

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

ELOUISE PEPION COBELL, et al.,)
)
Plaintiffs,)
)
v.)
)
KEN SALAZAR, Secretary of the)
Interior, et al.,)
)
Defendants.)

Case No. 1:96cv01285-JR

**NOTICE OF FILING OF INTERIOR DEFENDANTS'
THIRTY-EIGHTH STATUS REPORT**

Interior Defendants hereby give notice of the filing of their thirty-eighth report due in accordance with the Order of December 21, 1999.

A copy of the report is attached hereto.

Dated: November 2, 2009

Respectfully submitted,

TONY WEST
Assistant Attorney General
MICHAEL F. HERTZ
Deputy Assistant Attorney General
J. CHRISTOPHER KOHN
Director

/s/ John J. Siemietkowski
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CERTIFICATE OF SERVICE

I hereby certify that, on November 2, 2009 the foregoing *Notice of Filing of Interior Defendants' Thirty-Eighth Status Report* was served by Electronic Case Filing, and on the following who is not registered for Electronic Case Filing, by facsimile:

Earl Old Person (*Pro se*)
Blackfeet Tribe
P.O. Box 850
Browning, MT 59417
Fax (406) 338-7530

/s/ Kevin P. Kingston

Kevin P. Kingston



THE SECRETARY OF THE INTERIOR
WASHINGTON

OCT 30 2009

J. Christopher Kohn
U.S. Department of Justice
Civil Division
Commercial Litigation Branch
P.O. Box 875
Ben Franklin Station
Washington, D.C. 20044-0875

Re: Cobell v. Salazar – *Status Report to the Court Number Thirty-Eight*

Dear Mr. Kohn:

Enclosed is the Department of the Interior's *Status Report to the Court Number Thirty-Eight (for the Period July 1, 2009 through September 30, 2009)*. Please forward a copy to the Court.

My signature on this report reflects my reliance on the assurances of those who have compiled the report that the information contained herein is accurate.

Thank you for your assistance.

Sincerely,

Ken Salazar

Enclosure

Status Report to the Court Number Thirty-Eight

**For the Period
July 1, 2009 through September 30, 2009**



November 2, 2009

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INTRODUCTION

This *Status Report to the Court Number Thirty-Eight* (Report) represents the period from July 1, 2009, through September 30, 2009. 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 Minerals Management Service 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.

November 2, 2009

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STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

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Office of the Special Trustee for American Indians

I. OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

This Report contains general information on the implementation of the many trust reform projects. Due to the length of time that Interior was operating under a continuing resolution in FY2009, certain projects remained behind schedule during this reporting period. A section has been added to this Report that addresses BIA's process of converting the legacy oil and gas system into a TAAMS royalty distribution module. Also, a joint OST, BIA, BLM fractionation team was formed to develop a comprehensive approach to reducing fractionation.

Date: October 30, 2009

Name: *Signature on File*

Donna Erwin

Acting Special Trustee for American Indians

November 2, 2009

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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.

Current Status

Electronic Ledger Era

DCV tests and interest recalculation work, as described below, were completed on an additional 23,126 Land-Based IIM accounts, for a cumulative total of 205,841 Land-Based IIM accounts.

Thus, in accordance with OHTA's 2007 Plan, HSAs reflecting Electronic Ledger Era activity can now be prepared for 205,841 Land-Based IIM accounts from the Electronic Ledger Era (in addition to the 66,130 Judgment and Per Capita IIM accounts awaiting Court approval for mailing).

Data Completeness Validation:

Confirming Completeness of Land-Based IIM Accounts Through System Tests

DCV is a process consisting of multiple tests: Transaction and Disbursement Mapping, Balance Comparison, Account Number Review, and System Conversion Tests. In addition to the items below, a report was completed during this reporting period summarizing the progress and findings of the DCV tests for all 12 regions.

Transaction Mapping: Confirms that transfer and reversal transactions are correctly posted within the IIM accounting systems (*i.e.*, that no transactions are missing from the electronic dataset). As of September 30, 2009, 98.74% of the transactions in the dataset had been mapped. During this reporting period, transaction mapping for 1,121,573 transactions was completed. Of these, 36,670 were pre-December 31, 2000, transactions. The number of transactions that require mapping increases as IRMS transactions are restored to the dataset and current-period TFAS transactions are added to the dataset.

Disbursement Mapping: This test confirms the status of disbursements issued during the timeframes of the Treasury CP&R System and TCIS ² for check payments and the Treasury PACER System for electronic payments. Additionally, this test is used to identify cancelled disbursements to ensure that they have been re-credited to an IIM account. Disbursement Mapping is updated as data are received from Treasury on current check and electronic disbursements.

² TCIS replaced CP&R on May 1, 2006.

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Office of Historical Trust Accounting

As previously reported, the mapping of the PACER data through March 31, 2008, is 100% complete. During this reporting period, OHTA received PACER data from Treasury from April 1, 2008 through May 29, 2009.

The mapping of the CP&R data through April 30, 2006, is 99.74% complete. Treasury is working to provide OHTA with TCIS data. Once the new TCIS data are received, OHTA will extend its disbursement mapping through the file date. OHTA anticipates that Treasury will provide OHTA with quarterly data updates in the future.

Balance Comparison: This test confirms that transactions to be included in an HSA correspond to the December 31, 2000, TFAS balance. This test was completed for TFAS data in 2007 and is 97.9% complete for IRMS data. During this reporting period, 1,464 out-of-balance accounts were resolved.

Account Number Review: This test ensures that OHTA provides the appropriate transactions to each IIM account holder who would receive an HSA regardless of whether the account number was reused or changed historically. As of September 30, 2009, 99.9% of the accounts in the dataset had been reviewed. During this reporting period, work continued on identifying new accounts and identifying when an account number has been reused historically and/or an account has multiple names but was owned by a single individual. The number of transactions reviewed increases as IRMS transactions are restored to the dataset and current period TFAS transactions are added to the dataset.

System Conversion: These tests involve several tasks to determine the accuracy of system conversions, including from the Paper Ledger Era to the Electronic Ledger Era, and from IRMS to TFAS during the Electronic Ledger Era.

To verify the accuracy of the conversion to electronic data, OHTA continued to examine and update its list of IIM accounts from the Electronic Ledger Era that appeared to have also existed during the Paper Ledger Era.

The OHTA copy of the Electronic Ledger Era IRMS database contains 56,770,013 transactions to date, including 340,663 restored transactions, of which 374 were restored during this reporting period. OHTA also has identified 3,447,893 IRMS account balance records, including 358,993 restored balances, of which 1,259 IRMS balances were restored during this reporting period. This test identified transactions and balances that were in BIA's original IRMS-IIM electronic dataset, but were not found in the copies of that dataset provided by BIA to OST and in turn by OST to OHTA.

The OHTA copy of the TFAS database contains 74,034,567 transactions. To date, no missing transactions have been identified in the TFAS electronic database.

Interest Recalculation for Land-Based IIM Accounts

The objective of interest recalculation is to provide a detailed estimate of the interest that should have been posted to an account, applying the same interest distribution policies that BIA and OST used historically. The interest recalculation also serves as an additional data completeness test since missing transactions in the dataset would cause an exception in the interest recalculation. The recalculated interest is then compared to the actual posted interest to identify variances.

OHTA continued interest recalculation work for IIM accounts in all BIA Regions. During this reporting period, an additional 22,619 accounts were completed, for a cumulative total of 211,187 tested accounts, now within all 12 BIA Regions.

The accuracy of interest postings is quality-control checked by a professional accounting firm not involved in the interest recalculation effort.

Paper Ledger Era

Reconstruction of Paper Ledger Era IIM Accounts

OHTA continued to research and examine IIM records from the Paper Ledger Era to determine the accuracy and reliability of transactions that should be included in HSAs. OHTA has made progress reconstructing accounts in each of the 12 BIA Regions. OHTA's Paper Ledger Era database contains 332,395 transactions to date, of which 20,221 were digitized during this reporting period.

Reconciliation of Paper Ledger Era Transactions

As previously reported, OHTA randomly selected 250 transactions from the Southern Plains Region for its pilot reconciliation project. OHTA continued to search for documents and reconcile these transactions.

Judgment and Per Capita IIM Accounts

Results to date are summarized in *Status Report to the Court Number Twenty-Nine*. No further work was conducted on these accounts during this reporting period. OHTA still awaits approval from the Court to mail 66,130 HSAs to Judgment and Per Capita IIM account holders.

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Office of Historical Trust Accounting

OHTA SDA Distribution Project – Undistributed SDA Balances

During this reporting period, OHTA's work resulted in the distribution of \$878,770 of SDA balances, raising the total dollars resolved and funds distributed as of September 30, 2009, to \$53.7 million. As of September 30, 2009, a total of 10,531 OHTA SDA, involving \$15,687,351 (plus interest) remained to be resolved and distributed. Of those remaining SDA, 71.9% had balances as of January 1, 2003, of less than \$500 each, involving 3.9% of the remaining 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.

OHTA SDA DISTRIBUTION PROJECT (1)

SDA Resolved Dollars	Transfer to Tribal Accounts	Transfer to IIM Accounts	Paid to Non-Indian, Third Party and Other (2)	Total
Dollars distributed as of June 30, 2009	\$17,370,828	\$17,543,086	\$17,864,304	\$52,778,218
Dollars distributed from July 1, 2009, through September 30, 2009	\$221,911	\$118,606	\$537,813	\$878,330
Percent of dollars distributed from July 1, 2009, through September 30, 2009	25.27%	13.50%	61.23%	100%
Total dollars distributed as of September 30, 2009	\$17,592,739	\$17,661,692	\$18,402,117	\$53,656,548
Percent of dollars distributed to date	32.79%	32.92%	34.30%	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 Treasury, account reclassifications, transfers to non-Indian parties and transfers to Interior's Federal Finance System.

Imaging, Coding and Digitizing Individual Indian Trust Documents

OHTA completed imaging 871,346 IIM document pages, coding 337,409 IIM documents and loading 449,715 IIM documents into ART. As of September 30, 2009, ART contained 14.3 million coded IIM images and 11.3 million coded tribal images. The coded images to date total approximately 25.6 million, constituting 5.8 million IIM and tribal documents.

Digitizing follows imaging and coding and involves adding the transaction data to the electronic dataset. OHTA digitized 129 Paper Ledger Era transactions that will be sampled for reconciliation.

OHTA also digitized 22,211 Paper Ledger Era transactions for litigation involving the Ft. Belknap Tribe. These records may be useful for IIM reconciliation work.

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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. Specifically, OHTA now expects that it 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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 30, 2009

Name: *Signature on File*
Bert T. Edwards, Executive Director
Office of Historical Trust Accounting

November 2, 2009

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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 has the responsibility for distribution of SDA funds received since January 1, 2003 (prospective receipts). Current SDA are those which cannot be distributed due to pending appeals of range rates and mineral leases, SOL opinions and cadastral surveys. During this reporting period, there were 41 receipt transactions posted to SDA that qualified in one of the exception categories.

A decision on an appeal of a mineral lease permitted the distribution of \$507,582.28 (\$127,226.00 previously reported plus an additional \$380,356.28 deposited during this reporting period). Remaining in current SDA are: \$15,527.82 pending litigation on a commercial lease; \$104,130.36 pending SOL opinions; and \$7,044.45 pending cadastral surveys. All amounts reflect the amount of the original SDA deposit. Any interest earned is 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, 25 of the top 100 WAU accounts, with combined account balances of approximately \$2.7 million, were updated with current addresses.

During this reporting period, 6,018 accounts with a combined balance of \$2.2 million were added to the WAU list, while 12,636 accounts with a combined balance of \$8.1 million were updated with current addresses.

As of September 30, 2009, there were 83,914 WAU accounts with a combined balance of \$72.0 million. Currently there are 25 WAU accounts with balances greater than \$100,000. The combined balance of these 25 WAU accounts makes up 5% of the current \$72.0 million combined WAU account 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 THIRTY-EIGHT**November 2, 2009****Trust Services – Current Accounting**

Account Balance	Correspondence/ Check Returned	Account Setup/No Address	Awaiting Address Confirmation	Refused/ Unclaimed Mail	Total
Equal to or over \$100,000	13	12	0	0	25
Under \$100,000 and equal to or over \$50,000	34	19	1	0	54
Under \$50,000 and equal to or over \$5,000	2,233	792	2	2	3,029
Under \$5,000 and equal to or over \$1,000	5,575	1,610	7	8	7,200
Under \$1,000 and equal to or over \$100	9,474	4,365	45	9	13,893
Under \$100 and equal to or over \$1	16,799	8,589	155	32	25,575
Under \$1	12,170	21,840	101	27	34,138
Total	46,298	37,227	311	78	83,914

c. Small Balance Accounts**Current Status**

As of September 30, 2009, there were 20,857 accounts with a \$.01 - \$1.00 balance and no activity for the previous 18 months. The total in those accounts was \$5,905.75. Statements are sent to account holders for these accounts on an annual basis pursuant to direction from Congress.

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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 Thirty-Eight*. The information provided in this subsection is accurate to the best of my knowledge.

Date: October 23, 2009

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 Thirty-Eight*, and this information is accurate to the best of my knowledge.

Date: October 23, 2009

Name: *Signature on File*

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

November 2, 2009

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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 5,734 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 194,585 boxes has been completed as of the end of this reporting period. 192,464 indexed boxes have been sent to AIRR for permanent storage.

Training

OTR provided records management training for 135 BIA and OST records contacts and 39 tribal employees during this reporting period. OTR provides records management training to Tribes as they request training.

Current Status

Records Retention Schedules

As previously reported, several records retention schedules for BIA electronic records systems remain at NARA for review. OTR continued to work with NARA to provide information and/or clarification as required by NARA.

Delays and Obstacles

Court orders in tribal litigation cases continue 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.

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November 2, 2009

Office of Trust Records

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 22, 2009

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, MMS and OHA, and is integrated with Interior's other trust reform initiatives.

Accomplishments

Reengineering staff:

- Produced 12 National Indian Oil and Gas Evaluation and Management System (NIOGEMS) oil and gas maps for the Ft. Berthold Agency.
- Researched and generated a TAAMS report of unleased tribal tracts for the Ft. Berthold Agency.
- Consolidated independent BIA LTRO procedures into a single standardized draft BIA LTRO Handbook. OST completed a working draft, and expects to transmit it to BIA for finalization during the next reporting period.

Current Status

Reengineering staff:

- Continued to provide technical support for identifying system requirements for various TAAMS modules.
- Continued to provide technical support for conversion of RDRS to an oil and gas royalty management module within TAAMS.
- Continued to provide support to the Ft. Berthold Agency by researching oil and gas development activities.
- Continued to provide the Ft. Berthold Agency with updated maps identifying new well site locations.
- Began testing reports generated by the Indian trust query module, located within the Trust Portal. The Indian trust query module contains trust income transaction activity by location and land use type.
- Initiated development of production data in order to track and design a field monitoring process for wells on leased land on the Ft. Berthold Reservation.

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Trust Business Process Modeling

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 23, 2009

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:

- Encoded 57 Sealaska Regional Corporation land tracts (cumulative total 347) for ARO LTRO.
- Encoded 193 Koniag Regional Corporation land tracts (cumulative total 193) for ARO LTRO.
- Encoded 86 Chugach Regional Corporation land tracts (cumulative total 86) for ARO LTRO.
- Encoded 1,249 variance sheets (cumulative total 3,689) for SWRO LTRO.
- Encoded 7 Global ID number updates (cumulative total 7) for SPRO LTRO.
- Encoded 981 realty documents (cumulative total 981) in TAAMS Leasing for Southern Pueblos Agency, Jicarilla Agency, Laguna Agency, Mescalero Agency and SWRO.
- Encoded 347 O&G leases (cumulative total 347) for Uintah & Ouray Agency.
- Encoded 1,353 landowner ID numbers (cumulative total 1,353) for GPRO LTRO.
- Inventoried and created 34 (cumulative total 1,623) O&G ROW files, 7 (cumulative total 2,655) O&G Well Pad files, 3 (cumulative total 881) O&G Lease files, 15 (cumulative total 609) Communitization Agreement files, and 41 (cumulative total 336) surface lease files for the Southern Ute Agency.
- Located and referenced 477 documents with TAAMS document ID numbers (cumulative total 477) for the Southern Ute Agency.

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Trust Data Quality and Integrity

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 14,928 (cumulative total 296,494) transactions encoded into TAAMS at the BIA LTROs and the contractor's Albuquerque office.
- Encoding 42 Bristol Bay Regional Corporation land tracts (cumulative total 42) for ARO LTRO.
- Researching and validating 142 land tracts (cumulative total 300) for the Confederated Salish Kootenai tribes (Flathead Agency).
- Resolving 127 outstanding BIA Post-QA review variances (cumulative total 1,900) for the various LTROs.
- Encoding 46 realty documents in TAAMS Leasing (cumulative total 46) for Zuni Agency.

TPMC's contractor also assisted FIMO with distributing an additional \$9,875.89 (cumulative total of \$94,637.08) to IIM account holders affected by FIMO's oil and gas lease re-numbering issue, as previously reported.

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 27, 2009

Name: *Signature on File*

Nolan J. Solomon

Trust Reform Officer, 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.

Accomplishment

During this reporting period, OST training staff assisted Field Operations and Trust Services in the official roll-out of a new five-day trust course in OST Accounting Technician Training.

Current Status

Cannon Financial Institute presented one course in Trust Accounting to 11 employees of OST and BIA.

OST Training and Field Operations staff conducted 11 Accounting Technician Training sessions for 150 OST employees.

OST training staff conducted five training sessions for 46 employees and contractors from OST and BIA on the use of TFAS and related systems and reporting programs that include:

- CSS – used to enter, approve and post cash transactions;
- Stratavision – contains 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 three Trust Fundamentals courses to 121 employees and contractors of OST, BIA, BLM, MMS, and tribal staff. This course includes such topics as the history and policy of Indian trust, current trust reform activities, job roles and responsibilities, and organization and working relationships.

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November 2, 2009

Indian Fiduciary Trust Training Program

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 23, 2009

Name: *Signature on File*

Thomas Bird Bear

Acting 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 OST's interim and annual statements of assurance.

Accomplishments

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

Current Status

Risk management staff are evaluating RM-PLUS content for OST programs to determine where modifications may be needed based on revised regulations and guidance.

As a result of the FY2009 self-assessments and testing efforts, 85 RM-PLUS corrective action plans remain open. None of these CAPs were considered material enough to result in a qualified statement of assurance for OST. There are no remaining open FY2008 CAPs.

Assurance Statement

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

Date: October 22, 2009

Name: *Signature on File*

John Constable
Program Analyst, Trust Accountability
Office of the Special Trustee for American Indians

November 2, 2009

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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’s electronic database for tracking directives was placed into production. Encoding of directives was completed with the addition of 1,066 records.

OTP published 37 new or revised policies, procedures, and handbooks, including 18 that were completed but not published in the last reporting period.

Thirteen new accounting forms for use by OST Trust Services and Field Operations were edited, converted into electronically fillable documents and published to the trust portal.

Current Status

OTP developed detailed specifications for a series of seven standardized reports. Programming for these reports is expected to be completed during the next reporting period.

During the previous two reporting periods, OTP staff flowcharted each OTP process and authored a new set of internal procedures for each one. During this reporting period, the procedures were circulated for user comments and validation testing in a production environment. Going forward, the procedures will continue to evolve as work processes change and additional capabilities are developed.

Revisions to the Interagency Handbook continued, with an additional section updated. To date, five sections have been redrafted.

Although the TBCC policy directive was completed and published, the accompanying TBCC procedures directive remained in the approval process.

As of the end of the reporting period, OTP’s work-in-progress consisted of 53 policies, procedures, handbooks, forms and notices in varying stages of completion.

STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

November 2, 2009

Trust Regulations, Policies and Procedures

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 22, 2009

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 18 Indian trust examinations. OTRA issued nine draft reports, five final Indian trust examination reports and one Indian trust examination follow-up report. In the five Indian trust examination reports issued, four offices were rated “satisfactory,” and one Tribe was rated “in need of improvement.” For the Tribe in need of improvement, OTRA reported two findings in Asset Management: one addressed the absence of an Agriculture Resource Management and Monitoring Plan; and one addressed the absence of a Continuity of Operations Plan.

Records Assessments

The records assessment is a focused evaluation of records maintenance and security. OTRA conducted 17 records assessment follow-up reviews on the status of corrective action implementation. OTRA issued 21 final records assessment follow-up reports.

Compliance/Investigative Reviews

OTRA conducted an independent assessment on OST’s Risk Management Program. OTRA issued two investigative reports from prior reviews.

STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

November 2, 2009

Trust Review and Audit

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 23, 2009

Name: *Signature on File*

Larry Morrin

Director, Office of Trust Review and Audit

Office of the Special Trustee for American Indians

F. OFFICE OF APPRAISAL SERVICES

Introduction

The Office of Appraisal Services is responsible for Indian land valuations required by various regulations governing Indian trust lands. To meet these requirements, an appraisal or other generally accepted valuation methodology is used to determine fair market value of Indian lands.

Accomplishments

OAS transmitted 2,318 real estate appraisals to clients; of these, 997 were completed using the U/FAS in the Great Plains Region. Overall, for FY2009 OAS transmitted over 8,000 appraisal products to its clients.

OME, within NBC, examined 5,243 and evaluated 3,697 parcels in support of ILCO and one parcel for Seneca-Cayuga in support of a tribal purchase.

Current Status

Some OAS and BIA employees experienced technical difficulties when attempting to test the NBC-ARRTS program, thus delaying actual testing. Testing is now expected to be completed during the next reporting period, with implementation planned for the third quarter of FY2010.

A series of six tribal consultations on OAS's project to revise tribal-shares funding allocations was completed in August. The deadline for comment submission was September 18. OAS began reconciling comments and analyzing a number of options to determine how to go forward with the project.

This section continues on the next page.

STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

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Office of Appraisal Services

The appraisal backlogs and pending work as reported by the regions are as follows:

Region	Appraisals Completed This Quarter	Pending Work As of 09/30/09 (includes backlog)	Appraisal Backlog As of 06/30/09	Appraisal Backlog As of 09/30/09
Northwest	255	276	0	0
Rocky Mountain	258	265	58	30
Midwest	23	147	0	13
Western	146	78	0	8
Southwest	7	13	6	6
Eastern Oklahoma	172	117	0	47
Navajo	77	54	0	0
Pacific	23	25	0	0
Alaska	57	168	0	0
Eastern	30	7	0	0
Southern Plains	150	519	1	1
Great Plains	1,120	51	0	15
TOTAL	2,318	1,720	65	120

Assurance Statement

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

Date: October 22, 2009

Name: *Signature on File*

Eldred F. Lesansee

Deputy Chief Appraiser

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 – During this reporting period, RACA incorporated policy determinations made by the Deputy Assistant Secretary for Policy and Economic Development and the Director of OHA into updates to the 2008 regulations related to probate, probate hearings and appeals, tribal probate codes, and life estates and future interests in Indian land. Updates to these regulations are necessary because, a few weeks following their publication, Congress amended the authorizing statute, the American Indian Probate Reform Act. RACA is now awaiting a legal determination as to whether the regulations may be published as an interim final rule. RACA anticipates a determination to allow for publication in the next reporting period.

RACA continued to work with SOL and subject matter experts to revise the CFR parts regarding conveyances of trust and restricted interests and land title and records; however, publication of these regulations is not planned until the probate updates have been finalized.

During this reporting period, RACA engaged the U.S. Institute for Environmental Conflict Resolution to facilitate working sessions throughout Indian Country on the draft leasing, grazing, rights-of-way, and trespass regulations. This begins the consultation process that will continue throughout 2010 and culminate in the proposal of these regulations in the Federal Register for public notice and comment.

25 CFR 200 to 207 – Minerals Leasing, Development, Exploration and Reclamation – These new CFR parts will reorganize and update current provisions related to leasing, development and exploration of minerals to increase user friendliness. As previously reported, a complete draft of these regulations is not expected until CY2010.

STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

November 2, 2009

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 22, 2009

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 which purchase interests in fractionated tracts and transfers title to the Tribes. A total of 20 reservations located in seven BIA Regions have participated in ILCP.

ILCP was not funded in the current Interior budget and is using FY2008 carry-over funds this fiscal year. ILCO had expected to end its operations at the end of FY2009. However, ILCP funding is included in the President's 2010 budget request.

Accomplishments

During this reporting period, ILCP acquired 6,071 fractional interests and 10,579.23 acre-equivalents. Of the total interests acquired, 84% were interests of less than 2% ownership in the respective tracts of land.

Tribes acquired majority ownership in 63 tracts during this reporting period (7,997 total tracts). As a result of ILCP purchases, Tribes now have 100% ownership of 447 total tracts since the beginning of the program.

ILCO completed its internal audit of all acquired fractionated interests. The audit verified landowner intent and sales information. ILCO continues to work with the LTROs to validate the results of the internal audit.

STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

November 2, 2009

Fractionation

Assurance Statement

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

Date: October 19, 2009

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 encoding new cases, examining “initial load” cases and making corrections.

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, 7,448 probate cases are in the case preparation stage.

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.

The Office of Hearings & Appeals is receiving more requests for land purchases at probate, both from tribes and co-owners. OHA anticipates a continuing and growing need for appraisals in order to complete these purchases in a timely manner.

According to ProTrac, 6,386 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, 3,969 cases are pending decision. OHA also reported that deciding officials received 2,460 cases and decided 2,684 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, 2,366 cases were pending in the case closure stage. BIA closed 2,010 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 updated by BIA if necessary. OST reported that it distributed funds and closed 2,275 accounts in TFAS during this reporting period representing 2,203 estates. As of September 30, 2009, TFAS contained 33,097 open estate accounts, which is an increase of 1,071 from the 32,026 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; and
- Loss of case preparation personnel/contractors.

Assurance Statement

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

Date: October 16, 2009

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.

Current Status

The Royalty Management Oil and Gas Project Team, which includes staff from BIA, OST, and MMS, is developing 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.

The MRAD module is being tested and RDRS distribution data are being reconciled with MRAD distribution data. MRAD training has begun and is expected to be completed by the end of CY2009.

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 Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 29, 2009

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

November 2, 2009

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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

Policies and Guidance:

- On July 7, 2009, the Interior Director of the Office of Acquisition and Property Management and the Interior CIO jointly issued a memo regarding “Final Report - 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)” to OIG. This joint memo replied to an April 2009 OIG report, concurred with its four recommendations, and detailed plans for their implementation.
- On September 30, 2009, the Interior CIO issued “Fiscal Year 2009 Federal Information Security Management Act (FISMA) Information Security Data Call” to the heads of bureaus and offices and bureau and office CIOs and deputy CIOs. This memo detailed the process for DOI to meet the requirements specified in OMB memo M-09-29 “and to verify data that currently exists in the Cyber Security Assessment and Management (CSAM) tool” in support of that data collection effort.

Current Status

Reconnection Planning:

The FWS Isolated Realty Network was retired on September 16, 2009, and its devices connected to the Region 7 LAN, which was documented in the CSAM SSP. This action was performed in accordance with the September 26, 2008 memo that authorized the reconnection of previously disconnected Indian trust systems.

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:

Interior continues to identify, prioritize, track and correct security weaknesses using the POA&M process. This 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 210 weaknesses were eliminated and 323 new weaknesses were identified and added for trust systems.
- At the end of this reporting period, there were 969 weaknesses associated with trust systems. Of the 969 open weaknesses, 100 (10%) are rated high, 586 (61%) are rated moderate and 283 (29%) are rated low.

A-130 Certification and Accreditation:

All trust systems that are currently tracked in CSAM have full ATO status.

Training and Awareness:

The annual security awareness training was completed by 98.4% of the users by the required date of July 31, 2009. The annual IT Security Role-Based Training was completed by 97.8% of the users by the required date of July 31, 2009.

Reports:

- On July 27, 2009, OIG issued a memo regarding “Referral of DOI’s Response to OIG’s Report 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” to the Assistant Secretary for Policy, Management and Budget. This OIG memo responded to the July 7, 2009 joint memo described above in the Policies and Guidance section. The OIG memo states that the four recommendations of the April 2009 OIG report are “resolved but not yet implemented” and asks that Interior “track implementation of the . . . recommendations until the Department demonstrates that its efforts have adequately addressed them.”
- On August 29, 2009, OMB issued memo M-09-29 “FY2009 Reporting Instructions for the Federal Information Security Management Act and Agency Privacy Management” to heads of executive departments and agencies. This memo instructed agencies on how to perform their FY2009 FISMA reporting requirements.
- On September 23, 2009, OIG issued “Final Report - Verification of Previous Office of Inspector General Recommendations (Report Number ISD-EV-MOA-0002-2009).” This report concluded that “management oversight of resolving OIG information security recommendations was inadequate, and that a recent investment in a tracking system Cyber Security Assessment Management (CSAM), to improve information security was not fully leveraged.” It made five recommendations:
 - Improve management oversight by adding trained information security inspectors to the Department’s Cyber Security Division (CSD) and conducting periodic inspections and technical control testing. Improve accountability for timely resolution of information security weaknesses.

- Improve accountability for reporting the accurate status of resolved recommendations and other information technology weaknesses.
- Standardize procedures for reopening POAMs in CSAM.
- Include a data field in CSAM to identify the source of the weakness.
- Require a single POAM item per OIG recommendation.

OIG advised OCIO to claim a “significant deficiency” and “material weakness” in management oversight. The Office of the Secretary is addressing associated recommendations.

- On September 23, 2009, OIG issued “Evaluation of Information Technology System Configuration, September 2009 (Report Number ISD-EV-MOA-0003-2009).” This report “assess[ed] the progress of implementing mandatory guidance for computer configuration across the Department” and found widespread noncompliance, much of which was attributable to “lack of management and Departmental oversight.” OIG called “[l]ack of oversight . . . a significant weakness in the Department’s overall information systems security program.” It made eight recommendations:
 - Consider adding qualified information security inspectors to the Department’s Cyber Security Division.
 - Fully leverage existing technology such as EAD [Enterprise Active Directory] to enable Departmental oversight.
 - Include compliance with OMB and Departmental policy as a performance objective on [each] IT manager’s annual performance report.
 - Comply with [Federal Desktop Core Configuration] guidance for computer configuration.
 - Comply with NIST guidance for least privilege: remove end users’ Administrator and Power User permissions.
 - Comply with OMB guidance for encrypting data on mobile computers.
 - Improve server room environments by consolidating equipment in facilities designed to house computer equipment.
 - Standardize software products so that monitoring and oversight is easier and support costs are lower.

The Office of the Secretary is addressing these recommendations.

Incident:

As reported in *Status Report to the Court Number Thirty-Seven*, BIA reported that a box of microfiche records was inadvertently left on a BIA loading dock for several hours on May 5, 2009. As previously reported, OIG referred investigative activities back to BIA and requested a response within 90 days. BIA responded that no breach of PII or Trust data occurred. With that finding, BIA closed the incident ticket on the DOI-CIRC Enterprise Services Portal.

STATUS REPORT TO THE COURT NUMBER THIRTY-EIGHT

November 2, 2009

Information Technology

Delays and Obstacles

Staffing:

During this reporting period, the AS-IA Deputy CIO continued to serve as the acting BIA CIO until a replacement BIA CIO is hired.

The Deputy Interior CIO and OHTA BCISO positions are now vacant.

Assurance Statement

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

Date: October 27, 2009

Name: *Signature on File*

Sanjeev (Sonny) Bhagowalia

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 36 completed survey projects in Indian Country during this reporting period. These surveys produced 50 plats, 1,059 miles of survey line and an additional 1,409 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 863 professional land surveyors enrolled in the CFedS training program, and 280 CFedS certified. There were 48 states represented with licensed surveyors either enrolled or certified in the program.
- The CFedS web site had approximately 21,629 visits and the "Finding a CFedS" page received approximately 13,029 inquiries.
- 47 new professional land surveyors started the program.
- One new continuing education course was developed, Non-Rectangular Survey. This course contains about 40 hours of training.
- An agreement with Oregon Institute of Technology has been finalized:
 - CFedS can get four hours of college credit, once they are certified.
 - Non-licensed surveyors, such as tribal survey technicians, can take the core CFedS training from Oregon Institute of Technology for college credit.

Completion of the 2009 edition of the *Manual of Surveying Instructions*

The 2009 edition of the *Manual of Surveying Instructions* is complete and being printed by the Government Printing Office. This is the first comprehensive update of the processes and procedures for conducting federal authority surveys on the Public Land Survey System, including Indian lands, since 1973. Unique with this new edition of the manual is the inclusion for the first time of guidance and instructions to surveyors on surveys dealing with (1) Indian allotment surveys, (2) the "three-mile method" of section subdivision, which is prominent on Indian Reservations, and (3) U.S. Indian Service Surveys.

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 and BIA are exploring options to fund the CGIS initiative in FY2011.

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 and delay in enacting Interior's FY2009 appropriation continued to impact negatively 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.

The FY2010 request is for \$300,000 less than the FY2009 enactment.

Assurance Statement

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

Date: October 19, 2009

Name: *Signature on File*

Donald A. Buhler

Chief Cadastral Surveyor

Bureau of Land Management

C. MINERALS MANAGEMENT SERVICE

Introduction

Minerals Revenue Management, an MMS program, is responsible for collecting, accounting for, and distributing mineral revenues from both federal and Indian mineral leases, and for evaluating industry compliance with laws, regulations and lease terms. MRM 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

As previously reported, MMS expects to address issues regarding the “major portion” calculation for oil produced from Indian leases in a Negotiated Rulemaking Committee following Departmental review and decision.

Assurance Statement

I concur with the content of the information contained in the Minerals Management Service section of the *Status Report to the Court Number Thirty-Eight*. The information provided in this section is accurate to the best of my knowledge.

Date: October 16, 2009

Name: *Signature on File*

Shirley M. Conway
Special Assistant to the Associate Director
Minerals Revenue Management
Minerals Management Service

November 2, 2009

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ACRONYMS AND ABBREVIATIONS

1994 Act (or Act)	American Indian Trust Fund Management Reform Act of 1994
2007 Plan	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
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
CIFTA	Certified Indian Fiduciary Trust Analyst

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Acronyms and Abbreviations

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
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
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
FIPS	Federal Information Processing Standards
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers' Financial Integrity Act

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November 2, 2009

Acronyms and Abbreviations

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
IRS	Internal Revenue Service
ISSDA	Indian Service Special Disbursing Agents
ISA	Information Security Assessment

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November 2, 2009

Acronyms and Abbreviations

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
OISP	Office of IT Security and Privacy
OME	Office of Minerals Evaluation
OMB	Office of Management and Budget

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November 2, 2009

Acronyms and Abbreviations

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
SPRO	Southern Plains Region office
SSA	Social Security Administration
SSAS	Social Services Automated System
SSM	System Security Manager

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Acronyms and Abbreviations

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
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/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