

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

TRIBAL CONSULTATION MEETING ON  
REVISING TRIBAL SHARES FORMULAS  
FOR THE REAL ESTATE APPRAISAL PROGRAM

Office of the Special Trustee for American Indians

Taken August 13, 2009  
Commencing at 1:45 p.m.

Session II - Pages 92 - 139, inclusive

Taken at  
Frontier Building  
3601 C Street, Suite 1100  
Anchorage, AK 99503

**ORIGINAL**

Reported by: Valerie Martinez

	TABLE OF CONTENTS	
		PAGE
1		
2		
3	OPENING REMARKS AND INTRODUCTION.....	94
	Debbie Meisner	
4	Director of Administrative Operations, OAS	
	Eldred Lesansee	
5	Deputy Chief Appraiser, OAS	
6		
7	SLIDE PRESENTATION ON TRIBAL SHARES PROJECT.....	99
	Eldred Lesansee	
8	Deputy Chief Appraiser, OAS	
	Lee Frazier	
9	Management Analyst, OEA	
10		
11	QUESTION AND ANSWER SESSION.....	132
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 THURSDAY, AUGUST 13, 2009  
2 1:45 P.M.  
3 OPENING REMARKS AND INTRODUCTION

4 DEBBIE MEISNER: We're going to go ahead and  
5 get started. Sorry, again, for the delay. My name is  
6 Debbie Meisner. I'm with the Office of the Special  
7 Trustee for American Indians out of Albuquerque. I work  
8 directly with Eldred Lesensee, who is the OST deputy  
9 chief appraiser.

10 We're very, very pleased to have you here.  
11 We're very excited about this project that we've been  
12 working on. We think it's a very important project and  
13 that once it gets going it can be a great benefit to  
14 many of the tribes that contract or compact or that are  
15 looking into that.

16 What we're going to do here is identify  
17 ourselves around the table. And you guys on the phone,  
18 you've identified yourself already but if you can  
19 identify one more time.

20 Also, we will do questions and answers as we  
21 go through the presentation, so feel free to jump in and  
22 ask a question at any time. And when you do that,  
23 though, if you could please identify yourselves because  
24 we do have a court reporter that's here and we are  
25 recording everything that's being said.

So without any other ado we will start.

1           GLEENDA MILLER: Introductions, okay. Good  
2 afternoon. This is Glenda Miller. I'm the trust  
3 officer for Alaska.

4           DARLENE WRIGHT: I'm Darlene Wright, executive  
5 director at Tanana Tribal Council.

6           SPEAKER: You all need to speak up. I can't  
7 really hear.

8           DEBBBIE MEISNER: Let's try it again.

9           DARLENE WRIGHT: Darlene Wright, executive  
10 director at Tanana Tribal Council.

11          ELDRED LESANSEE: Did you hear that?

12          PAUL ROEHL: Tanana Tribal?

13          ELDRED LESANSEE: Was that okay?

14          SPEAKER: Yeah, that sounds better.

15          EUNICE HADLEY: Eunice Hadley, IRA Council.

16          LEE FRAZIER: I'm Lee Frazier with OST, Office  
17 of External Affairs out of Washington, D.C.

18          ELDRED LESANSEE: And I'm Eldred Lesansee,  
19 deputy chief appraiser for OST out of Albuquerque.

20          PAUL ROEHL: Paul Roehl, supervisor realty  
21 specialist, BIA.

22          MIKE TABOR: Mike Tabor, realty director,  
23 Native Village of Kotzebue, Kotzebue IRA Council.

24          DELIA COMMANDER: Delia Commander, tribal  
25 president administrator for Skagway Traditional Council.

1 DEBBBIE MEISNER: Okay. And those on the  
2 telephone again were who?

3 PAULINE JOHNSON: Pauline Johnson, Mountain  
4 Village Tribal Office.

5 ELDRED LESANSEE: And is there another person?

6 PAUL ROEHL: Sabrina Savoonga?

7 SABRINA SAVO: Sabrina Savo, Chugachmiut.

8 ELDRED LESANSEE: Okay. So we've got only two  
9 people on the line -- right -- it looks like.

10 Well, thank you very much. I appreciate  
11 everybody attending the afternoon session. I think the  
12 morning session went fairly well. We had some good  
13 discussions and hopefully we'll do -- have the same.

14 And, Debbie, do you want to -- did we do the  
15 ground rules?

16 DEBBBIE MEISNER: Yep, we did.

17 ELDRED LESANSEE: We did? Okay. We covered  
18 the ground rules.

19 Normally we try to hold our comments till the  
20 end of the presentation for the Q&A session. But since  
21 we're a small group, we can address any questions or  
22 recommendations or comments as we go along. And so I  
23 hope we have -- I hope you come armed with some good  
24 questions, because what we'll do is after this session,  
25 we'll carry your comments forward to the next session in

1 Albuquerque.

2 This is the fifth tribal shares meeting that  
3 we've had. We started with Rapid -- not Rapid City, but  
4 Oklahoma City meeting with the Oklahoma tribes from  
5 Eastern Oklahoma and Southern Plains. And then we  
6 traveled to Rapid City and had a meeting in Portland.  
7 And then Billings, Montana was the last one on August  
8 the 4th.

9 And we've had some very good comments. I  
10 mean, I think after this Oklahoma meeting we did have  
11 some e-mail communications. And we're also in the  
12 process of doing our negotiations for the current --  
13 this year's AFAs. And we're receiving comments through  
14 that process, too, as well.

15 We're not quite sure -- we haven't decided  
16 what direction we're going to go as far as after the  
17 last tribal shares consultation in Albuquerque. But  
18 it -- there's been some recommendations from some tribes  
19 to perhaps create a federal tribal work group to carry  
20 the project forward. But that hasn't been -- the  
21 decision hasn't been made yet. We're just in the  
22 process of discussing the ideas and presenting the  
23 concerns that we've heard over the seven years. And so  
24 it's -- you know, it's up in the air.

25 And I encourage everyone here that does have

1 recommendations or comments and so forth to submit that.  
2 And we'll provide that information on where you can  
3 submit your comments and so forth. And Debbie is the  
4 person that's compiling all the information for us.

5 I guess to give you a little bit of  
6 background, regional tribal shares formulas were  
7 developed in the Bureau of Indian Affairs in 1995. And  
8 as a result, there's 12 different tribal shares  
9 allocation formulas across the country.

10 We will present -- well, actually, there's  
11 seven. But each regional office developed their  
12 separate tribal shares formula and some share common  
13 ones. And one -- what was it -- workloads is probably  
14 one that's probably shared by more than one region.

15 You know, you get from one extreme to the  
16 other. The equal shares is probably the most -- the  
17 equal shares formula is the most simple formula. And  
18 then you -- the most complicated formula we'll present  
19 here is the hybrid formula. And that is probably the  
20 most difficult because of the information that's  
21 necessary to put that into place.

22 But one of the other things that we found  
23 along the way is that -- which triggered this -- these  
24 consultations and our proposal to study the tribal  
25 shares formulas is that there's some regions, a couple

1 of regions, where we have difficulty gathering the base  
2 documentation, the original documentation that was used  
3 in 1995 to establish the tribal shares.

4 So I guess we can move forward. The two  
5 common issues that keep coming up are the tribal shares  
6 that were calculated in 1995 haven't changed. Tribal  
7 shares for appraisals have not been calculated in step  
8 with increased regional appraisal budgets. Those are  
9 two common concerns that the tribes have presented to  
10 us.

11 SLIDE PRESENTATION ON TRIBAL SHARES PROJECT

12 Like I mentioned before, in 1995 BIA developed  
13 a region-by-region formula used to allocate tribal  
14 shares. And in 2002 the appraisal program moved from  
15 BIA to OST. And the awarding officials and OST agreed  
16 to continue the region-by-region formulas to maintain  
17 continuity.

18 Existing Tribal Share Formulas. Like I  
19 mentioned before, there's many different formulas across  
20 the 12 regions. And we're here to present six of these  
21 formulas; equal division, land-based division,  
22 population division, workload-based division, and the  
23 hybrid division, which uses weighted components.

24 The equal division is easy to calculate but  
25 may not be in compliance with the statutes. The

1 land-based division, there's no strong correlation with  
2 appraisal needs. The same way with the population-based  
3 division. The workload-based division appears to have  
4 the strongest correlation but there are also weaknesses  
5 behind that formula. And the hybrid division considers  
6 the various factors, but it's also the hardest to -- the  
7 most complicated to apply because of the requirements  
8 for different types of information.

9           But these -- we'll talk in detail with each of  
10 these formulas and we're open to suggestions. I mean,  
11 this is not everything. I mean, we've had suggestions,  
12 really good suggestions, from some tribes on how we can  
13 use some of these formulas but alter them a little bit.  
14 Like, for instance, maybe having a -- like the  
15 workload-based formula, but with a base so that every  
16 tribe has an opportunity for part of the tribal shares.

17           LEE FRAZIER: This is slide number four, the  
18 reasons for revising this formula, as Eldred already  
19 alluded to.

20           Most of the tribal shares were originally  
21 calculated back in 1995. And for the most part they  
22 have not changed. The problem there is that -- as  
23 you'll see when we get to the actual formulas -- your  
24 percentage that you were supposed to get for your share  
25 is multiplied by a budget. And if -- the 1995 shares

1 were multiplied by the 1995 budget and for the most part  
2 those have not changed. So they have not been like --  
3 they have not been frozen by policy, but they have been  
4 effectively frozen. Most of the tribes that had their  
5 shares calculated in the 1995 have not seen an increase.

6 Tribal shares have not been recalculated in  
7 step with increased regional appraisal budgets. I think  
8 back in 1995 the overall appraisal budget -- what was it  
9 about on the order of?

10 ELDRED LESANSEE: 1995 it was about \$3.4  
11 million.

12 LEE FRAZIER: About \$3.4 million. Now it's  
13 about \$10 million overall and the shares have not  
14 increased in step -- the tribal shares have not  
15 increased in step with the regional budgets.

16 And also because of that fact, there may be  
17 inequities between tribes that have contracted or  
18 compacted at different times. If you came into the  
19 program, say, like 2002 then even using the same formula  
20 your share would be higher than a person who came in in  
21 1995 because theirs has not been adjusted. Of course  
22 yours is now frozen in 2002, but at least it's higher  
23 than 1995.

24 ELDRED LESANSEE: And I'd like to clarify that  
25 when we moved from BIA to OST, the budget amount was 10

1 and then it dropped to 8.6. And then we got a proposal  
2 in Congress to increase it back up for \$2 million extra.  
3 And that hasn't been approved by the Senate yet.

4 Benefits of Revising. Revised formulas will  
5 ensure uniformity and transparency in determining tribal  
6 shares and the funding residual for the inherent federal  
7 functions.

8 How many of you are aware of what the inherent  
9 federal functions are for appraisals? Inherent federal  
10 functions for appraisals are review and approval. And  
11 the commercial activity is the appraisal preparation  
12 function. And that's what the tribes have taken on as a  
13 responsibility to obtain appraisals on behalf of the  
14 federal government.

15 LEE FRAZIER: Okay. Moving on to slide six.  
16 It says Statutes and Regulations. And the first statute  
17 we're going to deal with, this is from Title I of 93.638  
18 and so it applies to contracts, but there's essentially  
19 the same language in the Title IV part of the law that  
20 would apply to compacting tribes, which most of you -- I  
21 think all of you are.

22 I'll just read the statute:

23 "The amount of funds provided under the terms  
24 of the self-determination contracts" -- read compacts --  
25 "entered into pursuant to this subchapter shall not be

1 less than the appropriate Secretary would have otherwise  
2 provided for the operation of the program or portions  
3 thereof for the period covered by the contract."

4           And while the language here -- it's a little  
5 fuzzy. What OST has historically interpreted this to  
6 mean is a tribal share is what the Secretary otherwise  
7 would have expended providing direct services to the now  
8 contracting or compacting tribe for that program. So if  
9 you compact the appraisal program, you are due a tribal  
10 share that would be equal to what the Secretary  
11 otherwise would have spent providing the direct service  
12 of realty appraisals to your tribe.

13           Now moving on to the regulations that  
14 supplement that statute, 25 CFR Section 1000.94. Let's  
15 read the regulation. This talks about residuals.

16           "BIA residual funds are the funds necessary to  
17 carry out BIA residual functions. BIA residual  
18 functions" -- and this applies to OST as well --  
19 "residual functions are those functions that only BIA  
20 employees could perform if all tribes were to assume  
21 responsibilities for all BIA programs that the Act  
22 permits."

23           In other words, these functions are what we  
24 call inherently federal functions or inherently  
25 governmental functions. They are the functions that by

1 definition we may not contract out to anyone, whether  
2 tribes or anyone outside the government. They must be  
3 performed by a governmental employee.

4 Moving on to the next section in the regs.  
5 It's 25 CFR Section 1000.95. And this talks about a  
6 report that's supposed to be issued every year by our  
7 office.

8 "Residual information will consist of residual  
9 functions performed by the BIA, a brief justification  
10 why the function is not compactable, and the estimated  
11 funding level for each residual function. Each regional  
12 office and the central office will compile a single  
13 document for distribution each year that contains all  
14 the residual information of that respective office."

15 This is the regulation that historically we  
16 have not be in compliance with. We intend to come into  
17 compliance starting next year, specifically March 1st of  
18 next year. We will begin issuing, and every year  
19 thereafter, a report to tribes detailing what we deem to  
20 be the inherently federal functions of OAS, which is the  
21 office that performs the appraisal function, and a brief  
22 justification of why that function is inherently  
23 federal. And it will also include budget information,  
24 whatever the residual -- whatever the residual level is.

25 I think Eldred said this already, the current

1 residual level is 20 percent. That was a policy that  
2 was determined a few years ago. We have not yet  
3 determined what the residual will be in the future. But  
4 whatever that is, that will be included in the annual  
5 report that's, again, issued around March 1st of every  
6 year. It's supposed to be. And we intend to come into  
7 compliance starting next year.

8 ELDRED LESANSEE: As Lee just mentioned, 20  
9 percent is the current residual that we use. But the  
10 1995 contracts and compacts didn't apply the 20 percent.  
11 And it probably most likely followed the previous  
12 statutes or regulations. They probably did it by  
13 justification and negotiations.

14 But in the future, OST will need to ensure  
15 that the residual is adequate enough to carry out the  
16 federal inherent functions, which are review and  
17 approval.

18 Appraisal Process. And this just demonstrates  
19 the activities or the appraisal flow. This shows the  
20 appraisal flow. And those of you that are online, I  
21 don't know if you've got colored copies, but this  
22 process shows a colored process -- bullets -- would you  
23 say bullets? They look like arrows to me.

24 But it starts with the appraisal request as  
25 the beginning of the process. And within that,

1 there's -- what does that say beneath there?

2 LEE FRAZIER: Subject to approval --

3 ELDRED LESANSEE: Oh, I should read here.

4 Subject to approval by the BIA. I should have read the  
5 computer screen. It's clear there.

6 But it starts there and the next step is the  
7 appraisal report. And that's the preparation function  
8 that's identified as a commercial activity that's  
9 available to the tribes to contract and compact.

10 And then the appraisal report, review and  
11 approval. And in parenthesis it says IFF. And that  
12 activity is the inherent federal function and it's also  
13 funded by the residual.

14 And then the last arrow is transmit product to  
15 the client. And that pretty much ends the process from  
16 the beginning of -- when the request starts, the  
17 appraisal report is done, the review process is done,  
18 and then the product is sent to the client. And that's  
19 a simplistic view of the appraisal process, but it also  
20 demonstrates where the -- you know, identifies the  
21 commercial activity versus the inherent federal  
22 functions.

23 And you had a comment on this as well.

24 LEE FRAZIER: Oh, yeah. We put this together  
25 basically to talk about the need to have the right

1 balance between the residual -- say, the residual and  
2 the non-residual. Because that third arrow there, the  
3 appraisal report, review and approval, that's the  
4 inherently federal function. That's what's funded by  
5 the residual, which right now is 20 percent.

6           And in the past, not just within OST but I  
7 think through BIA, too, there tends to be a tug of war  
8 between the tribes and the department about how the  
9 residual is. Tribes tend to want their residual to be  
10 smaller. The feds tend to want it to be a little  
11 larger.

12           One of the things to bear in mind that we all  
13 have to bear in mind is that because this is a pipeline,  
14 if you shrink that third one too much, if you make that  
15 residual too small, you could end up actually hurting  
16 tribes because you will choke the flow to the final  
17 stage, which is transmitting the product to the client,  
18 whereas you might have more money to perform appraisal  
19 reports. The regional appraiser will have less money to  
20 do approval and that could just add to the backlog.

21           So one of the things that -- one of the  
22 considerations that we all have to bear in mind when  
23 we're talking about the residual is we have to be sure  
24 that we allow the regional appraisers who are doing the  
25 inherently federal functions, we have to make sure they

1 have sufficient funds to perform their function timely.

2 This next slide, slide number 10, we're going  
3 to begin talking about what we call ideas. These are  
4 the various ways that one could go about dividing up the  
5 funds, how you could calculate the shares.

6 The first one is what we call a workload-based  
7 formula. And this is the one that is used by -- I would  
8 say probably most of the regions would use either a  
9 workload-based formula or would use the hybrid formula  
10 that contains a workload component. And as it suggests,  
11 the workload is just what's the -- how many appraisal  
12 requests is the tribe turning in relative to the region.

13 And the way we would calculate a tribal share  
14 based on a workload-based formula is we would take the  
15 regional budget, we would subtract the residual, which  
16 remember is 20 percent, and that would give us an  
17 available regional budget. We would then multiply that  
18 available regional budget. We would multiply that by a  
19 number, basically a ratio, which is the average tribal  
20 workload divided by the average regional workload.

21 And what average we use has yet to be decided.  
22 We could use a three-year average, a four-year average,  
23 a five-year average, a six- or seven-year average.  
24 There are advantages and disadvantages to both, to going  
25 both ways. If you use a smaller sample size, if you use

1 a smaller number of years, say, a three-year average or  
2 even a one year -- forget average. We're going to do it  
3 by the latest year -- that's going to be very responsive  
4 to changes in demand. So that if you had five -- you  
5 know, you have five appraisal requests one year and the  
6 next year you have 10, then your share, your tribal  
7 share, is going to jump very quickly because it's going  
8 to be responsive to that last year.

9           The problem with that is it makes the demand  
10 curve very spiky so that your level is going to be  
11 jumping around quite a bit if you have changes in your  
12 levels of demand. Whereas if you increased the number  
13 of years in the average, if you say, go from three years  
14 to five years to seven years, your demand curve is going  
15 to be smoother and is therefore going to be more  
16 predictable. And so your budgeteers are probably going  
17 to be happier because they're not having to guess as  
18 much. Even if you have, say, a seven-year average, even  
19 if you have a pretty big jump either up or down in the  
20 latest year, you've got six years previous data to  
21 smooth that out.

22           So that's kind of your tradeoff. Fewer  
23 numbers of years, more responsive to changes, both up  
24 and down. More years in the average, it's going to be a  
25 smoother demand, it's going to be more predictable.

1           And I want to point out, this is the type of  
2 formula that's now being used in Eastern Oklahoma and I  
3 think it's also being used in Northwestern. I think  
4 they use strictly workload-based.

5           ELDRED LESANSEE: One of the things that was  
6 brought up -- I just remembered in the second session --  
7 is that one of the key components that one of the tribes  
8 brought up in regards to workload-based formula is  
9 what's the definition of workload, how do we count  
10 workload. I mean, because when a tribe from Washington  
11 State indicated that there's a certain part of the  
12 activities that the tribe does, they don't count -- they  
13 don't send into the regional office, so they might not  
14 account for the amount -- certain portion of their work.

15           And so I think it's going to be key as far as  
16 on a nationwide basis what is identified as workload and  
17 to have a consistent count in the work as well.

18           The key components to this workload-based  
19 formula is of course the workload for the regional  
20 budget for appraisals and then the residual.

21           LEE FRAZIER: Slide number 11 is just a  
22 hypothetical scenario of a very small region with just  
23 three tribes. And this will be assuming a three-year  
24 average. We have data from three fiscal years, FY 2005  
25 through 2007. And we're just -- it's not as complicated

1 as it looks, but we're just going to step you through  
2 the math.

3 If you look at Tribe A, you'll see that in  
4 fiscal year 2005 they had 35, then they had 30, then  
5 they had 31. So this is a tribe that has a pretty  
6 steady demand as far as the appraisal requests.

7 Tribe B is a tribe that their demand curve is  
8 beginning to ramp up. They started with zero, then in  
9 the next year they had two, and then in the next year  
10 they had 10. So their demand is ramping up fairly  
11 quickly.

12 Tribe C, their demand curve is beginning to  
13 bend down. They started off with 20, dropped to 10,  
14 dropped to six.

15 So for the following fiscal year, which will  
16 be fiscal year 2008, how will we calculate the tribal  
17 share.

18 For Tribe A, we would say, well, let me first  
19 start with -- go to the regional average. If you add  
20 all of those numbers together and divide by three --  
21 again, this is a three-year average -- you get a  
22 regional average of 48. So every year on average this  
23 region does 48 or receives 48 appraisal requests.

24 You then look at Tribe A. You add their  
25 numbers together, divide by three. Tribe A has a

1 three-year average of 32 appraisal qualifies. You then  
2 take the 32, you divide by 48, you get 0.6667 or 66.67  
3 percent.

4 You take that percentage and you multiply it  
5 by the available budget. Again, the available budget is  
6 the regional budget. \$100,000 minus the residual,  
7 \$20,000, leaving an available budget of \$80,000.  
8 \$80,000 times 66.67 percent gives you a tribal share for  
9 Tribe A of \$53,336.

10 Does everyone follow the math on that or would  
11 you like to walk through it one more time?

12 Tribe B similarly. They have a three-year  
13 average. Even though they're ramping up in this latest  
14 year they have 10, their three-year average is only  
15 four. So they have -- you take four, divide it by 48.  
16 It gives 8.33 percent. You take -- you multiply that  
17 percentage by the available budget, \$80,000, and you get  
18 a tribal share of \$6664.

19 Tribe C, even though last year they only had  
20 six because their demand is curving down, over three  
21 years they had an average of 12. You take the 12,  
22 divide it by 48, 25 percent. You multiply the 25  
23 percent times the available budget of \$80,000. You get  
24 a tribal share of \$20,000 for Tribe C.

25 If we go to the next year -- and we just did

1 this just to show. Because we intend this -- if we  
2 adopted some version of the workload-based formula, we  
3 would intend for it to be dynamic. That is, unlike now  
4 where it's calculated one time and you're stuck with it,  
5 it would be adjusted every year.

6           So we just pretended like we went -- again,  
7 three-year average. We assumed that the demand for FY  
8 2008 was exactly the same as FY 2007. So look at Tribe  
9 A. Their demand is about the same. Tribe B, they're  
10 holding steady at 10. And Tribe C, they're holding  
11 steady at six. But remember Tribe B -- backwards  
12 here -- Tribe B's zero has dropped off now. Now it's  
13 just two, 10, and 10 that's counted as data. Tribe C,  
14 their big year has dropped off, so they're shrinking.  
15 Their three-year average is shrinking.

16           So when you recalculate their tribal shares for  
17 the next year, although Tribe A is roughly the same,  
18 it's gone up a little bit -- it's \$54,000 now -- now  
19 Tribe B's tribal share, because their three-year average  
20 has increased, has gone up to \$12,000 -- \$12,936. Tribe  
21 C has decreased to \$12,936.

22           So that's what we just wanted to show you how  
23 the dynamic nature of this methodology could affect a  
24 tribe. It could affect -- it could change -- it would  
25 be somewhat predictable for a tribe like Tribe A where

1 they've had about the same demand for a number of years.  
2 For a tribe that's increasing or decreasing, it might be  
3 a little less predictable.

4 ELDRED LESANSEE: And one of the things  
5 that -- because this changes -- I mean, if it's dynamic,  
6 one of the problems of being too dynamic and changing  
7 year after year is that if you've got staff and you're  
8 dependent on the tribal shares to fund that position,  
9 you could -- your funding could change each year and you  
10 might have difficulty in keeping that person on board  
11 because of the -- especially if you don't have  
12 supplemental funds to support that position. That could  
13 create havoc to keeping that at the tribal level.

14 But at the same time, the benefits of it is if  
15 you do outsourcing of your -- your work increases, then  
16 you'll have more funds available to meet the changing  
17 demand.

18 Equal Division. Equal division doesn't -- I  
19 mean, you could ignore the workload information that's  
20 up there. It's simply dividing the number of tribes  
21 that you have in your region by -- the number of tribes  
22 divided by one, I guess. In this case there's three  
23 tribes so you take -- each of them gets a third. So  
24 they have an equal share of the available funding or the  
25 budget.

1           And so no matter what -- we're using the same  
2 workload numbers, but it doesn't matter because we don't  
3 consider that. We just consider the number of tribes in  
4 the region and you split it by one-third and you apply  
5 that to the 8,000 and you get your equal tribal share no  
6 matter what -- how much work Tribe B does or A does or C  
7 does.

8           They get the same amount of money. And in  
9 same cases maybe one particular tribe in your region  
10 might not have any appraisal activity, but they're  
11 entitled to their equal share.

12           And that's the fallacy of our -- the limits  
13 are -- yeah, the limitations on this is equal division.  
14 And like I mentioned before, it may not be consistent  
15 with the law.

16           LEE FRAZIER: Just to add to that -- and we  
17 have mentioned in the previous slide -- that we fear  
18 that the equal division method, even though it is  
19 currently the formula that's used in the Midwest Region,  
20 it may not be in compliance with the law because what  
21 the law states is that a tribal share should be no less  
22 than what the -- what the Secretary otherwise would have  
23 spent on your tribe if it was a direct service tribe.

24           Well, if the tribe had no appraisal activity,  
25 then if they were not compacting the program, they would

1 receive no money. So to give them a tribal share of  
2 some money doesn't seem to be in compliance with the law  
3 or the statute.

4 DELIA COMMANDER: I have a quick question.  
5 How is it being distributed now?

6 ELDRED LESANSEE: Excuse me. Can you identify  
7 yourself first?

8 DELIA COMMANDER: I'm Delia from Skagway. I  
9 just want to know how the tribal shares are distributed  
10 now.

11 LEE FRAZIER: In Alaska?

12 DELIA COMMANDER: Yeah.

13 LEE FRAZIER: Land-based. That's a happy  
14 coincidence.

15 The question, if you didn't hear it, she was  
16 wanting to know how -- what's the distribution formula  
17 in Alaska. Alaska is the only region that uses a  
18 strictly land-based formula. And our little chart here  
19 has acres, our little hypothetical has acres. Alaska  
20 doesn't use acres to calculate their distribution. They  
21 use parcels. And it was clarified to us today that they  
22 use -- that they count both parcels and town sites and  
23 they're weighted equally.

24 ELDRED LESANSEE: First of all, the land-based  
25 formula. The assumption is that the more acres you have

1 or the more parcels or town sites, the direct  
2 correlation is that you'll have more appraisals to do.

3 But this hypothetical example, Tribe A has got  
4 the biggest share because they've got 1,000 acres versus  
5 Tribe C, who only has 100 acres. So their share is a  
6 lot smaller. And if you -- the way you calculate the  
7 percentages, you divide the number of acres, which is  
8 the 1,000 for Tribe A, and you divide that into the  
9 total amount of acres that's serviced by the region,  
10 which is 1600 acres.

11 So 1,000 divided by 1600 is 62.5 percent. And  
12 you do that for the rest, the 500 and the 100. And  
13 you'll get 31 percent and 6.25 percent. And those  
14 percentages are applied to, again, the available budget  
15 that -- the amount of appraisal money that's available  
16 to the tribes to contract and compact of \$80,000.

17 So 62.5 percent times \$80,000, your tribal  
18 share is \$50,000. And if you see, Tribe C only has  
19 \$5,000 because they only have 100 acres in trust and  
20 restricted status.

21 And the problem with this is that it's not  
22 always -- the appraisal need is not always dependent on  
23 how many acres you have. Like, for instance, Yakama  
24 Nation in Washington State, they've got the same amount  
25 of acres of land as the Colville Nation in the same

1 state. But because Yakama has got a diverse land base,  
2 they've got remotely located properties and then they've  
3 got some right in the middle -- right intermixed with  
4 other feed properties within Yakima City. So there's a  
5 lot of activity. They have a lot of allotments, too, as  
6 well and that generates a lot of work, too, as well.

7 And whereas in the Colville, it's more  
8 remotely located. Their activity is somewhere like  
9 maybe -- maybe about less than 200 or so. Roughly 200  
10 versus close to, well, 1,000 about, a little over 1,000  
11 for Yakama.

12 So -- and the land-based is the same. So  
13 there is no high correlation between the amount of land  
14 you own in trust and restricted fee status and the  
15 amount of appraisals that you need.

16 DARLENE WRIGHT: Do you have data specific to  
17 the regions in Alaska?

18 ELDRED LESANSEE: As far as acreage, the  
19 number of parcels? We should. We should have them.

20 DARLENE WRIGHT: And do you know what the  
21 existing allocation is?

22 LEE FRAZIER: I've seen it. I don't have it  
23 on me, but I have seen -- there is a database. And  
24 basically what they did in 1995, they went through  
25 Alaska and they added up all the parcels and town sites

1 to come up with the 100 percent number and then they  
2 went to your tribe and said how many parcels and town  
3 sites do you have, divided it through, this is your  
4 percentage.

5 And if you -- at that time if you had  
6 compacted the program, it would have been multiplied by  
7 the regional budget minus a negotiated residual. It  
8 wasn't percentage. It was a negotiated flat fee. And  
9 that would have been your tribal share at the time. If  
10 it was calculated back then -- there are tribes that now  
11 compact the program. That number that was calculated  
12 for them has stayed every year at that same number.

13 ELDRED LESANSEE: And we're at slide number  
14 15, idea number four. One of the things that you've  
15 probably seen already as far as a pattern is that your  
16 regional budget and residual and available budget, if we  
17 use the same number, you know, we carry that through, it  
18 kind of identifies -- it isolates the key components  
19 like population, land, and workload. And how that  
20 affects -- no matter what -- not no matter what, but  
21 your regional budget, your residual, if it's consistent,  
22 but your -- what you consider as factors to incorporate  
23 into your formula makes a big difference. And you'll  
24 see that in the hybrid. And what weights you put on it,  
25 it's going to result in different numbers or different

1 shares.

2 But in the population-based, the assumption is  
3 the same as the land-based. The assumption is that the  
4 more people you have -- this is tribally rural people  
5 that are eligible for federal services. The more  
6 populations for each of the tribe, the higher the  
7 population or enrolled membership, the thought is that  
8 you'll generate more appraisals.

9 And like, for instance, Tribe A has got the  
10 most of 3,000 enrolled members. And the percentage is  
11 higher. And then Tribe C has 1500 members and it's only  
12 got 23.08 percent. And like we did with the land-based  
13 formula, you divide that by the number of enrolled  
14 members within the region that's eligible for federal  
15 services of \$6500 into the \$3,000. You divide the  
16 \$3,000 by 65 to get 46.15 percent. And that's applied  
17 to the available budget.

18 And the same way with Tribe B and C with their  
19 numbers of 2,000 and 1500. And then you get to  
20 tribal -- the dollar tribal shares of \$37,000, \$24,000,  
21 and \$18,000. But strictly on the number of enrolled  
22 membership divided by the total enrolled members in the  
23 region that are serviced by the federal government.

24 And I guess an example of where this  
25 assumption may not always be true is, I guess, in

1 regards to the Navajo Nation. They've got one of the  
2 biggest populations in the country as far as enrolled  
3 members and they've got the largest land base. But the  
4 amount of appraisals that we have that's generated  
5 there, appraisal requests, is probably the third lowest  
6 in the Office of Appraisal Services versus a small  
7 tribe, say, like Agua Caliente, that has a small tribe,  
8 a small land base, but the amount of work is probably  
9 equal or higher than the Navajo Nation's workload. And  
10 population, too, as well.

11 Is there any questions on this before we move  
12 on?

13 DARLENE WRIGHT: I was just wondering about  
14 the correlation between the actual tribal membership  
15 population base and like in Alaska for the actual number  
16 of tribal members we have.

17 GLENDA MILLER: That's a good point that the  
18 assumption seems to be that because you're a tribal  
19 member you have --

20 DARLENE WRIGHT: There's a lot of tribal  
21 members that don't have any land at all. On the other  
22 hand, when you look at how property is built, it can go  
23 from one person to 25 in a year.

24 GLENDA MILLER: And the other part of it, too,  
25 is if this is really tribal membership, how many tribes

1 are there in Alaska that don't have, you know, roles.

2 DARLENE WRIGHT: Or have families that may be  
3 enrolled into separate tribes, their descendants into  
4 separate tribes.

5 ELDRED LESANSEE: And that's a good point,  
6 because I think in one of the meetings we had in -- I  
7 think the key factor is the enrollment codes for the  
8 tribes and some are very liberal. I mean, they hire --  
9 not hire -- but they enroll a lot of people and their  
10 population is very high. And they can inflate their  
11 numbers really quickly.

12 GLENDA MILLER: Whether deliberately or not.

13 ELDRED LESANSEE: Yeah.

14 GLENDA MILLER: And then you've got the tribes  
15 where -- like there's a tribe in Alaska that we were  
16 working with where the tribal enrollment requirement was  
17 that you had to live in the village. And if you didn't  
18 live in the village, you were not a tribal enrolled  
19 member. And so if you owned land right there in the  
20 village and you're not enrolled, then you're kind of in  
21 a world of hurt.

22 LEE FRAZIER: The population-based formula,  
23 you can probably guess, is not one of our favored  
24 methods. And the main reason is because there's just  
25 not -- there's not a demonstrated high correlation

1 between the population and the appraisal activity. But  
2 as all of you are suggesting, there's another reason,  
3 which -- like this can become a very politically kind of  
4 dicey thing --

5 GLENDA MILLER: It is.

6 LEE FRAZIER: -- where people are -- well,  
7 look at all the fights that occur around the census that  
8 occurs in the United States. You know, people are  
9 trying to increase their numbers. So that's another  
10 reason like if you're -- there might be some good  
11 reasons for being -- for including a population-based  
12 component, but there's a lot of downside to it, too.

13 DARLENE WRIGHT: And the other thing is, like  
14 our tribe is a compact tribe and it's a small tribe.  
15 But in the region, I think there's only like three  
16 compact tribes out of 42. And so that means that the  
17 regional tribal consortium, on a formula like this,  
18 would have a larger amount.

19 LEE FRAZIER: Yeah.

20 DARLENE WRIGHT: I mean, a huge amount. And  
21 how do we verify the funding for how -- this funding was  
22 included in the division on the region. We do have a  
23 realty budget. And I'm new to the tribe, so -- in terms  
24 of management. So I'm just wondering about, does our  
25 realty budget include some type of funding for

1 appraisals?

2 GLENDA MILLER: I think you're in a memorandum  
3 of agreement with TCC and I think TCC provides your  
4 appraisals.

5 LEE FRAZIER: No. Is Tanana --

6 DARLENE WRIGHT: Yeah.

7 LEE FRAZIER: No, they have a separate --

8 DARLENE WRIGHT: We have a contract.

9 GLENDA MILLER: But, I mean, even aside from  
10 that, they have an understanding.

11 LEE FRAZIER: Yeah, they do. Their AFA is  
12 joined. It's a little strange.

13 DARLENE WRIGHT: All right. Thank you.

14 LEE FRAZIER: This is idea five on slide 16.  
15 And this is what we're calling a hybrid formula. And by  
16 that, we just mean -- this is a formula that includes  
17 more than one component. We've identified basically  
18 five different kinds of components that the different  
19 regions have used. And what you see here is just an  
20 example, a hypothetical hybrid formula that uses three  
21 components; land, population, and workload.

22 And if you're looking at a faxed copy, you may  
23 not be able to see that under each one of those in kind  
24 of a darker maroon color -- I guess you can't see maroon  
25 in a fax. In parentheses, there's numbers. Under land

1 it's 0.25. Under population it's 0.25. And under  
2 workload it's 0.5 point. And what those are are  
3 weights, which is a way that we give priority to a  
4 particular component.

5 Now, the weights we have chosen here are  
6 arbitrary. They could be anything. They could be 0.33  
7 for each one. As long as they all add up to one. So  
8 0.25 plus 0.25 plus 0.5 equals one. And what that means  
9 is that on this hypothetical example, workload is  
10 considered to be worth 50 percent of the importance,  
11 population worth 25 percent of the importance, land  
12 worth 25 percent of importance.

13 And we'll just work through one line to show  
14 you how you would actually come up with a tribal share.  
15 If you remember, Tribe A had 62.5 percent of the land  
16 base. So you see that 62.5 percent there? You multiply  
17 that --

18 ELDRED LESANSEE: There you go.

19 LEE FRAZIER: Yeah. You multiply that 62.5  
20 percent by the weight, which is 0.25, and you get  
21 0.1563, which is -- it's also a percentage but we're  
22 going to leave it in that form.

23 Then we go over to population. Tribe A has  
24 46.15 percent of the population. You multiply that  
25 times the weight 0.25. You get 0.1154.

1           Then you go to the workload. Tribe A has  
2   66.67 percent of the workload. You multiply that by the  
3   weight, 0.5, and you get 0.3334.

4           You then add together those right-hand  
5   numbers, 0.1563 plus 0.1154 plus 0.3334, and you get  
6   0.6050 as the total weight for Tribe A. As you can  
7   guess, that's also really just a percentage. So they  
8   have 60.50 percent of the overall -- that's their share.  
9   You take that 0.6050, you multiply it by \$80,000, which  
10  is the available budget, and Tribe A's tribal share is  
11  \$48,398.

12           Anybody want me to work through the math, how  
13  that works, again? Okay.

14           ELDRED LESANSEE: If your weights equal to  
15  one, that last column that says total weights, if you  
16  add those up, those percentages, that 0.6050 and the  
17  other two, they should add up to --

18           LEE FRAZIER: They'll all add up to one.

19           ELDRED LESANSEE: Yeah, they should add up to  
20  one.

21           LEE FRAZIER: So 0.6050 plus 0.1967 plus  
22  0.19 -- actually, do they add up to one?

23           ELDRED LESANSEE: Yes, they do.

24           LEE FRAZIER: Yeah, they will. Sometimes we  
25  have rounding errors in here so we have to be careful.

1 But, yeah, they add up to one.

2 ELDRED LESANSEE: But the idea about roundness  
3 is that there's -- each tribe has land. Each land has  
4 population. Each tribe has maybe some level of  
5 workload. And the hybrid formula gives credit to every  
6 tribe that's represented within the region. They may be  
7 a large tribe with a large workload or a small tribe  
8 with a small population and small land base, but they  
9 get something.

10 And I guess the one region that does use this  
11 is the Southwest Regional office. And they started out  
12 with five different factors, equal share;  
13 population-based, land-based, data, and then workload  
14 for appraisals and workload for realty. But we had to  
15 drop off realty. We had four components.

16 The difficulty that we faced was gathering the  
17 statistical information and matching that up with the  
18 tribe statistics. And we had to reconcile the  
19 information each year because as the population changed,  
20 the information from the federal government wasn't  
21 always matching up with the enrollment office, the  
22 tribe's enrollment office's statistics. So that had to  
23 be done during the negotiations -- the AFAs or the  
24 negotiations of a new program.

25 LEE FRAZIER: This next slide deals with Title

1 IV funding sources. And I think most tribes in Alaska  
2 are compacting tribes, and so this would pertain to you  
3 if you currently compact to do appraisals.

4 If you are what we call our old money tribes,  
5 if you are a tribe that already compacts the appraisal  
6 function, then you receive your funding not through OST  
7 but through OSG. That's your base-formula funding. And  
8 if you look in your AFA, you will actually see a line  
9 item for it. That money really can't be touched. It  
10 can be touched but only very difficultly and there's a  
11 regulation that sort of guards it. And it can't be  
12 adjusted without opening up your entire AFA and no one  
13 likes to do that. So essentially we can't really adjust  
14 that base amount.

15 So if we were to adopt a new formula and we  
16 determine that your tribe -- for example, if you were  
17 receiving \$4,000 in your base and we determined that you  
18 were supposed to be -- according to our calculations,  
19 you should be receiving \$20,000, we really don't have  
20 the authority and we can't just inject that into your  
21 base. So what we will do on a year-by-year basis,  
22 because we would be probably calculating this every year  
23 because we intend for this to be dynamic, is we would  
24 give you one-time funding of \$16,000 to raise -- to add  
25 to your \$4,000 base to bring you up to \$20,000. Again,

1 that would be on an annual -- on a year-by-year basis  
2 and we could not add -- we could not just inject it into  
3 your base.

4 And, oh, by the way, just to add to that,  
5 let's say that -- and this is very unlikely because  
6 these shares have been frozen for a long time. But say  
7 you receive \$5,000 and we calculated that under our  
8 formula you should only be getting \$3,000. We can't  
9 attack your base. You would still get \$5,000.

10 ELDRED LESANSEE: That's a good point. And  
11 then did we talk about the various funding sources?

12 LEE FRAZIER: We can. It gets a little  
13 confusing. But most of the tribes who now compact to --  
14 who now compact the appraisal function in Alaska, they  
15 get what's called old -- what we call old money. It's  
16 base formula funding through OSG and that's a BIA  
17 appropriation. That money never flows through OST.

18 Now, there's a handful of tribes, I think  
19 three from Alaska, two from -- two very small ones from  
20 California, that get some supplemental funding. But  
21 it's very small. And I think it only totals like  
22 maybe -- I want to say \$45,000 or something like that.  
23 I could look up the numbers. But if you were a tribe  
24 that's not currently compacting the appraisal function  
25 and you add -- you came in today, you would not get

1 based formula funding. All of your funding would come  
2 through OST.

3 And, also, does anyone contract? Does any  
4 tribe contract here?

5 GLENDA MILLER: Not the appraisal program.

6 LEE FRAZIER: I guess they could, though.

7 There's no reason they couldn't. If for some reason you  
8 were to contract the appraisal function, then that would  
9 come straight -- that would be OST money.

10 ELDRED LESANSEE: Is there any questions  
11 regarding the funding sources?

12 Well, that concludes our presentation. But,  
13 you know, we move to the questions -- Q&A session.  
14 We've got the information on where to send your  
15 comments. Debbie's address is up, the e-mail address  
16 and her phone number and her cell number.

17 If we could receive your comments or  
18 recommendations by August 17th --

19 LEE FRAZIER: September.

20 ELDRED LESANSEE: Well, August 17th for the  
21 next tribal shares in Albuquerque.

22 LEE FRAZIER: You're right.

23 ELDRED LESANSEE: -- then we can carry your  
24 comments to the session, the last session in  
25 Albuquerque, and present that and share that with the

1 tribes there.

2 But the overall comments, the deadline for all  
3 comments is Friday, September 18th. And that was  
4 published in the Federal Register.

5 And points of contact, it's up there. Lee's  
6 number and my number is up there. And then the other  
7 tribal shares project team members -- Frank Perniciaro  
8 and Sally Hernandez aren't with us today, but they --  
9 they work quite a bit -- Lee, you're primarily up here  
10 in Alaska and the Midwest?

11 LEE FRAZIER: I just have one tribe in the  
12 Midwest.

13 ELDRED LESANSEE: And then Frank Perniciaro  
14 and Sally, they handle -- they've got their own regions,  
15 too, as well.

16 But the way I guess -- you might want to share  
17 how OEA is involved in the OAS as far as the tribal  
18 shares -- 638 program and what services that you  
19 provide.

20 LEE FRAZIER: Yeah. Well, what -- Office of  
21 External Affairs, one of the things we're tasked with is  
22 we're sort of the primary point of contact in  
23 negotiating the MOUs, or the memorandums of  
24 understanding, between OST and the tribes or consortia.  
25 And what the MOU does is it lays out the

1 responsibilities and duties of both parties if a tribe  
2 decides to compact or contract the appraisal function.  
3 And what's included in the MOU is things like time line,  
4 security procedures. I'm trying to think of what else  
5 is in there.

6 DEBBBIE MEISNER: Program requirements.

7 LEE FRAZIER: Program requirements, types  
8 of -- sort of included and precluded, types of  
9 transactions for which you need an appraisal or what  
10 types of appraisals your funding can be used for, those  
11 types of things.

12 And we also sort of work as go-betweens if you  
13 have problems that we try to work -- help you in working  
14 with the Office of Appraisal Services to resolve those.  
15 Like if we don't have the right information, trying to  
16 get you to the people who do have the right information.

17 ELDRED LESANSEE: And you work directly with  
18 the BIA's awarding officials; right?

19 LEE FRAZIER: Yeah. That's for contracts.  
20 There's no awarding officials for compacts. But on  
21 contracts we do work directly with the awarding  
22 officials who actually work for BIA. We piggyback on  
23 their system.

24 QUESTION AND ANSWER SESSION

25 ELDRED LESANSEE: Is there any questions you

1 might have? If you don't have questions, you can always  
2 submit them.

3 Do you have any questions, those people that  
4 called in?

5 PAULINE JOHNSON: No.

6 SABRINA SAVO: No.

7 ELDRED LESANSEE: Well, if there aren't any  
8 more questions, I really would like to just say that I  
9 appreciate that you came all the way to listen to what  
10 we have to present and I encourage the -- you to submit  
11 your comments and recommendations so that we can carry  
12 your message forward. And that -- you know, that we  
13 find a tribal shares formula that would meet our goals,  
14 which is to create transparency and then also to create  
15 the equity that may not be there.

16 So I'd appreciate it if you would submit any  
17 comments that you have and help us with this process.

18 LEE FRAZIER: Yeah, I'd just like to say at  
19 some future point, we haven't determined when, though,  
20 you will very likely get a more concrete example,  
21 numbers included, of how this might affect your tribe so  
22 that if we were to say we're looking at three basic  
23 approaches and here's what that means for Alaska and  
24 here's how that -- this number or that number might  
25 affect your tribe. So I realize that this is a little

1 theoretical right now and it's hard to make a rational  
2 decision on behalf of your tribe with just theory, but,  
3 I mean, there will come a time in the future where you  
4 will have something a little more substantive to make a  
5 decision with.

6 MIKE TABOR: I just had one comment. Why  
7 would other formulas other than that workload-based  
8 formula be considered if we're talking about equity? I  
9 mean, to me, it's just so ridiculous to have these other  
10 formulas considered.

11 ELDRED LESANSEE: Well, see --

12 MIKE TABOR: Just harder to figure out?

13 ELDRED LESANSEE: Yeah. Well, the other five  
14 formulas -- four formulas, they're in place. And so  
15 moving forward, that's something to consider.

16 MIKE TABOR: Okay.

17 LEE FRAZIER: Another consideration, too, is  
18 that the assumption of the workload-based formula or the  
19 workload-based approach is that the future is going to  
20 be pretty much like the past, and that may not be the  
21 case. So I may have a history of a tribe that's got  
22 zero, zero, and then next year they're going to have 10  
23 and they've got no funding to do it if they wanted to  
24 compact it or contract it. They've got no funding  
25 because their future or their present is not at all like

1 their past.

2           So one of the considerations has been, well,  
3 maybe we need to give every tribe at least something so  
4 that if something occurs in the future that's not like  
5 the past, at least they've got a little bit. I mean, I  
6 tend to agree with you that the statute seems to point  
7 directly at a workload-based formula, but there are  
8 other -- I think there are some other rational reasons  
9 for looking it over.

10           DEBBBIE MEISNER: Another thought is if, for  
11 example, this tribe that you're just talking about, the  
12 zero, zero, zero, and all of a sudden there's five, if  
13 we were providing the direct service, we would now have  
14 to somehow find a way to do those five.

15           ELDRED LESANSEE: Right.

16           DEBBBIE MEISNER: And so I think that we would  
17 have to take into consideration the same thing for  
18 tribes that are compacting, that, well, geez, you didn't  
19 have anything for five years and then all of a sudden  
20 you've got 20. Well, we would have had to do the job  
21 anyway so will transfer you over or whatever it might  
22 take to get the 20 done or something.

23           LEE FRAZIER: I guess the scenario I'm  
24 imagining is say like you had a region that they've been  
25 waiting for some parcels to be certified. And all of a

1 sudden they've got a bunch of expectations that, boy,  
2 I'm expecting some activity next year, I want to compact  
3 this program. And they say, well, your history is zero,  
4 but, listen, I can point you to these individual people  
5 because they're ready to do a transaction. Next year, I  
6 know I'm going to have 10 next year, I need funding for  
7 that 10. Sorry, I can only go on your workload-based  
8 history and it's zero.

9 DEBBBIE MEISNER: But you don't contract for  
10 three years, until you have a history.

11 LEE FRAZIER: And of course, I mean, we're  
12 trying to find a methodology that both complies with the  
13 law, not just the letter of the law but the spirit of  
14 the law, too, which is to let the tribes have the money  
15 that the Secretary otherwise would have spent on them.  
16 And we've got a lot of different factors to balance.

17 ELDRED LESANSEE: One of the comments from the  
18 tribe, too, and I'll share with you is should we have  
19 one formula across the country or should we have --  
20 should it be region specific? And that's another thing  
21 to consider, too, as well. So that came up in --  
22 because there was some tribes -- like, say, in Portland  
23 one of the tribes that had a large land base, of course  
24 they liked the land-based formula.

25 LEE FRAZIER: And of course the small tribes,

1 the tribes that have low activity, they like the equal  
2 division. So every tribe is going to -- I mean, every  
3 different kind of tribe or consortia is probably going  
4 to have an approach they like very much.

5 ELDRED LESANSEE: What we're finding is the  
6 comments and the motivations or interests from the  
7 various tribes is different, it's very vast. For  
8 instance, one tribe from Idaho mentioned they have a  
9 fairly good-sized land base. They did not want whatever  
10 we decided, whether we go to a federal tribal work group  
11 to establish or come with an idea or new tribal shares  
12 formula, they were very specific that they didn't want  
13 smaller tribes to dictate what happens to the big  
14 tribes.

15 And then you have your direct service tribes  
16 that have their -- they don't ever want to go -- like  
17 the Great Plains, the tendency for them is that they  
18 don't -- they're not very receptive to the 638 program  
19 so they want to make sure that there's enough money for  
20 them that they receive the adequate services.

21 So there's different motivations is what's  
22 shaping out. And what would result with the  
23 consideration of all the tribes, motivations and  
24 interests, is yet to be seen. But we're seeing  
25 different ideas.

1 I guess that concludes our presentation if  
2 there aren't any more comments. I appreciate it. Thank  
3 you very much for coming.

4 (Proceedings adjourned at 2:47 p.m.)

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25