

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-NINTH STATUS REPORT**

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

A copy of the report is attached hereto.

Dated: February 1, 2010

Respectfully submitted,

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

/s/ John J. Siemietkowski  
ROBERT E. KIRSCHMAN, Jr.  
Deputy Director  
(D.C. Bar No. 406635)  
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CERTIFICATE OF SERVICE

I hereby certify that, on February 1, 2010 the foregoing *Notice of Filing of Interior Defendants' Thirty-Ninth 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  
**JAN 26 2010**

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-Nine*

Dear Mr. Kohn:

Enclosed is the Department of the Interior's *Status Report to the Court Number Thirty-Nine (for the Period October 1, 2009 through December 31, 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-Nine

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For the Period  
October 1, 2009 through December 30, 2009



February 1, 2010

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***STATUS REPORT TO THE COURT NUMBER THIRTY-NINE***

**February 1, 2010**

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**INTRODUCTION**

This *Status Report to the Court Number Thirty-Nine* (Report) represents the period from October 1, 2009, through December 31, 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.<sup>1</sup>

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.

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<sup>1</sup> 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.

**February 1, 2010**

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

During this reporting period, the parties to the *Cobell* litigation announced a settlement, which requires legislation and Court approval. Interior managers and staff began evaluation of resource requirements to implement the settlement agreement.

In conjunction with the settlement announcement, Secretary Salazar also established, by Secretarial Order 3292, the framework for a Secretarial Commission on Indian Trust Administration and Reform to oversee future management and administration of trust assets.

Date: January 22, 2010

Name: *Signature on File*

Donna Erwin

Principal Deputy Special Trustee for American Indians

**February 1, 2010**

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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.

**Accomplishments and Current Status**

***Electronic Ledger Era***

DCV tests and interest recalculations, as described below, were completed on an additional 14,723 and 20,424 Land-Based IIM accounts, respectively.

Thus, in accordance with OHTA's 2007 Plan, HSAs reflecting Electronic Ledger Era activity can now be prepared for 220,564 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. 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 BIA Regions.

Transaction Mapping: This test 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 December 31, 2009, 99.7% of the transactions in the dataset had been mapped. During this reporting period, transaction mapping for 1,108,125 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<sup>2</sup> 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.

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<sup>2</sup> TCIS replaced CP&R on May 1, 2006.

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**February 1, 2010**

**Office of Historical Trust Accounting**

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As previously reported, the mapping of the PACER data through March 31, 2008, is 100% complete. The mapping of the CP&R data through April 30, 2006, is 99.7% complete. Treasury continued to work on providing OHTA with TCIS data. Once TCIS data are received, OHTA will extend its disbursement mapping.

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, 11 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 December 31, 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 56,770,014 transactions to date, including 340,664 restored transactions. OHTA also has identified 3,452,992 IRMS account balance records, including 364,088 restored balances, of which 5,095 IRMS balances were restored during this reporting period. This test identifies 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 76,299,895 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 IIM 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 20,424 accounts were completed, for a cumulative total of 231,714 tested accounts 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 333,766 transactions to date, of which 1,720 were digitized during this reporting period.

Based on all Paper Ledger Era sampled accounts reconstructed and transactions digitized thus far for the Southern Plains Region, the estimated transaction population is 2.3 million and the estimated dollar throughput is \$900 million respectively.

**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. Of these 250 transactions, 177 have been reconciled.

*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.

***OHTA SDA Distribution Project – Undistributed SDA Balances***

During this reporting period, OHTA's work resulted in the distribution of \$434,129 of SDA balances, including interest, which raised the total dollars resolved and funds distributed as of December 31, 2009, to \$54.1 million. As of December 31, 2009, a total of 10,524 OHTA SDA, involving \$15,396,301 (plus interest through December 31, 2002), remained to be resolved and distributed. Of those remaining SDA, 71.9% had balances as of December 31, 2002, of less than \$500 each, involving 4.0% of the remaining undistributed dollars.

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**Office of Historical Trust Accounting**

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)**

<b>SDA Resolved Dollars</b>	<b>Transfer to Tribal Accounts</b>	<b>Transfer to IIM Accounts</b>	<b>Paid to Non-Indian, Third Party and Other (2)</b>	<b>Total</b>
Dollars distributed as of September 30, 2009	\$17,592,739	\$17,661,692	\$18,402,117	\$53,656,548
Dollars distributed from October 1, 2009, through December 31, 2009	\$319,226	\$94,554	\$20,349	\$434,129
Dollars distributed from January 1, 2003, through December 31, 2009	\$17,911,965	\$17,756,246	\$18,422,466	\$54,090,677
Percent of dollars distributed from October 1, 2009, through December 31, 2009	73.53%	21.78%	4.69%	100%
Percent of dollars distributed from January 1, 2003, through December 31, 2009	33.1%	32.8%	34.1%	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.

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**February 1, 2010**

**Office of Historical Trust Accounting**

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***Imaging, Coding and Digitizing Individual Indian Trust Documents***

OHTA completed imaging 661,392 IIM document pages, coding 177,233 IIM documents and loading 147,386 IIM documents into ART. As of December 31, 2009, ART contained 14.7 million coded IIM images and 11.8 million coded tribal images. The coded images to date total approximately 26.5 million, constituting 6.3 million IIM and tribal documents.

Digitizing follows imaging and coding and involves adding the Paper Ledger Era transaction data to the electronic dataset. During this reporting period, OHTA digitized 5,813 balance file records, for a total of 263,782 balance file records digitized.

OHTA also digitized 177 Paper Ledger Era transactions for litigation involving the Ft. Belknap Tribe. These records may be useful for IIM reconciliation work.

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

Date: January 25, 2010

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

**February 1, 2010**

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

Current SDA are those which cannot be distributed due to pending appeals of range rates and mineral leases, SOL opinions and cadastral surveys. During this reporting period, there were 17 receipt transactions posted to SDA that qualified in one of the exception categories.

Remaining in current SDA are: \$40,353.10 pending litigation on a commercial lease and an appeal on an agricultural lease; and \$8,045.13 pending SOL opinions. A decision was made during this reporting period on the appeal of the agricultural lease that will permit the distribution of \$19,045.56 during the next reporting period. The pending amounts reflect the amount of the original SDA deposit. Any interest earned is included in the amount paid at the time of distribution.

OST and OHTA agreed that \$96,085.23 awaiting SOL opinions and \$7,044.45 awaiting cadastral surveys that were previously reported in this section of the *Status Report to the Court* will now be reported by OHTA to prevent duplicate reporting.

**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, 11 of the top 100 WAU accounts, with combined account balances of approximately \$1.0 million were updated with current addresses.

During this reporting period, 7,273 accounts with a combined balance of \$4.1 million were added to the WAU list, while 8,549 accounts with a combined balance of \$7.6 million were updated with current addresses.

As of December 31, 2009, there were 82,638 WAU accounts with a combined balance of \$71.7 million. Currently there are 24 WAU accounts with balances greater than \$100,000. The combined balance of these 24 WAU accounts makes up 6% of the current \$71.7 million

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**February 1, 2010**

**Trust Services – Current Accounting**

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.

Account Balance	Correspondence Check Returned	Account Setup No address	Awaiting Address Confirmation	Refused Unclaimed Mail	Fee Only	Total
Equal to or over \$100,000	13	10	0	0	1	24
Under \$100,000 and equal to or over \$50,000	35	22	1	0	0	58
Under \$50,000 and equal to or over \$5,000	2,344	719	1	3	79	3,146
Under \$5,000 and equal to or over \$1,000	5,312	1,529	5	9	180	7,035
Under \$1,000 and equal to or over \$100	9,917	4,263	44	10	360	14,594
Under \$100 and equal to or over \$1	16,891	8,497	144	25	646	26,203
Under \$1	10,875	20,415	93	20	175	31,578
Total	45,387	35,455	288	67	1,441	82,638

**c. Small Balance Accounts**

**Current Status**

As of December 31, 2009, there were 20,998 accounts with a \$.01 - \$1.00 balance and no activity for the previous 18 months. The total in those accounts was \$5,919.03. 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**

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

Date: January 15, 2010

Name: *Signature on File*

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

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

Date: January 21, 2010

Name: *Signature on File*

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

**February 1, 2010**

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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 3,165 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 197,630 boxes has been completed as of the end of this reporting period. 194,198 indexed boxes have been sent to AIRR for permanent storage.

#### **Training**

OTR provided records management training for 112 BIA and OST records contacts and 34 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.

**STATUS REPORT TO THE COURT NUMBER THIRTY-NINE**

**February 1, 2010**

**Office of Trust Records**

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

Date: January 13, 2010

Name: *Signature on File*

Ethel J. Abeita

Director, Office of Trust Records

Office of the Special Trustee for American Indians

**D. TRUST ACCOUNTABILITY**

**1. TRUST BUSINESS PROCESS MODELING**

**Introduction**

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

**Accomplishments**

Reengineering staff:

- Produced six NIOGEMS oil and gas maps that identified new well site locations for the Ft. Berthold Agency.
- Provided week-long on-site support to the Ft. Berthold Agency and the Indian Minerals Office at New Town, ND. This included technical assistance on TAAMS lease reports and Indian trust query module reports for oil and gas activities.
- Modified the Indian trust query module reports based on input received from user requirements and completed testing of the module functionality.
- Completed training courses on "Instructional Systems Design" and "Developing Training Materials" in order to provide support and serve as subject matter experts to OTT for curriculum development.

**Current Status**

Reengineering staff:

- Transmitted the LTRO Handbook working draft to BIA for finalization.
- 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.
- Initiated the analysis, design and development of content outlines for potential training courses.
- Continued development of production data in order to track and design a field monitoring process for wells on leased land on the Ft. Berthold Reservation.

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

Date: January 21, 2010

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



## **2. TRUST DATA QUALITY AND INTEGRITY**

### **Introduction**

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

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

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

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

### **Accomplishments**

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

- Encoded 266 land tracts in TAAMS Title (cumulative total 266) for Bristol Bay, Doyon, Calista, Bering Straits, Cook Inlet, Sealaska, Arctic Slope, Nana, Ahtna, Aleut, Chugach and Koniag Regional Corporations for ARO LTRO.
- Encoded 266 realty documents in TAAMS Leasing (cumulative total 266) for Zuni Agency, Ramah Agency, Southern Ute Agency, Ute Mountain Agency and Northern Pueblos Agency.

### **Current Status**

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

- Conducting Post-QA review of 10,119 transactions encoded into TAAMS (cumulative total 306,613) at the BIA LTROs and the contractor's Albuquerque office.
- Researching and validating 118 land tracts (cumulative total 418) for the Confederated Salish Kootenai tribes (Flathead Agency).
- Researching 67 residential leases for cancellation (cumulative total 67) and scanning 378 leases into the TAAMS Trust Image Repository (cumulative total 378) for Palm Springs Agency.

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**February 1, 2010**

**Trust Data Quality and Integrity**

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- Resolving 220 outstanding BIA Post-QA review variances (cumulative total 2,120) for the various LTROs.

TPMC's contractor also assisted FIMO with distributing an additional \$15,349.92 (cumulative total of \$109,987.00) to IIM account holders affected by FIMO's oil and gas lease re-numbering issue, as previously reported. Current royalty receipts are distributed on a monthly basis.

**Assurance Statement**

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

Date: January 15, 2010

Name: *Signature on File*

Nolan J. Solomon

Trust Reform Specialist, Trust Accountability

Office of the Special Trustee for American Indians

### 3. INDIAN FIDUCIARY TRUST TRAINING PROGRAM

#### Introduction

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

#### Accomplishment

During this reporting period, OTT staff completed training courses in "Instructional Systems Design" and "Developing Training Materials." These courses strengthened OTT's ability to design and develop new trust training curriculum.

#### Current Status

Cannon Financial Institute presented courses in Investment Fundamentals, Fiduciary Behavior, Probate, Asset Management, Risk Management, Guardianships, and Indian Fiduciary Trust Principles to 96 BIA, OST, tribal, contractor, and departmental personnel.

In addition, the Cannon Review and Exam was delivered for two BIA and eight OST employees for the "Cannon Indian Fiduciary Trust Specialist" designation.

OTT and OST Field Operations staff conducted three Accounting Technician Training sessions for 37 OST employees and one tribal employee.

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

Date: January 15, 2010

Name: *Signature on File*

Thomas Bird Bear

Acting Director, Office of Trust Training

Office of the Special Trustee for American Indians

**February 1, 2010**

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**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.

**Current Status**

Risk management staff continued to evaluate and update RM-PLUS content for OST programs to determine where modifications were needed based on revised regulations and guidance.

OST began to assist with the Interior Office of Financial Management-led intra-bureau OMB Circular A-123, Appendix A testing efforts. These efforts test key internal controls within Interior bureaus that have oversight of Indian trust assets and provide further support for statements of assurance.

As a result of the FY2009 self-assessments and testing efforts, 78 RM-PLUS corrective action plans remain open. As previously reported, none of these CAPs were considered material enough to result in a qualified statement of assurance for OST.

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

Date: January 15, 2010

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

**February 1, 2010**

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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 published 25 new or revised policies, procedures, handbooks and other documents.

OTP completed programming and user testing for seven standardized reports for the policy and procedures tracking system.

**Current Status**

The TBCC procedures directive remained in the approval process.

As of the end of the reporting period, OTP’s work-in-progress consisted of 56 policies, procedures, handbooks, forms and notices in varying stages of completion.

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

Date: January 15, 2010

Name: *Signature on File*  
John Marshall, Director  
Office of Trust Regulations, Policies and Procedures  
Office of the Special Trustee for American Indians

**February 1, 2010**

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**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 three Indian trust examinations. OTRA issued sixteen draft reports and ten final Indian trust examination reports. In the ten Indian trust examination reports issued, nine offices were rated “satisfactory,” and one agency was rated “in need of improvement.” For the agency in need of improvement, OTRA reported two findings in Asset Management and four findings in Compliance.

**Records Assessments**

The records assessment is a focused evaluation of records maintenance and security. OTRA conducted 12 records assessments and issued 11 final records assessment reports.

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

Date: January 15, 2010

Name: *Signature on File*

Larry Morrin

Director, Office of Trust Review and Audit

Office of the Special Trustee for American Indians

**February 1, 2010**

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## 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 1,536 real estate appraisals to clients; of these, 434 were completed using U/FAS in the Great Plains Region.

OME, within NBC, completed minerals assessments for 95 parcels of the L'Anse Reservation in support of ILCO and 29 parcels within the Eastern Oklahoma Region for probate-related activities.

### Current Status

Actual testing by OAS and BIA of the NBC-ARRTS program was again delayed due to organizational changes. Testing is now expected to be completed during the next reporting period, with implementation planned for the third quarter of FY2010.

OAS has established a plan and a cost estimate for meeting a dramatic increase in appraisal requests under ILCP, which is anticipated under the proposed *Cobell* settlement.

A series of six tribal consultations on OAS's project to revise tribal-shares funding allocations were held in FY2009. OAS has reconciled and analyzed comments and available options and expects to propose options to OST management during the next reporting period.

**This section continues on the next page.**

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**February 1, 2010**

**Office of Appraisal Services**

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Overdue Requests and pending work as reported by the regions are as follows:

<b>Region</b>	<b>Appraisals Completed This Quarter</b>	<b>Pending Work as of 12/31/09 (includes overdue requests)</b>	<b>Overdue Requests As of 09/30/09</b>	<b>Overdue Requests As of 12/31/09</b>
Northwest	161	290	0	0
Rocky Mountain	62	268	30	195
Midwest	59	161	13	9
Western	62	17	8	0
Southwest	33	32	6	0
Eastern Oklahoma	96	86	47	50
Navajo	56	125	0	6
Pacific	116	6	0	0
Alaska	29	186	0	65
Eastern	7	10	0	0
Southern Plains	329	430	1	4
Great Plains	526	35	15	5
<b>TOTAL</b>	<b>1,536</b>	<b>1,646</b>	<b>120</b>	<b>334</b>

**Assurance Statement**

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

Date: January 20, 2010

Name: *Signature on File*  
Eldred F. Lesensee  
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 began circulating for Departmental approval the package of revisions to the 2008 regulations related to probate processing, hearings and appeals. 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 anticipates obtaining all necessary Departmental approvals in time to allow for publication in the Federal Register during 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.

RACA continued to engage 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 consultation process 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 later in CY2010.

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

Date: January 19, 2010

Name: *Signature on File*

Michele F. Singer

Director, Regulatory Affairs and Collaborative Action

Office of the Assistant Secretary – Indian Affairs

**III. BUREAU OF INDIAN AFFAIRS**

**A. FRACTIONATION**

**Introduction**

Fractionation of Indian trust and restricted land results from the federal Indian policy of the 19<sup>th</sup> 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 transfer title to the Tribes. A total of 20 reservations located in seven BIA Regions have participated in ILCP.

**Accomplishments**

During this reporting period, ILCP acquired 14 fractional interests and 3.17 acre-equivalents. Of the total interests acquired, 84% were interests of less than 2% ownership in the respective tracts of land.

**Current Status**

ILCO is reviewing the tools in AIPRA to develop potential alternatives to addressing fractionation.

As a result of ILCP purchases, Tribes now have 100% ownership of 447 total tracts since the beginning of the program.

**Assurance Statement**

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

Date: January 13, 2010

Name: *Signature on File*

Brenda Walhovd

Program Specialist, Indian Land Consolidation Office

Bureau of Indian Affairs

**February 1, 2010**

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**B. PROBATE**

**Introduction**

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

**Current Status**

**Case Preparation**

Case preparation is the initial stage of the probate process. During this stage information is researched and gathered regarding the identity and whereabouts of potential heirs, and an inventory of the trust assets of an estate is prepared. According to ProTrac, 7,514 probate cases are in the case preparation stage. Of those, 528 cases await completion of an inventory.

**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, 5,434 probate cases are pending in the case adjudication stage, which includes cases decided by OHA that are within the 45 day appeal period and cases pending in the Eastern Oklahoma state district court. As reported by OHA, 4,017 cases are awaiting a decision. OHA also reported that deciding officials received 1,685 cases and decided 1,637 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, 2,567 cases were pending in the case closure stage. BIA closed 2,144 cases.

**Financial Case Closure – OST**

Financial case closure is the posting and recording of ownership and distribution of assets after the case has been adjudicated and land ownership information has been updated by BIA if necessary. OST reported that it distributed funds and closed 4,002 accounts in TFAS during this reporting period representing 3,947 estates. As of December 31, 2009, TFAS contained 31,443 open estate accounts, which is a decrease of 1,150 from the 33,099 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-Nine*. The information provided in this section is accurate to the best of my knowledge.

Date: January 13, 2010

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

**C. MINERAL ROYALTY ACCOUNTING AND DISTRIBUTION**

**Introduction**

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

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

**Accomplishments**

During this reporting period, MRAD training was completed.

**Current Status**

Testing of the MRAD module and reconciliation of RDRS distribution data continued.

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

Date: January 14, 2010

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

**February 1, 2010**

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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 December 22, 2009, the Interior CIO issued "Fiscal Year 2010 Annual End-User Federal Information Systems Security Awareness + Privacy and Records Management Training" to the bureau and office Chief Information Officers. This memorandum requires all users of Interior information systems to complete this training by July 31, 2010.

###### Current Status

###### **Archiving software deployment:**

The Office of the Secretary is deploying the Enterprise Vault archiving software to aid in the migration of its email infrastructure from Lotus Notes/Domino to Microsoft Exchange. eVault is expected to archive all present and past Lotus Notes email, archive all present and future Microsoft Exchange email, enable faster backups, and improve disaster recovery. It is expected to also provide upgraded security, manageability, and search capabilities for retrieval of email, as well as other business content, to meet legal and regulatory compliance requirements. eVault has the same capabilities as ZANTAZ and could, in the future, replace ZANTAZ.

###### **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 continued 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 152 weaknesses were eliminated and 1 new weakness was identified and added for trust systems.

- At the end of this reporting period, there were 971<sup>3</sup> weaknesses associated with trust systems. Of the 971 open weaknesses, 55 (6%) are rated high, 658 (68%) are rated moderate and 258 (26%) are rated low.

**A-130 Certification and Accreditation:**

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

**Reports:**

On November 16, 2009, OIG issued "FY 2009 FISMA Evaluation Report" (Report No. ISD-EV-MOA-0001-2009). The report states that DOI "does not fully comply with the Federal Information Security Management Act (FISMA) again this year. The decentralized organizational structure, fragmented governance processes related to the Information Technology (IT) program, lack of oversight, bureau resistance to Departmental guidance, and use of substantially under-qualified personnel to perform significant information security duties exasperates [sic exacerbates] the challenges in securing the Department's information and information systems." It made thirteen recommendations:

- Realign the Department CIO to report directly to the Secretary of the Interior as required by 44 U.S.C. section 3506(a)(2)(A).
- Realign personnel performing significant responsibilities for information security under the purview of the Department CIO.
- Performance of significant information security duties should be consolidated and centralized to improve consistency, enhance efficiency, and reduce cost.
- Rescind memorandum, *Information Technology Resources Management*, dated August 7, 2002, and Secretarial Order 3244.
- Realign authority necessary to ensure compliance with FISMA under the purview of the Department CIO.
- Realign incident response resources under the purview of the Department CIO.
- Fully staff the incident response capability.
- Standardize incident response tools and procedures.
- Design and implement a standardized comprehensive and consolidated continuous monitoring program, to include continuous monitoring tools, processes, and procedures.
- Establish and enforce minimum qualifications requirements for all personnel performing significant information security duties.
- Implement FDCC guidelines as required by federal policy. Configurations should be standardized across the Department to improve efficiency and reduce costs. Implementation should include limiting the ability of end-users to change the configuration and [enhancing] the Department's ability to monitor for unauthorized changes.
- The Department should routinely conduct testing and inspections, as well as ensure CIO guidance is fully implemented. The Department should verify POA&Ms are resolved as reported.

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<sup>3</sup> These statistics are not the result of a straight-line equation from one reporting period to the next.

- Establish and enforce standards for C&A package documentation in CSAM. Ensure consistency between the DEAR and CSAM systems.

On November 10, 2009, the Interior CIO issued “FY 2009 Annual Assurance Statement on Internal Controls” to the Deputy Assistant Secretary - Human Capital, Performance, and Partnerships, the Deputy Assistant Secretary - Budget and Business Management, and the Director - Office of Financial Management. This memorandum “constitutes the summary assessment attesting to the adequacy of bureau, office, and departmental (common) controls related to information systems and information security programs” in Fiscal Year 2009. The CIO’s assurance statement was informed by bureau/office assurance statements, compliance evaluation and assessment activities conducted by the Department, and the OIG’s evaluations and reports. It acknowledged the OIG’s assertion of a significant deficiency; however, it concluded that for FY2009, in consideration of all available information and the apparent adequate level of compliance reflected in the OIG annual FISMA report as compared to prior years, Interior was generally compliant with FISMA. He recommended the Department declare a weakness/deficiency relative to insufficient Department CIO authorities and the need to strengthen IT and IT security governance processes across Interior’s bureaus/offices.

On November 18, 2009, the Secretary submitted the FISMA report for FY2009 to OMB. In that report, the Secretary stated that the Department improved over the prior fiscal year in four of the ten key FISMA areas, and it has been rated “green” in status in E-Government security for the first time by OMB. He summarized the IG report and indicated that the Department is substantially compliant in six of the ten key FISMA areas and performing satisfactorily in two other areas. He stated that while the Department has been found deficient by the IG in the remaining two areas, namely System Inventory and Contingency Plan Testing, the CIO has made recommendations similar to those of the IG to address them. He also indicated that, based on available information, including bureau and CIO respective assurance statements, reasonable internal controls existed in FY2009 and that the Department was able to fulfill its mission in an efficient and effective manner, and was operating at an acceptable level of risk.

The following report was among those government reports related to IT security across all federal agencies issued during this reporting period.

- On November 17, 2009, GAO issued “Continued Efforts Are Needed to Protect Information Systems from Evolving Threats” (Report No. GAO-10-230T).

**Incidents:**

- On the evening of December 23, 2009, MMS began experiencing computer hardware malfunctions on its ZANTAZ email archiving system. From December 24 to December 28, 2009, no emails were archived. MMS, working with the vendor who provided the computer hardware, repaired the system on December 29, 2009, and email archiving resumed. All emails, including the backlog of messages from December 24 through December 28, 2009, were successfully archived by ZANTAZ.
- Between September 8 and October 27, 2009, OHTA experienced five incidents involving the emailing of unencrypted sensitive information outside of DOI’s network. Each email contained trust data, but this data was not PII. In response, the OHTA CIO has taken

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**February 1, 2010**

**Information Technology**

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action to prevent the reoccurrence by identifying and correcting a prior miscommunication of policy that led to the incidents. All recipients of the e-mails were cleared to handle Trust data. OHTA confirmed that the emails have been removed from the recipients' messaging systems.

**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 Department Deputy 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-Nine*. The information provided in this section is accurate to the best of my knowledge.

Date: January 29, 2010

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 24 completed survey projects in Indian Country during this reporting period. These surveys produced 63 plats, 506 miles of survey line and an additional 1,435 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 922 professional land surveyors enrolled in the CFedS training program, and 314 CFedS certified. There were 48 states (plus DC and the Virgin Islands) represented with licensed surveyors either enrolled or certified in the program.
- The CFedS web site had approximately 28,362 visits and the "Finding a CFedS" page received approximately 16,350 inquiries.
- 59 new professional land surveyors started the program.

### **Current Status**

#### **Implementation of the FTM**

The CGIS, as described in the TAAMS Spatial Pilot Project, is a key element of the FTM for enhanced management of Indian lands. The CGIS has not been implemented throughout Indian Country because of a lack of resources; however, OST and BIA are exploring options to fund the CGIS initiative in FY 2010 and 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 in Interior's FY2010 appropriation – \$300,000 less than FY2009 – 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.

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

Date: January 22, 2010

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

Date: January 19, 2010

Name: *Signature on File*  
Shirley M. Conway  
Special Assistant to the Associate Director  
Minerals Revenue Management  
Minerals Management Service

**February 1, 2010**

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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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**February 1, 2010**

**Acronyms and Abbreviations**

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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
eVault	Enterprise Vault
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

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**Acronyms and Abbreviations**

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

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**February 1, 2010**

### **Acronyms and Abbreviations**

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



## **STATUS REPORT TO THE COURT NUMBER THIRTY-NINE**

**February 1, 2010**

## **Acronyms and Abbreviations**

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OMB	Office of Management and Budget
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
OTT	Office of Trust Training
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

**STATUS REPORT TO THE COURT NUMBER THIRTY-NINE**

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**Acronyms and Abbreviations**

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SSAS	Social Services Automated System
SSM	System Security Manager
SSP	System Security Plan
ST&E	Security Test and Evaluation
Statements	Historical Statements of Account
STIGs	Security Technical Implementation Guides
SUS	System Update Servers
SWRO	Southwest Region office
TAAMS	Trust Asset and Accounting Management System
TAP	Technical Architecture Profile
TBCC	Trust Beneficiary Call Center
TCIS	Treasury Check Information System
TESC	Trust Executive Steering Committee
TFAS	Trust Fund Accounting System
TFR	Trust Fund Receivable
TIR	Trust Image Repository
TPMC	Trust Program Management Center
TRAC	Trust Tracking and Coordination
Treasury	Department of the Treasury
TRM	Technical Reference Model
TRO	Temporary Restraining Order
TSPP	TAAMS Spatial Pilot Project
U/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
WAO	Whereabouts Unknown
WRO	Western Region office