



DEPARTMENTAL OFFICES

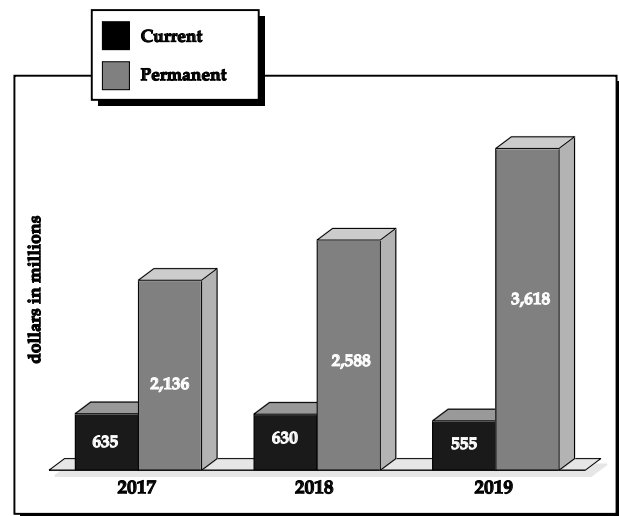
Overview – The Department of the Interior conserves and manages the Nation’s natural resources and cultural heritage for the benefit and enjoyment of the American people, provides scientific and other information to address natural resource and natural hazard challenges, and honors the Nation’s trust responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities to help them prosper.

Departmental Offices provide leadership, management, and coordination activities; deliver services to Interior’s bureaus and offices; and operate unique cross-cutting functions that do not logically fit elsewhere. The Office of the Secretary provides executive leadership for the Department through the development of policy, legislation, and the annual budget. The Office of the Secretary also provides administrative services such as finance, information resources, acquisition, and human resources. The Office manages the administrative appeals functions through the Office of Hearings and Appeals, and appraises the value of lands and minerals through the Appraisal and Valuation Services Office.

The following programs within Departmental Offices are funded in separate appropriations. The Office of Insular Affairs provides assistance to insular areas. The Office of the Special Trustee for American Indians manages and carries out the Secretary of the Interior’s responsibility for trust funds for American Indians. The Office of the Solicitor provides legal services to the bureaus and offices on behalf of the Secretary. The Office of Inspector General reviews Interior activities and conducts audits and investigations.

The Office of the Secretary also manages five Department-wide programs funded in separate accounts. The Office of Natural Resources Revenue collects, disburses, and verifies Federal and Indian energy and other natural resource revenues on behalf of all Americans. The Payments in Lieu of Taxes program provides payments to local governments in jurisdictions where Federal lands are located. The Central Hazardous Materials Fund provides a coordinated, consistent approach to remediate Interior sites impacted by hazardous substances. The Natural Resource Damage Assessment and Restoration

Departmental Offices Funding



program coordinates all of the Department’s restoration efforts for resources damaged as a result of oil spills or hazardous substance releases into the environment. The Wildland Fire Management program addresses wildfire on public lands. Working collaboratively with the participating bureaus, the Department coordinates wildland fire activities within Interior and with the Department of Agriculture’s U.S. Forest Service. The Office of the Secretary also manages the Department’s Working Capital Fund, the Interior Franchise Fund, and the agency-wide Financial and Business Management System. These Department-wide programs are discussed as a separate chapter in the Bureau Highlights.

Office of the Secretary

Mission – The Office of the Secretary provides the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and nationally significant programs that are the Department of the Interior’s responsibilities.

Budget Overview – The 2019 budget request for Departmental Operations is \$134.7 million in current appropriations. The 2019 request reflects the proposed transfer of

\$140.5 million associated with the Office of Natural Resources Revenue to a new appropriation, described in the Department-wide Programs chapter. The proposed transfer of ONRR funding to a separate account will increase transparency in the budget for the Department's energy revenue programs.

The 2019 request also reflects Congressional approval in 2018 to shift the Office of Appraisal Services from the Office of the Special Trustee to the Office of Valuation Services in the Office of the Secretary establishing a consolidated Department-wide Appraisal and Valuation Services Office. This action facilitates coordination of policies and best practices and complies with the requirements of the Indian Trust Asset Reform Act to consolidate the appraisal and valuation of Indian trust property under one administrative entity by December 22, 2017. The 2019 budget reflects a transfer of \$9.7 million from the Office of the Special Trustee to Departmental Offices for the Appraisal and Valuations Service Office.

The budget reflects two additional shifts approved in 2018 to realign the Office of International Affairs and the Oceans Program from the Office of the Assistant Secretary, Policy, Management and Budget to the Office of the Assistant Secretary, Insular and International Affairs. The 2019 request proposes an additional internal transfer to realign \$277,000 associated with the Office of Native Hawaiian Relations from the Office of the Assistant Secretary, Policy, Management and Budget to the Assistant Secretary, Insular and International Affairs.

The budget request also proposes to realign the Land Buy Back Program for Tribal Nations from the Office of the Secretary to the Office of the Special Trustee for American Indians. The LBBP is a permanent funded program responsible for the expenditure of the \$1.9 billion Trust Land Consolidation Fund authorized by the Settlement Agreement in *Cobell v. Salazar*, No. 96-CV-1285-JR and confirmed by the Claims Resolution Act of 2010. The OST currently provides significant support to the LBBP and the realignment will enhance coordination of support activities and technical assistance and present opportunities to streamline LBBP processes.

The 2019 request for the Office of the Secretary continues support for priority Departmental operations, services, and management functions. The budget adjusts the request for land acquisition related activities of the Appraisal and Valuation Services Office reflecting the priority to maintain Interior's existing assets rather than acquire new areas. Proposed funding will maintain capacity to support on-going bureau land projects, and will not impact Indian appraisal services transferring from the Office of the Special Trustee for American Indians.

The budget proposes additional shifts to consolidate the management structure reporting to the Assistant Secretary for Policy, Management and Budget.

Fixed Costs – Fixed costs of \$1.3 million are fully funded in the request.

Office of Insular Affairs

Mission – The Office of Insular Affairs strengthens economic and health capacities in the U.S. territories, and fulfills the U.S. compact obligations to Freely Associated States.

Budget Overview – The 2019 OIA budget request is \$84.1 million in current appropriations. The budget reflects a proposal to provide full support for the Palau Compact Review Agreement through a transfer from the Department of the Defense rather than continue smaller annual payments of \$13.1 million from Interior. The transfer from Defense would provide \$111.0 million for the Palau Compact in 2019.

Assistance to Territories – The 2019 budget provides \$81.0 million for Assistance to Territories. The request for American Samoa Operations funding is \$21.5 million. The budget provides \$31.7 million for Territorial Assistance, which includes \$9.4 million for Office of Insular Affairs operations including financial oversight efforts, \$14.7 million for Technical Assistance, \$1.0 million for Maintenance Assistance, \$946,000 for Coral Reef and Natural Resources, \$2.8 million for Empowering Insular Communities, and \$2.8 million for Brown Tree Snake Control. The budget relies on permanent funding for Coastal Impact Assistance activities.

Compact of Free Association – The 2019 budget provides \$3.1 million for Compact of Free Association. The increase reflects a proposal to provide full funding for the Palau Compact Review Agreement as a transfer from the Department of Defense. The 2018 National Defense Authorization Act officially authorized the strategic agreement signed between the United States and Palau governments in 2010. The Department of Defense budget request provides \$111.0 million to fund the Palau Compact, therefore the recurring annual payments of \$13.1 million for the Palau Compact Extension are unnecessary.

Fixed Costs – Fixed costs decrease by \$62,000.

Office of the Solicitor

Mission – The Office of the Solicitor's mission is to provide high quality legal counsel to the Secretary and Interior's offices and bureaus, administer the Department's ethics

program, help resolve legal issues among bureaus and offices as they fulfill their duties, and manage Interior's Freedom of Information Act appeals.

Budget Overview – The Solicitor's 2019 budget request is \$65.7 million. The Solicitor estimates staffing will be 400 full time equivalents in 2019.

Salaries and Expenses – The request continues support for legal services and reflects the need to address expiring field office lease requirements in 2019.

Fixed Costs – Fixed costs of \$453,000 are fully funded.

Office of Inspector General

Mission – The Office of Inspector General's mission is to provide independent oversight and promote excellence, integrity, and accountability within the programs, operations, and management of the Department of the Interior and its resources.

Budget Overview – The Inspector General's 2019 budget request is \$52.5 million. The Inspector General estimates staffing will equal 261 full time equivalents in 2019.

Salaries and Expenses – The budget request reflects anticipated workload requirements in Audits, Inspections and Evaluations related to Information Technology audits, and program integrity investigations in the Office of Investigations. The budget also supports the need for case management system maintenance, OPM security clearances, continuous data monitoring, and information technology systems assistance.

Fixed Costs – Fixed costs of \$226,000 are fully funded.

Office of the Special Trustee for American Indians

Mission – The mission of the Office of the Special Trustee for American Indians is to honor America's trust responsibilities by incorporating a beneficiary focus and participation while providing superior stewardship of trust assets. The OST provides fiduciary guidance, management, and leadership for Tribal Trust and Individual Indian Money accounts and oversees and coordinates efforts to establish consistent policies, procedures, systems, and practices throughout the Department of the Interior for the Indian Trust Administration System.

Budget Overview – The 2019 budget requests \$107.1 million in current appropriations. The OST estimates staffing will equal 506 full time equivalents in 2019. The OST has operational responsibility for financial trust fund management, including receipt, investment,

disbursement, and reporting of Indian trust funds on behalf of individuals and Tribes. The OST manages over \$5 billion held in nearly 3,500 trust accounts for 250 Indian Tribes and nearly 404,000 open IIM accounts. In addition, OST provides litigation and document production support for lawsuits related to those accounts.

The OST manages trust funds, which include payments from judgment awards, settlement of claims, land use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income. The OST has responsibility to plan, organize, direct, and execute the historical accounting of Tribal Trust accounts and IIM accounts. This work is accomplished by the Office of Historical Trust Accounting, which also works to resolve the ownership of residual balances in Youpee Escheat accounts, as well as special deposit accounts, and to distribute account balances to Tribes, individual Indians, and non-trust entities.

The OHTA provides litigation support resulting from the settlement of *Cobell v. Salazar* and other tribal lawsuits in coordination with the U.S. Department of Justice. Approximately 20 pending cases are filed in various Federal courts by Indian Tribes or individual Indians that allege breaches of fiduciary trust duties.

To enhance and consolidate services to Indian Tribes, individual American Indians, and Alaska Natives, the 2019 budget proposes several organizational changes that impact OST. The budget proposes to change the reporting relationship of the OST from the Office of the Secretary to the Assistant Secretary–Indian Affairs. The OST will continue to be a separate organization reporting to the Assistant Secretary–Indian Affairs, as do the Bureau of Indian Affairs and Bureau of Indian Education. This move is proposed to enhance planning and coordination of policies and services related to Indian Country.

The budget proposes to realign the Land Buy Back Program for Tribal Nations from the Office of the Secretary to OST. The LBBP is responsible for the expenditure of the \$1.9 billion Trust Land Consolidation Fund authorized by the Settlement Agreement in *Cobell v. Salazar*, No. 96-CV-1285-JR and confirmed by the Claims Resolution Act of 2010. The OST provides significant support to the LBBP. Thus, the realignment of the program should enhance the coordination of support activities and technical assistance provided by OST to LBBP and present opportunities to streamline LBBP processes.

The 2019 budget includes \$3.0 million to assume certain functions of the Office of Navajo and Hopi Indian Relocation, an independent agency within the executive branch, to OST. The functions transferred to OST pertain

to land management activities for all lands administered by ONHIR pursuant to the 1974 Navajo Hopi Settlement Act, as amended. The OST will serve as a coordinator for the Department, ONHIR, the Office of Management and Budget, and Congress to facilitate the orderly close out of the ONHIR.

The budget also reflects the approved transfer of the Office of Appraisal Services to the Office of the Secretary's Appraisal and Valuation Services Office. This will allow for the consolidation of all appraisal services into a single entity under the Office of the Secretary as required by the Indian Trust Asset Reform Act.

Program Operations and Support – The 2019 OST budget includes \$102.4 million for Program Operations and Support. Field Operations is funded at \$21.5 million to support the primary point of contact for trust beneficiaries—Tribes, individual Indians, and Alaska Natives—seeking information and services in conjunction with their trust assets. Field Operations will prioritize resources to maintain a level of service at the beneficiary call center and preserve outreach and beneficiary education efforts.

The budget provides \$18.6 million for the Office of Trust Services. The request assumes efficiencies through the re-compete of the Trust Fund Accounting System contract in 2018. Trust Services conducts all fiduciary accounting activities, liquidity investments, reconciliation, and financial reporting related to the individual Indian, Alaska

Native, and tribal trust funds under management by the Department. To manage the expected workload for historical accounting of Tribal Trust and IIM accounts, the budget includes \$18.6 million.

The budget provides \$43.7 million for Program Support including \$4.3 million for the Office of Trust Review and Audit. The OTRA conducts trust evaluations to determine if OST, BIA, BLM, and ONRR have established policies and procedures that are consistent and comply with Federal trust laws to ensure the Secretary's fiduciary trust standards are met Interior-wide. Program Support also includes \$9.6 million for the Office of Trust Records which manages and operates the American Indian Records Repository, develops records management policies, and provides records management training and support services to OST and BIA.

Navajo and Hopi Program Office – The 2019 OST budget includes \$3.0 million to establish a Navajo and Hopi Program Office within OST. The 2019 budget proposes to transfer land management activities for the lands administered by the ONHIR to a new office within OST. The transfer of land management activities is the first stage of the orderly closeout of the ONHIR, an independent agency established by law to oversee implementation of a land settlement between the Navajo Nation and the Hopi Tribe of Arizona.

Fixed Costs – Fixed costs of \$996,000 are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2019 Request with 2018 CR

	2018 CR		2019 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Office of the Secretary - Departmental Operations	1,070	269,233	460	134,673	-610	-134,560
Assistance to Territories	36	91,489	36	80,967	0	-10,522
Compact of Free Association	0	16,353	0	3,109	0	-13,244
Office of the Solicitor	302	65,322	286	65,674	-16	+352
Office of Inspector General	237	49,707	248	52,486	+11	+2,779
Federal Trust Programs	537	138,085	474	104,067	-63	-34,018
Navajo and Hopi Indian Relocation.....	0	0	7	3,000	+7	+3,000
Subtotal, Current (w/o transfer)	2,182	630,189	1,511	443,976	-671	-186,213
Transfer from DOD for Palau Compact	0	0	0	+111,000	0	+111,000
Subtotal, Current (w/ transfer)	2,182	630,189	1,511	554,976	-671	-75,213
Permanent and Other						
Indian Arts and Crafts Fund.....	0	40	0	40	0	0
Take Pride in America, Gifts and Bequests.....	0	5	0	5	0	0
Public Lands Infrastructure Fund.....	0	0	0	760,000	0	+760,000
Mineral Leasing and Associated Payments.....	0	1,656,496	0	1,834,052	0	+177,556
National Forest Fund, Payments to States.....	0	8,471	0	9,144	0	+673
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes.....	0	47,625	0	51,342	0	+3,717
National Petroleum Reserve, Alaska.....	0	21,191	0	23,548	0	+2,357
Geothermal Lease Revenues, Payments to Counties....	0	3,575	0	0	0	-3,575
States Share from Certain Gulf of Mexico Leases.....	0	187,989	0	268,014	0	+80,025
Trust Land Consolidation Fund	18	0	18	0	0	0
Compact of Free Association	0	218,809	0	221,929	0	+3,120
Payments to the United States Territories, Fiscal Assistance	0	302,000	0	302,000	0	0
Tribal Special Fund.....	0	115,000	0	119,000	0	+4,000
Tribal Trust Fund	0	27,000	0	29,000	0	+2,000
Subtotal, Permanent and Other.....	18	2,588,201	18	3,618,074	0	+1,029,873
Allocation and Reimbursable						
Allocation - Office of the Secretary	47	0	47	0	0	0
Allocation - Office of the Solicitor.....	28	0	28	0	0	0
Allocation - Office of Inspector General	3	0	0	0	-3	0
Reimbursable - Office of the Secretary	266	0	260	0	-6	0
Reimbursable - Office of the Solicitor.....	86	0	86	0	0	0
Reimbursable - Office of Inspector General	13	0	13	0	0	0
Reimbursable - Office of the Special Trustee for American Indians	36	0	7	0	-29	0
Subtotal, Allocation and Reimbursable.....	479	0	441	0	-38	0
TOTAL, DEPARTMENTAL OFFICES (w/o transfer).....	2,679	3,218,390	1,970	4,062,050	-709	+843,660
TOTAL, DEPARTMENTAL OFFICES (w/ transfer).....	2,679	3,218,390	1,970	4,173,050	-709	+954,660
National Indian Gaming Commission.....	129	18,552	132	21,059	+3	+2,507

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Office of the Secretary - Departmental Operations

	2017 Actual	2018 CR	2019 Request	Change
Leadership and Administration.....	124,112	123,268	107,368	-15,900
Management Services.....	20,475	20,337	27,305	+6,968
Office of Natural Resources Revenue	126,487	125,628	[137,505]	-125,628
TOTAL APPROPRIATION	271,074	269,233	134,673	-134,560

Detail of Budget Changes

	2019 Change from 2018 CR
TOTAL APPROPRIATION	-134,560
Leadership and Administration.....	-15,900
Transfer Native Hawaiian Relations to AS - Insular and Int'l Affairs	[277]
Centralized Program Management	-1,270
Community Development Funding	-993
Transfer ONRR Central Services to New ONRR Appropriation	-14,904
Fixed Costs	+1,267
Management Services.....	+6,968
Staffing.....	-345
USBM Worker's Compensation.....	-546
LWCF Land Acquisition Project Valuations Work.....	-1,925
Transfer Appraisal and Valuation Services Office.....	+9,704
Fixed Costs	+80
Office of Natural Resources Revenue Transfer ONRR to Department-wide Programs.....	-125,628
Subtotals for Changes Across Multiple Subactivities Fixed Costs	[+1,347]

APPROPRIATION: Assistance to Territories

	2017 Actual	2018 CR	2019 Request	Change
American Samoa Operations.....	22,752	22,597	21,529	-1,068
Covenant Grants (CM)	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs	9,448	9,384	9,430	+46
Technical Assistance.....	16,784	16,670	14,671	-1,999
Maintenance Assistance Fund.....	4,000	3,973	1,023	-2,950
Brown Tree Snake Control	3,500	3,476	2,837	-639
Coral Reef Initiative and				
Natural Resources	1,250	1,242	946	-296
Empowering Insular Communities	3,471	3,447	2,811	-636
Compact Impact - Discretionary	3,000	2,980	0	-2,980
Subtotal, Territorial Assistance	41,453	41,172	31,718	-9,454
TOTAL APPROPRIATION	91,925	91,489	80,967	-10,522

Detail of Budget Changes

	2019 Change from 2018 CR		2019 Change from 2018 CR
TOTAL APPROPRIATION	-10,522		
American Samoa Operations Grants.....	-1,068	Coral Reef Initiative and	
Territorial Assistance	-9,454	Natural Resources	-296
Office of Insular Affairs	+46	Empowering Insular Communities	-636
Professional Services	+108	Compact Impact - Discretionary	-2,980
Fixed Costs	-62		
Technical Assistance.....	-1,999		
Maintenance Assistance Fund.....	-2,950		
Brown Tree Snake Control	-639		

APPROPRIATION: Compact of Free Association

	2017 Actual	2018 CR	2019 Request	Change
Federal Services.....	2,818	2,798	2,636	-162
Enewetak	500	497	473	-24
Palau Compact Extension.....	13,147	13,058	0	-13,058
TOTAL APPROPRIATION <i>(w/o transfer)</i>	16,465	16,353	3,109	-13,244
Transfer from DOD for Palau Compact ...	0	0	+111,000	+111,000
TOTAL APPROPRIATION <i>(w/ transfer)</i>	16,465	16,353	114,109	+97,756

Detail of Budget Changes

	2019 Change from 2018 CR
TOTAL APPROPRIATION	-13,244
Federal Services.....	-162
Enewetak	-24
Palau Compact Funding	
Proposed in DOD	-13,058

APPROPRIATION: Office of the Solicitor

	2017 Actual	2018 CR	2019 Request	Change
Legal Services	59,091	58,690	58,996	+306
General Administration	4,940	4,906	4,940	+34
Ethics Office	1,738	1,726	1,738	+12
TOTAL APPROPRIATION	65,769	65,322	65,674	+352

Detail of Budget Changes

	2019 Change from 2018 CR
TOTAL APPROPRIATION	+352
Legal Services	+306
Staffing	-2,601
Space Requirements	+2,500
Fixed Costs	+407
General Administration - Fixed Costs.....	+34
Ethics Office - Fixed Costs	+12
Subtotals for Changes Across Multiple Subactivities Fixed Costs	[+453]

APPROPRIATION: Office of Inspector General

	2017 Actual	2018 CR	2019 Request	Change
Audit, Inspections and Evaluations	18,640	18,513	18,761	+248
Investigations.....	18,898	18,770	20,761	+1,991
Mission Support	12,509	12,424	12,964	+540
TOTAL APPROPRIATION (w/o transfer)	50,047	49,707	52,486	+2,779
Transfers.....	+400	0	0	0
TOTAL APPROPRIATION (w/ transfer)	50,447	49,707	52,486	+2,779

Detail of Budget Changes

	2019 Change from 2018 CR		2019 Change from 2018 CR
TOTAL APPROPRIATION	+2,779		
Audit, Inspections and Evaluations	+248	Mission Support	+540
Information Technology Audits	+555	Continuous Data Monitoring	+166
OPM Security Clearances.....	+400	FOIA Specialist	+166
Offset for Investigations Payroll	-891	IT Systems Support	+166
Fixed Costs	+184	Fixed Costs	+42
Investigations.....	+1,991	Subtotals for Changes Across Multiple Subactivities	
Case Management System	+100	Fixed Costs	[+226]
Program Integrity Investigations	+1,000		
Offset for Investigations Payroll	+891		

APPROPRIATION: Office of the Special Trustee for American Indians - Federal Trust Programs

	2017 Actual	2018 CR	2019 Request	Change
Executive Direction.....	2,031	2,017	1,697	-320
Program Operations and Support	136,998	136,068	102,370	-33,698
TOTAL APPROPRIATION	139,029	138,085	104,067	-34,018

Detail of Budget Changes

	2019 Change from 2018 CR		2019 Change from 2018 CR
TOTAL APPROPRIATION	-34,018	Budget, Finance, and Admin.....	-3,073
Executive Direction.....	-320	General Program Activities	-3,245
General Program Activities.....	-329	Fixed Costs.....	+172
Fixed Costs	+9	Information Resources	-1,454
Program Operations and Support	-33,698	Cost Savings - TFAS.....	-1,512
Program Operations.....	-27,731	Fixed Costs.....	+58
Field Operations	-3,315	Office of External Affairs	+12
General Program Activities	-3,648	Fixed Costs.....	+12
Fixed Costs.....	+333	Program Management	-1,014
Appraisal Services	-10,738	Trust Records.....	-311
Transfer of Office of Appraisal		General Program Activities	-434
Services to OS	-9,704	Fixed Costs.....	+123
Difference between 2018 Pres Bud		Trust Review and Audit.....	-625
w/FC and CR Baseline	-1,034	General Program Activities	-667
Trust Services.....	-13,708	Fixed Costs.....	+42
General Program Activities	-13,896	Risk Management	-78
Fixed Costs.....	+188	General Program Activities	-86
Historical Trust Accounting	+30	Fixed Costs.....	+8
Fixed Costs.....	+30	Subtotals for Changes Across	
Program Support.....	-5,967	Multiple Subactivities	
Business Management	-4,953	Fixed Costs	[+996]
OST Business Management.....	-438		
General Program Activities	-459		
Fixed Costs.....	+21		

APPROPRIATION: Navajo and Hopi Indian Relocation

	2017 Actual	2018 CR	2019 Request	Change
Navajo and Hopi Program Office.....	0	0	3,000	+3,000
TOTAL APPROPRIATION	0	0	3,000	+3,000

Detail of Budget Changes

	2019 Change from 2018 CR
TOTAL APPROPRIATION	+3,000
Navajo and Hopi Program Office	+3,000