TRUST MANAGEMENT IMPROVEMENT PROJECT

UNITED STATES DEPARTMENT OF THE INTERIOR

HIGH LEVEL IMPLEMENTATION PLAN

REVISED AND UPDATED
FEBRUARY 29, 2000

ABBREVIATIONS AND REFERENCES

AICPA	American Institute of Certified Public Accountants
ALJ	Administrative Law Judge
ATB	Appraisal Technical Board
BIA	Bureau of Indian Affairs
BIAM	Bureau of Indian Affairs Manual
BLM	Bureau of Land Management
BOR	Bureau of Reclamation
CIO	Chief Information Officer
CFR	Code of Federal Regulations
COTS	Commercial-Off-The-Shelf
DOI	Department of the Interior
DSP	Document Search Report
FIMO	Farmington Indian Minerals Office
FRC	Federal Records Center
FWS	Fish and Wildlife Service
FY	Fiscal Year
GAO	General Accounting Office
HLIP	High Level Implementation Plan
IA	Office of the Assistant Secretary for Indian Affairs
IAM	Indian Affairs Manual
IARM	Indian Affairs Records Management
IIM	Individual Indian Monies
ILCA	Indian Lands Consolidation Act
IRMS	Integrated Records Management System
ISD	Instructional Systems Design
IT	Information Technology
LRIS	Lands Record Information System
LTRO	Land Title and Records Office
MMS	Minerals Management Service
Mhz	Megahertz
MOTS	Modified-Off-The-Shelf
NARA	National Archives and Records Administration
OHA	Office of Hearings and Appeals
OIG	Office of the Inspector General
OSM	Office of Surface Mining
OST	Office of the Special Trustee for American Indians
OTFM	Office of Trust Funds Management
OTLSR	Office of Trust Litigation Support and Records
OTR	Office of Trust Responsibilities
PC	Personal Computer
PMB	Office the Assistant Secretary for Policy Management and Budget
RDRS	Royalty Distribution and Reporting System
RFI	Request for Information
RFP	Request for Proposals
RMP	Royalty Management Program
SBA	Small Business Administration
SOL	Office of the Solicitor
SSA	Social Security Administration
TAAMS	Trust Asset and Accounting Management System
TFAS	Trust Funds Accounting System
TIA	Technical Investment Analysis
TMIP	Trust Management Improvement Project
TPEC	Technical Performance Evaluation Committee
UNM	University of New Mexico
U.S.C.	United States Code
U.S.D.C.	United States District Court
USGS	U.S. Geological Survey

BIA Office Title Changes

Current Office Title	Former Name
Alaska Region	Juneau Area
Eastern Region	Eastern Area
Eastern Oklahoma Region	Muskogee Area
Flathead Field Office	Flathead Agency
Great Plains Region	Aberdeen Area
Midwest Region	Minneapolis Area
Navajo Region	Navajo Area
Northwest Region	Portland Area
Pacific Region	Sacramento Area
Rocky Mountain Region	Billings Area
Southern Plains Region	Anadarko Area
Southwest Region	Albuquerque Area
Western Region	Phoenix Area

Contractors Referenced in This Document

- Applied Terravision Systems, Inc **(ATS)**
- DataCom Sciences, Inc. **(DataCom)**
- Macro International **(Macro)**
- Performance Engineering Corporation **(PEC)**
- Productive Data Solutions, Inc. **(PDS)**
- SEI Investments, Inc. **(SEI)**
- SRA International, Inc. **(SRA)**

TABLE OF CONTENTS

THE SECRETARY OF THE INTERIOR

WASHINGTON

February 29, 2000

In July 1998, the Department of the Interior issued the first High Level Implementation Plan (HLIP) for Indian Trust Management Improvement. That plan represented the first step in implementing the strategic plan required by Section 303 of the American Indian Trust Fund Management Reform Act of 1994.

Eliminating Indian trust management deficiencies continues to be my highest management priority for the Department of the Interior. To plan and evaluate our progress, and to determine if we are meeting our expectations for improving trust management, we have produced this revised and updated HLIP.

This HLIP outlines progress made toward completing improvements in trust management and lays out additional steps that must be taken to reach the goals and objectives that we have established. Significant headway has been made in establishing new trust management and financial systems that will handle the millions of records that are the foundation of a reliable trust management program. The Trust Funds Accounting System (TFAS) is operational in all but three offices and those sites will be converted to the new system shortly. The Trust Asset and Accounting Management System (TAAMS) is operational at the pilot site in Billings, Montana, and we are currently working towards nationwide deployment in other BIA locations.

We also have completed tasks that support the TAAMS and TFAS system improvements such as a reinvention laboratory that will help us streamline and establish a new process for handling the probate cases that have become seriously backlogged. The Department is ensuring that advanced trust management systems that are being installed will be used properly and to their full potential by training employees before these systems are made operational in their offices. We are also fostering a greater dedication to customer service, and are committed to serving our trust clients in a way that will resolve their concerns and earn their confidence.

In such a complex undertaking, not all aspects of the initial implementation plan have met with equal success. Much remains to be done in assessing and amending policies and procedures that affect most, if not all, subproject areas of the trust management project. We have redirected resources to this effort to insure that we meet our objectives and impart greater continuity to the entire trust management project. As expected, the introduction of new information systems has proven to be formidable for BIA. We are addressing difficult challenges, including data management, telecommunications infrastructure, human resource shortages in both government and the private sector, systems integration, competing

demands within our trust responsibility and the need to achieve institutional changes. The Department has assessed each HLIP subproject and, in many cases, made significant changes in light of our experience to date. We have taken steps to identify and improve any areas that may be lagging behind the aggressive schedule articulated in the July 1998 HLIP.

The problems that beset trust management span many decades. However, we are making significant progress and we are on the verge of a major transformation in Indian trust management. Last year, the budget increase for the Office of the Special Trustee was the single largest percentage increase in the President's Budget request for the Department, and was fully funded by the Congress. For FY 2001, with the exception of a few one-time costs, we have maintained those increases in the Office of the Special Trustee while requesting an additional $35 million and 349 employees for the Bureau of Indian Affairs to sustain trust improvements for the long term.

Completing the steps outlined in this plan will restore integrity and confidence in our trust management responsibilities. For this plan to be fully successful, however, two additional elements are critical: first, the continued dedication of literally thousands of career Department of the Interior employees nationwide; and second, the continued support, oversight and enactment of reforms, such as Indian land consolidation initiatives, by Congress.

Bruce Babbitt

INTRODUCTION

This is the second High Level Implementation Plan (HLIP) prepared since the Special Trustee for American Indians published, in 1997, the Strategic Plan to Implement the Reforms Required by the American Indian Trust Fund Management Reform Act of 1994. The first HLIP, published in July 1998, featured action plans for thirteen major subprojects that comprised the Trust Management Improvement Project. The amended HLIP for 2000 has preserved original elements of the first HLIP to the extent possible to track progress that has occurred to date. However, two subprojects have been merged with other subprojects leaving a total of eleven in the new HLIP. The decision to merge elements was based on a reevaluation of their interrelationship and interdependence.

A High Level Implementation Plan for Trust Management was necessitated by longstanding concerns over the management of Indian trust funds. These concerns have been laid out in numerous General Accounting Office and Inspector General audits and reports, and Congressional reports and testimony over the years. The HLIP sets out the course for resolving the concerns associated with the Department of the Interior management of some 1,400 accounts for 315 Tribal entities and over 285,000 individual Indian trust fund accounts by implementing a stringent and timely plan of action covering the major aspects of trust management. The revised and amended HLIP includes actions for the following subprojects:

- **Administrative Data Cleanup** - Office of the Special Trustee (OST)
- **Resources Data Cleanup** - Bureau of Indian Affairs (BIA)
- **Probate Backlog Elimination** - BIA and Office of Hearings & Appeals (OHA)
- **Appraisal Backlog Elimination** BIA
- **Trust Fund Accounting System (TFAS) deployment** - OST
- **Trust Asset and Accounting Management System (TAAMS) deployment** - BIA
- **Systems Reengineering** - Minerals Management Service (MMS)
- **Records Management Improvement** - OST
- **Policy and Procedures Improvements** - BIA
- **Training** - OST
- **Internal Controls** - OST

OVERVIEW

The Department of the Interior (DOI) is pursuing a three-pronged approach to address issues related to its administration and management of Indian Trust funds.

First, DOI is working closely with the staff of the Senate Indian Affairs Committee and Tribal and allottee groups to end the increasing fractionation of Indian allottee lands. This effort builds on legislation introduced during the first session of the 106th Congress. This fractionation of

interests not only undermines the vitality of allottee-owned land, but it also severely complicates the government's management of trust assets and resources.

Second, the Department is preparing new legislation to address claims that Tribes may have with regard to the Department's past management of Tribal trust accounts. The Department is continuing to work with tribal groups on exploring options for Tribal Settlement legislation. While progress is being made on key issues, the Indian Community has advocated a legislative proposal that not only addresses disputed balances, but also examines the management of the underlying trust assets. The Department believes that the legislative approach does not lend itself to addressing these types of claims. The settlement legislation is the culmination of a five-year effort to reconcile Tribal trust accounts as mandated by Congressional directives beginning in 1987, and reconfirmed in the American Indian Trust fund management Reform Act of 1994.

Third, the Department is taking action to improve the underlying trust management and accounting system. Amendments to the plan and target milestones are identified.

Indian Trust Funds Overview.
Currently, the Secretary of the Interior, through the Office of the Special Trustee (OST), maintains approximately 1,400 accounts for 315 Tribal entities with assets in excess of $2.5 billion. Each year, more than $800 million passes through the Tribal trust funds system. The OST also maintains about 285,000 Individual Indian Monies (IIM) trust fund accounts through which over $300 million pass each year.

Concerns about the management of Indian Trust funds have been a longstanding issue. As early as 1928 the General Accounting Office (GAO)—the investigative research arm of Congress—issued reports documenting weak accounting practices and other problems in Bureau of Indian Affairs (BIA) trust fund management.

Prior to 1951, accounting activities were undertaken at each BIA Agency Office (typically located on Indian reservations), using handwritten ledgers and journals, and the GAO was responsible for annual reconciliation of accounts.

In 1951, an accounting system designed and approved by GAO was installed in BIA Area (regional) Offices. All fund types--IIM as well as Tribal--were integrated in this system. GAO released reports in 1952 and 1955 describing management concerns with the systems. Beginning in 1965, BIA began centralizing its accounting functions on a mainframe computer in Albuquerque, New Mexico. The conversion to the computer system was completed in 1967. A new automated accounting system was developed and implemented in 1968 and modified in 1974.

Beginning July 1, 1972, all Tribal Treasury appropriation accounts were to be consolidated into a single Treasury account (about 1,100 accounts were combined). Prior to this date, Treasury maintained separate accounts for each Tribal trust fund, typically with separate accounts for principal and interest. These

dual sets of accounts would generally make it easier to detect differences; for example, if Treasury received a cash receipt that was not posted by BIA, a variance would show up between the specific account on BIA's books and the specific account on Treasury's books. Such differences were not evident when the accounts were collapsed into one account. Nevertheless, consolidation occurred to alleviate the administrative burden on Treasury to maintain a dual system of Tribal trust accounts.

Additionally, effective in Fiscal Year 1973, Treasury no longer posted semi-annual interest income to trust fund account balances - something that had been done from 1928 to 1972. BIA Offices deposited and posted interest earned from investment activity outside of Treasury. Beginning July 1, 1972, BIA was also responsible for computing and distributing the Treasury interest on uninvested funds.

In 1982, GAO once again issued reports critical of the management systems. Congressional appropriators were concerned as well. In 1987, after a series of oversight reports by the GAO, a supplemental appropriations bill stated "The Bureau of Indian Affairs shall not transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled and the tribe or individual has been provided with an accounting of such funds, and the appropriate Committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement." The FY 1990 appropriations language further required that "the results of such reconciliation [be] certified by an independent party as the most complete reconciliation of such funds as possible."

The Environment, Energy and Natural Resource Subcommittee of the House Committee on Government Operations initiated a three-year investigation into the issue, leading to a report issued on April 22, 1992, entitled, "*Misplaced Trust: The Bureau of Indian Affairs' Mismanagement of the Indian Trust Fund.*"

American Indian Trust Fund Management Reform Act of 1994. In 1994, Congress passed the American Indian Trust Fund Management Reform Act of 1994, 25 United States Code (U.S.C.) §§4001-4061, which established the Office of the Special Trustee for American Indians. Under this legislation, the Special Trustee, who reports directly to the Secretary of the Interior, is responsible for oversight, reform, and coordination of the policies, procedures, systems and practices used by various Departmental agencies in managing Indian trust assets. Specifically, the Special Trustee was charged with preparing and submitting a comprehensive strategic plan for all phases of the trust management business cycle that would ensure the proper and efficient discharge of the Secretary's trust responsibilities to Indian Tribes and individual Indians in compliance with the Act. The Act also defined the following as prospective actions required of the Secretary necessary to properly discharge the trust responsibilities of the United States:

- Providing adequate systems for accounting for and reporting trust fund balances;

- Providing adequate controls over receipts and disbursements;
- Providing periodic, timely reconciliations to assure the accuracy of accounts;
- Determining accurate cash balances;
- 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;
- Establishing consistent, written policies and procedures for trust fund management and accounting;
- Providing adequate staffing, supervision, and training for trust fund management and accounting;
- Appropriately managing the natural resources located within the boundaries of Indian reservations and trust lands;
- 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;
- 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;
- Maintaining complete, accurate and timely data regarding the ownership and lease of Indian lands.

The Special Trustee submitted a Strategic Plan for Trust Improvement in April 1997. Notwithstanding the Secretary's reservations about certain aspects of the Strategic Plan, the Secretary agreed that the trust system improvements and data cleanup efforts in the plan could and should proceed as soon as possible within the organizational structure of the Department.

The Secretary's decisions on system improvements and data cleanup were organized into separate but complementary subprojects, which comprise the Trust Management Improvement Project (TMIP), and the original HLIP which was approved in July 1998.

In order to increase the frequency of Departmental oversight and to surface and resolve problems among and between the operational entities, the Secretary, on April 10, 1998, requested the Assistant Secretary for Policy, Management and Budget to meet with bureaus and offices on a regular basis. More than a dozen meetings have occurred. Representatives of primary DOI offices involved (Bureau of Indian Affairs, Office of Special Trustee, Office of Hearings and Appeals, and Minerals Management Service) have interacted on a daily basis to resolve issues and accomplish milestones. Early in the Trust Asset and Accounting Management System (TAAMS) acquisition process, BIA management decided that the components of the Land Records Information System (LRIS), the official title system, should not be modernized as a separate system but rather should be integrated into the TAAMS effort. Integration took place and this document

reflects folding LRIS into the TAAMS subproject. In a similar fashion, in 1999 it was determined that the BIA probate effort and the Office of Hearings and Appeals (OHA) probate effort should not be kept separate since the two programs were so closely intertwined. Those subprojects have been combined into a single effort. Therefore, this report covers the following 11 subprojects which now comprise the revised HLIP:

OST Trust Administrative Records Cleanup. In this subproject, OST is standardizing and verifying IIM system data for trust financial records, and correcting and establishing an inventory of hard copy records for each trust fund account.

BIA Trust Resource Records Cleanup. BIA trust records will be cleaned up to ensure accurate land title and resource management information. This will be coordinated with the eventual deployment of TAAMS at each implementation site.

> **"Data Cleanup" Defined.** The Data Cleanup subprojects within OST and BIA are aimed at ensuring that data housed in existing or new systems are accurate and complete, and aimed at eliminating transaction processing backlogs to ensure records are up-to-date–particularly land ownership information and records. Therefore, references to "data cleanup" in this report should be viewed broadly, as including both data purification (correction), and data updates (data and information transaction processing).

Probate Backlog. Under this subproject, BIA and OHA will inventory, identify and develop action plans and procedures to eliminate the probate backlog. BIA and OHA will also implement reinvention lab recommendations to streamline and improve the entire probate process.

BIA Appraisal Program. This subproject includes an assessment of the present BIA appraisal program, policies and procedures, reviews of staff qualifications, determination of the adherence to uniform Standards of Professional Appraisal Practices, and development of corrective action plans, as appropriate.

Trust Funds Accounting System (TFAS). Using a service bureau approach, the Office of Trust Funds Management acquired, installed and site-tested a proven commercial off-the-shelf trust accounting system to replace the present BIA IIM accounting module.

Trust Asset and Accounting Management System (TAAMS). The BIA has evaluated, acquired, and is piloting proven commercial off-the-shelf land management system technology. The BIA is modifying this system to reflect the unique aspects of Indian trust requirements for the system including master lease, billings and accounts receivable, and collection subsystems. Following successful testing and piloting, the TAAMS system will proceed to full implementation across BIA, replacing the present BIA Integrated Records Management System (IRMS). In addition, the Land Record Information System (LRIS) function has been incorporated into TAAMS.

MMS System Reengineering. The purpose of this subproject is to design, develop and implement new core business processes for the MMS's Royalty Management functions and

supporting systems. Improvements will address the HLIP objectives of accurate accounting, timely reporting and transactions, and appropriate management of resources on Trust lands.

Records Management. Under this sub-project, a joint Records Management solution for Interior trust records involving OST, BIA, MMS, BLM, OHA and other relevant DOI offices has been developed and is being implemented. The scope includes Indian trust records management, storage, access, control and disposition, and contemplates electronic record keeping, including imaging technology.

Policies and Procedures. DOI trust policies and procedures will be inventoried, reviewed and, where appropriate, revised or established for the purpose of improving the management, accounting, investment, auditing and reporting of Indian trust assets.

Training. The Training subproject will plan and deliver both trust management and employee skills training relevant to delivery of Interior's trust fiduciary responsibilities to American Indians. Training will be provided across the Interior trust workforce and will include Tribes and participating contractors.

Internal Controls. This subproject will systematically address documented internal control deficiencies in Indian trust management, item by item, that have been identified through internal and external audit, Congressional oversight and outside reviews. Corrective actions will be validated and/or designed to assure resolution of all internal control weaknesses. Further, a permanent trust risk management office is being established to conduct continuing revisions of trust operations across DOI to ensure performance of Indian trust management responsibilities.

While the Secretary's decision on Trust Management Improvement was to occur within a three-year period, the task has proven to be formidable. Consequently, the plan includes milestones that extend beyond 2001.

A number of issues and recommendations in the Special Trustee's Strategic Plan were deferred, including:

- New management and organization structures outside of the DOI;
- Introducing new trust products or services based on the prudent investor rule;
- An Indian Development Bank.

In other areas, the Secretary decided that the Office of Special Trustee would initiate the trust system and records cleanup efforts outlined above with funds appropriated to the Special Trustee in FY 1997 and FY 1998. Similarly, the BIA trust systems, records management, and data/probate cleanup initiatives were funded with FY 1997 and FY 1998 funds appropriated for those purposes. In addition, a consolidated budget was developed and coordinated under the oversight of the Special Trustee, who reviews and certifies plans and bureau budgets in accordance with the American Indian Trust Funds Management Reform Act of 1994. Budgetary requirements relating to this effort in the FY 2000 and

2001 time frames have been coordinated with and addressed to the Congress by the Department, the OST and the BIA.

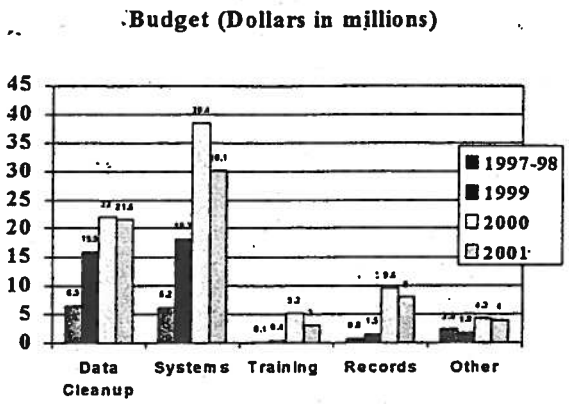
Oversight monitoring and accountability is provided internally through the Secretary's Trust Management Improvements Steering Committee, the Special Trustee for American Indians, and the Assistant Secretary - Policy, Management and Budget, and externally from the OMB and cognizant Congressional committees. In addition, the District Court has retained jurisdiction for 5 years to oversee the implementation of the Department's trust reforms.

This revised and amended *High Level Implementation Plan* for the TMIP provides information on and describes each of the 11 subprojects, responsible Bureaus, Offices and officials, and describes supporting tasks, critical milestones, work plans, and resource estimates. This version represents a significantly improved plan, incorporating changes predicated on the lessons of the past two years of trust reform. This plan is also richer in detail and specificity.

Each of the 11 subprojects may be modified during implementation to reflect changed and/or unanticipated circumstances, including, for example, the availability of funding and personnel provided by the Congress.

A summary of the TMIP budget, which totals $200.4 million for this period, is depicted below.

Appropriations through Fiscal Year 2000 total $133.8 million.



High Level Implementation Plan

Subprojects

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:

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

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:

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

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

accounts in the Trust Funds Accounting System (TFAS);

- 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:

- providing adequate systems for accounting for and reporting trust fund balances;
- providing adequate controls over receipts and disbursements;
- providing periodic, timely reconciliations to assure the accuracy of accounts;
- determining accurate cash balances;
- 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;
- establishing consistent, written policies and procedures for trust fund management and accounting;
- providing adequate staffing, supervision, and training for trust fund management and accounting;
- 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;
- 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.

- 749,000 potential files to research and check for documents
- 45,600 (totaling $27.7 Million) "Whereabouts Unknown" accounts to research
- 128,400 Tax Identification or Social Security Numbers to obtain
- 16,800 Duplicate Accounts and 6,100 Special Deposit accounts to research
- 14,500 Zero Balance accounts to research and close, if appropriate
- 14,900 accounts with less than $1 to research and close, if appropriate
- 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.

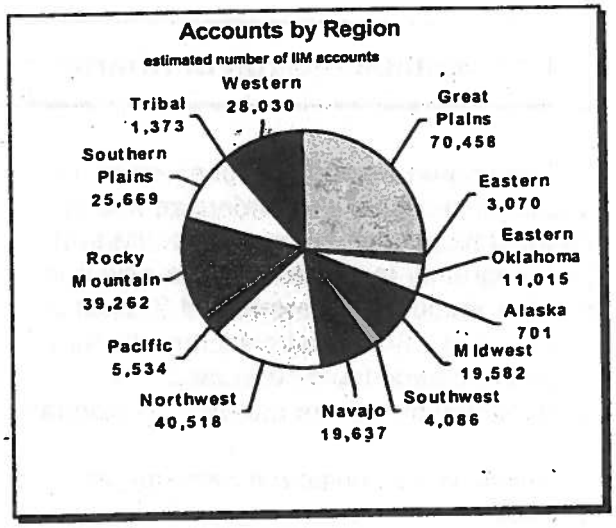


Table statistics as of 1/31/00

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:

- 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;
- 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;
- The general receptivity of Regional 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 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:

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

- Forestry
- 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:

- 56,000,000 acres
- 350,000 Indian owners
- 2,000,000 owner interests
- 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:

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

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.

- **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.

- **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.

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

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.

- Access individual assessment record on the tracking database.
- Print Document Search Report (DSR) from TAAMS.
- Verify ownership/title conveyance data against information contained on the printed DSR.
- 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.

- Access individual assessment record on the tracking database.
- Print screen or report from TAAMS
- Verify encumbrance document information contained in each physical record.
- 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

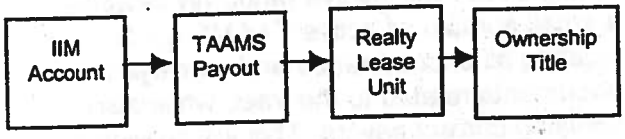
unique sampling methods.

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:

- Data Administration
- Security
- 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 case processing. Caseload data, which included a projected estimate of future deaths, was that approximately 15,500

[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.

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:

- **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.

- **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 Implementation 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 II - 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 I 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 II 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.

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

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

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 recommendations, 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:

- Providing adequate systems for accounting for and reporting trust fund balances;

- Providing adequate controls over receipts and disbursements;
- Providing periodic, timely reconciliations to assure the accuracy of accounts;
- Determining accurate cash balances;
- 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;
- Establishing consistent, written policies and procedures for trust fund management and accounting;
- Providing adequate staffing, supervision, and training for trust fund management and accounting;
- 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;
- 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:

- 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;
- 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;
- The general receptivity of regional management and Indian representatives;
- Staff knowledge in terms 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 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