

**National Budget Meeting  
BIA/Tribal Budget Advisory Council  
Sheraton National Arlington, VA  
February 22, 2006**

**Meeting called to order, 8:24 am**

**Opening Remarks, James Cason**

Mr. Cason noted he and Ross Swimmer cannot attend the entire meeting due to a trip planned with Senator McCain relating to S. 1439 and trust reform legislation.

Cason said an unusual event occurred with payment of \$7 million for *Cobell* plaintiffs. Lamberth ordered the defendants to pay the money instead of from the judgment fund. Mr. Cason said he had gone through a process to see whether it could be appealed, how long he'd have to pay, etc. He went through Interior looking for earmarks that were unused. He tried to do an across the board cut for Interior. All other efforts failed. OST, BIA contributed. He took the money from a fund normally set aside for attorneys' fees. He did a .1 % across the board, excluding law enforcement and education. Each program took a hit and \$2 million was taken from OHTA and \$1.6 million out of Treasury.

**Opening Prayer, Ken Davis**

**Opening Remarks, Tex Hall**

He noted he'd like to see the shortfall in public safety and justice/law enforcement. Welfare assistance received a reduction. The Senate Committee on Indian Affairs asked Mary Jane Miller for budget charts, which will be presented later in the agenda.

The House appropriations Interior subcommittee asked for a report on consultation. Chairman Hall asked for an update on this report.

He went over the OMB meeting: the Budget Subcommittee met with OMB on December 7, 2005. The subcommittee laid out the FY08 priorities: law enforcement, education, natural resources, and contract support costs. The OMB examiners were pleased with the work of the budget subcommittee.

President Ed Thomas thanked Jim Cason for his candor. Mr. Thomas said that while he can understand the explanation for attorney fees, he disapproves of the zeroing out of Johnson O'Malley, the only funding for Indian education issues in Alaska, and is disturbed with the results of the FY 2007 budget. He is pleased by the increase for indirect costs. Alaska tried to support the President's priorities: NCLB and law enforcement for instance. He also asked about the improving of the green book as well and urged the council to follow up with such goals.

Treasurer Seki noted that at the last meeting there was significant carry over. He asked what happened to the carryover. Mr. Cason said Mary Jane Miller will go over FY 2006 execution.

Mr. Pat Ragsdale mentioned that Congress approved an increase of \$4 million to the law enforcement budget. Tomorrow, Chris Chaney will go over how this increase will be approved. He mentioned the NY Times article on law enforcement in Indian Country. Two studies have attempted to analyze where we are in Indian Country in comparison to rural America. The two studies conducted in the mid and late nineties show we have about a third of the police officers needed. Now we are probably less than half in comparison with rural law enforcement. These issues and problems in public safety warrant all of our attention.

**Mr. Ross Swimmer opening remarks**

Interior is engaged in a massive reconciliation and renewal project to bring the BIA, agency, and regional offices into compliance with the 1984 act, related to converting the legacy systems into newer systems. He went over the clean up and reconciliation underway. A third of OST budget is addressing this.

The plan ends in 07. He is working on the Great Plains and Western Regions right now. The plan is about 40 pages with 400 tasks.

OST's budget is slightly lower than last year, but slightly higher for ILCA. The operating budget is a little less due to the completed work.

**Roll Call, quorum established.**

Old Business:

- 1) education reorganization was an issue we wanted an update for letter was sent out in December.
- 2) the administrative holdbacks: MJM will go over that
- 3) Budget Subcommittee OMB meeting.

Art Senclair said we're seeking justice in what is happening to our money. He said he makes the time to participate. He thinks we're reverting to the past. He said he was under the impression that the budget subcommittee would meet 2 hours in the morning to go over progress at each meeting. Mr. Senclair asked what progress was made in electronic communications. Regarding the *Cobell* litigation and attorneys' fees, he noted there was no consultation. Mr. Senclair said the OMB meeting was an eye opener. OMB said we have to provide information and supporting data to OMB and success stories. Governor Senclair said the tribes' priorities are in line with the President's but the numbers don't line up with the rhetoric. He asked who we have in Indian Country championing our causes, although the budget subcommittee is making headway.

Mr. Cason apologized, but noted that the trip with McCain is a huge opportunity to legislatively settle *Cobell*, which is having an adverse effect on all of us. The budget meeting is important as well. This was the only day to get the Senate staff. We still have a message to refine for FY08. Our goal is to look at FY07 and craft a message for the Hill and then address FY08. He said the OMB analysts have to balance the budget regardless of data and the facts. He thinks it's great that the subcommittee went in to OMB.

Chief Jim Gray mentioned that PART scores also influence tribal funding levels. He doesn't know if there was any more PART training for the tribes. He said that if tribes are going to be assessed by the Administration in certain ways, relevant training should be funded. Difficult budget constraints will only get worse.

Mr. Cason said they are looking for someone outside of the tribal group to team with us for the on the road descriptions of PART. He asked if anyone knows of someone tribal who could help out in the PART/GPRA training. he doesn't know the status of the trainings. He'd like a partner in Indian Country to help in these trainings.

Chairman Hall said Dr. David Gipp does this work with UTTC.

Chairman Ron Allen underscored Chief Gray's point. He understands the need for Ross Swimmer and Jim Cason to travel with McCain this afternoon. Tribes are here to develop strategies and themes to influence decision-makers. The follow-up action from here will be important. The meeting with OMB was important. On one hand, JOM was zeroed out, but CSC was fully funded. The budget is not staying the same, it's being reduced. Somewhere we're losing ground. Public safety was increased, but was offset somewhere else. He asked tribal leaders how we're going to address the full picture. In the end, we'll have to talk about follow up and how we report our follow up. He said we put in four priorities to focus on for FY08. Chairman Allen said we can get JOM back in the budget. Hopefully we can hold on to the other increases.

President Thomas said on the issue of old business, we cover these things in our action tracking. One resolution passed was removing the cap on CSC in appropriations. Ed Thomas asked who's responsible for tracking action.

Chief Gray asked Mr. Cason about re-working the Bureau's strategic plan. Tribes should be involved in developing the priorities of the strategic plan of the Bureau. The BIA and TBAC should work on the plan. Mr. Cason said the strategic plan would direct what we're trying to do, and PART measures how well you do it. This is not an objective process. A lot of this is driven by politics as well.

Chairman Hall said we have copies of the last actions taken at the November mtg in Pala CA.

**9:42 AM Mary Jane Miller**

## **FY 2005 Funding Issues (PowerPoint)**

Mary Jane Miller

Questions: Chairman Allen asked about the TPA carryover. how was this not obligated? Brenda Fields asked if we will have a shortfall in GSA rentals? GSA rentals should go down but direct rentals have gone up. MJM has estimated the shortfall in 06 to be about \$4 million. Brenda Fields said one of the budget subcommittee's recommendations was to spread these costs out to where they are occurring in the regions. Debbie Clark said rent is a mixed bag. She hopes that by 2007 we have the rent and leasing situation resolved. Brenda asked if there was priority given to tribes affected by Katrina. MJM said yes.

Keller asked why the carryover can't be used for other programs. MJM said the 05 funding is still open for obligation. Education is still operating on 05 funding. CSC funds can be redistributed. Harry will take this and redistribute it. In terms of Cobell, we tried to use old money. The Department said we couldn't, and that they had to use 06. Other agencies operate this way with two year funding.

Lawrence Morgan said money from the regional office would be used for re-building offices. He also expressed concern about the education reorganization. MJM said expired money could not be used for other types of shortfalls. Debbie Clark noted that expired money can only be swept and used for trust reform activities. We don't expect any windfalls in expired money. Chairman Hall said Great Plains is in the same position on the education reorganization and this issue can be addressed in the tribal caucus. Ken Davis asked that welfare assistance be funded with any extra dollars. MJM said there is a cap on welfare assistance, and Mr. Davis asked that the cap be addressed.

Mr. Ken Davis moved that any unspent funds up to \$7.5 million be reprogrammed for use in the BIA General Assistance program. Seconded by Wallace Coffey.

Clarification by Ed Thomas to address the issue of the cap. He moved for language addressing removing the cap.

Motion carries unanimously.

Tim Martin said he was perplexed by the fact that old money has to address trust reform. He noted that old money should be used to address litigation. MJM said the secretary issued the decision. MJM said she was looking at expired money that has not been moved forward.

## **FY 2006/2007 Budget Update (PowerPoint)**

**Tribal Caucus: 10:45 am**

**BAC reconvenes: 12:00 pm**

Chairman Hall summarized the tribal caucus: Joe Garcia was elected as tribal co-chair. He asked how the information and testimony will be processed. Jim Cason said Debbie Clark will brief him and the TBAC subcommittee could have a follow up meeting he would be interested in hearing the 07 strategy.

Jim Gray volunteered to start a subcommittee on Strategic Planning.  
Sign up sheet circulated.

Members

Jim Gray  
Dave Conners  
Ron Allen  
Roland Johnson  
Edward Thomas  
Cecelia FireThunder  
Tex Hall  
Aurene Martin

Ed Thomas said the BIA packet put forth and published on the website prioritized education and trust.

Mary Jane Miller said reductions in natural resources were FY06 congressional adds. The president's budget doesn't include congressional adds. We can't compare enacted to the President's budget proposal. MJM said it's best to compare President's request to President's request. The decrease is due to congressional add ons. Ed asked how tribes can convince the department tribes need the resources for trust management and education and not wait for congressional action. Mr. Cason said he's convinced of the need. Looking at the budget process, programs don't have fat to cut. The real issue, besides the pie being too small, is that the real objective for the group to effectively compete is to talk to OMB in addition to address the Hill to increase the overall targets. He asked what the targets of opportunity for FY07 for tribes are. We need to flesh out and justify the four priorities this group has already chosen.

Darrel Seki said endangered species and others were not add-ons.

Jim Cason said BIA examined all 211 programs. Core programs received no cuts. He said the amount of cuts were less than other bureaus in Interior. OMB had strong views of certain programs.

Russell Bradley asked if external initiatives are affecting BIA's budget. Pat Ragsdale said the federal government is not that organized. He said there is not an overall strategy to reduce Indian program funding. Cason said he's not aware of an overall strategy, but there is the situation that programs are cut due to duplication, e.g. Johnson O'Malley.

The same thing occurred with UTTC and CIT. OMB believes these schools should be funded by the Carl Perkins funding and not through BIA.

Mr. Ed Thomas said we went through the dialogue on JOM, which is relevant to HIP. Other sources of duplicative program funding are also under-funded. Mr. Cason said OMB knows what role JOM plays, but they think we don't need to fund it in our budget, notwithstanding relative need.

### **FY 2007 Indian Affairs President's Budget**

**Mary Jane Miller**

**(PowerPoint presentation)**

She briefed the House, Senate appropriations committees with the same charts and PowerPoints. She briefed them about the restructured budget.

Mr. Ken Davis read a statement from a county near Turtle Mountain that the rationale of duplicative resources for tribal programs is not supported by the county.

### **Office of Special Trustee, FY 2007 Budget Summary**

**Steve McIntire, budget officer**

**(PowerPoint presentation)**

Questions:

Art Senclair asked if the holdbacks would be distributed prorated. The issue, says MJM, is whether there will be any realignment. This is a massive amount of data. Ken Davis asked if the hold back money delayed to tribes would receive interest. MJM said yes. Those funds would receive interest. Ken Reinfeld said the interest on the holdback would be calculated by the Office of Self-Governance. Program offices would calculate the interest and make . Who will calculate the interest for self-determination tribes? – question posed by Terry Virden.

Art Senclair suggested the TBAC limit the testimonies and focus more time on strategy.

### **Eastern Oklahoma Presentation**

(video)

Produced by the Chickasaw Nation at no charge.

Chief Jim Gray said the presentation emphasized the successes of tribes in achieving goals.

### **Great Plains Region**

PowerPoint presentation.

### **Northwest Tribes Presentation**

PowerPoint presentation.

Stanley Speaks and Ron Allen

MJM said \$500,000 was included for program data quality for FY07.

**Pacific Region**

Written statement submitted.

**Midwest Region,**

Written Testimony submitted and PowerPoint Presentation given by Darrell Seki & Terry Virden

**Rocky Mountain**

Written Report presented.

**Alaska Region**

Written Report submitted.

**Southwest Region**

Written report submitted for the record.

**Land Consolidation Update**

**Meeting dismissed.**