

Status Report to the Court Number Forty-Two

**For the Period
July 1, 2010 through September 30, 2010**



November 1, 2010

TABLE OF CONTENTS

INTRODUCTION..... 1

I. OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS..... 2

A. OFFICE OF HISTORICAL TRUST ACCOUNTING..... 3

B. TRUST SERVICES – CURRENT ACCOUNTING..... 6

C. OFFICE OF TRUST RECORDS 9

D. TRUST ACCOUNTABILITY 11

1. TRUST BUSINESS PROCESS MODELING 11

2. TRUST DATA QUALITY AND INTEGRITY 12

3. INDIAN FIDUCIARY TRUST TRAINING PROGRAM..... 14

4. RISK MANAGEMENT 15

5. TRUST REGULATIONS, POLICIES AND PROCEDURES 17

E. TRUST REVIEW AND AUDIT 18

F. APPRAISALS AND VALUATIONS 19

II. INDIAN AFFAIRS..... 22

A. TRUST REGULATIONS, POLICIES AND PROCEDURES..... 22

III. BUREAU OF INDIAN AFFAIRS 24

A. FRACTIONATION 24

B. PROBATE..... 26

C. MINERAL ROYALTY ACCOUNTING AND DISTRIBUTION..... 28

IV. OTHER TOPICS 29

A. INFORMATION TECHNOLOGY 29

B. CADASTRAL SURVEY..... 36

C. OFFICE OF NATURAL RESOURCES REVENUE 38

ACRONYMS AND ABBREVIATIONS..... 39

INTRODUCTION

This *Status Report to the Court Number Forty-Two* (Report) represents the period from July 1, 2010, through September 30, 2010. The Report is presented for the purpose of informing the Court of actions taken since the issuance of the preceding quarterly report. The Report includes delays in and obstacles to trust reform activities. A report on the progress of the historical accounting of individual Indian beneficiary funds managed by Interior is a primary part of the Report.¹

This Report is prepared in a manner consistent with previous reports to the Court. Managers from the Office of Historical Trust Accounting, Office of the Special Trustee for American Indians, Office of the Chief Information Officer, Bureau of Indian Affairs, Bureau of Land Management, and Office of Natural Resources Revenue submit reports on the status of their respective Indian trust activities.

A glossary of acronyms and abbreviations is included in this Report. The glossary is located at the end of the Report.

¹ This Report contains information on the broad trust reform efforts underway at Interior. Accordingly, it may include information on reform efforts that are not within the scope of the *Cobell* litigation.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Office of the Special Trustee for American Indians

I. OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

The *Cobell* litigation settlement still awaits the enactment of legislation and Court approval. The parties agreed to further extend the time for Congress to act on the settlement until January 7, 2011. As previously reported, due to the pending settlement, OHTA has suspended much of its work on IIM accounts.

Date: October 25, 2010

Name: *Signature on File*

Donna Erwin

Principal Deputy Special Trustee for American Indians

A. OFFICE OF HISTORICAL TRUST ACCOUNTING

Introduction

OHTA's historical accounting includes all transactions in IIM accounts open on or after October 25, 1994 (the enactment date of the American Indian Trust Fund Management Reform Act), through the earlier of the date of account closure or December 31, 2000. OST has regularly issued account statements to IIM account holders since the end of 2000.

Due to the *Cobell* settlement agreement announced in December 2009, legislation was enacted during this reporting period partially rescinding OHTA's funding for IIM accounting work. Although IIM work had decreased since the settlement announcement, as a result of the partial rescission, OHTA stopped performing most IIM accounting activities. Therefore, this report only addresses those activities on which progress occurred.

Accomplishments and Current Status

OHTA SDA Distribution Project – Undistributed SDA Balances

During this reporting period, OHTA's work resulted in the distribution of \$3,690,806 of SDA balances, including interest, which raised the total dollars resolved and funds distributed as of September 30, 2010, to \$58.8 million. As of September 30, 2010, a total of 10,386 OHTA SDA, involving \$12,261,143 (plus interest from December 31, 2002), remained to be resolved and distributed. Of those remaining SDA, 72.5% had balances as of December 31, 2002, of less than \$500 each, involving 5.0% of the remaining undistributed dollars.

As reflected in the table below, OHTA's distribution of residual SDA balances continues to show that only about one-third of undistributed SDA funds belonged to IIM account holders. OHTA's work has also confirmed that, historically, Interior credited monies into the IIM accounting systems that were never intended for individual Indians.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Office of Historical Trust Accounting

OHTA SDA DISTRIBUTION PROJECT (1)

SDA Resolved Dollars	Transferred to Tribal Accounts	Transferred to IIM Accounts	Paid to Non-Indian, Third Parties and Others (2)	Total
Dollars distributed as of June 30, 2010	\$18,228,648	\$18,195,061	\$18,694,627	\$55,118,336
Dollars distributed from July 1, 2010, through September 30, 2010	\$ 142,144	\$303,348	\$3,245,314	\$3,690,806
Dollars distributed from January 1, 2003, through September 30, 2010	\$18,370,792	\$18,498,409	\$21,939,941	\$58,809,142
Percent of dollars distributed from July 1, 2010, through September 30, 2010	3.85%	8.22%	87.93%	100%
Percent of dollars distributed from January 1, 2003, through September 30, 2010	31.24%	31.45%	37.31%	100%

Note (1) Includes historic SDA principal and interest postings through the date of distribution (*i.e.*, total distribution amounts).

Note (2) Includes transfers to non-Indian parties, Treasury, account reclassifications, and transfers to Interior's Federal Finance System.

Imaging, Coding and Digitizing Individual Indian Trust Documents

During this reporting period, OHTA completed imaging 396 IIM document pages, coding 22 IIM documents and loading 22 IIM documents into ART. As of September 30, 2010, ART contained 14.8 million coded IIM images and 13.4 million coded tribal images. The coded images to date total 28.2 million, constituting 7.0 million IIM and tribal documents.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Office of Historical Trust Accounting

Delays and Obstacles

OHTA responds to information needs of SOL and DOJ in the *Cobell v. Salazar* litigation and 94 tribal trust cases pending in multiple federal district courts and the Court of Federal Claims. As a result, other OHTA work has received lower priority and fewer resources. In addition, the congressionally mandated rescission of IIM funding during this reporting period means OHTA will not be able to complete the historical accounting activities within the time frames estimated in the *2007 Plan*.

Assurance Statement

I concur with the contents of the information contained in the Office of Historical Trust Accounting section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 25, 2010

Name: *Signature on File*
Jeffrey P. Zippin, Executive Director (Acting) & Deputy Director
Office of Historical Trust Accounting

B. TRUST SERVICES – CURRENT ACCOUNTING

Introduction

Current accounting activities focus on: (a) special deposit accounts; (b) whereabouts unknown accounts; and (c) small balance accounts.

a. Special Deposit Account Activity

Current Status

BIA is responsible for distributing SDA funds received since January 1, 2003 (prospective receipts).

Current SDA are those which cannot be distributed due to pending appeals, SOL opinions and cadastral surveys. During this reporting period, one receipt transaction was posted to SDA that qualified in one of the exception categories.

Remaining in current SDA are: \$10,208.00 pending an appeal on a business lease and \$8,045.13 pending SOL opinions. The pending amount reflects the amount of the original SDA deposit. Any interest earned is included in the amount paid at the time of distribution.

b. Whereabouts Unknown Accounts

Current Status

OST continues to secure current addresses for account holders of the rolling top 100 highest dollar balance WAU accounts. During this reporting period, ten of the top 100 WAU accounts, with combined account balances of approximately \$1.1 million were updated with current addresses.

During this reporting period, 28,465 accounts with a combined balance of \$1.9 million were added to the WAU list, while 7,979 accounts with a combined balance of \$6.9 million were updated with current addresses.

As of September 30, 2010, there were 104,309 WAU accounts with a combined balance of \$67.2 million, including two WAU accounts with balances equal to or greater than \$100,000. The combined balance of these 26 WAU accounts made up 6% of the \$67.2 million balance. IIM accounts coded as WAU earn interest in the same manner as all other IIM accounts. The following table illustrates the number of accounts stratified by account balance and WAU category.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Trust Services – Current Accounting

Account Balance	Correspondence Check Returned	Account Setup No address	Awaiting Address Confirmation	Refused Unclaimed Mail	Fee Only	Total
Equal to or over \$100,000	18	8	0	0		26
Under \$100,000 and equal to or over \$50,000	36	17	1	0	0	54
Under \$50,000 and equal to or over \$5,000	2,113	669	1	3	75	2,861
Under \$5,000 and equal to or over \$1,000	4,848	1,550	7	7	189	6,601
Under \$1,000 and equal to or over \$100	9,045	3,739	42	8	353	13,187
Under \$100 and equal to or over \$1	15,851	7,791	119	23	602	24,386
Under \$1	12,136	35,719	82	26	9,231	57,194
Total	44,047	49,493	252	67	10,450	104,309

c. Small Balance Accounts

Current Status

As of September 30, 2010, there were 107,723 accounts with a balance of \$15.00 or less (totaling \$15,113.59), and no activity for the previous 18 months. Statements are sent to account holders for these accounts on an annual basis pursuant to direction from Congress.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Trust Services – Current Accounting

Assurance Statements

I concur with the content of the information contained in the Whereabouts Unknown Accounts subsection of the Current Accounting Activities section of the *Status Report to the Court Number Forty-Two*. The information provided in this subsection is accurate to the best of my knowledge.

Date: October 13, 2010

Name: *Signature on File*

Bryan Marozas
Program Manager, Trust Beneficiary Call Center
Office of the Special Trustee for American Indians

I express no opinion on the content of the Whereabouts Unknown Accounts subsection, above. I concur with the content of the information contained in the balance of the Current Accounting Activities section of the *Status Report to the Court Number Forty-Two*, and this information is accurate to the best of my knowledge.

Date: October 21, 2010

Name: *Signature on File*

Margaret Williams
Deputy Special Trustee, Trust Accountability
Office of the Special Trustee for American Indians

C. OFFICE OF TRUST RECORDS

Introduction

The Office of Trust Records was established in 1999 to develop and implement a program for the economical and efficient management of trust records, consistent with the 1994 Act, the Federal Records Act and other statutes and implementing regulations. The OTR records management program has been developed and implemented, and continues to evolve, to ensure that necessary Indian records are maintained, records retention schedules are consistent with retention needs, and records are safeguarded throughout their life-cycles.

The American Indian Records Repository, located in Lenexa, Kansas, was built by Interior in collaboration with NARA for the purpose of consolidating and preserving Indian records at one NARA regional records center.

Accomplishments

American Indian Records Repository

Approximately 2,314 boxes of inactive records were moved from BIA and OST field locations to the Lenexa Annex for indexing during this reporting period. Indexing of approximately 207,830 boxes has been completed as of the end of this reporting period. 202,970 indexed boxes have been sent to AIRR for permanent storage.

Training

OTR provided records management training for 177 BIA and OST records contacts and 151 tribal employees during this reporting period. OTR provides records management training to Tribes as they request training. OTR provided training specifically on electronic records management to 190 BIA and OST employees and 13 tribal employees.

Current Status

Records Retention Schedules

NARA approved one BIA electronic records schedule: MAXIMO-FMS (facilities management system to track maintenance) on July 8, 2010. Several other records retention schedules for BIA and OST electronic records systems remain at NARA for review. OTR continued to work with NARA to provide information and/or clarification as required by NARA.

Incident Report

As previously reported, on June 23, 2010, a fire occurred in a downtown Albuquerque, NM, warehouse, in which OST stored backup tapes. This incident is more completely described in the Information Technology section of this report.

Delays and Obstacles

Court orders in tribal litigation cases continued to restrict movement of records to AIRR, which limits Interior's ability to consolidate Indian records in a central location, thus hindering its ability to provide records to parties in litigation.

Assurance Statement

I concur with the content of the information contained in the Office of Trust Records section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 13, 2010

Name: *Signature on File*

Ethel J. Abeita

Director, Office of Trust Records

Office of the Special Trustee for American Indians

D. TRUST ACCOUNTABILITY

1. TRUST BUSINESS PROCESS MODELING

Introduction

Interior is working to build a highly effective fiduciary trust services organization by implementing the business objectives contained in the Comprehensive Trust Management Plan. The CTM laid the groundwork for the development of the Fiduciary Trust Model. The FTM is being implemented to transform the current trust business processes into more efficient, consistent, integrated and fiscally responsible business processes that meet the needs and priorities of the beneficiaries. Implementation of the FTM is a collaborative effort of BIA, OST, BLM, ONRR and OHA, and is integrated with Interior's other trust reform initiatives.

Current Status

Reengineering staff continued to:

- Provide technical support for conversion of RDRS to MRAD, an oil and gas royalty management module within TAAMS.
- Develop the content for the following trust training courses: Introduction to Leasing Indian Trust Land, Indian Oil and Gas Management; Introduction to Administrative Indian Land Law; and Rights-of-way on Indian Trust Land.
- Provide oil and gas lease management support to the Fort Berthold, Anadarko, and U&O Agencies.

Assurance Statement

I concur with the content of the information contained in the Trust Business Process Modeling section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 14, 2010

Name: *Signature on File*
Margaret Williams
Deputy Special Trustee, Trust Accountability
Office of the Special Trustee for American Indians

2. TRUST DATA QUALITY AND INTEGRITY

Introduction

The success of trust reform depends, in part, on the accuracy of data generated from the maintenance of trust assets, ownership of trust assets, distribution of trust income, and management of trust accounts. The DQ&I project focuses on three primary initiatives.

The first initiative is assisting BIA with document encoding into TAAMS leasing and title modules.

The second initiative involves the validation and correction of CDE to their respective source documents. CDE are those trust data elements that are needed to provide: (1) timely and accurate payments to beneficiaries; (2) timely and accurate periodic statements of performance to beneficiaries; and (3) effective management of the assets. CDE include, but are not limited to, beneficiary name, account number, tract identification number, and land ownership interests.

The third initiative is implementation of a Post-QA review process, which helps ensure ongoing accuracy of CDE by comparing TAAMS document encoding to the respective source input document.

Accomplishments

During this reporting period, TPMC's contractors completed the following tasks:

- Performed TAAMS approvals on 663 surface encumbrances and ROW documents (cumulative total 1,204) for Jicarilla Agency, Laguna Agency, and Southern Ute Agency.
- Reconciled 42 Oil Purchaser Run statements (cumulative total 42) for Osage Agency.

Current Status

TPMC's contractors continued to assist BIA and Tribes with TAAMS Leasing post-conversion cleanup efforts and daily operations by:

- Conducting Post-QA review of 26,264 transactions encoded into TAAMS (cumulative total 382,038) at the BIA LTROs and the contractor's Albuquerque office.
- Researching 88 residential leases for cancellation (cumulative total 88), which included curing nine leases (cumulative total 46) prior to cancellation, and cancelling two leases (cumulative total eight) for Palm Springs Agency.
- Researching 15,337 Multiple Owner Identification Numbers (cumulative total 59,546).
- Researching ownership on 87 land tracts (cumulative total 298) for Minnesota Agency.
- Researching ownership on 113 land tracts (cumulative total 360) for Northwest Regional Office LTRO.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Trust Data Quality and Integrity

- Encoding 116 probate documents (cumulative total 135), researching and preparing 70 probates for TAAMS encoding (cumulative total 403) for Colville Agency.
- Encoding 1,607 partitionments and split tracts (cumulative total 4,187) in TAAMS Title for EORO LTRO.
- Scanning 1,528 documents into TAAMS TIR (cumulative total 3,741) for EORO LTRO.
- Resolving 427 outstanding BIA Post-QA review variances (cumulative total 2,939) for the various LTROs.

TPMC's contractor also assisted FIMO with distributing an additional \$18,477.03 (cumulative total of \$160,611.99) to IIM account holders affected by FIMO's oil and gas lease re-numbering issue, as previously reported. Current royalty receipts are distributed on a monthly basis.

Assurance Statement

I concur with the content of the information contained in the Trust Data Quality and Integrity section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 13, 2010

Name: *Signature on File*

Nolan J. Solomon

Trust Reform Specialist, Trust Accountability

Office of the Special Trustee for American Indians

3. INDIAN FIDUCIARY TRUST TRAINING PROGRAM

Introduction

Interior has a continuing responsibility to provide adequate staffing, supervision and training for trust fund management and accounting activities. Fiduciary trust training is essential to the success of Interior's trust reform efforts and forms an integral part of all training for Interior employees who are involved in the management of Indian trust assets.

Current Status

Cannon Financial Institute presented courses in Trust Accounting, Guardianships, Fiduciary Trust Principles, and Probate to 83 BIA, OST and tribal personnel.

The CIFTS Review and Exam course was offered and four OST staff received certification.

OST training staff conducted two training sessions for 24 employees and contractors from OST and BIA on the use of TFAS and related systems and reporting programs that include:

- CSS – used to approve and post cash transactions electronically;
- Stratavision – contains electronically-stored daily, weekly and monthly reports from OST systems for viewing by OST and BIA staff;
- Historical Query Database – contains account transaction history going back to 1985; and
- TAAMS invoicing and distribution module – used for tracking lockbox receipts.

OST and BIA staff presented four Trust Fundamentals courses to 127 Department of Agriculture, USGS, OSM, ONRR and BOEMRE personnel.

Assurance Statement

I concur with the content of the information contained in the Indian Fiduciary Trust Training Program section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 13, 2010

Name: *Signature on File*

Dianne Moran

Director, Office of Trust Training

Office of the Special Trustee for American Indians

4. RISK MANAGEMENT

Introduction

The Deputy Special Trustee-Trust Accountability is responsible for overseeing OST's risk management program, which is implemented by the Trust Program Management Center. TPMC risk management staff identify and document OST programs, policies, procedures and processes, both trust and administrative activities. TPMC staff also develop, operate and maintain risk-based management tools to support and monitor the risk levels and implementation of corrective actions. In addition, TPMC staff facilitate program reviews, which include testing of program operations, financial reports, and compliance with the law. These tests and reviews provide the basis for interim and annual statements of assurance.

Accomplishments

OST issued its interim and annual statements of assurance. Both statements were unqualified.

Risk management staff completed assisting the Interior Office of Financial Management-led intra-bureau OMB Circular A-123, Appendix A testing efforts.

OST program managers completed their internal control self-assessments, which resulted in statement of assurance letters being issued to their supervisors. Risk management staff completed their internal control test work, which validated the responses that the managers provided in the self-assessments.

Current Status

As a result of the FY2010 self-assessments and testing efforts, 46 RM-PLUS CAPs remained open. None of these CAPs were considered material enough to result in a qualified statement of assurance for OST.

As a result of the FY2009 self-assessments and testing efforts, one RM-PLUS CAPs remained open. Fifty-eight CAPs were closed during this reporting period.

Assurance Statement

I concur with the content of the information contained in the Risk Management section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 13, 2010

Name: *Signature on File*
John Constable
Program Analyst, Trust Accountability
Office of the Special Trustee for American Indians

5. TRUST REGULATIONS, POLICIES AND PROCEDURES

Introduction

The Office of Trust Regulations, Policies and Procedures was established within OST on April 21, 2003, to assist Interior in establishing “consistent, written policies and procedures for trust fund management and accounting” as stated in the 1994 Act. OTP oversees and facilitates the development, promulgation and coordination of trust-related regulations, policies, procedures and other materials to guide the proper discharge of Interior’s fiduciary responsibilities. OTP is separate from the Office of Regulatory Affairs and Collaborative Action, AS-IA. RACA activities are reported in the Indian Affairs section of the report to the Court.

Accomplishments

OTP published 52 new or revised policies, procedures, handbooks and other documents.

Current Status

Subject matter experts from BIA, OST and SOL continued work on a project to update the Interagency Procedures Handbook. The handbook was created in 2002 to provide guidance to BIA and OST staff who are involved in complex inter-agency financial work processes related to administration of Indian Trust responsibilities. During the reporting period, eight of 17 chapters were revised.

As of the end of the reporting period, OTP’s work-in-progress consisted of 47 policies, procedures, handbooks, forms and notices in varying stages of completion.

At the request of the program manager, the TBCC procedures directive is being redrafted.

Assurance Statement

I concur with the information contained in the Office of Trust Regulations, Policies and Procedures section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 14, 2010

Name: *Signature on File*

John Marshall,

Director, Office of Trust Regulations, Policies and Procedures

Office of the Special Trustee for American Indians

E. TRUST REVIEW AND AUDIT

Introduction

OTRA reports directly to the Special Trustee for American Indians. OTRA was created by OST as a response to trust initiatives developed during the tribal consultation process of 2002. OTRA conducts performance audits, examinations and reviews of Interior entities as well as Tribes that perform fiduciary trust activities. Examinations are routinely conducted at locations that perform trust operations, resulting in a performance rating. Also, compliance reviews are undertaken in response to information and complaints received from beneficiaries, employees and the public.

Current Status

Indian Trust Examinations

OTRA conducted seven Indian trust examinations. OTRA issued five draft reports and 14 final Indian trust examination reports. All offices were rated “satisfactory.”

Records Assessments

The records assessment is a focused evaluation of records maintenance and security. OTRA conducted 15 records assessments. OTRA issued 15 final records assessment reports and one final investigative records assessment report.

Compliance/Investigative Reviews

OTRA conducted one follow-up on a 2009 investigative review relating to trust operations and issued the associated report.

Assurance Statement

I concur with the content of the information contained in the Trust Review and Audit section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 18, 2010

Name: *Signature on File*

Jim Schock

Acting Director, Office of Trust Review and Audit

Office of the Special Trustee for American Indians

F. APPRAISALS AND VALUATIONS

Introduction

OST's Office of Appraisal Services is responsible for Indian land valuations required by various regulations governing Indian trust and restricted fee lands. To meet these requirements, appraisals and other generally accepted valuation methodologies and techniques are used to determine fair market value of Indian lands.

The Office of Minerals Evaluation is a part of the Office of Valuation Services within the Office of the Secretary. OME is responsible for valuing the mineral estates for Indian lands required by various regulations governing Indian trust lands. To meet these requirements, various economic evaluation methodologies (including comparables analyses) are performed to determine the stand-alone value or contributory value of minerals to the overall fair market value of Indian lands.

Accomplishments

OAS transmitted 2,266 real estate appraisals to clients; of these, 524 were completed using the U/FAS in the Great Plains Region.

In support of ILCP, OME completed minerals assessments on 5,278 parcels. Mineral Assessment/Market Analysis Studies (or some version thereof) were performed for five Indian reservations: Colville (WA); Turtle Mountain, ND; Mille Lacs (MN); Makah (WA), and Lummi (WA). Each report depicts which parcels were completed and which, if any, were set aside for further analysis/review for a variety of technical reasons. Out of the 5,278 parcels that were analyzed, 5,191 parcels were valued and forwarded to the ILCO and 87 were set aside for further analysis.

OME also updated 226 of the 227 parcels on the Boise Forte Reservation (MN). Update was accomplished through discussions and confirmations with individuals who have the latest information pertaining to any changes in the area regarding mineral resources or other factors that would impact the results of the last minerals analyses performed.

At the request of ILCO and OHA, OME evaluated 238 parcels related to 139 tracts for 31 Indian probate cases.

House Appropriations Committee Report 111-180, issued in 2009, encouraged OST and BIA to reevaluate how appraisals are requested and prepared for Indian trust lands and to recommend to the committee how delays can be minimized. In response, since March 2010, a focus group from BIA, OST, OME, OAS, and OHA had been compiling draft recommendations. During this reporting period, the group reported its recommendations to OST, BIA, and OHA leadership. In addition, ITMA submitted a report with tribal and individual Indian landowner recommendations to OST. The Secretary is expected to submit recommendations to the House Appropriations Committee by December 31, 2010.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Appraisals and Valuations

Current Status

A tribal-federal work group reviewed the OST-recommended workload-based formula, as discussed in the previous report to the Court. The group submitted its recommendations to OST executive management for a final decision, which is expected during the next reporting period.

NBC is in the process of modifying ARRTS, which is expected to delay implementation.

Past due requests and pending work as reported by the regions are as follows:

Region	Appraisals Completed This Quarter	Pending Work as of 9/30/10 (includes Past Due requests)	Past Due Requests As of 6/31/10	Past Due Requests As of 9/30/10
Northwest	667	854	0	0
Rocky Mountain	166	406	108	226
Midwest	517	521	17	17
Western	49	69	18	35
Southwest	8	8	0	0
Eastern Oklahoma	96	139	23	23
Navajo	49	74	6	1
Pacific	55	8	0	0
Alaska	23	212	7	42
Eastern	19	25	0	0
Southern Plains	48	534	0	15
Great Plains	569	50	6	15
TOTAL	2,266	2,900	185	374

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Appraisals and Valuations

Assurance Statement

I concur with the content of the information concerning the OME minerals assessments in the accomplishments section of the Office of Appraisal Services section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 21, 2010

Name: *Signature on File*
Robert L. Davidoff
Chief,
OVS – Office of Minerals Evaluation

I express no opinion on the content of the OME minerals assessments paragraph. I concur with the content of the information contained in the balance of the Office of Appraisal Services section of the *Status Report to the Court Number Forty-Two*, and this information is accurate to the best of my knowledge.

Date: October 22, 2010

Name: *Signature on File*
Eldred F. Lesensee
Director,
Office of Appraisal Services

II. INDIAN AFFAIRS

A. TRUST REGULATIONS, POLICIES AND PROCEDURES

Introduction

The Office of Regulatory Affairs and Collaborative Action in the Office of the Assistant Secretary – Indian Affairs is responsible for review and revision of all regulations governing Interior’s management of the Indian trust. RACA is separate from OST's Office of Trust Regulations, Policies and Procedures, whose activities are reported in the OST section of the *Status Report to the Court*.

Current Status

Regulatory Initiative – As previously reported, revisions to the 2008 regulations related to probate processing, hearings and appeals are necessary because, a few weeks following their publication, Congress amended the authorizing statute, the American Indian Probate Reform Act. These updates were approved by SOL during this reporting period. RACA now anticipates publication in the Federal Register by the end of CY2010.

In accordance with direction from AS–IA leadership, RACA continued to draft a new subpart of the leasing regulations to address leases for the evaluation and development of wind and solar resources on Indian land. RACA and the U.S. Institute for Environmental Conflict Resolution continued to prepare for working sessions throughout Indian Country on the draft leasing, grazing, rights-of-way, and trespass regulations. This on-going consultation process is now expected to continue into CY2011 and to culminate in the proposal of these regulations in the Federal Register for public notice and comment.

As previously reported, amendments to the CFR parts regarding conveyances of trust and restricted interests, and regarding land title and records are on hold.

25 CFR 200 to 207 – Minerals Leasing, Development, Exploration and Reclamation – As previously reported, the complete draft of these regulations is not expected until after the above-described priority regulations have been published.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Trust Regulations, Policies and Procedures

Assurance Statement

I concur with the content of the information contained in the Trust Regulations, Policies and Procedures – Indian Affairs section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 25, 2010

Name: *Signature on File*

Michele F. Singer

Director, Regulatory Affairs and Collaborative Action

Office of the Assistant Secretary – Indian Affairs

III. BUREAU OF INDIAN AFFAIRS

A. FRACTIONATION

Introduction

Fractionation of Indian trust and restricted land results from the federal Indian policy of the 19th century. Fractionation occurs as land passes from one generation to the next, and an increasing number of heirs or devisees acquire an undivided interest in the land. This is a complex and potentially emotion-charged issue, due primarily to cultural differences, historical legacy and family associations of the present owners with the original Indian owners of those lands. Efforts to address this complex issue have been coordinated primarily through the BIA Indian Land Consolidation Office, which has sought to help Tribes make use of the opportunities offered by the Indian Land Consolidation Act, as amended in 2004. ILCO operates several acquisition projects that purchase interests in fractionated tracts and transfer title to the Tribes. A total of 20 reservations located in seven BIA Regions have participated in ILCP.

Accomplishments

During this reporting period, ILCP acquired 703 fractional interests and 593.40 acre-equivalents. Of the total interests acquired, 84% were interests of less than 2% ownership in the respective tracts of land.

Current Status

ILCO continued to review various provisions in AIPRA to develop potential alternatives to addressing fractionation. ILCO continued to work on a white paper regarding wills and their storage. ILCO expects to present a draft White Paper to the AS – IA during the next reporting period.

As a result of ILCP purchases, Tribes now have 100% ownership of 444 total tracts since the beginning of the program. The total was reduced by five tracts as a result of internal reconciliation.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Fractionation

Assurance Statement

I concur with the content of the information contained in the Fractionation section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 21, 2010

Name: *Signature on File*
Brenda Walhovd
Acting Director, Indian Land Consolidation Office
Bureau of Indian Affairs

B. PROBATE

Introduction

BIA, OHA and OST must coordinate their work to complete the probates of Indian estates. Information on the status of probates is contained within the ProTrac system. Each BIA regional office and corresponding agency is responsible for opening new cases, examining initial information provided and updating case data in the ProTrac system.

Current Status

Case Preparation

Case preparation is the initial stage of the probate process. During this stage information is researched and gathered regarding the identity and whereabouts of potential heirs, and an inventory of the trust assets of an estate is prepared. According to ProTrac, 7,215 probate cases are in the case preparation stage. BIA prepared 1,986 cases and submitted them to OHA for determination.

Case Adjudication

Depending on the complexity of the case or the tribal affiliation of decedents and location of trust lands, probates are adjudicated by ALJs, IPJs or ADMs, or by the State of Oklahoma district courts for estates of the Five Civilized Tribes of Oklahoma and Osage Indians. Cash-only cases with a date-of-death IIM balance of \$5,000 or less are assigned initially to one of the ADM's for summary disposition after review for completeness of the probate file.

Because OHA is adjudicating more cases affected by the 2004 enactment of AIPRA, OHA is receiving more requests for land purchases at probate, both from Tribes and co-owners. As a result, OHA anticipates a growing need for appraisals and mineral valuations to complete these purchases and close the estates in a timely manner.

According to ProTrac, 9,903 probate cases are pending in the case adjudication stage, which includes cases decided by OHA that are within the 45 day appeal period and cases pending in the Eastern Oklahoma state district court. As reported by OHA, 4,841 cases are awaiting a decision. ProTrac shows that ALJs, IPJs and ADMs received 2,240 cases and decided 2,152 cases.

Case Closure – BIA

Cases in the closing stage have been adjudicated. During this stage, if land is part of the estate, BIA updates land ownership information in TAAMS, which may entail preparing supporting documentation for distribution and closure of the estate account. According to ProTrac, 2,246 cases were pending in the case closure stage. BIA closed 2,749 cases.

Financial Case Closure – OST

Financial case closure is the posting and recording of ownership and distribution of assets after the case has been adjudicated and land ownership information has been updated by BIA if necessary. OST reported that it distributed funds and closed 2,539 accounts in TFAS during this reporting period representing 2,504 estates. As of September 30, 2010, TFAS contained 36,661 open estate accounts, which is an increase of 1,526 from the 35,135 open estate accounts at the end of the last reporting period

Delays and Obstacles

The following obstacles have been identified as having an impact on the progress of the probate program:

- Continued fractionation of ownership of Indian lands;
- Cultural differences regarding the subject of death and funerals;
- Loss of case preparation personnel/contractors; and
- Initiatives compelled by the proposed Cobell litigation settlement.

Assurance Statement

I concur with the content of the information contained in the Probate section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2010

Name: *Signature on File*
Adelita Guerue, Director Special Projects
Chief, Probate Division
Office of Trust Services
Bureau of Indian Affairs

C. MINERAL ROYALTY ACCOUNTING AND DISTRIBUTION

Introduction

The Royalty Distribution and Reporting System maintains data about individual Indian oil and gas leasehold interests. RDRS also determines the allocation of oil and gas income – derived from trust property – to be paid to Indian beneficiaries. RDRS is a legacy system currently running on a mainframe computer at the Indian Affairs Data Center in Herndon, Virginia.

The Royalty Management Oil and Gas Project Team, which includes staff from BIA, OST, and ONRR (formerly part of MMS), developed the Mineral Royalty Accounting and Distribution module in TAAMS. When implemented, the module is expected to streamline, standardize and provide additional functionality to support the business process for disbursing oil and gas revenue.

Current Status

Testing of the MRAD module and reconciliation of RDRS distribution data continued. Final UAT was completed for the online application. To approve the software for implementation, two outstanding issues were identified. Programming to correct those issues began and is expected to be completed early in the next reporting period. Implementation is still scheduled for the first quarter of FY2011.

The BIA field staff continued to concentrate on entering leases into the TAAMS MRAD module. The August 30, 2010, data comparison between RDRS and TAAMS showed discrepancies for 231 leases, 77 tracts and 8,958 ownership interests.

Assurance Statement

I concur with the content of the information contained in the Mineral Royalty Accounting and Distribution section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 29, 2010

Name: *Signature on File*
Charlene Toledo
Associate Deputy Bureau Director
Trust Services, Trust Administration
Bureau of Indian Affairs

IV. OTHER TOPICS

A. INFORMATION TECHNOLOGY

Introduction

This section describes the status of Interior IT systems, particularly trust systems. In addition, this section describes various efforts being made to improve IT security within Interior, pursuant to OMB Circular A-130 Appendix III.

Accomplishments and Current Status

Policies and Guidance:

- On July 8, 2010, the Interior CIO and the Director - Office of Acquisition and Property Management jointly issued "Implementation of OIG Recommendation Two, 'Evaluation of the Department of the Interior's Accountability of Desktop and Laptop Computers and their Sensitive Data (Report No. WR-EV-MOI-0006-2008) - April 2009.'" This memo implements the subject report's recommendation, "requiring the use of relevant Departmental policies in the areas of information sanitization and property disposal."
- On September 10, 2010, the Interior CIO issued "Fiscal Year 2010 Federal Information Security Management Act (FISMA) Information Security Data Call" to bureau and office heads, CIOs, and CISOs. "The purpose of this memorandum is to collect data from Bureaus and Offices" for DOI's FY2010 FISMA report, in accordance with relevant OMB guidance.

Reports:

- On August 17, 2010, the Interior OIG issued "Evaluation of the Active Directory (Report No. ISD-EV-MOA-0006-2010)." It is "a technical evaluation of the implementation for the DOI Active Directory [architecture] to assess the efficiency and effectiveness of its information security controls solutions." It concluded that "to provide a secure and effective enterprise services within DOI, emphasis must be placed on standardization, separation of duties, and continuous monitoring. Already purchased security and monitoring investments must be used to the fullest extent and implemented consistently throughout the Department." The report recommended that:
 1. The Department "re-architect" Active Directory along technology boundaries rather than organizational boundaries.
 2. The Department implement separation of duties for administrators.
 3. The Department establish and document procedures for implementing, managing, and monitoring Active Directory.
 4. Bureaus and offices comply with Departmental policy and procedures to allow insight and oversight into all domains.

- On September 27, 2010, the OIG issued, “Management Advisory - Account Management.” The advisory reported that OIG obtained network access logon account credentials (e.g., passwords) through social engineering techniques targeted at help desks at NPS, OSM, and BLM. The advisory indicated “account management has been identified in the past as an issue and it is again present in FY10 as a systemic issue throughout DOI.”

The following reports issued during this reporting period related to information security across all federal agencies:

- GAO report: “CYBERSECURITY: Key Challenges Need to Be Addressed to Improve Research and Development,” Report No. GAO-10-466.
- GAO report: “ORGANIZATIONAL TRANSFORMATION: A Framework for Assessing and Improving Enterprise Architecture Management (Version 2.0),” Report No. GAO-10-846G.
- GAO report: “CRITICAL INFRASTRUCTURE PROTECTION: Key Private and Public Cyber Expectations Need to Be Consistently Addressed,” Report No. GAO-10-628.
- GAO report: “INFORMATION SECURITY: Progress Made on Harmonizing Policies and Guidance for National Security and Non-National Security Systems,” Report No. GAO-10-916.
- GAO Report: “INFORMATION SECURITY: Governmentwide Guidance Needed to Assist Agencies in Implementing Cloud Computing,” Report No. GAO-10-855T.

GAO Wireless Networks Security Audit:

Earlier this year, GAO conducted an audit of Interior’s wireless network security “to identify leading practices and state-of-the-art technologies for deploying and monitoring secure wireless networks ... [and to] ... assess agency efforts to secure wireless networks, including vulnerability to attack.” On August 31, 2010, after receiving input from Interior, GAO issued draft report, “GAO-311044 Statement of Facts, Department of the Interior,” which contained preliminary findings, indicating areas needing improvement. The draft report also contained questions for Interior related to these findings, to which Interior responded on September 7, 2010.

Prevention and Monitoring:

ESN perimeter security controls, which are the first line of defense, blocked over one million network attacks during this reporting period. As previously reported, DOI-CIRC continues to adhere to US-CERT incident reporting requirements and procedures.

Plan of Action and Milestones:

The POA&M process includes the proactive identification of weaknesses through self-assessments, independent financial audits, and findings based on OIG reports. In order to

prioritize resources and remediation efforts, the risk level of each weakness is rated as high, medium, or low.

- During the reporting period, Interior reported to OMB that four weaknesses were eliminated and eight new weaknesses were identified and added for trust systems.
- At the end of this reporting period, there were 695² weaknesses associated with trust systems. Of the 695 open weaknesses, 17 (3%) are rated high, 478 (67%) are rated moderate and 200 (30%) are rated low.

Subsequent to the CSAM system failure detailed in the previous report, Interior restarted the system and resumed its use to facilitate the POA&M process. Remediation efforts for the system's failure are further detailed in the Delays and Obstacles section of this report.

A-130 Certification and Accreditation:

OHTA Clifton Gunderson Indian Trust Information System is in the process of being decommissioned, and is not operational. Therefore, OHTA will not be seeking to renew the system's previous ATO, which expired September 28, 2010. All other trust systems that are tracked in CSAM had full ATO status.

Training and Awareness:

For FISMA-mandated FY2010 training, as of September 30, 2010, 99.8% of DOI employees had completed Security Awareness Training and 96.2% had completed Role-Based Security Training.

Incidents:

- As previously reported, on June 23, 2010, there was a fire at the TMM Business Records Storage warehouse, where OST materials were stored. From approximately July 2005 to June 2010, OST sent to the facility: (1) OST network backup tapes; (2) copies of BIA backup tapes; and (3) decommissioned computer hard drives. OST did not send paper documents to TMM. OST's materials were stored in a fire-proof vault within the warehouse. OST was granted access to the warehouse to inspect its materials on August 4, 2010.

In reconciling 5,041 OST network backup tapes with OST's current Backup Exec system, OST determined that one of the tapes could not be found. OST also determined that another tape, created on January 13, 2005, was never sent to TMM and is not now present in the physical inventory, despite the fact that the tape number was listed by the backup system. There have been multiple backups of the system since January 13, 2005, therefore, OST feels confident that no data has been lost.

² These statistics are not the result of a straight-line equation from one reporting period to the next. Additionally, these values may be affected by the DOI CSAM system failure, in that data restoration and verification efforts are ongoing.

OST stored 4,620 copies of BIA backup tapes at the facility. OST informed BIA that some of OST's copies of BIA backup tapes made between August 30, 1996, and September 14, 2001, were apparently lost in the demolition clean-up process after the fire. One of the walls of the vault collapsed onto four cabinets, and the contractor cleaned away debris that included the contents of the cabinets. BIA has informed OST that it does not have backup tapes available for the period preceding mid-1998. OST copies of BIA back-up tapes covered the period August 30, 1996 through September 14, 2001. BIA has informed OST that it does not have back-up tapes available for the period preceding mid-1998. For the period from mid-1998 to March 24, 2000, BIA has monthly back-ups, although, some of the back-up sets are incomplete. From the period March 24, 2000 to the present, weekly and monthly backup tapes of the BIA system exist. The data contained on the copies of the selective backups of BIA's Integrated Records' Management System was reflective of information contained in hard copy documents. The only information on the tapes was from selected data contained in IRMS. To the best of OST's knowledge, these documents still exist; or, the data is still contained in other BIA systems.

OST stored 630 decommissioned hard drives at the facility. OST has sampled a total of 30 of the hard drives to determine whether the individual computer hard drives contained any data other than generic applications and/or operating systems. The result of this sampling was that 14 drives were unreadable and 16 were readable: one had generic software applications, three had forms not pertaining to any Tribe, and 12 had readable disks with no user files.

OST has created 14 sets of full network backups, which include all files created by OST users in the course of their daily work activities since the June 23, 2010 fire, one for each week since the fire. Each set of network backup tapes is a standalone snapshot in time of the data on the servers. The creation of periodic backups means that any new information is being captured and supersedes all of the previous backups. Additionally, each backup is duplicative of the previous one for information still on the system. If a restoration of network data were needed, the restoration would be accomplished by using one of the tapes from the most recent of these 14 backup tape sets. OST would not use any of the tapes that were stored at the TMM warehouse prior to the fire. To the best of OST's knowledge, there has been no loss of data and no records have been lost or destroyed because of network failures.

- On June 2, 2010, an OST employee e-mailed an Excel file containing SSNs for the employee's family from an OST e-mail account to a personal e-mail account. This e-mail was unencrypted and sent over the Internet. On July 1, 2010, OST reported the incident to DOI-CIRC. After review of the file's contents, the incident was confirmed as a policy violation and not a Privacy or Sensitive data/information breach. The employee's supervisor has been made aware of the policy violation, and the individual was counseled on the exact information that triggered the alarms, and how to securely send that data. Additionally, relevant Interior and OST policy has been reiterated to the

individual, and the dangers of exposing personal information in this manner have been detailed. The ticket has been closed.

- On August 5, 2010, an OST employee emailed an Excel spreadsheet containing PII for approximately 97 individuals to an OST contractor. This e-mail was unencrypted and sent over the Internet. On the same day, OST reported the incident to DOI-CIRC. The recipient was authorized to see the information; however, the method of delivery potentially exposed the information to unauthorized users. The employee's management chain has been made aware of the policy violation, the individual has been counseled on the issue by the OST BCISO, and the ticket closed. Management of the breach response action has been handed off to the OST BCISO.
- On August 10, 2010, an OHTA contractor sent an unencrypted email with an attachment containing thirteen account numbers to ten email accounts belonging to the contractor, Interior, and the Department of Justice. The contractor who sent the email and the recipients are authorized to view Trust data; however, the system from which the email was sent is not authorized to process, store, or transmit Trust data. All of the accounts listed were Tribal accounts, not individual accounts; therefore, the accounts are not considered PII, but are still Trust data. The incident was detected by OHTA and reported to DOI-CIRC on August 16, 2010.

Once detected, OHTA immediately contacted the contractor to remove the email from their system as well as the original file that was attached that included the Trust data. The contractor reported that the email and file were removed from the system after three days of the incident having been detected. Security policy regarding email of Trust data was reviewed with the employee who sent the email. The employee was also required to review and sign the system's Rules of Behavior.

- On September 10, 2010, an OHTA employee sent an unencrypted email containing four account numbers to two email accounts belonging to OHTA contractors. The contractors are authorized to view Trust data; however, the contractor system is not authorized to process, store, or transmit Trust data. The account numbers are all interest accounts not held by individuals; therefore, the accounts are not considered PII, but are still Trust data. The incident was detected by OHTA and reported to DOI-CIRC on September 10, 2010.

Once detected, OHTA immediately contacted the contractor to remove the email from their system. The contractor reported that the email was removed within one hour of the incident having been detected. Security policy regarding email of Trust data was reviewed with the employee who sent the email. The employee was also required to review and sign OHTA's Rules of Behavior.

On September 16, 2010, a BOEMRE employee obtained unauthorized physical access to an offline OHTA system. During a visit to work on another system, the employee unplugged a network cable from a computer connected to the offline system and connected it to an unauthorized computer. The incident was detected by OHTA and

reported to DOI-CIRC on September 16, 2010. Once detected, OHTA immediately unplugged the computer and sanitized it using OHTA's Incident Response procedures. Review of audit records on the system found that no Trust data was compromised.

- On September 4, 2010, an NBC email server, used to forward messages to the ZANTAZ digital safe, experienced a configuration problem. As a result, approximately 1,500 NBC-generated messages and an undetermined number of incoming messages did not reach ZANTAZ. NBC corrected the problem on September 21, 2010. If required, NBC will report this incident to NARA.

Delays and Obstacles

As previously reported, Interior experienced a failure of its CSAM system during the last reporting period, resulting in a loss of all data entered into the system between February 18, 2010 and June 17, 2010. Since then, bureaus and offices completed data verification and validation of data entered into the system through February 18, 2010. On July 26, 2010, the Department's CISO directed bureaus and offices to resume using CSAM, to begin reconstructing any missing critical data, and to prioritize data reconstruction activities. These steps should enable timely completion of financial management system assurance statements, annual assurance statements, and activities for information systems requiring re-certification/re-accreditation in the near future.

On September 20, 2010, NBC submitted a notification memo to NARA, informing it of the potential loss of records due to the CSAM system failure. This memo was sent in accordance with 36 CFR Part 1230. As a follow-up to this memo, a data call to bureaus and offices was being prepared using CSAM to get a detailed account of the number of records that may have been lost. This data call is also expected to solicit information on the resources required to manually recover lost data, and to identify information that cannot be recovered. A final report, based on information obtained from the data call, is due to NARA by November 19, 2010.

Staffing:

During this reporting period:

- The BIA Deputy CIO continued to serve as the acting BIA CIO.
- The BLM BCISO served as acting Deputy BLM CIO.
- During this reporting period, a BLM IT Specialist served as acting BCISO.
- OHA had no BCISO.
- The SOL BCISO served as the acting SOL CIO.

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Information Technology

Assurance Statement

I concur with the content of the information contained in the Information Technology section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 28, 2010

Name: *Signature on File*

Bernard J. Mazer

Department of the Interior, Chief Information Officer

B. CADASTRAL SURVEY

Introduction

Cadastral surveys provide assurance that land boundaries for individual Indian and tribal trust and restricted lands are identified appropriately. By federal law, surveys of Indian lands are to be performed under BLM's direction and control and in conformity with the rules and regulations under which other public lands are surveyed. Official surveys, whether preexisting or new, identify the location of land boundaries of Indian trust assets and determine official acreage. The official surveys are integral to realty transactions, resource management activities, litigation support and the federal system of patent, allotment and land tenure records maintained by BLM, BIA and local governments. Ownership information, distribution of land-based trust assets, and management of land-based trust accounts may be related to or based upon the information recorded in official surveys.

Accomplishments

Survey Production

BLM approved a total of 27 completed survey projects in Indian Country during this reporting period. These surveys produced 52 plats, 766 miles of survey line and an additional 1,735 survey monuments in Indian Country.

Certified Federal Surveyor Program

The BLM Cadastral Program deployed the CFedS program in FY2007. During this reporting period:

- There were 1047 professional land surveyors enrolled in the CFedS training program, and 405 CFedS certified. There were 48 states (plus DC and the Virgin Islands) represented with licensed surveyors either enrolled or certified in the program.
- The CFedS web site had approximately 21,000 visits and the "Finding a CFedS" page received approximately 14,680 inquiries.
- 37 new professional land surveyors started the program.

Current Status

Implementation of the FTM

The CGIS, as described in the TAAMS Spatial Pilot Project, is a key element of the FTM for enhanced management of Indian lands. The CGIS has not been implemented throughout Indian Country because of a lack of resources; however, OST, BIA, and Interior's CIO continued to explore options to fund the CGIS initiative.

The Records Update and Verification Project, funded by the American Recovery and Reinvestment Act, continued. The project is improving positional information and verifying BLM land status records, which will help facilitate development of CGIS by private and governmental entities, including Tribes.

Findings from OIG

OIG issued its final audit report "Department of the Interior's Management of Land Boundaries" (Audit No. C-IN-MOA-OOO1-2009). As in the initial report, discussed in *Status Report to the Court Number Forty*, OIG "found that BLM's Cadastral Survey program has been missing the opportunity to identify and perform surveys on high risk lands where significant potential revenues could be collected by the Department and/or Indian tribes." BLM began to develop a corrective action plan to address the report.

Delays and Obstacles

Funding of the FTM

Proper planning, scheduling and implementation of future FTM work are dependent on funding. The reduced level of funding in Interior's FY2010 appropriation – \$300,000 less than FY2009 – continued to negatively impact the implementation of the FTM initiatives. Planning survey projects involves long-term commitment of professional services. Uncertainty of funding impacts the planning for resources, which increases overall costs. For example, if enacted, the proposed FY2011 decrease of \$13,000,000 in the budget for the Alaska Conveyance Program – which transfers federal land to Alaska Natives, Alaska Native corporations and the state of Alaska – will dramatically increase the time-line for those conveyances.

Assurance Statement

I concur with the content of the information contained in the Cadastral Survey section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 22, 2010

Name: *Signature on File*
Donald A. Buhler
Chief Cadastral Surveyor
Bureau of Land Management

C. OFFICE OF NATURAL RESOURCES REVENUE

Introduction

Effective October 1, 2010, the Minerals Revenue Management Program moved from the Bureau of Ocean Energy Management, Regulation and Enforcement (formerly MMS) to the Office of the Assistant Secretary for PMB and became the Office of Natural Resources Revenue. ONRR collects, accounts for, and distributes mineral revenues from both federal and Indian mineral leases. ONRR also evaluates industry compliance with laws, regulations, and lease terms. ONRR maintains reported information and distributes revenues at the lease level. BIA maintains individual Indian ownership records that are used to provide information to OST for disbursement of the lease revenues to individual Indian beneficiaries.

Current Status

Indian Oil Valuation Rule

ONRR plans to address issues regarding the “major portion” calculation for oil produced from Indian leases in a Negotiated Rulemaking Committee. A charter to establish the committee has been drafted. Once the charter is signed by Secretary Salazar and filed with Congress, ONRR will prepare a *Federal Register* notice to solicit committee-member nominations.

Assurance Statement

I concur with the content of the information contained in the Office of Natural Resources Revenue section of the *Status Report to the Court Number Forty-Two*. The information provided in this section is accurate to the best of my knowledge.

Date: October 13, 2010

Name: *Signature on File*

Shirley M. Conway

Special Assistant, Office of Natural Resources Revenue

Office of the Assistant Secretary - Policy, Management and Budget, DOI

ACRONYMS AND ABBREVIATIONS

1994 Act (or Act) 2007 Plan	American Indian Trust Fund Management Reform Act of 1994 Plan for Completing the Historical Accounting of Individual Indian Money Accounts
A-123	Office of Management and Budget Circular A-123, Management’s Responsibility for Internal Control
A-130	Office of Management and Budget Circular A-130 Appendix III
ACSM	American Congress on Surveying and Mapping
ADM	Attorney Decision Makers
AFMSS	Automated Fluid Mineral Support System
AIMS	ActivCard Identity Management System
AIPRA	American Indian Probate Reform Act
AIRR	American Indian Records Repository
ALIS	Alaska Land Information System
ALJ	Administrative Law Judges
ARO	Alaska Region office
ARRTS	Appraisal Request and Review Tracking System
ART	Accounting Reconciliation Tool
AS-IA	Assistant Secretary-Indian Affairs
ASD	Appraisal Services Directorate
ASM	Accounting Standards Manual
ATLAS	AgWare Trust Land Appraisal System
ATO	Authority to Operate
BCISO	Bureau Chief Information Security Officer (formerly BITSM)
BIA	Bureau of Indian Affairs
BIAM	Bureau of Indian Affairs Manual
BILS	BLM Indian Lands Surveyors
BISS	Box Index Search System
BITSM	Bureau Information Technology Security Manager
BLM	Bureau of Land Management
BOEMRE	Bureau of Ocean Energy Management, Regulation, and Enforcement
BOR	Bureau of Reclamation
BPA	Blanket Purchase Agreement
BRM	Business Reference Model
C&A	Certification and Accreditation
CAP	Corrective Action Plan
CARS	Cadastral Automated Request System
CBS	San Carlos Irrigation Continental Billing System
CDE	Critical Data Elements
CFedS	Certified Federal Surveyor
CFI	Continuous Forest Inventory
CGI	Software vendor successor to TAAMS vendor
CGIS	Cadastral Geographic Information Systems
CI Manual	Coding and Imaging Manual

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Acronyms and Abbreviations

CIFTA	Certified Indian Fiduciary Trust Analyst
CIFTS	Certified Indian Fiduciary Trust Specialist
CIO	Chief Information Officer
CIRC	Computer Incidents Response Center
CISO	Chief Information Security Officer
CISSP	Certified Information System Security Professional
CITE	Certified Indian Trust Examiners
CMS	Credential Management System
COTS	Commercial off-the-shelf
CP&R	Check Payment and Reconciliation
CPIC	Capital Planning and Investment Control
CREUMS	Colorado River Electrical Utility Management System
CSAM	Cyber Security Assessment and Management
CSD	Cyber Security Division
CSIRC	Computer Security Incident Response Capability
CSIRT	Computer Security Incident Response Team
CSS	Customer StrataStation
CTM	Comprehensive Trust Management Plan
DAA	Designated Approving Authority
DCV	Data Completeness Validation
DEAR	DOI Enterprise Architecture Repository
DDoS	Distributed Denial of Service
DLRM	DOI Land and Resource Management
DM	Departmental Manual
DMZ	De-Militarized Zone
DNS	Domain Name Server
DOI	Department of the Interior
DOJ	Department of Justice
DOP	Desk Operating Procedure
DoS	Denial of Service
DQ&I	Data Quality and Integrity
DRM	Data Reference Model
EA	Enterprise Architecture
ENA	Eastern Navajo Agency
EORO	Eastern Oklahoma Region office
ERA	Electronic Records Era
ERO	Eastern Region office
ESN	Enterprise Services Network
ETP	Enterprise Transition Plan
FAMS	Facilities Asset Management System
FAR	Federal Acquisition Regulation
FBMS	Financial Business Management System
FDCC	Federal Desktop Core Configuration
FFMIA	Federal Financial Management Improvement Act
FIMO	Farmington Indian Minerals Office

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Acronyms and Abbreviations

FIPS	Federal Information Processing Standards
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers' Financial Integrity Act
FOIA	Freedom of Information Act
FRC	Federal Records Center
FRD	Functional Requirements Document
FTM	Fiduciary Trust Model
FTO	Fiduciary Trust Officer
FWS	U.S. Fish and Wildlife Service
GAO	Government Accountability Office
GCDB	Geographic Coordinate Data Base
GIS	Geographic Information System
GLO	General Land Office
GLADS	Great Lakes Agency Database System
GPRO	Great Plains Region office
GPS	Global Positioning System
GSA	General Services Administration
GSS	General Support Systems
HSA	Historical Statement of Account
HSPD-12	Homeland Security Presidential Directive 12
IAM	Indian Affairs Manual
IATO	Interim Approval to Operate
ICR	Internal Control Review
ICRs	Information Collection Requests
IEA	Interior Enterprise Architecture
IEMSC	Indian Energy & Mineral Steering Committee
IFTR	Indian Fiduciary Trust Records
IG	Inspector General
IIM	Individual Indian Money
IITD	Individual Indian Trust Data
ILCA	Indian Land Consolidation Act
ILCO	Indian Land Consolidation Office
ILCP	Indian Land Consolidation Project
IM	Instruction Memorandum
IMDA	Indian Mineral Development Act
InfoDat	Indian Forestry Database
Interior	Department of the Interior
IP	Internet Protocol
IPJ	Indian Probate Judges
IPS	Intrusion Protection System
IPv6	Internet Protocol Version 6
IQCS	Incidence Qualification and Certification System
IRM	Information Resources Management
IRMS	Integrated Records Management System
IRN	Isolated Realty Network

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Acronyms and Abbreviations

IRS	Internal Revenue Service
ISSDA	Indian Service Special Disbursing Agents
ISA	Information Security Assessment
ISIT	Internal Security Improvements Team
IT	Information Technology
ITARS	Indian Trust Appraisal Request Tracking System
ITIMS	Integrated Transportation Information Management System
ITRS	Indian Trust Rating System
IV&V	independent verification and validation
LAN	Local area network
LCTS	Land Consolidation Tracking System
LMS	Learning Management System
LR2000	Legacy Rehost 2000 System
LRIS	Land Records Information System
LTIC	Land Tenure in Indian Country
LTRO	Land Titles and Records Office
MA	Major Application
MAD/LCP	Management Accounting Distribution/Land Consolidation Program
MADS	Management Accounting Distribution System
MMD	Missing Mandatory Documents for Unrestricted Accounts
MMS	Minerals Management Service
MOU	Memorandum or Memoranda of Understanding
MRAD	Mineral Royalty Accounting and Distribution
MRM	Minerals Revenue Management
MRMSS	Minerals Revenue Management Support System
MWRO	Midwest Region office
NARA	National Archives and Records Administration
NBC	National Business Center
NFR	Notice of Findings and Recommendations
NILS	National Integrated Lands System
NIOGEMS	National Indian Oil and Gas Evaluation and Management System
NIPTC	National Indian Programs Training Center
NIRMC	National Information Resource Management Center
NIST	National Institute of Standards and Technology
NORC	National Opinion Research Center
NPS	National Park Service
NRO	Navajo Region office
NWRO	Northwest Region office
O&G	Oil and Gas
OAS	Office of Appraisal Services
OCIO	Office of the Chief Information Officer
OHA	Office of Hearings and Appeals
OHTA	Office of Historical Trust Accounting
OIG	Office of the Inspector General
OIP	Office of Information Policy

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Acronyms and Abbreviations

OISP	Office of IT Security and Privacy
OME	Office of Minerals Evaluation within NBC
OMB	Office of Management and Budget
ONRR	Office of Natural Resources Revenue
ORM	Office of Regulatory Management
OSM	Office of Surface Mining
OST	Office of the Special Trustee for American Indians
OTFM	Office of Trust Funds Management
OTP	Office of Trust Regulations, Policies and Procedures
OTR	Office of Trust Records
OTRA	Office of Trust Review and Audit
PACER	Payments, Accounting, Claims and Enhanced Reconciliation System
PAR	Performance and Accountability Report
PII	Personally Identifiable Information
PIV	Personal Identity Verification
PLSS	Public Land Survey System
PMB	Policy, Management and Budget
PMSO	Project Management Support Office
POA&M	Plans of Actions and Milestones
Post-QA	Post Quality Assurance
PPA	Office of Planning and Policy Analysis
PRIS	Production and Response Information System
PRO	Pacific Region office
ProTrac	Probate Case Management and Tracking System
QA	Quality Assurance
QC	Quality Control
RAF	Recommended Action Forms
RAS	Rangeland Administration System
RACA	Regulatory Affairs and Collaborative Action
RDRS	Royalty Distribution and Reporting System
REM	Real Estate Module
RFP	Request for Proposal
RM-PLUS	Risk Management Assessment/Evaluation tool
RMRO	Rocky Mountain Region office
ROCIS	Regulatory Information Service Center/Office of Information Regulatory Affairs Consolidated Information
ROW	Rights-of-Way
SANS	SysAdmin, Audit, Network, Security
SCADA	Supervisory Control and Data Acquisition
SDA	Special Deposit Accounts
SDLC	System Development Life Cycle
SMEs	Subject Matter Experts
SMS	System Management Servers
SOL	Office of the Solicitor
SOW	Statement-of-Work

STATUS REPORT TO THE COURT NUMBER FORTY-TWO

November 1, 2010

Acronyms and Abbreviations

SPRO	Southern Plains Region office
SSA	Social Security Administration
SSAS	Social Services Automated System
SSM	System Security Manager
SSP	System Security Plan
ST&E	Security Test and Evaluation
Statements	Historical Statements of Account
STIGs	Security Technical Implementation Guides
SUS	System Update Servers
SWRO	Southwest Region office
TAAMS	Trust Asset and Accounting Management System
TAP	Technical Architecture Profile
TBCC	Trust Beneficiary Call Center
TCIS	Treasury Check Information System
TESC	Trust Executive Steering Committee
TFAS	Trust Fund Accounting System
TFR	Trust Fund Receivable
TIR	Trust Image Repository
TPMC	Trust Program Management Center
TRAC	Trust Tracking and Coordination
Treasury	Department of the Treasury
TRM	Technical Reference Model
TRO	Temporary Restraining Order
TSPP	TAAMS Spatial Pilot Project
U&O	Uintah & Ouray
U/FAS	Undivided/Fractionated Appraisal System
UAT	User Acceptance Testing
US-CERT	United States Computer Emergency Readiness Team
USGS	United States Geological Survey
USPAP	Uniform Standards of Professional Appraisal Practice
VBNS	Very High Performance Backbone Network Service
VPN	Virtual Private Network
WAN	Wide area network
WAU	Whereabouts Unknown
WRO	Western Region office