



BUREAU OF INDIAN AFFAIRS

The Bureau of Indian Affairs (BIA) is charged with primary responsibility for working with the 554 Federally-recognized American Indian tribes and Alaska Native villages, providing services directly, or through contract, grant, and compact agreements with tribes, to over 1.2 million Indian, Eskimo, and Aleut residents in 31 states.

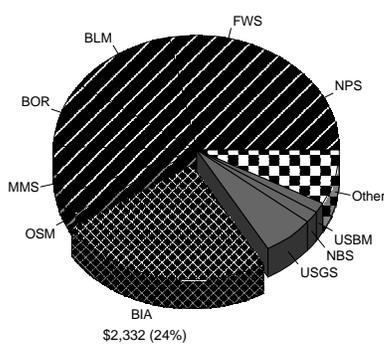
The scope of BIA programs is extensive, covering virtually the entire range of State and local government services: education, social services, law enforcement, judicial courts, community fire protection, land and heirship records, and economic development. Other bureau programs assist in the management and development of Indian forests, agriculture, range lands, water resources, wildlife and parks. Through BIA, Federal investments are also used for the construction of



Alaskan Eskimo child. Photo credit - David Marshall.

Figure 26

1995 Bureau of Indian Affairs Budget Authority
(\$ in millions)



Total DOI Budget Authority - \$9,744 million

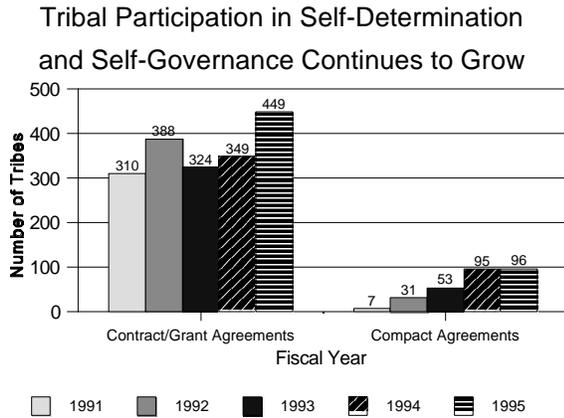
physical assets and infrastructure on Indian reservations, including highways and roads, housing, schools, adult and juvenile detention facilities, and irrigation and power systems.

INDIAN SELF-DETERMINATION AND SELF-GOVERNANCE

While other Federal agencies, such as the U.S. Departments of Health and Human Services, Education, and Agriculture, deal with Indians or Alaska Natives as members of an ethnic group or as individuals, the BIA deals directly with the tribal governing bodies in a government-to-government relationship.

Indian self-determination is the cornerstone of the Federal

Figure 27



relationship with sovereign tribal governments. Self-determination contracts, grants, cooperative agreements and self-governance compact agreements are authorized by the Indian Self-Determination and Education Assistance Act of 1974. These agreements between the Federal Government and Indian tribes and tribal organizations allow the tribes, rather than Federal employees, to operate the Federal programs. The self-determination agreements generally cover individual programs or sets of interrelated programs. The self-governance agreements cover a wider range of Federal programs and the tribes have more flexibility to redesign the programs and adjust funding to meet changing needs without amending the compact agreement.

The Tribal Self-Governance Program, first initiated as a demonstration project in 1991, has led to a rapid expansion of tribal self-determination (see Figure 27). Tribes with mature contracts (contracts in operation for at least three years with no material audit weaknesses) may choose to enter into the broader and more flexible compact agreements. The self-governance tribes may combine all component programs within a single compact agreement with the Department of the Interior and a single annual funding agreement with each Interior bureau. In 1995,

BIA obligated over \$1 billion to tribes and tribal organizations under self-determination contracts, grants, and compacts, accounting for 45.5 percent of all BIA obligations.

The Department's Office of the Inspector General released an audit report on the Self-Governance Compact Program in March, 1995. The Inspector General found that the tribes had more flexibility to establish program priorities in response to tribal needs rather than following Federal program objectives. Tribes were able to expand, consolidate, and create new programs to improve services to their tribal members. Tribal employment was increased through the transfer of funds that were previously used by the BIA to administer its agency, area, and headquarters offices. Tribal councils were more involved in budget allocation decisions and in overseeing program expenditures and accomplishments.

During 1995, the BIA also worked with tribal organizations on negotiated rules to implement the *Indian Self-Determination Act Amendments of 1994 (Public Law 103-104)*. This Act establishes a model self-determination contract or grant agreement and authorizes up to 20 new tribes to enter into self-governance compact agreements each year. Other provisions address eligible contract costs, indirect costs, payments to contractors, and construction contracts and grant agreements.

EDUCATION

Nearly one-third of the BIA's annual operating budget supports Indian students not served by public or private schools. During the 1994-95 academic year, the BIA school system served 46,500 students attending 171 elementary and secondary schools and 14 dormitories. In addition, the BIA operated two post-secondary schools and provided financial support for special pre-school programs, operating grants to Tribally Controlled

Figure 28

BIA Education Funding

1994-95 Academic Year
(\$ in millions)

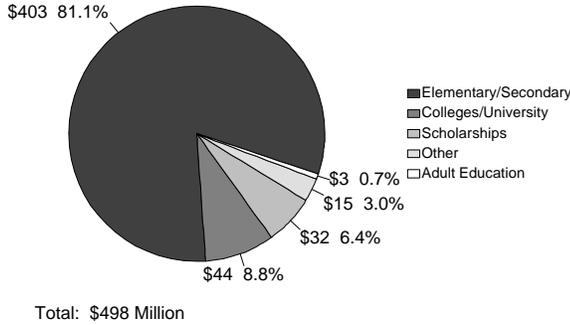
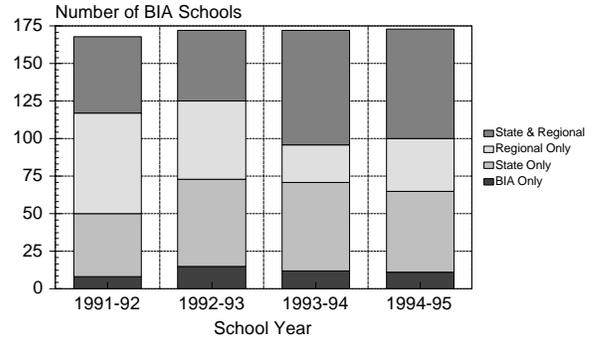


Figure 29

School Accreditation



Community Colleges, scholarships to Indian students pursuing undergraduate and graduate degrees, and tribal adult education programs.

Elementary and secondary schools, whether operated by the BIA or by tribes under self-determination contracts or grants, may be accredited by state and/or regional education associations and must comply with BIA's academic and residential standards. Most schools now have State and regional accreditation, which usually exceeds the academic standards that BIA has established as minimum criteria for its funded schools. Compliance with the BIA's 17 minimum criteria has consistently increased in recent years.

trust by the Federal Government. The Federal trust responsibilities include the management of forest lands, development of agricultural and range lands, leasing mineral rights, protecting water and land rights, and maintaining land ownership and lease income records. In addition, the Department of the Interior has fiduciary responsibilities for approximately \$2.5 billion of funds held in trust for Indian tribes and individuals. Approximately \$2.1 billion of the funds are held in tribal funds for nearly 300 tribes. The balance of approximately

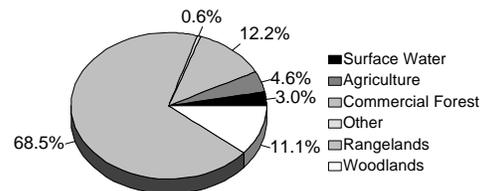
TRUST LANDS AND NATURAL RESOURCES

The BIA administers more than 54 million acres of land owned by Indian tribes and individuals that are held in

Figure 30

Uses of Indian Lands

(54 million acres)



Note: Woodlands include productive range acreage.



A Bureau of Indian Affairs teacher at work. Photo credit - Bureau of Indian Affairs..

\$450 million is held on behalf of individual Indians in over 387,000 accounts. About 14 percent of BIA's annual operating budget supports the trust lands, natural resources and financial trust management activities.

Almost 85 percent of the Indian trust lands are in active production. During 1995, over 700 million board feet of timber were harvested with a total value of \$180 million. Indian agricultural lands were estimated to generate another \$550 million in production. Tribes have also received approximately \$150 million in mineral royalties each year since 1990.

In 1995, the BIA and the Department continued to work with the tribes on improving the management of trust resources and the underlying land ownership records. Under the President's Forest Plan for the Pacific Northwest and Northern California, Indian Tribes received \$12 million in 1995 from harvesting an additional 40 million board feet of timber. Over 100 additional jobs were created on or near Indian reservations. The BIA also continued work on developing an automated system for the processing, storage, and management of Federal land titles, land ownership records, and over 90,000 land lease records. Other automated systems under development help tribes to inventory, map, and monitor changes in conditions of their lands and resources.

TRUST FUND MANAGEMENT

One of the Department's highest priorities is the management of Indian trust assets, with the goal of bringing trust resource management, accounting, investment and related systems up to industry standards. In recent years, a number of actions have been taken to address core issues underlying Trust Fund management, including contracts with public accounting firms for the reconciliation of Trust Fund accounts and audit of Trust Fund activity.

CUSTOMER SERVICE

The Bureau of Indian Affairs made substantial progress in achieving its Customer Service Standards, initially published in September 1994 as part of its Customer Service Plan. BIA's progress is primarily evidenced by the increased number of area-wide consultation meetings and customer service conferences held throughout 1995 (a total of 43). These meetings allowed the BIA to discuss the status of issues, claims and inquiries and matters of concerns with its customers. While the BIA was unable to measure the number of written inquiries received or the number of days it took to respond to a request, the increased emphasis on face-to-face meetings with customers during 1995 resulted in better communication and a reduced number of written inquiries from Tribes.