



BUDGET The United States
Department of the Interior
JUSTIFICATIONS

and Performance Information
Fiscal Year 2009

INDIAN AFFAIRS

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.



**DEPARTMENT OF THE INTERIOR
INDIAN AFFAIRS**

**Budget Justifications
Fiscal Year 2009**

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Appropriation Language

DEPARTMENT OF THE INTERIOR

INDIAN AFFAIRS


Operation of Indian Programs

(Including transfer of funds)

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001-2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, [\$2,080,261,000]\$1,988,290,000, to remain available until September 30, [2009]2010 except as otherwise provided herein; of which not to exceed \$8,500 may be for official reception and representation expenses; and of which not to exceed [\$80,179,000]\$64,491,000 shall be for welfare assistance payments: *Provided*, That in cases of designated Federal disasters, the Secretary may exceed such cap, from the amounts provided herein, to provide for disaster relief to Indian communities affected by the disaster; of *which*, notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed [\$149,628,000] \$147,294,000 shall be available for payments for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau of Indian Affairs prior to or during fiscal year [2008]2009, as authorized by such Act, except that *federally recognized* tribes [and tribal organizations] may use their tribal priority allocations for unmet contract support costs of ongoing contracts, grants, or compacts, or annual funding agreements, and for unmet welfare assistance costs; of which not to exceed [\$487,500,000]\$475,594,000 for school operations costs of Bureau of Indian Education-funded schools and other education programs shall become available on July 1, [2008]2009, and shall remain available until September 30, [2009]2010; and of which not to exceed [\$60,222,000]\$31,991,000 shall remain available until expended for [housing improvement,] road maintenance, attorney fees, litigation support, the Indian Self-Determination Fund, land records improvement, and the Navajo-Hopi Settlement Program: *Provided further*, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed [\$44,060,000]\$43,373,000 within and only from such amounts made available for school operations shall be available for administrative cost grants associated with ongoing grants entered into with the Bureau of Indian Education prior to or during fiscal year [2007]2008 for the operation of Bureau of Indian Education-funded schools, and up to \$500,000 within and only from such amounts made available for [school operations] *administrative cost grants* shall be available for the transitional costs

IA-OIP-1

Stewardship for America with Integrity and Excellence




additional training funds under the Integration of Employment, Training, and Related Services Demonstration Act (Public Law 102-477).

Subactivity - Contract Support Funds (FY 2009: \$147,294,000; FTE: 0):

Program Overview:

Contract support funds are paid to Tribes and tribal organizations currently contracting and/or compacting Bureau programs under the authority of Public Law 93-638, as amended. Contract support funds are used by tribal contractors to pay a wide range of administrative and management costs related to the operation of their contracted program. These are administrative and management costs including, but not limited to, finance, personnel, maintenance, insurance, utilities, audits, communications, and vehicle costs.



Contract support funds serve as an incentive for Tribes to contract, and increased tribal contracting supports the Administration's long-standing policy of promoting Indian and Alaska Native self-governance and self-determination. In addition, the provision of contract support funding contributes to each of the Bureau's end outcome goals under the Department's Mission Area of Serving Communities through the wide array of Bureau programs it supports. This program fully funds indirect contract support costs and in FY 2009 will continue funding a portion of direct contract support costs.

Subactivity - Indian Self-Determination (ISD) Fund (FY 2009: \$0; FTE: 0):

Program Overview:

The ISD Fund provides Tribes with resources to pay 100 percent of their administrative costs in the first year they contract or compact BIA programs, which serves as an incentive for initiating tribal contracting and compacting. Increased tribal contracting supports the Administration's long-standing policy of promoting Indian and Alaska Native self-governance and self-determination. The ISD Fund also serves to stabilize the Contract Support program by ensuring that existing contractors are not adversely impacted when new or expanded contracts are awarded.

The FY 2009 President's budget request does not include funding for the Indian Self-Determination Fund; however, this is not expected to impact meeting the start up and contract support fund needs of new and expanded self-determination contracts. Existing carryover funds have been determined sufficient to meet the estimated need through FY 2009.

Subactivity - New Tribes (FY 2009: \$311,000; FTE: 0):

Program Overview:

This program supports the Department's Strategic Goal to Advance Quality Communities for Tribes and Alaska Natives by promoting self-determination through support of new federally acknowledged tribes and tribal governments. This program also provides resources for regional and agency offices to service and support these newly acknowledged Tribes. These efforts are in

publication in the Federal Register. In addition, oversight staff ensures that contracted Tribes submit the required annual audits and that management has taken appropriate action to follow-up on findings.

Central Oversight (\$3,837,000): This funding provides for staff and costs associated with the services listed above performed at the central-office level.


Regional Oversight (\$3,900,000): This funding provides for staff and costs associated with the services listed above performed at the regional office level.

2009 Program Performance:

The expected performance of Tribal Government programs is presented at the activity level due to the interrelated nature of the functions they perform.

During FY 2009, program and oversight efforts will continue to focus on improved management of federal funds. Progress in this goal will be achieved by pursuing the timely submission of required audits from tribal contractors, addressing audits submitted with timely management action, and encouraging the inclusion of performance based criteria in new tribal contracts and compacts.

In FY 2009, the BIA will provide approximately 30 national self-determination training sessions, to be attended by an estimated 1,500 tribal and BIA employees. With the re-establishment of a Division of Self-Determination, efforts will be focused on training to meet the increasing demand by BIA employees and tribes contracting under the authority of P.L. 93-638, as amended. These recurring training sessions are intended to provide BIA awarding officials with the most current information regarding self-determination so they can provide Tribes with expert assistance. Comprehensive training provides Tribes a clear understanding of what is required of them when contracting and compacting BIA programs, and can lead to an increase in timely audit submissions as well as successful audits.



FY 2007 funding enabled the Bureau to pay tribal contractors full indirect costs for the first time. In addition, FY 2009 funds should be sufficient to begin paying contractors a portion of their direct contract support costs. The BIA also implemented its formal Contract Support Cost policy for Tribes contracting under the authority of Public Law 93-638, as amended. To ensure the successful implementation of the new policy, training is being provided to BIA and tribal officials for the award of direct contract support costs.