



BUDGET The United States
Department of the Interior

JUSTIFICATIONS

and Performance Information
Fiscal Year 2019

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.



Printed on
Recycled Paper

**DEPARTMENT OF THE INTERIOR
OFFICE OF THE SPECIAL TRUSTEE
FOR AMERICAN INDIANS
BUDGET JUSTIFICATION FOR FISCAL YEAR 2019
Table of Contents**

Executive Summary	OST - 1
2019 Budget Highlights	OST - 3
Bureau Level Tables	OST - 7
Budget at a Glance	OST - 7
Summary of Requirements.....	OST - 8
Fixed Costs and Internal Realignments.....	OST - 9
MAX Tables/Budget Schedules	OST - 10
Employee Count by Grade	OST - 18
Section 403 Compliance	OST - 19
Language Citations	OST - 21
Appropriation Language Sheet	OST - 21
Justification of Proposed Language Changes.....	OST - 22
Appropriation Language Citations	OST - 23
Executive Direction	OST - 27
Program Operations	OST - 29
Office of Field Operations	OST - 29
Office of Appraisal Services	OST - 31
Office of Trust Service.....	OST - 33
Office of Historical Trust Accounting	OST - 35
Program Support	OST - 37
Business Management	OST - 39
Office of Budget, Finance and Administration.....	OST - 40
Office of Information	OST - 41
Office of External Affairs	OST - 41
Program Management	OST - 45
Office of Trust Records	OST - 46
Office of Trust Review and Audit	OST - 46
Office of Risk Management.....	OST - 47
Navajo and Hopi Program Office	OST - 49
Trust Funds	OST - 55
Trust Land Consolidation Fund/Land Buy-Back Program	OST - 59

THIS PAGE INTENTIONALLY LEFT BLANK

Executive Summary

The Congress designated the Secretary of the Interior with responsibility for approximately 56 million surface acres, 59 million acres of subsurface mineral interests, and over \$5 billion held in trust by the Federal Government on behalf of American Indians and Indian Tribes. The Office of the Special Trustee for American Indians (OST) has operational purview for financial trust fund management, including receipt, investment, and disbursement, of Indian trust funds. Trust fund operations entail management of over \$5 billion held in about 3,500 trust accounts for 250 Indian Tribes and nearly 404,000 open Individual Indian Money (IIM) accounts. Trust fund balances result from judgment awards, claims settlements, land-use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income.

This is an era of change in the Federal Government. In FY 2017, Executive Order 13781 directed each agency to submit a plan to improve efficiency, effectiveness, and accountability, including reorganization, if appropriate, to achieve improvements. In 2016, Congress passed the Indian Trust Asset Reform Act (ITARA), P. L. 114-178. Section 305(a) of ITARA directs the Secretary to “ensure that appraisals and valuations of Indian trust property are administered by a single bureau, agency, or other administrative entity within the Department” not later than 18 months after enactment. The budget reflects the approved transfer of the Office of Appraisal Services to the Office of the Secretary's Appraisal and Valuation Services Office. This will allow for the consolidation of all appraisal services into a single entity under the Office of the Secretary as required by the ITARA.

The FY 2019 President's Budget request proposes both organizational and functional changes in OST to further improve efficiency and effectiveness within the Department:

- **Transfer of land management functions from the Office of Navajo and Hopi Indian Relocation**
The 2019 budget includes \$3.0 million to assume certain functions of the Office of Navajo and Hopi Indian Relocation, an independent agency within the executive branch, to OST. The functions transferred to OST pertain to land management activities for all lands administered by ONHIR pursuant to the 1974 Navajo Hopi Settlement Act, as amended. The OST will serve as a coordinator for the Department, ONHIR, and the Office of Management and Budget to facilitate the orderly close out of the ONHIR.
- **Transfer of the Land Buy-Back Program for Tribal Nations (LBBP)**
The budget proposes to realign the Land Buy Back Program for Tribal Nations from the Office of the Secretary to OST. The LBBP is responsible for the expenditure of the \$1.9 billion Trust Land Consolidation Fund authorized by the Settlement Agreement in *Cobell v. Salazar*, No. 96-CV-1285-JR and confirmed by the Claims Resolution Act of 2010. The OST provides significant support to the LBBP. Thus, the realignment of the program should enhance the coordination of support activities and technical assistance provided by OST to LBBP and present opportunities to streamline LBBP processes.
- **Transfer of OST to the Assistant Secretary – Indian Affairs (AS-IA)**
The budget proposes to change the reporting relationship of the OST from the Office of the Secretary to the Assistant Secretary – Indian Affairs. The OST will continue to be a separate organization

reporting to the Assistant Secretary – Indian Affairs, as do the Bureau of Indian Affairs and Bureau of Indian Education. This move is proposed to enhance planning and coordination of policies and services related to Indian Country.

Responsibility for the execution of OST's core functions remain with the Field Operations, Trust Services, and the Office of Historical Trust Accounting programs. In FY 2019, Business Management and Program Management will continue to provide support to these offices.

Field Operations is the first and primary point of contact for trust beneficiaries (Tribes, individual Indians, and Alaska Natives) seeking information and services in conjunction with their trust assets. Field staff assists beneficiaries on a daily basis throughout Indian Country regarding all aspects of their accounts, as well as providing other trust asset information, such as statutory or regulatory changes affecting trust asset management. Field Operations plays a key role in leading the Department's outreach efforts to beneficiaries, including conducting financial skills education for Tribes and individuals, Estate Planning education and outreach, staff attendance at tribal/community meetings, disseminating information about the Land Buy-Back Program (LBBP) and other programs significant to Indian Country. This office operates the Trust Beneficiary Call Center (TBCC). Within Field Operations, the division of Investment Services provides in-house expertise in the investment and management of more than \$5 billion held in trust.

The Office of Trust Services is responsible for all fiduciary accounting activities, reconciliation, and financial reporting related to the individual Indian, Alaska Native, and tribal trust funds under management by the Department.

The Office of Historical Trust Accounting (OHTA) manages historical accounting of Tribal Trust and IIM accounts. OHTA provides litigation support resulting from the settlement of *Cobell v. Salazar*, as well as litigation support in coordination with the U.S. Department of Justice (DOJ) to defend against litigation alleging breach of the Department's fiduciary duties, including its trust obligations. As of FY 2017, Indian Tribes or individual Indians alleging breaches of fiduciary trust duties filed approximately 20 cases, in various federal courts, against the Department. The OHTA also works to resolve the ownership of residual balances in Special Deposit Accounts and Youpee Escheat Accounts and distribute account balances to Tribes, individual Indians, and non-trust entities.

The Offices of Business Management and Program Management perform a myriad of functions supporting OST's core programs to ensure compliance and alignment with Federal, Departmental, and OST policies. The Office of Business Management maintains responsibility for providing the following support functions: budget formulation and execution, finance, procurement, space management, the Government Purchase Card program, information technology, communications, and facilitation of Public Law 93-638 self-governance activities. Delivery of training services, human resources, acquisitions, and fund accounting are managed by Business Management through Reimbursable Support Agreements (RSA) with Department of the Interior (DOI) University, the Bureau of Safety and Environmental Enforcement, and the Department's Interior Business Center (IBC). Business Management's purview further encompasses the office of the Chief of Staff, which supports the offices of the Special Trustee and the Principal Deputy Special Trustee.

The Office of Program Management oversees and evaluates the Indian fiduciary trust programs and manages a comprehensive program to help ensure OST has an effective system of internal controls. This office also manages and operates the American Indian Records Repository (AIRR), develops records management policies, and provides records management training and support services to OST and the BIA.

Total 2019 Budget Request
(Dollars in Thousands)

Budget Authority	2017 Actual	2018 CR	2019 Request
Current	139,029	138,085	107,067
Permanent	158,001	142,000	148,000
Total Current and Permanent	297,030	280,085	255,067
<i>FTEs¹</i>	<i>559</i>	<i>555</i>	<i>499</i>
¹ Note: FTE count includes Land Buy-Back Program staff			

2019 Budget Highlights

Executive Direction – The 2019 OST budget includes \$1.7 million for Executive Direction. This activity funds the executive leadership and the related executive office activities within OST. The executive team provides guidance that affects performance at all levels of OST, including the delivery of beneficiary services, promoting tribal self-governance and self-determination, managing financial trust assets and monitoring efforts to reform and improve determination and managing financial trust assets and monitoring efforts to improve the manner in which the Department conducts its Indian fiduciary trust responsibilities.

Program Operations and Support – The 2019 OST budget includes \$102.4 million for Program Operations and Support. Field Operations is funded at \$21.5 million to support the primary point of contact for trust beneficiaries—Tribes, individual Indians, and Alaska Natives—seeking information and services in conjunction with their trust assets. Field Operations will prioritize resources to maintain a level of service at the beneficiary call center and preserve outreach and beneficiary education efforts.

The budget provides \$18.6 million for the Office of Trust Services. The request assumes efficiencies through the re-compete of the Trust Fund Accounting System contract in 2018. Trust Services conducts all fiduciary accounting activities, liquidity investments, reconciliation, and financial reporting related to the individual Indian, Alaska Native, and tribal trust funds under management by the Department. To manage the expected workload for historical accounting of Tribal Trust and IIM accounts, the budget includes \$18.6 million.

The budget provides \$43.7 million for Program Support including \$4.3 million for the Office of Trust Review and Audit (OTRA). The OTRA conducts trust evaluations to determine if OST, BIA, BLM, and ONRR have established policies and procedures that are consistent and comply with Federal trust laws to

ensure the Secretary's fiduciary trust standards are met Interior-wide. Program Support also includes \$9.6 million for the Office of Trust Records, which manages and operates the American Indian Records Repository, develops records management policies, and provides records management training and support services to OST and BIA.

Navajo and Hopi Program Office – The 2019 OST budget includes \$3.0 million to establish a Navajo and Hopi Program Office within OST. The 2019 budget proposes to transfer land management activities for the lands administered by the ONHIR to a new office within OST. The transfer of land management activities is the first stage of the orderly closeout of the ONHIR, an independent agency established by law to oversee implementation of a land settlement between the Navajo Nation and the Hopi Tribe of Arizona.

DEPARTMENT WIDE REORGANIZATION PLAN

The Department of the Interior is taking bold steps to better position itself for the next 100 years. In response to President Trump's Executive Order on a *Comprehensive Plan for Reorganizing the Executive Branch*, Secretary Zinke laid out a vision for a reorganized Department of the Interior, which aligns regional boundaries within Interior to provide better coordination across the Department to improve mission delivery and focus resources in the field. Across the Department, the 2019 budget includes a total of \$17.5 million to start this effort. The budget also proposes additional shifts to better align functions within the Department and respond to Congressional direction related to the Office of the Special Trustee.

The Department of the Interior intends to establish common regional boundaries for Interior's bureaus in FY 2018, and to further develop this approach in FY 2019. The goal is to improve overall operations, internal communication, customer service, and stakeholder engagement. Aligning geographic jurisdictions across Interior will enhance coordination of resource decisions and policies, and will simplify how citizens engage with the Department. Organizing bureaus within common geographic areas, will allow for more integrated and better coordinated decision making across our bureaus. Currently, Interior's bureaus have more than 40 distinct regions, each with their own geographic boundaries. This complicates coordination and hampers Interior's ability to get things done expeditiously. Having common regions will help streamline operations and in doing so, provide better service to the American people. Bureaus within a region will focus on common issues, taking a comprehensive approach versus a bureau-centric approach. This culture shift will help us work better together to accomplish one vision.

The new regional boundaries currently under discussion, and subject to modification, are expected to have minimal budgetary impact. The BIA has initiated discussions with Indian Country and will continue with formal tribal consultations regarding any proposed adjustments to the regional field organizations serving the Bureau of Indian Affairs and Bureau of Indian Education.

OST Management Initiatives

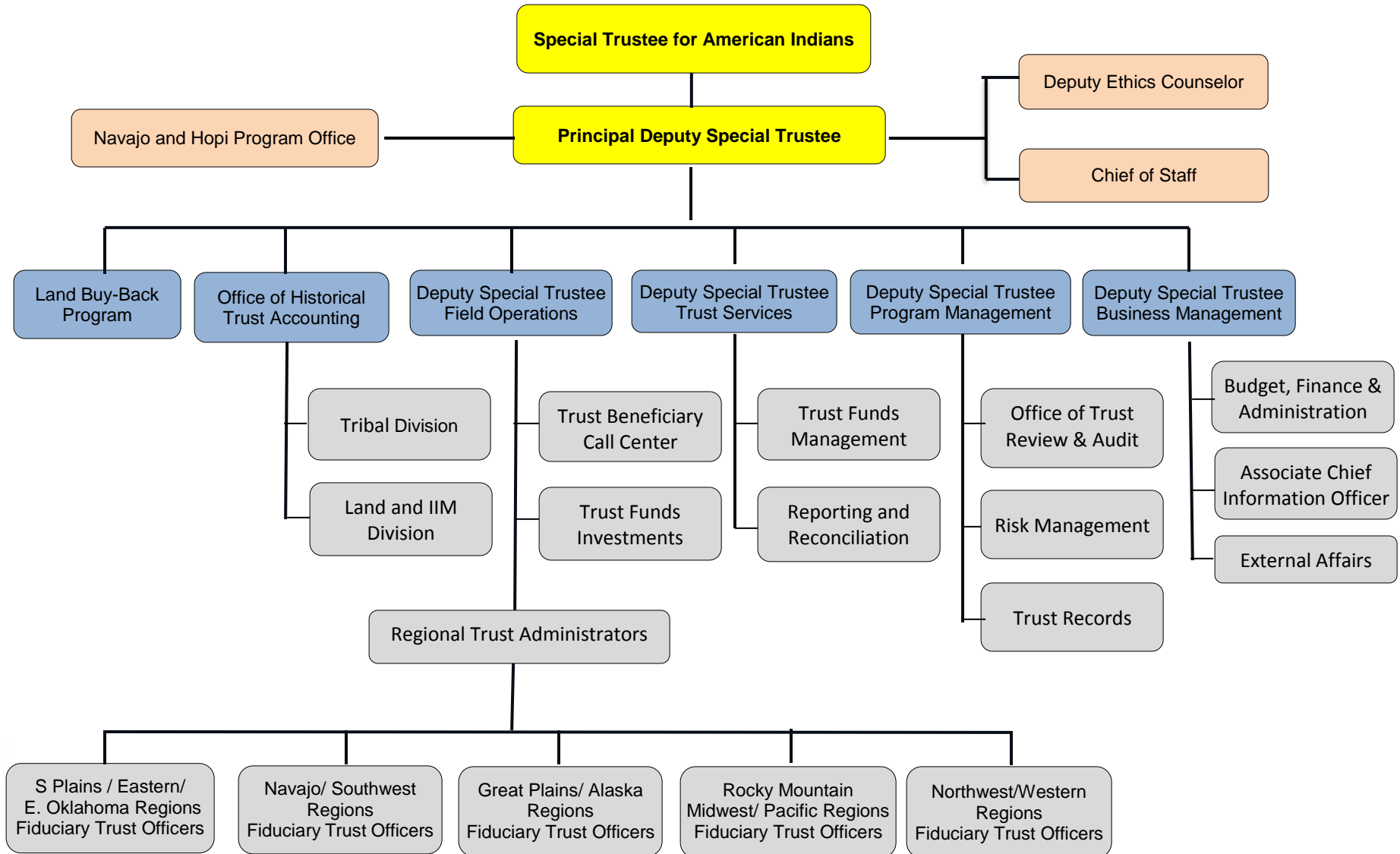
OST is actively involved in the government-wide effort to identify and promote the most promising ideas to improve government effectiveness, efficiency and accountability, as well as, spur economic growth, and promote people and culture. OST's management initiatives are described below:

- For the fifth year in a row, OST received an unmodified opinion for the IIM Trust Fund financial statements in the independent annual audit for FY 2017. OST will continue to work to attain a clean audit on the Tribal accounts; however, pending litigation prevents auditors from performing certain audit functions.
- Continued development and delivery of financial education programs to empower Indian Country with financial skills.
- Continue several multi-year projects begun in FY 2017 or FY 2018:
 - Probate Reform
 - Digitization of records
 - Distribution of Excess and Residual Interest
 - Unclaimed Property Fund
 - Expansion of Service Manager Beneficiary Contact Tracking System
- Develop a plan with concrete transition and implementation steps to complete the closure of the Office of Navajo and Hopi Indian Relocation (ONHIR).
- Prioritize strategies and work toward probate reform. There are multiple avenues for reducing the time, cost, and complexity of probates. Some solutions may require legislation.
- Continue digitization of paper records at the American Indian Records Repository.
- Work with the US Treasury, Department and others to aggregate certain long-term unclaimed trust funds into a single account at Treasury rather than maintaining separate IIM accounts. Owners would still be able to claim monies.
- Expand the Service Manager Beneficiary Contact Tracking System. This system allows OST to track all contacts with a beneficiary, regardless of which office made the contract. Expanding the system to other DOI bureaus, such as the Bureau of Indian Affairs, would provide better improved management of beneficiary contacts.

OST Strategic Plan 2019-2023

In FY 2018, OST began developing a five year Strategic Plan for 2019 through 2023 that charts a path of continuous improvement, effective planning, implementation, and evaluation of the organization's progress in achieving Plan objectives.

**U.S. DEPARTMENT OF THE INTERIOR
OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS**



**Office of the Special Trustee for American Indians
Budget at a Glance**
Dollars in Thousands (\$000)

	2017 Actual	2018 CR	Fixed Costs (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request
Appropriation: Federal Trust Programs						
Executive Direction	2,031	2,017	+9	+0	-329	1,697
Program Operations and Support						
Program Operations		-	-	-	-	-
Field Operations	24,952	24,783	+333	+0	-3,648	21,468
Appraisal Services	10,811	10,738	+0	-9,704	-1,034	0
Trust Services	32,495	32,274	+192	+0	-13,896	18,570
Historical Trust Accounting	18,688	18,561	+26	+0	+0	18,587
Activity Total, Program Operations	86,946	86,356	+551	-9,704	-18,578	58,625
Program Support						
Business Management	34,483	34,249	+263	+0	-5,216	29,296
Program Management	15,569	15,463	+173	+0	-1,187	14,449
Activity Total, Program Support	50,052	49,712	+436	+0	-6,403	43,745
TOTAL, Federal Trust Programs	139,029	138,085	+996	-9,704	-25,310	104,067
Navajo and Hopi Indian Relocation	0	0	+0	+0	+3,000	3,000
TOTAL, OFFICE OF THE SPECIAL TRUSTEE	139,029	138,085	+996	-9,704	-22,310	107,067

**Office of the Special Trustee for American Indians
Summary of Requirements
(Dollars in Thousands)**

	2017 Actual		2018 CR		Fixed Costs & Internal Transfers			Program Changes (+/-)		2019 Request		Change from 2018 CR (+/-)	
	Amount	FTE	Amount	(+/-)	Internal Transfers (+/-)	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
FEDERAL TRUST PROGRAMS													
Executive Direction	2,031	9	2,017	+9	+0		+0	-329	9	1,697	+0	-320	
Program Operations and Support													
Program Operations													
Field Operations	24,952	198	24,783	+333	+0	+0	-5	-3,648	193	21,468	-5	-3,315	
Appraisal Services	10,811	53	10,738	+0	-9,704	-42	-11	-1,034	0	0	-53	-10,738	
Trust Services	32,495	108	32,274	+192	+0	+0	+0	-13,896	108	18,570	+0	-13,704	
Historical Trust Accounting	18,688	12	18,561	+26	+0	+0	+0	+0	12	18,587	+0	+26	
Total, Program Operations	86,946	371	86,356	+551	-9,704	-42	-16	-18,578	313	58,625	-58	-27,731	
Program Support													
Business Management	34,483	69	34,249	+263	+0	+0	-5	-5,216	64	29,296	-5	-4,953	
DST Business Management	1,964	10	1,951	+21	+0	+0	-2	-459	8	1,513	-2	-438	
Budget, Finance, & Admin	24,339	21	24,174	+172	+0	+0	-1	-3,245	20	21,101	-1	-3,073	
[Litigation Support]	[3,086]		[3,065]	+0	+0	+0	+0	[0]	0	[3,065]	+0	[0]	
[Hearings & Appeals]	[8,516]		[8,458]	+0	+0	+0	+0	[0]	0	[8,458]	+0	[0]	
Information Resources	6,631	33	6,586	+58	+0	+0	-2	-1,512	31	5,132	-2	-1,454	
External Affairs	1,549	5	1,538	+12	+0	+0	+0	+0	5	1,550	+0	+12	
Program Management	15,569	88	15,463	+173	+0	+0	+0	-1,187	88	14,449	+0	-1,014	
Trust Records	9,963	63	9,895	+123	+0	+0	+0	-434	63	9,584	+0	-311	
Trust Review & Audit	4,964	20	4,930	+42	+0	+0	+0	-667	20	4,305	+0	-625	
Risk Management	642	5	638	+8	+0	+0	+0	-86	5	560	+0	-78	
Total, Program Support	50,052	157	49,712	+436	+0	+0	-5	-6,403	152	43,745	-5	-5,967	
TOTAL, FEDERAL TRUST PROGRAMS	139,029	537	138,085	+996	-9,704	-42	-21	-25,310	474	104,067	-63	-34,018	
NAVAJO AND HOPI INDIAN RELOCATION													
Navajo and Hopi Indian Relocation	0	0	0	+0	+0	+0	+7	+3,000	7	3,000	+7	+3,000	
TOTAL, OFFICE OF THE SPECIAL TRUSTEE	139,029	537	138,085	+996	-9,704	-42	-3	-22,310	481	+107,067	-56	-31,018	

**Office of the Special Trustee for American Indians
Justification of Fixed Costs and Internal Realignments**
(Dollars in Thousands)

Fixed Cost Changes and Projections	2018 CR Total or Change	2018 CR to 2019 Request Change
Change in Number of Paid Days This column reflects changes in pay associated with the change in the number of paid days between the CY and BY.	+0	+212
Pay Raise The change reflects the salary impact of the 1.9% pay raise for 2018 as signed by the President in February 2017. There is no pay raise for 2019 (0.0%).	+1,051	+279
Departmental Working Capital Fund The change reflects expected changes in the charges for centrally billed Department services and other services through the Working Capital Fund. These charges are detailed in the Budget Justification for Departmental Management.	-344	+72
Worker's Compensation Payments The amounts reflect projected changes in the costs of compensating injured employees who suffer accidental deaths while on duty. Costs will reimburse the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.	-1	+0
Unemployment Compensation Payments The amounts reflect projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499.	+0	+0
Rental Payments The amounts reflect changes in the costs payable to the General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to the Department of Homeland Security (DHS). Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.	-203	+433
Baseline Adjustments for O&M Increases In accordance with space maximization efforts across the Federal Government, this adjustment captures the associated increase to baseline operations and maintenance (O&M) requirements resulting from movement out of GSA or direct-leased (commercial) space and into Bureau-owned space. While the GSA portion of fixed costs will go down as a result of these moves, Bureaus often encounter an increase to baseline O&M costs not otherwise captured in fixed costs. This category of funding properly adjusts the baseline fixed cost amount to maintain steady-state funding for these requirements.	+0	+0

Internal Realignments and Non-Policy/Program Changes	2019 Request (+/-)
Transfer of the Office of Appraisal Services to the Office of the Secretary	-9,704

MAX Tables/Budget Schedules

(Dollars in millions)

Line No.	Federal Trust Programs Treasury Account ID: 14 – 0120 – 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Obligations by program activity:			
0001	Program operations, support, and improvements	134	140	116
0002	Executive direction	9	2	2
0799	Total direct obligations	143	142	118
0801	Reimbursable program activity	8	11	11
0900	Total new obligations, unexpired accounts	151	153	129
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	38	37	33
1021	Recoveries of prior year unpaid obligations	3	2	2
1050	Unobligated balance (total)	41	39	35
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation	139	138	104
1160	Appropriation, discretionary (total)	139	138	104
	Spending authority from offsetting collections, discretionary:			
1700	Collected	7	8	8
1701	Change in uncollected payments, Federal Sources	1	1	1
1750	Spending authority from offsetting collections, disc (total)	8	9	9
1900	Budget authority (total)	147	147	113
1930	Total budgetary resources available	188	186	148
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	37	33	19
	Change in obligated balance:			
	Unpaid Obligations:			
3000	Unpaid obligations, brought forward, Oct 1	50	53	41
3010	New obligations, unexpired accounts	151	153	129
3020	Outlays (gross)	-145	-163	-137
3040	Recoveries of prior year unpaid obligations, unexpired	-3	-2	-2
3050	Unpaid obligations, end of year	53	41	31
	Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-2	-2	-3
3070	Change in uncollected pymts, Fed sources, unexpired	-1	-1	-1
3071	Change in uncollected pymts, Fed sources, expired	1	0	0
3090	Uncollected pymts, Fed sources, end of year	-2	-3	-4
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	48	51	38
3200	Obligated balance, end of year	51	38	27
	Budget authority and outlays, net:			
	Discretionary:			

4000	Budget authority, gross	147	147	113
	Outlays, gross:			
4010	Outlays from new discretionary authority	102	133	103
4011	Outlays from discretionary balances	43	30	34
4020	Outlays, gross (total)	145	163	137
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources	-9	-8	-8
	Additional offsets against gross budget authority only:			
4050	Change in uncollected pymts, Fed sources, unexpired	-1	-1	-1
4052	Offsetting collections credited to expired accounts	2	0	0
4060	Additional offsets against budget authority only (total)	1	-1	-1
4070	Budget authority, net (discretionary)	139	138	104
4080	Outlays, net (discretionary)	136	155	129
4180	Budget authority, net (total)	139	138	104
4190	Outlays, net (total)	136	155	129

Note: Table may not add due to rounding.

Object Classification

(Dollars in millions)

Object Class	Federal Trust Programs Treasury Account ID: 14 – 0120 – 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Direct obligations			
	Personnel compensation			
1111	Full time permanent	44	43	35
1115	Other personnel compensation			
1119	Total personnel compensation			
1121	Civilian personnel benefits	15	15	12
1210	Travel and transportation of persons	3	3	3
1231	Rental Payments to GSA	4	4	4
1232	Rental Payments to others			
1233	Communications, utilities, and miscellaneous charges	2	2	2
1251	Advisory and assistance services	1	1	1
1252	Other services from non-federal sources	49	49	36
1253	Other goods and services from federal sources	20	20	20
1257	Operation and maintenance of equipment	1	1	1
1260	Supplies and Materials	1	1	1
1310	Equipment	3	3	3
1990	Subtotal, obligations, Direct obligations	143	142	118
	Reimbursable obligations			
2111	Full-time permanent	6	9	9
2253	Other goods and services from Federal sources	2	2	2
2990	Subtotal, obligations, Reimbursable obligations	8	11	11
	Allocation Account - direct:			
	Personnel compensation:			
9999	Total new obligations, unexpired accounts	151	153	129

MAX Tables/Budget Schedules

(Dollars in millions)

Line No.	Navajo and Hopi Indian Relocation Treasury Account ID: 14 – 0123 – 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Obligations by program activity:			
0001	Program operations, support, and improvements	0	0	3
0900	Total new obligations, unexpired accounts	0	0	3
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation	0	0	3
1160	Appropriation, discretionary (total)	0	0	3
	Spending authority from offsetting collections, discretionary:			
1900	Budget authority (total)	0	0	3
1930	Total budgetary resources available	0	0	3
	Change in obligated balance:			
	Unpaid Obligations:			
3010	New obligations, unexpired accounts	0	0	3
3020	Outlays (gross)	0	0	-3
	Budget authority and outlays, net:			
	Discretionary:			
4000	Budget authority, gross	0	0	3
	Outlays, gross:			
4010	Outlays from new discretionary authority	0	0	3
	Additional offsets against gross budget authority only:			
4070	Budget authority, net (discretionary)	0	0	3
4080	Outlays, net (discretionary)	0	0	3
4180	Budget authority, net (total)	0	0	3
4190	Outlays, net (total)	0	0	3
<i>Note: Table may not add due to rounding.</i>				

Object Classification

(Dollars in millions)

	Navajo and Hopi Indian Relocation Treasury Account ID: 14 – 0123 - 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Direct obligations			
	Personnel compensation			
1111	Full time permanent	0	0	1
1253	Other goods and services from federal sources	0	0	2
1990	Subtotal, obligations, Direct obligations	0	0	3
	Allocation Account - direct:			
	Personnel compensation:			
9999	Total new obligations, unexpired accounts	0	0	3

Max Tables/Budget Schedules

(Dollars in millions)

Line No.	Tribal Special Fund Treasury Account ID: 14 – 5265 – 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Obligations by program activity			
0001	Direct program activity	114	145	145
0900	Total new obligations	114	145	145
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	122	119	89
1050	Unobligated balance (total)	122	119	89
	Budget authority:			
	Appropriations, mandatory:			
1201	Appropriations	111	115	119
1260	Appropriations, mandatory (total)	111	115	119
1930	Total budgetary resources available	233	234	208
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	119	89	63
	Change in obligated balance:			
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1	0	0	0
3010	Obligations incurred, unexpired accounts	114	145	145
3020	Outlays (gross)	-114	-145	-145
3050	Unpaid Obligations, end of year	0	0	0
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	0	0	0
3200	Obligated balance, end of year	0	0	0
	Budget authority and outlays, net:			
	Mandatory:			
4090	Budget authority, gross	111	115	119
	Outlays, gross:			
4100	Outlays from new mandatory authority	0	115	119
4101	Outlays from mandatory balances	114	30	26
4110	Outlays, gross (total)	114	145	145
4160	Budget authority, net (mandatory)	111	115	119
4170	Outlays, net (mandatory)	114	145	145
4090	Budget authority, gross	111	115	119
	Memorandum (non-add) entries:			
5000	Total investments, SOY: Federal securities: Par value	122	119	121
5001	Total investments, EOY: Federal securities: Par value	119	121	123
5010	Total investments, SOY: non-Fed securities: Market value	406	413	411
5011	Total investments, EOY: non-Fed securities: Market value	413	411	407
<i>Note: Table may not add due to rounding.</i>				

Max Tables/Budget Schedules

(Dollars in millions)

Line No.	Indian Education Scholarship Holding Fund Treasury Account ID: 14 – 2010-0-502	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Obligations by program activity:			
0001	Scholarships	20	0	0
0900	Total new obligations, unexpired accounts	20	0	0
	Budgetary Resources:			
	Unobligated balance:			
1011	Unobligated balance transfer from other acct [014-5670]	20	0	0
1050	Unobligated balance (total)	20	0	0
1930	Total budgetary resources available	20	0	0
	Change in obligated balance:			
3010	New obligations, unexpired accounts	20	0	0
3020	Outlays (gross)	-20	0	0
	Budget authority and outlays, net:			
	Mandatory:			
	Outlays, gross:			
4101	Outlays from mandatory balances	20	0	0
4170	Outlays, net (mandatory)	20	0	0
4190	Outlays, net (total)	20	0	0

Max Tables/Budget Schedules
(Dollars in millions)

Line No.	Trust Land Consolidation Fund Treasury Account ID: 14 – 5670 – 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Obligations by program activity:			
0001	Land Purchases	360	604	238
0003	Administration	29	32	32
0900	Total new obligations, unexpired accounts	389	636	270
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	420	380	97
1010	Unobligated balance transfer to other accts	-20	0	0
1021	Recoveries of prior year unpaid obligations	369	353	300
1050	Unobligated balance (total)	769	733	397
	Spending authority from offsetting collections, discretionary:			
1930	Total budgetary resources available	769	733	397
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	380	97	127
	Change in obligated balance:			
	Unpaid Obligations:			
3000	Unpaid obligations, brought forward, Oct 1	484	139	283
3010	New obligations, unexpired accounts	389	636	270
3020	Outlays (gross)	-365	-139	-242
3040	Recoveries of prior year unpaid obligations, unexpired	-369	-353	-300
3050	Unpaid obligations, end of year	139	283	11
	Uncollected payments:			
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	484	139	283
3200	Obligated balance, end of year	139	283	11
	Additional offsets against gross budget authority only:			
4101	Outlays from mandatory balances	365	139	242
4170	Outlays, net (mandatory)	365	139	242
4190	Outlays, net (total)	365	139	242

Note: Table may not add due to rounding.

Max Tables/Budget Schedules

Object Classification

(Dollars in millions)

Object Class	Trust Land Consolidation Fund Treasury Account ID: 14-5670-0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Direct obligations			
	Personnel compensation			
1111	Full time permanent	2	2	2
1121	Civilian personnel benefits	1	1	1
1252	Other services from non-federal sources	4	4	4
1253	Other goods and services from federal sources	381	628	262
1410	Grants, Subsidies, And Contributions	1	1	1
1990	Subtotal, obligations, Direct obligations	389	636	270

Max Tables/Budget Schedules
(Dollars in millions)

Line No.	Tribal Trust Fund Treasury Account ID: 14 – 8030 – 0	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
	Obligations by program activity			
0001	Tribal Trust Fund (Direct)	35	35	35
0900	Total new obligations (object class 41.0)	35	35	35
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	17	29	21
1050	Unobligated balance (total)	17	29	21
	Budget authority:			
	Appropriations, mandatory:			
1201	Appropriation (special or trust fund)	47	27	29
1260	Appropriations, mandatory (total)	47	27	29
1930	Total budgetary resources available	64	56	50
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	29	21	15
	Change in obligated balance:			
	Unpaid Obligations			
3000	Unpaid obligations, brought forward, Oct 1	0	0	8
3010	New obligations, unexpired accounts	35	35	35
3020	Outlays (gross)	-35	-27	-34
3050	Unpaid obligations, end of year	0	8	9
3100	Obligated balance, start of year	0	0	8
3200	Obligated balance, end of year	0	8	9
	Budget authority and outlays, net:			
	Mandatory:			
4090	Budget authority, gross	47	27	29
	Outlays, gross:			
4100	Outlays from new mandatory authority	0	25	27
4101	Outlays from mandatory balances	35	2	7
4110	Outlays, gross (total)	35	27	34
4160	Budget authority, net (mandatory)	47	27	29
4170	Outlays, net (mandatory)	35	27	34
4180	Budget authority, net (total)	47	27	29
4190	Outlays, net (total)	35	27	34
	Memorandum (non-add) entries:			
5000	Total investments, SOY: Federal securities: Par value	17	28	30
5001	Total investments, EOY: Federal securities: Par value	28	30	32
5010	Total investments, SOY: non-Fed securities: Market value	104	123	131
5011	Total investments, EOY: non-Fed securities: Market value	123	131	142

Note: Table may not add due to rounding.

Office of the Special Trustee for American Indians
Employee Count by Grade¹
 (Total Employment)

	FY 2017 Actuals	FY 2018 Estimate	FY 2019 Estimate
Executive Level II	0	0	0
SES	10	10	10
Subtotal	10	10	10
SL - 00	2	2	2
ST - 00	0	0	0
Subtotal	2	2	2
GS/GM -15	37	35	33
GS/GM -14	101	92	80
GS/GM -13	113	110	80
GS -12	46	45	41
GS -11	30	30	23
GS -10	0	0	0
GS - 9	46	45	28
GS - 8	21	21	21
GS - 7	131	131	122
GS - 6	26	26	26
GS - 5	40	40	35
GS - 4	6	7	7
GS - 3	0	0	0
GS - 2	0	0	0
GS - 1	0	0	0
Subtotal	597	582	496
Other Pay Schedule Systems	1	0	0
Total employment (actuals & estimates)	610	594	508

¹**Note:** Counts reflect Land Buy-Back Program staff in all years

Section 403 Compliance

OST adheres to the requirements of Section 403 contained in the Interior, Environment and Related Agencies Appropriations Act requiring agencies to present in their annual budget justification any external and internal administrative costs, overhead charges, deductions, reserves, or holdbacks from programs, projects, and activities to support government-wide, Departmental, and OST administrative functions or headquarters, regional, or central office operations.

OST budgets for these support costs in the Office of Budget, Finance, and Administration (BF&A) line item within Business Management in the Program Support sub activity as a chargeback (reference table below).

	2019 Request
External Administrative Costs	
WCF Centralized Billings	\$2,195,103
WCF Direct Billings	\$2,809,400
Total WCF Costs	\$5,004,503
Program Assessments	
Human Resources Support	\$1,413,950
Acquisition Support (included in WCF Centralized billing)	\$1,630,400
Accounting Support (included in WCF Centralized billing)	\$612,136
Security	\$145,127
Space Rental	\$1,166,755
Chargeback Estimate	\$4,968,368

THIS PAGE INTENTIONALLY LEFT BLANK

DEPARTMENT OF THE INTERIOR**OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS****Appropriation Language****Appropriation: Office of the Special Trustee for American Indians. Federal Trust Programs**

(Including Transfer of Funds)

For the operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, \$104,067,000, to remain available until expended, of which not to exceed \$18,587,000 from this or any other Act, may be available for historical accounting: Provided, That funds for trust management improvements and litigation support may, as needed, be transferred to or merged with the Bureau of Indian Affairs and Bureau of Indian Education, "Operation of Indian Programs" account; the Office of the Solicitor, "Salaries and Expenses" account; and the Office of the Secretary, "Departmental Operations" account: Provided further, That funds made available through contracts or grants obligated during fiscal year 2019, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 5301 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That, notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 15 months and has a balance of \$15 or less: Provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder: Provided further, That not to exceed \$50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or Tribal accounts after September 30, 2002: Provided further, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose: Provided further, That the Secretary shall not be required to reconcile Special Deposit Accounts with a balance of less than \$500 unless the Office of the Special Trustee receives proof of ownership from a Special Deposit Accounts claimant: Provided further, That, notwithstanding section 102 of the American Indian Trust Fund Management Reform Act of 1994 (Public Law 103-412) or any other provision of law, the Secretary may aggregate the trust accounts of individuals whose whereabouts are unknown for a continuous period of at least five years and shall not be required to generate periodic statements of performance for the individual accounts: Provided further, That, with respect to the eighth proviso, the Secretary shall continue to maintain sufficient records to determine the balance of the individual accounts, including any accrued interest and income, and such funds shall remain available to the individual account holders.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

Justification of Proposed Language Changes

None

DEPARTMENT OF THE INTERIOR
OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS
Appropriations Language Citations

1. *For the operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants,*
 - **25 U.S.C. 450(f)(a) and 450h(a)** directs the Secretary, upon the request of any Indian Tribe, to enter into a contract or contracts to plan, conduct, and administer programs which the Secretary is otherwise authorized to administer (P. L. 93-638, as amended).
 - **31 U.S.C. Chapter 63** provides procedures to be followed in the preparation of Federal contracts, grants, and cooperative agreements.
 - **25 U.S.C. 458(cc)** provides procedures to be followed to establish and implement tribal self-governance compacts.
 - **25 U.S.C. 162a** authorizes the deposit and investment of Indian trust funds.
 - **25 U.S.C. 4001 et seq.** provides procedures to be followed for Tribal withdrawal of trust funds, and authorizes the Office of the Special Trustee for American Indians.
 - **25 U.S.C. 459 et seq.** includes numerous provisions affecting specific Tribes related to distribution of claims, settlements, and judgments.
2. *to remain available until expended,*
 - **25 U.S.C. 13a** authorizes the carryover of funds, which were not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such sums were appropriated.
3. *of which not to exceed \$18,587,000, from this or any other Act, may be available for historical accounting:*
 - Interior and Related Agencies Further Continuing Appropriations Act, 2017 (P.L. 114-254) caps funding for historical accounting in order to preserve funding for other Indian programs.
4. *Provided, That funds for trust management improvements and litigation support may, as needed, be transferred to or merged with the Bureau of Indian Affairs and Bureau of Indian Education, "Operation of Indian Programs" account; the Office of the Solicitor, "Salaries and Expenses" account; and the Office of the Secretary, "Departmental Operations" account:*

- **25 U.S.C. 4043(b) (1)** authorizes the Special Trustee to oversee all reform efforts within the Bureau (of Indian Affairs) and to ensure the establishment of policies, procedures, systems and practices to allow the Secretary to discharge his trust responsibilities in compliance with this chapter. This language also provides the authority for OST to transfer funds to the Office of Hearing and Appeals to address probate backlog reductions as part of trust reform efforts and to the Office of the Solicitor for litigation support.
5. *That funds made available through contracts or grants obligated during fiscal year 2018, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee:*
- **25 U.S.C. 450(i) (c)** authorizes funds obligated for tribal contracts to remain available until expended.
6. *That, notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 15 months and has a balance of \$15 or less:*
- **25 U.S.C. 4043(b)(1)** authorizes the Special Trustee to oversee all reform efforts within the Bureau (of Indian Affairs) and to ensure the establishment of policies, procedures, systems and practices to allow the Secretary to discharge his/her trust responsibilities in compliance with this chapter.
 - **25 U.S.C. 4041 et seq.** requires the reform of trust practices to promote the effective discharge of the Secretary's trust responsibilities.
 - **25 U.S.C. 4011(b)** establishes the schedule for issuance of statements of performance. Periodic statement of performance Public Law 106-291, Title I Oct. 11, 2000 114 Stat. 939 and subsequent appropriations through HR 83 P.L. 113-235 provided in part: "That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 15 months and has a balance of \$15.00 or less: provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder."
7. *That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder:*
- **25 U.S.C. 4041 et seq.** requires the reform of trust practices to promote the effective discharge of the Secretary's trust responsibilities.

8. *That not to exceed \$50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or Tribal accounts after September 30, 2002: Provided further, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose:*
 - **Interior and Related Agencies Appropriation Act, FY 2002.** Annual Appropriations Acts have continued this provision each year since FY 2002.

9. *The Secretary shall not be required to reconcile Special Deposit Accounts with a balance of less than \$500 unless the Office of the Special Trustee receives proof of ownership from a Special Deposit Accounts claimant:*
 - **American Indian Trust Management Reform Act of 1994, P.L. 103-412, esp. Title I.** The Dawes Act of 1887 and subsequent statutes continuing the allotment process prevent OST from making an operational decision to eliminate reconciliation of low dollar value Special Deposit Accounts. The Dawes Act established the process of creating allotments and the split style of ownership. The Act also charged the Department of the Interior with the responsibility to manage the allotted lands, collect revenue earned on those trust lands, and to pay the earned revenue to the equitable owners of the land.

10. *That, notwithstanding section 102 of the American Indian Trust Fund Management Reform Act of 1994 (Public Law 103-412) or any other provision of law, the Secretary may aggregate the trust accounts of individuals whose whereabouts are unknown for a continuous period of at least five years and shall not be required to generate periodic statements of performance for the individual accounts: Provided further, That, with respect to the eighth proviso, the Secretary shall continue to maintain sufficient records to determine the balance of the individual accounts, including any accrued interest and income, and such funds shall remain available to the individual account holders.*

THIS PAGE INTENTIONALLY LEFT BLANK

Activity: Executive Direction

Subactivity: Immediate Office of the Special Trustee

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Executive Direction	2,031	2,017	+9	+0	-329	1,697	-320
Executive Direction	2,031	2,017	+9	+0	-329	1,697	-320
<i>FTE</i>	8	9	+0	+0	+0	9	0

The Special Trustee is charged with general oversight of Indian trust asset reform efforts Department-wide to ensure proper and efficient discharge of the Secretary’s fiduciary trust responsibilities to federally recognized Indian Tribes, Alaska Natives, and individual Indians.

Justification of 2019 Program Changes

Executive Direction (-\$329,000/ +0 FTE) – This reduction will allow other funding priorities to be addressed.

Program Overview

Executive Direction (\$1,697,000/ 9 FTE) – The Special Trustee is charged with general oversight of Indian trust asset reform efforts Department-wide to ensure proper and efficient discharge of the Secretary’s fiduciary trust responsibilities to federally recognized Indian Tribes, Alaska Natives, and individual Indians. OST was created to ensure that the Department establishes appropriate policies and procedures, develops necessary systems, and takes affirmative actions to reform the management of Indian trust funds. In carrying out the management and oversight of Indian trust funds, the Secretary has a responsibility to ensure that trust accounts are properly maintained, invested, and reported in accordance with the *American Indian Trust Fund Management Reform Act of 1994*, Congressional action, and other applicable laws. Funds provided for Executive Direction directly contribute to the appropriate oversight needed to further the Department’s Indian fiduciary trust responsibilities.

Executive leadership and the executive office provide guidance that affects performance at all levels of OST, including the delivery of beneficiary services, promoting tribal self-governance and self-determination, managing financial trust assets and monitoring efforts to reform and improve determination, managing financial trust assets and monitoring efforts to improve the manner in which the Department conducts its Indian fiduciary trust responsibilities.

2019 Program Performance

- Review all program activities and initiatives to ensure alignment with the new OST Strategic Plan for FY 2019-2023.

- In accordance with Executive Order 13781 calling for improved efficiency and effectiveness of Federal Agencies, OST will undertake multiple projects targeting increased efficiency, cost savings, and improved services to beneficiaries. The Executive Direction program office will provide guidance, monitor progress, and measure effectiveness of these projects, which include:
 - Digitization of the American Indian Repository Records (AIRR). A multi-year, multi-phase project to digitize paper trust records so that they can be stored and managed electronically. Digitization will avoid future costs of additional leased space for records storage and increase the efficiency of records search and retrieval.
 - Probate Reform. Working with other DOI Offices and Bureaus and other Federal Agencies, OST will spearhead a team to create a process to prioritize and implement various approaches to identify and reduce the time, cost, and complexity of probates.
 - Re-engineered Trust Evaluation Process. Continued implementation of a web-based application, which will allow OST to audit more compacted Tribes at a lower cost.
 - Implementation of new capabilities gained by re-contracting for a Trust Financial Accounting System in FY 2018. Among other enhancements, the new contract will include a mobile online application for beneficiaries to view and manage some aspects of their accounts. OST will be revising their customer service model and anticipate savings through reduced support costs.
- Oversee trust activities throughout the Department. OST program managers are expected to advise the Office on a number of complex and sensitive issues relating to organization, reengineering, ongoing litigation and other trust activities.
- Coordination of assumption of trust land management functions from the Office of Navajo and Hopi Indian Relocation (ONHIR).
- Development of a detailed plan to complete the closure of ONHIR.
- Coordinate the transfer of the Land Buy-Back Program into OST.
- Effectuate the transfer of OST to the Office of the Assistant Secretary – Indian Affairs.
- Create informed partnerships with other bureaus and offices to achieve positive trust reform outcomes.

Activity: Program Operations and Support
Subactivity: Program Operations – Field Operations

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Program Operations	24,952	24,783	+333	+0	-3,648	21,468	-3,315
Field Operations	24,952	24,783	+333	+0	-3,648	21,468	-3,315
<i>FTE</i>	<i>190</i>	<i>198</i>	<i>+0</i>	<i>+0</i>	<i>-5</i>	<i>193</i>	<i>-5</i>

Field Operations’ staff serve as the primary point of contact for all of our trust beneficiaries (Tribes, individual Indians, and Alaska Natives) seeking information and services in conjunction with their trust assets. The program will continue interaction with tribal, individual Indian, and Alaska Native beneficiaries through local community outreach programs focused on asset management and trust reform initiatives and has set a goal of responding to 90 percent of beneficiary inquiries within two business days.

Justification of 2019 Program Changes

Field Operations (-\$3,648,000/-5 FTE) – This reduction will allow other funding priorities to be addressed. Field Operations will prioritize service delivery to maintain responsiveness to inquiries and to continue its ongoing education and outreach efforts to Indian Trust beneficiaries. As OST is modernizing TFAS, services and information will become more readily available to Trust account holders through the use of online and mobile reporting, which will reduce the call load, resulting in savings.

Program Overview

Field Operations (\$21,468,000/193 FTE) – Field Operations’ staff serve as the primary point of contact for all of our trust beneficiaries (Tribes, individual Indians, and Alaska Natives) seeking information and services in conjunction with their trust assets. Field staff provides technical assistance to beneficiaries on a daily basis at local levels throughout Indian Country at regional, agency, and urban locations regarding account statements, account balances, account updates, receipts, disbursements, probate processing, leases, and leasing. Other trust asset information important to beneficiaries, such as statutory or regulatory changes affecting trust asset management, is also provided.

Field Operations plays a key role in leading the Department’s outreach efforts to beneficiaries. Outreach events include staff attendance at community meetings, tribal leadership conferences and social gatherings such as pow-wows, with a focus on providing information on asset management and trust reform initiatives, as well as holding financial skills training for Individual Indian Money (IIM) beneficiaries throughout Indian Country.

The TBCC provides convenient “one-stop” service for beneficiary inquiries. Beneficiaries can easily access information and assistance regarding a wide range of account information by calling the toll free

number. Additionally, beneficiaries may request a disbursement from, or update their IIM account information. The TBCC utilizes a tracking and case management tool for the BIA Social Services Program to improve communication and collaborative efforts between OST and BIA for the management of supervised accounts.

The office of Trust Fund Investments has increased its role in assisting other agencies within the Department, such as BOR, BIA, ONRR, SOL, BLM and the Departments of Justice and Treasury by providing trust investment expertise to extend the life of statutory funds and to provide a backdrop for legal settlement negotiations and constructs Field Operations also provides estate planning opportunities to Indian Trust beneficiaries in accordance with the American Indian Probate Reform Act of 2004 (AIPRA).

2019 Program Performance

In FY 2019, Field Operations will prioritize service delivery in order to continue to meet its fiduciary obligations to individual Indians, Alaska Natives, and Tribes. Specifically, Field Operations will continue to provide beneficiaries with a dedicated primary point of contact focused on providing beneficiary services in a trusted, timely, and accurate manner as follows:

- Maintain and enhance strategic partnerships with the Department's bureaus and offices with Indian trust responsibilities. These partnerships enhance communication with beneficiaries and promote a beneficiary focus throughout the Department.
- Continue interaction with tribal, individual Indian, and Alaska Native beneficiaries through local community outreach programs focused on asset management and trust reform initiatives. Community outreach informs beneficiaries of current trust initiatives and services available to them. Using various outreach programs, Field Operations is the primary point of contact for beneficiaries who might not otherwise be in contact with DOI. These outreach events are usually in partnership with other agencies or organizations that can assist beneficiaries by providing information or services relevant to the management of individual and tribal trust assets.
- Continue interactions with tribal leaders to discuss investment of tribal trust funds (including investment training), land management and other issues important to the Tribes and their communities.
- Provide financial skills training to IIM beneficiaries throughout Indian Country as an integral part of its community outreach activities. This training uses culturally sensitive techniques and methods geared to Native American audiences. Topics include balancing checkbooks, applying for credit, estate planning, reading a credit application, budgeting, investing, and planning for the future. There will be a special effort to offer this training to minors approaching the age of majority through the deployment of an online curriculum. The training will also help elders with the special challenge of managing resources they may consider leaving to their heirs.
- Respond to 90 percent of beneficiary inquiries within two business days and respond to the balance of these inquiries within 30 days.

Activity: Program Operations and Support**Subactivity: Program Operations – Office of Appraisal Services**

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Program Operations	10,811	10,738	+0	-9,704	-1,034	0	-10,738
Appraisal Services	10,811	10,738	+0	-9,704	-1,034	0	-10,738
<i>FTE</i>	<i>66</i>	<i>53</i>	<i>+0</i>	<i>-42</i>	<i>-11</i>	<i>0</i>	<i>-53</i>

Justification of 2019 Program Changes

The budget reflects the approved transfer of the Office of Appraisal Services to the Office of the Secretary's Appraisal and Valuation Services Office. This will allow for the consolidation of all appraisal services into a single entity under the Office of the Secretary as required by the Indian Trust Asset Reform Act.

THIS PAGE INTENTIONALLY LEFT BLANK

Activity: Program Operations and Support
Subactivity: Program Operations – Trust Services

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Program Operations	32,495	32,274	+192	+0	-13,896	18,570	-13,704
Trust Services	32,495	32,274	+192	+0	-13,896	18,570	-13,704
<i>FTE</i>	<i>108</i>	<i>108</i>	<i>+0</i>	<i>+0</i>	<i>+0</i>	<i>108</i>	<i>0</i>

Trust Services is responsible for all fiduciary accounting activities, liquidity investments, reconciliation, and financial reporting related to the individual Indian, Alaska Native, and tribal trust funds under management by the Department. The goals for Trust Services in FY 2019 include recording at least 99 percent of ONRR royalty revenue within 24 hours of receipt and continuing to process up to 10,000 probate orders and distribution of funds to beneficiaries.

Justification of 2019 Program Changes

Trust Services (-\$13,896,000/-0 FTE) –This reduction will allow other funding priorities to be addressed. Some savings will be generated as OST is modernizing TFAS Services. Functional benefits of the new system will reduce the costs of supporting large data-sets, eliminate the need to internally generate custom reports, and automated and semi-automated processes previously required for reporting and data aggregation can be decommissioned.

Program Overview

Trust Services (\$18,570,000/108 FTE) – Congress has designated the Secretary of the Interior as the trustee delegate with responsibility for the monetary and non-monetary resources held in trust on behalf of American Indian Tribes, individual Indians, and other trust funds. In carrying out the management and oversight of the Indian trust funds, the Secretary has a fiduciary responsibility to ensure that trust accounts are properly maintained, invested, and reported in accordance with the Reform Act, Congressional action, and other applicable laws.

Trust Services is responsible for all fiduciary accounting activities, liquidity investments, reconciliation, and financial reporting related to the individual Indian, Alaska Native, and tribal trust funds under management by the Department. This Office provides leadership, guidance and oversight of the development of policies, procedures, and processes to ensure proper management of trust funds on behalf of beneficiaries. Trust Services supports Indian Fiduciary Trust Responsibilities through performance measures of providing timely and accurate financial account information to trust beneficiaries, the timely recording of oil and gas royalties in the trust accounting system and the accurate processing of financial information in trust beneficiary accounts.

Trust Services manages over \$5 billion in funds held in trust for federally recognized Indian Tribes, individual Indian, and Alaska Native beneficiaries. Over \$4.1 billion is held in about 3,500 tribal and

other trust fund accounts, including the Alaska Native Escrow Fund. Approximately \$869 million is held on behalf of individual Indians in nearly 404,000 beneficiary accounts. The accumulated balances in the Tribal trust have resulted from claims and judgment awards, investment income, and revenues from approximately 56 million acres of trust lands. Revenues derive from subsurface mineral extractions (coal, oil, gas, and uranium) timber, grazing, and other surface leases. IIM balances are generally on deposit as a result of restricted accounts (e.g., minors, estates, WAUs).

Litigation and Support Functions – Trust Services provides valuable litigation support services through subject matter experts, development of presentations, document production accounting support to be used in furthering the Department’s goal of amicable settlements with tribal entities.

In FY 2019, Trust Services’ top priority will continue to be the management of Tribal and Individual Indian Monies trust funds through the accurate and timely execution of investment, disbursement, receipt, accounting, and reporting functions. OST seeks to lower costs by streamlining current processes, utilizing technology to enhance process flows and reduce manual intervention, and reducing the number of open accounts for which there is no balance and income stream.

2019 Program Performance

In FY 2019, Trust Services plans to:

- Attain at least 99 percent accuracy for financial information initially processed in trust beneficiary accounts.
- Record at least 99 percent of ONRR royalty revenue within 24 hours of receipt.
- Maintain necessary Tribal trust litigation support.
- Continue to process up to 10,000 probate orders and distribution of funds to beneficiaries annually.
- Continue to process up to half million account maintenance transactions annually.
- Continue to compile monthly and annual financial statements, applicable tax reports, and required regulatory financial reports.

Activity: Program Operations and Support
Subactivity: Program Operations – Historical Trust Accounting

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Program Operations	18,688	18,561	+26	+0	0	18,587	26
Historical Trust Accounting	18,688	18,561	+26	+0	+0	18,587	+26
<i>FTE</i>	<i>10</i>	<i>12</i>	<i>+0</i>	<i>+0</i>	<i>+0</i>	<i>12</i>	<i>0</i>

Program Overview

Office of Historical Trust Accounting (\$18,587,000/12 FTE) – In July 2001, the Office of Historical Trust Accounting (OHTA) was created by Secretarial Order to plan, organize, direct, and execute the historical accounting of Individual Indian Money (IIM) accounts. OHTA’s responsibilities were later expanded to include the provision of historical accountings for tribal accounts. The OHTA’s management model is based on a small staff of Federal employees directing the efforts of a number of individual contractors. The contractors have provided critical technical expertise in areas such as accounting services, data analysis, historical research, information resources, data security, statistical analysis, and document search, collection, imaging, coding, and reproduction.

The Department and OHTA are helping resolve approximately 20 breach of trust lawsuits filed by or on behalf of Tribes and individual Indians that involve claims related to both trust funds and natural resources or land management. These cases are in various Federal District Courts and the Court of Federal Claims. OHTA is continuing its strategy to support active litigation and settlement negotiations in coordination with the Department of Justice (DOJ) and Office of the Solicitor (SOL.) The DOJ, SOL, and the Department rely on OHTA to satisfy the critical, and often Court-ordered, information demands (e.g., formal discovery requests) of the litigating Tribes and of the Government for the defense of the lawsuits through document search, document production, accounting services, historical research, data analysis of tribal and individual accounts and claims, among other litigation support activities.

The OHTA is providing data, analysis, and other support necessary to closeout the Claims Resolution Act of 2010, which authorized settlement of the *Cobell v. Salazar* class action litigation and features, in part, various payments to class members and a substantial land consolidation effort.

2019 Program Performance

Tribal Historical Accounting – The OHTA will continue to compile, share, and explain trust fund accounting and related information to help resolve the remaining tribal and individual breach of trust cases and avoid future disputes or claims. The Tribal Division’s efforts remain focused on supporting resolution of breach of trust and related lawsuits brought by Tribes and individual Indians alleging violation of the Department’s trust relationship. The OHTA is the Department’s *sole* office to provide litigation support (document research and retrieval, document reproduction, and expert analysis) – for violation of trust claims against the Department.

Special Deposit Accounts/Youpee Escheat Funds Distribution Project – The OHTA will continue to identify the proper ownership of residual balances in aged Special Deposit Accounts (SDA's.) The balances that have accumulated in these SDA's resulted generally from judgment awards, settlement of claims, land-use agreements, royalties on the use of natural resources, other proceeds derived directly from trust resources, and financial investment income. OHTA plans, organizes, directs, and executes the historical accounting of IIM accounts, conducting the research and performing the necessary analysis to distribute trust funds residing in SDA's and Youpee Escheat Accounts to proper owners whether it be Tribes, individual Indians, and/or non-trust entities. The Youpee Escheat accounts reflect income from land interests that had escheated (transferred) to Tribes under legislation that the Supreme Court deemed unconstitutional. OST's 2019 budget request will allow the annual closure goals of \$350,000 to be distributed to individual Indians (both SDAs and Youpee accounts), Tribes, and/or third parties.

IIM Historical Accounting – OHTA will continue to address new claims arising from the *Cobell* account holders, particularly those claims of individual Indians who have opted out of the Trust Asset Mismanagement Class in the *Cobell* litigation. About \$90 million in payable *Cobell* Settlement funds remain undistributed, and OHTA assists the Cobell Claims Administrator in finding missing class members. Out of 72,972 decedents identified in the Trust Administration Class, 22,264 (30.5%) estates remain unpaid. OHTA will continue updating and improving the master database being used for litigation, and to make *Cobell* award payments and *Cobell* Land Buy Back offers. OHTA anticipates that the distribution of the *Cobell* settlement payments will continue into FY 2019.

Activity: Program Operations and Support

Sub-activity: Program Support

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Program Support	50,052	49,712	+436	+0	-6,403	43,745	-5,967
Business Management	34,483	34,249	+263	+0	-5,216	29,296	-4,953
Program Management	15,569	15,463	+173	+0	-1,187	14,449	-1,014
<i>FTE</i>	<i>159</i>	<i>157</i>	<i>+0</i>	<i>+0</i>	<i>-5</i>	<i>152</i>	<i>-5</i>

Program Overview

Business Management and Program Management comprise the sub-activity of Program Support. Although the programs focus on different specialized aspects of OST, both support fiduciary trust responsibilities to tribal and individual Indian beneficiaries.

Business Management provides strategic planning, workforce planning, training design and coordination for staff development, and the execution of special projects as directed by executive management. Administrative functions, including budget and finance services, information resources, interface with external organizations, and clerical support are also provided.

Program Management provides independent audits of Indian fiduciary trust programs and monitors implementation of corrective actions to address any deficiencies. Independent from Trust Review and Audit, the Risk Management group conducts a comprehensive program to identify and mitigate risk. Management and operation of the American Indian Records Repository also falls within Program Management. Tangent to the management of records, the program is responsible for the development of records management policies, and provides records management training and support services to OST and Indian Affairs.

THIS PAGE INTENTIONALLY LEFT BLANK

Activity: Program Operations and Support
Subactivity: Program Support – Business Management

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Business Management	34,483	34,249	+263	+0	-5,216	29,296	-4,953
DST Business Management	1,964	1,951	+21	+0	-459	1,513	-438
Budget, Finance & Administration	24,339	24,174	+172	+0	-3,245	21,101	-3,073
<i>Litigation Support</i>	<i>[3,086]</i>	<i>[3,065]</i>	<i>+0</i>	<i>+0</i>	<i>[0]</i>	<i>[3,065]</i>	<i>[0]</i>
<i>Office of Hearings and Appeals</i>	<i>[8,516]</i>	<i>[8,458]</i>	<i>+0</i>	<i>+0</i>	<i>[0]</i>	<i>[8,458]</i>	<i>[0]</i>
Information Resources	6,631	6,586	+58	+0	-1,512	5,132	-1,454
Office of External Affairs	1,549	1,538	+12	+0	+0	1,550	+12
FTE	72	69	0	0	-5	64	-5

Business Management provides strategic planning, workforce planning, training design and coordination for staff development, and the execution of special projects as directed by executive management. Administrative functions, including budget and finance services, information resources, interface with external organizations, and clerical support are also provided.

Justification of 2019 Program Changes

Business Management (-\$459,000/-2 FTE) - This reduction will allow other funding priorities to be addressed. The program will continue to provide strategic planning, workforce planning, and administrative and clerical support to senior OST management.

Business, Finance and Administration (-\$3,245,000/-1 FTE) - This reduction will allow other funding priorities to be addressed. The program will continue to provide budget, finance, and administrative support for OST. This program also provides pass through funding to the Solicitor’s Office for litigation support and to the Office of Hearings and Appeals for probate adjudication.

Information Resources (-\$1,512,000/-2 FTE) - This reduction will allow other funding priorities to be addressed. The Office of Information Resources (IR) will prioritize the implementation of its comprehensive plan to centralize and automate OST’s IT network services. Subsequent to the FY 2018 contract award for the TFAS. The new Business Intelligence program will eliminate the need for infrastructure costs associated with the previous IR TFAS hosting and security environment, generating savings as OST is modernizing TFAS services.

Program Overview

Business Management (\$1,513,000/8 FTE) - Business Management includes the Deputy Special Trustee for Business Management and funding for the Office of the Chief of Staff, which includes a litigation coordinator and a support staff that provides a variety of services to the entire OST organization, including the Principal Deputy Special Trustee (PDST) and the Special Trustee (ST).

Other vital support functions funded by the Business Management program include strategic planning, workforce planning, and the execution of special projects as directed by Executive management. The program also provides administrative and clerical support to senior management in Business Management and Executive Direction..

Budget, Finance and Administration (\$21,101,000/20 FTE) - The BF&A office supports OST in carrying out its fiduciary trust responsibilities to federally recognized American Indian Tribes, individual Indians, and Alaska Natives by providing budget, finance, and administrative support and services. BF&A coordinates or generates reports for the Department, the Office of Management and Budget and to the U.S. Congress.

Functions of the BF&A program include coordination of Departmental and agency services that support OST’s programs including acquisition, administration, budget, conference reporting, contracting, facilities, government fleet and property management, health and wellness, human resources, internal controls/audits, mail, personnel, policy and procedure, printing, publication, purchasing, safety, security, space, supplies, telecommunication service, telework, time and attendance, travel, training, and working capital fund activities. BF&A oversees reimbursable support agreements/contracts for accounting/financial, acquisition, and human resource services for the entire organization. This office also coordinates the implementation of performance improvement throughout OST by closely monitoring program outputs and activities in accordance with the Government Performance and Results Act.

Litigation Support (\$3,065,000) – BF&A’s budget includes pass-through funding for the Solicitor’s Office (SOL). Services provided by SOL include (but are not limited to): document production capabilities, case load review, analysis, management and support, as well as, ethics and internal controls counsel and advice.

OHA Probate Performance Data 2014-2017				
	Number of Cases Pending Beginning of Year	Number of New Cases Received	Number of Cases decided	Number of Cases Pending End of Year
FY 2014	5,365	7,044	6,919	5,490
FY 2015	5,490	6,505	6,843	5,152
FY 2016	5,152	6,317	6,233	5,236
FY 2017	5,236	6,051	6,604	4,683

Office of Hearings and Appeals (\$8,458,000) – The budget for BF&A includes pass-through funding for the Office of Hearings and Appeals for probate adjudication. Although the responsibility for directing overall probate efforts rests with BIA, OST oversees caseload management efforts; ensures coordination of policies, practices and systems; and provides guidance in identifying problems and potential solutions to case processing bottlenecks.

Office Information Resources (\$5,132,000/31 FTE) – Overseen by the Associate Chief Information Officer (ACIO), the Office of Information Resources (IR) provides organization-wide information resources and support for OST in carrying out fiduciary trust responsibilities to tribal and individual Indian beneficiaries. OIR develops, maintains, and operates the trust information technology (IT) enterprise architecture; provides day-to-day computer support to OST personnel nationwide; and develops and maintains applications in support of the OST mission. In FY 2019 IR will work on the implementation of a mobile workforce, consolidate its data centers, and drive intra-agency shared services.

IR Planning Strategies - IR completed a 5-year strategic plan in FY 2018 aligned with the Federal Information Technology Acquisition Reform Act (FITARA), the Departmental CIO's office, and OST's strategic plan. The use of the Department's Government Wide Acquisition Contract (GWAC) vehicles and Blanket Purchase Agreements (BPA) will accelerate OST's IT modernization efforts while leveraging economies of scale, and intra-agency shared services.

2019 Program Performance

In FY 2019, IR will continue to advance IT operations and improve upon OST's fiduciary trust mission. Specifically, IR will:

- Support the IT infrastructure ensuring continued confidentiality, integrity, and availability of the OST network, data center services, help desk response, and workstation (hardware and software) management
- Advance existing mission support of IT applications/systems and develop applications to address new or changing requirements
- Oversee and monitor the protection of OST's information technology assets
- Move toward the development of an enterprise architecture model ensuring shared-services, mobile workforce technologies and the consolidation of IT investments. applications and data

Office of External Affairs (\$1,550,000/5 FTE) – The OEA has three primary areas of responsibility in supporting the Special Trustee's statutorily-required reform and oversight activities:

1. Communicating with a diverse group of internal and external stakeholders about OST's programs and activities and the Department's trust reform initiatives
2. Administration of OST's tribal self-governance and self-determination program
3. Congressional liaison activities.

Communications – OEA provides tribal and individual Indian trust beneficiaries, Department personnel, the U.S. Congress, other government agencies, and the public with a wide range of information on the status of trust reform priorities, current initiatives, and benefits through personal contacts, dissemination

of printed and electronic outreach materials, and news releases. Examples of information created and disseminated include brochures explaining: the probate process, applying to withdraw funds held in trust, and the Explanation of Payments statement.

Communications generated for internal use focus on apprising employees of OST's activities, new legislation impacting beneficiaries, promoting training opportunities and enhancing employee engagement.

Self-governance and Self-determination_The American Indian Trust Fund Management Reform Act of 1994, Public Law 103-412, authorizes Tribes to withdraw tribal funds held in trust status for tribal self-investment and management, thereby eliminating federal management. To withdraw tribal funds, a Tribe must submit a formal application that includes data and information about how the Tribe intends to invest and manage the funds once withdrawn from trust status. OEA provides information and technical assistance to Tribes on the withdrawal process and helps coordinate the Department's activities in response to requests for withdrawal.

In the past, a significant portion of OEA's operating budget was used to support the administration of Indian self-governance and self-determination activities as authorized by Title I and Title IV of Public Law 93-638. Staff provided information and technical assistance to encourage Tribes to contract or compact to perform OST programs. In FY 2019, the appraisal function is being moved out of OST to the newly created Appraisals and Valuations Office (AVSO), so OEA will no longer perform this function for Tribes that contract or compact the appraisal function. OEA will continue to administer the Beneficiary Process Program (BPP) for Tribes who contract or compact that function.

Congressional Liaison_ In fulfillment of congressional liaison responsibilities, OEA provides the Congress with an annual report and a wide range of information on the status of trust reform priorities, current initiatives and benefits through formal briefings, personal contacts, and printed materials.

2019 Program Performance

In FY 2019, OEA will promote tribal self-determination and self-governance by seeking expanded participation in OST's beneficiary processing programs and assisting Tribes interested in assuming management of their funds held in trust.

OEA will support self-governance and self-determination by:

- Administering the P.L. 93-638 self-governance and self-determination activities and services to Tribes who contract or compact the Beneficiary Process Program (BPP).
- Coordinating and reviewing formal applications from Tribes to withdraw their funds from trust status, for tribal self-investment and management and encouraging enhanced tribal involvement in this program whenever possible.

OEA will support efficient, cost effective communications to stakeholders by:

- Continuing the proactive development and dissemination of information concerning OST activities and new opportunities of importance to beneficiaries, tribal leaders and Native organizations.
- Continuing support of OST's national debit card and direct deposit programs for IIM account holders and seeking to further WAU awareness in Indian Country.

THIS PAGE INTENTIONALLY LEFT BLANK

Activity: Program Operations and Support
Subactivity: Program Support – Program Management

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Program Management	15,569	15,463	+173	+0	-1,187	14,449	-1,014
Trust Records	9,963	9,895	+123	+0	-434	9,584	-311
Trust Review and Audit	4,964	4,930	+42	+0	-667	4,305	-625
Risk Management	642	638	+8	+0	-86	560	-78
FTE	87	88	+0	+0	+0	88	+0

Program Management is comprised of the Office of Trust Records (OTR), Office of Trust Review and Audit (OTRA), and Office of Risk Management (ORM). These organizations duties include providing independent audits of Indian fiduciary trust programs and monitoring implementation of corrective actions to address any deficiencies.

Justification of 2019 Program Changes

Trust Records (-\$434,000/-0 FTE)

This reduction will allow other funding priorities to be addressed. Trust Records will continue to manage operations at the American Indian Records Repository (AIRR), develop records management policies and procedures, and provide records management training, authoritative guidance, and support services to OST, IA, and Indian Tribes/consortia.

Trust Review and Audit (-\$667,000/-0 FTE)

This reduction will allow other funding priorities to be addressed. OTRA will continue to examine trust programs and trust records management for deficiencies, identify findings, and monitor corrective actions.

Risk Management (-\$86,000/-0 FTE)

This reduction will allow other funding priorities to be addressed. OST will continue to conduct independent testing of the internal controls within financial business processes, conduct internal control reviews of programs, and provide assistance with risk management inquiries.

Program Overview

Program Management (\$14,449,000/88 FTE) - Three separate functional units comprise Program Management: Office of Trust Records (OTR), Office of Trust Review and Audit (OTRA), and Office of Risk Management (ORM). All three report to the Deputy Special Trustee - Program Management (DST-PM) and support OST in carrying out the fiduciary trust responsibilities to Indian Tribes and individual Indian beneficiaries. OTR develops records management policies; provides records management training and support services to OST and Indian Affairs (IA); and provides administrative oversight of the American Indian Records Repository (AIRR). OTRA provides independent examinations of Indian fiduciary trust programs; assesses records management compliance with established policies and

procedures; and monitors the implementation of corrective actions to address identified deficiencies. ORM assists the organization in its efforts to implement ERM, monitors risk management efforts to include the coordination and facilitation of OST’s compliance with OMB Circular A-123, with appendices, FMFIA, and Interior guidance.

Office of Trust Records (\$9,584,000/63 FTE) -

OTR is comprised of two Divisions: 1) the Division of Records Management Operations in Lenexa, Kansas, and 2) the Division of Records Management Policies, Procedures, and Training. The former manages AIRR operations, while the latter develops records management policies and procedures and provides records management training, authoritative guidance, and support services to OST, IA, and Indian Tribes/consortia.



Entrance to the American Indian Records Repository

In addition, OTR develops and obtains approval from the Archivist of the United States for records schedules; develops computer-based records management training; administers the disposition and safeguard of inactive records; retrieves records for authorized users; supports the implementation of Interior’s eERDMS initiative; and manages/administers all inactive record activities/processes. This includes the electronic index of inactive records; assures security safeguards are in place at AIRR; provides remediation services for damaged inactive records; and limits access to inactive records to authorized users only.

Records Management Performance Data	2016 Actual	2017 Actual	2018 Estimate	2019 Estimate
Number of Personnel Trained On-line	522	533	600	600
Number of Boxes Accessioned into AIRR	9,298	11,460	7,500	7,125

Office of Trust Review and Audit (\$4,305,000/20 FTE) - The American Indian Trust Funds Management Reform Act of 1994 requires the Special Trustee for American Indians to oversee all reform efforts within OST, BIA, the BLM, and the ONRR to ensure that trust policies and procedures are consistent Interior-wide. To accomplish this, OTRA conducts trust evaluations in accordance with the Trust Examiners Guidebook. The purpose of the valuations are determine if OST, BIA, BLM and ONRR have established policies and procedures that are consistent and comply with federal trust laws to ensure the Secretary’s fiduciary trust standards are met Interior-wide.

OTRA examines trust programs and trust records management for deficiencies, identifies findings, issues reports, and monitors corrective actions for the identified deficiencies. OTRA also evaluates trust programs managed by Indian Tribes under Self-Determination compact agreements (Title 25 CFR, Part 1000).

Office of Risk Management (\$560,000/5 FTE) – ORM helps to ensure OST complies with OMB Circular A-123, with appendices, and the FMFIA. To help ensure compliance, ORM coordinates management’s annual self-assessment evaluation of the effectiveness of internal controls designed to mitigate risk associated with financial and non-financial program activities; conducts independent testing of the internal controls within financial business processes; conducts internal control reviews of programs; and provides assistance with risk management inquiries. ORM ensures that among the program manager risk assessments for the reviews conducted by OTRA and independent external auditors, OST management can provide reasonable assurance that the financial reports are reliable, their programs operate efficiently and effectively, and their programs comply with applicable laws and regulations.

2019 Program Performance

- Conduct 26 OST Financial Business Process Reviews.
- Provide 2,000 timely and efficient records research responses.
- Index and accession 7,500 boxes of records.
- Conduct online Records Management Training for 600 OST and Indian Affairs personnel.
- Improve delivery of records management training and expand records management outreach through utilization of the OST public website.
- Conduct 60 Trust Evaluations (Including Tribal Trust Evaluations completed utilizing a Re-engineered Tribal Trust Evaluation process).
- Conduct 60 Trust Records Management Assessments.

THIS PAGE INTENTIONALLY LEFT BLANK

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

Appropriation Language

Appropriation: Navajo and Hopi Indian Relocation

For necessary expenses of the Office of the Special Trustee for American Indians to carry out the activities authorized by subsection 11(h) of Public Law 93-531, as most recently amended by Public Law 104-301, through direct expenditure, contracts, cooperative agreements, compacts, and grants, \$3,000,000, to remain available until expended: Provided, That the Office of the Special Trustee is further authorized to expend funds provided under this heading for the purpose of planning for an orderly closeout of the Office of Navajo and Hopi Indian Relocation.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

Navajo and Hopi Program Office

Justification

Appropriation Summary Statement

The budget request for the Navajo Hopi Program Office for fiscal year 2019 is \$3 million.

The funds requested will support the management of trust lands currently administered by ONHIR, as authorized by Public Law 93-531 as amended, through an agreement between the Office of the Special Trustee Navajo Hopi Program Office and the Bureau of Indian Affairs (BIA).

In addition, the funds will support the development of a plan with concrete transition and implementation steps to complete the closure of the Office of Navajo and Hopi Indian Relocation (ONHIR).

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

Appropriation Language Citations

Appropriation: Navajo and Hopi Indian Relocation

1. *For necessary expenses of the Office of the Special Trustee for American Indians to carry out the activities authorized by subsection 11(h) of Public Law 93-531, as most recently amended by Public Law 104-301,*
 - **The Navajo-Hopi Settlement Act of 1974, P.L. 93-531** as amended, subsection 11(h), directs that lands transferred or acquired pursuant to the Act shall be administered by the Office of Navajo and Hopi Indian Relocation until relocation is complete. Furthermore, subsection 12(e)(1) provides that any department or agency of the United States shall provide reasonable assistance to the Office of Navajo and Hopi Indian Relocation in implementing the relocation plan upon request.
 - **25 U.S.C. 5108** provides that the Secretary of the Interior is authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted allotments, whether the allottee be living or deceased, for the purpose of providing land for Indians.
2. *through direct expenditure, contracts, cooperative agreements, compacts, and grants,*
 - **25 U.S.C. 5321(a) and 5322(a)** directs the Secretary, upon the request of any Indian Tribe, to enter into a contract or contracts to plan, conduct, and administer programs which the Secretary is otherwise authorized to administer (P. L. 93-638, as amended).
 - **31 U.S.C. Chapter 63** provides procedures to be followed in the preparation of Federal contracts, grants, and cooperative agreements.
 - **25 U.S.C. 5363** provides procedures to be followed to establish and implement tribal self-governance compacts.
 - **25 U.S.C. 162a** authorizes the deposit and investment of Indian trust funds.
 - **25 U.S.C. 4001 et seq.** provides procedures to be followed for Tribal withdrawal of trust funds, and authorizes the Office of the Special Trustee for American Indians.
 - **25 U.S.C. 5501 et seq.** includes numerous provisions affecting specific Tribes related to distribution of claims, settlements, and judgments.
3. *\$3,000,000, to remain available until expended:*
 - The OST proposes the availability of funding for the Navajo and Hopi Indian Relocation account to remain available until expended.

4. *Provided, That the Office of the Special Trustee is further authorized to expend funds provided under this heading for the purpose of planning for an orderly closeout of the Office of Navajo and Hopi Indian Relocation.*
 - This provision authorizes the Office of the Special Trustee to expend funds and plan for the orderly closeout of the Office of Navajo and Hopi Indian Relocation.

Activity: Program Operations and Support
Subactivity: Navajo and Hopi Program Office

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Navajo and Hopi Program Office					+3,000	3,000	+3,000
<i>FTE</i>	<i>0</i>	<i>0</i>	+0	+0	+7	7	+7

The Navajo and Hopi Program Office will assume some of the land management activities currently administered by the Office of Navajo and Hopi Indian Relocation (ONHIR).

Justification of 2019 Program Changes

Navajo and Hopi Program Office – (+\$3,000,000/+7 FTE)

The FY 2019 request for the Navajo and Hopi Program Office is \$3,000,000 and 7 FTE to assume certain functions pertaining to land management activities for all lands administered by ONHIR pursuant to the 1974 Navajo Hopi Settlement Act, as amended. Funds will also support development of a plan for the orderly close out of the ONHIR.

Program Overview

The ONHIR, an independent agency, was established by Public Law 93-531, as amended, to oversee implementation of a land settlement between the Navajo Nation and the Hopi Tribe of Arizona. The 2019 budget proposes to transfer land management activities for the lands administered by the ONHIR to the new Navajo and Hopi Program Office within OST. The transfer of land management activities is the first stage of the orderly closeout of the ONHIR.

The OST, on behalf of the Department will lead the planning for the orderly closeout of the ONHIR. In addition to land management activities, the funds will be used for a Program Manager and staff to convene and lead a work group to develop a detailed closure plan. The plan will include an analysis of whether components of ONHIR should be transitioned to other tribal or Federal agencies or should be completely terminated; what authorities are necessary to allow superseding entities to carry out ONHIR functions; and for activities that will terminate, a listing of the steps that must occur to completely terminate the activities and dispose of all ONHIR assets.

THIS PAGE INTENTIONALLY LEFT BLANK

Tribal and Other Trust Funds

(Dollars in Thousands)

	2017 Actual	2018 CR	Fixed Costs & Related Changes (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2019 Request	Change from 2018 CR (+/-)
Total	158,001	142,000	+0	+0	+6,000	148,000	6,000
Tribal Special Fund	111,433	115,000	+0	+0	+4,000	119,000	4,000
Tribal Trust Fund	46,568	27,000	+0	+0	+2,000	29,000	2,000
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>+0</i>	<i>+0</i>	<i>+0</i>	<i>0</i>	<i>0</i>

Justification of 2019 Program Changes

The FY 2019 budget request for the Tribal Special Fund and Tribal Trust Fund totals \$148,000,000.

Program Overview

The budget authority for the Tribal Special Fund and Tribal Trust Fund is equal to receipts of settlements and/or judgments from the Judgment Funds for on-budget trust funds as well as transaction activity from buying and selling investments outside of Treasury for on-budget trust funds; including investment income and proceeds from investment in government sponsored entity securities. Most of the assets of these funds are in investments held outside Treasury.

Budgetary Classification of Tribal Trust Funds

Tribal trust funds are deposited into consolidated accounts in the U.S. Treasury pursuant to: 1) general or specific acts of Congress and, 2) Federal management of tribal real properties, the titles to which are held in trust for the Tribes by the United States. These funds are available to the respective tribal groups for various purposes, under various acts of Congress, and may be subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various Tribes, bands, or groups.

Commencing with FY 2000, most tribal trust funds, including special funds, managed by the Office of the Special Trustee were reclassified as non-budgetary. Ownership of these funds did not change; changes were made for presentation purposes only. Some tribal trust funds remain budgetary, in the Tribal Special or Tribal Trust Funds accounts.

The budgetary funds are included in either a budgetary special fund account or trust fund account. The distinction between a special and a trust fund is purely technical from a budgetary standpoint; if the law creating the fund delineates it as a “trust fund,” it is included in the trust fund account. If the law delineates the fund as something other than a trust fund (e.g., a “development fund”), it is included in the special fund account.

Tribal Special Fund

This fund includes activities associated with the following accounts:

- *Tribal Economic Recovery Fund*. This fund is authorized by the Three Affiliated Tribes and *Standing Rock Sioux Tribe Equitable Compensation Act of 1992* (P.L. 102-575) and holds funds which have been appropriated pursuant to the Act. Beginning in 1998, interest earned on the principal of this fund is available for both Tribes for economic development, education, and social services programs.
- *Three Affiliated Fort Berthold* (P.L. 102-575). The fund is not designated by law as a trust fund.
- The act provides for additional compensation to the Three Affiliated Tribes and the Standing Rock Sioux Tribe for the taking of tribal lands related to the Garrison Dam and Reservoir project. The Tribes are only entitled to the interest earnings, not the corpus (Sec. 3504(a) (4)).
- *Standing Rock* (P.L. 102-575, Title XXXV). The Act provides for additional compensation to the Three Affiliated Tribes and the Standing Rock Sioux Tribe for the taking of tribal lands related to the Garrison Dam and Reservoir project. The Tribes are only entitled to the interest earnings, not the corpus (Sec. 3504(a) (4)).
- *Papago Cooperative Fund* (P.L. 97-293). The fund was established for the Tribe to obtain services that are financed by earnings on investment of the fund.
- *Ute Tribe* (P.L. 102-575, Title V). The fund was established for certain environmental and developmental purposes. One of the expressed purposes of this act is to put the Tribe in the same economic position it would have been had features contemplated by a September 20, 1965 agreement with the United States and others been constructed and thus, resolve tribal claims arising out of the agreement. In addition, the Act qualifies the Tribe's reserved rights and provides for the waiver of tribal claims related to this issue. The funds provided for by Section 504, like all funds provided for by the Act, with the exception of those funds provided for under Section 505, are intended to resolve legal claims related to the Tribe's water rights.
- *Pyramid Lake Indian Reservation* (P.L. 101-618). (Specifically, the Lahonta Valley and Pyramid Lake Fish and Wildlife Fund). The Lahonta Valley and Pyramid Lake Fish and Wildlife Fund consist of payments for the use of certain water and transfers from the Fisheries Fund. Except for the transfers, the use of the funds is subject to appropriations for fish and protection.
- *San Luis Rey Water Authority* (P.L. 100-675). This is settlement legislation that resolves pending water rights litigation between the United States and the Bands local entities. The Act established the San Luis Rey Tribal Development Fund and authorized appropriations of \$30 million to the Fund. Following execution of the proposed settlement agreement, the Secretary of the Treasury is directed to make the funds available upon the request of the Indian Water Authority.
- *Cochiti Wetfields Solution*. In 1994, the Army Corps of Engineers transferred \$4 million pursuant to P.L. 102-358 to fund the Department's responsibilities under the settlement agreement between Cochiti Tribe, the Corps, and the Department. The Secretary of the Interior is responsible for maintenance, repair, and replacement of a drainage system constructed by the Corps for the Cochiti Pueblo.

Tribal Trust Fund

This fund includes activities associated with the following accounts:

- *Funds Contributed for the Advancement of the Indian Race.* This fund accounts for any contributions, donations, gifts, etc., which are to be used for the benefit of American Indians in accordance with the donors' wishes (82 Stat. 171).
- *Bequest of George C. Edgeter.* This fund includes a donation made by George C. Edgeter; income is available according to the terms of the bequest for the expenditure as determined by the Assistant Secretary, Indian Affairs for the relief of American Indians.
- *Ella M. Franklin Fund.* This fund consists of a bequest, the principal of which is invested in U.S. Treasury securities, and the interest is to be used for the relief of American Indians as specified by the donors' wishes (82 Stat. 171).
- *Josephine Lambert Fund.* This fund includes a donation made by Josephine Lambert, income to be used for the health or education of underprivileged Indian children.
- *Orrie Shaw Fund.* This fund includes a donation made by Dr. Orrie Shaw, income used only for the training or education of American Indians.
- *Welmas Endowment Fund.* This fund was established to receive revenue generated by land owned by the decedent for the period of ten (10) years whereby the annual interest earnings of the endowment can be distributed by the Assistant Secretary Indian Affairs for the education of members of federally recognized Tribes; provided that 20 percent of the annual interest serves to benefit the education of Agua Caliente Tribal members. The Tribe has the option of obtaining complete control of the land, prior to the end of the endowment period, if it elects to fund the endowment so that the principal amount reaches \$750,000.
- *Arizona Intertribal Fund* (P.L. 100-696). The fund represents an exchange agreement for privately held lands in Florida for publicly held land in Arizona. Use of the money is subject to appropriations and is available to pay for supplemental education and child welfare programs.
- *Navajo Trust Fund* (P.L. 100-696). The fund ratifies an exchange of Federal land in Arizona.
- *Crow Creek* (P.L. 104-223). The Act established a corpus that is to be invested and makes the interest earnings available without appropriation for the various activities under Section 5. However, the Act does not appear to transfer ownership of the money to the Tribe or create a legal claim to the funds, until it is paid to them.
- *Lower Brule Infrastructure* (P.L. 105-132). The Act provides additional compensation to the Lower Brule Sioux Tribe for the taking of land related to the construction of the Fort Randall and Big Bend dams. The Congress had originally provided compensation of \$4.3 million in 1958 and 1962. Total deposits capped at \$39.3 million. The Act does not appear to transfer ownership of the money to the Tribe or create a legal claim to the funds, until it is paid to them.
- *Chippewa Cree Tribal Compact ADM/Chippewa Cree Future Water Supply* (P.L. 106-163). The fund was established in FY 2001. The trust fund is established under Title I, Sec. 104, Chippewa Cree Indian Reserved Water Rights Settlement Trust Fund. The ownership of the trust fund does not convey to the Tribe until such time as the Tribe waives all claims and meets the underlying settlement requirements.
- *Shivwits Band of Paiute Indians* (P.L. 106-263). The fund was established in FY 2002. Ownership of the trust fund does not convey to the Tribe until such time as funds have been appropriated and deposited into the Trust fund; the St. George Water Reuse Project Agreement, the Santa Clara Project

Agreement and the Settlement Agreement are approved and in effect; the State Engineer of Utah has approved all applications necessary to implement the provision of the Santa Clara Project Agreement, St. George Water Reuse Agreement and the Settlement Agreement; the Court has entered a judgment and decree confirming the Shivwits Water Rights and is final as to all parties to the Santa Clara Division and the Virgin River Adjudication.

- *Northern Cheyenne Indian Reserved Water Rights Settlement Trust Fund* (P.L. 103-374). This fund established a \$21.5 million trust fund for the Northern Cheyenne Indian Tribe. These funds may be used by the Tribe to make \$11.5 million available to the State of Montana as a loan to assist in financing Tongue River Dam project costs; land and natural resources administration, planning, and development; land acquisition; and any other purpose determined by the Tribe. In addition, this fund holds \$31.5 million for the enlargement and repair of the Tongue River Dam project.
- *The Crow Creek Sioux Tribe Infrastructure Development Trust Fund of 1996* (P.L. 104-223, 110 Stat 3026). The fund establishes a Crow Creek Sioux Tribe Infrastructure Development Trust Fund. In FY 1997, \$27.5 million was deposited into the Fund. The interest earned from the invested principal is available for payment to the Tribe for tribal educational, health care, recreational, and other projects.

Trust Land Consolidation Fund

Appropriation Summary Statement

The Class Action Settlement Agreement resulting from the *Cobell v. Salazar* litigation (confirmed by the Claims Resolution Act of 2010, P.L. 111-291, and finalized on November 24, 2012), established a \$1.9 billion Trust Land Consolidation Fund for the purchase of fractional interests in trust or restricted land from individual Indian landowners in accordance with the Indian Land Consolidation Act Amendments of 2000 P.L. 106-462. The fund covers implementation costs to address the problem of fractionated interests by continuing the process of consolidating fractional interests through tribal and landowner collaboration.

Activity: Land Buy-Back Program for Tribal Nations

Justification of 2019 Program Changes

The Land Buy-Back Program (LBBP), authorized by the Settlement Agreement (Settlement) in *Cobell v. Salazar*, No. 96-CV-1285-JR (as confirmed by the Claims Resolution Act of 2010 (P.L. 111-291)), was established by the Secretary to ensure implementation of the land consolidation activities in the *Cobell* Settlement and expenditure of the \$1.9 billion Trust Land Consolidation Fund (Fund). Beginning in FY 2019, the LBBP will transfer from the Immediate Office of the Secretary to the Office of the Special Trustee for American Indians (OST) to enhance the coordination of support activities and technical assistance provided by OST to the LBBP and to present opportunities to streamline LBBP processes. This placement of the LBBP will continue until the fund is exhausted or the statutory time period has expired.

The Program's funding will continue to be used in accordance with the Settlement Agreement. The Trust Land Consolidation Fund will remain separate from appropriated funding for OST operations; all LBBP staffing and operational costs will continue to be paid from the Fund.

From the beginning, OST provided significant support to the LBBP in a variety of areas, and will continue to do so. OST employees organize and conduct local LBBP outreach events both prior to and during Program offer sets. OST staff develops outreach materials and conducts presentations at LBBP outreach events. At LBBP outreach events and during regular office hours, OST staff provides general financial education to landowners and educates landowners about their individual interests and possible participation in the Program. In addition to in-person consultation, OST's Trust Beneficiary Call Center (TBCC) is available to respond to landowner questions via telephone. To date, OST's TBCC has received 145,880 Program-related inquiries. While many callers have general questions about the Program, the majority of callers request OST's assistance with their offer packets. OST is also responsible for updating landowner contact information and registering individuals who self-identify as willing sellers. Lastly, OST manages and disburses all LBBP payments to landowners. OST's contributions to and support of the Program have greatly enhanced the Program's ability to fulfill its mandate.

Program Overview

In 2012, the Settlement Agreement established a new \$1.9 billion Trust Land Consolidation Fund (Fund) to acquire fractional interests in trust or restricted land from individual Indian landowners who are willing to sell their interests for fair market value. Acquired interests will remain in trust or restricted status, and will expand tribal economic development opportunities across Indian country, and in turn, restore tribal control over tribal lands to strengthen tribal self-determination. The Settlement states the Fund must be expended within a 10-year period. Any funds remaining at the end of the 10-year period, in November 2022, return to the U.S. Treasury. As provided in the Settlement, implementation costs to acquire fractional interests and associated trust reform activities, must not exceed 15 percent of the Fund.

As an additional incentive to participate in the LBBP, the Settlement provided that a portion of the Fund, up to \$60 million, would be contributed to a Cobell Education Scholarship Fund. Program contributions reached \$60 million in 2017. The Cobell Education Scholarship Fund provides financial assistance to American Indian and Alaska Native students attending post-secondary vocational schools or institutions of higher education. A Board of Trustees manages the Scholarship Fund, which is administered by Indigenous Education, Inc. The Oversight Board created for the Program will continue to exist to provide policy guidance, oversight, and other assistance to the Program.

The principal goal of the LBBP is to maximize the reduction of fractional land interests through voluntary sales in the most effective manner possible. Despite the large size of the Fund, it is not sufficient to purchase all fractional interests across Indian Country. The value of the land equivalent to purchasable acres exceeds \$1.9 billion. Consequently, it is imperative that the Fund continue to be used thoughtfully on cost-effective acquisitions, to have maximum impact.

Program Performance Estimates

**Land Buy-Back Program for Tribal Nations
Spending by Fiscal Year
(\$\$\$ in thousands)**

	2017	2018	2019
Trust Land Consolidation Fund	Actual	Estimate	Estimate
Land Purchases	\$ 342,888	\$ 117,408	\$ 218,089
Administrative Costs	<u>\$ 21,938</u>	<u>\$ 21,807</u>	<u>\$ 24,132</u>
Subtotal	\$ 364,826	\$ 139,215	\$ 242,221

Cobell Education Scholarship Holding Fund

Payments to Cobell Education Scholarship Fund*	\$ 20,400	\$ -	\$ -
--	-----------	------	------

Total	\$ 385,226	\$ 139,215	\$ 242,221
--------------	-------------------	-------------------	-------------------

** The Buy-Back Program transferred a cumulative amount of \$60 million to the Cobell Education Scholarship Fund effective March 2017, which was the maximum amount it could make available under the terms of the Settlement.*

In 2017, the LBBP surpassed a billion in cumulative land sales paying nearly \$343 million to landowners who accepted offers resulting in more than 244,400 fractional interests purchased (475,600 equivalent acres consolidated). In addition, the LBBP’s contributions to the Cobell Education Scholarship Fund reached the maximum amount of \$60 million during 2017.

The LBBP has paid landowners approximately \$1.2 billion since its inception, and it has created or increased tribal ownership in nearly 42,000 tracts of allotted land – with nearly 1,500 of those tracts reaching 100 percent tribal trust ownership. The Program has acquired nearly 730,000 interests, which is a 24.5 percent reduction in total purchasable fractional interests identified by the Program in 2013. The LBBP has restored the equivalent of more than 2.1 million acres of land to tribal trust ownership.

In 2017, the Program adopted new policies and revised its implementation schedule. The new policies, aimed at increasing efficiency and maximizing the consolidation of fractional interests, included maximizing the use of appraisals, extending offer set timing, and streamlining agreements with tribes. The revised implementation schedule includes 20 locations and were chosen based on a number of factors, including severity of fractionation, appraisal complexity, degree of ownership overlap between locations or geographic proximity, tribal readiness, past response rate, cost, and efficiency (including land value).

In 2018, the Program will continue to release offers at scheduled locations as announced in July 2017. The Program estimates that it will acquire approximately 95,000 fractional interests and that total payments to landowners will exceed more than \$117 million. In addition, the Program estimates that it will transfer the equivalent of nearly 187,000 acres of land to tribal trust ownership.

Program Performance

The Program will continue working to reduce fractionation in 2019 by continuing implementation efforts at scheduled locations while effectively managing administrative costs. The Program estimates that it will acquire more than 193,000 fractional interests and that total payments to landowners will exceed more than \$218 million. In addition, the Program estimates that it will transfer the equivalent of more than 560,000 acres of land to tribal trust ownership. In 2019, the Program also anticipates re-evaluating its resources and announcing additional locations as resources allow.