
Office of the Special Trustee for American Indians

Budget Update

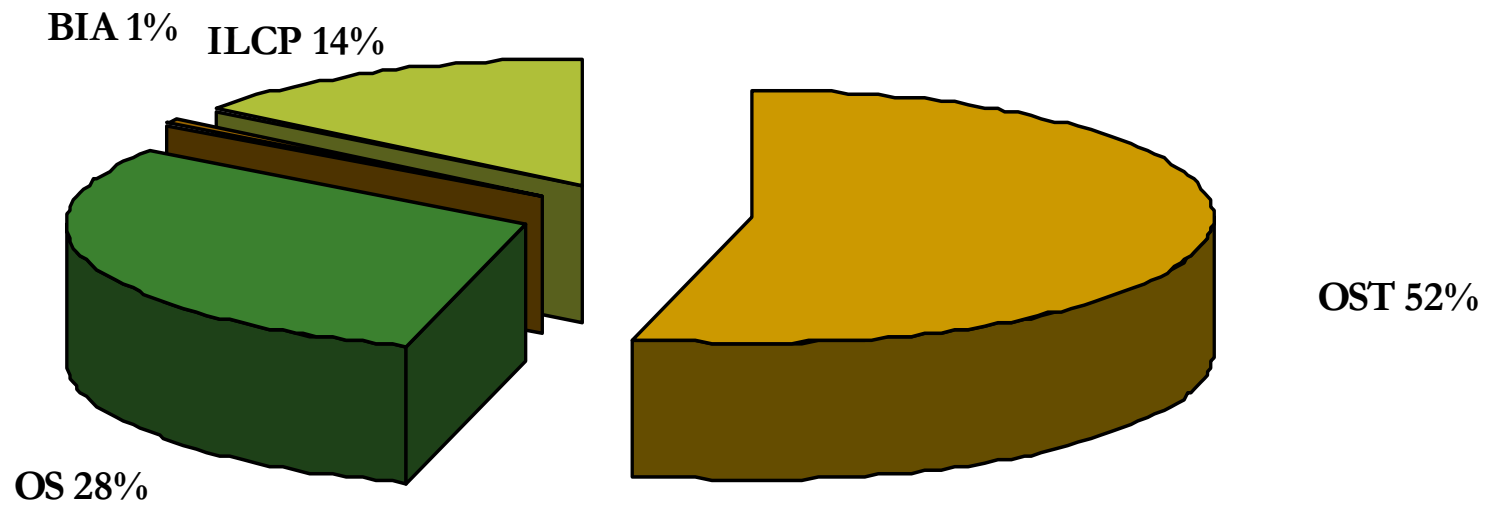
OST / FY 2006 - Highlights

- Trust Reform Initiatives

- Significant progress was made in the conversion of the BIA legacy leasing systems and land record title systems to the Trust Asset and Accounting Management System (TAAMS)
 - 80% of dollars processed through the IIM accounts are processed by TAAMS
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OST / FY 2006 - Highlights

- 95% of the FY 2006 funding level was spent or transferred



OST / FY 2006 - Highlights

- \$11 million in carryover
 - \$6 million towards Individual Indian Money Accounts (IIM) discrepancy
 - \$5 million towards TAAMS/TFAS conversion

 - 638 contracts had a significant increase
 - Funds were transferred to BIA to support tribes with approved contracts to perform appraisals
 - 1.3 million in FY 2006 versus 700k in FY 2005

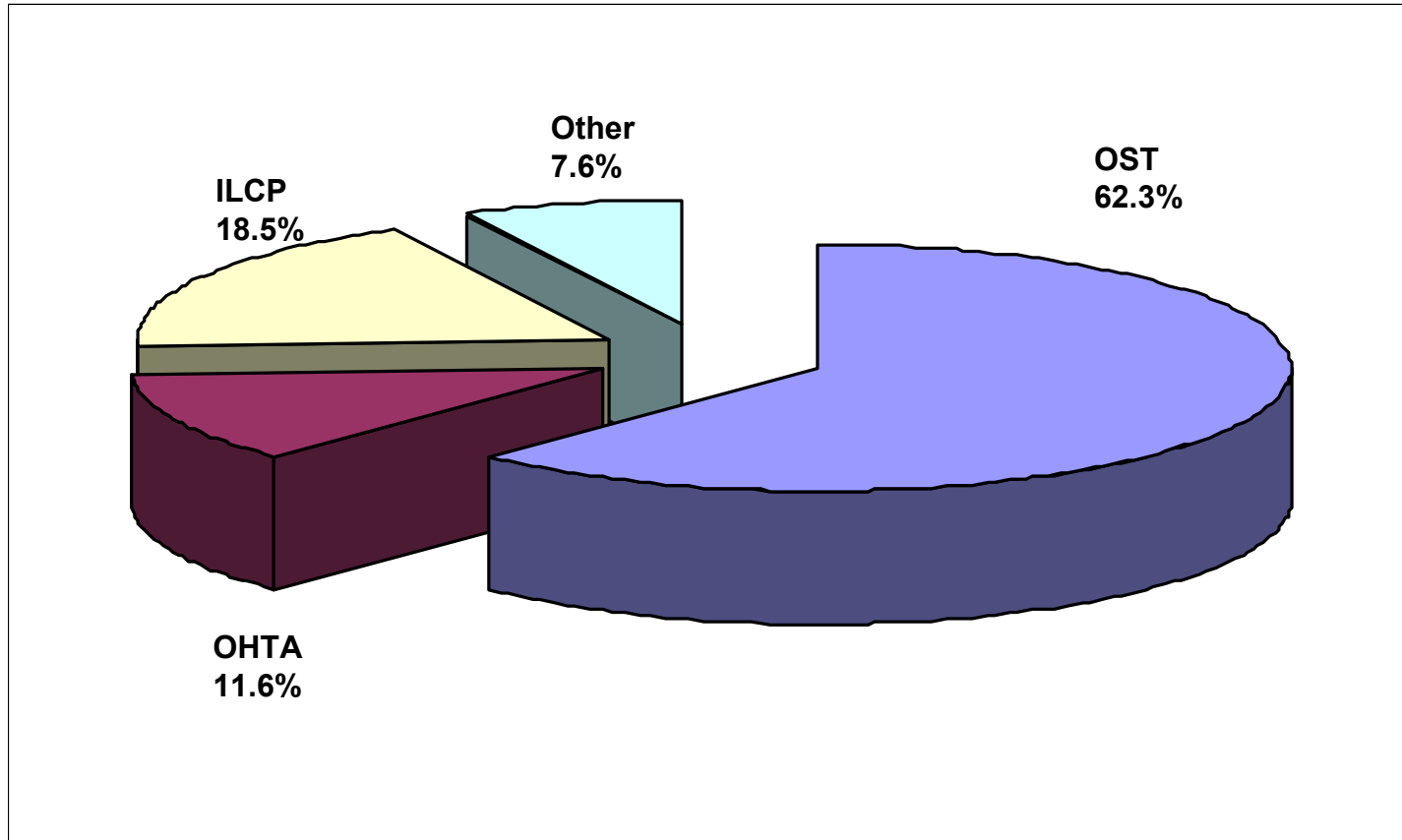
 - Funded BIA positions
 - 10 Compliance Officers (1 million)
 - NIPTC (1 million)
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OST / FY 2007- 1st Quarter Summary

- OST is currently operating under a Continuing Resolution at a rate of 18.9% through December 8, 2006.
 - The House has proposed an appropriation bill establishing OST's funding level at \$184 million.
 - - \$60.4 million net decrease from the FY 2007 President's budget request
 - - \$35 million net decrease for the Office of Historical Trust Accounting (OHTA) from the FY 2006 enacted level
 - - \$25.4 million net decrease for the Indian Land Consolidation Program (ILCP) from the FY 2007 President's budget request
 - This is a \$38.7 million net decrease from the FY 2006 enacted level.
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OST / FY 2007 - 1st Quarter Summary

The House's Proposed Appropriations



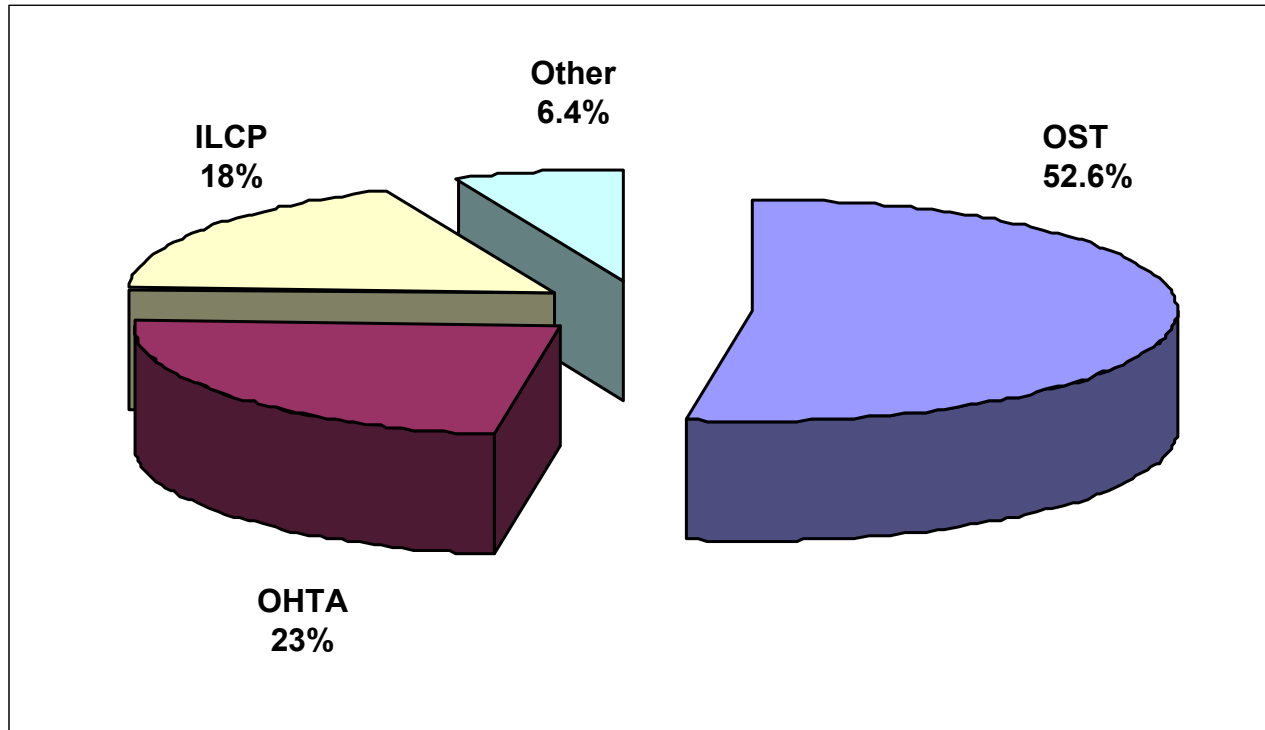
OST / FY 2007 - 1st Quarter Summary

- The Senate's proposed appropriation bill establishes OST's funding level at \$217.8 million.
 - - \$26.7 million net decrease from the FY 2007 President's budget request
 - - \$6 million net decrease for the Office of Historical Trust Accounting (OHTA) from the FY 2006 enacted level
 - - \$20.3 million net decrease for the Indian Land Consolidation Program (ILCP) from the FY 2007 President's budget request

 - This is a \$10 million net decrease from the FY 2006 enacted level.
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OST / FY 2007 - 1st Quarter Summary

The Senate's Proposed Appropriations



OST / FY 2007 - 1st Quarter Summary

OST – Senate / House

\$000	2006	2007		Senate +/-		Senate +/-	
	<u>Enacted</u>	<u>President's Budget</u>	<u>House</u>	<u>Senate</u>	<u>06 Enacted</u>	<u>07 Request</u>	<u>House</u>
Executive Direction	2,198	2,150	2,150	2,150	-48	0	0
Program Operations and Support	130,223	126,533	126,533	126,533	-3,690	0	0
Historical Accounting	56,353	56,353	21,353	50,000	-6,353	-6,353	+28,647
Federal Trust Programs	188,774	185,036	150,036	178,683	-10,091	-6,353	+28,647
ILCA	34,006	59,449	34,006	39,150	5,144	-20,299	+5,144
Total	222,780	244,485	184,042	217,833	-4,947	-26,652	+33,791
					-2.3%	-10.9%	+18.4%

OST / FY 2007 - 1st Quarter Summary

Likely Enacted

- OST's likely enacted appropriation for FY 2007 is projected to be at a funding level of \$198.9 million.
 - The likely enacted appropriation FY 2007 budget minus OHTA and ILCP is \$127.4m (including funds for other transfers of \$14 million for IT, litigation support and probate).
 - OST controlled funds are \$113.4 million.
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OST - FY 2006 / FY 2007 Comparison

(million)	FY 2006 Enacted	%	2007 Likely Enacted	%	\$ Change	% Change
OST Total	\$222.8	100%	\$198.9	100%	(23.9)	-12.0%
OHTA	\$56.4	25.3%	\$35.3	17.7%	(21.1)	-59.8%
ILCP	\$34.0	15.3%	\$36.2	24.3%	2.2	6.1%
subtotal	\$90.4	40.6%	\$71.5	47.4%	(18.9)	-26.4%
OST w/o OHTA and ILCP	\$132.4	59.4%	\$127.4	64.1%	(5.0)	-3.9%
<i>other transfers:</i>						
IT, Litigation Support & Probate	\$10.8	4.8%	\$14.0	7.0%	3.2	22.9%
Pass-through and Transfers:	\$101.2	45.4%	\$85.5	43.0%	(15.7)	-18.4%
OST Controlled	\$121.6	54.6%	\$113.4	57.0%	(8.2)	-7.2%

OST / FY 2007 - 1st Quarter Summary

(Likely Enacted - continued)

- Executive Direction - \$2.1m
 - Information Technology (IT) - \$20.2m
 - Records (OTR) - \$18.4m
 - Budget, Finance & Admin (BFA) – \$12.3m
 - External Affairs (EA) -\$747k
 - Trust Review & Audit (OTRA) - \$5.1m
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OST / FY 2007 - 1st Quarter Summary

(Likely Enacted - continued)

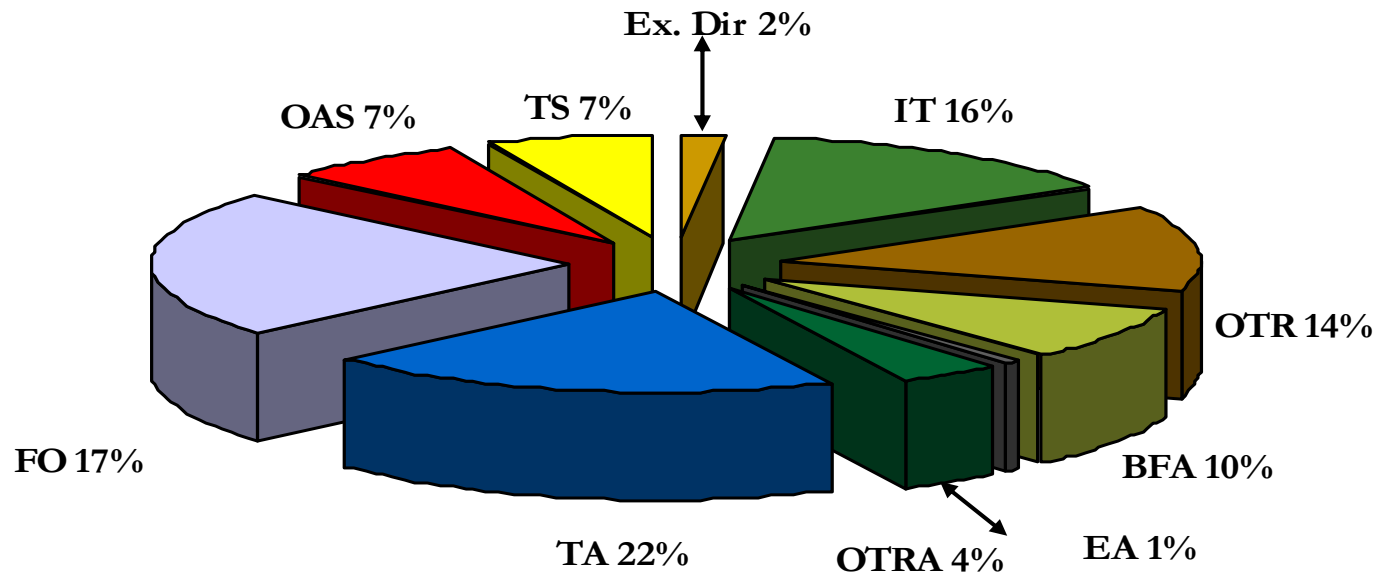
- Trust Accountability (TA) - \$28m
 - Training - \$3m
 - OTP - \$1.3m
 - Risk Management - \$0.6m
 - Reengineering - \$3.9m
 - Probate - \$10.5m (includes \$9.5m to be transferred to OHA)
 - Special Deposit Accounts - \$3.3m (whereabouts unknown)
 - Data Quality - \$5.4m

 - Field Operations (FO) - \$31.9m
 - Appraisal Services (OAS) - \$9.8m

 - Trust Services (TS) - \$8.7m
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OST / FY 2007 - 1st Quarter Summary

(Likely Enacted - continued)



OST / FY 2007 - 1st Quarter Summary

- OST continues on an accelerated course with the conversion of BIA's legacy systems and land record title systems to an updated automated title system, Trust Asset and Accounting Management System (TAAMS).
 - With the full conversion of TAAMS, encumbrance and ownership information will be reflected in the Trust Fund Accounting System (TFAS), thereby allowing distribution of funds and statements of performance.
 - Trust Services has a net program decrease of \$450,000 from the FY 2006 enacted level due to the efficiencies from commercial lockbox processing, TAAMS/TFAS and the implementation of the Fiduciary Trust Model.
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FY 2008 - Highlights

- OST will incur a reduction in budget based on the reforms that will be completed in FY 2007.
 - Trust Management Reform – completion of the conversion of the BIA legacy leasing and title systems that will interface with the TFAS.
 - Accelerated schedule completed by the end of FY 2007
 - FY 2008 OST funding levels are expected to be consistent with OST's request.
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