainage. Soil conservation activities are on-going on a routine basis on individual tracts of land and are not normally viewed as major project developments.

The following table shows the estimated amount of funds from various sources for these measures related to agricultural production.

	(\$ in millions)				
	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>Est.</u> <u>1984</u>	<u>Est.</u> <u>1985</u>
USDA*	1.6	1.6	1.6	1.6	1.6
BIA	4.3	4.4	8.9**	4.4	4.4
Tribes	1.6	1.6	1.6	1.6	1.6
Landowners/Operators Contributions	9.93	9.9	9.9	9.9	9.9

* USDA - These funds are in the form of the Agriculture Soil Conservation Services' cost-share payments to landowners and operators for the installation of approved conservation practices.

** \$4.5 million Jobs Bill included.

Examples of these measures include: concrete ditch lining and land leveling on irrigated fields for water conservation, strip cropping, terracing and winter cover crops for the control of wind and water erosion, farm pond development, surface and tile drainage to control salinity and water table, and shelterbelts for wind protection.

In addition to agricultural conservation measures, the following sources also fund rangeland conservation measures such as water systems, fencing, brush control, and reseeding:

	(\$ in millions)				
	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
USDA	.36	.37	.42	.42	.42
BIA	2.13	2.19	10.52*	2.52	2.00
Landowners/permittees	1.07	1.10	1.26	1.26	1.26

* \$8.0 million Jobs Bill included.

Examples of some of these projects are: Prairie dog control on Pine Ridge; livestock water development, Navajo; "Savory" intensive range management method; and reseeding and management fencing.

These conservation measures may be applied on over 42 million acres of rangeland. This land has a capacity to graze 6 million animal unit months. Approximately 92 percent of the rangeland is utilized by Indian operators.

To assist in developing these conservation measures, Bureau soil and range conservationists will prepare over 7,000 management plans for farms and ranches. The cost to develop these plans is estimated at \$500,000 for FY 1984.

The farm management plans must be based on specific information about the resources. That information is collected by Bureau soil scientists who conduct inventories of soil types and conditions. This work is also done under contract. During 1984, inventory work done by Bureau personnel will cost \$500,000. Approximately \$200,000 will be contracted for a program total of \$700,000.

Soil inventories often identify special problems which must be addressed before land can be used for agriculture. Bureau soil scientists and soil conservationists conduct soil investigations on over 700,000 acres of Indian land each year. These are surveys to help resolve problems with drainage, fertility, salinity,

and special conservation needs such as erosion control, length and slope for irrigated lands, and crop adaptability.

The range management plans must also be based on specific information. To do so, Bureau range conservationists classify Indian rangelands into range sites and conditions. They identify factors such as vegetative cover, soil characteristics, precipitation zones and elevation. This information is used to recommend stocking rates and season of use. Range inventories will cover about 2.7 million acres in 1984. They will cost \$100,000 for Bureau work and about \$1.2 million for contract work.

The Bureau also uses the results of the inventories and investigations to provide direct technical assistance to both farmers and ranchers. During FY 1984, the Bureau will assist 19,000 farmers and 11,500 ranchers.

Technical assistance for farmers includes: farm plans, erosion control, structure design, land leveling criteria, farm drainage design, fertility

recommendations, farm pond specifications, pest control recommendations, wind and water erosion control recommendations.

Technical assistance for ranchers includes: boundary surveys for fencing, water development engineering, livestock rotation recommendations, feeding requirements, pest management, brush control, re-seeding, and range management planning. Besides providing assistance for farming and ranching on Indian lands, the Bureau also monitors its use. During 1984 the Bureau will prepare over 8,000 farm lease stipulations. Under these agreements the user agrees to perform specified conservation practices or otherwise use the resources in a manner which will either maintain or improve them. The cost of preparing these stipulations is estimated at \$700,000 for FY 1984.

To ensure compliance with these stipulations or other permits, Bureau personnel inspect farms directly to evaluate compliance with lease requirements, performance and use. There are about 20,000 such compliance actions each year. The cost will be approximately \$600,000 for FY 1984.

The Bureau also monitors the use of rangelands. Employees may modify grazing permits in order to improve rangelands. They may adjust stocking rates depending on changes in grazing conditions, area size, and changes in land ownership. About 1,650 such modifications will occur in 1984. The cost will be approximately \$400,000.

Bureau employees also conduct inspections of range units on site to determine if ranchers are complying with permit requirements. Over 5,000 such inspections will be done in 1984 at a cost of \$500,000.

Workload Data (Agriculture):

	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>Est. FY 84</u>	<u>Est. FY 85</u>
<u>Farmers Assisted (No.):</u>					
Technical services provided to users of Indian lands for needed conservation practices which will improve the Indian resource.	18,900	18,950	19,000	19,000	19,000

<u>Workload Data (Agriculture): (continued)</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>Est.</u> <u>FY 84</u>	<u>Est.</u> <u>FY 85</u>
<u>Ranchers Assisted (No.):</u>					
Technical services provided to ranchers to improve Indian rangelands. Technical services include proper stocking rates, location and design of water systems, location of range fences and reseeding.	11,176	11,180	11,500	11,500	11,300
<u>Soil Inventories (M Acres):</u>					
The classification of Indian lands into soil types and capabilities so that each acre will be utilized according to its potential.	1,402	1,500	2,000	2,000	2,000
<u>Ag. Cons. Measures (M\$):</u>					
Conservation measures designed to maintain or improve the Indian resource.	16,729	17,500	22,500*	18,500	18,200
* Includes effects of \$12.5 million of Jobs Bill funding.					
Includes practices such as terraces, ponds, upland water wasteways, erosion control construction; and land use changes in the form of brush control, seeding, sodding and drainage. Funds for construction of these conservation measures are from USDA, BIA owners and/or operators.					
<u>Rangeland Cons. Measures (M\$):</u>					
Includes proper location and design of water systems, fencing, brush control and reseeding.	3,558	3,650	12,200*	4,200	4,100
<u>Farm and Ranch Management Plan (No.):</u>					
A basic plan of operation which uses sound conservation practices for wise use of the Indian resource. Range site and condition and soil inventories are vital for farm management planning.	6,970	6,900	7,100	7,300	7,300
<u>Farm Lease Stipulations Prepared (No.):</u>					
The formal agreement in which the user of the Indian resource agrees to perform the specified conservation practices stipulated or otherwise utilize the resources in a manner which will either maintain or improve the Indian resource.	8,200	8,300	7,990	8,071	8,071

Workload Data (Agriculture): (continued)

	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>Est.</u> <u>FY 84</u>	<u>Est.</u> <u>FY 85</u>
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Compliance Actions (No.):

These inspections are for the purpose of performance evaluations and utilization checks to determine if the Indian resource user is in compliance with the lease stipulations or permits.	20,000	20,000	19,000	19,916	19,200
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Soil Investigations (M Acres):

These are soil surveys for special land uses. Soil problems associated with drainage, fertility, salinity and special conservation needs are examples of need for soil investigations.	870	715	700	718	718
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Range Permit Modifications (No.):

The modification of existing grazing permits that will result in an improvement to the Indian rangeland. Stocking rates may be adjusted due to changes in	1,577	1,600	1,650	1,650	1,800
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Range Unit Compliance Inspections (No.):

These actions are for the purpose of utilization checks to determine if the Indian resource user is in compliance with the permit requirements.	9,944	5,100	5,100	5,100	4,900
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Range Inventories (M Acres):

The classification of Indian rangelands into range site and condition classes and recommended stocking rates. Important factors in this classification are vegetative cover, soil characteristics and precipitation zones.	2,273	2,473	2,500	2,700	2,000
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Decrease for FY 1985

(dollar amounts in thousands)

	<u>1985</u> <u>Base</u>	<u>1985</u> <u>Estimate</u>	<u>Difference</u>
<u>Agriculture</u>	22,967	22,449	-518
Tribe/Agency	21,428	20,910	-518
Area Office	1,237	1,237	--
Central Office	302	302	--

The reduction of funding in the Agriculture program of \$518,000 is the result of a change in priorities at the Tribe/Agency level. The tribes increased funding in related programs such as Water Resources, Realty, Forestry and Wildlife and Parks, which should allow agriculture and range technicians to assist in unified efforts to accomplish actions that benefit these programs.

C. Forestry and Fire Suppression

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indian tribes. The Federal Government has a trust responsibility to provide forest management under the principles of sustained yield and to protect Indian forest lands. This trust responsibility is stated in treaties with individual tribes, and in Federal legislation, particularly, 25 U.S.C. 406, and 407 (The Act of June 25, 1910); 25 U.S.C. 466 (The Indian Reorganization Act of June 18, 1934); and 18 U.S.C. 1853, 1855 and 1856. It has been reiterated and supported by numerous legal decisions from Federal courts, up to and including the Supreme Court.

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

Base Program (\$28,163,000 for Forestry; \$431,000 for Fire Suppression): The forestry program addresses the need to provide forest management services on 13.3 million acres of Indian forest land. The most important of these services is the charge to sell the allowable annual cut from each reservation with a commercial forest land base. This is accomplished by employing the most modern and effective techniques for forest protection, by implementing modern inventory and management planning systems, by harvesting the full allowable annual cut with consideration of other use values and tribal objectives, and by intensifying forest development activities to eliminate backlog, maintain accruals and enhance forest productivity (growth).

Problems associated with the forestry program include a deficiency in state-of-the-art forest management inventory and planning on some reservations from which the Indian owners can make multiple-use management decisions. Only 32 of a total of 104 forested trust reservations or properties have current forest management or operating plans. The remaining 72 locations continue to operate with no plans or outdated plans. Also, certain reservations have problems enforcing wildfire and timber trespass regulations against tribal members.

The Bureau cooperates with U.S. Forest Service and other Federal and state agencies in the protection of Indian lands and adjacent lands from insects and disease. The Forest Service, by law, is the lead agency for all major protective actions and for securing necessary funding.

The Bureau's trust responsibility in forestry is extended to approximately 104 forested reservations and/or properties in 23 states with a commercial forest land base of approximately 5.8 million acres that support a total commercial volume of about 41.3 billion board feet and an allowable annual cut of 1.03 billion board feet. In addition to this, technical assistance services in all forestry aspects are provided Alaska Native Claims Settlement Act (ANCSA) allotted lands, which, when fully conveyed, will comprise a forest land base in Alaska of approximately 300,000 acres. The forestry program must work closely with several other Bureau programs. These include: Agriculture--particularly Range Management; Fish and Wildlife; Environmental Services; Realty--particularly appraisals, and obtaining ownership (title) information on allotments; Law Enforcement, for assistance in trespass investigations; and Water Resources, for water productivity and protection of groundwater levels.

Beginning in mid-1979, rising interest rates and inflation caused a severe softening in the housing market, which in turn reduced the demand for lumber and logs. This, coupled with the lack of sufficient in-place forest products industries in some areas, prevented the Bureau from selling the full allowable annual cut from many reservations. By late 1982, the lumber market began to show strong signs of recovery. Economists predicted a turnaround and real recovery in the housing industry and lumber market in 1983. These predictions have been borne out by substantial increases in housing starts and a steady rise in the Western Wood Products Association (WWPA) "Lumber Price Index Trends." This upward trend is expected to continue in the coming months as the economy recovers from the recession. As it does so, the sale of timber and other forest products from Indian lands will increase commensurately.

The forestry program provides valuable income and employment to the Indian owners through the sale of stumpage and subsequent harvest and processing of Indian timber. These operations plus labor intensive forestry operations, such as forest development work, forest inventory and survey work, and forest protection, help to generate individual Indian employment and income. In addition to these direct income and employment benefits to individual tribal members, revenues generated from the Indian forests produce indirect economic and social benefits by providing funds for the operation of tribal governments.

Since 1933, the Secretary of the Interior has been authorized, in his discretion, to reimburse the United States for certain of its expenses associated with the sale of Indian timber by deducting from the proceeds of those sales what has come to be known as "administrative fees," and by then covering those fees as miscellaneous receipts into the Treasury. In order to improve forest management on Indian lands, the Secretary has exercised his discretionary authority to collect administrative fees (deductions), since 1972, by refraining from doing so to the extent that a tribe or individual Indian expended their own funds on a particular forest. Table 1 (see end of the forestry program narrative) shows annual production figures, program obligations, and the amount and distribution of administrative deductions for the period 1972-1982. Projections for 1983 and 1984 are included. Table 2 portrays the number of jobs and income generated from the combined effects of direct, indirect and induced employment for 1980 (depicts a representative level of production), one third of which is Indian. Table 3 reflects tribal forestry employment, by area, resulting from administrative deductions. Table 4 shows the estimated increase in forest productivity by area that is likely to be realized by the year 2020. It is expressed in terms of a percent increase in growth and consequently in allowable annual cut. Table 5 (see end of forestry program narrative) portrays the full cost of the forestry program by activity for Fiscal Years 1983, 1984 and 1985, including a breakdown of timber sales administrative deductions that are available to tribes for investment in the management of their forest resources.

Achievement of the objective stated above is accomplished through performance of the following activities (The dollar amounts shown are the FY 1985 base.):

Forest Inventory and Plans (\$3,464,000): Encompasses aerial photography, mapping, field forest management inventories, re-inventories, growth studies, allowable annual cut calculations, and all aspects of the development, preparation and/or revision of multiple-use forest management plans, including inventory analysis, environmental assessment and forest history.

Forest Development (\$8,714,900): Includes all activities of forestation and timber stand improvement that directly enhance commercial timber production on Indian lands. Forestation involves project planning, seed collection or procurement, growing or procuring seedlings, site preparation, planting or seeding,

followup surveys, release cuttings and record-keeping. Timber stand improvement includes project planning, inventory (stand examination, etc.), treatment priorities and prescriptions, precommercial thinning, slash treatment, fertilization and recordkeeping. All forest development projects are justified through conduct of benefit/cost analyses.

Beginning with FY 1977, the Congress increased the appropriation for forest development by \$5,000,000 to implement a continuing program to eliminate backlogs of forest development work (primarily forestation and thinning) which had accumulated over past years. Substantial progress has been made in the elimination of these backlogs as depicted in Figure A (see end of Forestry program narrative). At the present level of funding, it is anticipated that backlogs will be totally eliminated by the mid-1990's.

Forest Protection (\$4,233,800): Includes all activities engaged in protecting the forest from fire, insects, disease and trespass. With respect to fire management, protection consists of acquisition and maintenance of fire fighting equipment, fire detection systems, construction of fire breaks, hazard reduction and fire protection contracts with other Agencies. Control of insects and disease encompasses all aspects of detection and evaluation; preparation of project proposals to secure funding, including project description, environmental assessments/statements, and benefit/cost analysis; field suppression operations; and reports. Timber and fire trespass involves field examination and survey, damage appraisal, preparation of reports, assisting in investigations, writing demand letters and giving depositions.

Timber Sales Administration (\$10,034,600): Comprises all activities concerned with the administration and supervision of timber sales, including all aspects of sale and contract preparation (cruising, silvicultural prescriptions, appraisal, advertisement, etc.), executing and supervising contracts, marking and scaling timber, and collecting, recording and distributing stumpage receipts.

Forest Products Permits (\$1,017,200): Includes cruising, product marking, stumpage appraisal, permit preparation and harvest supervision for a total number of permits exceeding 10,000 annually. Included in this number are approximately 2,000 paid permits. The remainder are of the free use type, which permit the cutting of firewood, house logs, posts and poles, etc. by tribal members for their personal use.

Tribal Enterprises (\$27,500): Consists principally of consultation and technical assistance upon request to tribal forest enterprises in all aspects of timber management and the primary/secondary processing of forest wood products, including stumpage appraisals, sale negotiation, contract supervision, disputes and appeals, economic analysis of potential enterprises, etc.

Fire Suppression, Emergency Rehabilitation, Emergency Prevention (\$431,000): A token appropriation is provided each year for the suppression of wildfires, and the emergency rehabilitation of lands burned over by wildfires where natural rehabilitation cannot or will not occur soon enough to prevent detrimental impacts to the land base, and for emergency prevention activities, all of which are addressed in the Normal Fire Year Planning process. Additional funds needed to cover actual costs are requested by the supplemental appropriation process. The FY 1985 base for this program has been reduced by \$169,000 as base adjustments which are justified in the Summary of Requirements Section of these estimates.

Tribe/Agency Operations (\$15,108,000): Activities at this level primarily consist of timber sale preparation, timber sale administration, conduct of inventories, preparation of forest management plans, forestation, timber stand improvement, forest protection, and fire suppression. Funding levels are determined by tribal priority.

Area Office Operations (\$1,369,000): Forestry staffs review and recommend approval of timber sales, forest inventories, multiple use forest management plans and fire management plans. They approve forest development projects and release funds to agencies based on that approval. The area forestry staff reviews trespass investigations and recommends settlement actions. (Authority to settle timber and fire trespasses up to \$25,000 is held by the area director.) They also review Normal Fire Year Plans and provide agency forestry staffs with technical assistance on all forestry operations.

Central Office Operations (\$686,000): This staff provides the Assistant Secretary Indian Affairs, his staff, and all BIA staff with forestry expertise and advice on forestry matters. They establish reporting systems, maintain liaison and coordination with various federal agencies, provide information and technical assistance to area and agency staffs, and propose policies, regulations, and procedures for Bureau-wide operation of the forestry program. Forest fire management, including both presuppression and suppression, is handled through a small staff at the Boise Interagency Fire Center. Forest management inventory and planning technical assistance is provided field installations through a small staff located at Portland, Oregon.

Workload Data: There is an inter-relationship between all forestry program activities that cannot be precisely delineated. Workload factors can generally be categorized as follows:

	<u>Estimate FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
Allowable annual cut (MBM)	1,030,000	1,030,000	1,030,000
Reforestation completed (acres)	19,000	19,000	19,000
Timber stand improvement completed (acres)	53,000	53,000	53,000
Volume of timber harvested (MBM)	700,000	750,000	850,000
Value of timber harvested	\$70,000,000	\$80,000,000	\$100,000,000
Timber sales volume offered (MBM)	900,000	900,000	900,000
Timber sales contracts supervised (No.)	345	350	355
Forest products permits issued (No.)	10,100	10,100	10,100
Forest and range area protected (acres)	59,314,800	59,314,800	59,314,800
Number of fires suppressed (calendar year figures) (No.)	3,074	2,800	2,800

	<u>Estimate FY 1983</u>	<u>Estimate FY 1984</u>	<u>Estimate FY 1985</u>
Acres burned - forest	17,522	--	--
- non-forest	63,225	--	--
Total	<u>80,747</u>	<u>84,000</u>	<u>84,000</u>
Employment generated (direct, indirect and induced) (MY)	11,100	11,900	13,500
Employment generated income	\$173,000,000	\$186,000,000	\$211,000,000
Timber cruises for appraisal purposes (No.)	315	315	315
Forest management inventories completed/updated (No.)	6	6	6

Decrease for FY 1985:

(dollar amounts in thousands)

	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
C. Forestry (\$) (FTE-T)	28,163 (717)	27,492 (717)	-671 (--)
F. Fire Suppression (\$)	<u>431</u>	<u>431</u>	---
Total Requirements (\$) (FTE-T)	28,594 (717)	27,923 (717)	-671 (--)

Distribution:

Tribe/Agency Operations (\$)	15,108	15,237	+129
Area Office Operations (\$)	1,369	1,369	(--)
Central Office Staff Operations (\$)	686	686	(--)
Forest Development (\$)	5,000	5,000	--
Timber Sale Admin. (\$)	6,000	5,200	-800
Fire Suppression (\$)	431	431	(--)

Tribe/Agency (+\$129,000): Of the total tribal priority increase of \$129,000; \$90,000 will provide more adequate timber sale administration capabilities, particularly in the areas of compliance with environmental and natural historic preservation laws, harvest supervision, and the timber sales accounting and recordkeeping system. The remaining \$39,000 will be used in forest inventory and plans to contract for aerial photography and forest covertype maps for utilization in the management planning process.

Following is a breakdown of increases by program activity:

<u>Program Activity</u>	<u>Increase (\$000)</u>
TIMBER SALES ADMINISTRATION	+ 90
Sales Preparation (+36.4)	
Harvest Administration (+53.6)	
FOREST INVENTORY AND PLANS	+ 39
Inventory (+23.8)	
Plans (+15.2)	

TOTAL	+ 129

Timber Sale Administration (-\$800,000): This reduction in funding of the timber sale administration (TSA) add-on will have little effect on the short term capabilities of the Bureau to prepare, sell and administer the projected harvest of 850 million board feet in FY 1985. This can be attributed principally to the fact that much of the volume projected for harvest in FY 1985 has already been prepared for sale or is currently under contract, and the Tribe/Agency increase (\$129,000) cited above partially offsets the \$800,000 decrease in the TSA add-on.

Following is a breakdown of decreases by program activity:

<u>Program Activity</u>	<u>Decrease (\$000)</u>
TIMBER SALES ADMINISTRATION	- 650
Sale Preparation (-162.5)	
Harvest Administration (-487.5)	
FOREST INVENTORY AND PLANS	- 150
Inventory (-105.0)	
Plans (- 45.0)	

TOTAL	- 800

Table 1

Timber Production, Appropriations and Administrative Deductions
(Cash Sales of Timber)

Fiscal Year	Timber Vol. (MBM)	Harvest Value (\$000)	Appropriations Obligated (\$000)			Administrative Deductions (\$000)		
			Federal	Tribe	Total	Federal	Tribe	Total
1972	927,188	37,952,965	5,388,485	848,491	6,236,976	2,708,094	760,241	3,468,335
1973	976,282	57,042,935	5,943,969	3,947,082	9,891,051	932,851	4,032,321	4,965,172
1974	878,126	73,223,357	6,898,928	5,229,874	12,128,802	901,975	5,342,208	6,244,183
1975	806,542	49,867,809	7,276,736	3,835,561	11,112,297	741,633	3,356,294	4,097,927
1976	887,547	75,085,609	9,171,686	4,683,659	13,855,345	1,141,367	4,552,513	5,693,880
1977	908,161	88,901,863	12,772,800	5,241,952	18,014,752	1,098,614	4,564,899	5,663,513
1978	910,587	104,591,751	19,986,648	5,829,561	25,816,209	1,041,825	6,542,339	7,584,164 <u>a/</u>
1979	818,547	117,171,295	20,962,611	6,609,033	27,571,644	789,038	6,836,143	7,625,181 <u>a/</u>
1980	731,859	88,529,796	21,137,074	10,017,271	31,154,345	15,385	9,755,259	9,770,644 <u>a/</u>
1981	676,560	72,610,790	23,671,835	7,922,698	31,594,533	22,571	7,598,763	7,621,334 <u>a/</u>
1982	522,128	39,672,835	23,272,933	5,603,755	28,876,688	219,695	4,354,336	4,574,031
Totals	9,043,527	804,651,005	156,483,705	59,768,937	216,252,642	9,613,048	57,695,316	67,308,364
Projections								
1983	700,000	70,000,000	25,662,000 ^{b/}	6,230,000	31,892,000	70,000	6,230,000	6,300,000
1984	750,000	80,000,000	26,292,000	7,120,000	33,412,000	80,000	7,120,000	7,200,000

a/ Forest management deductions from Hoopa Reservation approximating \$916,700 excluded because these funds were reinvested in the forestry program under auspices of the "Gerard Plan."

b/ Does not include \$5,000,000 in Jobs Bill Funds or \$14,800,000 in fire suppression appropriation

Source: Annual Analysis of Obligations Report

Table 2

ESTIMATED NUMBER OF JOBS AND INCOME GENERATED PER MILLION

BOARD FEET OF INDIAN TIMBER HARVEST (1980) a/

State/Region	Per Million Bd. Ft.		Volume Harvested <u>a/</u>	Total	
	Jobs	Income (\$000)	(Millions of Bd. Ft.)	Jobs	Income (\$000)
Washington	17.6	261,000	341	6,002	89,001,000
Oregon	15.3	214,600	104	1,591	22,318,400
California	14	210,000	45	630	9,450,000
Montana	15.6	338,470	28	436	9,477,160
Southwest	13.6	262,700	117	1,591	30,735,900
Lake States <u>b/</u>	14	210,000	66	924	13,860,000
Other <u>b/</u> <u>c/</u>	14	210,000	<u>31</u>	<u>434</u>	<u>6,510,000</u>
Total			732	11,608	181,352,460

a/ Cash sales only, does not include free-use cutting. FY 1980 is a representative level of production.

b/ Data not available. After discussions with USFS, used multipliers obtained from other regions.

c/ This includes the residual 4% of all other timber harvest not classified by region. Figures used same as footnote 2.

Source: Table 3 of the "Report to the Secretary of the U.S. Department of the Interior from the Task Force on Administrative Fees in Indian Timber Management," and annual timber cutting reports.

FY 1983
Tribal Forestry Employment Resulting
from Forest Management Deductions

Table 3

	<u>Professional Foresters</u>	<u>Technicians & Others</u>
Albuquerque	--	15
Billings	--	28
Eastern	--	--
Juneau	--	--
Minneapolis	--	3
Navajo	6	11
Phoenix	--	10
Portland	8	119
Sacramento	<u>--</u>	<u>25</u>
Total	14	211

Source: Area Offices

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Table 4

Estimated Increase in Forest Productivity Attributed to

Forest Management Deductions a/

<u>Area</u>	<u>FY 1982 AAC (MBM)</u>	<u>Present Percent Increase in AAC From Forest Management Deductions b/</u>	<u>Estimated Future AAC (MBM) c/</u>
Aberdeen	7,000	2	7,140
Albuquerque	31,400	12	35,168
Anadarko	Unknown	0	0
Billings	83,200	12	93,184
Eastern	23,600	10	25,960
Juneau	1,300	8	1,404
Minneapolis	157,000	12	175,840
Muskogee	1,500	2	1,530
Navajo	43,500	12	48,720
Phoenix	115,600	12	129,472
Portland	541,900	20	650,280
Sacramento	28,400	12	31,808
Totals/Avg.	<u>1,034,400</u>	16	<u>1,200,506</u>

a/ This represents the increase in allowable annual cut (AAC) that can be attributed to investment in intensive forest management activities (thinning and reforestation) with forest management deduction monies. It is assumed that tribes will permit strict control of forest grazing in reforestation areas, and support thinning practices in overstocked stands to move towards optimum growth potential.

b/ Percent increase will vary from area to area for a variety of reasons, most notably because of site quality, growing season and dollars available for cultural work from forest management deductions.

c/ This is the AAC that is estimated to be realizable by the year 2020, or the date at which it is estimated Indian forests will have been subjected to the first cycle of forest development activities. During that time, growth, and consequently AAC, will progressively increase as thinning and reforestation activities take place.

Table 5

COST BREAKDOWN FOR MAJOR FORESTRY PROGRAM ACTIVITIES (dollars in millions)

Program Activity	FY 1983		FY 1984		FY 1985		
	Federal Appropriation	Administrative Deductions a/	Federal Appropriation	Administrative Deductions a/	Budget Estimate	Administrative Deductions a/	
INVENTORY AND PLANS							
Inventory	2,206.9	220.5	2,384.1	100.8	2,419.3	126.0	
Plans	949.5	94.5	1,029.5	43.2	1,044.7	54.0	
Subtotal	3,156.4	315.0	3,413.6	144.0	3,464.0	180.0	
FOREST DEVELOPMENT							
Forestation	4,721.8	1,814.4	4,985.0	2,419.2	5,058.5	3,024.0	
Thinning	3,413.0	1,965.6	3,603.2	2,620.8	3,656.4	3,276.0	
Subtotal	8,134.8	3,780.0	8,588.2	5,040.0	8,714.9	6,300.0	
FOREST PROTECTION							
Fire	2,694.5	756.0	2,709.2	864.0	2,749.2	1,080.0	
Insects and Disease	615.9	189.0	623.1	216.0	632.3	270.0	
Trespass	821.2	--	839.8	--	852.3	--	
Subtotal	4,131.6	945.0	4,172.1	1,080.0	4,233.8	1,350.0	
TIMBER SALES ADMINISTRATION							
Sale Preparation	2,309.6	236.2	2,465.4	180.0	2,501.8	202.5	
Harvest Admin.	6,903.1	708.8	7,423.2	540.0	7,532.8	697.5	
Subtotal	9,212.7	945.0	9,888.6	720.0	10,034.6	900.0	
FOREST PRODUCTS PERMITS							
TRIBAL ENTERPRISES	1,000.8	315.0	1,002.4	216.0	1,017.2	270.0	
FIRE SUPPRESSION	25.7	--	27.1	--	27.5	--	
	14,800.0	b/	600.0	c/	431.0	c/	
Totals	40,462.0	d/	6,300.0	27,692.0	7,200.0	27,923.0	9,000.0

a/ Estimated. These funds will actually be available to be utilized by tribes if the projected levels of timber harvest and income are achieved, and the funds are expended within the time limitations set forth by Bureau policy.

b/ Total federal appropriation.

c/ Token appropriation. Additional funds needed to cover actual costs are requested through the supplemental appropriation process. The supplemental request for FY 1984 is \$14,000,000 based on prior years actual obligations.

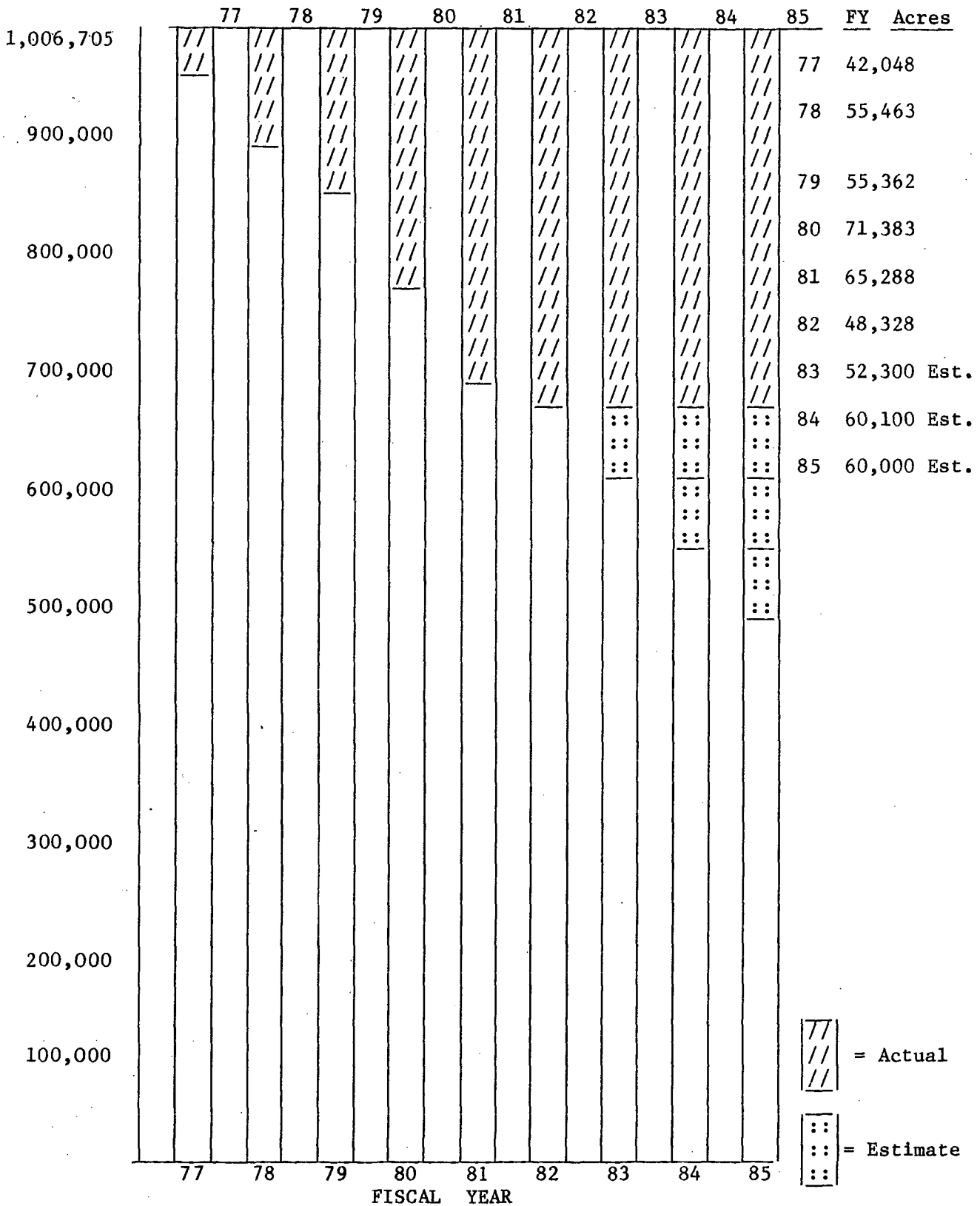
d/ Does not include a one-time Jobs Bill appropriation of \$5,000,000.

Figure A

Forest Development

Backlog Reduction

Accomplishments



D. Water Resources

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

Objectives: The objectives of the Water Resources program are (1) to conduct technical studies on Indian reservations for the purposes of assisting tribes in obtaining favorable negotiated water rights settlements and providing comprehensive guides for the orderly development of water resources; and (2) to assist Indians in conserving, developing and using their water resources with particular reference to water resource problems and uses of a special nature.

Base Program (\$7,253,000):

1. Water Planning/Water Claims Resolution: A plan to review Indian water claims was initiated in 1978 in response to the perceived need to find a more efficient way to address the explosive growth in conflicts involving Indian Water Claims. The development of the plan was completed in 1979. Implementation of the plan entails the accomplishment of a comprehensive inventory of the resources of each reservation that needs water for their future development and the production of a comprehensive reconnaissance level plan of development. The following four steps are being carried out according to fixed criteria on each reservation:

- a. An examination of the historical perspectives affecting the water rights of the reservation.
- b. Identification and inventory of available resources.
- c. Identification and inventory of existing water uses.
- d. Identification of future water needs and development potentials.

Each reservation review will entail the collection and development of data sufficient to enable the tribe to make an informed assessment of its present and future water requirements. These studies will also provide tribal leaders with meaningful guidelines for future development alternatives. A reservation water claim package (a plan encompassing tribal resources, needs, and desires) will be the end product incorporating all data collected and developed. The completed product can be used for negotiations, as technical preparation for litigation where negotiation fails, and as a basis for more detailed planning studies.

This program has a relationship to the Rights Protection program, although there is no overlap between the two programs. The Water Resources program provides the technical studies which form the basis for negotiated settlements of water rights and for the development of water resources. However, when negotiation is not successful and litigation occurs, the Rights Protection program provides funding to prepare the existing technical data in the proper form for litigation efforts; to conduct detailed, intensive studies on specific areas of concern; and to pay for expert testimony.

The successful implementation of the Water Resources program is dependent in large measure on the competency of the professional staff to produce and enforce technical standards and guidelines, to review contractor competency, to produce adequate contractual documents, to monitor contractor performance, to assure adequate consultation with tribes, and to review and approve final products.

2. Range Water Development: This program also includes the Range Water Development function, which provides assistance in identifying, conserving and developing range water resources. The types of work provided by this program include range water developments such as wells, storage tanks, pipelines, ponds and deep-pit charcos. A major part of this program is the approximate \$600,000 included for the Navajo Tribal Waterworks program, which is a vital part of their range conservation/management effort.

<u>Workload Data:</u>	<u>Actual FY 1983</u>	<u>Estimated FY 1984</u>	<u>Estimated FY 1985</u>
<u>Water Planning Implementation</u>			
Soils studies (# of reservations)	18	16	20
Hydrology studies (# of reservations)	20	20	22
Range studies (# of reservations)	2	5	4
Fishery studies (# of reservations)	2	2	2
Development plans (# of reservations)	5	6	7
Historical Investigations (# of reservations)	6	6	6
Minerals studies (# of reservations)	3	0	0
Recreation studies (# of reservations)	6	6	6
<u>Range/water Development</u>			
Assistance in Range/water developments (# of reservations)	8	8	8

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>	
<u>Distribution:</u>				
D. Water Resources	(\$)	7,253	7,426	+173
	(FTE-T)	(9)	(9)	(--)

(dollar amounts in thousands)

<u>Program Elements</u>	<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
<u>Distribution:</u>			
Tribe/Agency Operations	(\$) 1,296	1,469	+173
Area Office Operations	(\$) -0-	-0-	--
Central Office Staff Operations	(\$) 507	507	--
Water Policy Implementation	(\$) 5,450	5,450	--

Tribe/Agency Operations (+\$173,000): The increase will cover the additional costs of livestock water development due to price increases of supplies and equipment.

E. Wildlife and Parks

Authorization: 25 U.S.C. 13 is the basic authority under which the Secretary provides services to federally recognized Indian tribes. Contracts with tribes for fisheries and wildlife programs are also provided through P.L. 93-638, the Indian Self-Determination Act. Other authorizations include various court decisions and laws, such as, U.S. v. Washington; U.S. v. Michigan; U.S. v. Oregon; the Salmon and Steelhead Conservation Act of 1980; Endangered Species Act of 1973; and Washoe Act of 1956. Through these decisions and laws, Indian tribes are mandated or obligated to take various actions necessary for the management, enhancement, and protection of fish and wildlife resources.

Objectives: To promote and maintain the maximum conservation, development, and utilization of the fish and wildlife resources on Indian trust lands and in off-reservation areas where co-management is occurring with the states, such as in the Pacific Northwest and Great Lakes. To provide assistance, technical support, and necessary resources to develop and implement fish and wildlife management plans that include restoration and enhancement efforts. To increase training opportunities and involvement in all aspects of resources management that will achieve full tribal capability in these matters. To respond to court decisions in Indian hunting and fishing treaty rights. To cooperate in the planning and management of these resources with other tribes, organizations, agencies and national and international fishery management councils/ commissions.

Base Program (\$17,768,000): This program provides assistance to tribes in the protection, development, maintenance and restoration of their fish and wildlife resources, and assists them in improving their capabilities in technical management and enforcement. The program currently supports 23 Indian fish rearing and hatchery facilities that produce and release approximately 70 million salmon and trout annually; thus, directly supplementing the total fisheries resource and benefiting both Indian and non-Indian commercial and sport fisheries. Two threatened and endangered species of fish, the Lahonton cutthroat trout and cui-ui sucker, are propagated to ensure their continued existence. Through this program, tribes develop and refine fish and wildlife program goals, objectives, and strategies so that they may continue to maintain and upgrade their management efforts under increased competition for maintenance of these valuable resources. Consequently, tribes are increasing their interests, concerns, and initiatives

by exerting greater involvement in multi-resource and multi-agency management. Thirty-five fishery and/or wildlife programs are currently maintained. Substantial amounts of biological data essential for proper fish and wildlife conservation and management are collected, including population and habitat inventories, surveys and evaluations, harvest analysis, disease identification, etc. Through cooperative undertakings with state, Federal, and private natural resource agencies, and with national and international management councils/commissions, fish and wildlife resources data are annually compiled, evaluated and recommendations developed for implementing management/harvest plans. The program, through greater direct tribal involvement and continued development of biological and habitat data, provides a vital function whereby more effective long-range, multi-resource planning can be accomplished. Under this program, special studies and projects are conducted. Eleven such projects have been initiated, assisting tribes in developing a greater understanding of the resources they are managing.

The program currently has one Bureau fisheries biologist and three wildlife biologists in the field to provide direct assistance and coordination and to implement and fulfill Bureau program goals and responsibilities for Indian fish and wildlife resources. Tribal programs provide approximately 50 professional fish and wildlife biologists. In general, biologists' efforts involve the assurance of providing equal consideration for fish and wildlife resources under regional and basin planning, and provision of biological support and input where projects involve mitigation, enhancement, or preservation. Fish and Wildlife programs directly benefit the tribes by providing economic returns, protecting hunting and fishing rights and privileges, protecting and restoring Indian and non-Indian fish and wildlife resources, and providing for diverse employment opportunities.

Cooperation among the Bureau, tribes, and other agencies continues to improve. Common resource philosophies and goals are being developed and will eventually promote better multi-agency management. Coordinated efforts involve exchange of technical information and expertise, training, integration of existing programs, shared funding, and bureau-wide resource planning.

Tribe/Agency Operations(\$3,920,000): Through this program, inventories are established for fish, wildlife and recreation resources and compiled inventory data are utilized to assess the potentials for the development of those resources. Management plans are developed for the use of those resources for the benefit of the Indian owners. This program enables the tribes to utilize these natural resources to expand and refine their programs, and increase and improve their technical capabilities in order to assume greater responsibility for managing their fish, wildlife and recreation resources. Training, enforcement of tribal game and fish ordinances, collection of biological data, conservation, and other management related activities are included.

Central Office Staff Operations (\$451,000): Professional personnel in the Central Office are crucial because they are responsible for establishing Bureau policy and program direction, regulations, and procedures for administration of Bureau-wide operations. The Central Office also provides in-depth expertise and advice to the Bureau's top administrators, and performs liaison with other agencies at the national level; personnel participate in international negotiations and assist in meetings and negotiations with states and other local entities, implementation of court orders and in special projects and planning sessions with tribes and Bureau field staff.

Field Operations (\$13,397,000):

I. Special Fisheries Management (\$7,054,000)

A. Western Washington Fisheries Management (\$6,299,000): Contracts are executed with 21 treaty fishing tribes of Western Washington to fulfill their obligations and responsibilities, as decreed by the Federal court (Boldt Decision) in the management of treaty salmon, steelhead, and herring fisheries, coordinated (state/intertribal) enhancement projects, and protection of the salmonoid resources originating in waters on and near their reservations. These funds are used for fisheries management, law enforcement, and aid to tribal government. Funds under the three categories are designated exclusively for purposes of fisheries management and enforcement, communication and dissemination of related information, and identification of treaty Indian fishers. The tribes affected by the court case directly conduct management and enhancement activities on 45 stream systems in Puget Sound and on the Washington coast, benefiting both treaty and nontreaty fishers. The tribes regulate the fishing activities of some 1,500 treaty fishers in fresh and marine waters within their usual and accustomed fishing areas.

B. Columbia River Fisheries Management (\$755,000): A contract has been executed with the following tribes that have treaty rights on the Columbia River: Yakima in Washington; Umatilla and the Confederated Tribes of the Warm Springs reservation in Oregon; and Nez Perce in Idaho. The contract funds activities that will fulfill their responsibilities and obligations in the management and enforcement of tribal fisheries, and in the overall protection, development, and management of the Columbia River fisheries while working cooperatively with the three States and the Department of the Interior. For purposes of representation and efficiency in administration of policy and technical management responsibilities, the four tribes have formed the Columbia River Inter-Tribal Fisheries Commission (CRITFC). The BIA contracts with this entity to carry out these activities for the four tribes. The Commission is pursuing an active policy and technical role in the management of the Columbia River System. Substantial co-management of the fisheries resource is required by Federal Court order and Federal law through a multi-state, inter-tribal and Federal agency network. At present, the maintenance of all aspects of tribal fishery programs provides the Tribes and the states with the capability to manage and regulate Indian and non-Indian fisheries within the state and provides for fish passage to subsequent marine and spawning areas.

II. Fish Hatchery Operations (\$3,490,000): Provides for operation and maintenance of the following fish hatchery facilities:

<u>Tribe/State</u>	<u>FY 1985</u>
Hoh, WA	\$ 24,000
Lummi, WA	425,400
Makah, WA	24,000
Muckleshoot, WA	110,000
Nisqually, WA	132,000
Nooksack, WA	30,000
Point No Point, WA	337,000
Puyallup, WA	59,000
Quileute, WA	45,000

<u>Tribe (Cont.d)</u>	<u>FY 1984</u>
Quinault, WA	150,000
Skagit Systems Coop, WA	52,000
Squaxin Island, WA	83,000
Stillaguamish, WA	60,000
Suquamish, WA	205,300
Tulalip, WA	305,300
Bad River, WI	50,000
Lac du Flambeau, WI	50,000
Metlakatla (Tamgas Creek), AK	200,000
Pyramid Lake, NV	1,100,000
Red Lake, MN	50,000
	<u>\$3,491,700</u>

Northwest fisheries harvest depletion is a continuing concern for both tribes and non-Indian fishermen, who bear much of the responsibility for implementation of conservation measures, if only for purposes of insuring their own future. Since the early 1900's, when record harvest levels were recorded, catches of five species of salmon have significantly declined. Overfishing, habitat destruction, and inadequate resource protection and management have all contributed to this decline. To assist in counteracting this trend, artificial production of salmon has been implemented by tribes. Increasing the number of fish available for harvest and establishing reasonable harvest opportunities for all treaty Indian and non-Indian fishermen are essential elements in establishing a healthy fishery. These projects not only increase the supply of available fish to all user groups, but also provide aquaculture training to tribal members and information necessary for continuing protection and development of the fish resource.

In addition to the direct benefit of providing employment, Tamgas Creek contributes to a continuing supply of fish for the Metlakatla community cannery. The Lake States' hatcheries have considerable potential to offset the loss of production as a result of FWS hatchery closures.

III. Former U.S. Fish and Wildlife Service Hatcheries (\$388,000): The FY 1984 Bureau request for this program included funding for the continued operation of hatcheries that had been operated by the U.S. Fish and Wildlife Service. Two hatcheries which serve Indian reservations were transferred to the Bureau in FY 1984. They are:

Quinault National Fish Hatchery	\$ 222,000	Aberdeen, WA
Alchesay National Fish Hatchery	166,000	White River, AZ

The continued operation of the Quinault Fish Hatchery is important in the overall enhancement of the salmonoid fishery in the Pacific Northwest. Production by this hatchery directly supplements enhancement efforts of State management agencies. The operation of the Alchesay Fish Hatchery is crucial for the continued support of recreational fishery programs in Arizona and New Mexico. Significant economic benefits are derived through these programs.

IV. Other Fish, Wildlife, and Recreation Management Assistance (\$2,465,000):

- A. Wildhorse Reservoir (\$20,000): Existing government-owned facilities at Wildhorse Reservoir need maintenance to prevent deterioration and to protect the public's health. Trash collection, sewage disposal, and health hazard elimination will be provided in areas of heavy public use.
- B. Summit Lake (\$85,000): Continuation of a program developed in conjunction with the Fish and Wildlife Service to produce a desired pure strain of Lahontan cutthroat trout. Provides about 60% of spawn needed to operate the Pyramid Lake hatcheries, as well as Summit Lake Tribe's own fishery at Summit Lake.
- C. Bad River (\$50,000): Enables the tribes to pursue biological research and continue to carry out cooperative fishery management efforts with the State of Wisconsin. The tribes have been developing a cooperative relationship with the State and other agencies, to protect the fishery resources and provide for their development and enhancement.
- D. Red Cliff (\$117,000): The current program staff is one fisheries biologist, a technician, a secretary, and one enforcement officer. Special investigations regarding the Lake Superior fisheries are also conducted in cooperation with the State of Wisconsin. The enforcement program enforces tribal fishing regulations on treaty fishing areas and on-reservation waters.

The Red Cliff Band of Lake Superior Chippewas has developed a sound fisheries management program. The Band has strived to maintain a cooperative atmosphere with the State of Wisconsin regarding fisheries management on Lake Superior. The cooperative relationship is necessarily dependent on the tribe's management capabilities. These funds will be used to enhance the overall efficiency of the Red Cliff fishery management and enforcement program. A considerable amount of technical information on important fish stock harvested by treaty fishers would be collected. Special fishery investigations would be conducted; also, enforcement of tribal fishing regulations would increase.

- E. Fish Disease Control, Northwest Fisheries (\$30,000): Continues cooperative efforts with the U.S. Fish and Wildlife Service to expand the fish disease control program in the Northwest. During the process of artificial propagation, there is an inherent loss of production due to natural causes and biological pathogens. In an effort to increase the harvestable catch, it is necessary to control disease-causing agents, thereby requiring the expertise of fish pathologists. The U.S. Fish and Wildlife Service through reimbursement by the Bureau of Indian Affairs is performing the essential fish disease diagnosis and control program to assist tribal facilities.
- F. Great Lakes Indian Fisheries (\$300,000): In recent years, several Great Lakes Indian tribes have had their treaty fishing rights reaffirmed by the courts and consequently are assuming their roles as co-managers of the Great Lakes fisheries resource. In their efforts to do so, the tribes have organized the Great Lakes Indian Fish Commission in order to facilitate the development of individual tribal fishery programs and act as representative and spokesman for the member tribes. The goals and objectives of the Commission are to promote the role of Indian tribes as co-managers of the Great Lakes Fishery resource by providing technical assistance to its member tribes, assuring proper tribal

representation, and dissemination of information. By sharing the expertise available through the Commission, substantial improvement in the overall efficiency of the tribes to manage the fish resources can be achieved. Funds are utilized to assist in monitoring fish populations, treaty fish harvest, application of enhancement activities, promulgation and enforcement of tribal fishing codes and regulations.

- G. Yakima Fisheries (\$264,000): Enables the Yakima tribal fisheries management program to continue in protecting and managing anadromous fishery resources. The tribe has established itself as a co-manager of the fishery resources in the Yakima and Klickitat Basins and, therefore, is committed to the restoration of the salmon and steelhead. Considerable on-reservation fishery management activities will be conducted.
- H. Umatilla (\$50,000): Provides funds to respond to anadromous fish resource demands and opportunities generated by implementation of the coordinated strategic plans developed under a joint tribal and Oregon Department of Fish and Wildlife contract with Bonneville Power Administration. It establishes a fishery management biologist to provide technical expertise and supervision of fishery resources that are of great social, economic and cultural importance to the Confederated Umatilla tribes. The plans developed are for restoration of anadromous fishery resources in four drainage basins of northeast Oregon, to meet anticipated needs of the fish and wildlife program required under Section 4 (h) of the Pacific Northwest Electric Power Planning and Conservation Act (P.L. 96-501).
- I. Chehalis (\$56,000): The Chehalis Tribe does not have reserved off-reservation treaty fishing rights as do other Washington tribes. They do engage in on-reservation fishing for salmon and steelhead. Because tribal members are generally dependent on the fish stock available within the reservation, efforts to maintain some level of fish population, harvest monitoring, and habitat enhancement measures are important to the economy of the reservation. These funds would be utilized to initiate a fisheries enhancement program by hiring professional fisheries staff and conducting on-reservation fishery investigations. Enforcement of promulgated rules and regulations would also be accomplished.
- J. Red Lake (\$8,900): This funding will be used for Red Lake's fishing conservation enforcement program to assist in alleviating the problem of having only part-time service in this important resource protection area. In 1983, the Red Lake program officials made 51 fishing violation arrests.
- K. Keweenaw Bay (\$5,100): Keweenaw Bay has four officers and one secretary/dispatcher. The Keweenaw Bay Conservation Enforcement program receives some funds from the hunting and fishing rights account. The establishment of this small base amount will assist the tribe in operating expenses in order to keep game wardens in the field.
- L. St. Croix (\$21,700): The Tribe has a part-time, 20-hour a week Conservation Officer to carry on the conservation program. Present duties are to enforce the tribal code, concentrating on peak activity times. They are also potential participants in implementation of the U.S. Federal Circuit Court Decision in Lac Courte Oreilles v. Voigt. Less than adequate coverage and participation by the tribe could lead to potential loss of treaty rights because the tribe must assure that the resources are maintained, and the exercise of rights is not abused by

eligible members or non-members through indiscriminate, uncontrolled taking of fish and game, and lack of enforcement of regulations and judicial system. These funds will provide for enforcement and management, necessary equipment, and operation and maintenance.

- M. Lac Courte Oreilles (\$69,300): The Lac Courte Oreilles Tribe of Wisconsin currently maintains a fish and wildlife conservation and enforcement program on the reservation using tribal funds. The tribe regulates hunting, fishing, and trapping on the reservation through its game and fish code. The program currently is staffed with four conservation officers, one biologist, and five game wardens. The tribe is concerned and aware of the need to develop and protect its fish and wildlife resources. Emphasis would be directed toward gathering of data regarding fish and wildlife pertinent to their protection and proper management on and off the reservation; and, development of cooperative management programs with the State of Wisconsin. These funds will continue the operation of the ongoing conservation program, and ancillary needed equipment, management, and operation and maintenance.
- N. Minnesota Chippewas (\$42,100): Each of the six bands of Minnesota Chippewas presently administers fishery and wildlife conservation programs on the reservation. Through these programs, the bands enforce tribal regulations and conduct some management activities. The bands share concern and awareness of the need to properly manage and protect their natural resources. With these funds, some necessary biological information could be collected in order to promote proper fish and wildlife resources management, and to improve their overall conservation programs.
- O. Leech Lake (\$8,900): The Leech Lake Band is one of six Chippewa Bands in Minnesota under the aegis of the Minnesota Chippewa Tribe. The band conducts a successful conservation program on the reservation and has a tribally funded conservation enforcement staff of nine. The tribal conservation program is needed to assure protection of the resource and to uphold the agreement executed with the State of Minnesota whereby the state collects permit fees, along with the state license fee, to hunt and fish on the reservation. A percentage of fees are forwarded by the state to the band for use as the band determines. The band would utilize returns derived from the resources to carry on the program.
- P. Other Fish & Wildlife Management, Technical Assistance and Fish Stocking (\$1,337,000): This amount includes \$158,000 for the Lander, Wyoming fisheries station, \$133,000 for the Mescalero hatchery operations, and funds for other Fishery Assistance stations under agreement with the Fish & Wildlife Service. These funds promote technical assistance to Indian tribes and maintain recreational fish stocking programs. Fishery technical assistance is necessary in order to adequately conserve, protect, and develop fish resources on Indian lands. Programs will be delivered and administered through contracts with the tribes or commissions, or through reimbursement agreements with Fish and Wildlife Service. Indian tribes throughout the country continue to develop considerable interest and concern for the protection and conservation of their fish and wildlife resources. Many programs have progressed to the point where they are fully capable of managing their resources, but require financial support from time to time to maintain projects and/or implement special biological investigations. Through this activity, tribes are able to collect baseline inventory data for fish and wildlife populations and habitats, conduct fisheries and wildlife studies, develop

comprehensive fish and wildlife management plans, implement management plans and promote the training of tribal members in fish and wildlife conservation.

Workload Data:

<u>Fishery & Hatchery Operations</u>	<u>Estimate 1983</u>	<u>Estimate 1984</u>	<u>Estimate 1985</u>
<u>Alaska Fishery Management</u>			
Salmonoids released into waters surrounding Annette Island (NM).....	6.5	6.5	6.5
<u>Western Washington Fisheries Management</u>			
Tribal treaty fishers identification programs maintained.....	21	21	21
Intertribal organizations involved in joint-management programs.....	2	2	2
Salmonoids released into Western Washington waters by tribal facilities (MM).....	31.2	35.0	37.0
<u>Columbia River Fisheries Management</u>			
Tribal regulations issued and enforced.....	4	4	4
Salmon run predictions shared w/state.....	7	7	7
Technical studies conducted.....	3	5	5
<u>Great Lakes Fisheries Management</u>			
Agreements w/state negotiated.....	2	3	6
Management programs established.....	2	4	6
Tribal regulations issued and enforced.....	2	4	6
<u>Inland Fisheries Management</u>			
Threatened & Endangered Species protected and enhanced (Pyramid Lake) (No.).....	2	2	2
Salmonoids released into Pyramid Lake (MM).....	2	3	3.5
Production & Distribution of salmonoids by FWS hatcheries under reimbursement (MM).....	1	1	1.5
<u>Fish and Wildlife Management</u>			
Agreements negotiated.....	1	4	6
Management programs established.....	15	20	25
Management programs maintained.....	50	70	70
<u>Former U.S. Fish & Wildlife Hatcheries</u>			
Salmonoid production: Alchesay, AZ.....	100.0	120.0	130.0
(in thousands of lbs.) Quinalt, WA.....	140.0	150.0	160.0

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
E. Wildlife and Parks	(\$) (FTE-T)	17,768 (44)	17,949 (44)	+ 181 (--)

Increase for FY 1985: (continued)

(dollar amounts in thousands)

<u>Distribution:</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From Base</u>
Tribe/Agency Operations	(\$)	3,920	4,197	+ 277
Area Office Operations	(\$)	(--)	(--)	(--)
Central Office Staff Operations	(\$)	451	451	(--)
<u>Field Operations:</u>	(\$)	13,397	13,301	- 96
Special Fisheries Management Programs (Boldt & Columbia River)	(\$)	(7,054)	(7,054)	(--)
Fish Hatchery Operations	(\$)	(3,490)	(3,490)	(--)
Former FWS Hatcheries	(\$)	(388)	(388)	(--)
Other Fish, Wildlife, and Recreation Management Assistance	(\$)	(2,465)	(2,369)	(-96)

Tribe/Agency Operations (+\$277,000): This increase is the result of tribes participating in the tribal priority system. The funds will be provided to those tribe/agency locations indicating a high priority for wildlife and parks programs.

Other Fish & Wildlife Management Programs (-\$96,000): This change was made in anticipation of further reviews and refinements in agreements with Fish & Wildlife Service for provision of technical services to Indian tribes. Possible modifications in numbers of staff, or methods of operation should result in cost reductions.

Object Class Distribution - Forestry and Agriculture Subactivity

Other services..... \$ -857,000

Justification of Program and Performance

Activity: Natural Resources Development
 Subactivity: Minerals and Mining/Irrigation and Power

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Minerals and Mining	(\$)	7,397	7,442	7,700	+303	+258
	(FTE-T)	(40)	(40)	(40)	(--)	(--)
B. Irrigation and Power	(\$)	9,009	9,015	8,119	-890	-896
	(FTE-T)	(6)	(6)	(6)	(--)	(--)
Total Requirements	(\$)	16,406	16,457	15,819	-587	-638
	(FTE-T)	(46)	(46)	(46)	(--)	(--)

Distribution:

Tribe/Agency Operations	(\$)	1,599	1,636	1,494	-105	-142
Central Office Staff Operations	(\$)	698	706	706	+8	(--)
Energy/Mineral Res.	(\$)	5,100	5,100	5,500	+400	+400
Irrigation O & M	(\$)	9,009	9,015	8,119	-890	-896

A. Minerals and Mining

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

Objective: To provide technical, economic, and land-use data and advice to Indian landowners, and to Bureau and Department personnel who are assisting Indian owners seeking to manage and develop their mineral resources.

Base Program (\$7,442,000): The Bureau of Indian Affairs is responsible for protecting the interests of Indian land owners in the development of the mineral resources on Indian lands, because the title to those lands is held in trust or restricted status by the United States. At the same time, the Bureau supports the Administration's policy of self-determination for Indian tribes. The Bureau thus helps the tribes attain the maximum benefits which can be derived from developing their resources; however, the decision to develop or not is left to the tribes and individual Indian landowners.

Over 50 million acres of land are held in trust for Indians. As of September 30, 1982, tribes or individual Indians had 5,582,471 acres under mineral leases with a total income to Indians of over \$396 million. Oil, gas and minerals are extracted through about 22,438 leases and permits. Most of the revenue is from oil and gas leases. The following table displays by Bureau area offices, the leases, acreage and income for FY 1982 (latest data available) and comparable income for FY 1981.

Area	No. Leases FY 1982	Acreage FY 1982	Income	
			(\$) FY 1981	(\$) FY 1982
Aberdeen	3,019	454,016	372,025	1,540,246
Albuquerque	570	733,663	30,507,204	31,236,937
Anadarko	4,281	278,986	67,057,307	140,392,465
Billings	5,702	1,627,842	38,785,996	70,644,203
Eastern	381	168,501	28,800	1,841,561
Juneau	--	--	--	--
Minneapolis	1	19	3,587	1,522
Muskogee	5,887	1,171,950	78,925,394	70,167,104
Navajo	1,233	727,494	50,328,170	54,690,532
Phoenix	1,182	410,293	18,620,546	23,169,685
Portland	177	8,748	4,524,705	2,424,175
Sacramento	5	959	137,005	158,021
Totals	22,438	5,582,471	\$289,290,739	\$396,266,451

The benefits of Indian mineral development include not only revenues from oil, gas and mining operations, but also employment and associated economic development on reservations. These benefits result not only from Indians participating directly in production activity as employees but also from providing goods and services to project operations. Many mining operations provide employment opportunities for all available workers on a reservation.

Income and other benefits are expected to increase as further development occurs. In addition to the projects listed in the FY 1984 budget justification, the following areas of mineral interest have surfaced: six companies have expressed interest in the zeolite deposits on the Pine Ridge Reservation; mine reclamation on the Laguna Pueblo; a Synfuels project on the Crow Reservation; uranium deposits on the Hualapai Reservation; a proposed copper lease on the San Carlos Reservation; an additional molybdenum-copper deposit on the Colville Reservation; and numerous oil and gas proposals have been received and are under consideration. This increase is caused in part by the passage of the Indian Minerals Development Act of 1982.

Mineral development will mean financial independence for some tribes and individual members. For others, it will provide a substantial contribution to their economic needs.

In order to oversee these extensive ventures, the Bureau has personnel located in Washington, D.C., and Lakewood, Colorado, and other staff located in area and agency offices. These employees are geologists, geophysicists, and petroleum and mining engineers and realty specialists. They organize minerals information and coordinate with tribes, the Minerals Management Service, the Bureau of Land Management and industry. They also perform economic analyses of leases and other types of development agreements, and prepare and hold competitive bid lease sales.

Functions of the Washington office include: coordinating Bureauwide energy and mineral resources policies and program standards; preparing regulations and procedures pertaining to the conservation, development and leasing of mineral resources on Indian lands; liaison with the Minerals Management Service, the Bureau of Mines and the U.S. Geological Survey (U.S.G.S.); approving nationwide oil and gas lease bonds; reviewing and recommending signature on appeal decisions, draft and review of Federal Register publications; providing Bureau response to Department requests on Outer Continental Shelf sales, Secretarial issue documents, and Bureau of Land Management coal program issues; reviewing proposed legislation and environmental impact statements; meeting with tribal delegations, the public and other Federal agencies; preparing the budget; and providing advice and assistance to top Bureau management.

Functions of the Lakewood, Colorado, office include: providing staff assistance and advice regarding coordination of Bureau-wide Indian energy and mineral resource policies, standards, goals, objectives, and programs involving Indian energy and mineral resource management; recommending procedures for application by area and agency offices in activities pertaining to the conservation, leasing and development of mineral resources on Indian lands; advising Bureau management on mineral related technical issues; reviewing mineral accounting procedures; supervising the Bureau mineral assessment program; monitoring of contracts and production programs in oil and gas; and providing economic analyses, and other activities related to coal, oil, gas, uranium, copper, molybdenum, tungsten, and other mineral resources. It is also responsible for direct assistance to area and agency offices in the negotiation of agreements and monitoring compliance with the terms of mineral agreements, as well as liaison with the Bureau of Mines, the U.S. Geological Survey, the Minerals Management Service, the Bureau of Land Management, and the Office of Surface Mining officials located in Denver.

For many years, personnel in Bureau area and agency realty offices have assumed many administrative tasks associated with mineral development as a part of their duties. Although most of these people have little or no formal training in mineral development, they have performed extremely well. However, it is recognized that some form of training for these people is urgently needed. A major role of the Colorado Branch of Energy and Minerals is to take the lead in providing training sessions for these realty and other agency personnel.

Once operations commence for mineral development on Indian land, the Department's Minerals Management Service and the Bureau of Land Management supervise the extracting activities. If a serious problem of noncompliance occurs, only the Bureau, as the surface management agency, can take contract cancellation actions, if necessary, usually as a result of recommendations from these two sister agencies.

The major portion of the base program is the Energy/Mineral Resource Assessment program which is funded at a level of \$5,100,000 for FY 1984. Those funds are broken down as follows:

	<u>FY 1983</u>	<u>FY 1984</u> <u>Estimate</u>	<u>FY 1985</u> <u>Estimate</u>
<u>Mineral Assessment Program:</u>			
U.S. Geological Survey	\$2,975,600	\$2,508,818	\$3,082,000
Bureau of Mines	1,464,000	789,682	918,000
Council of Energy Resource Tribes (CERT)	750,000	330,000	250,000

<u>Mineral Assessment Program: (continued)</u>	<u>FY 1983</u>	<u>FY 1984 Estimate</u>	<u>FY 1985 Estimate</u>
Ute Mountain Ute Energy Development	--	--	1,000,000
Other Special Projects	<u>1,096,000 a/</u>	<u>1,471,500 b/</u>	<u>250,000</u>
	\$6,285,600	\$5,100,000	\$5,500,000

a/ Breakdown for FY 1983:

Pine Ridge Zeolite Economic Analysis	\$ 12,000
Crow 107th Meridian Coal Study	30,000
Crow Coal Power Plant Implementation	100,000
Colville Tribal Mineral Assessment Program	500,000
Fort Berthold Lignite Study	10,000
Kickapoo Oil and Gas Study	6,000
Ute Mountain Ute Energy Development	238,000
Anadarko Burkhart/Keen Gas Measurement Project	<u>200,000</u>
	<u>\$1,096,000</u>

b/ Estimated Breakdown for FY 1984:

Colville	471,500
Choctaw	200,000
Osage	150,000
Penobscot/Passamaquoddy	250,000
Sixteen (16) Bureau-wide mineral positions (Linowes Commission directive)	<u>400,000</u>
	<u>\$1,471,500</u>

Mineral Assessment Program. This program began in FY 1975 and consists primarily of work done under interagency agreements with the Bureau of Mines and the Geological Survey, with additional amounts of contract funding diverted to individual tribes for special projects. The general structure of the program under the interagency agreements includes three phases described as follows:

Phase I Reports -- These reports were all completed in FY 1982 for 272 reservations covering 39 million acres of Indian land. They were prepared by doing library research on each reservation. Known written material is gathered on minerals, oil and gas, and other commodities on the reservation. This information is then put in narrative form, along with the geography, the known geology in and around the reservation and a bibliography. Estimates of mineral reserves are hypothetical and speculative. Based on these findings, the U.S. Geological Survey and Bureau of Mines make tentative recommendations on whether or not to pursue development with further research. The Phase I Reports have cost \$3,380,582 to produce at an average of \$.05 per acre. Generally they took about 9 months to prepare; however, some took as long as 12 months and cost about \$150,000 each.

Phase II Reports -- Once it has been determined that further study should be done, the tribe, through the Bureau, requests the Bureau of Mines or the U.S. Geological Survey to conduct Phase II studies. The U.S.G.S. earth scientists prepare geological maps, conduct aerial gravity surveys and do other mineral assessment work, such as geophysical, geochemical, and geological. To test the potential for mineral discoveries based on this work, a geologist may drill and take core samples. The cores are

then analyzed to determine the amount of mineral reserves. These reports usually do not determine whether the deposits are economically mineable.

As of August 23, 1983, 27 Phase II studies were completed covering 27 reservations, and 10 studies are underway. These studies take about 36 months to complete at an average cost of \$525,000. However, costs have ranged from \$25,000 to \$4,000,000. Through FY 1983, \$21,294,169 has been spent on Phase II studies, and for FY 1984, \$2,700,885 is scheduled to be spent on Phase II studies.

Phase III Reports -- These reports are prepared by the Bureau of Mines. Physical scientists define ore grades, tonnage, or reserve size along with the economics of removal of the resource. The estimates of reserves are then considered proven and mineable. The final reports are delivered to agency superintendents or area office officials who then present the reports to the tribes for their decisions on whether or not to develop the resource. If their decisions are positive, the Bureau further assists the tribes in mine plans, oil lease sales, or in negotiating. Eight Phase III investigations on five reservations have been completed as of August 23, 1983, at an average cost of \$224,795, and six others are underway. Phase III studies normally cost much more than Phase II studies. Through FY 1983, \$3,564,706 has been spent on Phase III studies, and in FY 1984, \$597,615 is scheduled to be spent on Phase III studies.

As a result of these studies, it is believed that enough detail will be available in certain areas so that individual tribes will be adequately aware of what materials occur on their lands and the associated problems and benefits of development.

One of the primary reasons for choosing the U.S. Geological Survey and the Bureau of Mines to take the lead in performing this mineral assessment work is that these organizations are composed of highly trained geologists and engineers (many with doctoral degrees) whose work is of professional quality. Our ability to coordinate and assist these agencies in all phases of mineral resource development has been greatly enhanced with the establishment of the Energy and Mineral Resources Office in Lakewood, Colorado.

For FY 1984 and FY 1985, available funding would be distributed as follows:

	<u>Estimate</u> <u>FY 1984</u>	<u>Estimate</u> <u>FY 1985</u>
Bureau of Mines	\$ 789,682	\$ 918,000
U.S. Geological Survey	<u>2,508,818</u>	<u>3,082,000</u>
Total	<u>\$3,298,500 *</u>	<u>\$4,000,000 **</u>

* Provides for 15 Phase II and Phase III work studies for tribes at an average of \$219,900 each.

** Provides for 19 Phase II and Phase III work studies for tribes at an average of \$210,500 each.

Plans for FY 1984 include the following reservations:

	<u>Reservation</u>	<u>Amount</u>
Phase II	In Progress: Hualapai, AZ	\$920,368

Phase II In Progress: (Cont.d.)		<u>Reservation</u>	<u>Amount</u>
		Jicarilla, NM	105,018
		Mescalero, NM	105,017
		San Carlos, AZ	673,440
		Walker River, NV	145,229
		Wind River, WY	175,973
		Cherokee, NC	390,400
		Fort Hall, ID	126,880
		Lac du Flambeau	58,560
Phase III	In Progress:	Duck Valley, NV	119,560
		Spokane, WA	99,259
		Fort Berthold, ND	78,861
		Pine Ridge, SD	129,135
		Wind River, WY	25,083
		Rocky Boy's, MT	145,717
			<u>\$3,298,500</u>

The following Mineral Assessment Projects are proposed to be undertaken in FY 1985:

		<u>Reservation</u>	<u>Amount</u>
Phase II	In Progress:	Fort Hall, ID	130,000
		Cherokee, NC	400,000
		Hualapai, AZ	743,000
		Walker River, NV	171,900
		Wind River, WY	180,300
		San Carlos, AZ	600,000
		Navajo, AZ	213,300
		Colville	400,000
		Choctaw	100,000
		Great Lakes:	265,900
		Fond Du Lac	
		Lac du Flambeau	
		White Earth	
		L'Anse	
		Mole Lake	
Phase III	In Progress:	Fort Berthold, ND	81,200
		Pine Ridge, SD	229,800
		Wind River, WY	160,000
		Rocky Boys, MT	182,000
		Duck Valley, NV	142,600
			<u>\$4,000,000</u>

Also funded from this activity is the Council of Energy Resource Tribes (CERT). This Council is composed of 37 tribes. The goals of CERT are: to assist member tribes to use their energy resources as a foundation to develop stable economies; to assist the tribes to protect their natural and social environment; and to assist each tribe to develop its own capability to manage its own energy resources. For FY 1984, funding from the Bureau will be \$330,000. Through an interagency agreement, the Bureau transfers money to the Department of Energy, which acts in behalf of the Government as contract agent for all Federal funding for CERT projects.

The final determination for FY 1984 and FY 1985 projects has not been made at this time; however, the following list indicates the type of projects undertaken by CERT.

1. Laguna Pueblo - Economic Evaluation of Protore Stockpile
2. Ute Mountain Ute - Tribal Oil & Gas review
3. Cheyenne/Arapahoe - Resource Evaluation/Financial Analysis
4. Chippewa/Cree - Uranium Assessment
5. Fort Peck - Oil & Gas development project
6. Seminole - Air Quality
7. Navajo - Energy Workshop
8. Yakima - Oil & Gas Project
9. Muckleshoot - Resources Assessment & Inventory
10. Fort Belknap - Geophysical Analysis & Lease Sale
11. Jemez - Oil & Gas exploration (seismic) planning
12. Crow - Synfuels Project Implementation
13. Umatilla - Tax Status Act Workshop
14. Muckleshoot - Coalbed methane

Workload Data: (See Tables I, II, and III.)

Increase for FY 1985:

(dollar amounts in thousands)

<u>Program Element</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
A. Minerals and Mining	(\$)	7,442	7,700	+258
	(FTE-T)	(40)	(40)	(--)

Distribution:

Tribe/Agency Operations	(\$)	1,636	1,494	-142
Central Office Staff Operations	(\$)	706	706	(--)
Energy/Mineral Res.	(\$)	5,100	5,500	+400

Tribe/Agency Operations (-\$142,000): The decrease of \$142,000 in Tribe/Agency funds reflects competition of one-time projects by tribes, or changed emphasis in use of funds based on data received, and revision of priorities in utilization of funds available.

Energy/Mineral Resources (+\$400,000): This increase is for the Ute Mountain Ute Energy Development program, directed by Public Law 96-492, December 2, 1980, which authorized the sum of \$4,000,000 for development by the tribe of energy sources on lands owned by the tribe, in accordance with an energy development program submitted to the Secretary by the tribe and approved by the Secretary. Miscellaneous funds were provided by the Bureau in FY 1982 and 1983 to start an Energy Office for the tribe. A total of \$1,000,000 (\$600,000 is available from base funding) will be provided for the proposed activities in FY 1985. About one-half of the budget amounts are for seismic work and similiar studies to assess resources; the remainder for operating costs and salaries. The plan has been reviewed by the Bureau, is consistent with the intent of the law, and represents a sound approach to energy development on the reservation.

TABLE 1
MINERAL ASSESSMENT PROGRAM FUNDING
(\$000)

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u> *
<u>TOTAL BOM PHASE I</u>	243	93	93	180	113	345	500	123	0	0	0
<u>TOTAL BOM PHASE II</u>	0	180	280	490	585	648	501	323	246	321	352
<u>TOTAL BOM PHASE III</u>	0	0	0	425	250	64	545	1,095	1,218	469	566
TOTAL	243	273	373	1,095	948	1,057	1,546	1,541	1,464	790	918
<u>TOTAL USGS PHASE I</u>	243	93	93	180	112	345	500	125	0	0	0
<u>TOTAL USGS PHASE II</u>	0	200	280	1,616	3,196	3,845	2,800	3,125	2,976	2,380	2,852
<u>TOTAL USGS PHASE III</u>	0	0	0	0	0	0	0	0	0	129	229
TOTAL	243	293	373	1,796	3,308	4,190	3,300	3,250	2,976	2,509	3,081
<u>TOTAL BOM PROJECTS</u>	243	273	373	1,095	948	1,057	1,546	1,541	1,464	790	918
<u>TOTAL USGS PROJECTS</u>	243	293	373	1,796	3,308	4,190	3,300	3,250	2,976	2,509	3,082
GRAND TOTAL:	<u>486</u>	<u>566</u>	<u>746</u>	<u>2,891</u>	<u>4,256</u>	<u>5,247</u>	<u>4,846</u>	<u>4,791</u>	<u>4,440</u>	<u>3,299</u>	<u>4,000</u>

* Proposed distribution

TABLE 2
BIA PHASE PROGRAMS
(Statistical Analysis - as of October 18, 1982)

(1)	(2)	(3)	(4)	(5)	(6)	(7) a/	(8) b/
<u>Commodity</u>	<u>Total Expenditure</u>	<u>Number of Programs Completed</u>	<u>Number of Proven Resources</u>	<u>Number of Proven Reserves (tons)</u>	<u>** Potential Income \$</u>	<u>**P.I. per dollars expended \$</u>	<u>* P.R. per dollars expended (tons)</u>
Coal	\$ 3,418,417	11	11	20.5 billion	\$20,500.00 million	\$5,997.00	5,997
Lignite	1,402,571	4	4	1,727 million	1,727.00 million	1,231.00	1,231
Zeolites	787,847	2	1	137 million	4,120.00 million	5,229.00	174
Uranium	349,722	4	2	9.54 million	16.25 million	46.00	27 (lbs)
Bentonite	662,892	3	3	2.44 million	4.87 million	7.00	4
Copper	500,100	2	2	1.25 billion (lbs)	98.8 million	198.00	2,500 (lbs)
Gold	391,900	4	2	44,400 (oz)	1.61 million	4.00	.11(oz)
Titanium Magnetite	202,400	1	1	13.5 million (lbs)	10.30 million	51.00	67 (lbs)
Silver	356,700	3	2	276,400 (oz)	0.23 million	.64	.77(oz)
Tungsten	88,850	1	1	3.4 million (lbs)	0.76 million	9.00	38 (lbs)
Phosphate	77,704	2	2	743.2 million	2,296.00 million	29,549.00	9,564
Bituminous Sandstone	27,704	1	1	3.1 million (bbls)	9.80 million	354.00	112 (bbls)
Gypsum	35,200	1	1	2 million	2.00 million	57.00	57
Subtotal	\$8,302,007	39	33		\$28,787 million	\$3,467	
Cumulative On Going Programs	15,526,690	47	--		--		
GRAND TOTAL	\$23,828,679	86	33		\$28,787 million	@ 10% of gross sales	

(\$28,787,000,000) a/col.(7)= col.(6)/col.(2)
b/col.(8)= col.(5)/col.(2)

NOTE: The potential income portrayed above is not based entirely on completed Phase III study analysis. Phase III work is needed, however, to determine whether the resources are economically feasible to mine. Also, the potential income estimate is based on the 10% minimum royalty rate allowed.

TABLE 2--continued

A.	1.) Programs in which reserves were discovered and outlined-----	33
	2.) Programs in which no reserves were found on the reservation-----	6
	3.) Total programs which have been completed-----	39
	Total programs success ratio (A.1 / A.2)-----	5.5:1
B.	1.) Funding of programs in which reserves were outlined-----	\$7,851,707
	2.) Funding of programs in which no reserves were outlined-----	450,300
	3.) Total fundings for completed programs-----	\$8,302,007
	Total programs funding success ratio(B.1/B.2)-----	17.4:1

TABLE 3
MINERAL LEASING DIRECTLY RESULTING FROM BIA MINERAL ASSESSMENT PROGRAM

Tribe	Type of Lease	Type of Information Available	Revenue Directly Attributable To Mineral Assessment Program	
			FY 1982	FY 1983
1) Colusa Rancheria, CA	Oil and Gas	Phase I Study c	39,000	6,000
2) Miccosukee, FL	Oil and Gas	Phase I Study c	982,000	230,000
3) Seminole, FL	Oil and Gas	Phase I Study c	822,000	188,000
4) Fort Peck, MT	Oil and Gas	Phase I Study c	1,600,000a	1,700,000a
5) Blackfeet, MT	Oil and Gas	Phase I Study c	1,000,000a	1,000,000a
6) Fort Belknap, MT	Oil and Gas	Phase I Study c	146,000 (total)	0
7) Crow, MT	Coal (with Shell Oil Company)	Phase I, and II Studies	0	10,000,000b
8) Papago, Az	Copper and Silver (Lease is inactive because of slumping copper market)	Phase I, II and III Studies	0	0
9) Pine Ridge, SD	Negotiating for a Zeolite and Bentonite Contract	Phase I, II and III Studies	0	950
10) San Carlos, AZ	Negotiating for a Copper Contract	Phase I and II Studies	0	1,000,000

Note: Only the Fort Peck and Blackfeet revenues include royalties; the remainder of the revenues are from initial contract payments

a These estimates are interpolated (10 percent of total revenues) since only part of the leasing can be directly attributable to the Mineral Assessment Program.

b In about 5 years another \$20 million will be paid to the tribe before mining begins. Once mining begins royalty payments will be made.

c Phase I Studies are only valid in areas where past production has taken place such as oil and gas. In wildcat areas (i.e. no production exists) they do not provide adequate information to the tribes.

B. Irrigation Operation and Maintenance

Authorization: The Snyder Act (25 U.S.C. 13) specifically authorizes services for the operation and maintenance of existing irrigation systems. Other laws (25 U.S.C. 385) authorize the Secretary to charge and collect for those services. Additional legislation (34 Stat. 1024; 39 Stat. 142 and 68 Stat. 1026) relates to the collection of charges on specific projects. The general regulations for administration of these services appear in 25 CFR Part 171.

Objective: To financially assist entitled Indian landowners through supplementing water user collections in order to conserve water and to properly operate and maintain the irrigation water delivery systems on 70 Indian irrigation projects in a safe, economical, beneficial, and equitable manner.

Base Program (\$9,009,000): The Irrigation & Power O&M program provides funds to pay the operation and maintenance assessment for those Indians who are financially unable to pay their assessments. Paying assessments for those Indians who are financially unable to pay will provide those water users, both Indian and non-Indian who have paid their assessments, adequate and proper operation and maintenance services for which they were required to pay in advance. Adequate funds are essential to properly maintain the delivery system and avoid unnecessary and costly crop failures and major rehabilitation costs.

Collections are deposited in the operation and maintenance receipt account and are available for operating and maintaining the respective projects pursuant to the provisions of the Act of August 7, 1946 (60 Stat. 895). These collections include payment by Indian and non-Indian water users and payments made on behalf of Indian water users who are financially unable to pay their assessments for current annual operation and maintenance. Collections from Indian water users for prior year assessments which have previously been paid from reimbursable appropriated funds are deposited directly into the Treasury, to the Miscellaneous Receipts Account as a repayment of reimbursable indebtedness. Where non-Indians receive water services from Indian irrigation systems, they are required to pay the full per acre cost.

Indian irrigation systems and projects fall into the following categories:

(1) Projects which are economically feasible on the basis that there is a sufficient quantity of water to supply the assessable area. The lands have characteristics which will produce crops under sustained irrigation and have repayment capabilities which will permit landowners and water users as a whole to pay the full annual cost of the operation and maintenance of the system. The assessment rates on these projects are fixed to return the full operation and maintenance costs. Any unpaid assessment becomes a lien against the land for which the assessment is paid.

Funds requested for payment of assessments under this category will be also be used when necessary to pay into the Collection Account that part of the uncollectible current annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover such unpaid assessments become reimbursable debts due the U.S.

(2) Projects where the repayment capabilities of the land will not permit payment of the full annual operation and maintenance costs. Assessment rates for Indian water users on these projects are based on the ability of the Indian to pay, and therefore, do not cover the full cost of operation and maintenance. All or any part of any unpaid assessment becomes a lien against the land for which such assessment is not paid.

Funds requested for payment of costs under this category will be used when necessary to pay into the Collection Account that part of the annual operation and maintenance cost on Indian-owned lands in excess of the annual assessment and any part of the uncollectible annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover these costs become reimbursable debts due the U.S. when used to pay all or any part of the annual costs included in the assessment rate. Costs in excess of the assessment rate are non-reimbursable.

(3) Irrigated areas, such as subsistence garden tracts and tracts of a few acres which do not represent economical units, but provide Indian landowners with a means of supplementing their livelihood. Because of the low income of the Indian landowners and water users on these irrigated areas and tracts, it is not feasible from an economic standpoint to assess these lands. Accordingly, the operation and maintenance costs are non-reimbursable and do not become a lien against the lands benefitted.

Funds requested for payment of costs under this category will be used when necessary to pay into the Collection Account the total cost for operation and maintenance of these subsistence garden tracts and irrigated areas, or if no Collection Account has been established, and it is not desirable or proper to establish such an account, the funds will be expended when necessary directly from the appropriation account.

(4) Irrigation systems and reservoirs serving Indian-owned lands located within and operated by various private and public irrigation districts and water user associations. Assessments for operation and maintenance of the irrigation systems and reservoirs serving these Indian-owned lands are made by the irrigation district or water users association embracing and serving such Indian-owned lands.

Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account for payment to private and public irrigation districts and water users associations for operation and maintenance costs assessed for Indian-owned lands included within such irrigation districts and water users associations. Funds used for payment of assessments covering these costs are reimbursable and become debts due the U.S., except for those payments that are non-reimbursable by legislation.

(5) Projects that are operated by the Bureau at no cost to the Indian landowners and water users, as provided for under legislation. Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account appropriated funds for irrigation projects operated by the Bureau at no cost to the Indian water users, as provided by legislation.

Following is a summary for the 1982 crop year of irrigation project acreage and estimated value of crops grown:

<u>Land Ownership in Projects</u>	<u>Acreage</u>	<u>Gross Crop Value (\$ Millions)</u>
<u>Indian Owned Land</u>	523,000	\$ 94.0
Indian Farmed	(201,000)	(45.0)
Non-Indian Farmed	(245,000)	(49.0)
Idle	(77,000)	(-0-)
Non-Indian Owned and Farmed	<u>154,000</u>	<u>20.8</u>
Grand Total	677,000	\$ 114.8

The 70 Indian irrigation projects are distributed throughout the West in the following pattern:

<u>BIA Area</u>	<u>No. of Projects</u>
Albuquerque	23
Billings	7
Navajo	1
Phoenix	28
Portland	7
Sacramento	4
	<u>70</u>

In the FY 1984 Appropriations Bill Conference Report, it is stated that "the managers agree that assessments for Category I irrigation projects should reflect the full capacity to pay and direct the Bureau to make such rate adjustment."

The rates for Category I projects have always reflected the full capacity of the land to pay. Unfortunately, some land is occasionally idle and therefore does not have the capacity to pay because it is non-productive. Through 1984 it was only in those cases, and only for Indians' land that these funds were used to assure continued operation and maintenance of the systems, and delivery of water as needed. When such costs were paid with these funds, the amounts were either reimbursed, or if not reimbursed, became liens against the land.

Also, the Appropriation Act for FY 1984, P. L. 98-146, authorized the Secretary of the Interior to invest irrigation and power operation and maintenance collections. The initial investments were made on November 10, 1983. At this time, the precise impact of this initiative is not known, but it is believed that it will reduce the need for appropriated funds for irrigation operation and maintenance. First information on interest earnings will be available in March. When that information begins to establish itself, the Bureau we can make adjustments as appropriate in future requests for irrigation operation and maintenance funds.

A first draft report has been prepared by the Irrigation Task Force, which addresses, among other things, the re-evaluation of the irrigation operation and maintenance rate structure. This initial draft is under review by the Task Force members and other Bureau staff. It is anticipated that the final report may be accomplished by March 1, 1984.

Decrease for FY 1985:

(dollar amounts in thousands)

<u>Program Element:</u>		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Irrigation O&M	($\$$) (FTE-T)	9,015 (10)	8,119 (10)	-896 (--)

Irrigation & Power O&M (\$896,000): The reduction of \$896,000 is a reflection of discontinuation of payments for Category 1 projects, and the anticipation of availability of interest earnings on invested operation and maintenance collections, and use of those for costs of irrigation systems and projects where the interest is earned, thereby releasing some appropriated funds to be used for other systems and projects that are not capable of covering their costs from collections. Any unpaid Indian water user assessments on Category 1 projects which are not offset by earnings from investments of fund balances may be covered by increasing assessments to water users with lands currently in production.

The estimated breakdown by category for FY 1984 and 1985 appropriations is as follows:

<u>Category</u>	<u>No. of</u> <u>Projects</u>	<u>Estimate</u> <u>FY 1984</u>	<u>Estimate</u> <u>FY 1985</u>
1	9	862.9	-0-
2	7	412.2	266.7
3	41	1,726.2	1,375.6
4	7	302.9	247.0
5	5	2,721.8	2,746.7
NIIP	<u>1</u>	<u>2,989.0</u>	<u>3,483.0</u>
	70	\$ 9,015.0	\$ 8,119.0

The changes in requests by category between FY 1984 and 1985 are as follows:

Category 1: The reduction reflects the discontinuation of payments from appropriated funds to Category 1 projects.

Categories 2,3, and 4: The reductions in these requests reflect self-imposed constraints with intent to require the projects to operate more efficiently and to utilize belt-tightening measures.

Category 5: The increase requested reflects higher costs of materials and supplies in order to provide adequate services to these mandated projects.

NIIP: The increase reflects one time costs of required overhauls of pumps and motors.

Object Class Distribution - Minerals and Mining/Irrigation and Power Subactivity

Other services..... \$ - 638,000

Justification of Program and Performance

Activity: Natural Resources Development
Item: Natural Resources Development Contract Support

(dollars in thousands)

		FY 1984 Approp. <u>to Date</u>	FY 1985 <u>Base</u>	FY 1985 <u>Estimate</u>	Inc. (+) Dec. (-) <u>From 1984</u>	Inc. (+) Dec. (-) <u>From Base</u>
Total						
Requirements	(\$)	---	4,551	4,551	+4,551	---

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$4,551,000): The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request.

As a part of the implementation of this directive in the budget process, this request distributes the FY 1984 appropriated amount of \$37,788,000 to each activity which has existing (in FY 1983) P.L. 93-638 contracts. The amount distributed to this activity is \$4,551,000. The actual distribution by program within this activity will be determined when the FY 1985 contracts are negotiated for programs currently (FY 1983) under contract. After the actual distribution is made, separate identification of the distributed funds will cease as they will become part of the program amounts in future budget requests.

The detailed base program description and justification for contract support funds and their overall purpose is included under the Self-Determination Services justification.

The following table provides a tentative distribution by programs within this activity of the base amount of contract support funds. The distribution was made by prorating contract support funds based on actual FY 1983 contract amounts. Since this distribution has not been based on individual contractor indirect cost rates (to be established at the time FY 1985 contracts are negotiated), it is not to be viewed as final.

<u>Program</u>	<u>Tentative Amount</u>
Agriculture.....	\$ 590,000
Forestry.....	1,078,000
Water Resources.....	217,000
Wildlife and Parks.....	2,550,000
Minerals and Mining.....	50,000
Irrigation Oper. & Maint.....	<u>66,000</u>
Total.....	<u>\$4,551,000</u>

Activity Summary
(dollars in thousands)

Activity: Trust Responsibilities

<u>Subactivity (program)</u>	<u>FY 1983 Actual (B.A.)</u>	<u>FY 1984 Approp. Enacted</u>	<u>FY 1984 Revised Estimate</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) or Dec. (-) 1985 Est. over 1985 Base</u>
Indian Rights Protection	19,523	17,823	17,901	18,369	17,951	-418
Real Estate & Financial Trust Services	28,877	27,531	27,858	27,891	28,979	+1,088
Trust Respons. Contract Support	---	---	---	813	813	---
Total	48,400	45,354	45,759	47,073	47,743	+670

Justification of Program and Performance

Activity:	Trust Responsibilities
Subactivity:	Indian Rights Protection

(dollar amounts in thousands)

Program Elements		FY 1984			Inc. (+)	Inc. (+)
		Approp. Enacted to Date	FY 1985 Base	FY 1985 Estimate	Dec. (-) From 1984	Dec. (-) From Base
A. Environmental Quality	(\$)	1,180	1,230	1,190	+10	-40
	(FTE-T)	(43)	(43)	(43)	(--)	(--)
B. Indian Rights Protection	(\$)	16,643	17,139	16,761	+118	-378
	(FTE-T)	(144)	(144)	(144)	(--)	(--)
Total Requirements	(\$)	17,823	18,369	17,951	+128	-418
	(FTE-T)	(187)	(187)	(187)	(--)	(--)
<u>Distribution:</u>						
Tribe/Agency Operations	(\$)	5,387	5,573	5,425	+38	-148
Area Offices Operations	(\$)	909	655	655	-254	(--)
Central Office Staff Operations	(\$)	707	721	721	+14	(--)
All Other Trust Responsibilities Programs	(\$)	10,820	11,420	11,150	+330	-270
Archeological Clearances	(\$)	(300)	(300)	(300)	(--)	(--)
All Other Rights Protection	(\$)	(8,120)	(8,120)	(7,850)	(-270)	(-270)
Alaska Lands Act	(\$)	(1,400)	(1,400)	(1,400)	(--)	(--)
ANCSA Cemetery/Historical Sites	(\$)	(1,000)	(1,600)*	(1,600)*	(+600)	(--)

* Includes a Base Transfer of \$600 from the National Park Service.

A. Environmental Quality Services

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) which authorizes the Secretary to provide services to federally recognized Indian tribes.

42 U.S.C.4321, et. seq. "The National Environmental Policy Act," January 1, 1970, which requires Federal agencies to consider environmental impacts of proposed Federal actions and issue environmental impact statements for actions significantly affecting the human environment prior to decisions to proceed with them.

16 U.S.C. 470 et. seq. and 16 U.S.C 470aa et. seq. "The National Historic Preservation Act" and "The Archeological Resources Protection Act" which establish a national policy for the management, preservation and protection of cultural and archeological resources.

Executive Order 12088, October 1978, "Federal Compliance with Pollution Control Standards" implemented by Departmental Manual 516 DM 4, requires all Bureaus to comply with Federal environmental pollution control laws, regulations and standards affecting air, water, noise, and those related to applicable provisions of other laws. These other laws include the Clean Water Act (P.L. 92-500), the Clean Air Act (P.L. 84-159), the Resource Conservation and Recovery Act, (P.L. 94-580), the Comprehensive Environmental Response, Comprehensive and Liability Act, "Superfund" (P.L. 96-510), Endangered Species Act (P.L. 93-205), and Federal Environmental Pesticide Control Act (P.L. 92-516), as amended.

Objectives: The objectives of the Environmental Quality program are: (1) to ensure that proposed Bureau actions affecting the reservation environment comply with procedural and substantive requirements of the National Environmental Policy Act (NEPA); (2) to review and comment on other federal agency NEPA documents for proposals that may have potential impacts on the Indian people and trust lands; (3) to comply with environmental protection laws in the areas of air, water, and noise pollution, safe drinking water, storage and disposal of nuclear, toxic and hazardous wastes and pesticide management on the Indian reservations; (4) to comply with the National Historic Preservation Act, the Archeological Resources Protection Act and the Indian Religious Freedom Act to protect Indian archeological, historic and cultural resources and values on Indian trust lands; and (5) to comply with Executive Order 12088 and applicable Departmental policies and procedures in the prevention, control and abatement of environmental pollution in Federal facilities and activities under the control of the Bureau.

Base Program (\$1,230,000): The problems being addressed are basically those which have been recognized by Congress in enacting legislation for environmental protection and cultural resources management.

NEPA and various other acts such as the National Historic Preservation Act, Fish and Wildlife Coordination Act and the Archeological Resources Protection Act require the examination of proposed actions on Indian lands to determine if they may affect the quality of the human environment or resources which are protected by specific statutes. These activities include coal mining, oil and gas exploration, uranium mining, timber harvesting, and other surface disturbing activities. When the examination or assessment indicates a significant impact, then an environmental impact statement (EIS) will be prepared to insure that the Indian people and Bureau officials are aware of impacts on the environment, the resources, tribal cultural heritage, and social welfare.

The relationship between Environmental Quality and other Federal programs is that other programs initiate or receive proposals which may affect the environment, while the Environmental Quality program coordinates compliance with NEPA and other environmental laws. The Environmental Quality program also includes the coordination of activities regarding cultural resources, Clean Water Act, Clean Air Act, Endangered Species Act, Toxic Substances Control Act, other laws, or regulations concerning the environment, and environmental issues which may not be addressed by existing law.

An important part of the Environmental Quality program is the review, commenting on, and dissemination of environmental impact statements prepared by other agencies to insure that the Indian people are aware of the proposed actions and the impacts that may affect them, and that their concerns are considered.

Environmental program funds are used for personnel and support services at the area and central office levels. Where staff is not available, the Bureau contracts with private consulting firms for resource investigations leading to reports, preparation of assessments, and environmental impact statements necessary to attain the objectives and goals of the program. The funds which are requested for the tribe/agency level are for such contracts, environmental assessments, archeological surveys, and water quality monitoring.

These EIS's which are required of the Bureau are prepared by consulting firms, and cost approximately \$300,000 each. Funding for impact statements is not included in this request, since they are normally funded by the project applicant or by the program responsible for management of the resources proposed for development.

Of the 21 FTE for environmental services, 4 are located at the Central Office and 17 in the field offices. Not all environmental work is accomplished by these personnel. Efforts by staff of other programs (minerals, forestry, real estate, etc.) are required in environmental examinations and reviews. Funds for those activities are provided by those programs. In addition, there are major environmental assessments or impact statements which must be contracted for, usually from the program funds of the program involved in the assessment.

<u>Workload Data:</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
Environmental Examinations	45,500	51,600	52,500	60,000	65,000
" Assessments	700	700	730	750	800
" Impact Statement	6	2	6	6	6
" Reviews	420	1,300	1,500	1,600	1,700

Environmental examinations, assessments and reviews are routine in nature. Impact statements, however, are not routine and could be required at any time. They are usually a result of mineral development on reservations and are required before any leases to commence work can be authorized.

The EIS's which are listed above are projections of what may be required. Current projects requiring EIS's are the reclamation of the Jackpile Uranium Mine, New Mexico; the Hoopa River fishery controversy, California; the Swinomish Marina, Washington; and Firebird Stadium, Arizona.

The Bureau encourages tribes to carry out environmental programs on their respective reservations with assistance from the Bureau, the Environmental Protection Agency and cooperating states. However, in the majority of tribes, their resources do not permit assuming program implementation, and reliance is placed on Federal assistance through the Bureau. Accordingly, the Bureau has prepared an annual average of 5 environmental impact statements (EIS), 6 major environmental assessments (EA) and reviews approximately 1700 EIS's, EA's and projects from other Federal agencies which may have significant impacts on the Indian tribes and their resources. The role of of the Central Office is to effectively coordinate lead and cooperating agency involvement, time agency actions, reduce delay, integrate the NEPA process with other environmental review and consultation requirements such as the Fish and Wildlife Coordination Act and process the environmental impact statement. This includes internal and external review and comment, public and the publication of notices of

availability in the Federal Register. Included in this effort is the inviting of the Indian tribes to become cooperating agencies where tribal input and consultations are substantive.

The Archeological Clearance Program is designed to examine areas of trust on federal lands being considered for construction or modification and to identify significant historic, archeological or cultural features, sites or data that may be present. If any of these features are found, measures are outlined to preserve, maintain or salvage the resources involved. These plans are also made available to the tribes.

The Bureau assumed full control of its archeological clearance program, from the National Park Service during the fourth quarter of FY 1982. Vacant archeological positions were filled to handle the added workload. At present there are seven full-time archeologists in the Bureau, all but one at the area level.

The identification of hazardous waste sites on trust lands became a major program initiative during FY 1983. Several sites have been found thus far with varying degrees of potential impacts. When these sites are discovered, there is a need for sampling, testing, studies and protection (such as fencing) as appropriate. These steps will enable the Bureau to determine if there is a hazardous situation involved, its extent and possible mitigative measures to be taken. The sites can then be given a priority so that they may be cleaned up in an orderly manner, with those posing a threat to human health and safety getting highest priority.

Thus far, the Bureau has cleaned up a polychlorinated biphenyl (PCB) site at the San Carlos Irrigation project in Arizona at a cost of \$180,000. The Environmental Protection Agency (EPA), using its "Superfund" money, recently cleaned up the Celter Chemical site on the Hoopa Indian Reservation in California. The cost for this cleanup was approximately \$340,000.

Decrease for FY 1985

(dollar amounts in thousands)

		FY 1985 <u>Base</u>	FY 1985 <u>Estimate</u>	<u>Difference</u>
<u>Environmental Quality</u>		<u>1,230</u>	<u>1,190</u>	<u>-40</u>
Tribe/Agency	(\$)	764	724	-40
Central Office				
Staff Operations	(\$)	166	166	--

Tribe/Agency Operations (-\$40,000): This reduced funding level, established by tribal priorities, is a relatively small change and is a result of more efficient management of the environmental compliance process. By combining NEPA, Fish and Wildlife, and cultural resource requirements for certain proposed actions, the amount and extent of environmental compliance actions can be reduced. The required compliance documents will still be produced, but at a reduced cost.

B. Indian Rights Protection

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

28 U.S.C. 2415 (Statute of Limitations) provides that the United States initiate claims for money damages in behalf of a recognized tribe, band or group of American Indians. This section also allows for similar actions for or on behalf of an individual whose land is held in trust or restricted status.

P.L. 97-394, the "Indian Claims Limitation Act of 1982," was included in the Bureau of Indian Affairs' Administrative Provisions of the Appropriation Act for FY 1983. The Act extended the deadline for resolving claims.

P.L. 96-487, the Alaska Lands Act, provides for subsistence protection for Alaska Natives, conveyance of title to Alaska Native allotment applicants, and economic development grants to Native groups.

The Alaska Native Claims Settlement Act, P.L. 92-203, provides for the investigation and certification of cemetery sites and historical places and their transfer to Native Regional Corporations.

Objectives: To protect those rights which the United States guaranteed the various federally recognized Indian tribes through treaty, statute or executive order, and to preserve the resources upon which the exercise and benefits of the rights depend. To provide for tribes the financial ability to become involved through legal or legislative advocacy; to address all unresolved issues, i.e., trespass, water rights, fishing and hunting rights, tribal sovereignty; and to bring potentially contesting parties together on a broad scale to consider Indian rights issues and seek areas of common interests and goals.

Base Program (\$17,139,000): In performing its fiduciary responsibilities, the Bureau of Indian Affairs, as the federal agency with primary responsibilities, must meet whatever challenges may occur and initiate action necessary for the protection and continued viability of those rights. Seventy lawsuits related to Indian rights have been filed to date. Nine of these will be in the trial or appeal stage during FY 1984, requiring major litigation support efforts; thirty more cases will be active, requiring research and evidence gathering efforts; unresolved issues will continually be identified and resolved. Evidence will also be gathered for Statute of Limitations active claims.

Indian tribes are vitally interested in preventing the erosion of their rights. Within the federal government, in addition to the Bureau of Indian Affairs, the Department of the Interior Solicitor and the Department of Justice both have key roles in rights protection. The Department of Justice usually represents the Indian interest in cases under adjudication. The Interior Solicitor provides legal advice to the Bureau and to tribes concerning rights issues and prepares litigation reports for consideration by the Department of Justice.

If the federal government were to withdraw from requesting funds for and supporting Indian tribes in rights protection efforts, few tribes would be financially able to afford the extremely high costs of litigation or negotiation. Consequently land, water, and other resources belonging to a tribe would often be diverted to non-Indian use. However, court rulings sometimes require the federal government to provide the protection needed because of treaty or statutory requirements.

It is incumbent upon the federal government, by virtue of its fiduciary responsibility to see to it that Indian rights are not abrogated, lost, or infringed upon. A majority of the tribes are not financially able to undertake the programs necessary to protect their rights and resources. As pressures mount on scarce resources, especially water, program efforts must assure that Indian rights are effectively protected.

Area-Agency Operations (\$5,464,000): The rights protection activity provides the Bureau of Indian Affairs with problem-solving staff and technical support services at the reservation or regional level for the protection of the multi-billion dollar estate which the United States administers on behalf of the Nation's Indian tribes. This includes support to meet challenges to tribal rights and interests that are protected by treaty, statute, or Executive Order, as well as the initiation of those actions required of a prudent trustee to clarify the nature of, and to ensure the continued viability of, those rights. Where negotiated agreements are not possible, this activity provides the historical, technical, scientific, and other professional expertise necessary for the Government to litigate challenges to Indian rights which the United States has guaranteed through treaty or statute.

The major costs for services required in the protection of Indian rights cannot be met within the tribe/Agency level of funding and has been programmed for several years in the subactivities described below; i.e., Litigation Support, Attorney Fees, Unresolved Indian Rights Issues, and Hunting and Fishing Rights. Those subactivities are programmed at the Central Office, based on information provided by the tribes, agency and area offices. The funds are used to support rights protection activities, on a priority basis, considering the relative importance and urgency of the controversy being negotiated or litigated.

Central Office Staff Operations (\$555,000): This element provides the Bureau of Indian Affairs professional, technical and managerial personnel to administer rights protection activities at the national level, to undertake policy initiatives, to initiate and review legislation, to make allocation determinations for centrally controlled rights protection funds and to issue and monitor contracts for rights protection research on a multi-regional or national basis.

Other Indian Rights Protection (\$11,120,000)

A. Litigation Support (\$2,762,000): This activity provides the information and evidence gathering capability required by the United States to successfully defend the Government's position in litigation involving Indian rights issues. In some instances, the United States is suing in actions brought on its own behalf or on behalf of the Indian tribes; in others, is a named defendant in actions brought by third parties; and in others, is a named defendant in actions brought against the United States by Indian tribes. Litigation support is also provided to the tribe in cases where they are separately represented because other interests of the United States conflict with those of the affected tribe. In such cases a trust relationship of fiduciary obligation still exists. Much of the activity conducted in support of litigation is actually directed towards negotiated settlement of lawsuits. The great majority of cases requiring litigation support involve the defense of Indian water rights. Others include trespass, title questions such as property line disputes, rights-of-way, allotment claims, mineral entry, pollution issues, and activities which have harmed or could harm the health and safety of the reservation population.

Cases are addressed on a priority basis with those either in court or due to be in court within a short period of time receiving first consideration. Amounts expended for each case vary upon the data needed. Data needed could range from historical studies to establish prior use of the resources, to hydrologic studies to determine water tables and volume available and its capacity to irrigate a certain number of acres.

Cases addressed since FY 1980 are as follows: FY 1980, 13 cases; FY 1981, 9 cases; FY 1982, 18 cases; and in FY 1983, 15 cases. Not all cases are totally addressed in any one fiscal year. Some case studies may be phased over two, three or more years.

The original amount of funding available in FY 1983 was \$1,762,000. By means of a supplemental appropriation of \$1,650,000, several water cases received added litigation support funds.

- B. Attorneys Fees (\$1,500,000): Decisions of the Comptroller General and the Court of Appeals for the 10th Circuit have ruled that it is appropriate to expend appropriated funds to enable a tribe to retain independent counsel in situations in which the United States cannot represent them as contemplated by 25 U.S.C. 175, or where separate representation is required due to inherent conflicts of interest because the United States is representing its own proprietary interests, or because several tribes with conflicting interests are involved in the same case.

Regulations that govern the expenditure of appropriated funds for the fees of private attorneys representing tribes in cases being litigated, or where the tribe is initiating litigation are in the process of revision for clarity and specificity. Also guidelines and procedures are being issued to assist tribes and BIA staff in processing these requests. The existing policy guidelines determining priority classification of eligibility for attorney fee funding are as follows:

- (a) The Bureau's first priority funding of a tribe's attorney fee will be applied to cases where a tribe is sued directly and must defend its immunity from suit as well as on the merits and the Attorney General declines to defend the tribe.
- (b) In the event that the United States is sued and a tribe's (or tribes') rights and interests (e.g., Winters right) are challenged by the action and, in addition, other identified interests of the United States (BuRec, BLM, etc.) or the rights and interests of another tribe conflict with those of the affected tribe, such facts will constitute the Bureau's second-priority funding of a tribe's (or tribes') attorney fees.
- (c) In the event that the actions (or inactions) of another party detrimentally affect the rights and interests of a tribe, and the Attorney General declines to bring suit to enjoin such action, thus forcing the affected tribe to bring suit to protect its rights and interests, such facts will constitute the Bureau's third-priority funding of a tribe's attorney fees.

In FY 1983, by statute (P.L. 96-305), \$140,000 each was provided to the Navajo and Hopi tribes for attorneys fees. In addition, by a related statute, (P.L.93-531) about \$500,000 more was provided the two tribes. In FY 1984, the basic amount to be provided each is \$150,000, and under the second statute about \$700,000 has been requested for allocation to the two tribes.

C. Unresolved Indian Rights Issues and Statute of Limitations (\$2,000,000):

The Unresolved Indian Rights Issues activity provides for research requisite to the identification and resolution of issues necessary to the protection and preservation of Indian rights associated primarily with natural resources. The Statute of Limitations (28 U.S.C. 2415) activity originally provided for the identification, research and filing of claims for money damages against third parties where Indian interests were involved and where such claims arose from actions taking place prior to 1966. Until the amendatory Indian Claims Limitation Act of 1982, this activity was governed by a time limit after which the United States was forever barred from pursuing said claims through litigation. On December 30, 1982, Congress extended the Statute of Limitations until the Secretary had defined the universe of all such claims. With the publication of two lists in the Federal Register, in compliance with the 1982 act, a universe of approximately 38,000 claims cases has been established, and the United States is now barred from filing suit on any claim not appearing therein. With respect to those claims appearing on either of these lists, the Statute of Limitations is now indefinitely extended until such time as the United States files litigation formally rejects the claims for litigation or legislative solution, or submits legislation to the Congress resolving such claims. A considerable amount of research remains to be done on the approximate 8,000 claims appearing on the second list, said claims having been submitted by tribes since publication of the first list on March 31, 1983. The work no longer focuses on the identification of Statute of Limitations claims, but rather on the resolution of said claims.

This joint activity is designed to protect Indian rights and to avoid government liability for failure to discharge the fiduciary responsibilities of the United States. Information generated by the activity is used primarily to seek and obtain negotiated settlements or other administrative remedy; failing these, it can be used to support the initiative of litigation and legislative resolution. The issues addressed include, but are not limited to, those involving title to land, trespass, water rights, mineral entry, renewable problems of pollution, and activities which endanger reservation persons or property.

- D. Hunting and Fishing Rights (\$1,858,000): Tribes are going to court to establish their rights not only to hunt and fish but also to assure that sufficient natural resources, i.e., water, forage, etc., are available to make those rights meaningful; to prevent the misuse of the resource by persons and agencies; to guarantee that the resources are protected for use by future generations. This activity provides the United States and Indian tribes with the information necessary to determine the extent to which treaty hunting and fishing rights may be asserted without damaging the fish and game resources. This includes biological data collection and analysis to establish herd sizes, stocking rates, harvest quotas, and analysis of environmental development, and other impacts on fish and game resources. The information also provides a basis for self-regulation by tribes, which must be able to demonstrate to the satisfaction of the states and the courts that they have the management and enforcement capacity to regulate their members' exercise of treaty hunting and fishing rights in such a manner as to prevent depredation of the resources. If they are unable to do so, the tribes could become subject to regulation by the state, which in turn could lead to regulation of treaty rights out of existence.

- E. ANCSA Site Surveys (\$1,600,000): This funding provides field support units for investigation and certification of cemetery sites and historical places authorized by the Alaska Native Claims Settlement Act (ANCSA). Most of the sites are remote and accessible only by helicopter. Travel is an integral part of the ANCSA program, absorbing about 1/3 of annual funding requirements. Field Support units for FY 1983 were located in Doyon, NANA, Bristol Bay, Galista, and Aleut Regions. At this funding level, 160 sites could be located, additional information gathered and verified.

The FY 1985 Base includes a base transfer of \$600,000 from National Park Service. In FY 1983, under a memorandum of agreement, the \$600,000 was transferred for Bureau use, and will again be transferred in FY 1984. FY 1985 is the first opportunity to effect the base transfer. The National Park Service formerly provided formal consultation services to the Bureau through agreements and contracts with the University of Alaska (which have now been terminated). Historical and cemetery site studies and assessments were conducted, evaluated and reported to the Bureau. Since the Bureau has its own site assessment and evaluation field program - to which the National Park Service reviews were complementary - it was determined that the information provided by National Park Service could easily be obtained in the same operation by the Bureau. Therefore, the transfer of funds was made for more efficient operations. National Park Service will continue to consult with the Bureau and comment on cemetery and historic sites located on lands managed by the National Park Service as needed.

- F. Alaska Lands Act (\$1,400,000): This funding provides for implementation of those activities authorized by P.L. 96-487, the Alaska National Interest Lands Conservation Act (ANILCA). As authorized by P.L. 96-487, the Alaska National Interest Lands Conservation Act (ANILCA), this funding provides for effective coordination/consultation with land managing agencies and the state on subsistence preference for Alaska Natives; administration of programs affecting the acquisition of Native allotments, and the administration of grants to each of the Native Group Corporations certified as a Native Group under the Alaska Native Claims Settlement Act. Provisions of subsistence are monitored to assure preservation of rights, resources, immunities and prerogatives to which the U. S. has committed itself by various statutes and regulations. Complaints that preference for subsistence uses is not adequately provided are investigated. Services to facilitate transfer of Alaska Native allotments are provided, such as rights of ways, leases, timber, transfers, probate, environmental services, archeological services, etc. A native allotment plan has been drawn up by the Juneau Area Office to facilitate and expedite conveyance of all Native allotments in Alaska through a coordinated, cooperative inter/intra agency six-year plan of action. It is imperative that a workable plan be put into effect as quickly as possible to eliminate the conveyance problem that is impeding implementation of the settlement laws enacted by the Congress. The BIA is charged with the responsibilities of assisting Alaska Natives to acquire title to the lands they use and occupy. The critical and complex issues to be resolved hinge on an organized approach to resolution to avoid more lengthy court cases and delays in settling the land claims of ANCSA in incorporating the State of Alaska, other Federal agencies, and private citizens. Approximately 10,000 applications are presently pending before the Department, on which there are many years of research, review, resolution work to be accomplished before the lands can be conveyed in addition to the extensive survey work that is still required.

Workload Data:

In FY 1981, Litigation Support was provided for 9 cases, Attorney Fees for 10 tribes, and Hunting and Fishing rights support for 8 tribes, and for 7 major unresolved Indian rights issues. Funds were also provided to research files to determine possible claims subject to the Statute of Limitations, 28 U.S.C. 2415. Approximately 5,000 possible claims were identified.

In FY 1982, Litigation Support was provided for 18 cases, Attorney Fees for 10 cases, and Hunting and Fishing rights support for 16 tribes, as well as to initiate an Indian fisheries commission in the Great Lakes Area and to provide for a public educational program to acquaint the non-Indian public in regard to Indian rights. Funds were also provided to research possible claims subject to the Statute of Limitations (28 U.S.C. 2415). Over 19,000 possible claims were identified.

In FY 1983, 15 cases were funded to support litigation, 13 tribes were provided support funds for hunting and fishing rights protection, and approximately 18 to 20 tribes were provided funds for attorney fees to pursue their cases independently. Funds were provided for continuation of work on unresolved Indian rights issues and for additional research as needed to support those cases filed in court or for those claims submitted for legislative resolution under the Statute of Limitations (28 U.S.C. 2415).

Increase for FY 1985:

(dollar amounts in thousands)

		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
B. Indian Rights				
Protection	(\$)	17,139	16,761	- 378
	(FTE-T)	(43)	(43)	(--)

Distribution:

Tribe/Agency Operations	(\$)	4,809	4,701	- 108
Area Office Operations	(\$)	655	655	(--)
Central Office				
Staff Operations	(\$)	555	555	(--)
Litigation Support	(\$)	2,762	2,762	(--)
Attorneys Fees	(\$)	1,500	1,730	+230

Distribution:

		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Unresolved Indian Rights				
Issues and Statute of				
Limitations	(\$)	2,000	1,500	-500
Hunting and Fishing				
Rights	(\$)	1,858	1,858	(--)
ANCSA Site Surveys	(\$)	1,600 *	1,600 *	(--)
Alaska Lands Act	(\$)	1,400	1,400	(--)

* Includes a Base transfer of \$600,000 from the National Park Service.

Tribe/Agency Operations (-\$108,000): This reduction is the net result of various tribal priority distributions of funds in the Indian Priority System.

Attorneys Fees (+\$230,000): Of this amount, \$100,000 will be made available for allocation to the Navajo and Hopi Tribes under P.L. 93-531 and an additional \$10,000 to each tribe under P.L. 96-305. The remaining \$110,000 will be used to meet other tribal attorney fee needs.

Unresolved Indian Rights Issues/ Statute of Limitations (-\$500,000): The Statute of Limitations claims identification process has been completed thus allowing for the decrease, with the balance of the base being fully available for researching and resolving all types of issues within this activity.

Object Class Distribution - Indian Rights Protection Subactivity

Other Services.....\$-418,000

Justification of Program and Performance

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

(dollar amounts in thousands)

<u>Program Elements</u>		<u>FY 1984 Approp. Enacted to Date</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) Dec. (-) From 1984</u>	<u>Inc. (+) Dec. (-) From Base</u>
A. Trust Services, General	(\$) (FTE-T)	1,015 (20)	1,071 (20)	1,019 (20)	+4 (--)	-52 (--)
B. Real Estate Services	(\$) (FTE-T)	23,110 (644)	23,366 (644)	24,227 (644)	+1,117 (--)	+861 (--)
C. Financial Trust Services	(\$) (FTE-T)	3,406 (161)	3,454 (161)	3,733 (161)	+327 (--)	+279 (--)
Total Requirements	(\$) (FTE-T)	27,531 (825)	27,891 (825)	28,979 (825)	+1,448 (--)	+1,088 (--)

Distribution:

Tribe/Agency Operations	(\$)	19,662	20,147	21,235	+1,573	+1,088
Area Office Operations	(\$)	2,834	2,613	2,613	-221	--
Central Office Staff Operations	(\$)	1,370	1,413	1,413	+43	--
Other Trust Respon- sibilities Programs	(\$)	3,665	3,718	3,718	+53	--
Cadastral Surveys	(\$)	(1,100)	(1,100)	(1,100)	(--)	(--)
Land Records Improve.	(\$)	(1,100)	(1,100)	(1,100)	(--)	(--)
Lease Compliance	(\$)	(1,465)	(1,518)	(1,518)	(+53)	(--)

A. Trust Services, General

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

Objective: To provide consistent, quality and timely direction and assistance in technical operations of all trust responsibilities programs; to direct, formulate and coordinate program policy, planning, development and execution; and to provide managerial assistance in the execution of trust services.

Base Program (\$1,071,000): This program provides funding for program management and support for trust and natural resources activities in the Central Office, and to land and trust matters in field offices. The responsibilities of these staff may include all or some of the following: Environmental Services, Rights Protection, Real Estate Services, Appraisals, Land Use Planning, Land Records Improvement, Financial Trust Services, Agriculture, Range, Soil and Moisture Conservation, Forestry, Fire Suppression, Energy and Minerals, Water Resources, Wildlife and Parks, Irrigation Construction and Operation & Maintenance, Fish and Game Management, Water Planning Implementation, Cultural Resources, Archeological Clearances, Road Construction, Road Maintenance, and others. In the Washington office, all of these programs are provided direction and support from the Office of the Director of Trust Responsibilities. These funds provide for the staff of the Office of the Director, Trust Responsibilities in Washington; for Rights Protection staff at some field locations; and for studies or contracts that may affect all or a combination of some of the trust responsibilities and natural resources programs at each location.

Tribe/Agency: The decrease of \$52,000 reflects adjustment in tribal priorities to more critical needs in Real Estate Services and Natural Resources matters.

(dollar amounts in thousands)

Decrease for FY 1985:

	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
<u>Trust Services, General</u>	<u>1,071</u>	<u>1,019</u>	<u>-52</u>
Tribe/Agency	396	344	-52
Area Offices	306	306	--
Central Office Staff Operations	369	369	--

B. Real Estate Services

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

The Bureau of Indian Affairs' responsibility under 25 U.S.C. 13 is to provide general administration of Indian property. Additional real estate services are mandated by other codes, statutes and court decisions. Among these requirements are: approve all contracts related to services on Indian lands (25 U.S.C. 176); consent to the alienation of tribal lands (25 U.S.C. 311-328); extend periods of trust and regulate descent and partition of kinship's interest (25 U.S.C. 398); P.L. 97-459, Indian Land Consolidation Act; sub-surface leasing of trust lands (25 U.S.C. 39, and subparts a through g). Under Seminole Nation v. United States (316 U.S.C. 286 (1942)), the Federal Government is charged to exercise its trust responsibilities by using the "most exacting fiduciary standards." More recent Federal statutes with which real estate services must interact are National Environmental Policy Act, Historic Preservation Act, Archaeological Antiquities Act, and the Archaeological Resources Protection Act of 1979.

Objectives: To protect and enhance the corpus of the Indian trust estate by providing both individual Indian landowners and Indian tribes with the professional, technical, administrative, and protective services required of

the United States in its role as trustee of Indian owned real property. To work with the Indian tribes, Congress and other interested parties toward resolution of the undivided heirship problem of allotted Indian land in accordance with existing authorities. To provide assistance in land use planning and resource management planning to those tribal entities which have requested and demonstrated a need for these services. To facilitate economic use of land by developing a capability to provide accurate and timely land record information and boundary delineation.

Base Program (\$23,366,000):

Tribe/Agency Operations (\$16,780,000): The Bureau of Indian Affairs, in addition to administration of lands under trust, provides real property management, counseling, appraisals and land use and management planning services to individual Indian allottees and 517 federally recognized tribes which own a beneficial interest in over 52 million acres of trust land.

Various decision making processes are developed through a cooperative effort with the Indian landowners for the proper utilization, development and enhancement of Indian trust lands.

The overall aim of these interrelated activities is to provide Indian land owners the essential data and assistance in support of the management and development of their surface and sub-surface land resources in keeping with the trust management role of the Federal Government. As a result, trust land leasing activities are a major part of the real estate program and provide a major source of income to the Indians. Over \$400,000,000 was derived from farm, business, oil, gas and mineral leases for the fiscal year ending September 30, 1982. In addition, land owners derive millions of dollars in added land values from land improvement and conservation stipulations contained in Bureau leases.

Land ownership (title) recordkeeping becomes more complicated each day because of the heirship problem and segregated surface and sub-surface ownership. There are over 200,000 tracts of trust land with an average tract ownership of ten undivided interest owners in allotted tracts, resulting in over 2,000,000 separate undivided interests on which to keep records.

The preparation and administration of probates are required in the administration of trust property and are essential functions of our basic program. This has also caused, and continues to cause the mounting Indian land heirship problem. Work with governmental and tribal entities to utilize existing authorities to resolve this problem will be pursued.

Area Office Operations (\$2,129,000): The Area Offices provide technical support and general policy direction as well as administrative review of agency real property management services. Technical support services include appeals assistance, review and developmental initiatives, and land use planning.

Central Office Operations (\$739,000): Central Office staff operations provide the basic real estate services policy, advice and budget services, appeals and title research required at the national level.

Cadastral Surveys (\$1,100,000): Funding for surveys in the amount of \$1.1 million will provide approximately 540 miles of boundary surveys in FY 1985. The program is directed toward accomplishing tribally-identified survey priorities in the areas of energy and energy-related mineral development where lack

of a correctly identified boundary constrains management and/or development of resources.

The table below shows accomplished (a) and estimated (e) number of miles of cadastral surveys performed by the Bureau of Land Management in the following fiscal years:

<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
600 (a)	700 (a)	650 (e)	540 (e)	425 (e)

The Inter-agency Cadastral Coordination Council which became operational during fiscal year 1982, will (through a more efficient scheduling of survey work) lead to an increase in the number of miles of boundaries surveyed. Administrative expenses (chiefly travel) are reduced, with more time devoted to actual survey of boundaries, resulting in more miles of boundary surveyed.

Lands Records Improvement (\$1,100,000): A funding level in FY 1985 of \$1.1 million will allow the continued leasing of an on-line computer capability, existing ADP systems maintenance, continuation of land title examinations and training in use of the automated land records system by Bureau title plant and agency personnel. The land title examination effort results in the examination of over forty thousand land titles. The present schedule is to complete the previously identified 200,000 title backlog in two additional years, provided this rate is maintained. The Bureau is in the process of negotiating with the National Archives Records Service to microfilm land title documents so that the originals can be returned to the archives.

Lease Compliance (\$1,518,000): The resources allocated to this activity are used by the Bureau for a systematic lease compliance monitoring system. Terms and conditions of approximately 18,000 leases are enforced through these efforts. In many cases, actions by the Bureau for noncompliance will result in recovery of funds for the Indian landowner. The basic real estate program will continue to provide for routine inspections required to assure the integrity of the trust lands management responsibilities. Leases to be given priority under this lease compliance activity are oil and gas, mining, agricultural (developmental stipulations), and rights-of-way.

The basis for systematic lease monitoring is the agency lease files. Approximately 20% of the leases expire each year. These leases are selected as the first priority for inspection. Lease compliance personnel, sometimes acting in conjunction with other land operations, forestry or mineral personnel, physically inspect the leased premises for compliance with the lease terms and stipulations, ranging from proper fencing and cropping patterns to oil and gas well royalty accounting procedures. These activities are undertaken by agency level compliance specialists. The Superintendent controls these events.

Current benefit/cost ratios for the program show that 3.0 to 3.5 dollars are recovered for every 1.0 dollar that is expended. Benefits from enhanced land base and improvements that result are not counted at this stage of the program. The favorable ratio is achieved by economies of scale (better coordination, multiple inspections and inspectors on the same trip, etc.).

Business and energy-related leases involve auditing of corporate books by professional personnel. Because of the nature of the work, contracted services will be used. As tribal priorities are identified (such as a program for monitoring production of producing oil and gas wells), the short response time frames necessitate contracting as opposed to hiring new personnel. It is

anticipated that the Southwest and the Dakotas will be primary targets of emphasis since resource extraction activities in these locations have intensified during the past few years.

Increase for FY 1985:

(dollar amount in thousands)

<u>Real Estate Services</u>		<u>FY 1985 Base</u>	<u>FY 1985 Estimates</u>	<u>Difference</u>
Tribe/Agency Operations	(\$)	16,780	17,641	+ 861
Area Offices	(\$)	2,129	2,129	--
Central Office Staff Operations	(\$)	739	739	--
<u>Other Real Estate Services:</u>				
Cadastral Surveys	(\$)	1,100	1,100	--
Land Records Improvement	(\$)	1,100	1,100	--
Lease Compliance	(\$)	1,518	1,518	--

The net Tribe/Agency increase of \$861,000 is the result of tribal priority setting and consists of a decrease of \$196,000 for Appraisals and an increase of \$1,057,000 for Other Real Estate Services. In Appraisals it is estimated that certain economies can be realized in consolidation of staff and through contracting. In Real Estate Services, tribes are intending to respond to requirements of the Indian Land Consolidation Act; to address heirship problems in fractionation of land interests; to handle the increase of easements and rights-of-way; and to assist in increased development of natural resources. Much of this will be accomplished through contracts with the tribes.

C. Financial Trust Services

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

Objective: To provide individual Indians and Indian tribes the same or equivalent technical, administrative and protective services that are expected and duly rendered to a beneficiary under any lawful trust created or imposed to protect, maintain or enhance the corpus of the trust estate.

Base Program (\$3,454,000): This program provides various services, including accounting for and disbursing tribal and individual Indian monies derived from the sale or lease of tribal resources such as land, timber, minerals and water; disbursing per capita payments, judgments, awards and claims; providing for trust fund histories, and research projects involving special fiscal problems; providing special financial reports for use in litigation cases; and compiling trust fund data for legislative acts and recommendations for the execution of the acts. The program is responsible for investing the various trust fund revenues so as to maximize returns while protecting the funds and providing, through an

automated accounting system, monthly reports for the appropriate tribes and individuals.

Workload Data:

	<u>FY 1982</u>	<u>FY 1983</u>
Total invested	\$1.5 billion	\$1.676 billion
Per annum Earnings	\$215.9 million	\$171.0 million
Tribes Serviced (#)	269	262
Individual Indian Money Accounts (#)	250,000	250,000

Increase for FY 1985:

(dollar amounts in thousands)

		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
<u>Financial Trust Services</u>	(\$)	<u>3,454</u>	<u>3,733</u>	<u>+ 279</u>
Tribe/Agency	(\$)	2,971	3,250	+279
Area Offices	(\$)	178	178	--
Central Office Staff	(\$)	305	305	--

This increase results from tribal concerns about the Bureau's ability to manage their trust income with the limited resources presently provided. Close management of their funds, maintenance of records, timely inform actions for investments, and timely responses to their funding needs are indicated by this substantial increase.

Object Class Distribution - Real Estate/ Financial Trust Services Subactivity

Other services	+ 280,000
Supplies and materials.....	<u>+ 808,000</u>
Total	<u>\$+1,088,000</u>

Justification of Program and Performance

Activity: Trust Responsibilities
 Item: Trust Responsibilities Contract Support

(dollars in thousands)

		FY 1984	FY	FY	Inc. (+)	Inc. (+)
		Approp.	1985	1985	Dec. (-)	Dec. (-)
		<u>to Date</u>	<u>Base</u>	<u>Estimate</u>	<u>From 1984</u>	<u>From Base</u>
Total						
Requirements	(\$)	---	813	813	+813	---

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$813,000): The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request.

As a part of the implementation of this directive in the budget process, this request distributes the FY 1984 appropriated amount of \$37,788,000 to each activity which has existing (in FY 1983) P.L. 93-638 contracts. The amount distributed to this activity is \$813,000. The actual distribution by program within this activity will be determined when the FY 1985 contracts are negotiated for programs currently (FY 1983) under contract. After the actual distribution is made, separate identification of the distributed funds will cease as they will become part of the program amounts in future budget requests.

The detailed base program description and justification for contract support funds and their overall purpose is included under the Self-Determination Services justification.

The following table provides a tentative distribution by programs within this activity of the base amount of contract support funds. The distribution was made by prorating contract support funds based on actual FY 1983 contract amounts. Since this distribution has not been based on individual contractor indirect cost rates (to be established at the time FY 1985 contracts are negotiated), it is not to be viewed as final.

<u>Program</u>	<u>Tentative Amount</u>
Indian Rights Protection.....	\$523,000
Real Estate Services.....	280,000
Financial Trust Services.....	<u>10,000</u>
	<u>\$813,000</u>

Activity Summary
(dollars in thousands)

Activity: Facilities Management

<u>Subactivity (program)</u>	<u>FY 1983 Actual (B.A.)</u>	<u>FY 1984 Approp. Enacted</u>	<u>FY 1984 Revised Estimate</u>	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Inc. (+) or Dec. (-) 1985 Est. over 1985 Base</u>
Facilities Management (Total)	89,872	91,113	91,653	91,175	90,196	-979

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Justification of Program and Performance

Activity: Facilities Management

(dollar amounts in thousands)

Program Elements		FY 1984 Approp. to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
A. GSA Rentals	\$	7,215	7,215	7,215	-0-	-0-
B. Facilities Oper. and Maint.	\$(FTE-T)	83,898 <u>(1,413)</u>	83,960 <u>(1,325)</u>	82,981 <u>(1,276)</u>	-917 <u>(-137)</u>	-979 <u>(-49)</u>
Total Requirements	\$(FTE-T)	91,113 <u>(1,413)</u>	91,175 <u>(1,325)</u>	90,196 <u>(1,276)</u>	-917 <u>(-137)</u>	-979 <u>(-49)</u>

Distribution

GSA Rentals	7,200	7,215	7,215	+15	-0-
New GSA Rentals	15*	-0-	-0-	-15	-0-
Existing Facilities O&M***	78,119	78,098†	76,530	-1,589	-1,568
New Facil. O&M	521**	-0-	564	+43	+564
New Direct Rentals	31**	-0-	25	-6	+25
FACCOM et al	1,500	1,500	1,500	-0-	-0-
Area Office Ops.	3,370	2,879	2,879	-491	-0-
Central Office Staff	357	369	369	+12	-0-
Fac. O&M Contract Support****	-0-	1,114	1,114	+1,114	-0-

* 1984 New GSA Rentals become part of GSA Rentals in the 1985 Base.

** 1984 New Facil. O&M and New Direct Rentals become part of Existing Facilities O&M in the 1985 Base.

*** Includes Previously Private Schools O&M.

† 1985 Base includes -1,850 for estimated savings from A-76 program.

**** Separate Justification of Program and Performance provided.

A. GSA Rentals

Authorization: Public Building Amendments Act of 1972 (P.L. 92-313).

Objective: To provide adequate space and physical facilities in which to effectively operate the programs of the Bureau at locations which do not have adequate Bureau-owned facilities.

Base Program (\$7,215,000): The base program includes funds for 1,089,000 square feet of GSA provided space serving Bureau programs throughout the country. No new space is requested in FY 1985. Another \$150,000 is available for Standard Level User Charges under the construction management activity.

B. Facility Operation and Maintenance

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

Objective: The objective of the Facility Operation and Maintenance (O&M) program is to provide basic facility operating services to existing Bureau-owned and/or operated facilities and previously private schools (institutions now funded by the Bureau which were either operated privately or by tribes in the past) and to maintain these facilities in satisfactory operating condition for the conduct of Bureau programs.

Base Program (\$83,960,000):

1. Existing Facilities O&M (\$78,098,000): The Existing Facilities O&M program provides services to about 10,000 buildings containing approximately 29,000,000 square feet at some 400 locations throughout the United States. Costs for the O&M program include utilities, personal services, minor repair and preventive maintenance, supplies, materials, and equipment.

Utility systems are operated and maintained at most locations and in many cases are quite extensive. Necessary utilities and services such as heating, cooling, electricity, water, sewage and refuse disposal, fuel and fuel storage, communications, janitorial and protection services are provided. Costs include personal services, materials, equipment, supplies, fuel and contractual services to operate, maintain, make minor repairs, and perform preventive maintenance for all facilities. These include quarters, dormitories, offices, academic buildings, shops, kitchen/dining, recreation, law enforcement facilities, grounds and streets.

Within the Existing Facilities O&M program, funds are included for BIA contract schools. Services provided to these schools are the same as those for the Bureau-operated facilities cited above.

2. New Facilities O&M (\$0): New facilities completed and provided additional O&M funds in FY 1984 include:

Rough Rock School, AZ	Moencopi School, AZ	Rosebud Law Enforcement, SD
St. Stephens School, WY	Navajo Mountain School, UT	Winnebago Detention, NE
Ft. Totten School, ND	Menominee Courthouse, WI	Bug-O-Nay-Ge-Shig School, MN
Little Eagle School, SD		

The funding for these facilities has been added to the Existing Facility O&M item in the FY 1985 Base column.

3. New Direct Rentals (\$0): Funding for new direct rental of space for the Ft. Belknap Agency in FY 1984 has been added to the Existing Facility O&M item in the FY 1985 Base column.

4. FACCOM et al (\$1,500,000): At the direction of Congress, the Office of Construction Management (OCM), in the Office of the Secretary has been working with the Bureau to implement improvements in the areas of facility construction and operations and maintenance. Three major initiatives, formerly funded by OCM, were transferred to the Bureau in FY 1983 and are consolidated here for funding purposes.

They include FACCOM, the Bureau's automated facilities information system designed to provide management with necessary data for: (1) planning, design and construction of new facilities; (2) facility improvement and repair; and (3) facility operation and maintenance. When fully developed, the system will provide information required by management for making policy and program decisions, provide current information to assist operating or facility managers

to manage programs, and enhance the development of timely reports, as required. Also included is the construction inspection program which utilizes contracts with architectural/engineering firms to provide progress inspections of the many facility improvement and repair and school construction projects which the Bureau awards. This program assures that buildings are constructed in accordance with plans and specifications and reduces the possibilities for fraud, waste, and abuse.

The boiler inspection program utilizes the services of professional firms through contracts to provide inspection and certification of boilers, fire trucks and pressure vessels in Bureau facilities. This critical life safety task must be performed yearly.

5. Area Office Operations (\$2,879,000): The area office facility management staff is responsible for technical coordination and engineering which includes developing the agency facility improvement and repair program; furnishing of overall guidance to the agency facility operation and maintenance program; distributing available funds within the area; providing technical guidance and assistance to agency plant management staff and tribal projects; providing inspection and evaluation service to agency staff on facilities; and providing field activities with energy conservation and environmental protection expertise. The area office facility management engineering section provides engineering survey services and construction management and engineering technical assistance. The area office staff also provides direct support to the execution of the agency level facility program. These direct support activities include supervision and inspection of major repair and improvement projects; inspection and evaluation of specialty systems such as boilers, water and waste disposal, water treatment, and control systems for heating and cooling plants, alarms and communications; performing trouble diagnosis in electrical and mechanical systems; and identifying and developing repair project need, scope and cost.

6. Central Office Staff (\$369,000): The Central Office Facilities Engineering Staff coordinates the Bureau's Facility Management responsibilities, deals with other Federal agencies, evaluates performance of field programs, and develops program policy recommendations for line management.

7. Facility O&M Contract Support (\$1,114,000): This represents the portion of P.L. 93-638 contract support required by O&M activities. See separate justification following this program justification.

Change for FY 1985: Requested changes to the Facility Operation and Maintenance Program are charted below:

	(dollar amounts in thousands)		
	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From Base
1. Existing Facilities O&M	\$78,098	\$76,530	\$-1,568
2. New Facilities O&M	-0-	564	+564
3. New Direct Rentals	-0-	25	+25
4. FACCOM et al.	1,500	1,500	-0-
5. Area Office Operations	2,879	2,879	-0-
6. Central Office Staff	369	369	-0-
7. Fac. O&M Contract Support	1,114	1,114	-0-
	<u>\$83,960</u>	<u>\$82,981</u>	<u>\$-979</u>

1. Existing Facilities O&M: For FY 1985, we are requesting \$76,530,000, a reduction of \$1,568,000 from the FY 1985 Base. This reduction is due to a

\$1,568,000 program decrease related to the scheduled closure of Intermountain Boarding School, Utah, and the proposed transfer of the remaining Alaska day schools to the State of Alaska.

The Alaska day schools are proposed for transfer to the State of Alaska in accordance with the schedule outlined in the language of the FY 1983 Supplemental Appropriations Act. One school was transferred in September 1983 and not less than nine schools are scheduled for transfer at the end of the 1983-84 school year with the remainder proposed for transfer at the end of the 1984-85 school year.

The net estimated savings in O&M for FY 1985 from the above school closure and transfers are indicated in the following table:

<u>SCHOOLS</u>	<u>FY 1984 Estimate</u>	<u>DESCRIPTION OF NEEDS</u>	<u>FY 1985 NEEDS</u>	<u>DIFFERENCE</u>
Alaska Day Schools	\$3,700,000	Operations of 10 to 6/85, Severance, Security	\$2,000,000	\$-1,700,000
Intermountain	\$1,577,000	Operations to 6/84, Severance, Security	\$1,709,000	\$+ 132,000
TOTAL	\$5,277,000		\$3,709,000	\$-1,568,000

The FTE for Existing Facilities O&M is being reduced from 1,325 to 1,276. The reduction of 49 FTE is possible because of the proposed closure of Intermountain Boarding School (-17 FTE) and the scheduled transfer of the remaining Alaska day schools to the State of Alaska (-32 FTE).

2. New Facilities O&M: The new facilities described below are scheduled to become operational in FY 1985 and will require \$564,000 for additional O&M costs:

	<u>Estimated Additional Square Feet</u>	<u>Estimated Added O&M Costs</u>
San Simon School, AZ	38,000	114,000
Red Lake School, AZ	15,000	46,000
Chilchinbeto Day School, AZ	12,500	36,000
Rocky Ridge Boarding School, AZ	7,200	21,000
Cherokee Law & Order, NC	14,500	66,000
Indian Township School, ME	25,000	71,000
Pleasant Point School, ME	20,000	61,000
Indian Island School, ME	35,000	102,000
Choctaw Agency, MS	14,000	41,000
Seminole Agency, FL	2,000	6,000
	<u>183,200</u>	<u>\$564,000</u>

3. New Direct Rentals: For FY 1985, \$25,000 is requested for new direct rentals at the Pawnee Agency, Oklahoma.

4. FACCOM et al: This program will remain at the FY 1985 base level to provide for the development, operation and maintenance of the FACCOM system; to obtain interim progress inspections on the facility improvement and repair projects awarded in FY 1985; and to provide for the yearly inspection of boilers, fire trucks, and pressure vessels in Bureau facilities.

5. Area Office Operations: This request continues the FY 1985 base level.

6. Central Office Staff: This program will remain the same as the FY 1985 Base.

Object Class Distribution - Facilities Management Activity

	<u>FTE-T</u>	<u>Amount</u>
Total Personal Compensation (FTE-T).....	-49	-\$1,363,000
Personnel Benefits.....		-110,000
Benefits to Former Personnel (severance pay, etc.).....		+282,000
Transportation of Things.....		+20,000
Communications, Utilities and Other Rent.....		+300,000
Other Services.....		+225,000
Supplies and Materials (net).....		<u>-333,000</u>
Total (net).....		<u><u>-\$ 979,000</u></u>

Justification of Program and Performance

Activity: Facilities Management
 Item: Facilities Management Contract Support

(dollars in thousands)

		FY 1984 Approp. to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
Total						
Requirements	(\$)	---	1,114	1,114	+1,114	---

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

Objective: To provide funds to tribes and/or tribal organizations for the incremental costs incurred as a result of their contracting to operate Bureau programs.

Base Program (\$1,114,000): The FY 1984 Senate Appropriations Committee report language directed that indirect (contract support) costs be included in the program accounts rather than as a line item in the FY 1985 request.

As a part of the implementation of this directive in the budget process, this request distributes the FY 1984 appropriated amount of \$37,788,000 to each activity which has existing (in FY 1983) P.L. 93-638 contracts. The amount distributed to this activity is \$1,114,000. The distribution was made by prorating contract support funds based on actual FY 1983 contract amounts. The actual distribution by location within this activity will be determined when the FY 1985 contracts are negotiated for programs currently (FY 1983) under contract. After the actual distribution is made, separate identification of the distributed funds will cease as they will become part of the program amounts in future budget requests. Since this distribution has not been based on individual contractor indirect cost rates (to be established at the time FY 1985 contracts are negotiated), it is not to be viewed as final.

The detailed base program description and justification for contract support funds and their overall purpose is included under the Self-Determination Services justification.

Activity Summary
(dollars in thousands)

Activity: General Administration

<u>Subactivity (program)</u>	FY 1983 Actual (B.A.)	FY 1984 Approp. Enacted	FY 1984 Revised Estimate	FY 1985 Base	FY 1985 Estimate	Inc. (+) or Dec. (-) 1985 Est. over 1985 Base
Management and Administration	48,826	46,274	46,830	50,364	54,568	+4,204
Employee Compensation Pymts.	4,582	6,829	6,829	6,998	6,998	---
Program Management	7,377	5,970	6,029	7,042	5,819	-1,223
Total	60,785	59,073	59,688	64,404	67,385	+2,981

Justification of Program and Performance

Activity: General Administration
 Subactivity: Management and Administration

Program Elements	(dollar amounts in thousands)				
	1984 Appropriation to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
A. Executive Direction	\$ 9,193 (FTE-T) (233)	9,873 (233)	10,039 (233)	+846 (---)	+166 (---)
B. Administrative Services	\$ 35,561 (FTE-T) (1,129)	39,086 (1,129)	38,964 (1,129)	+3,403 (---)	-122 (---)
C. ADP Services	\$ --- (FTE-T) (66)	--- (66)	3,115 (66)	+3,115 (---)	+3,115 (---)
D. Safety Management	\$ 840 (FTE-T) (25)	700 (25)	775 (25)	-65 (---)	+75 (---)
E. 638 Oversight/ Cost Determ.	\$ 680 (FTE-T) (18)	705 (18)	925 (25)	+245 (+7)	+220 (+7)
F. Improve Fin. System/Trust Fund	\$ --- (FTE-T) (---)	--- (---)	750 (---)	+750 (---)	+750 (---)
Total Requirements	\$ 46,274 (FTE-T) (1,471)	50,364 (1,471)	54,568 (1,478)	+8,294 (+7)	+4,204 (+7)

Distribution

Tribe/Agency Operations	\$ 17,790	18,289	18,408	+618	+119
Area Office Operations	\$ 12,011	14,411	14,411	+2,400	---
Central Office Staff	\$ 10,431	10,762	10,762	+331	---
Intra-Gov. Assessments	\$ 5,362	6,197	6,197	+835	---
ADP Services	\$ ---	---	3,115	+3,115	+3,115
638 Oversight Cost/Det.	\$ 680	705	925	+245	+220
Improve Fin. Sys./Trust Funds Accounting	\$ ---	---	750	+750	+750

A. Executive Direction and EEO

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

Objective: To plan, develop, direct, and control the implementation of policy in the operation of the Bureau of Indian Affairs to ensure the fulfillment of the Bureau's mission, goals and objectives.

Base Program (\$9,873,000): Because the program provides leadership and line management for all Bureau programs at all organizational levels, each level is funded as a separate activity. Funding at the Tribe/Agency level is determined by the priority setting process--the tribe allocates the funding for each activity. At the Tribe/Agency level, line officers and their support staff amount to 160 persons. None of the activities of this program are contracted. The activities for FY 1985 are:

- A. Central Office (\$961,000): Public Information, Congressional and Legislative Affairs, Equal Employment Opportunity, and Bureau Controlled Correspondence;
- B. Area Offices (\$1,772,000): Office of the Director, including immediate staff, at 12 locations;
- C. Agencies (\$7,140,000): Office of the Superintendent at 83 agencies (2 Agencies have no Bureau staff) and;
- D. Line managers located at various other independent locations such as area field offices, and subagencies. Funding for these managers is included in the Area and Agency amounts above.

Workload Data: Workload is not measurable in terms of identifiable outputs except in the area of EEO where annual affirmative action plans are published and all complaints/appeals must be serviced and actions completed within specified time frames. The executive function requires administrative and programmatic decision making and directed actions in keeping with delegated authorities. These decisions and actions cover all aspects of Bureau operations in carrying out specific policies, goals, and objectives as identified by the Administration, Department, and the Bureau of Indian Affairs.

Increase for 1985:

(dollars in thousands)

	<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
\$	9,873	10,039	+166
(FTE/T)	(233)	(233)	(---)

Tribe/Agency (\$+166,000): The total FY 1985 funding for Agency level Executive Direction is being increased by 3% over the current level. In setting their priorities in the Indian Priority System, tribes have recognized the need to adequately fund the line management function at the local level. The funds will be used to provide travel and other support costs to the Office of Superintendent at the various agencies provided an increase by the tribe(s). For the most part, these increases are offset by the decrease proposed in the Administrative Services program.

Central Office/Area Offices: Funding is maintained at the FY 1985 Base level for central and area offices.

B. Administrative Services

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

Objective: To provide administrative support to programs which carry out the mission of the Bureau of Indian Affairs at all levels.

Base Program (\$39,086,000): The Bureau's administrative services support the implementation of the Federal Government's statutes, orders, regulations, and other directives which provide the foundation for control and accountability of resources including management of funds, work force, property, materials, supplies, contracts and grants. The functions performed include management of general administration, personnel, property, procurement, records, mail, organization, budget, and finance. None of these activities are contracted, except for several small contracts with tribes to perform program planning functions at the reservation level.

Activity in some functions of administration has steadily increased due to implementation of P.L. 93-638, the Indian Self-Determination and Education Assistance Act and P.L. 95-561, the Education Amendments of 1978. P.L. 93-638 has increased the number of contracts and grants. Although this has diminished the overall Bureau work force, the offsetting workload in financial management and contract management has increased, because administration of contracts and grants dictates a high level of assistance to tribes to ensure that they maintain adequate systems for accountability and control of Federal funds. These additional monitoring functions have also required the establishment of better Bureau control and accountability systems in procurement, property, and financial management functions.

<u>FY 1985 Base</u> <u>Distribution:</u>	<u>Tribe/Agency</u>	<u>Area</u> <u>Offices</u>	<u>Central</u> <u>Office</u>	<u>Intra-Govt.</u> <u>Assessments</u>	<u>Total</u>
\$000	10,844	12,510	9,535	6,197	39,086
(FTE-T)	(344)	(529)	(256)	(-0-)	(1,129)

The base program has an overall increase of \$3,525,000 from FY 1984 appropriations-to-date which includes \$+1,216,000 for Federal employee and 638 pay costs; a base transfer of \$+835,000 from agency and school programs for their increased costs for postage (franked mailings); \$+1,575,000 at area offices for adjustments in the application of prior year general overhead cost reductions; and \$-101,000 in other minor base adjustments including the application of the estimated effects of the proposed grade bulge reductions to positions in grades GS/GM 11 - 15 in administrative programs at all levels of the Bureau.

Tribe/Agency: The FY 1985 Base program includes the costs of minimum on-site administrative support to reservation based programs. The usual level of services includes general administrative management, procurement, property management, fiscal control and reporting, as well as personnel services at some larger agencies. This level also provides administrative support and technical assistance to reservation education programs.

Area Office Operations: The area offices operate as centers for procurement, property management, budgeting and fund control, finance and accounting, and personnel management for all installations under their jurisdiction as well as all education installations within their area. These centers carry out the

workload associated with all administrative authorities with the exception of limited authorities which have been redelegated to the agencies and schools.

The increase in the FY 1985 Base for the area offices results from an adjustment in the resource allocations which were made in the FY 1984 budget request on a tentative basis to support the objectives of the FY 1983 general overhead reduction. The increase is totally offset by other reductions at the area offices in all other program management activities. The FY 1984 budget request stated that the distribution of the FY 1983 general overhead reduction (which was annualized in FY 1984 at \$17.4 million) was tentative pending completion of plans for implementing the reductions. In the FY 1984 tentative distribution, the area offices absorbed a \$10 million reduction which reduced their base funding for area direct operations from approximately \$38 million in FY 1982 to \$28 million in FY 1984. The FY 1984 level of funding is maintained for the direct operation of area offices in FY 1985, but the distribution among the program activities has been adjusted as shown in the following table (\$000):

<u>Program Activity</u>	<u>FY 1984 Tentative Distribution</u>	<u>FY 1985 Request *</u>	<u>Difference</u>
Education	\$ 287	\$ 243	\$ -44
Indian Services	4,276	3,777	-499
Housing	368	328	-40
Econ. Dev./Employ. Prgs.	1,650	1,483	-167
Natural Res. Development	2,703	2,783	+80
Trust Responsibilities	3,743	3,158	-585
Facilities Management	3,370	2,791	-579
General Administration	<u>12,011</u>	<u>13,845</u>	<u>+1,834 **</u>
Total	\$28,408	\$28,408	-0-

* FY 1985 Request amounts do not include January, 1984 pay cost increases or other small FY 1985 base adjustments applied to area office programs.

** Includes \$+497,000 for Executive Direction; \$+1,497,000 for Administrative Services; and \$-160,000 for Safety Management.

The major reason for the adjustments is that a large part of administrative services funding at the area offices provides services in direct support to the agencies, schools and other field offices. The FY 1985 proposed funding insures that the capacity to provide these services will be maintained at an adequate level. Area offices are delegated almost full authority, hence the responsibility, for carrying out all Federal legal and regulatory controls which secure the integrity of funds and resources management for total operations at the field level. Consequently, they must maintain staffs which can provide full coverage in carrying out these responsibilities for all activities and locations served. In addition, as the Bureau moves more toward tribal contract operations at the reservation level, administrative staffs at the area office level will have increasing workloads as opposed to those of program staffs.

Central Office: The Administrative Services program at the central level is primarily involved in the development and implementation of policies and procedures for all administrative functions. In addition, certain centralized services are provided such as, budget preparation, finance and accounting system operations, payroll and personnel system operation. The FY 1985 request maintains the FY 1985 Base funding level for central office staff operations.

Table I provides information on selected workload factors for the Administrative Services program.

Table I. SELECTED WORKLOAD FACTORS - ADMINISTRATIVE SERVICES

<u>SELECTED WORKLOAD FACTOR</u>	<u>UM</u>	<u>FY 1983</u>	<u>FY 1984 Estimate</u>	<u>FY 1985 Estimate</u>
I. Fiscal Transactions Processed <u>a/</u>	No.	8,600,000	8,700,000	13,000,000
II. Procurement Actions Completed <u>b/</u>	No.	100,000	100,000	100,000
III. Contracts Negotiated:				
1. Program Contracts P.L. 93-638	No.	1,255	1,280	1,300
2. Service Contracts <u>c/</u>	No.	4,200	4,500	4,800
IV. Grants Administered:				
1. P.L. 93-638	No.	459	464	470
2. Child Welfare Act	No.	163	137	137
V. Personnel Actions Completed <u>d/</u>	No.	60,000	65,000	58,000
VI. Property Inventory Items Maintained <u>e/</u>	No.	194,600	200,000	200,000
VII. Volume of Records Maintained <u>f/</u>	Cu. Ft.	134,400	141,120	148,176
VIII. Pieces of Franked Mail Dispatched <u>g/</u>	No.	3,616,482	3,797,325	3,987,165

a/ Includes all types of intra- and inter-Bureau transactions processed during the year such as allotments, allocations, obligations, accruals, disbursements, collections, refunds, etc. The significant increase (50%) in transactions in FY 1985 reflects computerization of commitments and the enhanced Indian Priority System (outputs, schedules, etc.)

b/ This number takes into account procurement requests for acquisition of supplies, materials, property, utilities, space and other similar services used in the conduct of Bureauoperated programs.

c/ Includes consultant software, construction contracts, & other program performance and service contracts.

d/ Processing of personnel actions such as accessions, promotions, separations, etc., requiring completion of SF-50's, (Notification of Personnel Action).

e/ Includes only personal property items which are maintained on the property management inventory system and accountable to an organization element.

f/ Figure represents total volume on hand including volume created during the year, less volume transferred to Record Center or destroyed.

g/ Based on semi-annual sampling data.

Intra-Governmental Assessments: There is an increase projected over FY 1984 appropriations-to-date for Postage. This increase has been financed by transferring funding in the Base from agencies and schools where postage is provided by franked mail. Other levels of the Bureau use postage meters and have shown either no increase or a declining cost since the meters were installed. Funding to cover the currently estimated cost of the FTS system has not been adjusted in the Base because of the uncertainty of the effects of deregulation and the recent breakup of AT&T. Should FY 1985 costs exceed the budgeted levels, additional funding will be derived by establishing user charges, as feasible. The breakdown in the various categories is as follows:

(in thousands of dollars)

	1984 Appropriation to Date	FY 1985 Base	FY 1985 Estimate	Difference
Postage	1,580	2,415	2,415	-0-
FTS-General	3,022	3,022	3,022	-0-
GSA-Refile	270	270	270	-0-
Departmental Billings <u>a/</u>	490	490	490	-0-
Total	5,362	6,197	6,197	-0-

a/ Departmental Billings are those charges by the Department for services provided to the Bureau by programs under the Office of the Secretary. The charges are computed by statistical proration or based upon actual usage. The services for FY 1984 were:

Storage and Shipping	Enforcement and Security Mgmt.
Medical and Health	Space Management
Printing	GAO Audit Index Hearing
General Services	EEO Branch of Investigation
Departmental Training	Minority Business Procurement and Policy

Decrease for 1985:

(dollars in thousands)

	FY 1985 Base	FY 1985 Estimate	Difference
\$	39,086	38,964	-122
(FTE/T)	(1,129)	(1,129)	(0)

Tribe/Agency (\$-122,000): The decrease of \$122,000 at the tribe/agency level is a result of tribal determination of program priorities under the tribal priority system. As in the past, tribes have recognized the need to have adequate administrative support for the other programs at the reservation level. Only minor reductions have been proposed in FY 1985, which have primarily been offset by increases in the Executive Direction program at the agency level.

Central Office/Area Offices: Funding is maintained at FY 1985 Base levels for central and area offices.

Intra-Governmental Assessments: Funding is maintained at the FY 1985 Base level.

C. ADP Services

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

Objective: To establish and operate a viable, computer oriented data processing function in support of the Bureau's programs, organizations and administrative systems.

Base Program (\$ 0): From FY 1979 through FY 1983, the Bureau's ADP services were configured around an ADP modernization program which emphasized equipment acquisition and upgrade with limited prior consultation and coordination with users to determine actual need and purpose. This effort resulted in a significant expenditure of funds and produced actual user data which was neither creditable nor readily available to management, program users, the Congress and others. As a result, the Congress directed the Bureau to cancel leases and return unused equipment and restricted ADP expenditures to \$3,000,000 for support of essential program and administration functions in FY 1983. The Bureau was also directed to cease any acquisition of hardware and software systems.

The Bureau is currently implementing a series of major organizational and operational changes to meet the directives of Congress and provide the Bureau with a sound ADP service base. Toward that end, the Bureau has initiated a major effort to validate FY 1983 and FY 1984 expenditures, to date, and develop Bureau-wide ADP cost estimates for FY 1984 and FY 1985 to support these organizational and operational strategies. In addition, Bureau management has instituted a freeze on the acquisition of hardware and software components and taken steps to ensure cost avoidance through cancellation of existing leases and the return of unneeded equipment and supplies. The required 90 day notice has been sent to the General Services Administration to initiate the return of 27 B-94 systems from throughout the Bureau. The anticipated cost avoidance from the return of this single group of equipment is estimated at \$500,000.

In recognition of the need for central office management of this process, a new Office of Data Systems (ODS) has been established within the Bureau to direct the Bureau's ADP activities. This office is charged with restructuring the Bureau's resources to meet the requirements for ADP services and to respond to the directives and guidance of the Congress and the Department to correct identified deficiencies in ADP management throughout the Bureau. The office has requested that the Congress provide relief from the \$3 million limitation, imposed in FY 1984, based on the progress which has been made and the actions currently being implemented by ODS.

In addition, the Bureau is preparing a detailed reprogramming request to submit to the Congress which delineates the funding required to operate existing systems during FY 1984 and the source of funds being utilized to fund Bureau ADP costs, including the new Office of Data Systems. The data will distinguish costs of services provided under a direct charge to users and costs to implement and operate the Office of Data Systems and the Information Management Centers. Among the programs or systems to be supported by the Office of Data Systems are social services (welfare checks), individual Indian monies (payments to beneficiaries of trust funds), forestry (timber sales receipts), land records, property, irrigation (water user charge receipts), finance/accounting, personnel and payroll.

The Bureau's ADP services will be provided through systems requirements support, operation and maintenance of data systems and resource application management (software/hardware). The policies, standards and management direction will come from the Office of Data Systems in Washington, D.C. The operation and maintenance of existing data systems for areas, agencies and, tribes will be provided primarily through the ODS's operating center in Albuquerque. Technical assistance in and administrative control of Bureau computer information, technology and hardware support will also be accomplished through ODS. This organization will direct the implementation and operation of a cost effective, modern information resources capability within the Bureau. It will be the basis for institutionalizing the operations of the teleprocessing system serviced under contract with Martin-Marietta; the social service system operated on the Bureau of Mines computer; and the six planned Information Management Centers (IMC's) located at Anadarko, Portland, Aberdeen, Phoenix, Billings and Albuquerque.

The national program and area offices will fund operation and maintenance of data systems as user groups from FY 1984 appropriations, to date. One of the first objectives of ODS is to develop an accounting based, ADP service charge system for recovering and billing the cost of services provided to users, inside or outside, the Bureau at all service centers. The system will utilize an automated cost accounting methodology which will identify the actual usage of computer services on a time basis, by program organization. For those costs which do not lend themselves to a machine-time format, sound cost accounting principles will be instituted within the Bureau's finance and accounting system to identify, record and report on ADP services by function. Another corrective action being taken under the ADP improvement program, in concert with the Bureau's efforts to improve its financial management and accounting systems, is the restructuring of the account coding system to capture the actual costs incurred for ADP services. The development of accurate cost data is fundamental to achieving a basis for requesting services, paying for those services, as well as managing and controlling ADP services. It also will be the basis for justifying requests for additional funding in FY 1984 and FY 1985.

At this time, the scope of ADP activities and their associated cost are being identified throughout the Bureau. ODS will be entering into agreements with central office program directors, area and agency line officials to identify services required, establish estimated cost for those services, and determine how the costs will be reported to the user. Cost avoidance from the cancellation of existing equipment leases and other cost containment actions by ODS will be identified in the FY 1984 reprogramming request being prepared for submission to the Committees.

The Bureau will begin providing quarterly reports to the Appropriations Committees on the progress of our ADP improvement program in FY 1984. Concurrent with this reporting, we will submit justifications for funds to support ADP initiatives being executed under a phased implementation strategy.

The actions outlined above involve a phased approach to correcting problems and implementing improvements in ADP operation and management. We believe this approach is the only way to resolve specific issues and correct the many ADP problems which have developed in the past decade.

Increase for FY 1985:

(dollars in thousands)

	<u>FY 1985</u>	<u>FY 1985</u>	<u>Difference</u>
	<u>Base</u>	<u>Estimate</u>	
(\\$)	-0-	3,115	+3,115
(FTE-T)	(66)	(56)	(--)

The \$3,115,000 increase requested for FY 1985 will be used to fund the leases and maintenance agreements on existing ADP equipment and telecommunication lines which support the Bureau's current computer network. Estimated actual costs for these items in FY 1983 was \$3,930,000 and in FY 1984 is projected to be \$4,695,000. The funding required and the source of funding for the Office of Data Systems is being developed as a part of the ODS task force initiative. The same process is being applied to Bureau-wide ADP program operations.

ADP activities determined to be unjustifiably costly or unsupportable within the new ADP program of the Bureau will be documented and removed from the program. Following this strategy, ODS will be able to develop a responsive, supportive base for requesting funds for ADP in FY 1985 and beyond. Accountability is a critical factor within the ADP program being implemented through the Office of Data Systems. As a part of the overall plan for improving the Bureau's ADP capability, we are requesting restoration of the direct funding deleted during the FY 1984 appropriation process. This funding is critical in the support of our current improvement efforts which will continue in FY 1985 and beyond.

The FTE-T shown for this program are for all ADP Services programs operating within the Bureau and are financed by user charges at the service centers involved.

D. Safety Management

Authorizations: Public Law 91-596 is known as the Occupational Safety and Health Act of 1970. Executive Order 12196, (October 21, 1980) requires Federal Agencies to comply with Sections 6, 19, and 24 of the Act.

Public Law 89-554 (U.S.C. 7901-3) directs the heads of agencies to establish services to federal employees; a health service program to promote and maintain the physical and mental fitness of employees; safety programs to promote safety and to reduce accidents and injuries among employees; and to provide and maintain personal protective clothing and equipment to employees.

The Federal Employees' Compensation Act of September 7, 1916 (39 Stat. 742, 5 U.S.C. 8101 et seq.) as amended, provides compensation for disability or death and full medical care for civilian officers and employees of the U.S. Government who suffer injuries or occupational illnesses in the performance of their duties. Public Law 83-766 amending the Federal Property and Administrative Services Act of 1949, (40 U.S.C. 491 (j) provides the congressional policy to provide for an economical and efficient system for the transportation of government personnel and property and to assure the safety of an operator of a government-owned or leased vehicle or a privately-owned motor vehicle used on official business. Authority for the compensation of losses due to negligent or wrongful acts or omissions of federal employees is the Federal Tort Claims Act of 1964.

The authority for the Indian Highway Safety Program is in the Federal Aid Highway Act of 1973 (P.L. 93-87) which states "that for the purposes of Indian tribes

applying for Highway Safety Program funding, the Secretary of the Interior is designated as governor of the "Indian" state and that the tribes are political subdivisions of the Indian State. Bureau authority is derived from the Memorandum of Agreement between the Departments of Transportation and Interior, dated May 15, 1974, implementing a Highway Safety Program on Indian reservations.

The authorities for Safety Management Technical Assistance Programs to tribes are the Snyder Act (25 U.S.C. 13) and the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450).

Objective: To provide policy, management, direction and evaluation of Bureau Safety Management Programs.

Base Program (\$700,000): The 14 program activities are as follows:

- (1) Bureau Occupational Safety and Health Program consistent with the Federal Occupational Safety and Health Program;
- (2) administration of the Loss Compensation Program which assures that all accidents and incidents under BIA jurisdiction are thoroughly investigated and documented including assistance to the Solicitor's office in the prompt settlement of loss compensation claims;
- (3) assistance to the training of employees in their rights and benefits provided by the Federal Employees Compensation Act, as amended, and to insure that employee claims are processed accurately and promptly;
- (4) assurance, in times of emergency and crisis, that all essential functions vital to government operations and community services are maintained and that assistance and resources are provided to protect life and property;
- (5) safety training in and the monitoring of the operation of government-owned or leased vehicles or privately owned motor vehicles on official business through the Motorized Equipment Safety Program;
- (6) coordination of the Indian Highway Safety program on Indian Reservations;
- (7) technical assistance to Indian tribes and tribal groups on Safety Programs, as requested;
- (8) administration of the Bureau Code Compliance Program;
- (9) administration of the Bureau Student Safety Program;
- (10) administration of the Safety Management Information System (SMIS);
- (11) administration and operation of the Bureau Fire Protection Program;
- (12) administration and operation of the boiler inspection program;
- (13) administration and operation of the structural safety program; and
- (14) management of EPA School Asbestos Program.

FY 1985 Base

<u>Distribution:</u>	<u>Tribe/Agency</u>	<u>Area Office</u>	<u>C.O.</u>	<u>Total</u>
\$000	305	129	266	700
(FTE-T)	(11)	(5)	(9)	(25)

The field staff (agency and area) are responsible for local safety program management and for providing training to all agency/tribal personnel. Most safety management functions are carried out by other program staff as a collateral duty.

The central Safety Management Staff provides Bureau-wide management, coordination of programs with other Federal agencies, evaluation of safety programs at the field locations, and centralized support services when economy of scale considerations are involved.

Workload Data:

<u>Selected Workload Factors</u>	<u>FY 1983 Actual</u>	<u>FY 1984 Estimate</u>	<u>FY 1985 Estimate</u>
Accidents Reported	2,000	2,000	2,000
Serious Accidents Investigated	15	15	15
Safety Programs Evaluated	1	3	3
Safety Inspections Made	6,000	6,000	6,000
Operators I.D. (SF-46) Issued	11,000	11,000	11,000
Emergency Preparedness Plans	15	15	15
Claims Processed:			
Injury Compensation	800	800	800
Tort and Other	100	100	100
Tort Claims Paid	2,000	2,000	2,000
Tribal Highway Safety Projects Funded	35	50	50

Increase for 1985:

(dollars in thousands)

	<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
\$	700	775	+75
(FTE-T)	(25)	(25)	(--)

Tribe/Agency (\$+75,000): The increase proposed for the Safety Management program is a result of tribal priorities as expressed in the tribal priority system. The funds will be used to provide additional support costs to agency level staff.

Area/Central Office: Funding is maintained at the FY 1985 Base level for central and area offices.

E. 638 Oversight/Cost Determination

Authorization: 25 U.S.C. 450 (the Indian Self-Determination and Education Assistance Act) authorizes the Secretary to provide grants to tribal governments to improve their governmental capacity and directs the Secretary to contract with tribes, at their request, to operate Bureau programs. 25 U.S.C. 13 (the Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services to federally recognized Indians.

Objectives: To permit a better and more consistent oversight of tribal contract and grant activities, to insure enforcement of contract administration requirements, and to provide technical assistance to the tribes in fund accountability, management and control; to determine the reasonableness of direct and indirect program costs that provide funds to support tribal expenses incurred in managing and operating 638 programs.

Base Program: This is a new initiative in FY 1984. Therefore, work experience information is not available for comparison. The program function is currently being established. All required organizational, management and personnel documents have been prepared and submitted for Departmental approval. Actual staffing of the organization will be accomplished in FY 1984.

The Assistant Secretary has established a division within the Office of Administration which will devote its total efforts to the oversight and evaluation of the Bureau's P.L. 93-638 contract and grant administration operation to assure contract/grant fund accountability, proper delivery of services and improved management control.

The staff (professional and clerical support personnel) will be headquartered in Washington, DC, with some specialists duty stationed at Portland, OR; Minneapolis, MN; and Albuquerque, NM in order to identify problem areas early in the contract/grant administration process for which corrective actions can be taken to increase management effectiveness. The staff's oversight and monitoring efforts will permit the Bureau to focus on those aspects of contract/grant administration related to:

- fiscal accountability and control of contract support expenditures;
- proper and prompt preparation and submission of expenditure documents by tribes to meet Federal regulatory requirements;
- proper administration of contract/grant programs by Bureau and tribal field officials;
- the monitoring of expenditures for direct and/or indirect costs under P.L. 93-638 contracts and/or grants; and
- the implementation of GAO and OIG recommendation; and
- modifying, or improving contracting and grants administration;

Through its monitoring and evaluation activities, the staff will provide highly visible support to Bureau and Tribal field management officials in resolving existing problems as well as in identifying potential problem areas so that remedial action can be expedited.

Increase for FY 1985:

(dollars in thousands)

	<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
\$	705	925	+220
(FTE-T)	(18)	(25)	(+7)

The requested increase of \$220,000 and 7 FTE-T is annualization of costs which were budgeted for approximately 9 months in FY 1984. The funding will be used to support personnel located in the Bureau central and field offices and to provide funds for necessary travel and other support services.

F. Improve Finance System/Trust Funds Accounting

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

Objective: To enhance and redesign the Bureau's automated accounting and financial information systems which provide management with an immediate and systematic capability for monitoring operations, ensuring accountability for appropriated and Indian trust funds, and obtaining decision making information on a timely basis.

Base Program: The Bureau has an automated accounting management system in operation which was designed to record, classify, and report all financial transactions for Appropriated and Trust Funds. The system was designed to operate

in accordance with accepted principles, practices, and procedures of accounting for funds, to record and accurately report, on a timely basis, the financial condition of all funds expended or administered by the Bureau. The system was also designed to meet all federally regulated requirements for recording, classifying, reporting, controlling funds and FTE utilization. The funding for the operation of the existing system is requested as part of the Administrative Services portion of this (Management and Administration) subactivity.

The Bureau's accounting system was last certified by GAO in 1952. As GAO has pointed out, the system, as well as the program and financial management it supports, have changed so substantially over the last 31 years that recertification is necessary. In addition, GAO audit requirements and new Federal regulatory requirements concerning waste, fraud, and abuse; cash management; and debt collection have imposed a critical need to redesign or modify the automated accounting and finance system to meet the new requirements. Redesign is also necessary in order to meet established standards for fund administration and control; to ensure that managers' financial information needs are met; and to meet the criteria outlined by GAO to reestablish certification of the system.

Basically, the redesign or modification efforts will be aimed at correcting known deficiencies and to meet established GAO standards leading to certification of the system, and will be consistent with a generic Department-wide financial accounting system as it is developed.

In FY 1983 and FY 1984, the Bureau has or will carry out assessments of the accounting and finance system. To date, it has identified the following items for initial redesign or modification. As the effort to improve the Bureau's accounting management progresses, other actions will be added as identified.

1. Integrating A-123 Internal Control Systems concepts into the finance and accounting system for cash management, debt collection, and administrative fund control.
2. Modifying and integrating, into the accounting and finance system, the property inventory system including capitalization of equipment, facilities, roads, bridges, and other structures for which appropriated funds are expended.
3. Ensuring proper design and improved interfacing or integrating of independent but closely related systems with or into the overall accounting and finance system. Examples are the Individual Indian Monies (IIM) and tribal trust fund systems.
4. Reviewing BIA's management of Indian trust funds -- both investment and cash management.
5. Designing and integrating an automated voucher examination and processing system (AVEPS) into the overall accounting and finance system.
6. Modifying the finance system to reflect fund commitments.
7. Integrating the Indian Priority System (IPS) for budgeting into the overall finance and accounting system so that efforts in planning, formulation, and execution of the budget are interfaced and can be systematically monitored and reported from one system.

8. Redefining management and administrative responsibilities in financial matters and processes.
9. Revising directives, procedures, and practices established for accounting and finance management to ensure compliance with current legal requirements and administrative regulations.
10. Designing new or modifying existing financial management reports to better meet the needs of key personnel and line managers throughout the Bureau.
11. Improving and expanding data on receivables, payables, and advances.

Workload Data: Workload data for the enhancement and redesign of the accounting and finance system will include the following items:

- A. Developing plans for redesign or design.
- B. Negotiating/Administering of contract(s) to cover automated systems design and programming.
- C. Rewriting directives, procedures, and processes.
- D. Preparing special progress reports for management and GAO.
- E. Continuing assessments of finance and accounting system design and operation to identify weaknesses or areas for improvement.

Increase for 1985:

(dollars in thousands)

	<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
\$	--	750	+750
(FTE-T)	(--)	(--)	(--)

The \$750,000 will be used, primarily through contracting, to do preliminary systems design and some of the computer programming necessary to meet criteria for recertification of the finance and accounting systems. The total project will be completed in FY 1987 and will require funding in each year until then.

Object Class Distribution - Management and Administration Subactivity

	<u>FTE-T</u>	<u>Amount</u>
Personnel compensation (annualization of 25 positions added in FY 1984).....	+7	\$ +198,000
Personnel benefits.....		+22,000
Travel and transportation of persons.....		+100,000
Other services.....		+3,865,000
Supplies and materials.....		<u>+19,000</u>
Total.....		<u>\$+4,204,000</u>

Justification of Program and Performance

Activity:	General Administration
Subactivity:	Employee Compensation Payments

(dollar amounts in thousands)

Program Elements	FY 1984 Approp. to Date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
A. Employee					
Compensation \$	4,829	4,998	4,998	+169	--
Payments (FTE-T)	(--)	(--)	(--)	(--)	(--)
B. Unemployment					
Compensation (FTE-T)	2,000	2,000	2,000	--	--
(FTE-T)	(--)	(--)	(--)	(--)	(--)
Total \$	6,829	6,998	6,998	+169	--
Requirements (FTE-T)	(--)	(--)	(--)	(--)	(--)
Distribution:					
Other Admin. Pgms. \$	6,829	6,998	6,998	+169	--

EMPLOYEE COMPENSATION PAYMENTS

Authorization: 5 U.S.C. et. seq. 39 Stat. 742. The Federal Employees' Compensation Act of September 7, 1916, as amended, provides compensation for disability or death and full medical care for civilian officers and employees of the U.S. Government who suffer injuries or occupational illnesses in the performance of their duties.

Objective: To provide for repayments of expenses to the Department of Labor's Federal Employees' Compensation Fund.

Base Program: The base program funding (\$4,998,000) provides reimbursement to the Department of Labor for 1982-83 expenses to the Employees' Compensation Fund. The increased amount is due to increased medical benefits, higher salary levels, cost of living increases and escalating cost of medical care and health plans.

UNEMPLOYMENT COMPENSATION

Authorization: P.L. 96-499. The Omnibus Reconciliation Act of 1980 requires that each Federal agency pay the cost of regular and extended benefits paid to its former employees by state employment security agencies for Federal service performed after December 31, 1980, and deposit such payments quarterly into the Federal Employee Compensation account in the U.S. Treasury.

Objective: To provide repayment of unemployment compensation charges to the Department of Labor.

Base Program: The base program funding of (\$2,000,000) provides reimbursement to the Department of Labor for unemployment compensation payments to former Federal employees who are eligible for compensation benefits if affected by reduction in force, expiration of temporary appointment, and resignation due to permanent change in station. The program funds prior to FY 1984 were obtained from savings realized in personal services and various bureau programs.

Justification of Program and Performance

Activity: General Administration
 Subactivity: Program Management

(Dollar Amounts in Thousands)

Program Elements		1984 Appropriation to date	FY 1985 Base	FY 1985 Estimate	Inc. (+) Dec. (-) From 1984	Inc. (+) Dec. (-) From Base
A. Construction Management	\$ (FTE-T)	2,580 (86)	3,596* (102)*	3,596 (102)	+1,016 (+16)	-- (--)
B. Road Const. Management	\$ (FTE-T)	1,223 (13)	1,223 (13)	-- (--)	-1,223 (-13)	-1,223 (-13)
C. Education Program Mgmt.	\$ (FTE-T)	2,167 (58)	2,223 (58)	2,223 (58)	+56 (--)	-- (--)
Total Requirements	\$ (FTE-T)	5,970 (157)	7,042 (173)	5,819 (160)	-151 (+3)	-1,223 (-13)

Distribution

Central Office

Staff Operations	\$	5,970	7,042	5,819	-151	-1,223
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* \$916,000 and 16 FTE-T is a base transfer in the estimates from Office of the Secretary, Office of Construction Management (OCM) to BIA Central Office, Construction Management.

A. Construction Management

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services including construction of facilities to support operating programs to federally recognized Indians.

Objective: To provide for the management of a program to plan, design, construct, and repair adequate and safe facilities in eligible Indian communities.

Base Program (\$3,596,000): It is the responsibility of the Bureau to provide adequate and safe facilities to eligible Indian communities. Management and accomplishment of the responsibility requires personal services, equipment, travel, management and accountability systems and general logistical needs. During FY 1983, the Bureau managed approximately 40 construction projects. In FY 1984, a similar workload is expected, including the supervision of a major portion of the 24 projects financed by the FY 1983 Jobs Bill to rehabilitate Bureau owned detention facilities. The Bureau of Indian Affairs has identified approximately 50 facilities improvement and repair projects for construction in FY 1985. These activities require the services of Bureau staff for the purpose of identifying projects, contracting with vendors for design, construction and construction supervision, and managing and reviewing all phases of the overall process. Bureau staff also provide for the proper equipping of school facilities. Bureau architects, engineers, and contract specialists are used in monitoring the contracted activities.

Bureau staff also develop, operate and maintain management information systems for the Construction (B&U) and Facility Management programs.

As a part of the transfer of responsibilities in the management of the Bureau's facilities from the Department's Office of Construction Management (OCM) back to the Bureau, \$916,000 and 16 FTE are shown as a base transfer from the Office of the Secretary to the Construction Management program element. During FY 1984, the actual transfer will be planned for implementation at the start of FY 1985. The needed facilities and construction program management improvements identified in FY 1979 have been developed and are being installed and implemented by the Bureau. Therefore, the time has come to also transfer the overall management and oversight functions back to the Bureau.

Change for FY 1985:

(dollars in thousands)

		<u>FY 1985</u>	<u>FY 1985</u>	<u>Difference</u>
		<u>Base</u>	<u>Estimate</u>	
Construction	\$	3,596 *	3,596	--
Management	(FTE-T)	(102)*	(102)	(--)

* Includes base transfer of OCM (\$916,000; 16 FTE).

No change in funding is proposed for Construction Management in FY 1985.

B. Road Construction Management

Authorization: P.L. 97-424, the Surface Transportation Assistance Act (STAA) of 1982, provides for funds available for Indian reservation roads to be used by the Secretary of the Interior (23 U.S.C. 204).

Objective: To provide for the Bureau level management of a program to plan, design, and construct adequate and safe roads to federally recognized Indians.

Base Program (\$1,223,000): It is the responsibility of the Bureau to provide public roads serving Indian reservations for safe and convenient transportation of people and goods. Management and accomplishment of the responsibility at the Central Office level requires personal services, equipment, and travel to manage consultations with the Department of Transportation; to allocate funds to areas and monitor expenditures; to provide engineering advice to the Director of Trust Responsibilities and the Office of the Assistant Secretary; to make management project quality control reviews; and to provide technical assistance to Areas and Agencies. Technical assistance includes bridge design, bridge inspection, road inventories, mapping, and computerized roadway design programs. P.L. 97-424 requires joint management of many aspects of the Indian reservation road program by the Secretaries of Transportation and of the Interior. This authority and responsibility has been delegated to the Office of Direct Federal Projects, Federal Highway Administration (FHWA), and to the Division of Transportation, Bureau of Indian Affairs.

Decrease for FY 1985:

(dollars in thousands)

		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Road Construction	\$	1,223	-0-	-1,223
Management	(FTE-T)	(13)	(--)	(-13)

Beginning in FY 1985, as a substitute for the funds requested in this budget for program management, the Secretary of the Interior is to be authorized, with the concurrence of the Secretary of Transportation, to expend not more than six percent of available contract authority from the Highway Trust Fund allocation for program management and supervision at the Central Office, Area and Agency levels. All FTE-T will also be received from the FHWA allocation.

C. Education Program Management

Authorization: 25 U.S.C. 2008-2325, the Education Amendments of 1978, (P.L. 95-561) provides for line authority administration of all Indian Education Programs by the Office of Indian Education Programs (OIEP). The law also mandates responsibilities for direct formula funding to Bureau elementary and secondary schools, and emphasizes local decision-making for Indian School Boards.

Objectives: To provide Bureau level direction and control by establishing or revising education policies and/or procedures that will result in the provision of a comprehensive and quality education program meeting specialized learning needs of Federally recognized Indian students not attending public or sectarian schools. These needs include bilingual/bicultural education; residential care programs with developmental guidance; and fiscal resources for the operation of, elementary, secondary and postsecondary school programs/services, either directly by the Bureau or by tribal contract.

Base Program (\$2,223,000): The Director, Office of Indian Education Programs provides line direction for all OIEP programs and systems through field line offices. The OIEP Director's authorities and responsibilities include policy analysis, formulation, and implementation; management systems development, implementation and evaluation; program planning, oversight and evaluation; allocation and expenditure of appropriated and flow-through funds; and personnel management of education staff at all levels of the organization.

The Director exercises line authority and control over: 1) Field Office education programs which, in turn, supervise Bureau off-reservation residential schools as well as peripheral dormitories housing Indian students attending public schools; 2) Field Office education programs which supervise the operation of local on-reservation schools and peripheral dormitories; and 3) Bureau post-secondary institutions. The OIEP Director is assisted by a Deputy Director, three Assistant Directors and program support staff at the Central Office level.

Change for FY 1985:

(dollars in thousands)

		<u>FY 1985</u> <u>Base</u>	<u>FY 1985</u> <u>Estimate</u>	<u>Difference</u>
Education Program	\$	2,223	2,223	--
Management	(FTE-T)	(58)	(58)	(--)

No change in funding is proposed for Education Program Management in FY 1985.

Bureau of Indian Affairs
 Summary of Requirements by Object Class
 (dollar amounts in thousands)

Appropriation: Operation of Indian Programs (Direct Program Only)

<u>Object Class:</u>	<u>1985 Base</u>		<u>1985 Estimate</u>		<u>Inc. (+) or Dec. (-)</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
11.0 Personnel compensation:						
11.1 Permanent positions.....	10,303	222,178	10,147	219,525	-156	-2,653
11.3 Positions other than permanent.....	2,233	48,424	2,175	46,221	-58	-2,203
11.5 Other personnel compensation.....		9,162		8,937		- 225
Total personnel compensation.....	12,536	279,764	12,322	274,683	-214	-5,081
<u>Object Class:</u>						
12.1 Personnel benefits.....		34,085		33,640		- 445
13.0 Benefits for former personnel.....		1,104		2,295		+1,191
21.0 Travel and transportation of persons.....		11,083		11,387		+ 304
22.0 Transportation of things.....		7,840		8,160		+ 320
23.1 Standard level of users charge.....		8,175		8,175		--
23.2 Communications, utilities and other rent....		10,600		10,895		+ 295
24.0 Printing and reproduction.....		722		722		--
25.0 Other services.....		333,428		340,357 *		+6,929
26.0 supplies and materials.....		44,197		44,462		+ 265
31.0 Equipment.....		6,185		6,123		- 62
32.0 Lands and structures.....		1,750		1,750		--
41.0 Grants, subsidies, & contributions.....		106,931		112,723		+5,792
Total Requirements.....	12,536	845,864	12,322	855,372 *	-214	+9,508

* Does not include obligations relating to unobligated balances carried forward (\$6,000,000) for the multi-year funds in Continuing Education, Johnson O'Malley Education Assistance, and Navajo-Hopi Settlement Program.

BIA-229

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Program and Financing (in thousands of dollars)

Identification code: 14-2100-0-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
Direct program:			
1. Education.....	297,357	260,743	275,951
2. Indian services.....	275,455	1/ 225,309	1/ 216,101
3. Economic development and employment programs.....	59,361	59,286	67,074
4. Natural resources development....	118,448	93,335	2/ 96,922
5. Trust responsibilities.....	47,739	45,759	3/ 47,743
6. Facilities management.....	89,551	91,653	90,196
7. General administration.....	60,785	59,688	4/ 67,385
Total direct program.....	948,696	835,773	861,372
Reimbursable program.....	23,257	52,300	52,300
10.00 Total obligations.....	971,953	888,073	913,672
<u>Financing:</u>			
Offsetting collections from:			
11.00 Federal funds.....	-39,524	-42,000	-42,000
14.00 Non-Federal sources.....	-9,563	-10,300	-10,300
21.40 Unobligated balance available, start of year.....	-34,147	-61,777	-55,777
24.40 Unobligated balance available, end of year.....	61,777	55,777	49,777
25.00 Unobligated balance lapsing.....	3,631	---	---
39.00 <u>Budget authority</u>	954,127	829,773	855,372
<u>Budget authority:</u>			
40.00 <u>Appropriation</u>	954,127	823,902	855,372
44.10 Supplemental for wage-board pay raises.....	---	1,051	---
44.20 Supplemental for civilian pay raises.....	---	4,820	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Program and Financing (in thousands of dollars)

Identification code: 14-2100-0-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	922,866	835,773	861,372
72.10 Receivables in excess of obligations, start of year..	-11,183	-14,507	---
72.40 Obligated balance, start of year.....	213,527	269,263	276,586
74.10 Receivables in excess of obligations, end of year....	14,507	---	---
74.40 Obligated balance, end of year.....	-269,263	-276,586	-317,267
77.00 Adjustments in expired accounts.....	-16,299	---	---
90.00 Outlays, excluding pay raise supplemental.....	854,155	808,423	820,340
91.10 Outlays from wage-board pay raise supplemental.....	---	990	61
91.20 Outlays from civilian pay raise supplemental.....	---	4,530	290
<u>Distribution of outlays by accounts:</u>			
Education and welfare services.....	1	---	---
Operation of Indian Programs.....	854,154	813,943	820,691

1/ Excludes \$23,000 thousand in 1984 and \$20,607 thousand in 1985 for the Housing activity, previously funded under Bureau of Indian Affairs, Operation of Indian Programs, transferred to: Bureau of Indian Affairs, "Construction".

2/ Excludes \$139 thousand in 1985 for activities previously transferred to: Department of the Interior, Office of the Secretary, "Departmental Management".

3/ Includes \$600 thousand in 1985 for activities previously financed from: Department of the Interior, National Park Service, "Operation of the National Park System", 1983 - \$600 thousand; 1984 - \$600 thousand.

4/ Includes \$916 thousand in 1985 for activities financed from: Department of the Interior, Office of the Secretary, "Construction Management", 1983 - \$896 thousand; 1984 - \$800 thousand.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Object Classification (in thousands of dollars)

Identification code: 14-2100-0-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Direct obligations:</u>			
<u>Personnel compensation:</u>			
11.1 Full-time permanent.....	218,900	216,825	219,525
11.3 Other than full-time permanent.	48,404	47,200	46,221
11.5 Other personnel compensation...	9,404	9,162	8,937
11.8 Special personal services payments.....	1,887	---	---
11.9 Total personnel compensation.	278,595	273,187	274,683
12.1 Personnel benefits: Civilian...	33,575	32,460	33,640
13.0 Benefits for former personnel..	2,453	1,235	2,295
21.0 Travel and transportation of persons.....	11,731	11,450	11,387
22.0 Transportation of things.....	8,131	7,840	8,160
23.1 Standard level user charges....	8,326	9,017	8,175
23.2 Communications, utilities, and other rent.....	11,082	10,445	10,895
24.0 Printing and reproduction.....	1,030	709	722
25.0 Other services.....	429,464	335,743	346,357
26.0 Supplies and materials.....	52,115	44,210	44,462
31.0 Equipment.....	7,655	6,180	6,123
32.0 Lands and structures.....	501	1,750	1,750
41.0 Grants, subsidies, and contributions.....	103,973	101,547	112,723
42.0 Insurance claims and indemnities.....	65	---	---
99.0 Subtotal, direct obligations.....	948,696	835,773	861,372
99.0 Reimbursable obligations.....	23,257	52,300	52,300
99.9 Total obligations.....	971,953	888,073	913,672

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS

PERSONNEL SUMMARY

Identification code: 14-2100-0-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Direct:</u>			
Total number full-time permanent positions.....	11,074	10,328	10,207
Total compensable workyears:			
Full-time equivalent employment...	13,091	12,608	12,410
Full-time equivalent of overtime and holiday hours.....	442	424	413
<u>Reimbursable:</u>			
Total full-time permanent positions.	575	575	568
Total compensable workyears:			
Full-time equivalent employment...	883	883	876
Full-time equivalent of overtime and holiday hours.....	18	18	18

CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

For construction, major repair and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and construction, repair, and improvement of Indian housing, [\$78,920,000] \$73,324,000, to remain available until expended [Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation.]

(25 U.S.C. 13, 450, 465, 631-640; Public Law 98-146, making appropriations for the Department of the Interior and Related Agencies, 1984.)

Justification of Proposed Language Change

1. Deletion: "Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation."

Funds were last provided specifically for the Navajo Indian Irrigation project for transfer to the Bureau of Reclamation in fiscal year 1983. No additional are being requested for the project in fiscal year 1985. Therefore, this language is no longer necessary.

Appropriation Language and Citation

1. For construction, major repair and improvement of irrigation and power systems,

For construction, major repair and improvement of irrigation and power systems involving irrigation canals, wells, hydro-electric dams and water and electrical distribution systems.

25 U.S.C. 13
25 U.S.C. 631(2)

25 U.S.C. 13, (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services including construction of facilities to support operating programs to federally recognized Indians. This also provides for the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies. In addition most of the major projects have specific authorizations.

25 U.S.C. 631(2), In order to further the purposes of existing treaties with the Navajo and Hopi Indians to provide facilities essential in combating hunger, disease, poverty and demoralization among its members, section 2 includes the following:

- (2) Completion and extension of existing irrigation projects, and completion of the investigation to determine the feasibility of the proposed San Juan-Shiprock irrigation project.

2. buildings utilities, and other facilities;

For construction, major repair and improvement of all BIA buildings, utilities and other facilities including demolition of obsolete structures and consolidation of underutilized facilities.

25 U.S.C. 13
25 U.S.C. 450
25 U.S.C. 631(12)(14)

25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act) in Section 458 authorizes construction of public school facilities serving Indian children and permits expending not more than 25 percent of any funds appropriated for construction of previously private schools.

25 U.S.C. 631 (12)(14), In order to further the purposes of existing treaties with the Navajo and Hopi Indians to provide facilities essential in combating hunger, disease, poverty and demoralization among its members, sections 12 and 14 include the following:

(12) School buildings and equipment, and other educational measures.

(14) Common service facilities.

3. including architectural and engineering services by contract,

The construction program includes the advertisement for architectural and engineering services through the Buy Indian Act P.L. 93-638 and open market contracts.

25 U.S.C. 13
25 U.S.C. 450 (P.L. 93-638)

4. acquisition of lands and interests in lands;

The program includes the acquisition of land and interests in lands as directed by Congress and the judicial decisions.

25 U.S.C. 465

25 U.S.C. 465, The Secretary of the Interior is hereby authorized, in his discretion to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted allotments, whether the allottee be living or deceased, for the purpose of providing land for Indians.

5. preparation of lands for farming;

The construction program includes functions relating to preparation of lands for farming and irrigation such as cleaning, leveling, terracing and installation of irrigation systems.

25 U.S.C. 13
25 U.S.C. 465

6. and construction, repair, and improvement of Indian housing,

The construction program also includes funds for housing improvement and development to provide decent, safe and sanitary housing to Indian communities.

25 U.S.C. 13

7. \$, to remain available until expended.

No Specific Authority

This appropriation involves construction projects which require more than a one-year cycle from their beginning stages through the actual construction of facilities. Therefore, funds are to remain available until expended.

BUREAU OF INDIAN AFFAIRS

Status of and Request for Budgetary Resources

Account: Construction 14X2301

FY 1984 Budgetary Status

Budget Authority Available:

Appropriation realized.....	\$ 78,920
Prior-year unobligated balance brought forward.....	112,285
Anticipated recovery of prior-year obligations.....	---
	<u>191,205</u>

Less anticipated obligations (by activity):

1. Buildings and Utilities.....	\$-88,926	
2. Irrigation systems.....	-48,613	
3. Housing.....	-22,500	
4. Land acquisition.....	<u>- 1,166</u>	
Total anticipated obligations.....		<u>\$161,205</u>

FY 1985 Request

Anticipated unobligated balance brought forward.....	\$30,000
------------------------------------------------------	----------

Plus increases proposed (by activity):

1. Buildings and Utilities.....	\$+40,540	
2. Irrigation systems.....	+11,981	
3. Housing.....	+20,803	
4. Land acquisition.....	---	
Total increase proposed.....		<u>\$ 73,324</u>

Total Anticipated BA available for obligation.....	<u><u>\$103,324</u></u>
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BUREAU OF INDIAN AFFAIRS
Analysis of Budgetary Resources by Activity

Account: Construction

Activity	FY 1983 Appropriation	FY 1984 Appropriation	FY 1985 Appropriation	FY 1985 Inc.(+)/Dec.(-) from 1984 Appropriation
1. Building & Utilities				
BA available for obligation:				
Appropriation.....	82,800,000	50,220,000	40,540,000	- 9,680,000
Unoblig. bal. brt. fwd.....	43,113,175	57,971,148	20,000,000	-37,971,148
Total BA available.....	125,913,175	108,191,148	60,540,000	-47,651,148
Less obligations.....	67,942,027	88,191,148	40,540,000	-47,651,148
Unoblig. balance carried fwd..	57,971,148	20,000,000	20,000,000	---
(FTE-T)	(---)	(---)	(---)	
2. Irrigation Systems				
BA Available for obligation:				
Appropriation.....	49,140,000	5,700,000	11,981,000	+ 6,281,000
Unoblig. bal. brt. fwd.....	20,419,000	53,108,979	9,500,000	-43,608,979
Total BA available.....	69,559,000	58,808,979	21,481,000	-37,327,979
Less obligations.....	16,450,021	49,308,979	11,981,000	-37,327,979
Unoblig. balance carried fwd..	53,108,979	9,500,000	9,500,000	---
(FTE-T)	(76)	(71)	(71)	(---)
3. Land Acquisition				
BA available for obligation:				
Appropriation.....	---	---	---	---
Unoblig. bal. brt. fwd.....	1,166,824	1,205,031	---	- 1,205,031
Total BA available.....	1,166,824	1,205,031	---	- 1,205,031
Less obligations.....	(-)38,207	1,205,031	---	- 1,205,031
Unoblig. balance carried fwd..	1,205,031	---	---	---
(FTE-T)	(---)	(---)	(---)	(---)
4. Housing				
BA available for obligation:				
Appropriation.....	---	23,000,000	20,803,000	- 2,197,000
Unoblig. Bal. Brt. fwd.....	---	---	500,000	+ 500,000
Total BA available.....	---	23,000,000	21,303,000	- 1,697,000
Less obligations.....	---	22,500,000	20,803,000	- 1,697,000
Unoblig. balance carried fwd..	---	500,000	500,000	---
(FTE-T)	(---)	(80)	(80)	

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(Continued)

BUREAU OF INDIAN AFFAIRS
Analysis of Budgetary Resources by Activity

Account: Construction

	FY 1983 Appropriation	FY 1984 Appropriation	FY 1985 Appropriation	FY 1985 Inc.(+)/Dec.(-) from 1984 Appropriation
<u>Account Totals</u>				
BA available for obligation:				
Apropriation.....	131,940,000 <u>a/</u>	78,920,000	73,324,000	-5,596,000
Unoblig. bal. brt. fwd.....	64,698,999	112,285,158	30,000,000	-82,285,158
Total BA available.....	196,638,999	191,205,158	103,324,000	-87,881,158
Less obligations.....	84,353,841	161,205,158	73,324,000	-87,881,158
Unoblig. balance carried fwd..	112,285,158	30,000,000	30,000,000	---
	(FTE-T) (76)	(151)	(151)	

a/ Includes "Jobs Bill" FY 1983 appropriation [P.L. 98-8]: \$+24,450,000 -- B&U; \$+10,000,000 -- Jail Renovation; and \$+30,000,000 -- Irrigation.

BIA-239

Justification of Program and Performance

Activity: Construction
Subactivity: Buildings & Utilities

	(Dollars in thousands)		
	1984		Inc. (+)
	Appropriation	FY 1985	or
	<u>to Date</u>	<u>Estimate</u>	<u>Dec. (-)</u>
Education Projects	10,220	4,540	-5,680
Non-Education Construction	-0-	-0-	-0-
Advanced Planning & Design	-0-	-0-	-0-
Facility Improvement & Repair	<u>40,000</u>	<u>36,000</u>	<u>-4,000</u>
Total Buildings and Utilities	50,220	40,540	-9,680

Authorizations:

25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services including construction of facilities to support operating programs to Federally recognized Indians.

25 U.S.C. 450 (The Indian Self-Determination and Education Assistance Act) in Section 458 authorizes construction of public school facilities serving Indian children and permits expending not more than 25% of any funds appropriated for reconstruction of previously private schools.

25 U.S.C. 631-640 Section 631 permits use of funds to construct facilities for programs serving the Navajo and Hopi Tribes.

General Justification:

A. Facility Improvement and Repair Program (\$36,000,000)

Bureau Facility Improvement and Repair (FI&R) priorities are to:

1. Continue the Boiler Repair and Emergency Repair Programs;
2. Reduce facility improvement and repair needs with emphasis on critical life safety needs as they arise;
3. Consolidate underutilized facilities, particularly school plants, to maximize use of existing facilities and to defer some of the continuing costs of repair, operation and maintenance;
4. Repair or refurbish obsolete facilities through alternative consideration of the Facilities Improvement and Repair Program (e.g., renovation, improvements, demolitions, or additions).

The Bureau of Indian Affairs manages over 10,000 structures at 400 locations throughout the United States. The improvement and repair of these structures is a continuing effort. There are opportunities for cost savings through consolidation of facilities which are underutilized, unsafe, and/or too expensive to maintain.

Further studies of schools and other facilities on or near the various reservations are to be undertaken to determine which facilities can be consolidated and/or closed and which should be repaired or remodeled.

Requirements concerning energy use reduction, handicapped renovation, life safety code violations and other functional deficiencies are included in the Facility Improvement and Repair category of construction needs. Various structures, because of prohibitive costs to update or renovate, will be demolished and replaced.

The Quarters Improvement and Repair Program, instituted in FY 1982 and continued through FY 1984 has totalled approximately \$20,000,000. Rental receipts for FY 1985, anticipated at nearly \$9,000,000, will continue to be expended for quarters repair and improvement.

- B. Education New Construction Projects (\$4,540,000) The justification for the Education Projects for FY 1985 funding is contained in this material. See detailed justification.
- C. Non-Education Construction (\$0) Priorities for new construction do not include requests in this category in FY 1985.
- D. Advance Planning and Design (\$0) Priorities for new construction do not include requests in this category in FY 1985, since sufficient funds are available for design to stay ahead of the current project construction.

EDUCATION CONSTRUCTION

Authorizations: Same authorizations as first page of this section.

Proposal: Plan, design, and construct new school facilities.

Justification:

It is the responsibility of the Bureau of Indian Affairs to provide adequate and safe educational facilities to eligible communities within the authority structure quoted. Schools may be Bureau operated or contract operated by tribal organizations.

The following table displays the status of the Bureau's on-going education construction projects as of the second quarter of FY 1984

<u>School Name</u>	<u>Appropriation FY</u>	<u>a/</u>	<u>% b/ Completed</u>	<u>Total Amount of Appropriation</u>
Bug-O-Nay-Ge-Shig	1981		50% (C)	\$3,962,000
Alamo Navajo	R-1982		100% (D)	\$580,000
	1984		0% (C)	\$10,220,000 <u>c/</u>
Black Mesa	1982 Supp.		100% (D) 0% (C)	\$1,000,000 (D&C)
Indian Island	1982		85% (D)	\$240,000 <u>d/</u>
Hopi Jr/Sr High	1981		95% (D)	\$1,100,000
	1981-83		0% (C)	\$31,570,000
Little Eagle	R-1983		45% (C)	\$3,360,500
San Simon	R-1983		45% (C)	\$3,588,000
Western Cheyenne River Consolidated (Design)	1983		0% (D)	\$240,000
			(C)	\$4,540,000 (1985 Request)

a/ R=Reprogrammed;

b/ C=Construction; D=Design

c/ \$7,400,000 of the these funds are proposed for transfer to Operation of Indian Programs to meet FY 1984 supplemental needs for welfare grants.

d/ Design funded by BIA. To be Constructed by Department of Education via P.L. 81-815.

Within funds available, designs will be initiated in FY 1984 on the next two projects on the education construction priority list--Papago High School and Two Eagle River High School.

Within this proposal for FY 1985, a total of \$4,540,000 will be used for the construction of Western Cheyenne River Consolidated School. The detailed project description follows.

EDUCATION CONSTRUCTION PROJECT JUSTIFICATION

SOUTH DAKOTA - Cheyenne River Reservation

Cost in Thousands

Project Title: Western Cheyenne River Consolidated School

\$4,540

Need:

The Western Cheyenne River Consolidated School is to be developed as a replacement for three smaller schools - Cherry Creek, Bridger, and Red Scaffold which are in poor repair and will be closed. Enrollment in each of these facilities ranges from 30 to 90 students. Repair of the structures would be quite expensive relative to the resultant extended life expectancy and would remain unsatisfactory relative to a modern education program.

Description:

The consolidated school will house 260 students in grades K-9. It will include 2 kindergartens, 7 general classrooms, gymnasium, library-materials center, home economics lab, reading lab, arts and crafts room, business lab, special education room, general shop, kitchen/dining area, administration, and bus garage/maintenance area. Staff housing will remain at the existing three facilities at this time. Estimated costs:

Academic Building (including gym)	\$3,210,000
Site and Utilities	400,000
Contingencies and Supervision	610,000
Equipment	<u>320,000</u>
ESTIMATED TOTAL PROJECT COST	\$4,540,000

Benefits:

Construction of this project will enable the Bureau to close three small schools. Overall savings will be made in operation and maintenance costs and in program costs. A modern education facility for the extended K-9 program will become available.

FACILITY IMPROVEMENT AND REPAIR

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services, including the repair, renovation, and improvement of facilities to support operating programs to federally recognized Indians.

Proposal: Within this \$36,000,000 proposal are funds for the accomplishment of essential facility repair and for improvement at various sites within the responsibility of the Bureau. Included are needed repair tasks, updating buildings and utilities to correct existing functional or unsafe and/or unsanitary conditions, and bringing various structures up to the regulatory requirements for energy conservation and the handicapped.

Justification: In addition to accomplishing needed repair and improvements, correcting functional deficiencies and modernizing to meet today's standards, there are requirements for compliance with the specifically mandated programs concerning safety, environmental protection, energy conservation and the handicapped. The need for Facility Improvement and Repair projects will continue until facilities can be repaired and improved to an acceptable condition where they can be maintained under a normal maintenance program.

Repair projects are selected by Area priority from the Facility Improvement and Repair Backlog. An annual boiler inspection program has been implemented; funds are necessary for their repair or replacement for continued safe operation. Funds are included under advance design when needed to facilitate obligation of future year repair and improvement funds.

Construction obligations for Facilities Improvement and Repair (FI&R) projects for Fiscal Year 1983 are detailed in the following table.

FY 1983 - FI&R OBLIGATIONS

<u>Project</u>	<u>Amount of Obligation</u>
Tetlin School, AK	323,203
Nunapitchuk School, AK	623,667
Fort Yates Headquarters, ND	220,000
Allen (Amer. Horse School), SD	114,400
Bullhead School, SD	190,000
Rosebud Headquarters, SD	1,313,433
Ft. Thompson Headquarters, SD	533,932
Bridger School, SD	146,453
Promise School, SD	143,400
Busby School, MT	880,000
Toksook Bay School, AK	1,137,000
Carter Seminary, OK	134,750
Jones Academy, OK	463,500
Phoenix Indian School, AZ	557,850
Tuba City School, AZ	1,589,000
Red Lake School, AZ	2,432,000
Lukachukai School, AZ	1,522,000
Borrogo Pass School, NM	3,548,000
Rocky Ridge School, AZ	1,910,000
Ft. Totten Headquarters, ND	807,900
Loneman School, SD	516,000

<u>Project</u>	<u>Amount of Obligation</u>
Cherry Creek School, SD	161,745
Swift Bird School, SD	\$ 157,200
Twin Buttes School, ND	786,792
White Horse, SD	59,500
Concho Agency Water System, OK	94,798
Rocky Boys Agency, MT	449,135
Keams Canyon Headquarters, (AZ)	1,550,000
Polacca School, (AZ); Second Mesa School, (AZ); Hotevilla School, (AZ)	541,000
White River Headquarters, AZ	459,174
Owyhee Headquarters, NV	205,480
Valentine Headquarters, (AZ) Peach Springs, (AZ); Thorton Lookout, (AZ)	697,800
Salt River Headquarters, AZ	218,860
San Carlos-Point of Pines, AZ	116,000
Hoopla Agency Wastewater, CA	121,002
Jicarilla Apache Hqtrs., NM	1,658,587
Cottonwood School, AZ	436,899
Chilchinbito School, AZ	1,241,000
Red Rock School Well, AZ	140,000
Dennehotso Sewage Lagoon, AZ	60,000
Dzilh-Na-O-Dith-Hle (NM), Kayenta (AZ) Roofs	492,505
Standing Pine School, (MS); Tucker Day School, (MS); Choctaw Central H.S., (MS); Bogue Chitto School, (MS); Conehatta School, (MS); Red Water School, (MS);	835,742
Navajo Asbestos Abatement, (AZ/NM)	773,669
Turtle Mt. Windows, ND	292,775
Turtle Mt. Kitchen, ND	244,695
New Town Streets, ND	77,765
Rock Point Well, AZ	193,715
Many Farms School, AZ	20,788
Rock Pint Water System, AZ	25,000
Mescallero Garage, NM	<u>93,000</u>

SUBTOTAL FY 1983 FI&R PROJECT OBLIGATIONS: \$31,311,119

Other obligations including miscellaneous minor repair, emergency repair, boiler repair, advance planning and design; and management and inspection.

\$13,038,881

TOTAL FY 1983 FI&R OBLIGATIONS \$44,350,000

Work performed on the above projects consisted of design and construction improvements of the following general types (not all types of work were performed on each project):

General Repair: This includes all items that need repair but does not involve safety codes or proper function of building. Examples: broken door stops, inoperable door closers, worn floor tile. The distinction between

general repair and correcting functional deficiencies is subject to professional maintenance interpretation.

Correct-Functional Deficiencies: This is correcting those deficiencies that interfere with the proper functioning of the structure. Examples: moving partitions to provide proper traffic patterns or better classroom space, repairing furnace, replacing windows, providing adequate lighting.

Correct Code Deficiencies: This work involves correcting those deficiencies concerning building codes but not considered a threat to the safety of occupants. Examples: add bathrooms, improve ventilation.

Correct for Life Safety or Environmental Hazards: This type of work involves correcting all items that threaten the lives of occupants under normal emergency circumstances. Examples: provide fire rated exits, fire alarms, electric circuits, asbestos removal.

Improve Handicapped Accessibility: These improvements are made through modification, remodeling, or additions to make occupied portions of the structure accessible to handicapped people in wheel chairs. Examples: ramps, restroom modifications.

Demolish: Structures which are unsafe or otherwise unfit for use, which cannot be economically restored to useful service, and must be demolished.

Emergency Repair: The Emergency Repair item is for projects which result from unforeseen occurrences and which require immediate corrective action to allow the various Bureau programs to carry out their day-to-day operations. These funds are separately administered by the Facilities Engineering Staff and are channeled through the Area Facility Management Offices to the location for accomplishment of work. The projects are then completed via force account or emergency contract for the work involved. Examples of emergency projects: repair or replacement of mechanical and utility system components, fire or storm damage, vandalism, etc.

Boiler Repair: The Bureau of Indian Affairs' Boiler Program has 2,600 boilers and 500 L.P. tanks at 215 facilities. Minor maintenance repair is usually needed and often accomplished on about 70% of these boilers. The repairs that the Boiler Program handles are needed at about 20% of the Bureau's facilities. That means that approximately 42 facilities nationwide will need boiler program-type repair. Numerically, approximately 100 boilers annually will need repairs that average about \$15,000 per repair or about \$1,500,000 worth of work nationwide. The program has 5 field Contracting Officer's Representatives, a program manager and assistant, as well as a contract specialist working at any given time on this effort.

Advance Planning and Design: These funds are used to provide working drawings and specifications for scheduled FI&R projects in advance of the construction year.

Implementation of the Navajo Planning Study: Phase I - All 10 selected sites for advancement to the K-8 level, under the Navajo Planning Study, are completed or under construction. Phase I was accomplished through conversion of existing space and/or additions to existing structures, thereby attaining the advancement to the K-8 levels through the FI&R program.

Phase II - Consolidation and closing of 10 schools in the Navajo Area are now being considered. Phase II can be phased in as the K-8 expansions and their enrollments are analyzed.

FI&R PROJECT JUSTIFICATION FOR FY 1985

Cost in Thousands

Project Title: Facility Improvement & Repair Program \$36,000

Need:

In addition to accomplishing needed repair and improvements, correcting functional deficiencies and modernizing to meet today's standards, there are requirements for compliance with the specifically mandated programs concerning safety, environmental protection, energy conservation and the handicapped. The need for Facility Improvement and Repair projects will continue until facilities can be repaired and improved to an acceptable level or condition where they can be maintained under a normal maintenance program.

Description:

Projects: (outlined below)		\$32,000
Functional Deficiencies (Regular FI&R)	\$20,230	
Requirements for the Handicapped	762	
Energy Conservation Program	3,436	
Safety	2,564	
Environmental Protection	280	
Consolidated/Demolition & Renovation	4,728	
Emergency Repair		\$ 1,500
Boiler Repair		1,500
Advance Planning & Design		<u>1,000</u>
TOTAL FY 1985 PROGRAM		\$36,000

Outline of proposed FY 1985 projects by Area and Improvement & Repair Category; (\$32,000,000):

<u>AREA</u>	<u>REPLACEMENT</u>	<u>ENERGY</u>	<u>HANDICAP</u>	<u>REGULAR</u>	<u>SAFETY</u>	<u>ENVIRONMENTAL</u>
Aberdeen	360,000	900,000	170,000	2,590,000	780,000	---
Albuquerque	843,000	140,000	7,000	510,000	100,000	---
Anadarko	---	120,000	5,000	2,050,000	65,000	---
Billings	---	11,000	---	940,000	9,000	---
Eastern	---	---	---	2,560,000	---	---
Juneau	---	---	---	---	---	---
Minneapolis	---	---	---	320,000	---	---
Muskogee	---	---	---	320,000	---	---
Navajo	2,140,000	2,110,000	450,000	9,720,000	1,330,000	250,000
Phoenix	565,000	5,000	130,000	960,000	230,000	30,000
Portland	820,000	150,000	---	260,000	50,000	---
Sacramento	---	---	---	---	---	---
TOTALS	4,728,000	3,436,000	762,000	20,230,000	2,564,000	280,000

Proposed FY 1985 Projects - Percentage by Category and Area Total:

Renovation	- \$ 4,728,000	15%	Aberdeen	- \$ 4,800,000	15%
Energy	- 3,436,000	11%	Albuquerque	- 1,600,000	5%
Handicapped	- 762,000	2%	Andarko	- 2,240,000	7%
Regular	- 20,230,000	63%	Billings	- 960,000	3%
Safety	- 2,564,000	8%	Eastern	- 2,560,000	8%
Environ.	- 280,000	1%	Juneau	- ---	0%
			Minneapolis	- 320,000	1%
			Muskogee	- 320,000	1%
			Navajo	- 16,000,000	50%
			Phoenix	- 1,920,000	6%
			Portland	- 1,280,000	4%
			Sacramento	- ---	0%
TOTALS	\$32,000,000	100%		\$32,000,000	100%

Benefits:

The program provides needed repair, reduces the inadequacies of the facilities, corrects unsafe and unsanitary conditions, and reduces the level of energy consumption. Primary concerns will continue to be the correction of life safety deficiencies in Bureau facilities and increased utilization of facilities through consolidation and/or demolition of underused facilities.

Inspections of high pressure boilers and tanks have been funded in past fiscal years through the Department's Office of Construction Management. In FY 1983, the responsibility for the inspection program was assumed by the Bureau (Facilities Management activity under the "Operation of Indian Programs" appropriation). Annual inspections are made on 2,600 boilers and 500 L.P. tanks located at 215 sites. The \$1,000,000 described under the Facilities Improvement and Repair program will continue the actual repair and/or replacement of this equipment.

Funds for advance planning and design will be used to provide for the completion of project working drawings and specifications in advance of the proposed construction fiscal year. It improves the rate of obligation because the construction contracts can be awarded in the first and second quarters of the fiscal year. In addition, projects can be coordinated to minimize classroom disruption, allow for climatic differences (e.g., northern states have an extremely short construction season), and provide for modifications required by curriculum changes.

Justification of Program and Performance

Activity: Construction
 Subactivity: Irrigation Systems

(dollar amounts in thousands)

	1984 Appropriation to Date	FY 1985 Estimate	Inc. (+) or Dec. (-)
Project Construction:			
Fallon (P.L. 95-337)	\$1,000	-0-	\$-1,000
Papago (P.L. 97-293)	-0-	4,265	+4,265
Ak Chin	-0- ^{a/}	-0-	-0-
Small New Projects	875	-0-	-875
Dam Safety	1,200	5,000	+3,800
Surveys & Investigations	1,000	1,000	-0-
Engineering and Supervision	<u>1,625</u>	<u>1,716</u>	<u>+91</u>
 Total Program Request	 \$5,700	 \$11,981	 \$+6,281

^{a/} FY 1984 Supplemental request of \$17,000,000 is included elsewhere in these justifications.

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides for the extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies. In addition, most of the major projects have specific authorizations.

Program Summary: The budget estimate of \$11,981,000 will provide \$4,265,000 to implement the Southern Arizona Water Settlement Act; \$5,000,000 to implement the safety of dams program as directed by Secretarial Order No. 3048 of February 28, 1980; \$1,000,000 for surveys and investigations to determine the need for rehabilitation work on existing projects as well as determining the need for the construction of new small irrigation projects; and \$1,716,000 for engineering and supervision.

Program Goals: The primary and ultimate goal is to develop water supplies and the distribution systems needed to irrigate all acreages of Indian lands that are practical for irrigation. This involves the construction of new irrigation systems and the extension and/or rehabilitation of existing irrigation systems in order that Indian lands in the arid and semi-arid West can be developed to their full productive capacity. By doing so, this program will provide a means by which the Indians can put to beneficial use much of their valuable water.

Justification: Detailed justifications are provided for irrigation construction expenditures beginning on the following page.

BUREAU OF INDIAN AFFAIRS
Irrigation Construction Projects
Fiscal Year 1985

The detailed project justifications for the irrigation construction expenditures are as follows:

a. Project Construction.....\$4,265,000

Papago

The Southern Arizona Water Rights Settlement Act (Title III of P.L 97-293, dated October 12, 1982) prescribes actions required by the Government and the Papago Tribe to effectuate the settlement with the Papagos. The FY 1983 Supplemental Appropriations Act provided \$20,490,000 to establish two trust funds directed by the Act (totaling \$20,250,000) and \$240,000 to commence activities associated with fulfillment of responsibilities directed by the Act. Other available funds totalling \$315,000 were also assigned to these activities in FY 1983. For FY 1984, \$1,850,000 is being proposed for reprogramming to continue required implementation measures. The following activities are required during FY 1985 to maintain the implementation schedule.

Design and construction of wastewater exchange facilities.....	\$1,890,000*
Design and construction of on-reservation irrigation system at San Xavier.....	1,215,000
Water Resources Inventory Study on the main (Sells) reservation.....	1,000,000
Reservation energy resources study.....	55,000
Solar Power Plant (or alternative source) study.....	55,000
Staff assistance for negotiating agreements and contracts.....	<u>50,000</u>
	\$4,265,000

* A marketing & exchange study must be completed before knowing whether or not these facilities will be required. In the event it is not, these funds will be used to continue plans, designs, and construction of farm laterals, wells, etc., on the reservation.

b. Surveys and Investigations.....\$1,000,000

Surveys and Investigations are required to provide the various planning ingredients for development of new irrigation and power projects or units and for extension and rehabilitation of existing projects in future fiscal years. Engineering and soils surveys, geologic investigations and water availability determinations are essential in ascertaining physical feasibility of development. Costs and benefits are calculated for proposed developments, and projects are formulated to provide Indian economic development where water is the critical element.

These surveys and investigations are performed by or under the direction of existing staff at area and project offices. Where necessary, in-house capability will be supplemented by contract.

c. Dam Safety..... \$5,000,000

On November 24, 1980, the Commissioner of Indian Affairs approved an agreement with the Bureau of Reclamation providing for safety of dams services by the Bureau of Reclamation in the implementation of Secretarial Order No. 3048, dated February 28, 1980. The Bureau of Reclamation, on a reimbursable basis, provides initial inspections and evaluations of the high and significant hazard-potential dams and follow up with required re-examinations and reevaluations of Bureau of Indian Affairs structures. The initial round of on-site inspection and evaluation reports are scheduled to be completed by the end of FY 1984. The magnitude of funding required will then be known and schedules for corrective work can be developed based upon the severity of the identified deficiencies and public safety.

Two dams have been identified as emergency situations which are in need of rehabilitation funds in FY 1985. They are as follows: Blackfoot Dam - additional funds to provide for full cost of reconstruction of spillway and water release facilities partially funded in prior years; and Many Farms Dam - repair fill by raising embankment, applying riprap and construction of an emergency spillway.

The Bureau of Indian Affairs has designated an irrigation program engineer at each area office and the Central Office to perform safety of dam activities on a part-time basis.

Following is a summary of the dam safety program proposed for FY 1985:

(dollar amounts)

(1) Inspections and Evaluations.....	\$ 850,000
(2) Structural Modifications.....	3,800,000
(a) Blackfoot Dam - Idaho.....	\$2,572,000
(b) Many Farms Dams - Arizona.....	1,228,000
(3) Inspection of low hazard dams and coordination.....	<u>350,000</u>
	\$5,000,000

d. Engineering and Supervision.....\$1,716,000

This item represents funds for salaries, travel, and operational expenses for project engineering, design, and construction supervision. Most staff employees engaged in these activities are located in Bureau field offices and are headquartered in Albuquerque, New Mexico; Billings, Montana; Phoenix Arizona; Portland, Oregon; Sacramento, California; and Window Rock, Arizona.

Justification of Program and Performance

Activity: Construction
 Subactivity: Housing

(Dollar Amounts in Thousands)

Program Element	1984		FY	FY	Inc. (+)	Inc. (+)
	Appropriation	to Date	1985	1985	Dec. (-)	Dec. (-)
			Base	Estimate	From 1984	From Base
Housing	(\$)	23,000	23,196	20,803	-2,197	-2,393
	(FTE-T)	(80)	(80)	(80)	(--)	(--)
Total Requirements	(\$)	23,000	23,196	20,803	-2,197	-2,393
	(FTE-T)	(80)	(80)	(80)	(--)	(--)
<u>Distribution:</u>						
Tribe/Agency Operations	(\$)	21,560	21,770	20,260	-1,300	-1,510
Area Office Operations	(\$)	368	349	349	-19	---
Central Office Staff Operations	(\$)	189	194	194	+5	---
Housing Training	(\$)	883	883	---	-883	-883

Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides service to federally recognized Indian tribes. It is under this authority that housing assistance is provided.

Objectives: The Housing program contributes to the Bureau's economic, social and educational programs for Indian tribes and Indian people and particularly to the achievement of the overall objective of Federal housing programs to provide decent, safe and sanitary housing in Indian communities.

Base Program (\$23,196,000): The Housing program requirements are based on an estimate of Indian housing need determined by Bureau staff who conduct the annual housing survey. The most recent survey is the 1983 inventory which shows:

Service populations (families)	182,320
Less: Existing dwellings in standard condition	-92,920
Families in need of housing assistance: [Total need]	89,400
Houses suitable for renovation to standard	[31,400]
New homes required	[58,000]

Funding determinations in FY 1984 were made by tribes through the Indian priority system based on individual need and priorities. Applications are processed by tribal housing committees and/or housing authorities, which determine the eligibility, category, repair or new housing needs, funding amount for each applicant, location and construction time. Priorities are then set and the selected applicants are informed.

The Bureau's Housing program is divided into two components -- Housing Improvement Program (HIP) and Housing Development. There are no separate FTE's for each of these components. Housing Development is the staff component of the Bureau's Housing Assistance Program.

1. The Housing Improvement Program (\$20,925,000): The Housing Improvement Program (HIP) is the major component. It provides for renovations, repairs or additions to existing homes, grants toward the purchase of new homes and the construction of new housing units. The new home construction is limited to those needy Indian families who are not eligible for any other federally assisted housing program. There are two types of repair categories in use: (a) repairs to houses that will remain substandard but need repairs for the health and/or safety of the occupants, and (b) repairs to bring housing to standard condition. There are two types of new house building categories in use: (a) downpayments and (b) new housing.

Emphasis in this program will continue to be on renovation and enlargement of existing housing. As noted above, the new construction is limited in number. It is undertaken in cases where families, because of their low income, cannot qualify to obtain housing from other sources such as HUD and FmHA. The renovation effort is an important element in reducing the total cost of achieving the goal of eliminating substandard Indian housing. The program benefits to the Indian families are direct and indirect. Indirect benefits are generated by providing decent, safe and sanitary shelter, thus reducing the health and social costs created by an unsafe and unsanitary environment.

It is important that the renovation effort be of such quality and sufficiency that the recipient can take pride in the finished product. The renovations must include not only the basic necessities of water and utilities but they must also provide modern conveniences, including living space and storage space.

The repair work envisioned also means completing minor repairs to homes that are not worth repairing to standard condition but which must be repaired to enable the families to ward off the elements until they can obtain better shelter.

Certain segments of the Indian population and some locations cannot be served by other Federal programs because their land is in multiple ownership or they lack income or their family situations are such as to preclude involvement in a housing program. Groups, such as those in extremely isolated areas, those in emergency situations, or small bands and villages where there are not enough families to warrant the development of housing on a project basis are served by the Bureau's housing program.

This program segment also includes Resident Training and Counseling Program (RTCP) funds which are contracted to tribes for training and counseling of families living in federally assisted housing projects.

2. Housing Development (\$2,271,000): The Housing Development component consists of Bureau staff whose responsibilities are: (a) to implement, monitor and coordinate the HIP and (b) to assist Indian tribes in working with other Federal agencies (Housing and Urban Development, Indian Health Service, and Farmers Home Administration) involved in producing Indian housing. The types of positions are housing program officers, housing construction analysts, housing services specialists and secretaries/clerks. This assistance is provided in accordance with an Interdepartmental Agreement between HUD, IHS, and the Bureau which lists Bureau responsibilities. These responsibilities include, but are not limited to: site selection and land acquisition, appraisals, road construction, inspection assistance, and the execution of HUD's annual contribution contracts.

Tribe/Agency Level (\$21,770,000): This is the operational level of the Bureau's housing program. Program funds provided at this operating level pay the cost of new construction, repair materials and skilled labor for:

1. Repairs which bring substandard housing that can be repaired up to standard;
2. New home construction for those tribal members who cannot obtain housing from other sources; and
3. Minor repairs to substandard housing which cannot be repaired to standard, but which can be made habitable until replaced by new housing.

Whenever possible HIP funding is combined with the funding of other programs in order to stretch the housing dollar and provide as much housing as possible. Under this arrangement HIP generally provides the construction material while other programs, except for the IHS programs, furnish the necessary labor. During FY 1982, \$6,473,300 was contributed to the HIP program in the form of labor and materials.

The following chart shows the number of housing units constructed and repaired:

NEW HOMES AND REPAIRS CONSTRUCTED
FY 1963 through FY 1983

HUD ownership.....	30,551
HUD rental.....	19,735
Housing improvement new homes.....	9,174
Flood rehabilitation.....	387
Built with Judgment funds.....	547
Built with Credit Loans.....	2,665
Other.....	<u>7,922</u>
Total, New Homes.....	<u>70,931</u>
Housing improvement repairs.....	57,344

The following is a breakdown of FY 1981 and FY 1982 contributions by other programs:

<u>Source</u>	<u>FY 1982</u>	<u>FY 1983</u>
Indian Health Service.....	\$2,204,200	\$1,990,300
Tribal appropriated funding.....	1,214,400	1,575,000
Individual (includes materials and labor costs).....	403,100	500,800
Other Bureau Programs (IAT, TWEP, etc.)	363,600	142,400
Department of Labor Programs (Mainstream, CETA, etc.).....	505,500	1,414,600
Department of HHS (excludes IHS).....	<u>1,782,500</u>	<u>2,186,400</u>
Total, other programs.....	\$6,473,300	\$7,809,500

In FY 1983, the program was approximately 60% contracted with the value of contracts amounting to \$13,978,000 out of the HIP total of \$23,298,000.

In addition, in FY 1983, the Housing Improvement Program received \$30,000,000 under the Job's Bill, a special one-time appropriation to improve job opportunities on Indian reservations. Of this amount, 95% has been contracted to the tribes for implementation of the program. The FY 1984 funding for HIP is \$23,000,000.

Area Office Operations (\$349,000): The housing operation at the area office level provides staff support to the area director with respect to reservation housing programs with special emphasis to insure: (a) that the HIP funds are administered and expended for intended purposes and consistent with HIP regulations; (b) that construction inspections are provided, where necessary; (c) that the Bureau responsibilities under the Interdepartmental Agreement are fully met; and (d) that vital housing production statistical records are maintained for each area.

Central Office Staff Operations (\$194,000): This operation formulates and carries out policy; provides direction and monitoring of the Bureau's HIP; and provides Washington level liaison with HUD, IHS, OMB, and Congress on matters related to overall Indian housing. The Central Office housing staff is responsible for conduct of the Indian housing survey, for special studies, for compilation of statistical data, and preparation of housing reports.

Housing Training (\$883,000): No FTE's are involved in the operation of the Resident Training and Counseling Program (RTCP). Many of the new residents of Indian housing are trained in certain aspects of living in modern housing. This training helps the families to adjust to their new living conditions and to meet their responsibilities as tenants or homeowners in federally assisted housing projects. An additional benefit of training is to protect the Federal investment by providing tenants and homeowners a better understanding on how to care for a modern home. In FY 1983, 20 Indian housing authorities participated in the RTCP. Some 4,500 families were served by these housing authorities.

Program Accomplishments: During FY 1983, the Bureau provided for the financing of 581 new housing units and the repair and renovation of 3,881 existing units. In fiscal years 1983, 1984, and 1985, it is estimated that the Bureau will provide:

	Actual FY 1983	Estimate FY 1984	Estimate FY 1985
New	581	507	332
Repairs	3,881	3,546	2,271

The cost factors derived for FY 1984 HIP operations and for the FY 1985 proposed level are as follows:

	Fiscal Year	Estimate Average Cost	No. of Units	Total Cost <u>a/</u>
Repairs to standard	1984	\$10,600	789	\$8,364,000
	1985	10,000	903	9,034,000
Non-standard repairs	1984	1,300	2,757	3,585,000
	1985	2,200	1,368	3,011,450
New construction	1984	33,700	212	7,169,000
	1985	32,000	182	5,837,500
Down payments	1984	2,700	295	797,000
	1985	4,300	150	648,600

a/ Detail may not compute exactly due to rounding of the average cost factors.

The above cost factor table shows that the construction activity has shifted to a greater emphasis on the categories that provide for repairs to standard condition and new house building. Assistance for downpayments has dropped because (1) high interest rates have discouraged some prospective Indian home owners and (2) recent experience in seeking credit indicates some Indian applicants have difficulty in having loans approved.

Workload Data: It is the current policy of the Federal Government to provide standard housing. The FY 1985 workload based on the proposed funding level is expected to be:

	<u>Actual FY 1980</u>	<u>Actual FY 1981</u>	<u>Actual FY 1982</u>	<u>Actual FY 1983</u>	<u>Est. FY 1984</u>	<u>Est. FY 1985</u>
New house starts (HIP)	657	641	524	581	507	332
Renovations	3,721	4,074	3,667	3,881	3,546	2,271
Standard	(1,435)	(1,747)	(1,737)	(1,734)	(789)	(903)
Non-standard	(2,286)	(2,327)	(1,930)	(2,147)	(2,757)	(1,368)

Decrease for FY 1985:

(dollar amounts in thousands)

		<u>FY 1985 Base</u>	<u>FY 1985 Estimate</u>	<u>Difference</u>
Housing	(\$)	23,196	20,803	-2,393
	(FTE-T)	(80)	(80)	---

Tribe/Agency Operations (-\$1,510,000): The proposed decrease reflects shifting program priorities by the tribes. By the time the FY 1984 Congressional directives on funding allocation methods were received, the tribes had already used the Indian Priority System to determine their FY 1985 Housing budget proposals in conjunction with all other tribe/agency programs. Therefore, the amount requested in the FY 1985 President's budget for the tribe/agency level Housing programs has been determined by tribal priorities. Changing the budget allocation methodology for FY 1985 would unfairly penalize tribes which emphasized Housing during their priority setting process. Before FY 1985 Housing allocations are made we shall consult with Congressional staff and the tribes to develop an equitable method for allocating FY 1985 Housing funds.

Other Indian Housing Programs (-\$883,000): The decrease of \$883,000 covers the discontinuation of the Bureau's Resident Training and Counseling Program (RTCP).

Program and Performance

1. Building and Utilities - This activity consists of construction and additions to Bureau facilities including funds for: (1) construction of the Western Cheyenne River Consolidated School (S.D.) \$4,540,000 and (2) a major initiative begun in 1979 to repair existing buildings and utilities as well as improve sewer and water systems, and preparation of plans, engineering supervision, and surveys, \$36,000,000.

2. Irrigation systems - This activity provides for the construction, extension and rehabilitation of irrigation projects and related power systems on Indian reservations. For 1985 funding is included for the Papago Irrigation Project (AZ) as authorized by P.L. 97-293, \$4,265,000; for the Ak Chin Irrigation project (AZ) as authorized by P.L. 95-328 \$15,200,000; for a dam safety inspection and rehabilitation program, \$5,000,000 and for surveys, investigations and supervision, \$5,716,000.

3. Housing - This program consists of two components-Housing Improvement Program (HIP) and Housing Development, \$20,803,000. Data is presented below on selected aspects of this activity.

	<u>1983</u> <u>Actual</u>	<u>1984</u> <u>Estimate</u>	<u>1985</u> <u>Estimate</u>
Family houses started:			
New	980	495	430
Rehabilitation.....	5,180	3,460	3,094

Summary of Budget Authority and Outlays

	<u>1983</u>	<u>1984</u>	<u>1985</u>
Enacted/Requested:			
Budget Authority.....	131,940,000	78,920,000	73,324,000
Outlays.....	87,627,000	131,000,000	117,700,000
Supplemental under Existing Legislation:			
Budget Authority.....	---	9,600,000	---
Outlays.....	---	7,600,000	2,000,000
Total: Budget Authority.....	131,940,000	88,520,000	73,324,000
Outlays.....	87,627,000	138,600,000	119,700,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Programming and Financing (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
Direct Program:			
1. Buildings and utilities.....	65,000	88,926	40,540
2. Irrigation systems.....	19,354	48,613	11,981
3. Housing.....	---	22,500	20,803
4. Land acquisition.....	---	1,166	---
Total direct program	84,354	161,205	73,324
Reimbursable Program:			
1. Buildings and utilities.....	295	500	500
2. Irrigation systems.....	330	1,500	1,500
Total reimbursable program.....	625	2,000	2,000
10.00 Total obligations.....	84,979	163,205	75,324
<u>Financing:</u>			
11.00 Offsetting collections from:			
Federal funds.....	-625	-2,000	-2,000
21.00 Unobligated balance available, Start of year.....	-64,699	-112,285	-30,000
24.00 Unobligated balance available, end of year.....	112,285	30,000	30,000
40.00 Budget Authority.....	131,940 <u>a/</u>	78,920	73,324
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	84,354	161,205	73,324
72.40 Obligated balance, start of year	83,012	79,739	109,944
74.40 Obligated balance, end of year	-79,739	-109,944	-65,568
90.00 Outlays.....	87,627	131,000	117,700

a/ Includes an additional amount of \$64,450,000 that was appropriated pursuant to P.L. 98-8, "Jobs Bill".

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSTRUCTION

Object Classification (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1983 Actual	1984 Estimate	1985 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	1,639	2,918	2,985
11.3 Other than full-time permanent	377	811	829
11.5 Other personnel compensation	139	129	130
11.9 Total personnel compensation	2,155	3,858	3,944
Personnel benefits:			
12.1 Civilian.....	345	416	374
21.0 Travel and transportation of persons.....	343	600	600
22.0 Transportation of things....	166	160	160
23.0 Communication, utilities & other rent.....	191	250	200
24.0 Printing and reproduction...	32	40	25
25.0 Other services.....	29,492	40,676	25,033
26.0 Supplies and materials.....	1,437	1,000	200
31.0 Equipment.....	1,451	2,000	2,000
32.0 Lands and structures.....	45,546	109,304	40,788
99.0 Subtotal, direct obligations	81,158	158,304	73,324
Reimbursable Obligations:			
25.0 Other Services.....	625	2,000	2,000
ALLOCATION TO BUREAU OF RECLAMATION			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	1,283	705	---
11.3 Other than full-time permanent	19	17	---
11.5 Other personnel compensation	38	10	---
11.8 Special personal services payment.....	---	---	---
11.9 Total personnel compensation	1,340	732	---
Civilian:			
12.1 Personnel benefits.....	169	163	---
21.0 Travel and transportation of persons.....	---	30	---
22.0 Transportation of things....	48	37	---
23.0 Communications, utilities & other rent	207	150	---
24.0 Printing and reproduction...	23	5	---
25.0 Other services.....	289	673	---
26.0 Supplies and materials.....	103	79	---
31.0 Equipment.....	13	8	---
32.0 Lands and structures.....	970	1,024	---
99.0 Subtotal, direct obligations, allocation account.....	3,162	2,901	---
Reimbursable obligations:			
25.01 Other services.....	34	---	---
99.91 Total obligations.....	84,979	163,205	75,324

ROAD CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

Personnel Summary (in thousands of dollars)

Identification Code: 14-2301-0-1-452	1983 Actual	1984 Estimate	1985 Estimate
BUREAU OF INDIAN AFFAIRS			
Direct:			
Total no. of full-time permanent positions.....	62	120	120
Total compensable workyears:			
Full-time equivalent employment...	76	151	151
Full-time equiv. overtime and holiday hrs.....	6	11	11
Reimbursable:			
Total compensable workyears:			
Full-time equivalent employment.....	3	---	---

ALLOCATION TO BUREAU OF RECLAMATION

Total no. of full-time permanent positions.....	38	26	---
Total compensable work years:			
Full-time equivalent employment...	39	27	---
Full-time equiv. overtime and holiday hrs.....	---	---	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

[For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$4,000,000, to remain available until expended.] Not to exceed six percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.

(Public Law 98-146, making appropriations for the Department of the Interior and related agencies, 1984.)

Justification of Proposed Language Changes

1. Addition: "Not to exceed six percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover road program management costs and construction supervision costs of the Bureau of Indian Affairs."

Language relating to the road construction program was due to Congressional actions which provides that Federal Highway Trust Fund monies be used to maintain roads and bridges on Indian reservations.

2. Deletion: "For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$4,000,000, to remain available until expended."

No funds are being appropriated to the Bureau of Indian Affairs for FY 1984 pursuant to P.L. 98-146. The Surface Transportation Assistance Act, P.L. 97-424, will be the authority which provides for funds available for Indian reservation roads to be used by the Secretary of the Interior (23 U.S.C. 204).

Appropriation Language and Citations

1. Not to exceed six percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover road program management costs and construction supervision costs of the bureau of Indian Affairs.

Authorization: 25 U.S.C. 13, (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides services (including road construction) to federally recognized Indians. 25 U.S.C. 318a, authorizes "material, equipment, supervision and engineering...in survey, improvement, construction.. of Indian reservation roads..." 23 U.S.C. 203, provides that "Funds authorized for... Indian reservation roads shall be available for contract upon apportionment..." The Federal Aid Highway Act of various years have authorized funds to be appropriated for Indian reservation roads and bridges.

2. § , to remain available until expended.

No specific authority

This appropriation involves road construction projects which require more than a one-year cycle from their beginning stages through the actual construction of road facilities. Therefore, funds are to remain available until expended.

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

JUSTIFICATION OF CHANGES - ROAD CONSTRUCTION

Appropriation (FY 1984)..... \$4,000,000
 Unobligated balance from prior year..... 3,198,000
 Total, Available for Obligation..... \$7,198,000

Decreases:

Road Construction..... \$7,198,000
 Subtotal..... ---

Increases:

Road Construction..... ---
 Budget Estimate 1985..... ---

Analysis by Activities a/

Activity	Appropriation 1983	Appropriation 1984	1984 FTE-T	1985 Budget Estimate	1985 FTE-T	1985 Budget Estimate Compared with 1984	
						Appropriation	FTE-T
Road Construction	\$43,585,000	\$4,000,000	60	---	---	\$-4,000,000 <u>b/</u>	-60 <u>b/</u>

a/ Excludes Allocations of funds and FTE from FHWA.

b/ Transfer to Allocation from FHWA (not a decrease).

BIA-263

Justification of Program and Performance

Activity: Road Construction

(dollar amounts in thousands)

	1984 <u>Appropriation to Date</u>	FY 1985 <u>Estimate</u>	Inc. (+) or <u>Dec. (-)</u>
Program Total: (\$)	4,000	---	-4,000
(FTE-T)	(60)	(--)	(-60)

Distribution:

Program/Supervision (Area/Agency)	4,000	---	-4,000
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Authorization: P.L. 97-424, the Surface Transportation Assistance Act (STAA) of 1982 provides for funds available for Indian reservation roads to be used by the Secretary of the Interior (23 U.S.C. 204).

Objective: To oversee the upgrading and improvement of 26,000 miles of public roads and 730 bridges serving Indian reservations.

Program Justification: The BIA FY 1984 appropriation in the Interior Department budget is limited to program supervision at the area level including program planning and monitoring activities not directly identified with a particular construction project, such as budgeting and assisting agencies with personnel problems. The work will be done primarily by program engineers usually with clerical and technical support.

Decrease in 1985: All project funds are included in the FY 1985 allocation of contract authority (\$100,000,000) from the Federal Lands Highway Program, Department of Transportation, and are not requested from the BIA budget in FY 1985. Beginning in FY 1985, as a substitute for the Department of the Interior appropriation, the Secretary of the Interior is to be authorized, with concurrence of the Secretary of Transportation to expend not more than six percent of Indian reservation road construction contract authority for management and supervision of the program at the central office, area and agency levels.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION

Program and Financing (in thousands of dollars)

Identification Code: 14-2364-01-452	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
<u>Direct program:</u>			
Indian road system.....	42,248	7,198	---
<u>Reimbursable program:</u>			
Indian road system.....	75	900	900
10.00 Total obligations.....	42,323	8,098	900
<u>Financing:</u>			
14.00 Offsetting collections from:			
non-federal sources.....	-75	-900	-900
21.40 Unobligated balance available,			
start of year.....	-1,861	-3,198	---
24.40 Unobligated balance available,			
end of year.....	3,198	---	---
40.00 Budget authority (Appropriation)	43,585	4,000	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	42,248	7,198	---
72.40 Obligated balance, start of year	32,146	29,353	12,551
74.40 Obligated balance, end of year	-29,353	-12,551	-1,551
90.00 Outlays.....	45,041	24,000	11,000

OBJECT CLASSIFICATION (in thousands of dollars)

<u>Direct Obligations:</u>			
<u>Personnel compensation:</u>			
11.1 Full-time permanent.....	8,010	568	---
11.3 Other than full-time permanent	2,070	666	---
11.5 Other personnel compensation....	978	180	---
11.8 Special, personal services payment	12	3	---
11.9 Total personnel compensation.....	11,070	1,417	---
21.1 Personnel benefits: civilian....	1,109	146	---
21.0 Travel and transportation			
of persons.....	475	370	---
22.0 Transportation of things.....	1,000	50	---
23.2 Commun., utilities, other rent...	1,650	300	---
24.0 Printing and reproduction.....	70	39	---
25.0 Other services.....	4,000	50	---
26.0 Supplies and materials.....	2,000	100	---
31.0 Equipment.....	500	100	---
32.0 Lands and structures.....	20,374	4,626	---
99.0 Subtotal, direct obligations...	42,248	7,198	---
99.0 Subtotal, reimbursable oblig...	75	900	900
99.9 Total obligations.....	42,323	8,098	900

BUREAU OF INDIAN AFFAIRS
ROAD CONSTRUCTION
Personnel Summary

Identification Code: 14-2364-01-542	1983 Actual	1984 Estimate	1985 Estimate
Total number of full-time permanent positions.....	380	60	---
Total compensable work years: Full-time equivalent employment.....	451	60	---
Full-time equivalent of overtime and holiday hours.....	21	2	---

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

14-2202-0-1-806

EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND

[For settlement of the Mashantucket Pequot land claim in Ledyard, Connecticut, \$900,000, to remain available until expended: Provided, That such funds shall become available for obligation only upon enactment into law of authorizing legislation.] (Public Law 98-146, making appropriations for the Department of the Interior and related agencies, 1984.)

Justification of Proposed Language Changes

1. Deletion: "For settlement of the Mashantucket Pequot land claim in Ledyard, Connecticut, \$900,000, to remain available until expended: Provided, That such funds shall become available for obligation only upon enactment into law of authorizing legislation."

Funds were made available for the Mashantucket Pequot land claims settlement in fiscal year 1984 pursuant to P.L. 98-146. Therefore, this language is no longer necessary.

Program and Performance

1. Rhode Island Indian Claims Settlement Fund. Payments were made to the fund as authorized by P.L. 95-395, September 30, 1978, for settlement of certain Indian land claims in the State of Rhode Island.
2. Manshantucket Pequot Claims Settlement Fund. Payments for settlement of the Manshantucket Pequot land claim in Ledyard, Connecticut, as authorized by P.L. 98-146.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-2202-0-1-806	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
1. Rhode Island Indian claims settlement fund.....	1	356	---
2. Pequot Claims settlement fund.....	---	900	---
10.00 Total obligations (obj class 32)	1	1,256	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	-357	-356	---
24.40 Unobligated balance available, end of year.....	356	---	---
40.00 Budget Authority.....	---	900	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	1	1,256	---
72.40 Obligated balance, start of year	---	---	---
74.40 Obligated balance, end of year..	---	---	---
90.00 Outlays.....	1	1,256	---

DEPARTMENT OF THE INTERIOR
 Bureau of Indian Affairs
 14-2304-0-1-999

PAPAGO TRUST AND COOPERATIVE FUND

Papago Trust Fund

[For payment to the authorized governing body of the Papago Tribe of Indians, \$15,000,000 to remain available until expended, for deposit in the Papago Trust Fund established by said governing body pursuant to Public Law 97-293 (96 Stat. 1283) which fund shall be held in trust for the benefit of such Tribe pursuant to section 309 of that law.]

Papago Cooperative Fund

[For deposit into the Cooperative Fund established for the benefit of the Papago Tribe of Indians pursuant to section 313, Public Law 97-293 (96 Stat. 1284), \$5,250,000 to remain available until expended.]

Note: The above language has been provided for information purposes only since funds were appropriated in fiscal year 1983 pursuant to P.L. 98-63, July 30, 1983, making Supplemental Appropriations available for FY 1983.

Analysis of Changes in Requirements
 (in thousands of dollars)

	Budget Authority	Outlays
FY 1983 Total.....	\$20,250	\$20,250
<u>Program Decreases:</u>		
Papago Trust Fund.....	15,000	15,000
Papago Cooperative Fund.....	5,250	5,250
FY 1984 Total.....	-0-	-0-
FY 1985 Total.....	-0-	-0-

Program and Performance

Payments made to the Papago Trust Fund and Papago Cooperative Fund pursuant to the Southern Arizona Water Rights Settlement Act of 1982 (96 Stat. 1274-1285) to settle water rights claims of the Papago Tribe, Arizona.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
PAPAGO TRUST AND COOPERATIVE FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-2304-0-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
1. Papago Trust Fund.....	15,000	---	---
2. Papago Cooperative Fund.....	5,250	---	---
10.00 Total obligations (obj. class 41)	20,250	---	---
<u>Financing:</u>			
21.40 Unobligated balance available, start of year.....	---	---	---
24.40 Unobligated balance available, end of year.....	---	---	---
40.00 Budget Authority.....	20,250	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	20,250	---	---
72.40 Obligated balance, start of year	---	---	---
74.40 Obligated balance, end of year..	---	---	---
90.00 Outlays.....	20,250	---	---

ADMINISTRATIVE
PROVISIONS

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guaranty and insurance fund) shall be available for expenses of exhibits; purchase of not to exceed [240] 275 passenger carrying motor vehicles of which [170] 225 shall be for replacement only, which may be used for the transportation of Indians; advance payments for services (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), the Act of August 3, 1956 (70 Stat. 896), as amended (25 U.S.C. 309 et seq.), and legislation terminating Federal supervision over certain Indian tribes; and expenses required by continuing or permanent treaty provisions: Provided, That no part of any appropriations to the Bureau of Indian Affairs shall be available to continue academic and residential programs of the Chilocco, Seneca, Concho and Fort Sill boarding schools, Oklahoma; Mount Edgcumbe boarding school, Alaska; Intermountain boarding school, Utah; and Stewart boarding school, Nevada: [Provided further, That no part of any appropriation to the Bureau of Indian Affairs shall be available to continue academic and residential programs at Concho boarding school, Oklahoma, and Mount Edgcumbe boarding school in Alaska after June 30, 1983, or at the Intermountain boarding school in Utah after June 30, 1984:] Provided further, That no part of any appropriation to the Bureau of Indian Affairs shall be used to subject the transportation of school children to any limitation on travel or transportation expenditures for Federal employees.

(Public Law 98-146, making appropriations for the Department of the Interior and related agencies, 1984.)

Justification of Proposed Language Changes

1. Addition: "Mount Edgcumbe boarding school, Alaska; Intermountain boarding school, Utah;"

Language relating to the two boarding schools was added due to congressional action which requires that these identified boarding schools additionally be closed.

2. Deletion: "Provided further, That no part of any appropriation to the Bureau of Indian Affairs shall be available to continue academic and residential programs at Concho boarding school, Oklahoma, and Mount Edgcumbe boarding school in Alaska after June 30, 1983, or at the Intermountain boarding school in Utah after June 30, 1984:"

Congressional action requiring that the schools be closed has been added and is previously stated in the language. Therefore, this language is no longer necessary.

Appropriation Language and Citations

1. Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guaranty and insurance fund) shall be available for expenses of exhibits; purchase of not to exceed... passenger carrying motor vehicles of which... shall be for replacement only, which may be used for the transportation of Indians;

31 U.S.C. 638a(a)

31 U.S.C. 638a(a) provides "Unless specifically authorized by the appropriation concerned or other law no appropriation shall be expended to purchase or hire passenger motor vehicles for any branch of the Government.."

2. advance payments for services (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), the Act of August 3, 1956 (70 Stat. 896), as amended (25 U.S.C. 309 et seq.), and legislation terminating Federal supervision over certain Indian tribes; and expenses required by continuing or permanent treaty provisions:

25 U.S.C. 452 (48 Stat. 596)

25 U.S.C. 309 (70 Stat. 896)

25 U.S.C. 452 provides that "The Secretary of the Interior is authorized... to enter into a contract or contracts with any state or territory, or political subdivision thereof,... for the education,..., agriculture assistance, and social welfare, including relief of distress, of Indians... and to expend under such contract or contracts, moneys appropriated by Congress for the education,..., agriculture assistance, and social welfare, including relief of distress, of Indians..."

25 U.S.C. 309 provides "For the purpose of this program (vocational training) the Secretary is authorized to enter into contracts or agreements with any federal, state, or local government agency, or with any private school... or with any Corporation or association...."

3. and legislation terminating Federal supervision over certain Indian tribes;

This language authorizes use of appropriated funds to carry out the provisions of any legislation which terminates Federal supervision over Indian tribes. In recent years the situation has been to restore previously terminated tribes and to not initiate any additional termination actions.

4. and expenses required by continuing or permanent treaty provisions:

Payments are made to fulfill treaty obligations with the Senecas of New York (Act of February 19, 1831), the Six Nations of New York (Act of November 11, 1794), and the Pawnees of Oklahoma (the Treaty of September 24, 1857); and benefit claims to the Sioux Indians (Acts of March 2, 1889, June 10, 1896, and June 21, 1906).

5. Provided, That no part of any appropriations to the Bureau of Indian Affairs shall be available to continue academic and residential programs of the Chilocco, Seneca, Concho and Fort Sill boarding schools, Oklahoma; Mount Edgecumbe boarding school, Alaska; Intermountain boarding school, Utah; and Stewart boarding school, Nevada:

P.L. 96-514

P.L. 96-514 Interior Department and Related Agencies, Appropriations Act for Fiscal Year 1982. This citation was included by Congress during the FY 1982 appropriations cycle to ensure that no funds could be used for academic and residential programs after the scheduled closures for Chilocco, Seneca, Concho and Fort Sill boarding schools.

P.L. 98-146

P.L. 98-146 Interior Department and Related Agencies, Appropriation Act for Fiscal Year 1984. This citation was included by Congress during the FY 1984 appropriations cycle to ensure that no funds could be used for academic and residential programs after the scheduled closures for Mount Edgembe, Intermountain and Stewart boarding schools.

6. Provided further, That no part of any appropriation to the Bureau of Indian Affairs shall be used to subject the transportation of school children to any limitation on travel or transportation expenditures for Federal employees.

P.L. 96-514

P.L. 96-514 Interior Department and Related Agencies, Appropriations Act for Fiscal Year 1982. This citation was included by Congress during the Fiscal Year 1982 appropriations cycle to ensure that the transportation of school children would not be subject to the same administrative travel limitations applied to travel by Federal employees.

JUSTIFICATION

Appropriation: Operation of Indian Programs

Activity: Education

Vehicles: School buses - various sizes: 25 for replacement required in the Aberdeen area where GSA motor pool is not available.

Activity: Indian Services

Subactivity: Law Enforcement

Vehicles: Sedans fully equipped for police work, 50 new vehicles and 200 for replacement, at a cost of \$8,500 per vehicles, required to carry out law enforcement throughout the Bureau.

Summary of Proposed Acquisition of Certain Types of Vehicles, FY 1985

Type	Total	New	Replacement
Police	250	50	200
School Buses	25	0	25
	275	50	225

MISCELLANEOUS
APPROPRIATIONS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
FY 1985

Program Title: Miscellaneous Appropriations

Description:

1. Claims and Treaty Obligations - \$1,000,000

A. Fulfilling treaties with the Senecas of New York - \$6,000.

This money is to be paid in equal shares to members of the Seneca Nation as provided by the Act of February 19, 1831 (4 Stat. 442).

B. Fulfilling treaties with the Six Nations of New York - \$4,500.

The Six Nations comprise the Senecas, Tonawanda Band of Senecas, Tuscarora, Onondaga, Oneida, and Cayuga Tribes. This money is allocated as follows: \$2,700 to the New York Indians for the purchase of dress goods and \$1,800 is distributed per capita to the Oneida Indians under the jurisdiction of the Great Lakes Agency, Wisconsin, as provided by the Act of November 11, 1794

C. Fulfilling treaties with the Pawnees of Oklahoma - \$30,000.

This money is distributed per capita to the Pawnees as provided by the treaty of September 24, 1857, Article 2.

D. Payments to Indians of the Sioux Reservation - \$959,500.

This is an annual charge against the general fund of the Treasury, the amount being indefinite until individual applications for payments are made and approved. Sioux benefits were originally for articles of farming equipment and stock or, more commonly today, the commuted cash value of such articles. The approved commuted value of an individual share of Sioux benefits for FY 1985 is \$4,037.27. The legal authority for these payments is found in the Act of March 2, 1889, section 17 (25 Stat. 894); Act of June 10, 1896 (29 Stat. 334); and the Act of June 21, 1906 (34 Stat. 326).

2. Operation and Maintenance, Indian Irrigation Systems - \$14,400,000.

Funds obtained from the collection of assessments against water users on various projects are deposited in the Treasury to the credit of the respective projects. Funds are used for such purposes as annual cleaning of canals and laterals to remove silt, moss, and weed growth; repair and replacement of water control structures; operation and maintenance of reservoirs, dams and pumping plants, including the purchase of electrical energy; payment to other irrigation systems on Indian lands included and benefitted; repair of flood damage; etc. The various projects located on Indian reservations are thus maintained in good operation, permitting the facilities constructed by the government to be utilized by the Indian and non-Indian landowners within the project who depend upon proper operation and maintenance of the projects for irrigation farming and subsistence. As authorized by the FY 1984 Appropriation Act (P.L. 98-146, dated November 4, 1983), collections are invested in interest bearing securities until required for project operations.

3. Power System, Indian Irrigation Projects - \$24,600,000.

Funds are obtained from earned revenue deposited in the Treasury and credited to the respective projects. Funds are used for the operation and maintenance of two hydrogenerating plants; a diesel power generating plant; transmission lines; distribution systems and pumping plants for the use of each project irrigation system; the purchase of power for re-sale, and for all necessary expenses for operation of power systems on an actual cost basis. A project power system's primary purpose is to furnish electrical energy to the project for irrigation and drainage pumping and also to furnish energy to mining and milling properties, public utilities and domestic consumers on the project proper, in nearby towns and villages, and in outlying farming areas. The energy supplied by these projects (San Carlos, Colorado River and Flathead Indian Reservations) in many instances is the only source of electrical energy available to the consumers. Approximately 618 million kilowatt-hours are transmitted over all projects. Annually, the distribution systems serve approximately 36,335 domestic and commercial consumers. As with irrigation collections, power collections and reserves are invested in interest bearing securities until required for power system operations.

4. Lummi Diking Project. Revenues which have been collected for construction, operation, and maintenance, including interest and penalties, against each tract of land within the project which, as of September 17, 1965, were in a trust or restricted status and are available to pay assessments made against each such tract. (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821.). No activity is anticipated for this program in fiscal year 1985.

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

14-9925-0-2-999

MISCELLANEOUS APPROPRIATIONS

Program and Performance

1. Claims and Treaty Obligations. Payments are made to fulfill treaty obligations with the Senecas of New York (Act of February 19, 1831), the Six Nations of New York (Act of November 11, 1794), and the Pawnees of Oklahoma (the treaty of September 24, 1857); and benefit claims to the Sioux Indians (Acts of March 2, 1889; June 10, 1896; and June 21, 1906).
2. Operation and Maintenance, Indian Irrigation Systems*. Revenues derived from charges for operation and maintenance of Indian irrigation projects are used to defray, in part, the cost of operating and maintaining these projects (60 Stat. 895).
3. Power Systems, Indian Irrigation Projects*. Revenues collected from the sale of electric power by the Colorado River, Flathead, and San Carlos power systems are used to operate and maintain these systems (60 Stat. 895; 65 Stat. 254).
4. Lummi Diking Project. Revenues which have been collected for construction, operation, and maintenance, including interest and penalties, against each tract of land within the project which, as of September 17, 1965, were in a trust or restricted status and are available to pay assessments made against each such tract. (Act of September 17, 1965, Public Law 89-190, 79 Stat. 821.)

*These collections may now be invested pursuant to P.L. 98-146, dated November 4, 1983. This amends the Act of June 24, 1938 (52 Stat. 1037; 25 U.S.C. 162a) to include language which will provide the Secretary of Interior authority to invest the funds. The additional language reads as follows:

- (b) The Secretary of the Interior is authorized to invest any operation and maintenance collections from Indian irrigation projects and revenue collections from power operations on Indian irrigation projects in-
- (1) any public-debt obligations of the United States;
 - (2) any bonds, notes, or other obligations which are unconditionally guaranteed as to both principal and interest by the United States; or (3) any obligations which are lawful investments for trust funds under the authority or control of the United States.

The Secretary of the Interior is authorized to use earnings from investments under this subsection to pay operation and maintenance expenses of the project involved.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
1. Claims and Treaty Obligations...	990	1,000	1,000
2. Operation and Maintenance, Indian Irrigation Systems.....	12,865	14,500	14,500
3. Power Systems, Indian Irrigation Projects.....	22,063	23,500	23,500
4. Lummi Indian Diking Project.....	5		
10.00 Total Obligations.....	35,923	39,000	39,000
<u>Financing:</u>			
21.00 Unobligated balance available, start of year.....	-12,616	-13,624	-14,624
24.00 Unobligated balance available, end of year.....	13,624	14,624	15,624
60.00 Budget authority appropriation (Permanent, indefinite).....	36,931	40,000	40,000
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	35,923	39,000	39,000
72.40 Obligated balance, start of year.....	4,238	4,743	6,243
74.40 Obligated balance, end of year	-4,743	-6,243	-7,743
90.00 Outlays.....	35,418	37,500	37,500
<u>Distribution of budget authority by account:</u>			
1. Claims and Treaty Obligations...	990	1,000	1,000
2. Operation and Maintenance, Indian Irrigation Systems.....	13,280	14,400	14,400
3. Power Systems, Indian Irrigation Projects.....	22,661	24,600	24,600
Total.....	36,931	40,000	40,000
<u>Distribution of outlays by account:</u>			
1. Claims and Treaty Obligations...	992	1,000	1,000
2. Operation and Maintenance, Indian Irrigation Systems.....	11,922	13,000	13,000
3. Power Systems, Indian Irrigation Projects.....	22,498	23,500	23,500
4. Lummi Diking Project.....	6	---	---
Total.....	35,418	37,500	37,500

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 MISCELLANEOUS APPROPRIATIONS
 Object Classification (in thousands of dollars)

Identification Code: 14-9925-0-2-999	1983 Actual	1984 Estimate	1985 Estimate
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent.....	9,247	9,376	9,559
11.3 Other than full-time positions	994	956	974
11.5 Other personnel compensation..	459	428	432
11.9 Total personnel compensation	10,700	10,760	10,965
Personnel Benefits:			
12.1 Personnel Benefits: Civilian.	1,259	1,154	1,176
21.0 Travel & transportation of persons.....	59	100	100
22.0 Transportation of things.....	517	700	700
23.2 Communications, utilities, and other rent.....	13,101	14,000	14,000
24.0 Printing and reproduction.....	14	20	20
25.0 Other services.....	4,724	5,666	5,439
26.0 Supplies and materials.....	3,798	4,500	4,500
31.0 Equipment.....	686	1,000	1,000
32.0 Lands and structures.....	80	100	100
41.0 Grants, subsidies, and contributions.....	985	1,000	1,000
99.9 Total obligations.....	35,923	39,000	39,000
Personnel Summary			
Total number of permanent positions..	353	455	455
Total compensable work years.....	367	474	474
Full-time equiv. of overtime and holiday hours.....	15	19	19

MISCELLANEOUS
REVOLVING FUNDS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

During Fiscal Year [1984] 1985, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed [\$13,075,000] \$16,100,000.

(Public Law 98-146, making appropriations for the Department of the Interior and related agencies, 1984.)

Appropriation Language and Citations

This language is an administrative limitation required by OMB Circular A-11, 31.5, and is not required by law.

Authorization: The Bureau's revolving loan fund was authorized by the Indian Reorganization Act of 1934 (25 U.S.C. 4070). It has been amended and expanded several times adding new programs and authorizing additional funds.

25 U.S.C. 470: Authorized \$20,000,000 to be established as a revolving fund to make loans to Indian chartered corporations for the purpose of promoting the economic development of such tribes and their members. Repayments of amounts loaned under this authorization shall be credited to the revolving fund and shall be available for further loans.

25 U.S.C. 470a: Interest or other charges shall be credited to the revolving loan fund and should be available for making loans to individual Indians and associations or corporate groups of Indians in Oklahoma.

25 U.S.C. 471: Authorized to be appropriated funds not to exceed \$250,000 annually for loans to Indians for payment of tuition and expenses in recognized vocational and trade schools.

25 U.S.C. 631-634: Establishes a revolving loan fund for the Navajo and Hopi Indians.

25 U.S.C. 70n-1: Authorized to be appropriated the sum of \$1,800,000 for the establishment of a revolving fund from which the Secretary of the Interior may make loans to Indian tribes and bands and to other identifiable groups of American Indian for use in obtaining expert assistance for the preparation and trial of claims pending before the Indian Claims Commission. All claims were transferred to the Court of Claims in 1978 when the Commission terminated.

25 U.S.C. 1461-1469: Authorized an additional \$50 million of which \$41 million has been appropriated. Administered as a single Indian Revolving Loan Fund sums from diverse sources; availability of funds for loans to Indians and for administrative expenses.

REVOLVING FUND FOR LOANS

Program and Performance

This fund, established by the Indian Financing Act of 1974, provides a source of financing for Indians who cannot borrow from other Government credit agencies or from ordinary commercial lenders because of their low economic status, isolated geographic location, lack of bankable security or other reasons. Loans are made to tribes and other Indian organizations for relending to individual members and groups of members, and to finance tribal business enterprise. Loans are also made to tribes for use by them in obtaining expert assistance to prepare and argue claims pending before the Court of Claims. Direct loans are made for any purpose that will promote the economic development of the borrower including loans for education purposes.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

	Budget Authority			Change-----
	FY	FY	FY	1985
	1983	1984	1985	Compared With
	Available	Available	Requested	1984
Revolving Fund for Loans	-0-	-0-	-0-	-0-

Revolving Fund for Loans: FY 1984: -0-; FY 1985: -0-, no positions.

Proposal: Of the additional \$50 million authorized by the Indian Financing Act of 1974 (P.L. 93-262) for this fund, \$9 million remain to be appropriated. It is anticipated that the FY 1985 loan program will amount to \$16.1 million which will be funded from the unobligated fund balance available at the start of the 1985 fiscal year, and collections into the fund during the year. Over \$8 million in loans pending at the end of fiscal year 1983 were not finalized by September 30, 1983, resulting in a larger carryover balance than anticipated. These loans will need to be processed against the FY 1984 ceiling. The demand for direct loans is expected to increase in FY 1985 since the loan guaranty program will be unable to support new loans if the present trends continue and the Indian Financing Act is not amended.

Program Description: The Indian Revolving Loan Fund was established as three separate funds by the Indian Reorganization Act and other related acts with periodic appropriations of \$26.5 million over a period of years. Of this amount, \$4.1 million used for administrative purposes, leaving \$22.4 million available for lending purposes. The Indian Financing Act of 1974 (P.L. 93-262) combined these funds into one fund and authorized an additional appropriation of \$50 million for the fund, bringing to \$76.5 million the total authorization of the fund. Since 1975, \$85.5 million been loaned from the fund. A total of 64 new tribal enterprises were started at an average cost of \$424,573. A breakdown by area and purpose is included in Table I.

The FY 1985 program will provide \$16.1 million in direct loans to Indian tribes and organizations, individual Indians, and Alaska Natives for economic development purposes; and loans to tribes for relending to tribal members through their credit programs. In addition, the program will include funding for loans for expert assistance to tribes in the preparation and litigation of claims pending before the Court of Claims.

Over the history of the program, \$163.2 million been loaned with \$7.6 million of the principal written off, about 4.6 percent of total loans. A \$5 million loan transferred from another fund. In addition, \$38.6 million of interest has been collected from the program. As of September 30, 1983, outstanding loans totaled \$85.5 million. Delinquent payments totaled \$8.0 million, about 9% of loans outstanding. This includes \$3.6 million of loans made to southeast Alaska Native communities for the fishing industry.

SUMMARY OF ACTIVITY - REVOLVING FUND FOR LOANS

BUREAU OF INDIAN AFFAIRS
Through September 30, 1983

	<u>Collections</u>			<u>Loans</u>	
	<u>Loaned</u>	<u>Principal</u>	<u>Interest</u>	<u>Cancelled</u>	<u>Outstanding</u>
Through September 30, 1982	\$159,767,263	\$71,520,016	\$34,052,929	\$3,149,875	<u>\$85,097,372</u>
FY 1983	<u>8,462,946</u>	<u>3,628,657</u>	<u>4,553,349</u>	<u>4,440,223</u>	
Through September 30, 1983	168,230,209	75,148,673	38,606,278	7,590,098	85,491,438
Cumulative	<hr/> <hr/>				

Comparison of Fund Balances
FY 1982 and FY 1983

	<u>General Fund</u>	<u>Expert Assistance</u>	<u>Total</u>
Through September 30, 1982	<u>14,771,460</u>	<u>2,178,234</u>	<u>16,949,694</u>
Through September 30, 1983	<u>14,756,733</u>	<u>1,923,818</u>	<u>16,680,551</u>

TABLE I

REVOLVING FUND FOR LOANS
 Funds Allotted to Areas by Purpose
 Selected data for FY 1975-1983
 (in thousands of dollars)

AREA	RELENDING	TRIBAL ENTERPRISES		LAND	COOPERATIVES & INDUSTRIAL	CREDIT ASSOCI- ATIONS	DIRECT TO INDIVIDUALS	TOTAL
		New	Existing					
Aberdeen	\$5,625.0	\$5,144.9	\$4,350.9	\$1,445.0			\$2,206.1	\$18,771.9
Albuquerque	900.0	3,633.8	4,421.0				2,391.7	11,346.5
Anadarko		1,150.7	467.6	840.7			534.4	2,993.4
Billings	3,465.0	300.0	380.0	1,168.0			825.6	6,138.6
Eastern	560.0	775.0					20.0	1,355.0
Juneau	1,215.0	1,000.0	343.6		\$1,590.0	\$300.0		4,448.6
Minneapolis	500.0	3,243.3	2,307.2	310.0			416.1	6,776.6
Muskogee		1,175.0	429.9			1,460.0	1,261.4	4,326.3
Navajo		2,700.0	946.4					3,646.4
Phoenix	1,250.0	4,318.0	5,445.0	190.0		200.0	549.2	11,952.2
Portland	1,425.0	3,622.0	4,485.2	892.2	13.6**		2,139.1	12,577.1
Sacramento		110.0					1,063.9	1,173.9
TOTALS	\$14,940.0	\$27,172.7*	\$23,576.8	\$4,845.9	\$1,603.6	\$1,960.0	\$11,407.5	\$85,506.5

*64 new tribal enterprises were started at an average cost of \$424,573.

**\$13,600 for industries at Portland.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS
Program and Financing (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities</u>			
10.00 Total obligations (obj. class 33.0)	7,516	13,075	16,100
<u>Financing:</u>			
14.00 Offsetting collections from:			
Non-Federal sources.....	-8,243	-9,900	-9,900
21.98 Unobligated balance available, start of year: Fund balance.....	-15,278	-16,005	-12,830
24.98 Unobligated balance available, end of year: Fund balance.....	16,005	12,830	6,630
39.00 <u>Budget Authority</u>	---	---	---
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	-727	3,175	6,200
72.98 Obligated balance, start of year: Fund balance.....	1,671	675	---
74.98 Obligated balance, end of year: Fund balance.....	-675	---	---
90.00 Outlays	269	3,850	6,200

STATUS OF DIRECT LOANS (in thousands of dollars)

Position with respect to limitation
on obligations:

1110 Limitation on obligations.....	19,970	13,075	16,100
1151 Obligations incurred, gross Direct loans to the public.....	7,516	13,075	16,100
1190 Unused balance of limitation expiring.....	12,454	---	---

Cumulative balance of direct loans
outstanding:

1210 Outstanding, start of year.....	85,139	85,545	91,195
1231 New loans: Disbursements for direct loans.....	8,512	13,750	16,100
1251 Recoveries: Repayments and prepayments.....	-3,666	-5,100	-5,100
1261 Adjustments: Write-offs for default.....	-4,440	-3,000	-2,500
1290 Outstanding, end of year.....	85,545	91,195	99,695

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
REVOLVING FUND FOR LOANS

Revenue and Expense (in thousands of dollars)

Identification Code: 14-4409-0-3-452	1983	1984	1985
	Actual	Estimate	Estimate
<u>Loan Program:</u>			
Revenue.....	4,577	4,800	4,800
Expense.....	-1,761	-3,000	-2,500
Net operating income, total	2,816	1,800	2,300

FINANCIAL CONDITION (in thousands of dollars)

<u>Assets:</u>	FY 1982	FY 1983	FY 1984	FY 1985
	Actual	Actual	Estimate	Estimate
Fund balance with Treasury.....	16,949	16,681	12,832	6,630
Loans receivable, net.....	73,904	76,988	82,637	91,139
Total assets.....	90,853	93,669	95,469	97,769
<u>Liabilities:</u>				
Selected liabilities, accounts payable	1,671	675	---	---
<u>Government equity:</u>				
Selected equity Unexpended budget authority:				
Unobligated balance.....	15,278	16,005	12,832	6,630
Invested capital.....	73,904	76,989	82,637	91,139
Total Government equity.....	89,182	92,994	95,469	97,769
<u>Analysis of Changes in Government Equity:</u>				
<u>Paid in capital:</u>				
Opening balance.....		75,282	75,282	75,282
Closing balance.....		75,282	75,282	75,282
<u>Retained income:</u>				
Opening balance.....		15,571	18,387	20,187
Transactions: Net operating income		2,816	1,800	2,300
Closing balance.....		18,387	20,187	22,487
Total Government equity end of year..		93,669	95,469	97,769

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

14-4320-0-3-452

Liquidation of Hoonah Housing Project Revolving Fund

Program and Performance

This fund was transferred from the Housing and Home Finance Agency to the Secretary of the Interior under the provisions of Public Law 85-806. The Secretary uses the funds transferred from the Housing and Home Finance Agency, along with any other revenues that may be received from the Hoonah Housing Project, for the purpose of liquidating this Project in accordance with the provisions of the Law.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
LIQUIDATION OF HOONAH HOUSING PROJECT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification Code: 14-4320-0-3-452	1983 Actual	1984 Estimate	1985 Estimate
Program by activities:			
10.00 Total Obligations (Object Class 42.0).....	---	---	---
Financing:			
21.98 Unobligated balance available, start of year: Fund balance.....	-27	-27	-27
24.98 Unobligated balance available, end of year: Fund balance.....	27	27	27
39.00 Budget authority.....	---	---	---
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year.....	101	---	---
1263 Other adjustments, net <u>a/</u>	-101	---	---
1290 Outstanding, end of year.....	---	---	---

a/ Correction of erroneous loan balances by cancellation or adjustment of account ledgers.

LOAN GUARANTY

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
14-4410-0-3-452

INDIAN LOAN GUARANTY AND INSURANCE FUND

During Fiscal Year [1984] 1985, and within the resources and authority available, total commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed [19,000,000] resources and authority available.

(Public Law 98-146, making appropriations for the Department of the Interior and related agencies, 1984.)

Justification of Proposed Language Changes

1. Addition: "... resources and authority available."

In FY 1985, no new loans will be guaranteed as all available funds will be needed to support outstanding guaranteed loans.

Appropriation Language and Citations

This language is an administrative limitation required by OMB Circular A-11; 31.5, and is not required by law.

Authorization: The Bureau's loan guaranty program was authorized by the Indian Financing Act of April 12, 1974.

25 U.S.C. 1481-1512: Authorized a loan guaranty and insurance program not to exceed \$200 million to provide access to private money sources which otherwise would not be available to Indian tribes or organizations and individual Indians. No more than 90 percent of a loan may be guaranteed or insured.

25 C.F.R. 1541: Authorizes competent management and technical assistance for loan recipients.

Program and Performance

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to support a program of guaranteeing or insuring loans made by commercial lending institutions to Indians and to tribes and other Indian organizations for economic development purposes. An interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest. The purpose of this program is to provide an incentive to the private lending sector to make loans to Indians which would not otherwise be made.

BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

	FY 1983 Available	FY 1984 Available	FY 1985 Estimate	Change----- FY 1985 Compared with FY 1984
Loan Guaranty and Insurance Program	-0-	-0-	-0-	-0-

Loan Guaranty and
Insurance Program: FY 1984, -0-; FY 1985, -0-; no change, no positions.

Proposal:

Under current legislation, appropriations were made to the fund of \$20.0 million, \$10.0 million, and \$15 million in 1975, 1976, and 1977, respectively, making a total of \$45.0 million available for administration of this program. For FY 1985, collections made during 1985 will be used to provide funds for reserves for losses and costs associated with defaulted loans. Collections during FY 1985 are estimated at \$0.3 million from premiums on guaranteed loans, and \$0.3 million on sale of assets acquired in liquidation, making an estimated \$0.7 million available for programming. We will have \$.05 million unobligated carry-over funds from the previous year. At this time we do not anticipate any new loan guarantees in FY 85. The obligated carryover funds and current year collections will be used to cover the expenses of the program for interest subsidy and defaulted loans.

Program Description:

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to provide access to private money sources through guaranteeing or insuring loans which otherwise would not be available to Indian tribes and organizations, individual Indians, and Alaskan Natives for economic development purposes. To encourage the use of private capital, an interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest to the rate charged on direct loans from the Revolving Fund for Loans. Currently subsidy funds are obligated in total. In addition, a reserve for losses of 15% of the guaranteed balance is maintained to purchase defaulted loans. By the end of FY 1984 it is estimated that \$15.2 million will be obligated for interest subsidy payments and \$12.6 million will be maintained as a reserve for losses. This will support outstanding loans of \$92.9 million.

The first loan guaranty under the program was approved in August, 1975. As of September 30, 1983, guarantees were approved on 141 new loans totalling \$117.2 million. The breakdown by fiscal year and current status is shown in Table I. Of the total loans, 44 were to Indian tribes, 39 to Indian-owned corporations, 58 to Indian individuals. To date, 158 lenders have been approved for participation in the program. As of September 30, 1983, 58 loans are outstanding, 34 have been paid off, and 38 loans have been defaulted. The total pay out for the defaulted loans, including interest, is \$5.2 million, or 4.4% of the total dollar amount guaranteed to date. This information is broken down by area in Table II.

Because of the high commercial lending interest rates and resulting high interest subsidy rates, we were unable to realize any significant leverage from the guaranty program. Considering a 6 1/2 percent subsidy and 10-year term loan, our leverage was only one program dollar to \$1.80 loan value. The subsidy rose steadily during 1981 and 1982, to as much as 12%. A limitation of 25% of the face amount of the loan was placed on the amount of subsidy to be paid per loan. Subsidy rates have fallen in 1983 with the lowering of the prime rate and the Treasury rate staying near 11%.

TABLE I

LOAN GUARANTY ACTIVITY
 FY 1976 - FY 1983
 as of September 30, 1983

<u>Loans Guaranteed</u>							
<u>Year</u>	<u>No.</u>	<u>Amount</u>	<u>Defaulted</u>	<u>Repaid</u>	<u>Cancel</u>	<u>Modified</u>	<u>Current</u>
1976	55	\$14,863,405	19	17	4	3	12
1977	46	42,872,532					
+ Mod. <u>a/</u>	3	333,211	14	10	7	3	15
*1978	11	8,215,875					
+ Mod. <u>a/</u>	3	129,585	4	4			6
1979	5	1,640,000					
Additional loan <u>b/</u>		624	1	1			3
1980	1	8,500,000					
Additional loan <u>b/</u>		10,094		1			0
1981	1	1,000,000		1			0
1982	8	25,880,000					8
1983	14	12,900,000					14
Additional loan <u>c/</u>		800,000					
Total	147	117,145,326	38	34	11	6	58
NEW	(141)						
MOD.	(6) <u>a/</u>						

* The Loan Guaranty Program was closed November 1978 to new loan applications. Loan applications on hand and commitments to guarantee \$36 million in new loans required reserving all available program funds. In FY 1981, the program was reopened, since two proposed guarantees for large loans were cancelled.

a/ Six original loans were completely modified and additional funds advanced.

b/ Funds were added to existing loans for protective advances.

c/ Funds were added to existing loans for expansion.

TABLE II

Status of Loan Guarantees as of September 30, 1983

AREA	NO.	FACE AMOUNT	CURRENT		AMOUNT WHEN DEFAULTED		PAID OFF		GUARANTY CANCELLED	
			NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
Aberdeen	13	3,402,982	5	2,057,523	3	443,851	4	642,000	1	2,900
Albuquerque	18	13,347,114	8	11,674,502	4	906,569	4	201,292	2	81,000
Anadarko	20	2,222,585	4	778,390	10	491,977	5	501,255	1	179,130
Billings	11	6,803,000	5	4,994,674	2	222,131	3	824,000	1	250,000
Eastern	14	8,590,900	7	5,048,020	5	2,476,057	2	539,709		129,291
Juneau	7	36,304,000	5	33,608,766				11,618	2	1,098,382
Minneapolis	12	1,612,815	4	743,519	4	68,710	4	469,751		
Muskogee	12	1,576,485	2	86,943	5	850,214	3	193,370	2	245,570
Navajo	3	35,200,000	1	18,500,000			1	8,500,000	1	8,200,000
Phoenix	5	3,254,000	1	138,522	1	13,308	2	1,035,154	1	1,594,846
Portland	23	4,903,992	15	1,740,645	2	70,828	6	2,065,892		
Sacramento	3	213,400	1	72,732	2	110,072				
TOTALS	141	117,431,273	58	79,444,236	38	5,653,717	34	14,984,041	11	11,781,119
(Percent)		(100)*		(67.7)		(4.8)		(12.8)		(10.0)

* \$5,568,160 in repayments on current loans or 4.7% needs to be included in order to total 100.0%

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND
Summary of Program and Funding Data
(\$ in millions)

<u>Funds Available for Reserves and Costs:</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
1 Fund Balance, start of year	14.4	13.2	.5
2 Collections	.4	.3	.3
3 Liquidation of assets	.1	.3	.3
4 Total Available	<u>14.9</u>	<u>13.8</u>	<u>1.1</u>
Less:			
5 Net Reserves for loan losses (line 22 less 23)	-.2	-1.9	+1.6
6 Reserves for interest subsidies (line 14)	-1.5	-8.6	--
7 Mgmt & tech assistance cost	-.5	-.3	-.4
8 Defaulted loan costs	-	-.3	-.1
9 Purchase of default loans	-	-2.2	-2.2
10 Cancelled obligations	.5	-	-
11 Total needs for reserve and costs	<u>-1.7</u>	<u>-13.3</u>	<u>-1.1</u>
12 Fund Balance, end of year	<u>13.2</u>	<u>.5</u>	<u>0.0</u>
<u>Status of reserves and obligations:</u>			
<u>For Interest Subsidies:</u>			
13 Obligated Balance, start of year	7.2	7.7	15.2
14 Obligated during year	1.5	8.6	-
15 Expenditures	-1.0	-1.1	-1.4
16 Obligated Balance, end of year	<u>7.7</u>	<u>15.2</u>	<u>13.8</u>
<u>For Protective Advances:</u>			
17 Obligated Balance, start of year	.9	.4	.3
18 Expenditures	0	-.1	-.3
19 Cancelled	-.5	-	-
20 Obligated Balance, end of year	<u>.4</u>	<u>0.3</u>	<u>0</u>
<u>For Defaults (Administrative commitments):</u>			
21 Reserve for losses, start of year	10.5	10.7	12.6
22 Reserved during year	1.9	2.6	--
23 Reduction to the reserve during year	-1.7	-.7	-1.8
24 Balance, end of year	<u>10.7</u>	<u>12.6</u>	<u>10.8</u>
Total reserves and obligations	<u>18.8</u>	<u>28.1</u>	<u>24.6</u>
<u>Total Program Outlay:</u>			
Mgmt & tech assistance (line 7)	.5	.3	.4
Defaulted loan costs (line 8)	-	.3	.1
Purchase of default loans (line 9)	-	2.2	2.2
Interest subsidy expenditures (line 15)	1.0	1.1	1.4
Protective advances (line 18)	-	.1	.3
Total Outlay	<u>1.5</u>	<u>4.0</u>	<u>4.4</u>
Less collections (line 2)	-.4	-.3	-.3
Less liquidation of assets (line 3)	-.1	-.3	-.3
Net Total Program Outlay	<u>1.0</u>	<u>3.4</u>	<u>3.8</u>
<u>Guaranteed Loans:</u>			
Outstanding, start of year	77.8	79.5	92.9
New loans during year	13.8	19.0	--
Repayments during year	-10.3	-3.2	-4.6
Defaults during year	-.1	-2.4	-2.8
Guarantees Cancelled	-1.7	-	-
Outstanding, end of year	<u>79.5</u>	<u>92.9</u>	<u>85.5</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND

Program and Financing (in thousands of dollars)

	1983	1984	1985
Identification Code: 14-4410-0-3-452	Actual	Estimate	Estimate

Program by activities:

Operating expenses:

1.	Interest subsidy expense.....	860	8,650	---
2.	Technical assistance.....	528	300	400

	Total operating expenses	1,388	8,950	400
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	Capital investment.....	69	2,500	2,300
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10.00	Total obligations.....	1,457	11,450	2,700
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Financing:

14.00 Offsetting collections from:

	Non-federal sources:.....	-464	-660	-636
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21.98	Unobligated balance available, start of year.....	-24,855	-23,862	-13,072
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24.98	Unobligated balance available, end of year.....	23,862	13,072	11,008
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39.00	<u>Budget Authority</u>	---	---	---
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Relation of obligations to outlays:

71.00	Obligations incurred, net....	993	10,790	2,064
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72.98	Obligated balance, start of year.....	8,103	8,020	15,400
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74.98	Obligated balance, end of year	-8,020	-15,400	-13,800
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90.00	Outlays.....	1,076	3,410	3,664
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STATUS OF DIRECT LOANS (in thousands of dollars)

Position with respect to limitation
on obligations:

1110	Limitations on obligations.....	---	---	---
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1130	Obligations exempt from limitation.....	69	2,500	2,300
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1151	Obligations incurred, gross: Direct loans to the public....	69	2,500	2,300
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DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND
Status of Direct Loans (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1983 Actual	1984 Estimate	1985 Estimate
<u>Cumulative balance of direct loans outstanding:</u>			
1210 Outstanding, start of year.....	5,100	3,753	3,612
New loans:			
1231 Disbursements for direct loans.	---	200	300
1232 Disbursements for guaranty claims.....	69	2,300	2,000
Recoveries:			
1251 Repayments and prepayments.....	-47	-80	-36
1254 Other capital recoveries.....	-1	-250	-300
Adjustments:			
1261 Write-offs for default.....	-1,377	-2,020	-1,300
1263 Other adjustments, net <u>1/</u>	+9	-291	-290
1290 Outstanding, end of year.....	3,753	3,612	3,986

1/ Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

STATUS OF GUARANTEED LOANS (in thousands of dollars)

Position with respect to limitation on commitments:

2111 Limitation on commitments:			
Loans by private lenders <u>1/</u> .	15,800	19,000	---
2151 New commitments made, gross:			
Loans by private lenders....	13,754	19,000	---
2190 Unused balance of limitation, expiring.....	2,046	---	---

Cumulative balance of guaranteed loans outstanding:

2210 Outstanding, start of year....	77,815	79,444	92,896
2231 Loans guaranteed: New Loans..	13,754	19,000	---
2250 Repayments and prepayments....	-10,313	-3,165	-4,645
<u>Adjustments:</u>			
2261 Terminations for default.....	-72	-2,383	-2,787
2263 Other adjustments, net <u>2/</u>	-1,740	---	---
2290 Outstanding, end of year.....	79,444	92,896	85,464

1/ Amount shown is based on the full principal amounts of loans that are partially guaranteed by the U.S. Government. The comparable amounts of limitations enacted on the basis of contingent liability is \$14,220 in 1983.

2/ Guaranteed certificates canceled.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTY AND INSURANCE FUND
Status of Guaranteed Loans (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1983 Actual	1984 Estimate	1985 Estimate
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MEMORANDUM:

2299 U.S. contingent liability for guaranteed loans out- standing, end of year.....	71,500	83,606	76,918
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REVENUE AND EXPENSE (in thousands of dollars)

<u>Loan Guaranty and Insurance Fund Program:</u>			
Revenue.....	417	80	36
Expense.....	-1,471	-1,822	-1,794
Write-offs.....	-1,157	-2,020	-1,300
Adjustment.....	+38	---	---
Net operating loss, total.....	-2,173	-3,762	-3,058

FINANCIAL CONDITION (in thousands of dollars)

Assets:

Selected assets:

Fund balance with Treasury.....	32,958	31,882	28,472	24,808
Advances.....	54	93	---	---
Assets acquired through default....	4,556	3,420	3,161	3,767
Total assets.....	37,568	35,395	31,633	28,575

Liabilities:

Selected liabilities:

Accounts payable.....	157	96	---	---
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Government equity:

Selected equities:

Unexpended budget authority:

Unobligated balance.....	24,855	23,862	13,072	11,008
Undelivered orders.....	8,000	8,017	15,400	13,800
Invested capital.....	4,556	3,420	3,161	3,767
Total Government equity.....	37,411	35,299	31,633	28,575

Analysis of Changes in Government Equity:

Paid in capital:

Opening balance.....	45,000	45,000	45,000
Closing balance.....	45,000	45,000	45,000

Retained income:

Opening balance.....	-7,432	-9,605	-13,367
Transaction: Net operating loss...	-2,173	-3,762	-3,058

Closing balance.....	-9,605	-13,367	-16,425
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Total Gov't equity (end of year).	35,395	31,633	28,575
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DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 INDIAN LOAN GUARANTY AND INSURANCE FUND
 OBJECT CLASSIFICATION (in thousands of dollars)

Identification Code: 14-4410-0-3-452	1983 Actual	1984 Estimate	1985 Estimate
25.0 Other services.....	528	300	400
33.0 Investments and loans	69	2,500	2,300
41.0 Grants, subsidies, and contributions	860	8,650	---
99.9 Total Obligations.....	1,457	11,450	2,700

MISCELLANEOUS
TRUST FUNDS

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

TRUST FUNDS

14-8366-0-7-452

COOPERATIVE FUND (PAPAGO)

Program and Performance

This Cooperative Fund, established by section 313 of the Southern Arizona Water Rights Settlement Act, P.L. 97-293 (96 Stat. 1274-1285), provides a source of funds for the Secretary of the Interior to carry out the obligations of the Secretary under sections 303, 304 and 305 of the Act. Only interest accruing to the fund may be expended. However, the Law provides that no such interest can be spent prior to the earlier of 1992 or the completion of the main project works of the Central Arizona Project.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 COOPERATIVE FUND (PAPAGO)

Program and Financing (in thousands of dollars)

Identification Code: 14-8366-0-7-452	1983 Actual	1984 Estimate	1985 Estimate
<u>Financing:</u>			
21.40 Unobligated balance available, start of year: U.S. Securities (par).....			
24.40 Unobligated balance available, end of year: U.S. Securities (par).....	---	-5,250	-11,450
	5,250	11,450	12,825
60.00 Budget Authority (appropriation) (permanent, indefinite).....	5,250	6,200	1,375
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	---	---	---
90.00 Outlays.....	---	---	---

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

TRUST FUNDS

MISCELLANEOUS TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated not to exceed \$4,000,000 from tribal funds not otherwise available for expenditure for the benefit of Indians and Indian tribes, including pay and travel expenses of employees; care, tuition, and other assistance to Indian children attending public and private schools (which may be paid in advance or from date of admission); purchase of land and improvements on land, title to which shall be taken in the name of the United States in trust for the tribe for which purchased; lease of lands and water rights; compensation and expenses of attorneys and other persons employed by Indian tribes under approved contracts; pay, travel, and other expenses of tribal officers, councils, and committees thereof, or other tribal organizations, including mileage for use of privately owned automobiles and per diem in lieu of subsistence at rates established administratively but not to exceed those applicable to civilian employees of the Government; relief of Indians, including cash grants: Provided, That in addition to the amount appropriated herein, tribal funds may be advanced to Indian tribes during the current fiscal year for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary.

(25 U.S.C. 123; P.L. 98-146, making appropriations for the Department of the Interior and related agencies, 1984.)

Appropriation Language and Citations

25 U.S.C. 123 provides that no money shall be expended from Indian tribal funds without specific appropriation by Congress except as follows: Equalization of allotments, education of Indian children in accordance with existing law, per capita and other payments, all of which are hereby continued in full force and effect: Provided, That this shall not change existing law with reference to the Five Civilized Tribes.

25 U.S.C. 123a provides that funds of any tribe of Indians under the control of the United States may be used for payments of insurance premiums for protection of the property of the tribe against fire, theft, tornado, hail, earthquake, or other elements and forces of nature, and for protection against liability on account of injuries or damages to persons or property and other like claims.

25 U.S.C. 123b provides that on and after May 9, 1938 tribal funds shall be available for appropriation by Congress for traveling and other expenses, including supplies and equipment, of members of tribal councils, business committees, or other tribal organizations, when engaged on business of the tribes.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 TRUST FUNDS
 14-9973-0-7-999

Analysis of Changes in Requirments
 (in thousands of dollars)

	<u>Budget Authority</u>	<u>Outlays</u>
FY 1983 Total.....	434,444	457,808
 <u>Decreases</u>		
Program decreases:		
Other Trust.....	---	-17,615
Papago.....	-15,000	---
 <u>Increases</u>		
Program increases:		
Direct Prgram.....	+1,973	+1,973
Advances to Indian Tribes.....	+1,877	+1,878
Miscellaneous Permanents (Tribal).....	+46,017	+22,456
Other Trust.....	+88	---
Papago Trust.....	<u>---</u>	<u>+15,000</u>
FY 1984 Total.....	469,399	481,500
 <u>Decreases</u>		
Program decreases:		
Papago Trust.....	---	-15,000
 <u>Increases</u>		
Program increases:		
Miscellaneous Permanents (Tribal).....	<u>+39,703</u>	<u>+39,000</u>
FY 1985 Total.....	509,102	505,500

TRUST FUNDS
Highlight Statement

A. Tribal Funds

Tribal funds are deposited into a consolidated account in the U.S. Treasury pursuant to: (1) general or specific acts of Congress enacting the judgment awards of the Indian Claims Commission and the Court of Claims, and (2) Federal management of tribal real properties, the titles to which are held in trust for the tribes by the United States. Each of these two sources of funds contributes approximately 35% and 65%, respectively, of the tribal trust fund income. Approximately 300 Indian tribes, bands, or identifiable groups maintain funds in the U.S. Treasury account; these monies are separately identified and controlled in some 700 accounts by the Bureau of Indian Affairs (BIA).

Tribal funds are available to the respective tribal groups for various purposes, under various acts of Congress, and are subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, or groups. Tribal funds may be used for the conduct of tribal financial programs, enterprises, businesses, per capita payments, and other tribal affairs.

The Act of October 19, 1973 (87 Stat. 466), provides general authority for the distribution of funds appropriated in satisfaction of judgments of the Indian Claims Commission and the Court of Claims, subject to certain conditions, including the development of a plan for the use of the funds. Funds derived from the management of tribal trust properties are available for tribal use in accordance with approved budgets under annual/definite, annual/indefinite, or permanent/indefinite authorizations.

Funds programmed under annual/definite authorizations are not otherwise available for expenditure without Congressional action, and the \$4 million requested for Fiscal Year 1985 is to provide the Secretary of the Interior with expenditure authority for the implementation of programs for those tribes which are not sufficiently organized to be represented by a recognized governing body, or to permit disbursements through a Treasury Regional Disbursing Office when no other legislative authority exists. Expenditures made under this authority are individually made through the Regional Disbursing Offices, subject to the same regulations and procedures as appropriations from the general fund of the Treasury.

The annual/indefinite authorization in the Appropriation Act, under the heading Tribal Funds, provides the necessary authority, on an annual basis, for the Secretary of the Interior to withdraw from tribal accounts in the Treasury those funds needed to carry out programs designed by a particular tribe and approved by the Secretary for the conduct of tribal operations including but not limited to: management of tribal resources and other programs designated to improve the situation of the general membership. These funds are advanced to tribes for disbursement by Indian Services Special Disbursing Agents or by bonded tribal treasurers under plans of operation.

Funds programmed under permanent/indefinite authorization are made available under legislation which gives the Secretary of the Interior continuing authority to carry out the provisions of specific acts, and can be disbursed through either the Regional Disbursing Office or the Indian Service Special Disbursing Agents' accounts, or advanced to tribes for disbursement by their bonded tribal treasurers under approved plans of operation. These funds do not require annual approval by Congress but are reported annually in the budget schedule to give the Congress an opportunity to review the activity conducted under the authorities extended to the Secretary of the Interior.

B. Plan of Work

No part of the funds contained in this estimate represents a charge upon the Federal Treasury. This item reflects the disbursement of funds to the credit of Indian tribes or bands under numerous special acts of Congress in compliance with the terms of the various trusts and for carrying out tribal programs recommended by the tribal governing bodies with the approval of the Assistant Secretary for Indian Affairs.

The budget schedule under the Permanent Authorization reflects disbursements from the tribal trust funds authorized by permanent legislation, and under the Annual and Indefinite Authorizations, amounts requested annually by the various tribes for carrying out various tribal activities.

The estimate, therefore, is restricted to the funds requested annually as required by section 27 of the Act of May 18, 1916 (39 Stat. 158).

C. Other Trust Funds

Included in this category of "Other Trust Funds" are: 14X8563 "Funds Contributed for the Advancement of the Indian Race," which consists of contributions, donations, gifts, etc., to be used for the benefit of American Indians in accordance with the donor's wishes (82 Stat. 171); and 14X8060 "Bequest of George C. Edgeter, Relief of Indigent American Indians," which consists of a bequest, the principal of which is to be invested in U.S. Treasury bonds and notes, and the interest is to be used for the relief of American Indians (82 Stat 171).

Until recently, 14X8500 "Indian Monies, Proceeds of Labor, Agencies, and Schools" (IMPL) account was also included in this category. These funds represented miscellaneous revenues derived from agencies and schools which were deposited in a Federal trust fund and used to support agency functions and schools. In FY 1982, pursuant to P.L. 97-100, \$9.6 million of IMPL funds was authorized to offset a reduction in the Bureau's Operation of Indian Programs appropriation. P.L. 97-257, which amended P.L. 97-100, directed that no funds would be deposited in the IMPL account after September 30, 1982, and that the unobligated balance as of that date would be transferred to an escrow account. Therefore, all unobligated balances remaining in the IMPL account as of September 30, 1982, were transferred to account 14X6703 "IMPL Escrow Account, Pending Determination of Beneficiaries." There are no longer any funds in the IMPL account except those required to complete prior year business transactions. Once these transactions are all liquidated, any balances remaining will be transferred to the General Fund of the U.S. Treasury as miscellaneous receipts as provided by law.

In FY 1983, a temporary trust fund was established to receive the \$15,000,000 appropriated by P.L. 98-63, July 30, 1983, for the Papago Tribe's Trust Fund. This temporary fund was invested by the Bureau pending signing of the required water rights settlement agreements between the Secretary of the Interior and the Papago Tribe. After the agreements were signed in early October, 1983, the trust fund plus interest was paid to the tribe to establish their "Papago Trust Fund" as authorized by section 309, P.L. 97-293 (96 stat. 1283), the "Southern Arizona Water Rights Settlement Act of 1982."

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ANNUAL DEFINITE AUTHORIZATION - TRIBAL FUNDS

Statement Relating to FY's 1983, 1984 & 1985 Programs

1983 Appropriation.....	\$3,000,000
1984 Budget Estimate.....	4,000,000
Total Appropriation for 1984.....	4,000,000
Total Estimate for 1985.....	<u>\$4,000,000</u>

Analysis of Annual Definite Authorization, Tribal Trust Funds, by Activity:

ACTIVITY/SUBACTIVITY	Actual 1983	Appro- priation 1984	1985 Budget Estimate	Inc(+)/Dec(-) 1984 Compared w/ 1985
1. Education & Welfare Services	\$ -0-	\$ -0-	\$ -0-	-0-
2. Resources Management	-0-	-0-	-0-	-0-
3. Construction & Land Acquisition	927,704	2,280,000	2,280,000	-0-
4. General Tribal Affairs	<u>1,098,841</u>	<u>1,720,000</u>	<u>1,720,000</u>	<u>-0-</u>
Total	<u>\$2,026,545</u>	<u>\$4,000,000</u>	<u>\$4,000,000</u>	<u>-0-</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Summary of Trust Fund Budget Authority

	1983 <u>Actual</u>	1984 <u>Estimate</u>	1985 <u>Estimate</u>
A. Tribal Funds:			
1. Annual Definite Authorization	\$2,026,545	\$4,000,000	\$4,000,000
2. Annual Indefinite Authorization	58,122,523	60,000,000	60,000,000
3. Permanent Authorization	359,146,256	405,163,000	444,866,000
B. Indian Monies, Proceeds of Labor, Agencies, and Schools (Permanent Indefinite):	38,211*	---	---
C. Other Trust Funds - (Permanent Indefinite):	109,770	236,000	236,000
D. Papago Trust Fund	<u>15,000,000</u>	<u>---</u>	<u>---</u>
TOTAL	\$434,443,305	\$469,399,000	\$509,102,000

* This amount represents prior year receivables collected in FY 1983.

Tribal Funds - Annual Definite: Fiscal Year 1984, \$4,000,000; Fiscal Year 1985, \$4,000,000.

STATUS OF PROGRAMS

Funds programmed under the annual definite authorization as shown on the following tabulation are to be used for various education and welfare programs, resources management, construction and land acquisition, and general tribal affairs, including taxes and attorneys' fees. All amounts in the FY 1985 estimate have been requested by the Indian tribal groups except the sum of \$300,000 for miscellaneous tribes. The amount under "miscellaneous tribes" is requested to provide for additional tribal requests that are anticipated during the fiscal year.

COMPARATIVE STATEMENT OF ANNUAL DEFINITE AUTHORIZATIONS BY TRIBE

<u>STATE-AGENCY TRIBE</u>	<u>ACTUAL FY 1983</u>	<u>ESTIMATE FY 1984</u>	<u>ESTIMATE FY 1985</u>
<u>Idaho</u>	96,660	\$ 100,000	\$ 100,000
Nez Perce	96,660	100,000	100,000
<u>Minnesota</u>	\$ 10,000	30,000	30,000
Red Lake	10,000	30,000	30,000
<u>Montana</u>	1,551,148	2,040,000	2,040,000
Crow	709,667	740,000	740,000
Fort Peck	841,481	1,300,000	1,300,000
<u>Oklahoma</u>	10,417	30,000	30,000
Choctaw	10,417	15,000	15,000
Creek	---	15,000	15,000
<u>Washington</u>	287,554	500,000	500,000
Colville	149,012	300,000	300,000
Yakima	138,542	200,000	200,000
<u>Wyoming</u>	70,766	1,000,000	1,000,000
Arapahoe	---	500,000	500,000
Shoshone	70,766	500,000	500,000
<u>Miscellaneous Tribes</u>	---	300,000	300,000
<u>Grand Total</u>	<u>\$2,026,545</u>	<u>\$4,000,000</u>	<u>\$4,000,000</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
1. Direct program (limitation).....	2,027	4,000	4,000
2. Advances to Indian tribes (indefinite authorization).....	58,122	60,000	60,000
3. Miscellaneous permanent.....	373,264	403,754	438,961
4. Other trust funds.....	19,741	1,500	500
5. Papago Trust Fund	---	15,000	---
10.00 Total obligations.....	453,154	484,254	503,461
<u>Financing:</u>			
21.00 Unobligated balance available, start of year:			
Treasury balance.....	-833,515	-748,875	-734,097
U.S. Securities (par).....	-335,147	-401,077	-401,000
24.00 Unobligated balance available, end of year:			
Treasury balance.....	748,875	734,097	730,738
U.S. Securities (par).....	401,077	401,000	410,000
Budget authority.....	434,444	469,399	509,102
<u>Budget authority:</u>			
Current:			
40.00 Appropriation.....	2,027	4,000	4,000
Appropriation (indefinite).....	58,122	60,000	60,000
Permanent:			
60.00 Appropriation (Papago Trust Fund --definite).....	15,000	---	---
60.00 Appropriation (indefinite).....	359,295	405,399	445,102
<u>Relation of obligations to outlays:</u>			
71.00 Obligations incurred, net.....	453,154	484,254	503,461
72.40 Obligated balance, start of year.....	6,400	1,746	4,500
74.40 Obligated balance, end of year	-1,746	-4,500	-2,461
90.00 Outlays.....	457,808	481,500	505,500
<u>Distribution of budget authority by account:</u>			
Indian tribal funds.....	419,296	469,163	508,866
Indian moneys, proceeds of labor....	38	---	---
Funds contributed for the advancement of the Indian race.....	104	230	230
Request of George C. Edgeter.....	6	6	6
Papago Trust Fund.....	15,000	---	---

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
TRUST FUNDS
Program and Financing (in thousands of dollars)

Identification Code: 14-9973-0-7-999	1983 Actual	1984 Estimate	1985 Estimate
Distribution of outlays by account:			
Indian Tribal funds.....	439,843	466,150	505,150
Indian moneys, proceeds of labor.	17,664	---	---
Funds Contributed for the advancement of the Indian race.	305	350	350
Bequest of George C. Edgeter.....	-4	---	---
Papago Trust Fund.....	---	15,000	---

OBJECT CLASSIFICATION

Personnel compensation:			
11.1 Full-time permanent.....	524	276	282
11.3 Other than full-time permanent	15	35	35
11.5 Other personnel compensation.	17	23	23
11.8 Special pers. svcs. payments..	---	4	4
11.9 Total pers. compensation...	556	338	344
Personnel Benefits:			
12.1 Civilian.....	32	33	34
21.0 Travel and trans. of persons.	15	20	20
22.0 Transportation of things.....	8	10	15
23.2 Communications, utilities, and other rent.....	186	300	300
24.0 Printing and reproduction....	16	20	25
25.0 Other Services.....	78,984	81,233	75,423
26.0 Supplies and materials.....	104	200	200
31.0 Equipment.....	5	100	100
32.0 Lands and structures.....	1,014	2,000	2,000
44.0 Refunds.....	372,234	400,000	425,000
99.9 Total obligations.....	453,154	484,254	503,461

Personnel Summary

Total number of full-time permanent positions.....	19	14	14
Total compensable workyears:			
Full-time equivalent employment...	21	16	16
Full-time equivalent of overtime and holiday hours.....	3	2	2

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS

	1983 Estimate	1984 Estimate	1985 Estimate
Executive Level V.....	1	1	1
ES 6.....	1	1	1
ES 5.....	1	1	1
ES 4.....	4	3	3
ES 3.....	1	1	1
ES 2.....	5	5	5
ES 1.....	8	8	8
Subtotal.....	<u>21</u>	<u>20</u>	<u>20</u>
GS/GM 15.....	51	51	51
GS/GM 14.....	251	250	250
GS/GM 13.....	431	431	431
GS 12.....	919	919	865
GS 11.....	1,276	1,217	1,185
GS 10.....	43	42	41
GS 09.....	1,802	1,717	1,672
GS 08.....	121	117	114
GS 07.....	631	601	585
GS 06.....	577	550	535
GS 05.....	1,224	1,166	1,136
GS 04.....	1,845	1,759	1,712
GS 03.....	510	485	472
GS 02.....	27	26	25
Subtotal.....	<u>9,708</u>	<u>9,331</u>	<u>9,074</u>
Ungraded.....	<u>3,274</u>	<u>3,195</u>	<u>3,183</u>
Total permanent positions.....	13,003	12,546	12,277
Unfilled positions, end of year.....	<u>-1,040</u>	<u>-1,004</u>	<u>-1,004</u>
Total permanent employment, end of year...	11,963	11,542	11,273

APPENDICES

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

(Supplemental now requested, existing legislation)

For an additional amount "Operation of Indian Programs", \$21,400,000; of which \$7,400,000 shall be derived by transfer from "Construction".

Program and Financing (in thousands of dollars)

Identification code: 14-2100-1-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Program by activities:</u>			
1. Firefighting and rehabilitation.....	14,000	.....
2. Welfare grants.....	7,400	.....
10.00 Total obligations.....	21,400	.....
<u>Financing:</u>			
40.00 <u>Budget authority (appropriation)....</u>	21,400	.....
<u>Relation of obligation to outlays:</u>			
71.00 Obligations incurred, net.....	21,400	.....
90.00 Outlays.....	21,400	.....

This supplemental request would be used for combating wildfires, for the emergency prevention of fires threatening forest and range lands on Indian reservations, and for the emergency rehabilitation of burned over areas. An additional amount is requested to supplement funds currently available for welfare grants to meet the basic needs of Indian people. These funds will be provided by transferring \$7,400,000 from the "Construction" account which was appropriated in FY 1984 to construct the Alamo Navajo School, New Mexico.

Object Classification (in thousands of dollars)

Identification code: 14-2100-1-1-999	1983 Actual	1984 Estimate	1985 Estimate
<u>Personnel compensation:</u>			
11.8 Special personal services payments...	8,277	.....
12.1 Personnel benefits: Civilian.....	207	.....
21.0 Travel and transportation of persons.	507	.....
23.2 Communications, utilities, and other rent.....	210	.....
25.0 Other services.....	2,550	.....
26.0 Supplies and materials.....	1,649	.....
31.0 Equipment.....	600	.....
41.0 Grants, subsidies, and contributions.	7,400	.....
99.9 Total obligations.....	21,400	.....

JUSTIFICATION

FIRE PRESUPPRESSION, SUPPRESSION, AND EMERGENCY REHABILITATION \$14,000,000

Need for Increase:

The estimate of \$14 million is required to cover cost of prevention, pre-suppression and suppression of fires on or threatening forest and range lands of Indian reservations, and the emergency rehabilitation of Indian forest and range lands that have been burned over by wildfires. The additional funds are required to cover anticipated obligations through Fiscal Year 1984, beyond the token appropriation of \$600,000.

Program Objectives:

The major objectives of this program are to maintain a state of preparedness to combat wildfires promptly and efficiently, and to restore productivity of burned over lands.

Program Justification:

To achieve these objectives, comprehensive programs of fire prevention, presuppression and suppression must be planned, organized, trained for, and vigorously executed. The proposed supplemental is required to cover the Bureau's estimated FY 1984 cost of emergency prevention, presuppression and suppression of fires on or threatening forest and range lands on Indian reservations, and the emergency rehabilitation of Indian forest and range lands that have been burned over by wildfires. Obligations for these activities in total and for the last half of each of the past five fiscal years were as follows:

<u>Fiscal Year</u>	<u>Last Half Year Obligations</u>	<u>Total Obligations</u>
1979	5,368,935	7,868,935
1980	8,335,348	10,487,421
1981	10,972,990	13,719,632
1982	10,919,088	14,017,275
1983	12,548,222	15,277,650

The pattern of steadily increasing man-caused fire occurrence is expected to continue over the long term, due to factors such as increasing accessibility because of expanded timber harvest and other road building activities, and more emphasis on outdoor recreation.

The following comparison between the CY 1983 fire season and the five-year average indicates a significant increase (39%) in man-caused fires and total fires (17%).

	<u>Total Fires</u>	<u>Man-caused</u>	<u>Acres</u>
BIA 5-Year Average (1978-82)	2,622	1,956	83,989
BIA 1983 Fire Season	3,074 (+17%)	2,711 (+39%)	80,747 (-4%)

Rehabilitation is necessary for lands which will not or have not naturally reseeded early enough to prevent soil erosion, loss of watershed and other economic values. Rehabilitation of the lands also reduces noxious annual weeds and grasses of the flash-fuel type which aggravate the fire hazard of the area. Costs of rehabilitating burned areas are substantially less if done promptly.

Obligations for fire prevention, presuppression and suppression for FY 1983 were \$15,277,650. A total of \$12,548,222 was obligated during the last half of FY 1983. The fire season in almost all parts of the country during CY 1983 was moderate. While the total number of fires for the period was substantially higher than the five-year average, the total acreage burned was less because of slightly above average rainfall during the fire season. This has tended to reduce the size of those fires that did start. Since the last two years' experience indicates average obligations of \$14,647,463, we estimate FY 1984 costs will be approximately the same level and will require a supplemental of \$14,000,000. A comparison, by categories, of actual and estimated costs for FY 1983 and FY 1984, respectively, is provided below:

	(dollar amounts in thousands)	
	<u>Actual FY 1983</u>	<u>Estimate FY 1984</u>
Fire Presuppression	\$ 8,503	\$ 9,600
Suppression	5,775	3,800
Emergency Rehabilitation	<u>1,000</u>	<u>600</u>
Total	\$15,278	\$14,000

JUSTIFICATION

SOCIAL SERVICES \$7,400,000

Need for Increase:

In order to provide general assistance payments to needy Indians on reservations, the Bureau of Indian Affairs (BIA) will require \$7,400,000 in supplemental funds during FY 1984 above the appropriated amount of \$99,609,000. The increase would result in a social services program total for FY 1984 of \$107,009,000.

The BIA has had to cover unanticipated costs of payments for welfare assistance from other Bureau sources for the past three years. Because of the high projected cost of the FY 1984 payments, the BIA will not be able to cover the shortfall from other funds. The following table displays the shortfalls from the FY 1981 through the FY 1984 appropriations:

General Assistance Payments

(\$ in millions)

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>Estimate FY 1984</u>
Appropriated Amount	51.5	52.0	56.9	56.9
Actual Payments	52.9	56.1	62.6	64.3
Shortfall	-1.4	-4.1	-5.7	-7.4

The total social services budget is shown below.

FY 1984 Social Services Budget

	<u>FY 1984 Appropriated</u>	<u>FY 1984 Required</u>	<u>Difference</u>
General Assistance	56.9	64.3	+7.4
Child Welfare Assistance	14.7	14.7	-0-
Miscellaneous	1.4	1.4	-0-
Indian Child Welfare Act	8.7	8.7	-0-
Subtotal	81.7	89.1	+7.4
Other Social Services	17.9	17.9	-0-
Total	99.6	107.0	+7.4

A number of factors have contributed to the shortfall in the general assistance program. These include general trends which have gradually materialized and had an indirect, yet adverse impact on the Indian reservation economy; as well as specific factors imposing a funding shortfall. The following elements have contributed to this problem and provide support for a supplemental.

1. Recent severe weather conditions are expected to increase social service expenditures nationwide. We are in contact on a regular basis with field staff and, although it is premature to predict the exact costs at this time, the rate of expenditure will be higher than in previous years. Emergency assistance for food and fuel have necessitated some offices, particularly those in North and South Dakota, to operate on a seven-days-a-week basis in order to prevent loss of life. Offices in Oklahoma, New Mexico, Montana and Idaho have had to institute emergency assistance plans to meet basic living needs and anticipate costs which will far surpass any expenditures in the past.
2. Savings from implementing a rateable reduction of payments anticipated in the FY 1984 budget have not yet materialized. Proposed regulations have recently been published in the Federal Register. Additionally, options exercised by some States have resulted in higher payments than anticipated. Arizona raised the level of payment to 100 percent which negated savings of approximately \$2 million which the Bureau had anticipated in FY 1984.
3. The Bureau has experienced an increased demand on the general assistance program as an indirect result of streamlining of other Federal assistance programs. Because of its mission to provide services to eligible Indians seeking assistance, the Bureau has assumed these increased demands.
4. Increased caseloads on Indian reservations due to unemployment and possible in-migration, resulting from the effects of economic problems experienced nationwide. Although conditions are improving nationwide, trends on the reservations are slower to change. Unemployment continues to be over 39 percent.

The following table indicates the increased demand on social services:

General Assistance Table

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984 *</u>
Total Yearly Costs	\$52,887.0	\$56,143.0	\$62,615.0	\$64,346.0
Total Appropriation	\$51,494.0	\$52,045.0	\$56,946.0	\$56,946.0
Deficit	\$ 1,393.0	\$ 4,098.0	\$ 5,669.0	\$ 7,400.0
Caseload (Average Monthly)	55,642	62,482	68,944	70,000
Average Unit Cost	\$ 79.21	\$ 74.88	\$ 75.68	\$ 76.60
Percentage of Costs Increase Over Previous Year	4%	6.2%	11.5%	2.8%
Percentage of Caseload Increase Over Previous Year	1%	12.3%	10.3%	1.5%

*Estimated

Total Cost Increase from 1981 - 1984	\$ 11,459.0
Total Percentage of Cost Increase from 1981 - 1984	22%
Total Caseload Increase from 1981 - 1984	14,358.0
Total Percentage of Caseload Increase from 1981 - 1984	26%

The following breakdown shows the shortfall in terms of the program budget:

	<u>FY 1984</u> <u>Appropriated</u>	<u>FY 1984</u> <u>Required</u>	<u>Difference</u>
General Assistance	\$ 56,946.0	\$ 64,346.0	\$ +7,400.0
(Caseload)	64,969	70,000	+5,031
(Average Unit Cost)	73.04	76.60	+3.56
Child Welfare Assistance	\$ 14,741.0	\$ 14,741.0	\$ -0-
(Caseload)	3,385	3,385	-0-
(Average Unit Cost)	362.90	362.90	-0-
Miscellaneous	\$ 1,354.0	\$ 1,354.0	\$ -0-
(Burials)	1,350	1,350	-0-
(Average Unit Cost)	\$ 725.00	725.00	-0-
Indian Child Welfare Act	\$ 8,700.0	\$ 8,700.0	-0-
Subtotal	\$ 81,741.0	\$ 89,141.0	\$ 7,400.00
Other Social Services	\$ 17,868.0	\$ 17,868.0	-0-
Program Total	\$ 99,609.0	\$107,009.0	\$ 7,400.0

Program Objectives:

The Bureau of Indian Affairs has as its objectives the provision of:

General Assistance - Consists of (1) direct financial assistance to families and individuals for living expenses for those whose income is below State standards, (2) non-medical institutional or custodial care for incapacitated adults, (3) contracts with tribes to operate Tribal Work Experience Programs (TWEPE). General assistance recipients who work on tribal projects under the TWEPE program receive \$55 per month work-related costs over their welfare entitlement.

Child Welfare Assistance - Provides for the costs of care for children who are abandoned, neglected, or handicapped. Funding is to pay for the costs of (1) family foster home care, (2) small group care, or (3) residential care in institutions if required.

Miscellaneous Assistance - Provides for the burial expenses of Indians who die indigent or whose survivors cannot afford funeral expenses. This fund is also used to help tribes meet costs associated with natural disasters and related emergencies.

Indian Child Welfare Act Grants - Provides, as authorized in P.L. 95-608, grants to Indian tribes and Indian organizations to establish and operate Indian child and family services programs such as: a system of licensing or regulating Indian foster and adoptive homes; facilities for the counseling and treatment of Indian families and temporary custody of Indian children; homemaker services; day care; after school care; recreational activities; employment training of tribal court personnel; adoptive subsidies; legal representation and other such projects.

All Other Social Services - Includes funding for (1) administration of the welfare assistance and grant programs; (2) provision of professional counselling services to Indian individuals and families; and (3) assistance to tribes in the development of social services programs.

The proposed supplemental is required to cover the unanticipated general assistance caseload increase in the FY 1984 program. As the current fiscal year progresses, the Bureau intends to monitor its costs, take into consideration the impact of recent severe weather conditions, as well as analyze caseload and related statistics for the first and second quarters of FY 1984.

No permanent positions or changes in FTE are involved in this estimate.

A transfer of \$7.4 million from "Construction" to "Operation of Indian Programs" is proposed in a supplemental request to increase the funds currently available for welfare grants in FY 1984. The funds are to be transferred from appropriations received in FY 1984 for construction of the Alamo Navajo School, New Mexico. Funding for this project will be requested in the future.

Distribution by Object Class of FY 1984 Supplemental Appropriation for Social Services.

Grants, subsidies and contributions..... \$7,400,000

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

(Supplemental now required, existing legislation)

For an additional amount "Construction", \$17,000,000, of which \$9,600,000 shall remain available until expended.

Note: The above language is as included in the Appendix to the President's FY 1985 Budget. The language should read as corrected below.

Corrected language:

For an additional amount "Construction", \$17,000,000 to remain available until expended.

JUSTIFICATION

AK CHIN

(\$17,000,000)

Need for Increase: The Ak Chin Settlement Act (P.L. 95-328) dated July 8, 1978, provides for the delivery to the Ak Chin Indian Community of an interim and a permanent water supply. On May 20, 1980, the Secretary entered into a contract with the community for implementation of the Act. More recently, an agreement in principle was reached with the community on guidelines for a revised settlement. This agreement provides for funding for the interim water supply and related activities and for expedited delivery of a permanent water supply.

The funds requested are in partial fulfillment of the agreement. This request is made under our basic authority to request funds (25 U.S.C. 13).

Program Objective: The purpose of the revised settlement is to ensure that the Department fulfills its commitment to the Ak Chin Community for provision of an interim and permanent water supply on a timely basis. A reliable water supply is essential to the continued effectiveness of Ak Chin's tribal farm and other tribal programs.

Program Justification: A portion of these funds (\$15,000,000) will be used to provide the Ak Chin Community with water during 1984-1987, and to supplement water provided by the Department beginning in 1988. This money will be provided in a lump sum directly to the community, who will determine the most cost-effective means of meeting their needs. The funds will be used to operate and maintain the on-reservation well field, to acquire other sources of water, and for other activities that the Community determines to be appropriate. The Department will no longer operate the on-reservation well field. All expenses for drilling new wells and for deepening, maintaining and operating existing wells in the on-reservation well field will be paid for from these funds.

This request would also provide \$2,000,000 for the initial effort to obtain a permanent water supply for Ak Chin. Activities covered by this funding would include the study of existing use of surface water, identification of potential water sources for Ak Chin, and acquisition of a permanent water supply for the community.

Benefits: Supplemental funds in FY 1984 will help speed the delivery of a reliable source of water to the Ak Chin Community for their farm and other tribal programs.

Cost to Complete: The total cost to complete delivery of water to the Ak Chin Community is unknown at this time.

CONSTRUCTION

Program and Financing (in thousands of dollars)

Identification code 14-2301-1-1-452	1983 actual	1984 est.	1985 est.
Program by activities:			
1. Irrigation systems.....	17,000	.....
2. Buildings and utilities.....	-7,400	.....
10.00 Total obligations.....	9,600	.....
Financing:			
39.00 Budget authority.....	9,600	.....
Budget authority:			
40.00 Appropriation.....	17,000	.....
41.00 Transfer to other accounts.....	-7,400	.....
43.00 Appropriation (adjusted).....	9,600	.....
Relation of obligation to outlays:			
71.00 Obligations incurred, net.....	9,600	.....
72.40 Obligated balance, start of year....	2,000
74.40 Obligated balance, end of year.....	-2,000	.....
90.00 Outlays.....	7,600	2,000

This supplemental request (\$17,000,000) would be used for payments to the Ak Chin Indian Community for acquisition of temporary water supplies in settlement of their water rights claims in Arizona.

In addition, \$7,400,000 formerly programmed for construction of the Alamo Navajo School, New Mexico, is proposed for transfer in appropriation language for the "Operation of Indian Programs" account to supplement funds currently available for welfare grants.

Object Classification (in thousands of dollars)

Identification code 14-2301-1-1-452	1983 actual	1984 est.	1985 est.
25.0 Other services.....	2,000	.....
32.0 Lands and structures.....	-7,400	.....
41.0 Grants, subsidies, and contributions.	15,000	.....
99.9 Total obligations.....	9,600	.....