1. OST DATA CLEANUP

I Responsible Official

The responsible official is the Special Trustee for American Indians. Doug Lords, Deputy Director, Office of Trust Funds Management, OST, is the project manager responsible for completing this subproject.

II Statement of the Problem

Documentation and supporting data in the Individual Indian Monies (IIM) module of the BIA's Information Resources Management System and IIM file jacket folders were not maintained consistently throughout BIA and OTFM field offices. [1]

Numerous deficiencies exist in the data because of inconsistent application of any "standard" method of data input, account/data review, or standardized use of Tribal Codes, Alpha Codes or Management Codes. Specific examples of some problems which existed in February 1996 and required cleanup include the following:

- C 5,500-plus IIM accounts existed for "minors" who had reached the age of majority;
- C 46,000-plus IIM accounts did not have a current address for the account holder;
- C 123,000-plus IIM accounts lacked a social security or tax identification number;
- C 23,000-plus special deposit accounts contained undistributed funds;
- C 2,758 IIM accounts contained Tribal funds.

[1] An IIM jacket folder is a physical file folder containing basic information regarding the account and account beneficiary.

III Statement of Objectives and Outcomes

In this subproject, the OST is standardizing and verifying IIM system data for trust administrative records, and recommending corrections and establishing an inventory of hard copy records used daily for each trust fund account. These tasks often involve the BIA in policy decisions, review and implementation.

A critical aspect of the trust fund reform effort is the Cleanup of IIM data in the system, along with compiling accountable IIM jacket folders. The project to Cleanup the IIM database is designed to standardize and verify the data housed in the current IIM system.

Additionally, the project provides an inventory of the hard copy records determines its condition and recommends any corrective actions. A quality review team checks and verifies the corrective actions. The desired results are that:

- C Every Region/Agency/Tribe will use a standard set of codes to open and maintain

accounts in the Trust Funds Accounting System (TFAS);

C Every Region/Agency/Tribe will obtain the most complete and accurate information possible for each account holder and this information will be reflected properly in the TFAS.

Every IIM account will have a jacket folder with documentation regarding the management of that individual account.

The work on this subproject involves several BIA Regional and Agency Offices. The principal site for the effort is in Albuquerque, New Mexico, at the site leased by the Cleanup contractor.

IV Relationship to the Reform Act of 1994

The OST Data Cleanup subproject is essential to providing accurate and reliable information to account holders. This effort specifically addresses the following requirements of the Trust Reform Act of 1994:

C providing adequate systems for accounting for and reporting trust fund balances;

C providing adequate controls over receipts and disbursements;

C providing periodic, timely reconciliations to assure the accuracy of accounts;

C determining accurate cash balances;

C preparing and supplying account holders with periodic statements of their account performance and with balances of their account which shall be available on a daily basis;

C establishing consistent, written policies and procedures for trust fund management and accounting;

C providing adequate staffing, supervision, and training for trust fund management and accounting;

C properly accounting for and investing, as well as maximizing, in a manner consistent with the statutory restrictions imposed on the Secretary's investment options, the return on the investment of all trust fund monies;

C preparing accurate and timely reports to account holders (and others, as required) on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts.

V Relationship to Other HLIP Projects

This subproject directly supports Trust Funds Accounting System implementation. Improvements that are produced in the Probate, Records Management, Policies and Procedures, Training and Internal Control subprojects will have a positive impact on and influence the effectiveness of the OST Data Cleanup effort and IIM data management in the future.

VI Subproject Budget

The estimated subproject budget for this effort follows:

SUBPROJECT BUDGET OST Data Cleanup				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	5.9	3.9	2.1	1.5

VII Subproject Action Plan

The particular tasks and milestones necessary to successfully complete this subproject are outlined in the following pages.

A. Establish Project Charter

The charter-established purpose of the subproject is to: 1) standardize and verify the data housed in the current IIM system, preparatory to conversion to a new trust fund accounting system; and 2) build an inventory of the hard copy records for each account and identify deficiencies in documentation from established standards.

This task was completed November 30, 1996.

B. Organize Project and Temporary Staff to Conduct Records Cleanup Pilot

The project organization and selection of temporary staff was completed December 31, 1996.

C. Select and Cleanup a Test Agency

The initial pilot office, the Flathead Field Office, within Northwest Regional Office jurisdiction, was selected as the pilot for the Cleanup project as it was expected to have a sample appropriate for an average office. The Flathead office has approximately 4,400 accounts in the IIM system. All active and inactive IIM jacket folders were reviewed. As records were reviewed, new policies and procedures were developed to institute the standard codes as well as to document that the review procedures were being followed. *The work at the initial Cleanup site was completed March 31, 1997.*

D. Select Additional Test Site and Cleanup Records

The Southwest Regional Office in Albuquerque, New Mexico was the first site chosen for review after the pilot office. Based on findings and documentation retrieved from the pilot agency, it was determined that the initial review did not provide for a complete and thorough account management examination. Processes were added and/or modified to

accommodate a complete and thorough examination. These processes were applied to the pilot site's IIM accounts including Special Deposits, Overdrafts, and House accounts. Additionally, an Estate Accounts Review was added.

The Southwest Regional Office Cleanup was completed in June, 1997.

E. Develop and Refine Cleanup Processes

As records were reviewed for the pilot agency, new policies and procedures were developed to document the review procedures as well as to institute the standard codes. The types of problems addressed by new policies and procedures include Dormant Accounts, Small Balance Accounts, Whereabouts Unknown, and Zero Balance Accounts. Policies and Procedures were developed to address new anomalies. The results as of January 1997 in the Cleanup effort and associated research revealed the following with regard to existing IIM accounts on the IIM system.

- C 749,000 potential files to research and check for documents
- C 45,600 (totaling $27.7 Million) "Whereabouts Unknown" accounts to research
- C 128,400 Tax Identification or Social Security Numbers to obtain
- C 16,800 Duplicate Accounts and 6,100 Special Deposit accounts to research
- C 14,500 Zero Balance accounts to research and close, if appropriate
- C 14,900 accounts with less than $1 to research and close, if appropriate
- C 28,100 accounts with no activity for 18 months to research and resolve

The initial pilots for the OST Data Cleanup project were finished June 30, 1997.

The table below illustrates the number of IIM accounts by BIA Region in the IRMS IIM Module, and includes a figure for current tribal accounts.

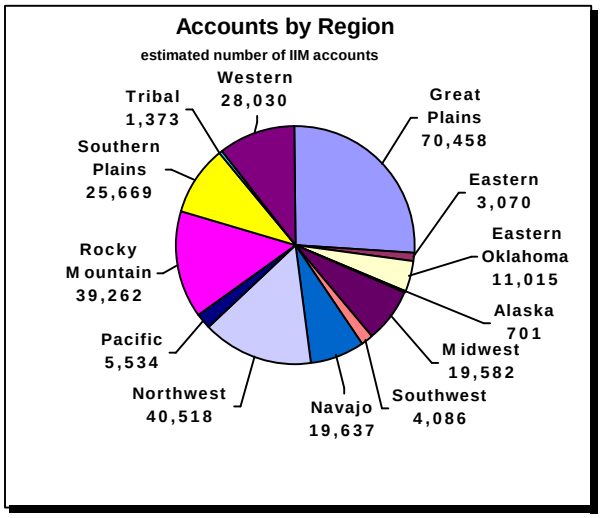


Table statistics as of 1/31/00

F. Acquire Contractor to Perform Cleanup of Administrative Records in 18 Months

A performance-based statement of work was developed utilizing information discovered in the pilot agency and area. The contract consists of seven steps of project work including:

1. Planning: Project planning, including process analysis and development of technical training package;
2. Phase I: Statistical reporting “Before”;
3. Phase II: Organization of files and data verification;
4. Phase III: Individual account reviews;
5. Phase IV: Storage of records (temporary and electronic);
6. Phase V: Statistical reporting “After”;
7. Phase VI: Follow-up and continuous improvements.

The OTFM worked with the Small Business Administration (SBA) Offices in Denver, Phoenix, Albuquerque and Oklahoma City to obtain information on 8(a) certified firms capable of completing the contracting work. OTFM and BIA contract personnel traveled to Oklahoma City in August 1997 to negotiate the terms of the contract. The contract was subsequently awarded as a cost-plus-incentive performance-based contract to DataCom Sciences, Inc. under revised, simplified acquisition procedures established for the Federal government. *Acquisition of contractor support was completed August 27, 1997.*

G. Select Pilot Site for Pilot Test of New Trust Funds Accounting System

A decision was made to pilot and test the new Trust Funds Accounting System (TFAS) initially at one or more BIA Regional Office locations before rolling out the system to all IIM and Tribal accounts across all BIA and OTFM locations. The OST Data Cleanup project was aligned with the TFAS Pilot effort. The BIA and OST jointly developed criteria for selection of a suitable system pilot site, including the following:

- C Whether the Region was representative in terms of Tribal, IIM and Special Deposit accounts, trust assets and land management issues, Tribal contracting and income types;
- C Information about the status of previous or on-going records cleanup efforts in the areas of trust management records, BIA trust asset and land title records, and Hearings and Appeal probate backlogs;
- C The general receptivity of Regional Management and Indian representatives;

C Staff knowledge of automation, policies and procedures, trust management, etc.;

C Logistical considerations such as telecommunications, geography and costs.

This task was approved on November 13, 1997, by the Secretary's Trust Improvement Steering Committee, with the selection of BIA's Western Region Office in Phoenix as the Pilot site for the TFAS.

H. Task Contractor to Perform Methods Study, Project Planning and Production Gear-up

The first task order was issued for a three week period to brainstorm and evaluate the bottom line needs of the proposed effort and the most efficient and effective alternatives for accomplishing the Cleanup project. Five options were studied ranging from completing the Cleanup work in the field at each office to completing the work in a centralized location. Budget estimates to support each option were also developed. Estimated costs ranged from approximately $7 to $18 million, depending on the approach chosen. The final report from this first task was delivered to management on September 12, 1997. The decision was made by OST management to centralize the Cleanup effort in Albuquerque, New Mexico. The initial budget estimate prepared for this option was the contract budget for this project. The contractor initiated planning and work to prepare the operation for production. This included locating and obtaining space, communications, equipment, and employees. The contractor was also tasked to work with the government to finalize the analysis of each process used in the Cleanup effort, and to develop the project training manual. These efforts were tasked to the contractor by September 30, 1997, and *the contractor completed all phases of the work in late December 1997.*

I. Task Contractor to Plan, Initiate, Conduct and Complete Cleanup

The task order was issued to begin production of the cleanup work and the contractor began cleanup work on January 5, 1998. OTFM employees provided the quality assurance compliance checks for the contractor's work under this performance-based contract. The cleanup is organized into four basic work activities controlling the flow of IIM records through the cleanup. These activities are storage and inventory control, organization and filing, data verification, and account review.

A help desk was organized to control documentation and respond to both field and OTFM inquiries. A designated contractor supervisor monitored the workflow during each activity, assisted assigned contractor staff with problems and answered questions. From time to time, the contractor rotated or alternated both workers and supervisors among the various activities to provide cross training and to

establish backup capability. This effort was *completed in September 1999 except for cleanup of the jacket folders that have been withheld by three Tribes* (see Section N. below).

J. Gather Western Region Administrative Trust Records Centrally in Albuquerque

Records collection in the Western Region Office was initiated on December 5, 1997. Teams of OTFM employees were dispatched to Western Region subordinate offices to collect, box and transport OTFM's active IIM account jacket folders and unfiled documents to the contractor in Albuquerque, New Mexico. Controlled mail and precise inventories of the number of boxes and jacket folders shipped and received were used to ensure document control. OTFM's active IIM financial trust records were transported from Western Region and Agency Offices. *The last shipment of boxed IIM jacket folders and unfiled documents based on this task was received in Albuquerque on February 3, 1998.*

K. Finish Cleanup of Western Region Administrative Trust Records

Over 33,000 IIM jackets folders, supporting an equal number of accounts, were processed, examined, and verified by the contractor. IIM systems data was validated and/or corrected under strict quality control standards. Processing of Western Region financial records commenced on January 5, 1998, and was *completed on March 29, 1998.*

L. Continue Gathering IIM Administrative Trust Jacket Folders and Trust Records From Other Areas

Records were transported, received and cleaned up from all 12 BIA Regions. Once received at the cleanup site, DataCom made copies of the records available to Region and/or Agency staff as needed. While under DataCom's control, the IIM records were subject to strict confidentiality and safety policies and procedures. Records were only seen by authorized employees performing prescribed cleanup work processes. Visitor access to the DataCom facility was controlled. Removal of IIM records from the facility without written consent of OST was prohibited. To the extent that additional administrative or financial trust records are found during future trust reform efforts, those documents will be transferred to OST records facilities as part of the Records Management subproject.

M. Oversee Contractor's Efforts and Report on Progress

A full-time contracting officer's technical representative interfaces daily with DataCom. Weekly progress report meetings are held between the Contracting Officer, OTFM management and DataCom managers. Appropriate progress and management reports are provided by the contractor. *This will continue through the life of the contract for data cleanup, and is an ongoing activity.*

N. Resolve Jacket Folder Retention / Production Issue with Tribes

Three Tribes have registered objections to removal of the active IIM jacket folders to Albuquerque for cleanup by DataCom Sciences, Inc., and storage in the OST records centers. Tribal leadership cites previous problems when valuable files were removed from the Agency. The three Tribes are the, Pine Ridge Agency (Oglala Sioux Tribe), Standing Rock Agency (Standing Rock Sioux Tribe), and Umatilla Agency (Confederated Tribes of the Umatilla Indian Reservation). A fourth agency, Red Lake (Red lake Band of Chippewa Indians of Minnesota), retains trust financial records but not IIM jacket folders. Attempts to date to reach a suitable, mutually agreeable solution that meets the operational needs of both the Tribes and the Department have not been successful. *Discussions have taken place, but as yet, no resolution has occurred.*

O. Complete IIM Jacket Folder Cleanup

The OST contractor, DataCom Sciences, Inc., completed the TFAS pre-conversion cleanup of trust administrative documents contained in the IIM jacket folders in September 1999.

OST jacket folder cleanup was *completed as indicated in the following table:*

OST DATA CLEANUP SCHEDULE

BIA OFFICE	CLEANUP COMPLETION DATE
Western Region	March 1998
Alaska Region	April 1998
Pacific Region	April 1998
Southwest Region	April 1998
Navajo Region	May 1998
Southern Plains Region	July 1998
Eastern Oklahoma Region	August 1998
Eastern Region	August 1998
Rocky Mountain Region	December 1998
Midwest Region	January 1999
Great Plains Region	July 1999
Northwest Region	September 1999
Close out	September 1999

However, several items have been identified as needing correction prior to the TFAS system conversion. To ensure a "clean" and smooth transition from one system to another, extensive research was completed to reduce or eliminate exception items. These exceptions, as identified by OTFM are described in detail in section P.

P. Identify, Report on, Organize and Initiate Follow-on Cleanup Efforts

The trust administrative records cleanup did not resolve all deficiencies nor effect a 100 percent cleanup of OST financial trust documents. In some cases documentation is absent or missing from active files or local procedures have created special cleanup actions unique to a particular Region or Agency. In other cases, management codes need to be reevaluated for many IIM accounts, the use of Special Deposit accounts must be reconciled with regulation and law, and existing accounts cleaned up in coordination with BIA. This task includes examples of known post-conversion Data Cleanup actions that have been identified as needing corrective action after the Region has converted to the TFAS system. Under Task 4 of the OST Data Cleanup contract, the OST Data Cleanup contractor, DataCom Sciences, Inc. is assisting with pre-and post conversion cleanup matters.

Cleanup work includes items such as identifying and modifying name and address records for those with two or more names and address records; clarification of accounts using maiden names, correction of coding contradictions including invalid dates or sort characters. These pre-and-post-cleanup activities will likely be performed by a combination of contractors and Interior staff. Examples of continuing cleanup efforts that will be undertaken follow:

Eliminate Duplicate Accounts. IIM account holders and the BIA have, in the past, established duplicate accounts in two or more BIA Regions, using the same account number. OST, in coordination with BIA, is working to eliminate and consolidate account business into a single numbered account in TFAS. For example, in a two-month effort immediately preceding the conversion of Great Plains Region, over 11,500 duplicate accounts were identified and consolidated. *This effort will continue through the March 2000 conversions of the Eastern Oklahoma, Southern Plains and Northwest Regional offices.*

Transfer Tribal IIM Accounts. Review of IIM account files indicate that large numbers of "IIM" accounts have been established by and for Tribal trust funds. During the course of the TFAS conversion effort, such Tribal IIM accounts established under an improper management code are being researched, dispersed, or moved out of the IIM investment pool to a proper new, or existing Tribal trust account(s) in consultation with BIA and Tribes. *This effort will continue through the March 2000 conversions of the Eastern Oklahoma, Southern Plains and Northwest Regional offices.*

Locate Missing Documents. An aid to locating missing mandatory documents in IIM jacket folders is being evaluated. The approach uses a document inventory database to produce a specific list of missing documents required to complete the jacket folders. This information is being provided to agencies as a resource to aid in accumulating the necessary documents.

Missing mandatory documentation occurs in the following categories:

- Tribal Enrollment
- Social Security Card
- Birth Certificates
- Account Holds
- Court Orders on Account holder*s behalf
- Official and unofficial death notices
- Orders prohibiting distribution of funds
- Orders determining heirs
- IIM account establishment forms
- Change orders
- Disbursement authorizations.

For example, approximately 168,000 IIM jacket folders have missing mandatory documents. Efforts to locate these documents to date have proven expensive and time consuming. OST and DataCom Sciences, Inc. are investigating the use of account stratification to focus this effort on the more critical and high value accounts. For instance, less than 600 flow-through accounts cycled more than $5,000 during a 12-month period. These accounts have been established as a priority for locating missing documents. Another 1,800 flow-through accounts cycled between $1,000 and $4,999 during a 12-month period. These are being addressed as the next priority. *A decision on the practicality of obtaining documentation from account holders for lower-value accounts will be made in the next few months.* For accounts other than flow-through accounts, centralized accounting requires all documentation to be obtained prior to processing and disbursement.

Revise Management Coding. Post-cleanup includes Change Orders generated in the IIM Clean-Up Process. The Change Orders fall into three major categories: 11 Tribal Code Changes; 1,872 Alpha Code Changes; 89,266 Management Code Changes; a total of 91,149 recommended changes to the IIM master record. *The OST and BIA will complete a plan to deal with revising management coding by September 2000.*

Whereabouts Unknown. Maintaining current addresses has been a longstanding problem as the number of missing account holders grows every year, many of which are attributable to fractionation. As of January 2000, there are approximately 61,000 Whereabouts Unknown accounts. Ironically, the number of bad addresses has grown as a result of reform initiatives that are increasing the amount of correspondence generated to the highly mobile account holder population.

OST and DataCom are seeking an effective and efficient method of locating "whereabouts unknown" account holders. To date, OST has relied on correspondence, attendance at Indian gatherings, postings at Tribal headquarters, publishing lists in newspapers and on the OST website to make contact with account holders with incorrect addresses. The use of a computer file search on-site at Indian gatherings has met with some success. In a recent initiative, OST has generated "whereabouts unknown" computer name listings coupled with the individual's social security number, and processed this information through a commercial credit bureau. At a cost of $1 per inquiry, OST has experienced a "hit" factor of upwards of 75 percent. Similar processing has been

conducted with the Indian Health Service, also with some success.

OTFM and DataCom Sciences. Inc. are researching procedures to improve the chance of finding valid addresses soon after a document is returned as undeliverable. By working new undeliverable mail, it is thought that the number of Whereabouts Unknown accounts will not increase substantially. Alternative approaches to dealing with Whereabouts Unknown, which will be a continuing problem, include new policies or legislation to provide authority to address this situation. *A re-evaluation and decision on the cost-effectiveness of present approaches is scheduled for September 2000.*

Special Deposits Accounts. Numerous OIG findings have cited the significant misuse of special deposit accounts for purposes other than those established in 25 CFR 114.2 as temporary "suspense" accounts. Over the years, the number of special deposit accounts which have been opened and remained inactive over 18 months has proliferated. Approximately 200 new accounts open each month generating increased administrative and TFAS costs . The BIA, Office of the Solicitor, and OST will jointly: a) establish a policy to address current deficiencies and problems; b) define which accounts are appropriately categorized as trust fund accounts; and c) begin a new process of handling collections. The Office of the Solicitor is to address issues regarding special deposit cases which have been referred for legal review and determinations. *An implementation plan will be developed by September 2000 for "cleanup" procedures based on a Region-by-Region assessment.*

Resolve Accounting Discrepancies. As part of the Department's efforts to address past management of Indian trust accounts, the Department proposed legislation in 1998 aimed at eliminating historic variances between and among the Department and Treasury's accounting records. The proposed legislation required research efforts to determine the cause of the variances, and appropriated funding to clear the discrepancies in the event the cost of research would exceed the cost of clearing the discrepancies. Congress did not enact the legislation. While this initiative is largely related to rectifying the past, it is also an integral part of the Department's reform efforts because these variances impact the day-to-day management of Indian trust funds. (e.g. complex interest distribution)

Prospective Efforts. The prospective aspect of resolving accounting discrepancies chiefly involves securing funding necessary to eliminate any continuing impact on account beneficiaries. A $6.7 million estimate is included in the 2001 President's Budget to increase the IIM investment pool to the aggregate total of the positive balances in the underlying IIM accounts. The Administration had proposed a similar appropriation in its April 1998 tribal trust fund settlement legislative proposal which was not enacted by Congress.

Retrospective Efforts. The retrospective aspect of resolving accounting

discrepancies involves determining the historic impact of these accounting discrepancies on account beneficiaries and rectifying specific variances (for example, true overdrafts in trust accounts).

In April 1999, the Office of Trust Funds Management completed an inventory of known accounting discrepancies that includes descriptions of the research efforts performed to date. A briefing was held in May 1999 for Department, OST, Solicitor, Inspector General, OMB and Treasury staff to describe the major accounting discrepancies: IIM fund balance with Treasury; IIM subsidiary ledger with fund balance; tribal trust fund balances with Treasury; and budget clearing accounts. During the summer, OTFM provided further briefings for Treasury staff to determine alternative solutions for rectifying the variances between Treasury and fund balance accounts. In October 1999, Treasury proposed that OTFM either conduct further reconciliations or seek an appropriation to bring OTFM's fund balances into agreement with Treasury's, an approach similar to the Department's 1998 legislative proposal.

Resolution of Indian trust accounting discrepancies is complex, and involves multiple offices within and outside the Department, including Congress. Potential interest impacts are particularly difficult to resolve due to lack of clarity regarding the obligation to pay interest on IIM accounts, and complex distributions challenges attributable to limited automated historical data and variability of account holder composition over time. In order to determine the precise impact on account beneficiaries, substantial reconciliation efforts may be required.

The immediate Office of Special Trustee is securing additional expertise to coordinate the resolution of these account variances, including determining the need for additional reconciliation in a manner consistent with the Department's trust responsibilities. *Hiring of additional staff for this effort is expected to be completed by June 2000.*

2. BIA DATA CLEANUP AND MANAGEMENT

I Responsible Official

The Responsible Official for this subproject is the BIA Deputy Commissioner for Indian Affairs. The subproject manager is Dominic Nessi, Special Assistant to the Assistant Secretary for Indian Affairs. The work of this subproject will occur at BIA Headquarters, Regions and Agencies.

II Statement of the Problem

Legacy Systems

The BIA is implementing a new Trust Asset and Accounting Management System (TAAMS) throughout all Regions, Agencies, and participating Tribal Offices. TAAMS will replace the current legacy systems that are used to support the land title and resource management functions performed by BIA. The legacy systems do not adequately satisfy BIA's needs. Most use old technology that does not facilitate data integrity. The reliance on multiple automated systems requires duplicate data entry and increases the potential for inconsistencies with the information contained in each system.

The data found in the legacy systems varies considerably in terms of quality, completeness and timeliness. Some offices use the systems regularly, others use them rarely, and still others have redefined the legacy system to fit their own needs. Finally, some offices have created their own systems in place of the legacy systems. For example, due to the legal requirements to maintain hard copies of certain land related documents, both the Land Title and Records Office (LTRO) and Agencies maintain voluminous manual files and folders, and in numerous cases have developed local automated and manual applications supplanting IRMS.

The legacy systems discussed above include the Land Records Information System (LRIS), the Integrated Records Management System (IRMS) for ownership and lease functions, and the Royalty Distribution and Reporting System (RDRS) for oil and gas leases.

Migrating Data to a New System

As part of the implementation process, data from the legacy systems must be migrated to TAAMS. Data in this context includes individual pieces of system-housed data as well as data included in documents affecting the title and encumbrances on title for individual Indian and Tribal lands held in Trust by the United States. The data is used in the following BIA functional areas:

- C Land Titles and Records
- C Realty
  - Surface Leasing/Range Permits
  - Sub-Surface Leasing
  - Rights of Way/Other encumbrances

- Acquisitions and Disposals

C Forestry
C Appraisals

Need for Data Cleanup

The scope of the BIA Data Cleanup effort is extensive. At present, the BIA is managing an estimated 170,000 tracts of land encompassing:

C 56,000,000 acres
C 350,000 Indian owners
C 2,000,000 owner interests
C 100,000 active leases

A multitude of documents that generate changes to the ownership status of the land are affected by Data Cleanup including those pertaining to contracts, encumbrances, probate orders, timber sales, etc. These documents are stored as BIA physical records or in legacy systems or both. For example, a frequency distribution prepared from the Billings LRIS history file produced the following results:

The adjacent table totals 220,948 records related to title only and does not include records pertaining to contracts and leases.

TITLE RECORDS

Decade	Number of Documents
1800	10
1860	8
1870	35
1880	14
1890	218
1900	10,725
1910	25,167
1920	34,414
1930	11,443
1940	9,448
1950	12,868
1960	16,747
1970	30,247
1980	38,560
1990	31,044
Total	220,948

The BIA Data Cleanup effort is focused on land title and resource management information maintained by the bureau in automated systems, microfilm/ microfiche and physical hardcopy files/folders.

Those files and folders associated with current leases are generally well organized and indexed, and contain adequate associated information on titles or leases. However, historical lease information is known to be in inconsistent states of completeness and availability. Preliminary assessment indicates the files/folders are currently organized in a manner that will support the Data Cleanup effort and do not generally need a preprocessing exercise to organize the data.

The data maintained electronically in support of land title and resource management requires cleanup and reconciliation across systems. Incorrect or inconsistent data is the result of, among other things, a) multiple manual entries of the same information into the automated system, b) the tendency to use the same information inconsistently or unsystematically across automated systems and functions, and c) the use of different automated systems for the land resource management function. Specific issues associated with incorrect or inconsistent information in the automated and manual files are being assessed as the Data Cleanup activities are initiated at a specific geographic location.

Additionally, many BIA offices experience

backlogs in the entry of probate information, as well as information from other documents. Data Cleanup will address extensive data entry backlogs where they exist and reduce the workloads to a level where the local BIA office is able to assume its normal processing responsibilities.

OBSERVATIONS OF DATA CLEANUP PROGRESS

One of the difficult aspects of the BIA Data Cleanup task is that the data needed to properly plan the effort from beginning to end, including precise milestones, are essentially unavailable. When the Data Cleanup process began in January 1999, the extent to which this factor would impact planning had not yet been determined. While the BIA has learned a great deal about the character of its data, it is difficult to quantify the extent of the data problem in any comprehensive manner. We have found that: 1) each BIA and tribal site's Data Cleanup issues are very different; 2) the nature of processing backlogs is difficult to assess; 3) the lack of uniform nation-wide legacy systems makes gathering information difficult; 4) data definitions differ from region to region and, in some cases, agency to agency within the same region; and 5) the BIA's business process has permitted regional variation in its data rules to the extent that key information such as the format of Indian owner identification numbers differs considerably from one region to another. To perform a full data assessment would take so long that by the time the final office was completed, the information gathered from the first office would no longer be valid.

As a result, the BIA has organized the Data Cleanup initiative in a manner that allows for correction in strategy and approach as new challenges arise. A preliminary step, completed in January 1999, was to identify a general approach for Data Cleanup that is described in greater detail later in this plan, but is summarized here.

When the Data Cleanup contractor initiates Data Cleanup in an office, the first step is to conduct a full assessment of the office and its over-all environment: the local staff is interviewed; files are reviewed; documents counted; special concerns noted; etc. In the second step, the office assessment is reviewed by the contractor, metrics for Data Cleanup established and a local cleanup staff hired. The logistics issues for hiring the local cleanup staff and time required must not be minimized. This process is lengthy as the contractor advertises for personnel, performs interviews, makes hiring decisions, and, finally, trains the new staff. Concurrently, the contractor is also securing physical space, installing the necessary hardware for Data Cleanup (personal computers, local area networks, etc.), as well as obtaining desks, chairs, file cabinets and all of the other basic requirements for an office.

It must also be noted that in some geographic locations, it is not even possible to find a sufficient number of qualified personnel to properly staff the Data Cleanup office. There will be instances

where the duration of time required to complete the Data Cleanup will be heavily influenced by the number of contract staff that can be hired. This cannot be predicted in advance and can only be determined as it occurs.

The third step is the pre-implementation Data Cleanup. It was initially believed that a minimum standard for readiness could be established for all Data Cleanup sites. However, experience in some sites has proven otherwise. Some BIA sites present such great Data Cleanup challenges that it could be years before the data is sufficiently ready for system deployment using our initial standard. As a result, it was determined that a separate strategy would be determined for each Data Cleanup site, concentrating on ensuring that the most basic requirements of data integrity were met, such as the elimination of duplicate records in the legacy systems. Furthermore, these initial "cleanup" efforts would be aimed at facilitating the data migration from the legacy systems to TAAMS.

In some regions, we have discovered that data migration would be inefficient and ineffective since the existing systems were in such poor condition and used so sporadically. In these cases, the contractor is entering the entire TAAMS database directly from hardcopy records.

Furthermore, it has become very clear that it would not be possible to conduct a long pre-implementation Data Cleanup using the existing legacy systems. The legacy systems lack any data integrity features such as filters and edits, they operate slowly and are frequently unavailable due to system and network issues. While the Department does not wish to enter data into TAAMS that is not thoroughly analyzed, there is an advantage to using TAAMS for data entry and data correction with its graphical interface, built-in filters and edit routines.

Thus, the challenge for the Department was to develop a process whereby an office could deploy TAAMS to take advantage of its data entry capacity, but delay implementation (actual use) until it could be determined that the information contained within was sufficient to conduct business. To accomplish this, the Department is developing a significant number of data quality reports, data anomaly reports and data listings that fully exercise the data and that can be used by the local office to make a decision on the adequacy of the information to perform its business tasks. As described under the TAAMS subproject, each site will have a period of time between deployment and implementation to conduct this review and make this determination.

Once TAAMS is deployed, the Data Cleanup contractor will conduct data assessments using a separate team of statisticians and researchers to establish a level of data quality. Depending on the past data management practices of the office, this assessment may be conducted before or after system implementation at which time TAAMS becomes the system of

record. Where data management practices have been lacking in the past, it is highly likely that the assessment will occur prior to system implementation.

In any event, the assessment will be conducted during the post-deployment Data Cleanup phase. When TAAMS was first conceived, it was difficult to ascertain precise data cleanup steps that would occur in this phase because the database, fields and data definitions had not yet been determined. Now, with TAAMS nearing completion, it is apparent that a significant level of new information will also be necessary to enter. Depending on the criticality of the data to the core functionality of the business process, some of the data will be entered after implementation. Other fields, essential to conduct business, will be entered before TAAMS is implemented.

In summary, the Department continues to learn from the Data Cleanup experience at every new site. Strategies are continually reviewed and changes made as warranted by the circumstances. While it is difficult to estimate a total cost and duration for the entire cleanup effort at this time, a few key observations can be derived. First, the data is not getting any better and immediate action is necessary. Second, the Data Cleanup conducted at sites over the past year has already produced a significant improvement in the data. Third, through careful management attention, the Department can minimize any negative impact by loading data into TAAMS before it is completely verified. Fourth, greater management attention in the area of data quality is essential to maintain the level of data quality as it arises. Finally, the data problems are the result of a lack of resources over an extended period of years that cannot be reversed without a permanent infusion of resources and the continuance of Data Cleanup activities over an extended period of time.

III Statement of Objectives and Outcomes

The ultimate goal of Data Cleanup and Management is to ensure correct and updated data such that Indian trust records are accurate, meet management and operational standards, and establish permanent data integrity at all BIA levels.

The proper administration of BIA's data consists of two major functions: 1) the cleanup of existing data in BIA's automated systems, as well as initial entry of data not previously automated into an electronic format and 2) the continuous, comprehensive management and care of data after the initial Data Cleanup is accomplished.

The former is accomplished through an intensive application of Data Cleanup resources and techniques. The latter is accomplished through heightened organizational awareness of the issues of data integrity. This will require additional resources to properly manage the trust function and establish organization policies and procedures that ensure data accuracy and data quality.

The BIA Data Cleanup activities discussed below are concerned with the specific process of preparing the TAAMS for successful implementation and establishing a level of data accuracy and completeness that can readily be transferred to existing BIA staff.

Data Cleanup is a process that begins prior to deployment of the TAAMS at each site in order to insure a data quality level sufficient for a successful implementation. The process continues with an intensive post-implementation Data Cleanup effort that includes creation of new data fields, as well as loading of data that had not been entered in the current legacy systems.

Upon completion of the formal Data Cleanup process, BIA program management initiates BIA data integrity practices that are subject to independent audit and evaluation. Data Cleanup activities are conducted by the Data Cleanup contractor and BIA staff.

The BIA Data Cleanup effort will be performed where the title and lease documents are maintained and used; will be performed by a combination of BIA staff familiar with these records/documents and contractors; and will focus primarily on active data. Appropriate research will be conducted wherever historical information is a necessary basis for ensuring that current records are accurate.

Following cleanup of data and information essential to the TAAMS Pilot in Billings, additional Data Cleanup will be performed after migration to the new TAAMS when a modern database and tools are available to support such an effort. The initial site assessment will determine which Data Cleanup approach is needed to successfully complete the task.

The BIA Data Cleanup subproject will:

- Identify missing documents/data and enter the pertinent data into the appropriate systems;
- Insure that data in existing legacy systems are consistent prior to migration to the new system;
- Perform manual research and data entry at sites;
- Verify/reconcile current and historical data;
- Prepare data for conversion to new TAAMS which includes LRIS capabilities;
- Establish effective data administration policies and procedures;
- Coordinate the BIA cleanup effort with the other cleanup efforts (e.g., OST, OHA);
- Provide clean land records and title data in time for the initial implementation of the TAAMS system pilot and full deployment to BIA Regions;
- Minimize impact to on-going land management activities at the LTROs, Agencies, and Tribes;
- Maximize contractor support to ensure that current daily operations are not adversely impacted and service remains responsive and the records updated as appropriate.

IV Relationship to Reform Act

Verification and validation of data is essential to providing accurate and reliable information to account holders. This effort specifically addresses the Reform Act provisions that concern providing adequate systems for accounting for and reporting trust fund balances, providing periodic and timely reconciliations and statements of accounts, and determining accurate cash balances.

Specifically, the Reform Act cites the additional requirements listed below:

- Appropriately managing the natural resources located within the boundaries of Indian reservations and trust lands.
- Preparing accurate and timely reports to account holders on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts.
- Maintaining complete, accurate and timely data regarding the ownership and lease of Indian lands.

V Relationship to Other Subprojects

The BIA Data Cleanup effort has a direct impact and bearing on the TAAMS deployment. The TAAMS potential for cost savings and operational efficiencies will be negated if the underlying data quality is poor. Consequently, pre-deployment Data Cleanup is critical.

As is the case for OST Data Cleanup, reform in the areas of records management, policies and procedures, training and internal controls will eliminate underlying causes of inaccurate data that necessitated the cleanup of BIA and OST data.

VI Subproject Budget

SUBPROJECT BUDGET BIA Data Cleanup				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	--	10.6	9.8	8.9

VII Subproject Action Plan

The particular tasks and milestones necessary to successfully complete Data Cleanup include the following:

A. Assign BIA Data Administrator and Data Administration Team

An individual familiar with the breadth of land management data requirements was assigned responsibility as team leader for the BIA Data Cleanup effort. In addition, a Data Administration Team was formed to establish the requirements for the Data Cleanup effort. This task ensures the effort has an individual who is focused on and responsible for ensuring the completion of this effort. This individual will also coordinate BIA data cleanup with other Trust Management Improvement efforts. The Data Administrator has the responsibility to insure that databases maintain an acceptable level of data quality. *A BIA Data Administrator was selected in August 1998.*

B. Identify Data Elements, Standards, Metrics, and Resolve Data Ownership Issues

The Data Administration Team defined the data elements (i.e., title data, ownership data, and lease data) and the attributes of each data element currently maintained in the legacy systems. The Data Administration Team members and selected interested parties identified and resolved any overlapping of data elements, differences in data element definitions, and data ownership issues. A draft TAAMS data dictionary was provided for inclusion in the TAAMS RFP.

This task was partially completed on schedule in August 1998 for legacy systems*. A draft listing of data fields and attributes was included in the RFP. A complete listing of data fields, reflecting system design team input* for TAAMS*, was completed on March 26, 1999.*

C. Perform Data Quality Analysis

An initial analysis of BIA trust and land management data/records was performed by Regional Office personnel to define (a) the types of data/records to be analyzed, (b) locations where data should be analyzed, (c) numbers of items to be analyzed, (d) individuals to perform the analysis, and (e) development of analysis procedures and checklists.

This analysis was used to develop “macro” level statistics for identifying the extent and scope of the Data Cleanup effort.

For example, the result of the analysis indicated that the Eastern Regional Office had sufficient problems associated with its record-keeping that the BIA decided to move its Title Plant operations from the Eastern Region to the Southern Plains Region (Anadarko).

The analysis also identified the scope of the backlog associated with Babbitt v. Youpee, 519 U.S. 234 (1997) and Hodel v. Irving, 481 U.S. 704 (1987) and indicated that a more direct resolution of these issues would need to be accomplished outside of this Data Cleanup effort. (See discussion in Probate subproject). *This task was completed in December 1998.*

D. Procure Data Cleanup Contractor Assistance

In order to perform the Data Cleanup tasks associated with the deployment of TAAMS, it is essential that the BIA acquire the assistance of qualified expertise in the area of Data Cleanup and records management. The BIA will identify potential Data Cleanup contractors and take the necessary steps to secure the services of a contractor that has relevant experience in the area of trust records. *This was accomplished March 1, 1999.*

E. Develop Data Cleanup Strategy, Policies and Procedures

Based on the results of the data/record analysis task, BIA developed an overall strategy for performing Data Cleanup. This strategy addresses how Data Cleanup will be performed, what data/records are cleaned up during the TAAMS pre-deployment and post-deployment periods, where Data Cleanup is going to be performed, and who is going to perform the data/record cleanup (e.g., current BIA staff, new hires, contractor support).

The cleanup strategy was divided into seven phases (four of which are accomplished by the Data Cleanup contractor).

- **Office Preparation for Data Cleanup Activities** – The local BIA office prepares its files, records, legacy systems, etc. to the greatest extent possible within its resources to insure that the Data Cleanup contractor can begin work effectively and efficiently.
- **Data Cleanup Assessment** – The Data Cleanup contractor performs a formal assessment of the deployment sites' data and existing records to determine the current condition of data quality and whether any special data issues exist which must be addressed.
- **Establish Data Metrics** – The Data Cleanup contractor establishes "goals" for Data Cleanup, determines how and when the Data Cleanup will be performed and, generally, establishes a baseline upon which cleanup activity can be measured.
- **Pre-deployment Data Cleanup** – The Data Cleanup contractor uses a comparison of legacy data using "data integrity tools" to identify inconsistent or incomplete data; research missing or incorrect critical key field information; and manually enter data into "holding files" for later conversion into TAAMS; and sample information to determine additional post-

deployment requirements.

C **Post-deployment cleanup** – Post-deployment cleanup begins with the official deployment of TAAMS and continues until the data achieves a quality rate sufficient to turn over total responsibility to the local BIA management. A key facet of this activity is the entry of new data into TAAMS that had not been previously collected in the legacy systems.

Post-deployment activities include a sampling of data to ascertain a "data quality" rate. In cases where the data quality levels are unacceptable, the BIA and the Data Cleanup contractor will reevaluate the local plan and may require further Data Cleanup by the contractor. Upon achieving a level of data quality acceptable for completing the contractor's work, a specific Data Cleanup strategy will be prepared by the contractor and turned over to BIA management for completion of all necessary activities.

C **Data Auditing** – The BIA will contract with an independent observer to audit and verify that the data is being maintained in a proper fashion at selected deployment sites. Typically, the audit will occur after a period of six months after the Data Cleanup contractor has concluded its efforts.

C **Data Management by BIA** – The BIA staff will engage in all practices necessary to maintain the integrity of the data as measured by accuracy, completeness and timeliness.

A strategy was completed on schedule by the end of January 1999 and a full Data Cleanup and data management plan was finalized in August 1999.

F. Training on Data Cleanup and Data Quality Policies and Procedures

Before actual Data Cleanup efforts began, the Data Cleanup contractor who is to perform the Data Cleanup was trained on existing realty practices, data standards, policies, and procedures. Training was performed by the local realty staffs and the Data Cleanup Team Members. Training will continue to be given to contractors and staff at the LTROs, Agencies, and any Tribes that enter and use Trust Management data as they become part of the Data Cleanup process.
As Data Cleanup is initiated in regions after the Rocky Mountain Region, additional training will be performed on unique or new issues in that particular area.

For example, in the Northwest Region in Portland, Oregon, there has been a historical issue with the assignment of general Indian identification numbers to Indians not associated with a particular tribe. In order to prepare the Northwest data for inclusion into TAAMS, these individuals would need unique identifiers associated with a specific tribe. The Data Cleanup contractor was tasked to provide its staff with specific instruction on this issue as it pertains to the Northwest Region. An estimated 3,224 Indian Identification Numbers will need to be

addressed in Portland. *Training began in March 1999 and is ongoing.*

G. Perform Pre-Deployment Data Cleanup in Current Systems

Based on the results of the analysis task and the developed Data Cleanup Strategy, data/records needing cleanup prior to deployment of TAAMS will be addressed during this task at each geographic location. This includes necessary Data Cleanup to support the TAAMS Pilot and deployment, as well as all subsequent locations.

Pre-deployment Data Cleanup focuses on ensuring that "key" data fields such as tract number and owner ID are unique and correct, inconsistencies between the legacy systems are researched and amended as necessary. Eliminating these errors ensures that TAAMS data conversion can be processed effectively.

For example, in the Rocky Mountain Regional Office, more than 2,000 records from LRIS, affecting over 16,000 tracts, were analyzed, researched and corrections made to the legacy systems before conversion. Similarly, for IRMS, over 2,000 records impacting 2,200 tracts were analyzed, researched and corrected.

A very different condition exists in the Alaska Region, where no legacy systems exist. In this region, Data cleanup has entailed the copying of all pertinent trust records, shipping of the copies to a central facility in Albuquerque, NM and direct entry into a new TAAMS database.

The pre-deployment Data Cleanup task for the Pilot site was completed in August 1999. The Pilot Region includes the Rocky Mountain Regional office and seven agency offices.

The BIA Data Cleanup schedule is integrated into the over-all TAAMS deployment schedule. Data Cleanup is scheduled for completion immediately preceding the implementation at each particular site.

Regions Where Data Cleanup Has Begun

- Alaska	- Eastern	- Great Plains
- Northwest	- Pacific	- South Plains
- Southwest	- Rocky Mtn.	

Data Cleanup is scheduled to be initiated in all 12 BIA regions by June, 2000.

For more information on the schedule for Data Cleanup it is necessary to see Section 6 -Trust Asset and Accounting Management System.

H. Monitor Data Integrity For Each BIA Office

In order to establish more precise metrics and measure the level of data accuracy during the performance of the Data Cleanup task, the BIA will utilize a statistical assessment for determining the accuracy and completeness of the data stored in the TAAMS system.

The assessment will be conducted by a separate team under the management of the Data Cleanup contractor and overseen by a statistician. The actual assessment will be conducted by professional document researchers.

The statistical results will be divided into five independent subtasks:

1. Ownership Assessment (Tracts/Titles)
2. Realty Assessment (Lease Units)
3. TAAMS Payout Assessment (RDRS to TFAS)
4. Realty/Lease Data Correlation Assessment
5. Reverse Data Assessment

Data accuracy and data completeness statistics will further be subdivided by historical and active records. The universe of records includes the total number of TAAMS records for various categories of documents in the TAAMS system.

The net result is to verify the reliability of the data in TAAMS compared to actual hardcopy source documents. When discrepancies are found, the review team will further identify whether the discrepancy was introduced during the conversion of data to TAAMS or was inherited from the legacy system.

The following sections provide a broad overview of each assessment process for the individual types of TAAMS documents.

Ownership Assessment

Samples will be randomly selected from the total population of all conveyance document types or sampled from each individual type of conveyance document. This sample size will be dependent on several factors including the number of current documents included in the conversion process, stratification by type of document, and the estimated proportion of defectives. Audit document lists will be generated from TAAMS table data utilizing a random number generator or similar random selection device generally accepted under standard audit practices.

The following list will give a brief depiction of the audit process after the generation of audit sample from TAAMS.

- C Access individual assessment record on the tracking database.
- C Print Document Search Report (DSR) from TAAMS.
- C Verify ownership/title conveyance data against information contained on the printed DSR.
- C Track accuracy and completeness of each individual data element contained on the DSR in the tracking database.

As a secondary assessment process, any physical records that do not indicate a match against the data contained in TAAMS will be compared to the data contained in LRIS. This step will indicate whether:

1. The error existed in the legacy system and was "accurately " migrated to TAAMS, or
2. The error was created during the conversion process.

Realty Assessment

Encumbrance documents will also be sampled directly from TAAMS.Randomly selected encumbrance documents will be pre-populated into a tracking database in the same manner as the Ownership assessment database. Assessment personnel will visit field locations to access physical lease records maintained at the agency level.

Again, the tracking database will mirror the encumbrance document screens so that system verification may be completed data element by data element. Since reports do not currently exist in TAAMS that would serve the same verification function as the DSR in ownership, print screens of TAAMS encumbrance document data will be utilized during the audit process.

The following list will give a brief depiction of the assessment process after the generation of random samples from TAAMS.

- C Access individual assessment record on the tracking database.
- C Print screen or report from TAAMS
- C Verify encumbrance document information contained in each physical record.
- C Track accuracy and completeness of each individual data element contained in the record tracking database

As a secondary assessment process, any physical encumbrance records that do not indicate a match against the data contained in TAAMS will be compared to the data contained in IRMS. This step will indicate whether:

1. The error existed in the legacy system and was "accurately" migrated to TAAMS, or
2. The error was created during the conversion process.

TAAMS Payout Assessment

Accounting and payout information will also be randomly selected during the assessment process.

IIM records and payments submitted to those accounts via TAAMS will be randomly sampled to verify that financial payout information is correct. This step may also involve TAAMS ID number verification so a full assessment involving both conveyance and encumbrance documents may be completed.

Accounting and reporting structures will be assessed based on the format of TAAMS accounting reports as they are developed. If errors are encountered, secondary assessments will also be performed against existing legacy systems such as RDRS that currently produce payout data. This will insure that any errors found during the comparison process are true conversion errors and not data entry errors inherited

from the legacy payout systems.

Realty/Lease Data Correlation Assessment

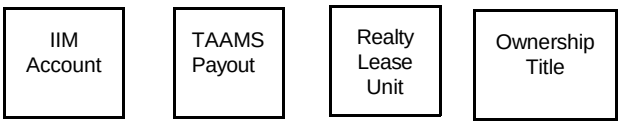
This audit sample will involve auditing all documents related to a single tract number. This process will involve randomly selecting a small number of active TAAMS tracts, locating all encumbrance and conveyance documents related to the tract, while also verifying correct payout. This will provide a separate sample criteria to compare against the individual document sampled from both the realty and ownership portions of TAAMS.
The data derived from this process will then be compared and analyzed with data derived from the previous individual document audits so that consistent confidence levels may be inferred via unique sampling methods.

The following list briefly outlines this sampling/audit process:

- Generate random sample of all active tracts in TAAMS
- Verify all conveyance documents associated with parent tracts
- Verify all encumbrance documents associated with parent tracts
- Verify all payouts on all accounts associated with parent tract
- Perform secondary assessment on all errors found in conveyance, encumbrance, and payout with correlating legacy system data
- Report statistical comparison against individual document samples in previous assessments in order to derive overall level of confidence.

Reverse Data Assessment

The final step of the post-conversion assessment will be a reverse assessment trail derived from a limited number of randomly selected IIM account numbers to verify a complete assessment trail.



This reverse assessment process will reflect a complete record comparison stemming from the payout process while verifying all current documents in TAAMS that may affect the final distribution of funds.

The process will be derived from a culmination of data collected during the preceding assessment processes.

I. TAAMS Post-Deployment Cleanup

After deployment of TAAMS, additional cleanup activities will be required. Subject to data integrity goals, Data Cleanup activities that can be performed more effectively in the new environments will be accomplished in this phase.

Examples of post-deployment Data Cleanup include reviewing standard BIA reports, such as the Title Status Report, from the legacy system against TAAMS reports, addressing inconsistencies, researching and making corrections to data errors found during the conversion process, using data anomaly reports to identify errors and entering document processing backlogs, such as completed probates.

Data for new fields that were not collected in the legacy systems will be added to the new TAAMS data files. For example, the legacy systems did not support "metes and bounds" legal descriptions and direct entry for tracts with such descriptions must be completed after deployment.

With the deployment of the core TAAMS functions implemented using modern database management tools and data architecture, BIA will have an environment and support tools to complete the necessary Data Cleanup requirements. The deployed TAAMS system will be an on-line relational database system where data is entered once and stored only once in the system. The Post-deployment Data Cleanup effort will be executed by a team of contractor staff supported by local BIA staff.

The Post-Deployment Data Cleanup task is schedule to be completed at all sites by the end of Fiscal Year 2003.

J. Post Data Cleanup Auditing

An independent contractor has been selected to randomly select BIA offices which have completed Data Cleanup in order to insure that data integrity is being maintained and that all Data Cleanup goals have been achieved. The audit process will utilize accepted practices and standards for statistical sampling and random document selection.

The methodology employed will use the following steps:

- Identify the universe of records for major categories of BIA documents (e.g. title documents, contracts, leases, etc.);
- Employ common statistical techniques to develop the number of documents that must be tested to ensure a representative sample;
- Using random selection, choose an equal number of TAAMS records and documents from BIA files;
- Perform a comparative analysis between the two sources of documents and review every field that is resident in the TAAMS database;
- Calculate a percentage of accuracy using each data field as an individual data point. A percentage of 98.5 % accuracy will constitute an acceptable score for all data in the database. However, the above percentage target should not be construed as a target for transactions resulting from using the data. When determining landownership, distribution or contractual obligations, a standard of 100 percent accuracy has been and will remain the BIA standard.

Where TAAMS data does not match the physical record, the data auditor will note the discrepancy in a report to the local office management and to the system data administrator.

If the auditor determines that the office's data has not reached a level of integrity sufficient to meet BIA data standards, the Data Cleanup contractor will return to the site and address outstanding issues. The auditor will also make an assessment as to the reason for the sub-standard data accuracy rate, including whether or not management attention to data issues is sufficient, necessary staff is available, etc.

Data auditing is conducted approximately six months after the release of the site by the data cleanup contractor. This occurs individually and in conjunction with the Data Cleanup schedule of the TAAMS deployment. (See related TAAMS subproject for schedule.)

K. BIA Data Management

The Bureau has begun the post TAAMS data management efforts to insure the integrity of data and consistency of the processes throughout the Bureau-wide system. The key elements of the BIA data management program are:

C Data Administration
C Security
C Program Management

Data Administration

The system owner, the Office of Trust Responsibilities (OTR), created and filled a TAAMS system data administrator position to provide national leadership in this effort. Additionally, full-time data administrators for TAAMS and trust data will be hired at the regional offices with oversight responsibilities at associated Land Title Records Offices (LTRO). The TAAMS data dictionary will set forth consistent definitions and rules for use that will be required without exception across the BIA. At this time, the first draft is finished and the initial review has begun. The dictionary will also map out when data are to be used and into what fields and screens it is allowable. Deviation from the dictionary is not allowed. Another key aspect of this will be the data validation and checks and balances that are built into the TAAMS.

Security

The BIA has established security requirements for the varying levels of TAAMS access and employees' current security levels are being assessed and brought up to required levels if found to be lacking. The ability to manipulate data in the system has been and will continue to be tightly monitored to ensure proper controls within the system.

Program Management

The OTR has begun assessments at the

LTRO's, to review for consistent business processes, analyze regional differences in workload, and monitor progress in the implementation and management of the TAAMS. After the initial round of assessments, BIA management will consider recommendations on possible realignment of offices to more evenly distribute the national land title workload. The assessment will also make recommendations dealing with overall management of the land title program to improve services, and insure consistency and accountability both inside and outside of the TAAMS environment. Periodic reviews of LTRO's will be required as part of the data management program.

The Bureau has carried out periodic trust program reviews within many of its trust programs. The reviews, which are done by BIA technical experts from outside the targeted office, will be formalized and expanded to all trust programs as part of the internal controls that are necessary to monitor for compliance and to correct deficiencies that are found. After full TAAMS implementation, the Field Users Group will be made permanent with a similar mix of field and management staff to advise upper BIA management on necessary changes as they may arise.

3. PROBATE BACKLOG

I. Responsible Official

The responsible officials for this subproject are the Deputy Commissioner Indian Affairs and the Director, Office of Hearings and Appeals, Office of Policy, Management, and Budget. Larry E. Scrivner, Deputy Director- Office of Trust Responsibilities, Bureau of Indian Affairs and Charles Breece, Deputy Director, Office of Hearings and Appeals, are joint managers of this subproject.

II. Statement of Problem

The Secretary is charged with administering trust or restricted resources and funds for the benefit of individual Indian owners. Federal law permits Indian resource owners to pass title to their trust assets by testamentary devise or by intestate succession and imposes upon the Secretary the duty of determining the legal heirs to the trust assets after the death of an Indian trust asset owner. *See* the Act of June 25, 1910, 36 Stat. 855, 25 U.S.C. §§ 372, 373.

As each generation passes, Indian heirs become owners of undivided interests in the trust and restricted assets. The multiple common ownership is referred to as "fractionated heirship".

Regulations set forth at Title 43 Code of Federal Regulations, Part 4, require the BIA to obtain information regarding the identity and whereabouts of presumptive heirs and to provide an inventory of the trust assets to an Administrative Law Judge of the Department's Office of Hearings and Appeals (OHA).[1] Additionally, the BIA has delegated authority to determine the heirs in estates containing only trust funds of less than $5,000. The cash only estates are referred to as "summary distributions".

Due in large part to the great numbers of fractionated interests in trust assets, probate cases in BIA regions with high concentrations of allotted lands have become backlogged. The Indian Probate Reinvention Laboratory found that this situation is further exacerbated by the fact that both BIA and OHA lack sufficient staff exclusively dedicated to probate case work, and that there exists no uniform agency procedures for facilitating timely processing.

During December 1999 the BIA Central Office requested the eleven Regional Offices with probate programs to assess the case workload of the BIA agency offices under their administrative jurisdiction, and to recommend strategies for the elimination of any backlogs. Ten regions responded to the request with information that revealed that approximately 34 BIA field staff are exclusively dedicated to agency probate

[1] Despite the fact that the heirship information is to be obtained from sources outside the BIA, the regulations mandate that the information be furnished to OHA within 90 days from the date the BIA is notified of the death.

case processing. Caseload data, which included a projected estimate of future deaths, was that approximately 15,500 cases are pending in the ten BIA regions. The information specifically revealed:

- Approximately 1,700 cases in which the death notification was received within the previous 90 days;
- Approximately 5,400 cases in which 90 days had elapsed since the notification of death was received;
- Approximately 100 cases that had been returned from OHA for additional file work;
- Approximately 4,600 closed estates that require posting, recordation of title information and amendment of agency payment records;
- Approximately 1,000 cash only estates that require heirship determination and distribution;
- Approximately 2,700 new probate cases resulting from deaths.

Additionally, OHA reports that it has approximately 6,000 pending cases, which includes both undecided cases that have been carried over from prior years and new cases received from BIA in the current year.

Early in 1999 the Department sought the assistance of the Office of Personnel Management (OPM) to locate federal Administrative Law Judges (ALJ) who could be detailed to OHA to eliminate the probate backlog. OPM surveyed all federal agencies, and advised OHA to meet with the officials of the Social Security Administration (SSA) to discuss the availability of SSA ALJs. After extensive discussion between the two agencies regarding the feasibility of an interagency detail of personnel, the Department learned on February 24, 2000, that the SSA ALJs would not be made available. Accordingly, the Department will exercise its new statutory authority to hire new Indian probate judges.

III. Statement of Objectives and Outcomes

The objectives of the subproject are to: (1) eliminate BIA summary distribution and BIA/OHA estate backlogs, including the posting and recordation of title and ownership information and (2) prevent future backlogs by developing and implementing streamlined processes for probate case work.

The subproject outlines a number of tasks designed to meet the objectives. Among those are the creation of a BIA/OHA integrated Indian probate system that envisions hiring additional probate judges and BIA attorney decision makers, obtaining contractors to eliminate the posting and encoding backlogs, and hiring dedicated staff to continue this ongoing work. The anticipated outcome of the subproject is a streamlined Departmental system that permits Indian trust asset owners to be identified and to receive trust assets and income in a timely manner.

Because this subproject involves functions performed by two Departmental agencies, it is bifurcated into two distinct, yet complementary components: (1) the elimination of the existing probate case

backlogs in both agencies, and (2) the creation of an interrelated probate infrastructure envisioned by the Reinvention Lab. Because of the bifurcation, the tasks and milestones in this subproject are presented topically, rather than chronologically.

IV. Relationship to Reform Act

Title III of the American Indian Trust Fund Management Reform Act of 1999 (P.L. 103-412) requires the Secretary to establish policies and procedures to maintain complete and accurate records regarding the ownership of Indian lands. Timely completion of probate case work designed to identify the owners of trust and restricted assets is essential to fulfilling that mandate.

V. Relationship to Other HLIP Projects

This subproject has an impact on, or is contingent upon, completion of various tasks in the Policies and Procedures, TAAMS, Data Cleanup, Training and Records Management subprojects of the HLIP. The relationship of these subprojects to the Probate subproject and the coordination necessary in each instance is discussed in detail below.

VI. Subproject Budget

SUBPROJECT BUDGET Probate				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	.6	1.0	8.8	9.0

Note: 2001 funding for the probate subproject includes $3.0 million requested in the Bureau of Indian Affairs Budget to phase in permanent staffing for the probate program.

VII. Subproject Action Plan

A. Strategies to Reduce Backlogs

An examination of the probate caseload, described in Sections II and III, against the backdrop of the present processing structure requires the conclusion that the caseload far exceeds the BIA's and OHA's ability to process new cases in a timely manner, and simultaneously eliminate the backlog. The Indian Probate Reinvention Laboratory Team recommended redesign of the Department's existing probate program in a manner that would delegate decisions to the lowest level, eliminate non-value added steps, and reduce the processing time from the official notice of death to the issuance of the Administrative Law Judge's decision, from 3-6 years to 18 months.

Based upon the consolidated information concerning the probate caseload provided by the ten BIA Regional Offices and the OHA, and the recommendations of the Reinvention Lab, the following strategies will be employed:

BIA - Establish Attorney Decision-Maker Positions as an Alternative Means of Deciding Cases

In August 1999 the BIA and OHA initiated the administrative work necessary for the creation of an integrated Indian probate case management process that will promote prompt distribution of trust assets and income to Indian heirs who are legally entitled to receive the trust assets. The new system provides two avenues to the potential heirs for expediting probate cases:

- C **Decisions by Attorney Decision-makers** If the cases meets fixed criteria and heirs do not object, the case will be decided by a BIA attorney decision-maker without a hearing. The BIA attorney decision-maker will make on-the-record decisions in those cases that meet specific criteria and therefore will be decided without a hearing.

- C **Decisions by Administrative Law Judges** Cases may go before an administrative law judge. Potential heirs and devisees will also be given an opportunity to indicate preferred alternate methods of decision-making by the ALJ. The preferences are (1) in-person hearing, (2) on-the-record decision (3) video conferencing for areas that are difficult to access frequently, and (4) on a limited basis, teleconference.

In February 2000 the BIA drafted regulations that established the policies and procedures for the BIA Indian probate program and the duties of the BIA attorney decision-makers and paralegal specialists. *The draft regulations will be published as proposed rules by June 30, 2000. It is anticipated that the final rule will be published by December 2000.*

The BIA will hire attorney decision-makers and support staff by July 31, 2000. Thereafter, approximately 2 weeks will be devoted to training the new staff. Following the training period, the attorney decision-makers and staff will address the summary distribution backlog in each of the eleven Regional Offices as described in greater detail in the following subsection.

The policy decisions to implement the BIA/OHA integrated probate system followed the recommendations of the Reinvention Lab, and the recommendations of the BIA Regional Offices who responded in December 1999 that the only effective mechanism for addressing the BIA probate caseload was to hire additional permanent staff to be dedicated full time to probate case processing.

BIA - Elimination of Summary Distribution Backlog

The great portion of the 1000 pending estates contain only trust funds, and thus are ready for summary distribution. They are located in the Midwest Regional Office, Minneapolis, Minnesota; the Rocky Mountain Regional Office, Billings, Montana; the Western Regional Office, Phoenix, Arizona; and the Northwest Regional Office, Portland, Oregon.

To address this backlog, federal regulations that transfer authority to determine these cases from the BIA Superintendents to the newly created BIA attorney decision-makers will be published as an interim final rule in June 2000. *The new positions will be recruited and filled by July 31, 2000.*

The BIA, in conjunction with OHA, will develop a training curriculum, to be conducted in August 2000, that utilizes backlogged probate casework as instructional materials. The attorney decision-makers and staff will receive training on the preparation of probate packages and Departmental processing of probate records. A practicum portion of the curriculum will focus on elimination of the summary distribution backlog.

Once the two-week training is completed, the backlog will be divided and assigned to the 10 attorney decision-makers for completion of all probate proceedings and matters. Attorney decision-makers, pursuant to the authority in the interim rule, will address all remaining tasks, such as contacting the apparent heirs to schedule informal hearings, conducting informal hearings, issuing written decisions that determine the heirs and distributing the trust funds.

It is anticipated that this backlog clearance work will commence on or about August 1, 2000, and be completed by December 31, 2000.

OHA - Complete Decisions on Current Docket and Incoming Cases

OHA will hire ten temporary Indian probate judges to conduct hearings and decide cases in the current OHA docket as well as new cases coming in from the BIA. As OHA ALJs and support staff are brought on board during FY 2000 for newly opened OHA offices, OHA will use temporary paralegals and legal clerks and also authorize overtime to maintain production as well as decide older cases. By using this strategy, OHA intends to conduct hearings and render decisions in approximately 2,800 cases during FY 2000. Because OHA will reassign three of its permanent judges, hire and train new judges and open new offices pursuant to the reinvention implemenation process, the number of cases decided in FY 2000 will not reflect a significant change from FY 1999. In FY 2001 and 2002, however, OHA expects to hear and decide approximately 6500 cases annually, assuming the anticipated BIA backlogged cases are received during this period.

OHA - Complete Decisions on Pending Cases

During Fiscal Year 2000, OHA ALJs will concentrate on rendering decisions on cases on the current docket older than twelve months. By implementing this strategy, OHA ALJs will issue orders for approximately 800 cases older than 12 months that have already been heard, but undecided. In FY 2001, OHA will decide all cases in its docket that are older than 12 months except in unusual circumstances when the facts of the case prevent

resolution in that period. By FY 2002, OHA expects to reduce average processing time for substantially all new probate cases so that all cases on OHA's docket will be decided in 12 months, except in unusual circumstances when the facts prevent resolution in that period.

BIA - Posting and Recordation of Probate Orders

The data submitted by BIA Regional Offices in December 1999 indicated that approximately 4,600 cases have been closed and are awaiting BIA administrative actions. These actions include analysis of the final probate order to determine the proper distribution of the trust assets under varying applicable tribal and federal laws and recordation of new ownership information, encoding electronic files and posting information in various BIA agency files.

The greatest portion of this work exists in the Midwest Region (Minneapolis, Minnesota), the Great Plains Region (Aberdeen, South Dakota), the Western Region (Phoenix, Arizona), the Rocky Mountain Region (Billings, Montana), and the Northwest Region (Portland, Oregon). By May 2000 the BIA will modify its existing contract for the BIA/data cleanup to include posting and encoding BIA files at the various field locations with current ownership information contained in the probate orders.

This work will commence in the BIA regions with the greatest backlogs. It is anticipated that all posting and encoding backlogs will be eliminated by December 31, 2001.

BIA - Contract for Elimination of Probate Case Processing Backlog

The BIA will modify its existing data cleanup contract to include services for the elimination of the approximately 5,400 cases identified in the BIA December 1999 probate caseload assessment that must be processed for referral to OHA.

The scope of work for the contract will include the assembly of probate packages and all tasks necessary for referral of the cases to OHA. The contractor's workforce will be deployed to the BIA field offices within the five specified regions to work in the local communities.

Additionally the contract will require deliverables of probate caseload inventories listed by decedents' names and tribal affiliation, which are to be compiled at the commencement of the work at each field installation. The data contained in these inventories will be used in establishing a nationwide Indian probate tracking system, as defined in Section K herein.

The contractor will initially address those regions which were reported as having the largest numbers of outstanding cases as summarized in the following table:

BIA Region	Number of Backlog Cases	Percentage of Total Backlog
Midwest	1,230	23%

Great Plains	914	17%
Western	687	13%
Rocky Mt.	867	16%
Navajo	608	11%

An additional 1,100 cases, which represent 20% of the total reported backlog, are spread among the remaining five BIA regions. The scope of work will provide that this 20% backlog will be addressed by the contractor after completion of a significant amount of the casework in the five critical Regions, as determined by the Deputy Commissioner - Indian Affairs.

As BIA casework is completed, OHA may utilize BIA Decision Makers to conduct hearings and decide cases that are ready for decision.

The contract will be modified by July 1, 2000 and will require elimination of the 5,400 backlogged cases by December 2002.

B. Address Probate Backlog Created by *Youpee v. Babbitt*

Background

In 1983 Congress enacted the Indian Land Consolidation Act, 25 U.S.C. §§. 2201, *et seq.*, (ILCA) one section of which provided that upon the death of an Indian trust resource owner, any fractionated interest of 2% or less escheated to the tribe having jurisdiction over the land or resource. The formula for determining escheat was amended in 1991. Thereafter in 1997, the Supreme Court in *Youpee v. Babbitt* ruled that the escheat provisions in ILCA were unconsitutional.

On February 19, 1999, the Secretary ordered that escheated interests be returned to the estates of the decedents who previously owned the interests, and thereafter distributed to the proper heirs. Based upon a poll of the BIA Land Title Plants in 1997, the BIA estimates that approximately 178,000 restricted and trust interests involving 13,000 estates, must be redistributed. Casework necessary to accomplish the redistribution includes:

- Issuing modifications for all affected estates;
- Issuing orders determining heirs in cases where determinations of legal heirs were not made;
- Processing subsequent probates when a death occurred during the period of escheatment;
- Changing LTRO land ownership records and other records as appropriate;
- Coordinating with OST to ensure that IIM accounts are established for all affected individuals;
- Determining the income that was earned during the period of escheatment; and
- Determining viable methods of reimbursing the legal heirs for monies paid to tribes from escheated interests.

Develop and Evaluate Youpee Pilot Project

The President's 2001 budget includes funding to redetermine and redistribute escheated interests. By June 30, 2000, the BIA will select a BIA regional office to conduct a pilot project to determine the scope and cost of the efforts required to redetermine and redistribute escheated interests in that region. After the pilot project is completed, the BIA will analyze the pilot experience and BIA region workloads to determine a methodology for processing the remaining *Youpee* cases. The BIA will also examine alternative means of resolving these cases, such as the purchase of the fractionated interests.

This task will be completed by September 30, 2000. The work on the remaining Youpee cases will be on-going until completion, which is anticipated to occur in September 2004.

C. Conduct Two-Phased Indian Probate Reinvention Lab to Develop a Reengineered Probate Process

Interdisciplinary teams of Bureau of Indian Affairs, Office of Hearings and Appeals, Department of Interior - Policy, Management, and Budget, and Social Security Administration and the Department of Veteran Affairs representatives performed an independent review of the BIA and OHA probate processes nationwide under a Departmental National Performance Review Reinvention Lab initiative. As a result, reports with recommendations on management improvements for more effective probate processing and elimination of all aspects of the probate backlog have been issued. The effort resulted in 12 recommendations for implementation by the BIA and 15 recommendations for implementation by OHA. The Department of the Interior Management Advisory Group (which includes the Assistant Secretary and Deputy Commissioner for Indian Affairs, Assistant Secretary for Policy, Management and Budget, and Director of Office of Hearings and Appeals) substantially agreed on implementation of 11 of the BIA recommendations and 10 of the OHA recommendations (one was deferred). *This task was completed on November 29, 1999.*

D. Establish OHA/ BIA Implementation Team to Coordinate Implementation of Redesigned Probate Process

On November 29, 1999, the Department established a joint BIA/OHA probate implementation team to oversee the coordination of the agencies' backlog elimination activities and the implementation of the redesigned probate process. The team is led by two senior level managers who will routinely report to

the Department Management Advisory Group. *Additional staffing will be completed by September 2000 and co-located in Washington, D.C.*

E. Authorize Increased Summary Distribution Threshold for BIA Agency Superintendents

To enhance the opportunities for resolving probate cases faster and more efficiently, the Department has revised one of its regulations found in 43 CFR Part 4 to permit BIA Superintendents to make summary distributions in estates containing only restricted funds amounting to less than $5,000. This dollar limit was previously $1,000. This regulatory revision will facilitate the resolution of more probate cases by BIA Superintendents, thereby reducing the volume of cases for decision and hearings by ALJs. *This task was completed on August 24, 1999.*

F. Legislation to Authorize Hiring of Indian Probate Judges

Congress has enacted legislation that authorizes the Secretary authority to secure Indian probate judges as necessary, if sufficient administrative judges are unavailable from other Federal agencies or from retired ALJs. This legislation provides the Secretary more flexibility in securing the requisite number of judges needed to handle probate adjudications. *This task was completed in November 1999.*

G. Hire Additional OHA Staff and Reopen Probate Offices

To eliminate the probate backlog/caseload and maintain acceptable workflow of current probates cases, the Probate Implementa-tion Team will coordinate required actions by the OHA and BIA in establishing an adequate and competent workforce to support estate administration and the probate adjudication processes.

Based on the Reinvention Lab recommendations, OHA has advertised to hire additional ALJs. The Probate Implementation Team will oversee the reopening of four OHA field offices located in close proximity to BIA agencies in Indian communities. Those OHA offices will be located in Billings, Montana; Bismark, North Dakota; Phoenix, Arizona; and Rapid City, South Dakota. Three of these locations will be near BIA Regional offices. These two BIA regions (Great Plains and Rocky Mountain) have the largest number of fractionated land interests and the largest number of tribal members residing on the reservations. *The new OHA field offices are expected to be opened by September 30, 2000.*

H. Complete Staffing Needs Assessment to Determine Staffing Levels at BIA Field Offices

The number of staff required to timely perform Indian probate processing, including posting and other related duties, varies from BIA region to region depending in large part on the volume of probate activity, the complexity of applicable state, tribal and federal laws, and the nature of the trust and restricted resources being administered. The December 1999 BIA probate caseload assessment revealed that approximately 214 BIA employees nationwide work on probate matters, but that only 34 are exclusively assigned to this work with an average grade level of GS-7. The wide variance in regional backlogs emphasized the necessity for the BIA to analyze staffing needs to prevent reoccurrence of backlogs in the future. This analysis will be completed in two phases by contract sources:

Phase 1 - By June 1, 2000, a contractor retained by the Department will analyze the information reported in the December 1999 BIA probate caseload assessment. Using metrics from the dedicated probate staff to determine case processing time, the contractor will project the range of required staff positions needed at the various BIA field offices.

Phase ll - A contractor retained by BIA will develop field location staffing levels tailored to meet the unique location needs based upon the information obtained in Phase l and after factoring the death rates at each location. *Phase II will be completed by March 31, 2001.*

Based upon the results of the staffing needs assessment, BIA staff members, including any new hires who have been employed to initially address backlogs, may be permanently reassigned to BIA regions with the greatest continuing needs.

I. Hire BIA Probate Staff and Establish BIA Professional Corps

The Reinvention Lab recommended that probate clerks and probate specialists positions be upgraded to reflect the level of knowledge required by the positions, and that no collateral duties be assigned to these positions. In response to the backlogs identified by the BIA in the December 1999 probate caseload assessment, and projections of ongoing probate casework, the BIA determined that the level of staffing was inadequate to maintain current ownership records. Pending the outcome of the needs assessment, some new hires will be initiated by June 30, 2000. Once phases I and ll of the staffing needs assessment are completed, as outlined in Section H., the BIA will realign and supplement staffing needs as mandated by the needs assessment.

All staffing needs are anticipated to be met by June 2001.

J. Identify Indian Probate Training Needs

A contract with the Department of Interior University will be used to develop the comprehensive OHA/BIA probate training strategy needed for newly hired staff and to implement streamlined probate procedures. The contractor will be charged with coordinating the probate training requirements with the High Level Implementation Plan Training subproject to develop strategy that includes the development of a probate paralegal certification program, as well as short term and long term training needs for all Departmental staff members with Indian probate related duties.

The Probate Implementation Team will also utilize contract sources to develop materials that meet the probate function requirements recommended by the Reinvention Lab. Determinations will be made for training needs of BIA and OHA staff, in the areas of cultural sensitivity and probate law. Five hours of continuing legal education hours in estates administration and probate law will be required for ALJs, attorney decision-makers, and BIA probate specialists annually.

This project will be initiated during the third quarter of FY 2000. Completion of the short term interim training for BIA attorney decision-makers and paralegal specialists will be completed by August 31, 2000. Long term periodic training needs will be identified in the comprehensive training strategy and will be developed in coordination with the HLIP Training subproject. *The streamlined process training curricula will be developed by August 31, 2000.*

K. Expand Existing OHA Caseload Tracking into a Joint Interim System

OHA currently uses an in-house automated tracking system whereby cases awaiting decision can be tracked to determine status. The BIA maintains probate caseload information that is primarily focused on backlogged cases over 90 days old. Once a probate case is sent to OHA, the BIA no longer traces it. The BIA caseload data is not automated and does not provide a uniform tracking application which can be used to determine the extent of the probate caseload or the status of pending cases.

The Probate Implementation Team will benchmark tracking systems in other Federal agencies which administer similar programs, such as the Social Security Administration, and based upon that information, will expand the OHA caseload tracking into a joint interim system for BIA and OHA. The system will be designed to enable managers to assess the workload and status of cases in both agencies throughout the complete probate process.

This task will be completed by December, 2000.

L. Convert Interim Probate Tracking into Comprehensive Probate Tracking and Caseload Management System

The Probate Implementation Team will coordinate the development of a national database within the TAAMS system to be utilized by BIA and OHA to track the progress of probate cases. The initial steps in this development are: adaption of the OHA's tracking system to accomodate BIA's information and use thereafter by both agencies on an interim basis; designation of an inter-agency user group to monitor the usefulness of information contained in the adapted system; and establishment of the parameters of the TAAMS module based upon the recommendations of the users group. The Probate Implementation Team will coordinate this project with the HLIP TAAMS subproject on an on-going basis until completion.

The team will also undertake other information technology initiatives to improve probate processing procedures and communications, including the development of a web page to facilitate information sharing with internal and external users as directed by the Reinvention Lab. This task will be initiated by August, 2000.

In addition, to ensure that BIA and OHA have adequate information technology equipment to perform their respective duties, the Probate Implementation Team will coordinate an equipment needs assessment of the OHA offices with the BIA Information Technology CIO. The OHA assessment will include automated mailing systems, recording equipment, computer systems, software, and photocopying. Based upon the results of the assessment, the team will make recommendations for purchase of compatible equipment to OHA and BIA.

Expected completion of the equipment needs assessment is October 31, 2000. Other tasks will be performed on an on-going basis.

M. Amend OHA Regulations and Promulgate BIA Regulations that Establish Policies and Procedures for the Indian Probate Program

Following inter-agency distribution of the BIA draft regulations in February 2000, the BIA met with OHA program staff, including representatives of the Probate Implementation Team, to identify interagency policy issues presented in the draft regulations. Thereafter OHA program staff identified possible OHA regulations that require

amendment to accomodate the redesigned probate process.

The Probate Implementation Team will coordinate with the program staff of both agencies, and the HLIP Policies and Procedures subproject staff, to complete this task.

The BIA draft regulations will be published as proposed rules by June 30, 2000. It is anticipated that the final regulations will be promulgated by December 31, 2000.

By April 30, 2000 OHA will identify those portions of its regulations that need to be revised. OHA will publish an interim final rule to accomodate the BIA's assumption of jurisdiction over those probate cases described in Section A by June 30, 2000. Additionally, by April 30, 2000, OHA will publish an interim final rule to permit the BIA attorney decision-makers to make summary distributions as described in Section A.

Promulgation of all OHA regulatory amendments is anticipated to be completed by July 31, 2001.

N. Continue to Identify and Implement BIA and OHA Best Practices through Implementation Phase of Reengineered Probate Process

As the implementation phase of the redesigned process takes place, the Probate Implementation Team will: coordinate the search for best practices for performing probate duties, standardize BIA and OHA materials required for adjudication, revise the forms used in referring cases to ALJ's, and obtain review by the Solicitor's Office of all major legal issues. The team will also develop standard operating procedures, which may include the creation of standardized checklists, handbook and other materials to enable the BIA and OHA to implement the recommendations of the Reinvention Lab. The standardized operating procedures for the OHA and BIA probate positions will be contingent on completion of the staffing needs assessment described in Section H. In the interim, the Probate implementation team will coordinate interagency exchange of most successful practices that will be incorporated into the standard operating procedures.

The time frame for this task is based on coordination with the HLIP Policies and Procedures subproject and the time frame established in that subproject. Best practice procedures will be implemented on an on-going basis and will be captured in an annual report to be completed and made available on the website at the end of each calendar year.

O. Coordinate Implementation of Improved Probate Record Keeping Strategies

Upon completion of Phase I of the Reinvention Lab, the BIA took the initiative to assess the ways in which probates were being processed. The assessment revealed administrative obstacles that prevented the efficient processing of probates. For an example, file record keeping practices were inconsistent, and records were, in some instances, difficult to access.

The Probate Implementation Team will coordinate with BIA and OHA to develop joint record keeping strategies for the orderly and consistent maintenance of probate documents and other information. The record keeping strategies will also be coordinated with the HLIP Records Management subproject. *Standards for BIA probate file maintenance will be developed by July 31, 2000.*

P. Initiate Customer Service Outreach

In response to informal surveys in Indian communities conducted by members of the Reinvention Lab, several deficiencies in the present probate process were identified by the customers.[2] The customers' first and foremost request was that probate cases be processed in a timely manner. They also requested that they be treated with courtesy and respect and that their concerns be answered in plain language.

The Probate Implementation Team will coordinate the development of brochures and other materials to inform customers of the Department's integrated probate system. The implementation team will also coordinate informational activities in Indian communities regarding the probate process, handbooks, web page, and partnerships with tribal governments. Information will be provided on estate planning and options that are available for directing the distribution of trust lands.

The goal of this task will be to increase the number of wills in order to further limit fractionation of trust property. *The customer outreach program will be initiated by September 30, 2000, and will an on-going effort.*

Q. Initiate Partnerships with Other Federal Agencies

The success of the redesigned probate system will depend in large part upon gaining access to information maintained by tribal governments, local and state governments, and other Federal agencies like the Social Security Administration, Department of Veterans Affairs, Census Bureau, and Bureau of Vital Statistics. To effectively implement the integrated Indian probate system, OHA and BIA must build upon the relationships that they have with tribal organizations and other federal agencies.

[2]The term “customer” is defined as “tribal members including heirs and/or family members of the Indian decedent.”

The Probate Implementation Team will coordinate with the OHA and BIA actions that will lead to strengthening these relationships. Those actions will include working with other Federal and state agencies on possible record keeping strategies, establishing protocols, and sharing data.

Outreach is viewed as a continuing activity. It is expected that key relationships and agreements will be well established by August 2001 and will be maintained as on-going partnerships thereafter.

R. Establish Partnerships with Indian Tribes

The Reinvention Lab recommended the establishment of partnerships with tribal organizations to enable sharing of essential information. Such partnerships are important to disseminate vital information regarding the on-going activities envisioned in the Indian probate process. Further, the Reinvention Lab recommended that an offer of technical assistance to tribal governments be made by providing a model inheritance code for their use. Enactment of tribal inheritance codes would aid the effort to prevent further fractionation of ownership interests in Indian allotments.

In accordance with these recommend-ations, the Probate Implementation Team will compile an inventory of Indian tribes that perform probate functions under P.L. 93-638 contracts and self-governance compacts by December 31, 2000. A model memorandum of understanding that will outline the parameters of the tribal/federal partnership will be prepared by September 30, 2000. An inventory of current tribal inheritance codes will be compiled by March 31, 2001. A model inheritance code will be developed by June 30, 2001.

All inventories, inheritance codes, and models will be provided to BIA and OHA field offices with guidance to establish tribal outreach relationships. The tribal outreach will be initiated by July 2000 and will be on-going.

4. BIA APPRAISALS

I Responsible Official

The responsible official is the BIA Deputy Commissioner for Indian Affairs. Gabriel Sneezy, Chief Appraiser, Office of Trust Responsibilities, BIA, is the project manager and is responsible for completing this subproject.

II Statement of the Problem

In general, the regulations governing the processing of trust resource transactions require the Secretary to obtain fair market value for Tribes and individual Indian owners on trust and restricted land and resources. To meet this requirement, an appraisal or other valuation is used as a management tool to ensure that fair and just compensation is received by the Indian landowner on transactions including, but not limited to, leases, rights-of-way, land sales, timber sales, land exchanges, grazing and range permits.

At the end of Fiscal Year 1999 the BIA estimated its appraisal backlog to be 2000 requests. The result of this backlog is that a similar number of realty transactions have not been consummated for lack of a valuation of the trust resource. Some transactions have been pending for as long as three years. A delay in the timely completion of a trust realty transaction has potentially adverse impact on the resource owners in terms of lost economic opportunities.

III Statement of Objectives and Outcomes

The objectives of this subproject are to: (1) eliminate the BIA appraisal backlog through staffing, training, and introduction of new methods; (2) develop a tracking and monitoring system for appraisal requests; (3) develop BIA-wide comprehensive valuation practices which are in accord with the Uniform Standards of Professional Appraisal Practice; and (4) update or generate pertinent provisions in trust program manuals that outline appraising options and administrative procedures for ensuring the timely completion of appraisals.

The anticipated outcome of this subproject is a consistent BIA-wide policy for the valuation of trust resources. This policy will provide the internal mechanisms for appropriate, timely and comprehensive valuation of trust resources to assist BIA managers and tribal and individual Indian landowners in making informed decisions with regard to the disposition of the trust lands and resources.

IV Relationship to Reform Act of 1994

This subproject supports the Secretary's responsibility to appropriately manage the

natural resources located within the boundaries of Indian reservations and trust and restricted lands held by individual Indians.

V Relationship to Other Subprojects

This subproject is indirectly related to the TAAMS subproject in that TAAMS will be utilized to track and monitor appraisal requests, It is likewise indirectly related to the Policies and Procedures subproject with regard to the development of BIA-wide policies regarding the various levels of valuation that are appropriate for BIA realty transactions and the revision, or development, of regulations and internal guidelines for the consistent conduct of the appraising function. The success of this subproject is not, however, dependent on the success of these other subprojects.

VI Subproject Budget

The estimated project budget for this effort is depicted in the following table. It should be noted that within BIA's base funding for Tribal Priority Allocations, $3.4 million is included for real estate appraisals in fiscal years 1997, 1998, 1999 and 2000, and a like amount is assumed to be additive to these subproject estimates. The $2.2 million denoted below is requested in BIA's FY 2001 budget and is for permanent funding of the BIA appraisal program.

SUBPROJECT BUDGET
BIA Appraisals

Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	--	.4	1.3	2.2

Note: All 2001 funding for the appraisal subproject is requested under the Bureau of Indian Affairs to support permanent funding for the appraisal program.

VII Subproject Action Plan

The following updates the status of tasks which were previously discussed in the July 1998 HLIP:

A. Ensure Certification of BIA Appraisers

In April 1999, the Land Appraisal Work group conducted a survey to determine the qualifications and experience of BIA appraisers. Of the 43 appraisers, 24 are State Certified General Appraisers. This represents approximately 56% of the BIA appraisal staff. There are six vacant appraiser positions and six trainee appraiser positions, which represent 28% of the BIA appraising capability. The BIA Appraisal Technical Board (ATB) projects a 30% loss in appraisal staff in the next three to five years due to attrition.

In FY 1999, the Office of the Special Trustee provided $200,000 under the training budget to fund training and professional fees for BIA staff appraisers.

These funds were used in part to defray the costs of continuing education for staff appraisers to maintain state certifications and professional fees. The annual fees consist of state appraisal board certification fees and membership fees in professional appraisal organizations such as The American Society of Farm Managers and Rural Appraisers, The Appraisal Institute, and The National Association of Master Appraisers.

The task of ensuring BIA certification will be ongoing as new appraisers are hired and current staff appraisers earn certification through course work and on-the-job training.

B. Develop a Real Estate Appraisal Handbook

To ensure BIA-wide compliance with appropriate industry appraisal standards, the *Real Estate Appraisal Handbook (52 BIAM, Supplement* 1) which considers the 1989 Financial Institutions Reform, Recovery, and Enforcement Act and Uniform Standards of Professional Appraisal Practice requirements, was issued on October 14, 1998.

The Appraisal Handbook will be updated by the ATB periodically to include the incorporation of Advisory Opinions and Statements prepared by the ATB. The Statements will address the BIA's application of professional appraisal standards and will be issued for clarification, interpretation, explanation, or elaboration of pertinent provisions in the *Real Estate Services Appraisal Handbook*. The Statements have the full weight of a Standard Rule and will supercede the appraisal standards published in the *Real Estate Services Appraisal Handbook.* The Advisory Opinions prepared by the ATB will not establish new standards or interpret existing standards, but will be issued to illustrate the applicability of appraisal standards in specific situations and to offer advice from the ATB for the resolution of appraisal issues and problems. The Advisory Opinions shall be added as an addendum to the *Real Estate Services Appraisal Handbook.*

The Advisory Opinions and Statements will be formally issued by the Deputy Commissioner, Bureau of Indian Affairs, to line officials to ensure uniformity in the application of appraisal methods and the interpretation of the *Real Estate Services Appraisal Handbook.*

C. Develop and Maintain Database for Tracking Appraisals

GAO report #99-165 dated June 30, 1999, found inconsistencies in the data being stored in the current appraisal log database maintained by the BIA Regional Offices and recommended that the BIA review the current appraisal log database system to ensure that the entries of data are consistent and complete.

The BIA review of the appraisal log database system revealed that each Regional Office maintains an appraisal

status log with similar data fields, but identified inconsistent codes and parameters used in the systems. Incomplete status logs were also located. To remedy this situation, the BIA will implement a standard appraisal log and data system to monitor appraisal production and processing time.

The review further revealed that there are currently no performance measures in place to calibrate performance levels at each Regional Office, to identify program performance deficiencies, and to allocate human resources to meet programmatic needs.

TAAMS (Version 1.0) contains appraisal tracking functions that identify the date an evaluation request is made and completed, as well as the value placed on the trust resource that is the subject of a realty transaction. A TAAMS appraisal subgroup has submitted functional requirements to the TAAMS project manager for incorporation in a subsequent TAAMS version.

The completion of the TAAMS appraisal module with the initial and enhanced requirements is expected to be completed by September 30, 2000. This task is dependent on the TAAMS subproject.

D. Evaluate Appraisal Requirements

The ATB will review and analyze the BIA's appraisal workload to determine the need for appraisals and other valuation services, and will develop recommendations for the types of valuation methods to be employed to inform and support the BIA's disposition of trust lands and resources in realty transactions.

The BIA Chief Appraiser is working with the BIA trust program regulatory review teams, in coordination with the Trust Policies and Procedures subproject, to ensure that BIA trust management programs apply consistent resource valuation methods as they revise regulations and develop internal manuals and handbooks. (See Section 9, Policies and Procedures subproject). *If necessary the Deputy Commissioner may issue interim guidance by June 30, 2000, regarding BIA valuation practices pending completion of the rule-making process for the leasing, grazing and probate programs.*

The ATB will also work with other Departmental offices and bureaus to develop or revise regulations and internal manuals that pertain to appraisals performed by those agencies in support of the management of tribal and individual Indian trust lands and resources.

E. Hire Bureau-wide Chief Appraiser

The Chief Appraiser reported for duty on June 21, 1999.

F. Establish Appraisal Technical Board

The BIA Appraisal Technical Board was established to enhance appraisal program leadership, recommend training, share information, ensure consistency in report types and formats, assist in program reviews, resolve complex appraisal assignments, and advise the BIA's Chief Appraiser. Similar to the U.S. Forest Service's Technical Board, the board representatives consist of Chief Appraisers from within the BIA and one BIA Regional Director. *The ATB was established on April 27, 1999.*

G. Implement a Standard Appraisal Request Form

Current appraisal request forms being used throughout the BIA are inconsistent. A uniform appraisal request form will promote consistency in data gathering and provide assurance that the realty transaction is viable and will most likely be consummated. A standardized appraisal request form will also help to eliminate the appraisal backlog by ensuring that all data required for the appraisal is furnished and complete.

The Bureau Chief Appraiser developed a draft standard appraisal request form and guidance for its use. *After comment by the Regional Offices, a standard appraisal request form was implemented by the Deputy Commissioner through the issuance of "Statement on BIA Appraisal Standards No. 1" to all Regional Offices on November 22, 1999.*

H. Implement An Automated Comparable Sales/Lease Data Base System

An examination of the present practices of the BIA reveals that there is no uniform system for maintaining historical comparable sales and lease data for BIA agency and regional offices. An automated system that is accessible by the appraising staff at each of the Regional Offices will allow appraisers to analyze historical real estate market activity and trends in a more timely manner. Utilization of the automated system will result in less time spent in the field by appraisers collecting identical data from courthouse records and other outside resources. This system will also contribute to the objective of the subproject to achieve consistency in appraising program operations and has the potential to reduce field work by two to four days per assignment.

The TAAMS appraisal subgroup has submitted functional requirements to the TAAMS Project Manager for incorporation in a subsequent TAAMS version. *The completion of the TAAMS appraisal module with the initial and enhanced requirements is expected to be completed by September 30, 2000.*

I. Contract On-Line Real Estate Data Providers In Locations Where Available

In some areas, access to private real estate data information services is available on the Internet. The BIA is negotiating a BIA-wide contract for these on-line services that will be available to those Regional Offices that will benefit from the local real estate data that is reported through the service. Access to a private data provider will enable the appraisers to conduct data collection prior to performing field inspections. This will expedite the appraisal process and reduce travel expenses normally incurred in field work. This measure, along with the automated internal system previously described in Section H, will reduce the appraisal processing time and provide protection against backlog buildup.

The Bureau Chief Appraiser is working with First American Real Estate Solutions, an on-line real estate data provider, to contract services for the Regional Offices. The Regional Chief Appraisers have identified the states and counties under their jurisdiction. *The Chief Appraiser is scheduled to request a BIA-wide contract with First American Real Estate Solutions by April 30, 2000.*

J. Upgrade of The Bureau's Automated Systems

The ATB conducted an equipment survey to determine the capabilities of the electronic systems in April 1999. The survey indicated a need to upgrade equipment, such as the personal computers, printers, scanners, and laptops, being used by the BIA appraising staff. The Chief Appraiser conducted a follow up assessment in August 1999. Equipment will be upgraded to handle the proposed automated enhancements such as the on-line data services and comparable sale/lease database systems, as these systems become available for use. *All equipment is expected to be installed and upgraded by September 30, 2000.*

K. Realign Line Authority to Ensure Consistent Management and Overview of The Appraisal Program

The appraisal program at most Regional Offices is a subordinate unit under the realty or natural resources programs. In some regions the appraisal program has been placed at the agency level. An analysis of the BIA-wide appraising backlog revealed that those appraisal programs located at the agency level have the greatest appraisal backlog. This appeared to be the result of the lack of authority on the part of the Regional Chief Appraisers to shift appraisal staff as the need within the region arose.

The analysis also revealed that the regions where the appraising function is located at the agencies have the highest level of inadequately trained appraisal staff.

The ethics provisions of the Uniform Standards of Professional Appraisal Practice require the appraiser to perform assignments with impartiality, objectivity,

and independence. The ATB will examine the BIA organizational structure, with particular focus on the supervisory authority of real estate managers over appraisers. A briefing package was submitted by the ATB to the Deputy Commissioner on February 3, 2000 that recommended the establishment within the BIA of a separate Branch of Real Estate Appraisals. The Deputy Commissioner is examining the feasibility of this proposal. *Official administrative action is scheduled to be taken by May 2000.*

L. Appraisal Technical Board Review of Billings Area Appraisal Program/Began Implementation to Reduce Billings Appraisal Backlogs

The Bureau formally initiated the appraisal backlog elimination project at the Rocky Mountain Regional Office on July 18, 1999. A team of Bureau review appraisers was deployed to the Rocky Mountain Region to complete 90 appraisal reviews. The team successfully completed all reviews.

A second team of appraisers and reviewers were deployed to Wind River Agency, a subordinate agency office of the Rocky Mountain Regional Office, on August 22, 1999. The team of appraisers and reviewers completed and approved 220 appraisal reports in two weeks. *The entire backlog at the Wind River Agency was eliminated by October 1, 1999.*

The other agencies within the Rocky Mountain Region also have backlogs. *As of December 30, 1999, the regional backlog was reduced to approximately 1,200 appraisal requests. By August 2000 the remaining appraisal backlog at the Rocky Mountain Regional Office is expected to be completely eliminated.*

5. TRUST FUNDS ACCOUNTING SYSTEM (TFAS)

I Responsible Official

The responsible official for this subproject is the Special Trustee for American Indians. Dianne Moran, Trust Operations Officer, Office of Trust Fund Management (OTFM), Office of the Special Trustee (OST), is responsible for completing this subproject.

II Statement of the Problem

A new IIM accounting system was critically needed and long overdue. The existing BIA legacy system under IRMS is incapable of fully performing trust accounting functions mandated by the Reform Act.

III Statement of Objectives and Outcomes

The OST, in coordination with the Department's Chief Information Officer (CIO) and the Office of Information Resources Management, is installing a Trust Funds Accounting System (TFAS) module (also referred to as the IIM Accounting System), suitable for both Tribal and IIM accounts. TFAS is to provide the basic collection, accounting, investment, disbursing, and reporting functions common to commercial trust funds management operations. The system is commercially operated and maintained by SEI Investments, Inc. The implementation approach uses procurement and piloting protocols appropriate to a proven, commercially leased, centrally operated and maintained off-the-shelf standard trust accounting system served by trust data generated nationally from over 200 field locations. Following appropriate data cleanup, successful implementation and piloting, the Trust Funds Accounting System module is being extended to both Tribal and IIM accounts nationally. Conversion of approximately 285,000 accounts on the current IIM system is occurring over a three-year period. Conversion uses both internal and contractor support.

The work of this subproject is occurring at OTFM in Albuquerque and at BIA Regional and Agency offices nationally.

IV Relationship to Reform Act of 1994

The TFAS subproject is essential to providing accurate and reliable information to account holders. This effort specifically addresses the following requirements of the Trust Reform Act of 1994:

- C Providing adequate systems for accounting for and reporting trust fund balances;
- C Providing adequate controls over receipts and disbursements;
- C Providing periodic, timely reconciliations to assure the accuracy of accounts;
- C Determining accurate cash balances;
- C Preparing and supplying account holders with periodic statements of their account performance and with balances of their account which shall be available on a daily basis;
- C Establishing consistent, written policies and procedures for trust fund management and accounting;
- C Providing adequate staffing, supervision, and training for trust fund management and accounting;
- C Properly accounting for and investing, as well as maximizing, in a manner consistent with the statutory restrictions imposed on the Secretary's investment options, the return on the investment of all trust fund monies;
- C Preparing accurate and timely reports to account holders (and others, as required) on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts.

V Relationship to Other HLIP Projects

The Trust Funds Accounting System subproject is reliant on successful OST and BIA data cleanup efforts. In addition, the TFAS system will be served continuously by data and information maintained in the TAAMS system in an accurate and timely manner. Records management practices, revised policies and procedures, and improved training resulting from relevant subproject plans will support and supplement the TFAS subproject.

VI Subproject Budget

The estimated subproject budget for this effort follows:

SUBPROJECT BUDGET TFAS				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	6.2	9.2	17.0	14.2

VII Subproject Action Plan

The particular tasks and milestones necessary to successfully complete this subproject are outlined in the following:

A. Obtain DOI Approval for the System and Approach

The OST/OTFM staff prepared and submitted to the Department a

Technology Investment Analysis that justified the proposed trust system and acquisition approach. In line with Federal and Congressional guidance on acquisition of Information Technology, the OST plan called for a commercial off-the-shelf (COTS) trust funds accounting system provided through a service bureau approach, consistent with the Special Trustee's Strategic Plan. Following a November 1997 presentation to the Department information Resources Management Council, the *CIO issued the formal Departmental approval for acquisition of the new Trust Funds Accounting System on November 23, 1997.*

B. Develop and Submit a Request for Proposals (RFP) and Statement of Work

The OST, in coordination with representatives of the BIA Procurement Office, the CIO, and the Department's Acquisition and Property Management Office, developed a performance-based RFP during the period April - December 1997. The RFP called for a service provider to furnish the services of a COTS trust accounting package able to manage 285,000 individual Indian and 1,400 tribal accounts. The contractor was charged with operating, maintaining and supporting the COTS product, working with the governmental team to map existing data and processes to COTS package format using a test pilot site, training OST personnel on the new system and working with an OTFM governmental team to prepare the COTS package to accept interfaces from OST/BIA/MMS subsystems. *This task was completed on December 30, 1997.*

C. Select Pilot Site From Among BIA Regional Offices

A decision was made to pilot and test the new Trust Funds Accounting System initially at one or more BIA and OTFM Regional Office locations before the system was rolled out to all IIM and Tribal accounts across all BIA and OTFM locations. The BIA and OST jointly developed criteria for selection of a suitable system pilot site, considering the following:

- C Whether the Region was representative in terms of Tribal, IIM and Special Deposit accounts, trust assets and land management issues, Tribal contracting, and income types;
- C Information about the status of previous or on-going records clean up efforts in the areas of trust management records, BIA trust asset and land title records; and Hearings and Appeals probate backlogs;
- C The general receptivity of regional management and Indian representatives;

- C Staff knowledge in terms of automation, policies and procedures, trust management, etc.;
- C Logistical considerations such as telecommunications, geography, and costs.

This task was *completed on November 13, 1997,* with a decision to use the Western Region for the pilot site by the Secretary's Trust Improvement Steering Committee.

D. Publish RFP for TFAS

Following the successful development of the Statement of Work and RFP described in B, above, the RFP was released on January 5, 1998, with responses received February 5, 1998.

E. Receive and Evaluate Proposals

Written proposals were received February 5, 1998. The solicitation also called for oral presentations, and for Operational Capability Demonstrations by selected proposers, providing evidence that the proposed system could handle a minimum of 150,000 accounts. A technical evaluation team evaluated the proposals against established criteria, using a pre-determined Source Solicitation Plan. Evaluation work was completed in early March, and the Contracting Officer proceeded to final negotiations. *This work concluded March 26, 1998.*

F. Award TFAS Contract

On March 26, 1998, the Contracting Officer awarded the contract for the new Trust Funds Accounting System to SEI Investments of Oaks, Pennsylvania, a major industry provider of trust management systems to the commercial sector.

G. Complete OST Data Cleanup for the Western Region

Processing of OST's Western Region administrative records commenced on January 5, 1998, and was completed on March 29, 1998, by the data cleanup contractor, DataCom Sciences, Inc.. IIM system's data was validated and/or corrected under strict quality control standards. *The Western Region task was completed March 29, 1998.*

H. Select and Train Conversion and Implementation Team

OTFM's Trust conversion team led the

conversion/implementation effort, assisted by a staff recruited for the effort, and supplemented by permanent staff from operational and systems support elements within OTFM. The OTFM conversion and implementation staff worked on a daily basis with SEI Investment's professional conversion team in the OTFM's central office in Albuquerque, New Mexico, and in the Western Regional office in Phoenix, Arizona, the pilot site. The initial conversion and implementation team planning session occurred during the week of April 13 - 20, 1998. During this session, firm conversion dates for all BIA Regions were established and, based on contractor advice, the decision to add two additional small Regions to enable testing of inter-Regional processes was made. *This task was completed April 20, 1998.*

I. Acquire External Professional Consulting Services to Assist in Implementation

OST uses the services of external consultant services during the conversion and implementation effort to provide third party oversight and advice regarding the effort.

In February 1999, an existing contract with Macro, International was amended to provide technical assistance on the TFAS conversion efforts. A consultant from Macro with extensive SEI product experience has been on site in Albuquerque since March 1999 working with OTFM staff on pre-and post-conversion efforts.

J. Develop and Implement Conversion Strategy

Conversion teams from OTFM and SEI Investments worked together to develop a comprehensive conversion strategy, using SEI Investments' proven models from previous conversion efforts in the commercial sector, coupled with OTFM's experience gained in the conversion of Tribal accounts in 1995. The team mapped data needed to populate the SEI trust funds accounting application and developed automated routines for data conversion. The conversion strategy included two "mock" conversions as test beds before final conversion in August 1998. In addition, a formal "dress rehearsal" involving all field staff using formal scripts with test transactions was conducted for a full day shortly before each Regional conversion to familiarize staff with TFAS. *Conversion planning was completed June 23, 1998, and execution of the strategy began July 31, 1998.*

K. Train Support and User Personnel

As of February 2000, 285 OTFM, 275 BIA, 114 Tribal, 30 contractor, and 8 Farmington Indian Minerals Office personnel have been trained. User

training is scheduled and completed approximately one month prior to implementation of the new Trust Funds Accounting System in each Region, in a "just-in-time" approach to ensure user retention of the training information and skills. Refresher training is also provided on an "as needed" basis. Additionally, all OST employees are provided "hands on" experience at OTFM in Albuquerque prior to conversion of their Region. An extensive help desk was provided by SEI Investments and *training of the Western, Pacific, and Alaska Regions, and OTFM staff was completed on schedule by August 31, 1998.*

L. Verify and Convert Data

In conjunction with the Conversion Strategy and execution described in J above, IIM account data that was converted to the new Trust Funds Accounting System was verified, and converted in a deliberate, controlled environment to assure high quality data. *This effort was completed August 31, 1998.*

M. Acquire and Distribute End User Work Stations to Field

The existing inventory of hardware was found to be inadequate to meet functional requirements. The workstation equipment planned for use is a combination of existing equipment available, upgraded to specification, and newly purchased equipment.
The configuration for these workstations includes user software (word processing, spreadsheet, data base, presentation, e-mail, etc.) and software required to communicate with both Local Area Networks and Wide Area Networks. It also covers the hardware required for local use, printers, communications, security, and user documentation, installation, and on-going maintenance costs. Help Desks were organized by application discipline (i.e., TFAS, TAAMS, LRIS) and established to provide on-going technical and application support for Tribal, OST and BIA system users via a toll free telephone number.

The OST has ensured that all of its staff in the Field and Central Office have adequate PC's for the TFAS/TAAMS systems. All OST/OTFM staff have at least a 233 MHz Pentium II PC with a standard office suite and emulation software. These machines meet the standards established by the Information Resource Management Review Council. This task was completed August 31, 1998. Procurement action is underway to provide similar hardware and software to the appropriate Tribal entities.

N. Initiate and Pilot New Trust Funds Accounting System

Conversion of the Western pilot site to the new Trust Funds Accounting System was *completed August, 1998.* An added control feature was introduced into Indian trust accounting operations with the conversion to TFAS. This included centralization of accounting, data entry, and quality assurance functions in the Office of Trust Funds Management's Albuquerque headquarters. Such cash-entry centralization is considered a standard in the commercial sector. This change necessitated realignment of the field staff and their job duties, and staff increases to OTFM's Accounting Division, based on formal studies by an external contractor, Macro International. Conversions of the pilot sites were planned to occur at the month-end and during weekends to promote easier interfacing with SEI Investments and DOI support systems, as well as to allow maximum time for conversion, testing, reconciling and last minute data cleanup.

O. Convert Alaska and Pacific Region

Conversion of the Alaska and Pacific Regions was completed concurrent with conversion of the Western Region on August 31, 1998.

P. Convert Southwest and Navajo Regions

TFAS conversion at the Southwest and Navajo Regions sites were completed in January, 1999.

Q. Convert Tribal Accounts and the IIM Pool to New Trust Funds Accounting System

The 1,322 Tribal Accounts that resided on the OMNITRUST trust accounting system, plus the IIM Investment Pool, were converted to the new Trust Funds Accounting System operated by SEI Investments. *As of February 28, 1999 all tribal accounts and the IIM pool account were successfully converted to the TFAS system operated by SEI investments.*

R. Convert Eastern Region

The Eastern Region was converted in April, 1999.

S. Convert Rocky Mountain Region

The Rocky Mountain Region was converted May, 1999.

T. Complete Data Cleanup for Remaining Conversion Sites

The OST contractor, DataCom Sciences, Inc., completed the cleanup of IIM trust administrative documents contained in the IIM jacket folders in its possession in July 1999. A quarantine imposed due to a Hanta Virus threat produced a two week delay at the DataCom facility. However, not all Agency records were released to OTFM as scheduled due to tribal intervention. The Winnebago, Standing Rock, Pine Ridge and Umatilla Agencies did not ship their IIM jacket folders. (Winnebago has since released the IIM jacket folders.) The Office of Trust Litigation Support and Records negotiated with the remaining three Tribes at those Agencies in an attempt to secure the release of the IIM jacket folders for data prior to the conversion of the files for their Areas. *Discussions took place but no resolution has occurred.*

U. Convert Midwest Region

The Midwest Region was converted July 29, 1999.

V. Convert Great Plains Region

The Great Plains Region was converted October 30, 1999.

W. Deploy TFAS to Remaining Sites

The current schedule provides for a deployment in line with the conversion schedule below. To date, over 191,000 accounts have been converted in the Western, Alaska and Pacific Region pilot areas, Southwest, Navajo, Eastern, Rocky Mountain, Midwest, and Great Plains Regional offices, and for Tribal accounts.

TFAS DEPLOYMENT SCHEDULE

BIA REGION	DATE
Alaska Region	August 1998
Pacific Region	August 1998
Western Region	August 1998
Southwest Region	January 1999
Navajo Region	January 1999
OMNI Trust (tribal trust accounts and IIM pool account)	February 1999
Eastern Region	April 1999
Rocky Mountain Region	May 1999
Midwest Region	July 1999

Great Plains Region	October 1999
Southern Plains Region	**March 2000**
Eastern Oklahoma Region	**March 2000**
Northwest Region	**March 2000**
Stabilizing and Adjustment	**April - May 2000**

As reflected in the table above, conversion of the Southern Plains, Eastern Oklahoma and Northwest Regions is scheduled to be completed no later than March 31, 2000.

X. Stabilize and Adjust

The period *April - May 2000* will be used to stabilize and make any final adjustments with regard to the TFAS system and the overall conversion effort.

6. TRUST ASSET AND ACCOUNTING MANAGEMENT SYSTEM (TAAMS)

I Responsible Official

The BIA Deputy Commissioner for Indian Affairs is the responsible official for this subproject. Dominic Nessi, Special Assistant to the Assistant Secretary for Indian Affairs, is the subproject manager responsible for coordinating work occurring at BIA Headquarters, Regional and Agency offices.

II Statement of the Problem

The basic tools that DOI uses to manage Indian trust assets must be upgraded. Proven automated application sources for many of these basic trust functions are commercially available.

The Trust Asset and Accounting Management System (TAAMS) that will replace existing systems is comprised of a modified commercial off-the-shelf general trust asset management system. The TAAMS system will include master lease, billing and accounts receivable, collection subsystems, and land title functions.

Legacy Systems

There are currently two BIA-wide automated systems used to manage Indian trust assets: the Land Records Information System (LRIS), and the Integrated Records Management System (IRMS).
LRIS supports the land title function by providing land title-related information e.g. ownership and encumbrances. It calculates ownership interests (in fractional and decimal forms) used by Agencies for distribution of land revenue.

IRMS supports the land resource management function and is primarily used at the Agency level for generating lease bills and for income/revenue distribution to Indian owners. It contains information on Indians (People File), Leases (i.e., pasture, range, timber, mineral mining), land ownership, oil and gas royalties, and IIM accounts.

Several of the Regions use locally developed and maintained systems to support the leasing and disbursement process. Others perform this function manually and do not use any automated systems.

Legacy System Shortcomings

The information contained in each of these modules is entered manually, contains duplicate data elements, and is not integrated or cross-checked for consistency. As a result, the same data has the potential of being inconsistently maintained by each module.

LRIS and IRMS are not integrated, have no electronic interfaces and duplicate much of the same information (i.e., ownership, land, and leases/encumbrances). This increases the chance of data-entry errors and the potential for inconsistency in the information contained in each system. Neither LRIS nor IRMS fully or adequately support all the activities of the land title and resource management functions performed

at the Land Title Records Office (LTRO) or Agency levels.

Observations on TAAMS Initiative

The original plan for modification and deployment of TAAMS has undergone considerable change since the unveiling of the initial prototype in June 1999. Much of this change has occurred as the project has evolved and the system requirements have become better defined by the user community.

The original HLIP and the TAAMS contract foresaw the purchase of an off-the-shelf system with minor modification. This approach was intended to "jump-start" development activity as quickly as possible. From that perspective, the Department's approach was effective. However, initiating such a quick development effort required that a special effort be made to ensure that critical information engineering tasks be conducted concurrently or, in some cases, out of sequence with a traditional system development method. Because the contract lacked specific design requirements, the Department acknowledged that its risk could be far greater than would normally be found in a more traditional information technology initiative. However, when weighed against the risk of delay associated with traditional system development methods, the Department believes that it chose the proper course of action and that proper risk mitigation could be accomplished. Listed below is a series of observations based on the experience gained during the first year of the TAAMS initiative.

As a result of a limited amount of pre-planning and development of a precise design specification and requirement, the BIA chose to modify TAAMS using an "evolutionary prototyping" method for rapid development. This method is a user-centric design effort that allows for the development of numerous system releases, each one closer to the final target than the last. This is an accepted process for rapid system development and helps to ensure that the user community has a significant opportunity for input on the design.

One of the most important observations made after the first prototype was released in mid-summer 1999 was that the initial design meetings did not fully capture the entire scope of the BIA's needed functionality. Furthermore, it became apparent that the lack of consistent business rules and processes across the BIA (many resulting from statutes and probate laws that vary from state to state) placed the software vendor in a very difficult position as it attempted to modify the software to meet the BIA's needs. Although it was always assumed that additional adjustments would be necessary after the first prototype, it was initially believed that a large part of the basic functionality was present in the late-June 1999 release of TAAMS. This was not the case and it became apparent during the system tests conducted with BIA users during July and August 1999 that a significant level of analysis and system modification remained in order to ensure that all of the BIA's unique business functions were addressed.

The combined impact of these two factors was that many more releases would be necessary than originally anticipated when the initial prototype was released.

Throughout this period, the TAAMS team would project that the "next" version would satisfactorily meet the core functionality of the users, only to find that the users determined that additional modification was necessary. It should be noted that BIA staff have limited experience in system design and it is not surprising that they would not be able to articulate their needs without a significant level of interaction with the software vendor – a level of interaction that often competed with other pressing demands for their time.

As a result, in order to more clearly define the core requirements, the software vendor and TAAMS team began to focus primarily on the needs of the Billings Regional Office with a reduced level of input from other BIA regions. Chosen as the pilot, Billings represented a good target for TAAMS because their workload represented the overwhelming majority of types of realty transactions and their workforce followed the most common BIA realty practices.

An unanticipated result of the frequent version releases was that the data migration did not have a consistent target from July 1999 through approximately September 1999. As a result, test conversions would have to be adjusted every time the underlying data structure was adjusted. With versions being released in a rapid manner, there were times when system testing was difficult because the data did not properly match the data structure.

Furthermore, while the Billings data was sufficient for the legacy systems, it required significant modification for the TAAMS database structure. For example, fee owners in the legacy system did not need a unique identifier. However, in TAAMS, a unique identifier was necessary to ensure database normalization. This necessitated both an immediate business rule decision and a conversion process that would create a unique identifier. Each time a new version was released, all of these features would need to be reviewed to ensure that they did not conflict with some aspect of TAAMS previously decided upon.

Another unanticipated result of the design effort was that it did not lend itself to system testing in the traditional sense. Testing was conducted continuously after each version was released. However, the data conversion issues discussed above oftentimes interfered with a full test. Unit, integration and system testing was conducted routinely by the software vendor throughout the modification process.

Similarly, training was conducted frequently during the summer and early fall 1999 for BIA regional personnel with the expectation that the last release would be the final release. Training often illustrated that the latest release did not meet the user's needs and also that business rules continued to need refinement. An important lesson learned during the training effort was that the legacy systems and TAAMS were so different in approach, technology and concept that longer, more intensive training classes than originally considered would be required. A new concept for training emerged that is now being implemented. A central facility will be used for all training – the Applied Terravision System, Inc. (ATS) facility in Dallas – with the instructors provided by ATS. BIA co-trainers will be available to answer questions about the

business aspects of TAAMS, whereas ATS instructors will teach the proper use of the software.

The net result of these events during the late summer and early fall was that the deployment schedule outlined in the TAAMS contract could not be achieved as originally planned. In retrospect, the Department concedes that the plan was overly optimistic given the complexity of the task at hand. Nonetheless, the progress achieved could not have been accomplished without this direct attack on the problem and, of course, the initiative and cooperation of hundreds of BIA staff and contractor employees across the country.

Other Observations

An aspect of the TAAMS initiative that does not fall under TAAMS per se, but certainly has a major impact on the performance of the system, is the BIA's telecommunications infrastructure. In the process of being upgraded as TAAMS was being deployed to Billings, the BIA's wide-area network (BIANET) has posed some performance issues. The frame relay wide-area network should eventually provide the necessary framework for a successful telecommunications structure. However, "band-width" is not the only part of the equation that must be addressed. BIA local area networks, routers, and even the desktop PCs must be properly "tuned" to meet the requirements of a high performance software product that transfers large quantities of data for processing. This analysis and upgrade continues to the extent that resources are available. Continued improvement in the BIANET must be an integral component of a successful TAAMS initiative. In order to address the performance issues of BIANET, the Department is developing a comprehensive approach to addressing network issues, using Departmental, BIA and contracting staff to thoroughly review, analyze and correct outstanding network issues. An initial plan has been delivered to the BIA and the contractor has begun gathering initial network information.

The Department's trust business processes need substantial review and standardization in order to take advantage of the efficiencies and flexibilities provided by modern software. This review process, like TAAMS, is on a fast-track for completion. However, given that the policies and procedures subproject has not yet reached key conclusions, the TAAMS design team working with the system owner and user community had to make basic programmatic assumptions that may eventually require further system modification. The benefit of TAAMS is that its flexible design will allow for such changes.

The interface between TAAMS, TFAS and MMS is complicated, not from a technology perspective, but because the three systems have different owners, different software vendors and different program objectives. In retrospect, the plan to purchase two off-the-shelf systems independently (TAAMS and TFAS) and interface them with an existing system (MMS) had inherent difficulties from its inception. This challenge will be met, but it will require significant interaction between the organizations at both the upper management and system levels in the next

two to three months.

The information management culture in the BIA must be modernized to understand how modern information systems are managed. The TAAMS initiative has spawned the creation of configuration management and control boards, a field user group, the BIA's first full-time system manager and a system of regional data administrators. While these components will some day be commonplace in BIA, today management and staff are just beginning to learn new concepts and processes and taking on new responsibilities for data and system management.

Through TAAMS, the BIA created an internal capacity for IT project management that it did not previously have. The Department of Interior does not have standards for IT project management, necessitating the BIA to develop its own standards as the initiative proceeded. As a result, BIA will reap future benefits as it continues to develop and manage IT projects. The "cost" was that the TAAMS Project Management Team was required to create a series of plans and documents for the management of TAAMS. This was a time and resource consuming activity that future project management efforts will not have to undertake.

Data conversion at future BIA and tribal sites will continue to be a challenge. Because each BIA office modified the legacy systems to fit their own needs and each legacy database is different, the TAAMS team cannot develop just one "data map" to fit all circumstances. Tribes which have already developed their own systems will have an even greater challenge.

The challenge will be for the TAAMS project team to develop a replicable process based on the experiences from the Rocky Mountan Region pilot. This task is achievable, but it will take a significant level of coordination between different contractors and the BIA users.

III Statement of Objectives and Outcomes

Over the last several years, BIA has undertaken several efforts to evaluate updating or replacing the current LRIS system. In 1998, a decision was made - predicated on an LRIS study by TRW and Lockheed-Martin - to replace LRIS with modern software. Initially LRIS was to have been developed in tandem with the new TAAMS. Subsequently, a decision was made to eliminate LRIS completely and include its functionality in TAAMS based on the following:

- C The current LRIS system does not efficiently support BIA processes and is partly responsible for bottlenecks and backlogs related to title information;
- C Significant problems are caused by the lack of integration of the current LRIS and IRMS systems (TAAMS is now planned as the replacement for IRMS and LRIS). For example, ownership and lease information must be entered manually in both systems as separate efforts;
- C There is significant duplication of data between these two systems without any capability to transfer or synchronize data

automatically. As a result, the data is inconsistent between the two systems and there is no efficient way at present to resolve these inconsistencies;

C The LRIS system is based on obsolete technology that is very costly to enhance or repair.

The BIA, in cooperation with the Office of the Special Trustee (OST) and in coordination with the Department's CIO and Office of Information Resources Management, BLM and MMS, is acquiring, modifying (as necessary), testing and piloting standardized, commercial off-the-shelf land management system software. Interfacing with the Trust Funds Accounting System described above, this trust management system will comprise TAAMS. The TAAMS system will include an asset management system with a master lease subsystem, a billing and accounts receivable subsystem, and a collection subsystem. TAAMS will also have a probate tracking system in a future release.

A pilot site (Rocky Mountain Region/Billings, MT) was identified and the site's data has been cleaned and converted. The conversion process used both internal and contractor support. The approach used procurement and piloting protocols appropriate to a proven, modified commercially leased, operated, and maintained off-the-shelf standard trust asset management system, to process trust data generated nationally from over 221 BIA and Tribal field locations. The system selected will be commercially operated and maintained. Prior to the decision to extend the system nationally, the system will be piloted successfully at the Rocky Mountain Regional Office.

IV Relationship to Reform Act of 1994

TAAMS will help to address the following provisions of the American Indian Trust Fund Management Reform Act of 1994 (Section 101):

C Providing adequate systems for accounting for and reporting trust fund balances.

C Providing adequate controls over receipts and disbursements.

C Providing periodic, timely reconciliations to assure the accuracy of accounts.

C Determining accurate cash balances.

C Preparing and supplying account holders with periodic statements of their account performance and with balances of their account which shall be available on a daily basis.

C Appropriately managing the natural resources located within the boundaries of Indian reservations and trust lands.

C Preparing accurate and timely reports to account holders on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts.

C Maintaining complete, accurate and timely data regarding the ownership and lease of Indian lands.

V Relationship to Other HLIP Subprojects

BIA Data Cleanup and TAAMS activities are closely related and for that reason these two subprojects are being jointly managed.

From a system perspective, TAAMS has its closest link to TFAS owing to the need for consistent data for individual Indian or Tribal accounts that are common to both systems and to accommodate transactions that have an impact on accounts in both systems.

Other subprojects that have significant effects on TAAMS include Probate (changes affecting status of data and accounts), Records Management (storage and disposition of information), Policies and Procedures (multifaceted effects), Training (proper use of system, reporting protocols, data entry rules, etc.), and Internal Controls (findings and recommendations for improvement and risk reduction).

VI Subproject Budget

The estimated project budget for TAAMS includes system modification, development and deployment; training services; service bureau operations and other costs associated with the on-going operation of TAAMS.

SUBPROJECT BUDGET TAAMS				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	--	8.1	18.4	12.9

VII Subproject Action Plan

The particular tasks and milestones necessary to successfully complete this subproject include the following:

A. Select Pilot Site

A decision was made in 1997 to pilot and test the new Trust Asset and Accounting Management System (TAAMS) initially at one BIA Regional Office location before the system is installed at all BIA and OST locations. The BIA and OST jointly developed criteria for selection of a suitable system pilot site, considering the following:

- Whether the Area was representative in terms of Tribal, IIM and Special Deposit accounts, trust assets and land management issues, Tribal contracting, and income types;
- Information about the status of previous or on-going records cleanup efforts in the areas of trust management records, BIA trust asset and land title records; and Hearings and Appeals probate backlogs;
- The general receptivity of Area Management and Indian representatives;
- Staff knowledge of automation,policies and procedures, trust management, etc.;
- Logistical considerations such as telecommunications, geography, and costs.

This task was completed on November 13, 1997, with a decision by the Secretary's

Trust Management Improvement Steering Committee to use the Rocky Mountain Region for the pilot site.

B. Acquire External Professional Consulting Services

Three Native American 8(a) management/ technology firms were selected in December 1998 to provide day-to-day support to the TAAMS project team. An additional firm was procured to provide assistance in developing data dictionaries and data conversion techniques. The BIA will continue to utilize outside assistance as it becomes necessary to supplement internal resources. *All external consulting services were procured on schedule by March 31, 1999.*

C. Assemble Senior BIA and OST Management Team to Develop Requirements

Senior BIA and OST managers and representatives of BIA's trust resource operations, the Department CIO, BLM, MMS and servicing procurement officials outlined and documented, at a high level, the TAAMS functional requirements. The product was handed off to a technical group of information technology specialists and trust resource managers. *This task was completed on schedule by April 24, 1998.*

D. Prepare and Publish Request for Information (RFI) for COTS Systems

Working with the servicing procurement office, the joint BIA/OST team and the systems consultant prepared and published a formal RFI for applicable commercial off-the-shelf applications thought to meet the functional requirements defined in preceding tasks. *This task was completed on schedule June 19, 1998.*

E. Organize Joint Technical Team to Develop Functional Requirements and RFI

A technical team elaborated on and refined the high-level requirement definition, evaluated commercial off-the-shelf applications, prepared a preliminary systems design, developed acquisition documentation, and obtained Departmental approval for proceeding with a procurement action.

The team interviewed a number of potential contractors, exchanging information regarding the BIA's specific information needs, logistical requirements for deployment, organizational issues and resource constraints.

Two vendors submitted final bids which were evaluated according to a pre-determined contract ranking system. *This task was completed in September, 1998.*

F. Obtain DOI Approval for the System and Approach

The joint BIA/OST staff prepared and submitted to the Department a Technology Investment Analysis (TIA) to justify the proposed TAAMS system and acquisition approach. *The Department approved the TIA on September 11, 1998.*

G. Develop Procurement Documents Using Joint BIA/OST Technical Team and Systems Consultant

Using the results of internal research, review of existing automated national and local systems within BIA, and feedback from the RFI, the joint BIA/OST team and the system consultant prepared the necessary procurement documents and supplemental justification for the TAAMS system acquisition. *This task was completed August 27, 1998.*

H. Select TAAMS Project Management Team

A BIA project manager was selected and a project team structure and project management approach was developed. Team composition included program experts from BIA and OST and information technology specialists from consulting firms. *This task was completed on schedule November 30, 1998.*

I. Award Contract to Successful Bidder

BIA awarded a contract to the successful bidder based on pre-defined criteria by a source selection board consisting of BIA, OST and Departmental staff. *The BIA issued a performance-based contract to the successful offerer on December 2, 1998.*

J. Develop System Modification Strategy with Contractor

The BIA project management team worked with the selected TAAMS provider to develop a comprehensive system modification strategy. BIA system users met regularly in pre-defined functional teams with the software vendor in order to further define and outline user needs and requirements. Users participated in the actual design of the graphical user interface. As implemented, TAAMS is best described as a modified off-the-shelf system (MOTS).

Using the legacy data from the Rocky Mountain Region, the teams mapped data needed to populate the selected trust asset management application and developed automated routines for data conversion.

The actual system modification was conducted between January 1999 and May 1999. The TAAMS prototype was unveiled on schedule in June 1999 in the Rocky Mountain Regional Office in Billings.

K. Complete System Modification Effort

The BIA is working with the software vendor to modify the off-the-shelf product through an iterative process of developing system prototypes. Each prototype is reviewed by the user and further revisions are made until the prototype is accurate and reflects business needs.

The software vendor and the BIA collaborated on a series of test scripts that could be used during system testing. The actual script was developed by a third-party contractor. As the TAAMS software evolved, the script underwent continual change. The scripts can continue to be used for future regression testing of TAAMS.

The initial system modification effort includes all development requirements of TAAMS, including developing the interfaces with TFAS and MMS, mandatory reports, and all contract functional requirements that were determined to be mandatory in the original contract (as amended by contract modifications that were necessary to reflect the dynamic system development that has been undertaken by the Department). As the initiative progressed, it became apparent through direct discussion with the user that certain TAAMS features could be deferred and others would need to be accelerated. Contract modification was necessary to ensure that the required core functionality was properly identified in contract form.

Because TAAMS provides functionality to different BIA realty operations, it is consistent with information technology "best practices" to consider deployment of TAAMS on a functional basis as opposed to waiting for the entire system to be completed. As such, the BIA plans to deploy TAAMS to its title plants while continuing to test and solidify all aspects of the leasing modules, including the interface between TAAMS, TFAS and MMS.

The Title portion of TAAMS is scheduled for completion May 2000. The mandatory realty functions, including the necessary interfaces with MMS and TFAS to process distribution transactions, are scheduled for completion in August 2000.

L. Analyze the National Requirement for End User Work Stations and Distribute Necessary Hardware to Rocky Mountain Region as needed

The original HLIP stated that the Department would acquire approximately 2,000 new workstations for TAAMS users (one-half new purchases and one-half upgrades). As the desktop requirements of the TAAMS software solidified, it became obvious that TAAMS, coupled with other

new software packages used by the Department such as Lotus Notes, could not effectively be run on the existing equipment.
As such, more new PCs than originally planned for will be required. To date, the replacements have come from the Department's Y2K PC replacement effort. A large number of PCs have been purchased for the BIA and tribes and they will ease the transition to TAAMS. As the software is deployed, across the country, continual re-evaluation of PC needs will be required to ensure that the proper hardware is available.

M. Conduct System Testing

The software vendor will perform unit integration and system testing of the system after it is unveiled at the pilot site in Billings. The BIA will provide a user team to work with the vendor to ensure that the system is operating properly and that it meets the BIA's business needs. The users will use a system test procedure consisting of detailed test scripts which will test all aspects of the system. Final system testing will be conducted by the software vendor. *Testing was conducted the weeks of September 27 and November 22, 1999.*

N. Complete Training of Support and User Personnel at Pilot Site and for remaining BIA and Tribal Personnel

Training on the new Trust Asset and Accounting Management System in Billings is expected to include both BIA and OST users and designated support personnel. The training is provided by the software vendor.

Subsequent TAAMS training will be provided by a team of trainers consisting of the software vendor and BIA program experts and will be conducted in a central training facility.

Training will be conducted based on the functional need of the staff and will vary in length from one day to one full week. Training effectiveness will be evaluated and retraining for staff will be conducted as necessary. New user training will be scheduled during conversion at other sites.

User training is scheduled for completion approximately 7 to 45 days prior to implementation of the new Trust Asset and Accounting Management System at each Region to ensure better user retention of the training information and skills.

Approximately 50 training sessions will be conducted for BIA and tribal staff over the next year and one-half. The provider will be tasked with staffing an extensive help desk operation to aid in the conversion and training effort.

Since the initiation of the training effort, it has become apparent that TAAMS requires a more intensive level of user training than previously estimated. TAAMS differs significantly from the legacy systems it is replacing and users need to acquire a completely different approach to data entry. Furthermore, there are business changes

which are occurring along with system implementation that must also be addressed during training. *Training sessions for the Rocky Mountain Region staff were completed in early June 1999. Training for new users was conducted again in September 1999 and repeated in November 1999. Retraining will continue in Billings until a satisfactory level of user familiarity with TAAMS is demonstrated.*

O. Complete Independent Verification and Validation of TAAMS

An Independent Verification and Validation (IV&V) contractor, SRA, International, was hired in May 1999 to provide the Department with an independent review of the TAAMS application. The Department's purpose was to independently assess the TAAMS system for compliance with the contract's functional requirements, provide feedback on the overall usability of the application by BIA end users, and assess the BIA's preparation for deployment.

From June through November 1999, the IV&V team observed various system and functional tests of TAAMS, culminating in the final system test on November 22-24. Based on industry standards and their own testing experiences, the IV&V contractor provided suggestions the TAAMS team was able to incorporate, improving the test results and ensuring the tests were repeatable. From February 1-4, 2000, the IV&V contractor staff also attended the User Test at the Rocky Mountain Regional Office (in Billings, MT) as observers. This provided the IV&V team feedback on the BIA end users' reaction to the TAAMS application and how the system works in the field.

In their report, the IV&V team made the following recommendations. They stated the TAAMS test plan was adequate and the TAAMS team could improve the plan further by adding details on the technical tests (i.e., Performance, Year 2000, and Disaster Recovery test areas). The majority of the test scripts for testing the functional requirements were also adequate and contained enough detail for repeating the test. However, some of the scripts would require additional modification to test the critical functions not totally validated (partially tested, not tested, or failed validation) by the IV&V team. They recommended the software vendor maintain these scripts for use in regression testing of current changes and any future software releases. Testing of one critical area - the TFAS and MMS interfaces - remained incomplete and the IV&V contractor recommended against full deployment of TAAMS until that functional area was fully tested.

SRA further recommended that comprehensive testing be performed periodically during the deployment phase to ensure full system performance can be maintained under load and the network has sufficient capacity. As a result, periodic load testing will enable the TAAMS project team to detect any performance degradation early enough to provide a timely resolution, if needed.

User feedback indicates the BIA users are

eager to begin using TAAMS and the Billings staff are sufficiently trained. SRA also recommended assessing the users' needs prior to deploying to each new area. They also recommended that the Department solidify its business rules concerning trust operations and incorporate them into TAAMS.

The IV&V team concluded their report with the following: "Assuming the foregoing recommendations and risk mitigation strategies are implemented, the IV&V team [SRA] feels that deployment beyond the Rocky Mountain Region could proceed with minimized risk and a reasonable assurance of success."

P. Initiate TAAMS Pilot at BIA's Rocky Mountain Region Office

The TAAMS prototype was unveiled at the BIA's Rocky Mountain Region Office in order to give the public and the BIA staff an opportunity to undergo initial training and exposure to the system. Immediately following the unveiling, an extensive set of testing procedures and user reviews was conducted to insure that TAAMS met the contract requirements and user needs. *Unveiling of TAAMS was completed on June 25, 1999 at the Rocky Mountain Regional Office.*

Q. Perform User Testing at Pilot Site to Determine Adequacy of TAAMS Under "Live" Conditions

The performance of TAAMS at the Rocky Mountain Region pilot test site is being evaluated against pre-established requirements specified in the contract to objectively measure the success of the new TAAMS.

All Billings region agencies are included in the pilot. Both pilot and parallel processing will continue until the user community feels comfortable with TAAMS and a decision is made to discontinue data entry into the legacy systems.

A user test was conducted in the Billings Regional Office the week of February 1 - 4, 2000. Simultaneously, testing was conducted at the Crow Agency and realty staff from four additional agency offices participated in the user test at the Billings site. A significant number of transactions were entered into both TAAMS and the legacy systems in order to ensure that TAAMS was providing accurate results. In addition, a usability questionnaire was administered to the participants.

Transactions for both the leasing and title function were entered into TAAMS, with the heaviest concentration focusing on title. The test did not include a full test of the accounting and distribution capabilities of TAAMS because it had already been decided to focus on title processing. A similar user test will be conducted at a later date which fully addresses the leasing, accounting, distribution and interface functions.

Initial results from the User Test were positive and illustrated a high level of acceptability of TAAMS by BIA users. The transaction analysis indicated no major

problems and demonstrated that the core functionality for TAAMS existed in release Version 1.0.

The TAAMS project management team has scheduled a meeting in early March with the BIA, OST and MMS, along with all respective software vendors to discuss any remaining interface issues. It is anticipated that the remaining concerns will be few and can be addressed without any major delay.

R. Deployment Decision Review

The BIA completed its official assessment of the title functions of TAAMS in terms of system functionality and usability in February 2000. That assessment will be forwarded to the Department for a final deployment decision for roll-out to BIA title plants as the first stage in the total TAAMS roll-out. *The initial deployment decision for the LTROs is expected to be made in March 2000. A follow-up decision will be required when distribution and interface capabilities are in place and adequately tested. The time for this is to be decided.*

S. Deployment to BIA and Tribal Sites

Deployment begins with the loading of TAAMS software on the desktops of the individual workstations at the office site. For project management tracking, the "deployment date" reflects the above action. Upon loading of software, an extensive set of data reports will be provided to the office to review the converted data resident in TAAMS. These reports will form the basis for the initial activities conducted under deployment data cleanup.

The realty personnel at the deployment site will be required to carefully review the data reports and, with DataCom Sciences, Inc., make a determination regarding the completeness and quality of the converted data. The determination will include an estimated period of time in which the office will become familiar with TAAMS, initiate any immediate corrections to the database necessary to ensure that processing can be accomplished, adjust local work flows, and ensure that the local network and telecommunication infrastructure is properly functioning. The TAAMS project management team will also be involved in this determination.

Once the tasks are satisfactorily completed and the office is using the TAAMS software full-time, the site will be considered "implemented". This period may be as short as two-weeks or as long as 120 days depending on the issues that must be addressed at that individual site.

Deployment will be conducted in two phases. First, all Land Title and Records Offices will be deployed. Once TAAMS is fully operational in all LTROs, deployment to BIA and tribal offices conducting the realty function will begin.

Deployment planning for both title and realty functions includes a readiness review at each deployment site including the

following criteria:

- C Data cleanup status
- C Hardware delivery
- C Communications availability
- C Security requirements fulfilled
- C Training conducted
- C Management involvement

For the LTROs, deployment will be conducted on an office-by-office basis until all eight offices are complete. The Title deployment will also include three tribal sites that have contracted to perform title functions.

At present, it is estimated that all sites performing the title function will be deployed between May and December, 2000. Realty sites will be deployed beginning in August 2000 at BIA Offices and continuing through to Tribal sites.

The Realty deployment schedule will generally follow a geographic process, although a specific sequence has not yet been determined. Various options exist including a regional geographic deployment schedule as originally discussed in this Plan or deployment in "groups of offices" irrespective of geography.

As stated above, the actual sequence is based on site readiness, including completion of pre-implementation data cleanup. Once the Department makes a final decision regarding deployment, a more precise schedule will be developed subject to modification based on site readiness.

Because system deployment is dependent on the completion of cleanup activities at each site, it is not possible to *project a complete deployment schedule* at this time. Therefore, the BIA will review data cleanup progress quarterly at each potential deployment site and initiate detailed deployment planning at only those sites that can reasonably be deployed in the following six months.

T. Complete TAAMS Deferred Modifications

The TAAMS contract for software services identified a number of functions for TAAMS which were classified as mandatory-deferred. These functions were determined to be important but not required in TAAMS Version 1.0. Upon a deployment decision by the Department, indicating that TAAMS Version 1.0 is acceptable, BIA design teams will initiate a thorough development of design specifications for these contract requirements to provide to the software vendor to support the modification of TAAMS to include the following additional functionality.

- • Estate Administration
- C Miscellaneous Conveyance features
- • Miscellaneous recording features
- • Lease closeout features

These functions are scheduled to be part of a planned release of TAAMS by September 30, 2000. The Department will evaluate the need and delivery of these requirements in June 2000 in order to ensure that initiating work on these features is still consistent with the design of TAAMS and would not interfere with the on-going system

modification effort at that time. If it is necessary to postpone, revise or amend the TAAMS contract in any manner, it will be officially modified after that analysis.

Additionally, there may be other system enhancements, not found in the original TAAMS contract, which will be included in TAAMS Version 2.0. Included may be appraisal, enhanced probate and, possibly, a geographic information system.

U. TAAMS Documentation and Supporting Information

A significant level of corresponding documentation is being developed to support TAAMS, including an expanded data encyclopedia, user entry reference guidance, user manuals, system architecture, etc.

Documentation is completed as appropriate to the initiative. This will be reviewed and incorporated as appropriate in the Department's Trust Business and Computer System Architecture Framework.

V. TAAMS Ongoing Operations

The TAAMS initiative includes ongoing operations through the contractor's service bureau. As such, the TAAMS contract calls for a number of performance requirements through the life of the contract. These requirements will be regularly reviewed by the BIA to ensure that the contractor is meeting all contractual requirements.

Examples of these performance requirements include:

- System speed and performance
- Disaster recovery services
- System backup
- System configuration management
- Application maintenance services
- Auditing and system monitoring
- Operations security

This task is ongoing, with various reviews conducted on both a quarterly and annual schedule by an outside and objective third-party technical expert. Those elements will also be reviewed in the Department's Trust Business and Computer System Architecture Framework effort.

7. MMS SYSTEMS REENGINEERING

I Responsible Official

The responsible official for this subproject is the Director, Minerals Management Service. The subproject manager is Milton Dial of the MMS Royalty Management Program (RMP).

II Statement of the Problem

Faced with changing energy markets, new legislative mandates, and aging computer systems, RMP made the decision to reengineer its core business processes and support systems. This initiative is necessary in order for the RMP to remain cost-effective and responsive to customer needs and to fulfill its trust responsibility to American Indians.

III Statement of Objectives and Outcomes

In this subproject, the MMS will design and implement new royalty management business processes and automated support systems. The RMP Business Process Reengineering Initiative will address all core business processes and automated support systems, within RMP's financial, accounting and compliance operations. While the reengineering effort encompasses all of the RMP, for purposes of this implementation plan, this subproject will highlight how our Indian program will be impacted and the benefits that can be expected by Indian Tribal and Allottee mineral owners.

The future RMP will be process centered; focused on outcomes; less costly; and well positioned to meet mission requirements. The future end-to-end process designs, organizational structures, and modernized automated information systems, once finalized and implemented will enable the future RMP to deliver the very best royalty management services at the lowest possible costs. The uniqueness of Indian mineral leases has played a significant role in conceptualizing the future RMP processes and support systems throughout the initiative. Indian Tribal and allotted mineral owners will benefit in significant ways from the reengineered RMP.

Improvements under consideration include:

- Reducing RMP's current business cycle from 6 to 3 years, consistent with expected industry standards;
- Aligning RMP's operations into two core end-to-end business processes; the Financial Management Process and the Compliance and Asset Management Process;
- Establishing organizational accountability for compliance and asset management outcomes at the producing property level (mineral leases would be brought in compliance and kept in compliance);

C Simplifying current regulatory reporting requirements to reduce reporting burden for both RMP and industry (royalty reporting is expected to be reduced up to 40 percent);

C Modernizing RMP's automated information systems.

Expected benefits for Indian mineral owners include:

C Accelerated availability of money to Indian recipients;

C Dramatic reduction in RMP business cycle from 6 to 3 years which will ensure more rapid identification and efficient collection of royalty underpayments.

C Improved focus and effectiveness of compliance activities on Indian lands by changing to a property and producing area approach. This will permit the acquisition of detailed knowledge of production-area-specific factors that impact Indian royalty calculations such as majority price determinations and dual accounting for processed gas sales;

C More detailed information will be collected regarding Indian oil and gas production dispositions. This will be accomplished by converting from the MMS Form 3160 to the MMS Form 4054, Oil and Gas Operations Report. Additional information collected through this change will better support verification work to assure that royalties have been paid on all lease production volumes.

C Modernized automated systems and data structures that can be configured for use at multiple sites with varying operational size and complexity. This capability will -

- facilitate delegation, compacting, and contracting by Tribes, and
- provide substantially improved data access, analytical capability and assurance of continued systems reliability;

C There may also be potential for additional detail over current royalty reporting if we are able to accommodate well-level financial reporting versus the current lease-agreement level reporting. Several Indian Tribes have identified circumstances where well level sales valuation and payout status determination is necessary to correctly calculate and validate production royalty payments. However, we are still looking carefully at the associated costs and benefits.

IV Relationship to the Reform Act of 1994

The Reform Act Section 303(b) (4) directs the Special Trustee to insure that MMS maintains effective policies and procedures to enforce Indian land lessee compliance with timely and accurate lease production reporting and revenue payment requirements. The MMS reengineering effort and associated performance measures are designed to improve reporting timeliness and accuracy.

V Relationship to other Subprojects

Information that is generated by the MMS Royalty Management Program will be utilized by TFAS for Individual Indian and Tribal accounts and accounting. The MMS effort will be affected by Records

Management, Policy and Procedure and Internal Control subproject reforms and actions.

VI. Estimated Subproject Budget

The estimated subproject budget for this effort is depicted in the table below.

SUBPROJECT BUDGET MMS System Reengineering				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	--	1.0	3.0	3.0

The July 1998 High Level Implementation Plan anticipated a one-time funding request by the Department and the President of $4.7 million for FY 2000, to support systems installations to occur during FY 2000 and FY 2001. The President's FY 2000 budget request forwarded to the Congress included funding of 3.0 million for FY 2000. The remainder of the needed funding is expected in the FY 2001 budget request. Total estimated funding has been adjusted based on the award of the financial systems contract.

VII Subproject Action Plan

A. Initiate Program-Wide Reengineering with Full-Time Design Team

In April 1996, the RMP undertook a reengineering initiative to address its compliance processes and strategies and determine the best approach for accomplishing future goals and objectives. A decision was made April 1, 1997, to go beyond compliance reengineering and address all of the core business processes of the RMP. A Project Office was established and a multi-disciplinary design team was assembled and trained for this task. *This task was completed on schedule on April 30, 1997.*

B. Identify Processes for Business Process Review

The reengineering team examined the current RMP business environment and focused its efforts on all core business processes within mission critical operations. Administrative support processes are excluded. The team identified two core business processes that the RMP will operate to accomplish its mission objectives in the future: Financial Management and Compliance and Asset Management. *The identification of processes for business process review was completed May 31, 1997.*

C. Benchmark the Processes

The reengineering team conducted extensive benchmark surveys of other public and private enterprises within and outside the United States to identify the "best practices" for consideration in the

design of future RMP processes. More than 30 organizations were included in the benchmarking effort. This task was largely completed in December 1997, but represents a continuing activity as additional areas of opportunity for process improvement are brought to light. *This task is ongoing.*

D. Map Processes

The reengineering design team examined the current RMP business environment with an intensive mapping of its "as-is" process. This was augmented by Performance Engineering Corporation's (PEC) in-depth assessment of the automation infrastructure supporting the existing business processes. *The design team completed mapping the processes on July 11, 1997.*

E. Obtain Customer / Constituency Input

As part of this effort, the following organizations are consulted on an ongoing basis:

- State and Tribal Royalty Audit Committee
- Royalty Policy Committee
- Council of Petroleum Accounting Societies
- BLM
- BIA
- MMS Offshore Minerals Management

Partnerships have been formed with leading oil and gas and solid mineral companies to jointly explore ways to exchange information and advance new reporting and operational procedures.

Customer and constituency input has been gained across a broad front during the Initiative. MMS will continue its aggressive communications strategy to gain further input as the Initiative progresses to completion and thereafter.

F. Complete Preliminary Design Document and Gain Decision to Proceed

Development of the preliminary design concepts was guided by design parameters and performance goals defined by RMP senior managers. Specifically, future systems processes were to be capable of:

- Supporting the collection of royalties both in-cash and in-kind.
- Supporting delegated activities related to royalty administration.
- Permitting the use of a variety of methodologies to value production.
- Permitting RMP to provide related financial services for other customers through franchising arrangements.

Performance goals determined were:

- Assuring compliance with applicable laws, lease terms and regulations for all leases in the shortest possible time, but no later than 3 years from the due date.
- Providing revenue recipients with access to

their money within 24 hours of the due date.

The design team was also guided by the following parameters in development of work:

- Current laws continue to apply.
- RMP regulations can be changed.
- New work processes should cost less than the current equivalent mission costs.

With the completion of the preliminary design concepts, the design team identified key issues in three areas that needed to be addressed to achieve the performance stretch goals and parameters envisioned: organization and business processes, automation infrastructure and information needs. *MMS issued the Preliminary Design Concepts Report of the RMP Reengineering Team in March 1998.*

G. Complete Prototyping and Pilot Testing

Based on the findings and recommendations presented in the Preliminary Design Concepts Report, the design team continues to analyze and test many of the concepts and technologies through prototyping and piloting. With the pilot and prototype work completed, the RMP initiated the operational model phase in which future compliance processes are being applied in a "live" environment with operational responsibility for subsets of the lease universe being transferred from the existing RMP organization to the model teams.

The RMP currently has four operational models in place: Onshore Oil and Gas, Offshore Oil and Gas, Jicarilla Apache, and Solid Minerals. The Onshore Model Team includes representatives from the Ute Tribe, the States of Colorado and Utah, and the MMS. The Solid Minerals Model Team includes representatives from the Navajo Tribe, the Crow Tribe, the States of Colorado, Utah, Wyoming and Montana, and MMS. The Jicarilla Model Team includes representatives from the Jicarilla Tribe and MMS. The Offshore Model Team includes representatives from MMS. *Piloting and prototyping was completed in August 1998. The operational model phase commenced in November 1998 and will continue and expand through FY 2001 implementation.*

H. Complete Project Capital Investment Plan and Independent Verification and Validation

The MMS RMP Capital Asset Plan and Justification (Plan) were prepared in conformance with Office of Management and Budget Circular A-11, Part 3, 300b guidelines for planning, budgeting, and acquisition of capital assets. Productive Data Solutions, Inc. (PDS) performed an independent validation and verification study of the RMP reengineering project. PDS reaffirmed the premise that the planned reengineering of the RMP

support systems can be brought effectively to completion in the forecasted time and given the specified budget. The conclusions of PDS were predicated on RMP's close adherence to defined process management, to the close monitoring of project execution, and awareness of various issues outlined in the PDS report. *This task was completed in September 1998.*

I. Implementation Plans Issued

The implementation plan, Road Map to the 21st Century, has been prepared to place the reengineering concepts and recommendations on the implementation path and guide RMP through the necessary organizational transformation. The Road Map sets forth more than 50 major action elements that must be successfully planned, staffed, and executed over a 3-year period to achieve the desired RMP performance goals.

The Road Map to the 21st Century is premised on extensive employee, customer, and stakeholder involvement, partnerships with clientele, and proactive outreach and communications with all who are engaged in the implementation process. The Road Map's action elements will also bring forth state-of-the-art information technologies and solutions designed to more fully utilize the talents of the RMP workforce, broaden individual job responsibilities, and position the future RMP as the best in class of service.

To effectively manage the action elements set forth in the Road Map, RMP developed the RMP Reengineering Project Plan to track 14 subprojects and all of the associated tasks and dependencies. Progress is monitored continuously by RMP senior management and progress reviews are conducted on a monthly basis.*The Road Map to the 21st Century was completed in November 1998.*

J. Implement Process Leading to Award of Financial System Contract and Complete Development and Installation

RMP has implemented a contracting strategy that features a two-phased contract award process. The first of the two RMP modules to be contracted will be the financial module that includes a COTS-based financial and accounting system, a relational database management system and an incremental "spiral" development plan for subsequent applications. In preparation for requesting proposals for the financial module, RMP invited industry to submit capability statements. Evaluation of these submissions identified proposals with the highest probability to succeed.

Requests for Proposals were received from four vendors on June 2, 1999. An RMP Technical Performance Evaluation Committee (TPEC) completed evaluation of the proposals on July 9, 1999. In addition to the TPEC, RMP hired an independent company to assist in the independent

functional validation of the commercial-off-the-shelf components of the proposals. *Technical evaluations were completed on July 23, 1999 and the Financial System development contract was awarded on September 23, 1999.*

K. Financial System Development Consistent with Deliverables Schedule and Transition and Training Strategies

The contract for the development of the Financial System will be monitored for consistency with the contract deliverables schedule and transition and training strategies.

The Financial System development mobilization began October 1999 under a 120 day activity plan. During this phase the contractor completed tasks necessary to establish the technical resource base for design and development, further define functional requirements, prepare for COTS fits analysis, and complete the overall project plan for the duration of the development effort.

The Financial Contract Management Plan and schedule for development deliverables was completed January 31, 2000. This plan comprehensively addresses the development and implementation effort which will include an independent validation of the MMS interfaces with TAAMS/TFAS. Important milestones within the plan include

- C Completion of the COTS fit analysis;
- C Completion of the general and detailed application design;
- C Building and testing the application components;
- C Designing, building and testing data conversion; and
- C Planning and executing the functional and performance acceptance test.

L. Complete Development and Delivery of Financial System, Relational Data Base Management System and Related Modules

The COTS-based financial system, relational data base management system and related modules are expected to be completed and delivered for operation September 30, 2001.

M. Award Compliance System Contract and Complete Development and Installation

Concurrently with the development and award of the Financial System contract, work will proceed on the compliance module. Requirements are being further

defined by the Operational Models. Staff from RMP and the current on-site contractor, PEC, have teamed in a separate effort to support the Operational Models' testing and process refinement activities. By the end of FY 2000, the compliance module will be ready for development.

MMS is continuing to evolve its contracting strategy regarding the compliance system. As the financial system is developed, it may provide useful tools and a foundation for the compliance arena, possibly precluding the need for a separate contract. We will make that decision as the financial system is developed. *The development and implementation plan for the compliance system is expected to be available within 120 days of contract award.*

N. Complete Development and Delivery of Compliance System

The development of the compliance system will be monitored for consistency with the contract deliverables schedule as well as MMS organizational transition and training strategies. *The compliance system is expected to be completed and delivered September 30, 2001.*

8. RECORDS MANAGEMENT

I Responsible Official

The responsible official for this subproject is the Special Trustee for American Indians. Ken Rossman, Director, Office of Trust Litigation Support and Records (OTSLR), OST, is the subproject manager.

II Statement of the Problem.

The inadequacies of Indian trust records have been well documented in Congressional reports, legal documents and testimony, the Special Trustee's Strategic Plan, various audits and oversight reports, including those of the National Archives and Records Administration (NARA), and in the media. Among the primary obstacles to improving the Indian trust management program and complying with the *American Indian Trust Management Reform Act of 1994* are the poor records and record keeping systems of the Bureau of Indian Affairs. The decentralization of the Bureau and varying conditions at its offices have resulted in a complex record keeping environment, even as reliance on its records has increased. Attempts in the early 1990s to correct these problems were insufficient, inconsistent, and cut short by reductions in resources. Since Secretarial Order 3197 transferred the financial trust services function from BIA to the OST in February 1996, some of the deficiencies apply to OST as well.

III Statement of Objectives and Outcomes.

The objective of the Records Management subproject is to implement a unified records management solution for Interior trust records involving OST, BIA, MMS, BLM, OHA and other participating DOI Offices. This includes a number of specified actions and reforms covering the full range of records issues including program management, records retention and storage, training, and electronic records.

In its 1990 report, NARA cited the following major deficiencies in the Bureau of Indian Affairs records management program; all are addressed in this subproject:

- C Inadequate response to serious problems identified by previous NARA evaluations;
- C Continued mistreatment of permanent records maintained by Land Title and Records Offices;
- C Insufficient records management staff at the headquarters level and an inconsistent assignment of records management staff and their associated duties throughout headquarters and field operations;
- C Lack of a cohesive network of professionals to administer the records management program;
- C Inadequate management involvement in implementing the Bureau's (and the

Department's) regulations relating to records management;

- C Failure to carry out the provisions of the Indian Self Determination Act (PL 93-638) by not providing systems and resources for tribal organizations to properly manage Federal records;
- C Inadequate records management training;
- C Inconsistent application of filing methods and approved disposition instructions;
- C Lack of a program of internal records management evaluations;
- C Poor communications among records management staff members, records custodians and program offices;
- C Large volumes of inactive records (many of which are permanently valuable or are potentially permanent) maintained in agency space, some under adverse environmental conditions.

The initial planning assumptions, subject to continuous review by the Department and the National Archives and Records Administration (NARA), include:

- C Shared budgetary resources directed to a single, joint records operations solution, which will likely include shared staff and facilities;
- C Cost effective, workable solutions to temporary records handling, storage, and retrieval, which relies on the use of contractor assistance and NARA as fully as possible;
- C Cost efficient temporary physical storage facilities pending accession to NARA, Federal Records Centers, and Archives;
- C Appropriate preservation and safeguarding of records from loss, damage, destruction and unauthorized access;
- C Provision of training, guidance, and oversight of records in the Office of Trust Funds (OST) and the Bureau of Indian Affairs (BIA) trust operations under a joint operations concept.

The management of the subproject is centered principally in Albuquerque, New Mexico and in Washington, D.C., but extends to the various Bureaus and Offices of the Department engaged in any aspect of the management of Indian assets held in trust.

An Indian Affairs Records Management Steering Committee consisting of the Assistant Secretary - Policy, Management and Budget; the Assistant Secretary – Indian Affairs; and the Special Trustee for American Indians has been established to oversee the Indian Affairs Records Management program.

IV Relationship to Reform Act of 1994

The Records Management subproject is essential to providing accurate and reliable information to account holders. This effort specifically addresses the following requirements of the Reform Act:

- C Providing adequate systems for accounting for and reporting trust fund balances;
- C Providing adequate controls over receipts and disbursements;
- C Providing periodic, timely reconciliations to

assure the accuracy of accounts;

C Determining accurate cash balances;
C Preparing and supplying account holders with periodic statements of their account performance and with balances of their account which shall be available on a daily basis;

C Establishing consistent, written policies and procedures for trust fund management and accounting;

C Providing adequate staffing, supervision, and training for trust fund management and accounting;

C Appropriately managing the natural resources located within the boundaries of Indian reservations and trust lands;

C Properly accounting for and investing, as well as maximizing, in a manner consistent with the statutory restrictions imposed on the Secretary's investment options, the return on the investment of all trust fund monies;

C Preparing accurate and timely reports to account holders (and others, as required) on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts;

C Maintaining complete, accurate and timely data regarding the ownership and lease of Indian lands.

V Relationship to Other HLIP Projects.

The Records Management subproject supports the OST and BIA Data Cleanup projects, the TFAS, TAAMS and MMS Reengineering projects, the Probate subproject, and the Training, Policies and Procedures and Internal Control subprojects.

VI Subproject Budget.

The estimated subproject budget for this effort follows:

SUBPROJECT BUDGET Records Management				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	.8	1.5	9.6	8.0

VII Subproject Action Plan

The particular tasks and milestones necessary to successfully complete this subproject are outlined in the following items.

A. Establish OST/BIA Working Group to Coordinate Joint Records Solution

This task was completed on February 11, 1998, through a joint BIA/OST memorandum appointing the Records Management Working Group. This document directed the Working Group to formulate and present to OST, BIA management, and the Department's CIO plans and budgets for accomplishing the tasks and actions necessary to meet this

subproject's goals and objectives.

B. Transfer Responsibility for Trust Financial Records from BIA to OST

This task comprises the initial work undertaken by the BIA/OST Working Group, and was *completed on March 5, 1998.* The chosen method of transfer was a series of three memoranda and letters addressed from BIA to the Special Trustee, NARA, and the Indian Trust Accounting Division, parties presently in possession and control of financial trust records. These parties were advised that the records were to be transferred to the legal custody of the OST. The BIA authorized OST to transfer and access all financial trust-related records identified in the 16 BIAM, BIA Record Schedule, Appendix 1, series 4800 and 4850 (Trust Funds and IIM).

C. Develop Joint Procedures for Records Access

Joint procedures for access to trust-related records are spelled out in the BIA/OST Memorandum of Understanding developed between OST and BIA that was completed on June 9, 1998. In May 1999 OST and BIA programs were consolidated under the authority of the Director, OTLSR.

D. Develop Agreement between OST and BIA on Records Operations

OST and BIA completed a Records Management Memorandum of Understanding on June 9, 1998. The MOU established requirements to maintain Indian records based on the trust responsibility and fiduciary trust concepts. These requirements, to include separate BIA and OST records schedules that accurately define trust-related records, were established so that trust records are preserved for the appropriate periods to ensure fiduciary trust accountability to Tribes and individual Indians. The MOU also provided for the transfer of financial trust records from BIA to OST, identified all trust-related records, based on 16 BIAM; and detailed the joint goals and objectives of the program.

E. Prepare Plan for Records Imaging Technology; Obtain Approval

OST prepared a plan and received approval for a records imaging program on June 30, 1998. This program was based on sound electronic records practices and complies with NARA and DOI policies and standards for the creation, maintenance, and disposition of electronic records.

F. Commence Records Imaging Efforts

Imaging began in June 1998 pursuant to an agreement entered into with Native American Systems (subsequently through an independent agreement with the subcontractor Lason) as a pilot project to scan and image IIM jacket folder documents. *More than two million documents were imaged through September 30, 1999.* Following the lessons learned in this largely successful pilot, the effort has been expanded in scope. The indexing scheme, retrieval capabilities, and overall efficiency of the system are being improved and efforts are underway to obtain contractual services to image selected OST trust financial documents.

G. Initiate Development of Respective Records Control Schedules

OST and BIA developed separate Records Control Schedules, Freedom of Information Act operations, and Privacy Act Systems of Records. Coordinators for the latter two of these functions are designated at Region/Agency/Office locations responsible for daily operations. Records liaisons are designated for program offices at all locations where OST and BIA records are created, maintained, and disposed. *Initial draft records schedules were developed and submitted to OST and BIA management, and the CIO, in September 1998. They are under further development by the Director, OTSLR (see Section DD.)*

H. Develop an Agreed-Upon Approach to Indian Trust Records Management

The Assistant Secretary – Policy, Management and Budget, approved an action memorandum for an agreed upon approach to trust records management on *May 19, 1999*, as recommended by the Assistant Secretary – Indian Affairs, and the Acting Special Trustee for American Indians. This implementation plan was based on an evaluation and report prepared by an experienced, independent Federal records manager during the period October 13, 1998 - January 4, 1999. The report made 21 recommendations, each of which was approved, some with modifications, in the May 19 action plan. The recommen-dations are incorporated into this subproject.

I. Eliminate Existing Disposition Backlog at BIA Locations

A three-year project to cleanup the backlog of records stored at BIA and OST locations was initiated in May 1999. As a first step,

in May-June 1999, a preliminary survey was taken to determine sites with particular records storage problems or where records were particularly at risk. This information was supplemented by site visit reports from the Special Master in Cobell v. Babbitt in April and again in November 1999. The IARM staff conducted a survey from November 1999 through February 2000, to acquire additional first hand reports. Records management specialists were sent to some sites to implement cleanup because of these findings. The Bureau of Indian Affairs also required a detailed report on records storage conditions from each superintendent and each regional director in December 1999, (see Section Q) and records management specialists participated in this information gathering in three regions. All of this information is being used to establish priorities for the long-range cleanup. It has also been used to take immediate remedial action, for example, at Zuni, Anadarko, and Fort Totten. This task calls for records management specialists to visit every office to identify needs and implement the steps to complete an inventory of all records at hand and to recommend and implement specific actions needed to safeguard their preservation or to carry out properly authorized disposition. *Completion is expected by May 2002.*

J. Complete Systematic Centralization of OST Financial Trust Records

This project was initiated in 1996. It involves the on-site retrieval of OST financial trust records from OST offices and BIA areas and agencies. Combined with the IIM administrative jacket folders brought to Albuquerque by the Office of Trust Funds Management in 1997 - 1999, more than 19,000 boxes of IIM trust records (47.5 million pages) are now in proper storage and inventoried in Albuquerque. *The systematic centralization of trust financial records was completed on October 8, 1999*, with the exception of 4 agencies referenced below. Additional trust financial documents may be located as a result of other activities including this subproject (for example, the inventory and cleanup tasks). In addition, on-going documentation (i.e., new trust financial records) will be periodically transferred from the field to the OST records facilities.

K. Hire Records Management Specialists

An integral part of the reform effort is to develop a cohesive corps of trained records management professionals to serve both BIA and OST. The Indian Affairs Records Management program has selected 12 new records specialists to serve as the core team members of this project. The vacancy announcement for these positions was posted in June 1999. *The last of the 12 new record specialists was hired and reported for duty in January 2000.*

L. Develop and Issue BIA/OST Records Manuals, Training Aids and Provide Technical Assistance

The task, which was initiated in June 1999, calls for technical assistance and consultation to assist record keepers and their managers. These services would be delivered on-site, by telephone, by email, on the Internet, and through a series of publications - including manuals, training aids, quick guides, and other information. To date, records management personnel have visited more than 30 offices in the Rocky Mountain, Anadarko, Western, Eastern Oklahoma, Navajo, Northwest, and Southwest Regions and provided on-site training and technical assistance. Tribes, such as Umatilla, which have visited OST facilities, have received technical assistance and training on records issues such as imaging, storage, and records maintenance. *All regions, agencies, and offices are expected to be provided on-site technical assistance by December 2001.*

M. Train Records Staff and Trust-Related Program Personnel

Formal training with the assistance of the National Archives and Records Administration began in January 2000. Training for personnel with specified records management responsibilities in OST and at BIA regional and agency offices is scheduled to be provided by April 30, 2000. Additional records training is expected to be initiated and will include all BIA and OST personnel, by December 2001.

N. Lift BIA Moratorium on Retiring Records to the Federal Records Centers

In 1996, apparently as the result of uncertainty over the validity of certain trust records retention schedules, the Bureau of Indian Affairs imposed a moratorium on the transfer of all records to Federal Records Centers (FRC). The moratorium has compounded the records storage problems of the Bureau. It has prevented the agency from transferring records no longer needed in agency space to secure FRC storage, where records are not only properly maintained but inventories are kept for better access. The concern about the destruction of records while in NARA custody was eliminated by working with NARA to freeze the destruction of all BIA records pending revised records schedules. This was done on June 16, 1999, by letter to the National Archives and Records Administration. Further, on October 1, 1999, NARA changed its own procedures to require positive agency action before the destroying any records in its custody. NARA began accepting records late in 1999. Following the hiring and training of a

records management staff to properly administer the process, BIA and OST will be formally notified of the complete lifting of the moratorium *in March 2000.*

O. Resolve Jacket Folder Retention / Production Issues with Tribes

Three Tribes have registered objections to removal of the active IIM jacket folders to Albuquerque for cleanup by DataCom Sciences, Inc., and storage in OST records centers. Tribal leadership cite previous problems when valuable files were removed from the Agency. The three Tribes are the Pine Ridge Agency 9Oglala Sioux Tribe), Standing Rock Agency (Standing Rock Sioux Tribe), and Umatilla Agency (Confederated Tribes of the Umatilla Indian Reservation). A fourth Tribe, Red Lake (Red lake Band of Chippewa Indians of Minnesota), retains trust financial records but not IIM jacket folders. Attempts to date to reach a suitable, mutually agreeable solution that meets the operational needs of both the Tribes and the Department have not been successful. *Discussions have taken place, but as yet, no resolution has occurred.*

P. Analyze Records Storage Requirements.

The systematic centralization and cleanup of OST financial records in the field is completed but for the four aforementioned Tribes. A limited number of additional records are likely to be found during subsequent visits and searches attendant to activities involving other subprojects. These records are being sent to the OST records centers in Albuquerque when found, as is new documentation on an on-going basis. For BIA records, centralization is not contemplated, but NARA and commercial records center storage will be utilized. The records management program will also recommend and implement, where possible, improvements in local facilities for the storage of current operating records. *This project was initiated in November 1999 and is expected to be completed by December 31, 2001.*

Q. Survey of Trust Records Retention and Safeguarding

In a memorandum to the BIA Agency Superintendents dated November 18, 1999, the AS-IA required the BIA Agency Superintendents to provide a detailed written report to their respective Regional Director outlining the steps that had been taken to safeguard trust records. The Superintendents were to provide their written assurance that they would continue to take appropriate action to preserve and safeguard trust records. The Regional Directors were required to provide a similar written certification to the Deputy Commissioner. IARM staff worked directly with three BIA regions in completing this

task. Taken together with the telephone survey (see Section I), these reports are helping establish IARM priorities. They also increased the awareness of the importance of correcting records storage deficiencies among managers and staff nationwide well beyond that previously achieved. *These reports were completed by December 31, 1999.*

R. Establish Advisory Committee on Records

The long-term neglect of Indian Affairs records suggests the need for continuing external oversight. Accordingly, a high level committee of interested parties will be established to review, advise and make recommendations on Indian Affairs records. Pending final approval of the proposal by the Records Management Steering Committee in May 2000, a charter will be drafted and prospective members identified according to standard Department procedures. *The membership of the committee will be selected by August 2000.*

S. Establish Life Cycle Database (Inventory) for Trust and Other Records

The systematic inventory of tens, if not hundreds, of thousands of boxes and cabinets containing records is the only means by which the safeguarding of trust and all other records can be reasonably assured. Until all records are identified and categorized, the potential for misplaced or inappropriately stored trust records continues to exist. The IARM plans to have a contractor develop a single, comprehensive nationwide records inventory to include both active and inactive (retired) records. This inventory will be used for various records management controls including research and monitoring of records retirement. Data to complete the inventory will be supplied by BIA and OST personnel, IARM staff, NARA employees as part of their Targeted Assistance program, and contractors. Much data for the inventory already exists; i.e., the OST records centers and the NARA 01 report. *The inventory data base package will be selected by May 2000. The data is expected to be completed by December 2001.*

T. Establish Evaluation Teams and Begin Cyclic Evaluations of Records Programs

One of the recommendations of the National Archives and Records Administration in its 1990 evaluation and report was that BIA establish cyclic reviews of the records management program. As a result, the IARM program will establish cyclic reviews of records management programs at all levels. *The reviews are scheduled to commence by April 2000 and*

continue thereafter on a recurring, systematic basis.

U. Initiate Training and Technical Assistance for Compacted and Contracted Trust Records

Tribes conducting federal trust programs and managing the resulting records need to receive the same records management training as government employees. This training will be concurrent with staff on-site visits to BIA agencies and OST/OTFM field offices for records cleanup, training, and review. Whenever possible, staff will visit tribal offices to review any Public Law 93-638 contract/compact records. Information will be provided to the tribes regarding the life cycle of records including storage information, e.g., environmental standards and names of available local commercial storage vendors or NARA Federal records centers. *This work began in December 1999, and will be ongoing.*

V. Initiate Study of BIA Records Imaging Requirements

A study of BIA records imaging requirements will establish which records should be imaged, and for what purpose, and determine whether this project will be centralized, or performed on site. Potential contractors, i.e., Tribes and commercial vendors, will also be identified. Departmental approval for the project will be obtained upon completion of the Technology Investment Analysis. *The study is expected to begin not later than December 2000.*

W. Initiate Action to Replace Historical Records with Working Copies

Historically valuable, one-of-a-kind documents are being used in the course of everyday business, for example, in LTRO's. The reliance on these documents, some of them more than a century old, should cease, as further use weakens their condition and jeopardizes their value, both as part of the nation's documentary heritage and as records needed for current business. The IARM program will recommend steps to replace these with suitable working copies; e.g., imaging, Geographic Information Systems (GIS), or electrostatic copying. *This task is expected to begin, as a specific part of the records cleanup, by May 2000 and is expected to be completed by May 2002.*

X. Review Trust Records Policies and Procedures with MMS, BLM and OHA and Establish Continuing Dialogue

The IARM program will work with other DOI bureaus that manage Indian trust records. The purpose is to standardize procedures for managing Indian trust records throughout the Department. Ongoing communication with these organizations will occur through telephone interviews, on-site visits, and reviews of published documents on the DOI website. *This effort is expected to begin by February 29, 2000.*

Y. Award New Contract for OST Imaging

Electronic imaging is one of many solutions to Indian trust records management and retrieval deficiencies. OST has an approved imaging project for an estimated 18 million trust financial documents (see Sections E and F). The RFP is currently being completed for final review and approval. *Pending CIO approval, the projected date of award is scheduled for July 1, 2000.*

Z. Publish Proposed Regulations for Contracted and Compacted Trust Records

A Federal record is any document that "preserves…the organization, functions, policies, decisions, procedures and essential transactions of the agency to…protect the legal and financial rights of the government and (the public)" (44 U.S.C. 3101). The status of Public Law 93-638 records need clarification, i.e., records of tribal contractors and compacted programs are not considered Federal records, yet the Secretary retains fiduciary trust responsibility. The issue of ownership as well as standardized protection of 638 records must be resolved.

*By December 31, 2000, the Department is expected to resolve any discrepancy regarding the status of the records and, to the extent permitted by statute, draft proposed regulations for managing records produced under a P.L. 93-638 contract and self-governance compact*s. This will be coordinated with the Policies and Procedures subproject.

AA. Complete Plan to Comply with Electronic Records Requirements

IARM is responsible for ensuring that BIA and OST comply with all Federal electronic records requirements. This includes scheduling the disposition of electronic records with major database systems, as well as electronic source documents and Email. This work will involve on-site visits at selected OST and BIA locations. *This project to assure compliance is scheduled to begin in March 2000, and is scheduled for completion within one year. This will be a continuing requirement thereafter.*

BB. Complete Vital Records Plan

Records are a vital resource. Unlike other resources, many records are unique, and once lost or destroyed, they often cannot be recovered. The Department needs to plan for potentially hazardous impacts to records, including electronic records, and must establish and maintain a vital records program as outlined in the *Vital Records and Records Disaster Mitigation and Recovery, An Instructional Guide,* National Archives and Records Administration, 1996. *A plan for complying with these NARA standards is scheduled for completion by April 2001.*

CC. Publish Trust Records Instructional Guide in Conjunction with MMS, BLM and OHA

This publication is intended to provide the history of trust record keeping and describe each bureau's trust records. It will establish standardized trust record policies and procedures within the Department of the Interior. It will be a user-friendly document that can be used as a desk guide by all levels of the organization. After visits to various levels of these organizations, this document will be developed by the IARM staff, and disseminated to required organizations. *This project is expected to be completed by December 31, 2000.* It will be coordinated with the Policies and Procedures subproject.

DD. Complete Submission of Records Control Schedules to NARA

The IARM program will submit various OST and BIA records schedules to NARA in segments as soon as completed and internally approved. For the reform effort, this means chapter by chapter (for example, Finance, Facilities Management, Forestry, etc.). While the approach is incremental, the coverage is comprehensive. *All trust related records schedules are expected to be submitted to NARA by June 30, 2001.*

EE. Establish Pilot Project(s) for Electronic Record Keeping

To be most effective, a records management program should deal with past, present and also future records. The program should be structured to insure that modern information technology incorporates essential record keeping requirements and facilitates long-term and external uses of the records. As part of the trust records reform effort, this

subproject task will seek to realize, through pilot projects, innovative approaches to electronic document management or electronic document interchange. One example would be a test of a selected COTS product meeting government standards (DOD 5015.2) for the electronic management of email documents Another is the use of an electronic work ticket to facilitate data entry into TFAS and indexing related document images. *One or more of these projects is expected to begin in December 2000*, *with one or more additional pilot projects scheduled to start by December* 2001.

FF. Complete Analysis of BIA Records Imaging Requirements

The analysis of which documents are appropriate for imaging will be finalized as the information is gathered during other tasks of this subproject (see Section V). Recommendations, cost benefit analysis, and Technology Investment Analysis will be the concluding deliverables. More than one imaging project may be considered. *The first of these studies is expected to be done by December, 2000.*

GG. Complete Analysis of Records Storage Requirements

The analysis of present and future records storage requirements for the BIA (See Item Q) will follow from the completion of the records inventory (Section S) and the near completion of the project to cleanup the existing disposition backlog (Section I). A study of the appropriate long-term storage for OST financial records will also be completed. *This project will be completed by December 31, 2001.*

HH. Complete Project to Clean Up Existing Disposition Backlog at BIA

The BIA cleanup project began in May of 1999. *It is expected to be completed by May 2002.*

9. POLICIES AND PROCEDURES

I Responsible Official.

The responsible official is the Deputy Commissioner for Indian Affairs. Arthur Gary, Project Director, in the Office of the Assistant Secretary - Indian Affairs is responsible for coordinating this subproject.

II Statement of the Problem.

Proper management of Indian trust assets has been hampered by a lack of comprehensive, consistent, up-to-date regulations, policies, and procedures covering the entire trust cycle, from management of trust assets to distribution of trust income. Additionally, contemporary federal environmental protection statutes have placed agencies with little direct previous experience in managing Indian trust resources in the position of significantly affecting the use and disposition of Indian trust resources. This has resulted in program gaps and divergent practices, and a corresponding inability to ensure that consistent, sound policies and procedures are applied across the Department in its fulfillment of its trust responsibility. Moreover, there is a need for a comprehensive review of statutory and regulatory authorities and internal program guidance (such as procedural manuals or interagency agreements) to determine the need for revisions and/or the generation of new guidance.

III Statement of Objectives and Outcomes.

C Trust principles for Departmental management of Indian natural resources and trust funds will be developed and issued.

C Current regulatory provisions for Indian trust programs will be reviewed and revised as necessary to ensure the fulfillment of the Secretary's trust responsibility.

C Legislation will be proposed to modernize and clarify ambiguous and outdated statutes governing trust programs, to enact new provisions where statutory guidance is essential, to harmonize inconsistent provisions, and to repeal outdated or unnecessary provisions.

C Internal program guidance related to the management of trust programs within and among all affected Departmental bureaus and offices will be reviewed and revised as necessary.

IV Relationship to 1994 Reform Act.

The Reform Act requires that the policies, procedures, practices, and systems of the Bureau of Indian Affairs, the Bureau of Land Management, and the Minerals Management Service that are related to the discharge of the Secretary's trust responsibilities are coordinated, consistent,

and integrated. The Act further requires "comprehensive and coordinated written policies and procedures for each phase of the trust management business cycle." This subproject is being undertaken to meet these statutory requirements.

The Secretary also performs trustee functions through other bureaus and offices. Thus, this subproject requires the coordination of key policy officials from the Bureau of Indian Affairs, Office of the Special Trustee, Office of Hearings and Appeals, Minerals Management Service, Office of Surface Mining; Bureau of Land Management, Bureau of Reclamation, U.S. Fish and Wildlife Service, National Park Service and the U.S. Geological Survey.

V Relationship to other Subprojects

The Policies and Procedures subproject works with most of the other HLIP subprojects to coordinate the development or revision of regulations, statutes, and internal guidance. The subproject will work with the Probate Backlog, Appraisal Backlog, Trust Funds Accounting Systems, Trust Asset and Accounting Management System, Records Management, Training and Internal Controls subprojects.

VI Subproject Budget.

The estimated subproject budget is shown below.

SUBPROJECT BUDGET Policies and Procedures				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	---	---	1.0	1.0

VII Subproject Action Plan.

A. Designate Department-Level Subproject Director and Transfer Subproject from the Office of the Special Trustee to BIA

***Subproject Realignment from OST to BIA*:** In August 1999 responsibility for this subproject was transferred from OST to BIA, recognizing that a majority of the policy and procedures issues remaining after the development of TFAS pertain to BIA programs and staff. *Transfer was completed in August 1999*

***Staffing of Subproject*:** The subproject will require sufficient staff to plan and coordinate the execution of project tasks in concert with officials of Departmental bureaus and offices that perform trust functions as enumerated in Section IV. Because the analysis and revision of trust policies and procedures will require

coordination of the review of statutes, regulations and internal directives, the Department sought a director for the subproject with extensive experience in such matters at the Departmental level. The subproject office is being staffed by individuals experienced in Indian trust programs, legal issues, and/or analysis and coordination of governmental programs. The subproject director and staff will work with responsible officials in each affected bureau and office to ensure that the goals of the subproject are met. *The subproject's director was selected in August 1999. Completion of staffing is expected by June 2000*.

B. Develop Trust Principles for Departmental Management of Indian Natural Resources and Trust and Restricted Funds

The nature and scope of the federal trust responsibility to Tribes and individual Indians is not static, but rather continues to evolve. The Department will articulate the trust principles it will apply in the review of statutes, regulations, and internal program guidance governing management of its trust resources to ensure that they are consistent and properly integrated across the Department.

The subproject office will coordinate the development of the trust principles for issuance by the Department. Each affected office and bureau will use the trust principles as guidance for the identification, analysis and revision of its respective trust policies and procedures, in accordance with Sections D, E, and F of this subproject.

a. *The initial draft of trust principles was completed in November 1999.*

b. *Tribal consultations were conducted in December 1999.*

c. *Revise, finalize and obtain Departmental clearance. Completion is expected by April 2000.*

C. Develop Departmental Regulatory Initiatives for 2000

1. BIA: After conducting a preliminary analysis of BIA trust programs in November 1999, BIA program directors and regional directors identified four priority areas of trust resource management for regulatory revision in Calendar Year 2000 (designated as the "first tier"):

- Leasing and Permitting
- Grazing
- Probate
- Tribal and Individual Funds Held in Trust

The BIA analyzed the four priority trust programs for regulatory review and revision using the initial draft trust principles and the comments on the draft received through tribal consultations. *Preliminary policy direction on issues raised during the regulatory drafting process was provided by*

the Assistant Secretary - Indian Affairs, the Deputy Commissioner of Indian Affairs, and the Principal Deputy Special Trustee in February 2000.

- C Conduct tribal consultations through the National Congress of American Indians (NCAI) tribal leaders task force on trust policy and through local meetings conducted by BIA regional directors and/or agency superintendents.

- C Publish proposed rules for first tier of revisions to trust regulations listed above. *Completion expected by June 2000.*

- C After close of public comment period, BIA will review and consider comments and amend regulations as appropriate.

- C Publish final rules. *Completion expected by December 2000.*

After the first tier regulations have been published, the BIA, in consultation with tribes, will evaluate and determine those areas that will be included in successive tiers of revisions of regulations and internal program guidance as outlined in Section G(1). Following this determination, a report will be sent to the Trust Policies and Procedures Council by March 2001.

2. MMS: In Spring of 2000, MMS expects to publish a final rule that will modify existing regulations for valuing oil produced from Indian leases by decreasing the reliance on posted oil prices. MMS initially proposed the rule on February 28, 1998, and modified that proposal on January 5, 2000. The comment period will close on March 6, 2000. After completing the analysis under paragraphs E and F, MMS may schedule additional revisions to its regulations.

3. OHA: By April 30, 2000, OHA will identify those portions of its regulations that need to be revised as interim final rules to accommodate the BIA's assumption of jurisdiction over certain probate cases, which is part of the BIA's "first tier" regulatory initiative during 2000. OHA will publish an interim final rule by June 30, 2000, including a provision informing the public that the BIA attorney decision-makers will also be authorized to make summary distributions. After completing the analysis under sections E and F, OHA may schedule additional revisions to its regulations.

D. Identify Departmental Programs and Functions that Affect Indian Trust

To assure that the Department's trust policies and procedures are integrated and consistent, each office and bureau with responsibilities for Indian trust resources will identify those programs and functions that affect trust assets, and collect and inventory the governing statutory and regulatory authorities and internal program guidance (including written policies, manuals, interagency agreements and directives). The offices and bureaus will consult with the subproject office as they develop their inventories. The subproject office will be assisted by the Departmental

Office of Policy Analysis in working with the bureaus and offices.

Bureau and office reports are expected to be completed as follows:

Agency	Schedule
Bureau of Indian Affairs (BIA)	September 1999
Office of Surface Mining (OSM)	May 2000
Office of Hearings and Appeals (OHA)	May 2000
Office of Special Trustee (OST)	May 2000
Bureau of Reclamation (BOR)	May 2000
Bureau of Land Management (BLM)	June 2000
Minerals Management Service (MMS)	June 2000
U.S. Geological Survey (USGS)	June 2000
Fish and Wildlife Service (FWS)	July 2000
National Park Service (NPS)	July 2000

E. Analyze Departmental Functions Relating to Trust Resources

In consultation with the subproject staff, the Departmental bureaus and offices will analyze their trust program statutes, regulations and internal program guidance to identify changes necessary to assure comprehensive, consistent, up-to-date policies and procedures. The analyses should focus on specific trust management activities viewed against the backdrop of the Department's trust principles. The preliminary list of trust management activities to be examined include:

- Valuation of trust resources
- Conservation of trust resources
- Appeals process
- Consultation with tribes regarding use and disposition of trust resources
- Communication with individual Indian owners of trust resources
- Prevention of waste, alienation, and trespass
- Treatment of FOIA requests pertaining to trust resources
- Identification of new trust resources
- Protection of trust resources from depletion due to direct or indirect federal action
- Final agency disposition of trust assets

In consultation with the subproject office, bureaus and offices will prepare reports to the Trust Policies and Procedures Council containing the results of their analyses with proposed schedules for revisions or

development of statutory authorities, regulations, and internal program guidance. The BIA's report will identify its second tier of proposed regulations. The bureau and office reports are expected to be completed as follows:

Agency	Expected Completion
OST	August 2000
OHA	September 2000
BOR	September 2000
USGS	September 2000
BLM	October 2000
OSM	October 2000
MMS	November 2000
FWS	February 2001
NPS	February 2001
BIA	March 2001

F. Analyze Cross-Cutting Issues and Problems

The subproject office will review the reports submitted to the Trust Policies and Procedures Council to analyze issues that cut across the bureaus and offices, and to identify problems relating to the Department's management of trust programs. The subproject office will present its analyses to the Trust Policies and Procedures Council along with recommendations for resolving any problems. The subproject office will be assisted by the Office of Policy Analysis in working with the bureaus and offices.

For those issues the Trust Policies and Procedures Council determines can be resolved without further study, the subproject office will assist the bureaus and offices to identify statutory authorities, regulations and internal program guidance to be created or amended, including schedules for getting this work accomplished. Based on these schedules, bureaus and offices will revise and/or develop their regulations and internal program guidance generally in accordance with Sections G, H, and I respectively.

The subproject analysis of Departmental cross-cutting issues and identification of problematic areas to the Trust Policies and Procedures Council is expected to be completed by July 2001.

G. Develop and Publish Revised Regulations

Bureaus and offices will prepare appropriate revisions to their respective sections of the Code of Federal Regulations. Tribal consultations will be conducted on all draft regulatory proposals prior to publication as proposed rules.

1. BIA Second Tier: Propose and finalize

second tier regulations. *Completion date to be determined in accordance with schedules in Sections E and F.*

2. *Schedules for BLM, MMS, OSM, OHA, FWS, BOR, USGS, NPS, OST and additional regulatory actions by BIA beyond those identified in Section C will be determined based on analysis conducted under Sections E and F.*

The highest priority regulatory projects are identified in Section C and, as noted, the BIA will complete its priority projects by December 2000. MMS will complete its priority project by Spring 2000. To the extent that bureaus identify additional regulatory initiatives, they will be scheduled for revision based on need, with the entire review and revision process complete by June 2004.

H. Revise and Develop Internal Program Guidance Where Necessary

Following the analyses and any revision of pertinent regulations as outlined under Sections E, F, and G, the bureaus and offices will develop corresponding internal program guidance (such as manuals, interagency cooperating agreements or other directives) as may be necessary. Development of this guidance will be in accordance with the Department's trust principles and the reviews of trust issues identified in Sections E and F. The subproject staff will work with the bureaus and offices to complete this task, including coordinating with any outside contractors, to ensure that programs consistently fulfill the Secretary's trust responsibility to Indian tribes and individual Indians.

The completion date for BIA, BLM, MMS, OSM, OHA, OST, NPS, FWS, BOR and USGS will be determined based on results of analysis and regulatory developments described in Sections E, F and G.

I. Develop Proposed Statutory Revisions

Many of the federal statutes that address Indian trust programs were enacted in the nineteenth and early twentieth centuries and some reflect long-abandoned policies of the United States toward tribes and individual Indians. These statutes may need to be repealed, others extensively revised, and new authority may be needed to establish national policy guidance to reflect contemporary policy.

An analysis of these statutes will be undertaken as part of the analysis planned under Sections E and F, and plans for proposing repeal of, revision of, or new legislation will be developed based on the outcomes of those reviews.

Completion date for submission of proposed new legislation will be dependent on the outcomes under Sections E and F and will be coordinated with the Secretary's Office of Congressional and Legislative Affairs. *Legislative recommendations are*

expected to be completed by 2002.

10. TRAINING

I Responsible Official

The Special Trustee for American Indians is the responsible official for this subproject. Richard Fitzgerald, Trust Policy Officer - Office of the Special Trustee, is responsible for general coordination of this subproject. As the training encompasses systems and various functional non-systems skills and knowledge training, the OST, BIA, and other entities are responsible for identifying their respective training needs.

II Statement of the Subproject Problem to the Managers

Lack of adequate training of staff to deliver Indian trust fiduciary responsibilities to American Indians has been cited in numerous Office of the Inspector General (OIG) and General Accounting Office (GAO) reports as a problem area. In addition to an historic lack of adequate training, new trust accounting and asset management systems are being installed to improve the discharge the Secretary's trust responsibilities to those Native American tribes and individual for which the Federal government holds and manages assets in trust. the comprehension and use of which will require a coordinated and specialized training effort.

III Statement of Objectives and Outcomes

The objective of the Training subproject is to increase DOI and Tribal trust personnel job performance and inter-organizational effectiveness by providing quality, targeted training to the OST, the BIA, trust land asset management organizations, and Tribal representatives and members centering on TFAS and TAAMS system implementation training, as well as non-system function/task training.

The desired result of this training is to provide trust system personnel with the necessary skills to support the fulfillment of the Secretary's trust fiduciary role through specific trust asset management, computer, accounting, investment, policies and procedures, and customer relations training. The outcome of the subproject will be enhanced job performance and improved efficiency of delivery of services to account holders and Indian land owners.

IV Relationship to the Reform Act of 1994

The American Indian Trust Fund Management Reform Act of 1994 (P.L. 103-412) stipulates that the Special Trustee plan for all phases of the trust management business cycle to ensure proper and efficient discharge of the Secretary's trust responsibilities to Indian tribes and individual Indians in compliance with the Act (Title III, Section 303, (a) (1)). Accordingly, this sub project plans for

delivery of both trust management and employee skills training relevant to the proper performance of the Federal government's fiduciary responsibilities to American Indians.

V Relationship to Other HLIP Projects

The Training subproject supports the system implementation and specialized skills training for the overall trust reform effort. It is aimed at improving Interior employee and Tribal representative job performance by providing necessary skills and knowledge to improve service delivery. The Training subproject draws from the Policies and Procedures, Records Management, and Internal Controls projects, and also complements these efforts.

VI Subproject Budget

The estimated Project Budget for this effort follows:

SUBPROJECT BUDGET Training				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	.1	.4	5.2	3.0

Note: In late FY 2000, a contract is expected to be awarded to deliver training through 2001 with most of the expenditures occurring in last year.

VII Subproject Action Plan

System Implementation Training Training for the personnel working with the new Trust Funds Accounting System (TFAS) was provided by the systems contractors with subsequent training provided by OTFM staff. Training for the Trust Asset and Accounting Management System (TAAMS) is being provided by the systems contractors. Training for systems pilots and initial deployment has generally been identified and funded as a system cost. TAAMS training has been augmented by this subproject. For presentation purposes systems training for TFAS and TAAMS is discussed in this subproject although delivered under their respective HLIP subprojects.

Non-Systems Training The 1997 Needs Analysis included an extensive survey and review of training requirements in support of the Trust Management Improvement Project (TMIP). Based on extensive interviews with more than 300 Interior trust personnel and Tribal representatives across the nation, Macro International developed and compiled valuable information about, and significant support for, trust training. Interviewees were asked what training they had received, as well as what training they needed. Training, both trust and skills related, was cited by members of the Indian trust fund world as one of their most critical and urgent needs. For example, computer training was mentioned as the most frequent type of training received, yet it consistently ranked within the top five types of training needed across all types of staff. In addition, trust

and accounting training were mentioned as two types of training frequently received by staff, yet these topics were also mentioned as needed across staff types. Macro's findings about the training audience and the training environment included the following:

- C A significant number of trust personnel live and work in isolated communities, making it difficult for them to travel to training sites or for trainers to reach them;
- C Some personnel would prefer training at their work sites rather than having to travel;
- C The training audiences are very diverse in age, culture, level of knowledge, language and geographical location. Length of time performing job tasks varies from a few months to many years;
- C Training is needed at every staff level;
- C Most personnel do not understand the "big picture" of how the trust system works, nor do they understand interorganizational relationships;
- C Finding the time to attend training is difficult for most trust personnel, primarily because time away from the job results in a severe backlog, as backup staff are not available;
- C Most people were unable to identify any criteria or standards for their job; many wanted guidance in this area;
- C There are situations where training has been delivered but the new skills are not being used;
- C Many tasks have *de facto* policies and guidelines in place, but there are few official policies and processes;
- C Some tasks are still completed manually because people are uncomfortable using new technology;
- C Personnel have new equipment or software but do not know how to use it.

Because the original needs assessment was conducted two years earlier, the Macro findings of 1997 were re-validated through a follow-up with field activities to verify and update training needs through 1999. Accordingly, Macro undertook a re-validation study, providing insight as to whether: (1) any of the training needs highlighted earlier had been met; (2) additional training was needed; and (3) the original needs continued to be accurate and relevant. Macro also took advantage of this re-validation study to collect information on the types of computer equipment and connectivity available at the various sites, available training rooms, and other training resources. The re-validation study included five sites visited, with follow up interviews conducted with 38 people. The results were provided in a written report, "1999 Assessment Results and Analysis" to OST on June 30, 1999. Based on this analysis, the contractor provided a list of recommended content areas for training employees, descriptions of the proposed courses, and a list of training vendors and resources provided in a Training Resource Database.

The plan and tasks outlined below will provide the assurance that trust

management personnel are and will continue to receive quality, targeted training. The particular tasks and schedule necessary to successfully complete this subproject are outlined in the following.

A. Schedule and Deliver Training by TFAS Contractor

Training on the new Trust Funds Accounting System is planned for both the users and the OST support personnel. Of this initial target, 45 staff were trained in the Western Region (including 27 OTFM and 18 BIA) with an additional 44 OTFM staff trained in Albuquerque, for a total of 89 staff trained by the contractor. In addition to this, OTFM trained 33 additional staff in Albuquerque.

Five OTFM personnel are designated and perform as "train-the-trainers" staff. This cadre schedules and provides training to new users during the conversion process at other sites. User training is scheduled approximately one month prior to implementation of the new TFAS in each region in a "just-in-time" approach to ensure user retention of the training information and skills. An extensive help desk provided by SEI Investments and OTFM aids in the conversion and training effort. *The Pilot training for 122 field staff, BIA and Albuquerque staff was completed on July 31, 1998.*

B. Provide TFAS Systems Training with TFAS System Deployment

To date, 285 OTFM. 275 BIA staff, 114 Tribal, 30 contractor and 8 FIMO personnel had been trained in the TFAS Systems Implementation Training beyond the initial training targeted for 105 personnel. Training on TFAS has been provided in the Western, Alaska, Pacific, Southwest, Navajo, Eastern, Rocky Mountain, Midwest, and Great Plains Regions. *Training for the 3 remaining sites, Eastern Oklahoma, Northwest, and Southern Plains Regions, prior to the planned TFAS deployment dates is planned for March 2000, immediately prior to conversion.*

C. Design, Schedule and Deliver TAAMS Training for Rocky Mountain Region Pilot

BIA's contractor will be providing training for the Rocky Mountain Region pilot of the TAAMS system including a pilot test of the train-the-trainer design simultaneously with the TAAMS Pilot at the Rocky Mountain Region sites. TAAMS was unveiled in Billings on June 25, 1999. *Training was conducted through September, 1999, for 35 trainees in Billings, 20 trainees in Dallas, an additional 90 trainees in Billings, and 20 trainees in Albuquerque.*

D. Deliver TAAMS Training Consistent with TAAMS System Deployment to BIA Regions

The BIA, in conjunction with contractors, will provide training in the deployment and implementation of the TAAMS system concurrent and consistent with the TAAMS system deployment as scheduled for each Regional office. The completion date for the training is tied to a final TAAMS deployment schedule.

E. Provide Remedial Systems Training (TFAS and TAAMS)

Additional analysis of training delivery before or after system deployment may reveal the need for supplemental training to reinforce earlier training, particularly as users either become more familiar with the system, or experience delays in deployment schedules. This will be determined on a case-by-case basis and in response to requests by local managers. *This task is on-going.*

F. Acquire External Professional Services of a Training Contractor

On January 15, 1999, a contract to develop guidelines for the on-going, long-term non-systems training of trust management personnel was awarded to Macro International, a professional training delivery contractor and provider. The contractor is assisting OST officials in evaluating curriculum, methodologies, and learning activities associated with this effort. The contractor will develop and present training delivery models based on participant needs and generally accepted practices.

G. Obtain Training Information From Trust and Realty Employees

Examine Prior Training Records and Data As a first step in determining the non-system training needs of potential OST/BIA/Tribal participants, the contractor examined all available data related to prior training. Significant categories of data collected included the identification of target population by name, position, pay grade, and location. Also, a 1997 survey of trust and realty employees in OST, BIA, and tribes with P.L. 93-638 contracts and compacts was provided to the contractor for development of employee training profiles and analysis.

The contractor presented a training plan approach that incorporated survey information including a training needs matrix based on the 1997 assessment which highlighted not only the training

received and training needed at the time, but also included the additional comments received. These comments were the basis for the next steps of conducting current assessment interviews, a data gap analysis, and addressing key problems. *This work was completed April 19, 1999.*

Revalidation of 1997 Survey Results

The contractor's review of the initial survey results was re-validated against the High Level Implementation Plan, system changes, re-engineering of trust processes, outsourcing of data processing, imaging capability, and other variables. The contractor re-interviewed a 10% sample of end-users in locations representing a cross section of user groups including staff from OST, Tribes, and the BIA . During the period of May - June, 1999, the contractor visited 5 sites and interviewed 38 staff including a broad cross-section of professions. Analysis of the interview data was examined by site and organizational type and summarized into four general categories (job specific training e.g. realty-related, computer-related skills, administrative skills and systems-related needs, e.g., TFAS). Additionally, training topics (such as stress management, customer service, time management, and team building) recommended by interviewees were taken into account.

A training needs analysis of the knowledge and skills by site and training history of staff at the selected sites was also performed. Final course recommendations were developed based on this analysis and by determining the gap between the 1999 re-validation and the earlier 1997 Needs Analysis. *A final report delineating recommended courses was provided to OST on June 20, 1999.*

Based on the assessment report provided by the contractor comparing current data collected with reference to the earlier 1997 Needs Analysis it was recommended that training include an emphasis on skills development in customer service, accuracy in accounting, sound financial and investment decisions and activities, accurate and timely reporting, and protection, use, and management of the trust assets. *A report on this analysis and training plan was provided to the Office of the Special Trustee and this process was completed June 30, 1999.*

H. Review Draft Training Plan for Non-Systems Training

The draft Training Plan was submitted for review on August 31, 1999. *Upon completion of Departmental review of the draft Plan, decisions on the locations, vendors, and methods of training delivery are expected by July 2000.* Review of the draft is underway.

The Draft Plan identified and provided recommendations for 28 different training courses; assessed the availability of existing courses; and developed an Access database of all training organizations providing a matrix of employee position titles for the training audience and courses recommended for each by BIA regional offices.

It is recognized that, within the 28 courses identified, certain of the subjects may require additional training modules to ensure adequate and appropriate coverage of the topic across the trust workforce. For instance, the new Indian probate initiative will require that specialized training be provided on the administration of estates and Indian probate law, topics beyond the scope of the more general probate class recommended by the contractor.

The Plan recommended a regional deployment approach to training, in order to minimize travel costs and increase attendance. This deployment would ensure the provision of a minimum of 28 courses for the OST, BIA, MMS, BLM, OHA and Tribal employees performing trust responsibilities. The time table for completing initial non-systems training for these employees is anticipated to take upwards of 3 years.

In addition to a regional deployment, the plan included an implementation management plan and recommendations on the types and course mediums to be used by locality. The Plan provided summary data on the participants by region, across the BIA, OST, and Tribal programs, defining the training audience. In the listing of 28 courses recommended, all but 2 of these were noted as "off-the-shelf" and immediately available.

The Draft Plan includes an identification and grouping of providers who met selection criteria such as course length, training objectives, and past government training history through an Access Training Database. It also recommends six regional training sites and target audience locations based on the availability of facilities and the targeted number of participants to be trained.

The Draft Plan provides the information necessary for a subsequent effort that will focus on the identification and selection of resources, vendors, and colleges that will provide the training within the timeframes determined in the final Training Plan. Recommended media delivery systems included desktop manuals, on-line manuals, videotapes, Web Pages, Distance Learning (video/satellite technology), and classroom instruction.

I. Identify and Select Training Management Contractor

A contractor will be selected to lead and manage the organization, logistics and delivery of non-systems training. *This is scheduled to be completed by June 2000.*

J. Approve Final Non-Systems Training Plan

By August 2000, the final non-systems training plan will be completed, approved by OST and published.

Based on the work provided by the contractor selected in task I and input from OST, this plan will include a comprehensive training schedule that details exactly which trust personnel will receive training, what training classes those persons will receive, where the classes will be located, and how the classes will be made available to those persons receiving training. Decisions such as course delivery mediums, course length and class size, also will be described. The final plan will include a complete timetable that delineates the dates, subject matter and location for each class scheduled over the entire 3 year training period.

K. Award Contracts to Training Providers

The final plan approved by the Department in task J will identify what medium will be used to provide each course to every student. A variety of classroom-based and non-classroom-based course delivery methods may be used depending on such factors as course quality and length, overall cost, and the ability of students to travel to coordinated training sessions. In some cases, courses may be provided to students directly by commercial vendor, tribal college or government agency, while in other cases the preferred method of course delivery may be via the Internet, CDROM, or through video conferencing.

In accordance with the final training plan, in cases in which a course vendor is selected to provide class instruction, OST will award contracts to training providers following the approval of the plan scheduled for August 2000.

L. Identify Existing Coursework to Meet Skills Gap for Non-Systems Training

Macro International surveyed the market for available training courseware and identified a series of courses offered by federal government agencies, tribal colleges and private contractors that would be applicable to trust management personnel needs. These courses encompass information on such topics as basic Indian law, Tribal Constitutions and Tribal Court procedures, as well as customer relations and management skills, and are readily available. As new policies and procedures relating to trust management are developed, additional courseware to address those changes will be identified or created. *This task was completed October 31, 1999.*

M. Develop Courseware Not Available for Non-Systems Training

In the draft Training Plan submitted to OST on August 31, 1999, Macro International highlighted, from the 28 identified, 2

courses not available in the market. The two new courses would be tailored specifically to Indian trust management.

"Introduction to Trust" would provide an overview of basic Indian law, self-determination policies and the P.L. 93-638 process, tribal court procedures, probates, appraisals, budgets, and the responsibilities of OST, BIA and other Interior bureaus and offices. A course or courses on Trust Policies and Procedures would also be developed. This course would provide a general overview of newly developed or altered policies and procedures, or it may be subdivided into several courses focusing on particular policies that could be explored in greater depth and would be suited for targeted audiences.

For those instances when training will need to be designed and developed, an Instructional Systems Design (ISD) approach has been recommended. The contractor has developed a draft course syllabus for each of these, including the length of time needed to cover the topic, the mediums available and most suitable, employees to participate in the training, and an agenda of course topics. These new courses will be finalized by the contractor identified in task I. *The courses are scheduled to be fully developed by September 30, 2000.*

N. Training Implementation

Coordination and management of the extensive training effort for BIA, OST, and Tribal employees throughout the nation over the next few years requires a major logistical effort involving many of the following actions:

- Advertising and publicizing the training to the target audience;
- Developing a participant training infrastructure;
- Scheduling and delivering the training;
- Identifying the training outcomes;
- Refining and implementing the OST proposed assessment plan ;
- Conducting periodic evaluations;
- Revising the training program in accordance with evaluation findings;
- Developing, scheduling, delivering, and directing remedial/continual training efforts (Phase II Training).
-

The implementation of the training program is an on-going activity and one that will continuously be reviewed and reassessed throughout this training program.

O. Schedule and Deliver Non-Systems Training

The precise schedule for the delivery of non-systems training will be developed by the contractor identified in task I. Training

will begin as soon as practicable after the final training plan is approved in August 2000 and contracts for the delivery of the delivery have been approved.

In this task, a contractor, aided and monitored by OST staff, will handle non-system trust management training for trust personnel of BIA, OST, MMS, BLM, OHA and related Departmental Offices.

The training delivery approach involves a two step process. First, there will be an initial deployment of the non-systems training modules, involving an approximate 3 year time frame. The second, or on-going phase of training, involving a more selected set of trust training modules, will commence for trust management staff as a continuing or remedial training effort to cover new employees and update or refresh course materials. This cycle should commence approximately 1 year after the initial non-systems training has been delivered to an individual or region.

While the Training Plan will focus on a prioritized list of labor categories from OST/BIA/Tribes, it is acknowledged that training must also include other staff and organizations involved in trust management, e.g., OHA, MMS, and BLM. Further, as discussed above, the number and type of courses offered is likely to evolve as more is learned about the work force and the direction of trust policies and procedures within Interior.

The Training Subproject will also provide training for specifically targeted functional areas. These courses will be developed as the need arises or as identified throughout the course of the project. For instance, training has been funded for staff engaged in Real Estate Appraisals and for staff involved in overall Trust Funds Management (provided by the Canon Institute). Other courses will be developed and offered on an ongoing basis.

11. INTERNAL CONTROLS

I Responsible Official

The responsible official for this subproject is the Special Trustee for American Indians. Kenneth Moyers, Compliance Officer, OST, is responsible for coordinating this subproject among the OST, BIA, MMS, BLM, OHA and the various Departmental Offices engaged in Indian trust management.

II Statement of the Problem

For decades, Tribes and individual Indians have voiced concerns over the Department's management and accountability for their trust funds and the overall management of natural resources.

Reviews conducted over the past 15 years by the GAO, the DOI's Inspector General, and independent accounting firms have confirmed the Indians concerns and identified serious financial management and internal control problems permeating every aspect of the trust management spectrum. These audit and external oversight findings and recommendations have focused on serious internal control problems and variances in program operations ranging from a lack of standardized policies, practices and procedures to the inability to confirm cash balances, and major inadequacies in accounting records and related systems, lack of segregation of duties and deficiencies in field operation and management areas including collections and disbursements of Indian trust funds.

Areas of concern in Internal Controls include (but are not limited to) the following issues.

- C Reconciliation of account balances with U.S. Treasury
- C Investment practices
- C Inconsistency in applying accounting policies and procedures - Lack of written policies/procedures
- C Segregation of duties
- C Understaffed operations (accounting, BIA realty/LTRO offices)
- C Lack of adequate training
- C Lack of BIA Agency/Area controls in Special Deposit account management
- C Lack of timely updating of land ownership records - backlogs
- C Lack of an accounts receivable system
- C Systems controls/security controls are inadequate
- C Trust fund accounts maintained without social security numbers, or categorized as "whereabouts unknown"
- C Lack of disbursement policies and procedures/coordination at field operation level

- C Collection functions lack policies and procedures; adequate oversight/ administrative review, separation of duties
- C Lack of reconciliation of daily deposits
- C Cash management
- C Lack of reconciliation with U.S. Treasury suspense and budget clearing accounts
- C Missing records-inconsistent BIA records management practices
- C Verifications of oil and gas royalty collection data
- C Lack of data processing controls
- C Inconsistent and insufficient Indian Irrigation project payment management
- C Inconsistencies in Judgement Fund distributions and management

III Statement of Objectives and Outcomes

The objectives of the Internal Controls subproject are twofold. First, to systematically address current and historically documented internal control issues to ensure the resolution of cited deficiencies across the entire trust management spectrum within the Department. A comprehensive mapping and indexing of reported deficiencies, and their relation to specific or new improvement action plans is underway. Second, to design and implement a comprehensive Trust Risk Management Program to monitor and evaluate the effectiveness of trust operations across the Department.

The implementation of actions specified under the other ten HLIP subprojects is expected to successfully resolve identified internal control problems and improve DOI trust management.

IV Relationship to Reform Act of 1994

The Internal Control subproject complements many other elements addressed under the other subprojects, but brings the continuing oversight needed to ensure that trust reform efforts are sustained. This effort specifically addresses the following requirements of the Trust Reform Act of 1994:

- C Providing adequate systems for accounting for and reporting trust fund balances;
- C Providing adequate controls over receipts and disbursements;
- C Providing periodic, timely reconciliations to assure the accuracy of accounts;
- C Determining accurate cash balances;
- C Preparing and supplying account holders with periodic statements of their account performance and with balances of their account which shall be available on a daily basis;
- C Maintaining complete, accurate and timely data regarding the ownership and lease of Indian lands;

- C Establishing consistent, written policies and procedures for trust fund management and accounting;
- C Providing adequate staffing, supervision, and training for trust fund management and accounting;
- C Appropriately managing the natural resources located within the boundaries of Indian reservations and trust lands;
- C Properly accounting for and investing, as well as maximizing, in a manner consistent with the statutory restrictions imposed on the Secretary's investment options, the return on the investment of all trust fund monies;
- C Preparing accurate and timely reports to account holders (and others, as required) on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts.

V Relationship to Other HLIP Projects

The Internal Controls subproject complements many elements addressed under the other subprojects within the TMIP, that is, new and enhanced systems, data clean up, policy and procedures, training, etc. However, this separate subproject for Internal Controls will ensure the full inventory of control deficiencies documented through audit and external oversight over the past 15 years are remedied on an issue by issue basis. Further the on-going Risk Management program developed and implemented under this subproject will be designed to monitor and evaluate ongoing trust management program operations to identify shortcomings or new problems that can be timely resolved. Lastly, formation of a separately staffed, stand alone risk management operation overseeing the Interior trust business cycle will afford the Secretary, as trustee, a continuing, independent assessment of the efficacy of the Department's highly decentralized trust-related responsibilities.

VI Subproject Budget

The estimated Project Budget for this effort follows:

SUBPROJECT BUDGET Internal Controls				
Fiscal Year	FY 1997/ 1998	FY 1999	FY 2000	FY 2001
$$ in millions	2.5	1.9	3.3	3.0

VII Subproject Action Plan

The major tasks outlined in this subproject are designed to provide the framework to adequately resolve each of the finding and recommendation issue areas cited in the numerous audits and external oversight reports dealing with Indian trust funds and natural resource management, and provide the basis for an on-going risk management program.

A. Develop Inventory of all Documented Internal Control Weaknesses

The OST will develop an inventory of internal control weaknesses found over the past 15 years in various GAO, Office of the Inspector General (OIG), Congressional, and external reports dealing with weaknesses in the management of Indian trust funds and trust asset management. The OST is gathering a library of reports, which as of late 1999, included the following array of audits and reports focusing on these areas:

- C 21 GAO Audits, Statements of Testimony before Congressional committees, letters, and reports highlighting recommendations in over 65 categories of areas of concern and internal controls;
- C 24 OIG Audits conducted since 1988, listing over 40 areas of recommendations;
- C 11 additional OIG audits providing extensive listings of material weaknesses ;
- C The U.S. House of Representatives Committee on Government Operations Report (102-499) of April, 1992 listing over 27 areas of concern, findings, and recommendations;
- C 3 recent OIG Annual Financial Statement Audits (1995, 1996 and 1997) listing over 41 areas of concern and internal control-related weaknesses;
- C 5 recently conducted audits in draft report format, highlighting over 25 recommendations in areas of concern;
- C 16 MMS and BLM related audits.

This initial task was completed on May 29, 1998, and is ongoing.

B. Catalogue Relevant Audit Findings and Recommendations into an Analysis Framework

Using the reports and inventory of audit findings and recommendations, the OST has catalogued these findings into internal control areas and crosswalked them to the HLIP subprojects (similar to the above summation) to enable examination of the extent of coverage of on-going trust improvements. *This task was completed on May 29, 1998.*

C. Research and Select Template for Development of Risk Management Program

Given the magnitude and numbers of internal control deficiencies highlighted over the past several years in the Department's Trust Fund management activities, the OST turned to information and techniques available from multiple sources, mostly private, to identify an approach to cure internal control problems and develop a methodology to actively monitor and evaluate day-to-day progress and effectiveness of the improved Indian trust management activities.

Throughout the 1980's and into the early 1990's significant attention was given this area and several case studies were conducted to assess the cause and prevention of internal control breakdowns experienced in a variety of financial management situations. The Treadway Commission, sponsored by the American Institute of Certified Public Accountants, the Financial Executives Institute, and other similar organizations, issued a comprehensive study in the late 1980's. The sponsoring organizations, supported by several major corporations such as Shell Oil, IBM, banks, consulting firms, etc., expanded the studies and in 1994 the AICPA issued the final *Integrated Framework for Internal Control systems.*

The OST reviewed these documents and others available from many organizations, even some international organizations, and, based on a recommendation from a member of the Special Trustee's Advisory Board, selected the Treadway/AICPA concept as the template to use in building the Department's comprehensive internal control/Risk Management monitoring and evaluation system for the Trust Management Improvement Program. *This task was completed on February 12, 1999.*

D. Identify and Develop Remediation for Acute Internal Control Weaknesses

An analysis of unresolved weaknesses identified in the most recent external audit of the OTFM by Griffith and Associates identified the most acute internal control weaknesses, and remediation began at once. In conjunction with the Department's Management Control and Audit Follow-up Program, OST staff prepared an action plan, tied to the ongoing trust reform effort, which outlines remediation for specific audit findings. The action plan includes special efforts that have been completed and others that commenced shortly after June 1999, and also characterized other special emphasis activities needed within subprojects of the TMIP. This task was completed on June 3, 1999.

E. Develop Organization and Staffing for Trust Risk Management Office

The Trust Risk Management Office will be based in Albuquerque, New Mexico, but report directly to the Office of the Special Trustee. It will annually perform or direct field level reviews and provide technical assistance for Indian Trust Operations at some 300 OST, BIA, Tribal, MMS, BLM, and OHA sites. It will apply traditional trust risk management techniques in its reviews and analyses of Indian Trust Policies, Procedures, and Systems development and operations, using multi-disciplinary teams. It will coordinate and partner with current oversight staff in OST, BIA, MMS, BLM, and the OIG as appropriate. On an annual basis, the field level review and analyses results will be consolidated to provide a Department-wide Risk Management

assessment for Indian Trust Management operations.

The staff will include specialists in trust, range, natural resources, forestry, mineral, and land operations, as well as auditors and computer specialists. The necessary administrative documents are being drafted to establish the organization and field one team in FY 2000. Plans are to add two additional teams in FY 2001. The full staffing complement is estimated to be 23-25 people. *This task is scheduled to be completed by December 2000.*

F. Map Weaknesses to Current Improvement Efforts

All reported internal weaknesses deemed by the Department to be unresolved, will be independently reviewed to ensure that High Level Implementation Plan subprojects are adequately addressing the remedial actions necessary to address the reported problems. Additional review will be performed and coordination with subproject teams and program managers where necessary will be completed to ensure that actions planned are sufficient to resolve all past deficiencies. *The scheduled completion date is April 2000*.

G. Analyze Weaknesses to Determine Current Status - Resolved or Unresolved

Using the internal control areas established on the inventory and catalogue of the audit findings and recommendations, the OST, in coordination with the reported bureau or Office, will analyze the weaknesses highlighted within these findings to determine the current status of the findings. An assessment will be made regarding whether (1) the findings have been resolved, (2) they will be resolved through the successful completion of subprojects in this plan, or (3) supplementary efforts in addition to those specified in this plan are required by the respective bureau or office. *The scheduled completion date is May 2000*.

H. Modify Treadway Approach to Interior Situation; Develop Monitoring Procedures

Given the types of organizations represented in the group that developed and issued the Integrated Framework for Internal Control (Treadway approach) the concepts are very encompassing. The extensive frameworks are designed for multinational corporations with varied business interests, not unlike the decentralization of Indian trust management responsibilities throughout the

Department. Initial assessments are that the Department's internal control/risk management system should and can include many of the framework's features. The goal is to adapt the best of the features and do so in a manner that is effective, but not overly burdensome. The system design concepts for TAAMS and TFAS include appropriate features for systems and operations controls.

The broader program goals and objectives for the Department's Trust Management programs require further definition and coordination at all levels in the Department. This will be difficult since several different bureaus and organizations within those Bureaus have critical portions of the overall trust management reforms to complete in order for significant improvements to be realized. Compounding the difficulties of successful accomplishment of reforms are the competing organizational programs and goals and extent of geographical decentralization of the Department's trust management activities.

For these reasons, Departmental leadership and, in turn, its Bureau and Office program managers must clearly define and communicate the overall goals and objectives of trust management improvements, and the vision for future trust management operations. Further, they must ensure that the tools necessary to accomplish the goals and objectives are being met.

To report, both within and externally, whether the goals are being accomplished, an independent monitoring and evaluation program must be designed and supported. Such an internal review and technical assistance program is being designed and will be implemented as the Trust Risk Management Office under OST. In the event OST sunsets as provided under Section 302(a)(2)(C) of the Reform Act, the appropriate organizational alignment of the Trust Risk Management Office will be reevaluated. It will be separate from normal program results reporting and will advise the senior leadership of the extent to which goals are being accomplished and will include in its reporting, the areas of high risk where additional emphasis, redirection, and/or resources must be applied to resolve new deficiencies or prevent relapses of prior major internal control weaknesses.

As this program evolves, it will of course be closely coordinated with senior leadership and program managers. Based on input from the designated bureau trust improvement program managers, follow - through monitoring procedures for problem resolution will be developed. The scheduled completion date is July 2000.

I. Inventory and Catalogue Internal Controls in TFAS, TAAMS, and MMS Systems

The system design concepts for TAAMS, TFAS, and MMS Royalty Management systems, include appropriate features for internal systems controls and should work effectively when implementation is complete**.** To fashion a complete and

comprehensive risk management review program, an in-depth knowledge and understanding of the resident internal controls designed into these systems will be compiled and documented by the Trust Risk Management Office. The Trust Risk Management staff will work directly with the systems contractors to identify and document existing system internal controls. *This effort will be completed by August 2000.*

J. Risk Management Program Final Draft

Parallel with the efforts of analyzing the continuing internal control deficiencies and ensuring that corrective measures are incorporated into ongoing improvement efforts under other subprojects in this plan, the OST is drafting a program plan to design and implement an ongoing review, monitoring, and reporting process that will (1) confirm trust reform accomplishments, (2) highlight problem areas and offer recommendations for resolution, and (3) serve as an "early alert " to senior leadership and program managers where future internal control/program deficiencies are developing. *The scheduled completion date is August 2000.*

K. Coordinate with Affected Bureaus and Offices to Develop Action Plans

Based on the inventory, cataloging, analysis, and mapping of weaknesses to the Trust Management Improvement Project, the OST will coordinate with the designated bureau trust improvement project managers to develop remedial actions for each internal control point.

This process entails:

- C Identification of relevant internal control findings to be corrected and tracked in the project to date;
- C Coordination with program managers to determine appropriate corrective action and milestones within the parameters of the trust improvement project.

The scheduled completion date is September 2000.

L. Coordinate Risk Management Program with Revised Trust Policies and Procedures

The Policy and Procedures subproject includes a requirement to institute a program for audits and reviews of trust fund management policies, practices, and procedures. As the Trust Risk Management Program is developing, it will be closely coordinated with the Policy and Procedures working group to ensure the review plans are complementary. This coordination will consider whether these reviews are better done separately or become a part of the

planned risk management reviews. *The scheduled completion date for this task is October 2000.*

M. Publish Final Risk Management Program Handbook

It is planned to conduct some form of review at least annually of every location/activity involved in trust fund management operations. This will be done through monitoring and oversight by the Trust Risk Management Office and varying levels of detailed field reviews. Many of the reviews will need to be performed by field office program staff and others possibly on special assignments. To ensure consistency in approach, coverage, and reporting, a handbook for use by all organizations and staff assigned to conduct risk reviews will be published. *The scheduled completion date for this task is November 2000.*

N. Establish Continuing Risk Management Presence to Prevent Relapses

Successful accomplishment of the goals of this subproject, many of which involve monitoring and evaluating the sufficiency of resolution of internal control weaknesses in most other sub-projects, coupled with the implementation of a system and process for monitoring future trust management activities will constitute the needed quality assurance processes and programs necessary for the Department to self-assess its Indian trust management activities. The OST will oversee implementation steps for remedial actions and, through the establishment and operation of a permanent Trust Risk Management Office, provide a continuing quality assurance presence to prevent relapses. *The scheduled completion date is December 2000.*