

**Sheraton National Hotel
Arlington, Virginia
December 6, 2006**

Call to Order**Invocation**

The new tribal co-chair, Mr. Arturo Senclair from Ysleta Del Sur Pueblo, was introduced. He talked about the sense of frustration we encountered yesterday in trying to finalize our priorities. We need to be productive – work together to finish our work. We can't fall into a rut. We talk about how things have been done over the past few years, but we can't continue the way we used to do business. We have to identify our goals. When we sit down with Congress, the first words out of their mouths are "What are your goals?" In 1986, there was a turn around in Congress, and many things happened. Inouye was the Chairman of the SCIA. He came in and made some changes. We have to use NCAI to our advantage. It's easy to criticize and condemn, but a lot harder to come together for productive work. He looks forward finishing the tasks before us in planning for the coming budget cycle.

Data Management Presentation, Tiffany Cheuvront and Bill Mehojah

Bill Mehojah presented a PowerPoint, which is available on the NCAI website.

Action Items

- 1) Need the Phase Two Charter signed for the Committee to continue our work on these issues. Have been trying to get federal signatures since last year.
 - a. Jim Cason had revisions to the Charter that he'd like to share with the committee before he signs.
- 2) In the Committees review of the DOI Strategic Plan, we would like to suggest that the TBAC request the nomination of 2 Tribal Representatives to the Management Initiative Team. (Comments were developed by the Data Mgt/TBAC and we will put on the website.)
 - a. Jim Cason, Mike and Debbie Clark went over all the tribal comments. They provided those comments to the department and the department is doing its rewrite. There isn't a definite timeline, but will be released in a few.
 - b. Ron Allen asked if we will be engaged in this process. Tiffany Cheuvront said this recommendation is to have two tribal reps be on this committee.
 - c. Jim Cason said an alternative would need to take into account that MIT is strictly an internal group. Jim Cason said it would be hard to have two tribal people on the MIT itself. But if you select 2 people to be involved, we could ask the guys doing the strategic plan and have them sit down

with the tribal members and go over the strategic plan and go over tribal concerns. They can get your input that way.

- d. Ron Allen said he's interested in participating but needs to have a timeline. We do need to sit down with the strategic plan writers. When will this happen.
 - a. Jim Cason said he's not sure of the schedule. He will call over there and ask for the schedule and ask about their willingness to sit down with tribal members.
 - e. Mr. Seki asked if there was consultation on the strategic plan. Jim Cason said there was no front end consultation. Mr. Seki said this is the first time in 150 years that protection of natural and trust resources. Jim Cason said Indian Affairs struggled with the well over 100 of goals that were not very measurable. They weren't relevant to our core programs, not measurable. Defining goals and objectives is how to measure the impact on the ground.
 - f. Ed Thomas said he's intrigued to hear about these MIT folks. Where does the bureau get its data right now? Jim Cason said the MIT folks are the five asst secretaries, key office directors, PMB director – a senior mgmt team. The core reason for the strategic plan is to communicate to the public what the key things Interior is working on. The document is not an Indian focused document, but includes all the bureaus of Interior. Each office gets the highlights. Ed Thomas said as they work, he asked if they're aware that OMB says we don't have adequate data? Jim Cason said that's a consistent refrain in every program area with OMB. OMB never feels like they have enough info. OMB always finds a reason to not give more money. Ed Thomas says it differs with who OMB comes down on. It seems like we need some people in Central Office who has some responsibility to take this project on. This lack of data falls hard on the tribes and TPA. Ron Allen said the plan looks like Interior only protects rocks and stones instead of the community development and the moral and legal obligations of the trust responsibility and the advancement of tribal self-determination. Arturo Senclair said we should assure OMB that data management and issues are being addressed.
 - a. Ron Allen and Leslie Lohse volunteered to work with the MIT and strategic planning writers.
 - g. Tiffany said the data mgmt comments included improving the consultation with tribes on re-writing the Strategic Plan. The Data Mgmt committee was rolled in with the PART/GPRA committee.
- 3) The Committee would like to recommend that the location of the PDQ be situated within the Office of Policy and Planning Analysis. This was a suggestion from the last Committee meeting after talking with the Director of this office.
- a. Jim Cason and Debbie Clark agreed.
- 4) The committee would like to ask Indian Affairs to review and provide feedback.
- a. Jim asked for another copy.

- 5) Need to protect the FY2007 \$500K in the budget for the office of Program Data Quality (PDQ). Would like for the TBAC to advocate for FY2008 funding for the PDQ to continue their implementation (see budget form provided). This is separate funding from the Phase Two Charter for committee activities.
- a. Ron Allen asked about the discussion over where to place PDQ. Tiffany Cheuvront said the data management group talked with Fawn Freeman and the committee agreed to place it there. Debbie Clark said the right people are already in the Office of Policy and Planning Analysis. Pat Ragsdale said the data we have to collect now is fixed. Tribes should be a part of that. The GPRA goals are fixed. It's not a process that Indian Affairs totally controls. Ed Thomas said this data is not just important for getting new money, but also for hanging on to money. This will go a long way if we implement
 - b. Debbie Clark said in terms of the GPRA goals, part of defining them is trying to figure out the numerators and denominators. The data management committee should look at the performance measures to help identify the numerators and the denominators. We want to all collect the same information. Debbie Clark said they worked with all the bureau directors on developing these measures. Pat said program people get frustrated with collecting data. We can't force tribes to submit data. There will be disagreement on what data to collect, but once that's in place we all have to participate. Rick Gay said under the GPRA goals in tribal government, the measurement is the number of audits. There's nothing about BIA services, percentage of OIP available for contract/compacting, nothing that's from the law about strong stable governments. The two measures are only about audits. Pat Ragsdale said when we started self-governance, the single audit was the main measure. But that is a valid baseline of accountability. We have struggled with getting audits in on time. That is a valid thing to score how our self-determination and self-governance programs are operating.

Indian Energy and Economic Development, Bob Middleton

A PowerPoint was presented and is available on the NCAI website.

Economic Summit

- May 15-17, 2007
- Phoenix, Arizona
- Goal is to identify concrete actions that can be taken to promote economic development in Indian Country
- Target Audience will include:
 - Tribal Political Leaders
 - Tribal Business Leaders

- Individual Indian Entrepreneurs
- Alaska Natives and Corporations
- Financial Institutions
- Private Industry
- Tribal IT Network Administrators.

Three key areas will be targeted:

1. Access to capital and financing,
2. Enhancing international and domestic commerce (building competitive businesses),
3. increasing physical and legal Infrastructures (setting sound tribal business foundations)

The Summit must provide deliverables that are measurable and achievable.

These may include:

- Administrative Options
- Tribal Options
- Policy Recommendations
- Regulatory Changes
- Legislative Opportunities

Tribal partners working on the planning committee include:

- National Congress of American Indians
- United South and Eastern Tribes
- Alaska Federation of Natives
- Affiliated Tribes of Northwest Indians
- Council of Energy Resource Tribes

Federal partners on the committee include:

- Department of the Interior
- Departments of Energy, Treasury, Commerce, Housing and Urban Development, Agriculture, Defense, Health and Human Services, and Labor
- Office of the Comptroller of the Currency
- Environmental Protection Agency
- Federal Reserve Board
- Federal Communications Commission
- Small Business Administration
- White House Initiative on Tribal Colleges and Universities.

Energy Policy Act

- Tribal Energy Resource Agreements

- Section 1813 Study
- Providing Technical Assistance

Tribal Energy Resource Agreements

- Draft Rule Publish in August, 2006
- Comment Period Closed on September 20, 2006
- Reviewing comments and drafting Final Rule
- Administrative Review in January, 2007
- Publish Final Rule by March 1, 2007

Sec. 1813 Rights of Way Study

- DOI and DOE finalized the report on December 1, 2006
- Provided to the WH and OMB on Dec. 4, 2006
- Requested comments by Dec. 15
- Publish Notice of Availability in FR by Dec. 22
- Comments due January 31, 2007
- Provide Final Report to Congress by March 1, 2007

Energy Policy Act of 2005 Technical Assistance

- Development Grants to Build Tribal Capacity
- Grants for Specific Energy Projects
- Low Interest Loans
- Grants and TA to Develop a National Environmental Resource Center
- Funds Authorized but not Appropriated

Energy Policy Act Assistance Funding

- FY2007 President's budget included an increase of \$2.0 million to support the Energy Policy Act implementation
 - House Mark zeroed out the increase
 - Senate Mark included the increase
 - Decision will be made in Conference
- \$1.4 million for tribal grants
- \$0.6 million for staff development
 - 4 FTE dedicated to TERA Program
- Native American Energy and Minerals Institute
 - Colorado School of Mines
 - DOE National Renewable Energy Laboratory
- NIOGEMS
 - Nat. Indian Oil and Gas Evaluation and Management System: this is a GIS based system for tribes and managers to look at the land base and keep track of activities on their land

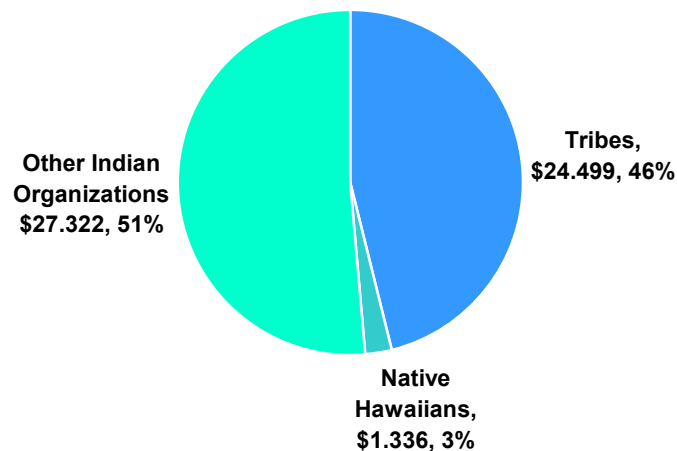
- Energy and Mineral Development Program
- NIOGEMS: national indian oil and gas evaluation management system
GIS based system for tribes and managers to look at the land base and keep track of activities on their land

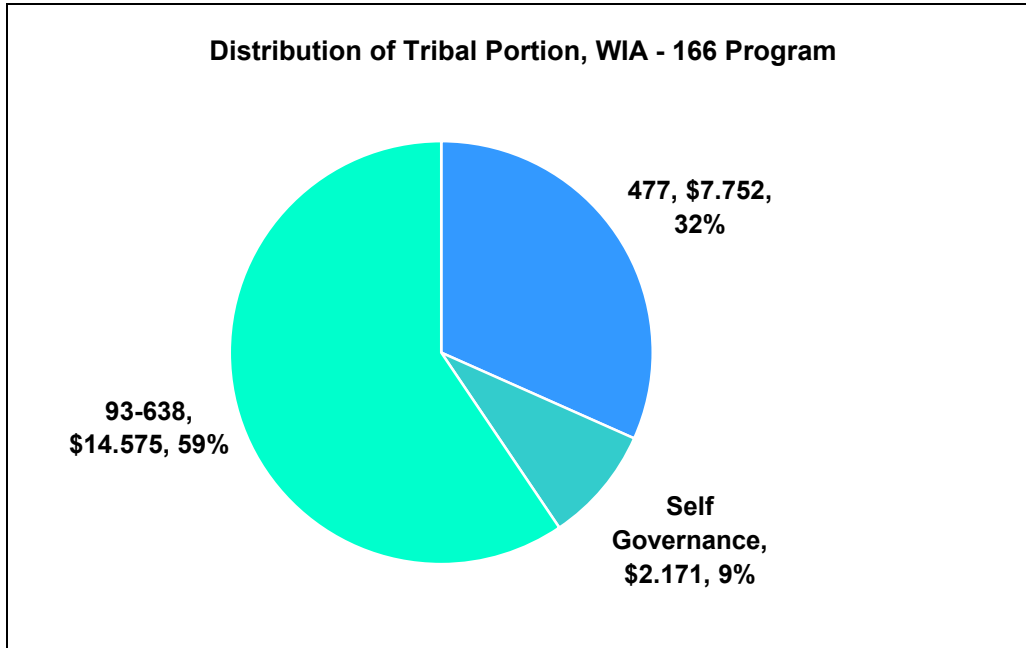
- Energy and Mineral Development Program
- Augment the Division of Energy and Mineral Development
- Guaranteed Loan Program
 - \$25 - \$40 million targeted to energy development
- Energy Expert Program
 - CSM
 - Colorado University
 - Engineers without Borders

Transfer of Department of Labor Program

- Workforce Investment Act, Section 166
 - Native American Adult Workforce Training Program
 - \$46.315 million, 9 FTE
 - \$45 million in grant funds
 - \$1.315 million in administrative costs

Distribution of \$45 million in WIA - 166 Program





- Benefits
 - Increase efficiency of 477 program
 - Streamline federal Indian programs
 - \$\$ will get out quicker to the Tribes
- Challenges
 - Internal administrative burden
 - rewrite the regulations
 - Serve non-traditional groups

A question was asked if any programs work with individual mineral owners. Mr. Middleton said not really.

A question was asked about wind energy programs. There is some interest in an oil well in Oklahoma. Mr. Middleton said there are some broad wind layers. Steve has the technical expertise to work this out.

Brenda Fields thanked Mr. Middleton for the report. She'd like to see other areas do similar reports. How do tribes apply for the energy grants if the funding is enacted. It closes the 15 of December for one of the grants Mr. Middleton said.

Ron His Horse is Thunder said NCAI took a position against moving the 166 into BIA at its Annual Conference a month ago. Pat Ragsdale said there wouldn't be a trust responsibility with the non-federally recognized groups, but they would be clients. Mr. His Horse is Thunder said the transfer of the money to the Bureau, would that impact the BIA's threshold? Mary Jane Miller said we would view it under the thresholds. The

transfer would increase the amount BIA receives. Mr. His Horse is Thunder is worried that the base of BIA funds would have more constraints.

BIA Office of Indian Services Update, Jerry Gidner

(A PowerPoint was presented and is available on the NCAI website.)

This update covers

- Human Services
- Tribal Government Services
- Transportation
- Self Determination

Labor Force Report

- Enrollment: 2,002,823
- Service Population: 1,746,633
 - Age 65+: 151,630
 - 16 – 64: 1,085,471
 - < 16: 509,532

Much of the Indian population is young. A lot of jobs will have to be created. Jim Cason asked what the service population was comprised of: Jerry said that's federally recognized. Census data is self-selected data

Jerry Gidner said we only received data from 70-% of the tribes.

- \$11 M 07 Reduction in Welfare Assistance
- House accepted the president's proposal
- Senate Added back \$6 M
- CR = lowest of 06 or House enacted level
- Eliminates TWEP and Miscellaneous Assistance

- Meth Awareness Training
- Long Term Meth Strategy
- National Child Protection Team

Tribal Government

- Approval authority for organic documents now with Regions
- CDIB Regulations
 - Options Paper
 - What is "Indian Blood"?
 - To whom do we issue CDIB?
 - Interim Guidance
 - What it is NOT

There will be an aggressive consultation process, with the options paper as the basis of the consultation. Is it only blood? Is it other Indian blood. To whom do we issue these CDIBs? This has nothing to do with tribal membership.

Transportation

- New law and regulations
 - 18 Tribes = 50% of funds
 - Added @ 20,000 sections
 - Update your data!
- Direct FHWA Funding
- Self governance template – boilerplate language to speed up the process
- Inventory available at www.doi.gov as read only
- Planning for tribal data entry system in 2007
- Roads is being re-PARTed

Self-determination

- Understaffing of awarding officials
- Contract support policy
- 07 President's Budget = + \$19 Million over last year
- House Accepted the proposal
- Senate reduced this by \$4 Million
- No "new starts" under CR
- Direct Contract Support is "new start"
- Have completed indirect costs data base
 - FY06 actual need is the baseline
- Completing direct CSC
- FY 2007 PB payroll data to determine need - adjusted to include FY 06 actual costs
- 15% of total payroll costs will determine full direct contract support cost requirement
- Complete data base update by 12/11/06

Policy Clarification

- One distribution per year
- Pro rata distribution will no longer take place
- Initial distribution will represent 100% of FY 2006 indirect cost reported
- Direct contract support based on 15 % of total salary costs
- Funding adjustments: only if new Appropriations
- Contract Support Funds can be used for either Indirect or Direct Contract Support need – Tribal Priority

- Only Self-Determination Contracts, Grants, or Self-Governance Compacts will be provided Contract Support Funds
- Shortfall report will be submitted to Congress after the 2007 Fiscal Year
- Data Base will identify permanent recurring funding levels
- New Contract Support Work Group will be established based upon Tribal nominations
 - Deadline will be extended if tribes didn't receive this letter.

What Do You Need From Us?

Jerry Gidner: 202-513-7640

A question was raised about the distribution of the "Dear Tribal Leader" letter. Many tribal leaders didn't receive it.

Ron His Horse is Thunder asked where the 15% of payroll costs comes from. There was not a clear answer – it's not in the policy but stated in the letter.

A question was asked about a problem with the 06 rate, because in that year a few tribes had an incorrect rate.

Ed Thomas asked why the inventory is not up to date or fair. Jerry said he agrees the process needs to be improved. Alaska got a larger percentage of their inventory approved. Ed said there seems to be subjectivity in these

New Business

Cobell Update – four basic elements:

- 1) program improvements – a lot of backlogs plague trust work
- 2) historical accounting – a lot of effort has been expended. An accounting standards manual was developed. It was done by OHTA and the accounting firms that do this work. Essentially, the historical accounting conducted so far has found very minor mistakes. Independent accounting firms are doing this analysis. At some point we'll end up in the phase II trial, where the plaintiffs will challenge the accounting. A rhetorical point is that records are missing. Jim says that is not true. The records are in the American Indian Records Repository in Lanexa.
- 3) Litigation status – we're at a period of peace at the moment. Last year at this time, there were three arguments in the court of appeal. Now the plaintiffs have asked for an en banc review of the reassignment of the judge by the supreme court.
- 4) McCain bill – more litigation will take another 10 years or so. Mediation was not successful. Settlement will deal with this much more quickly. In the last few months we've tried to outline how we'd do a settlement. DOI does not support \$8 billion to settle the cobell lawsuit. The facts don't support this settlement

according to DOI. The administration believes there are other problems that if the McCain bill could deal with other facets of problems in Indian country, the settlement might be worth it. Provisions included are to settle Cobell, settle broadly with all individuals and tribes. The bill will die at the end of the 109th congress.

- a. Ron Allen said the agency wants too much. Interior wants to absolve itself from the trust obligation, and diminish the tribes' sovereignty. Instead of an incremental step to solving this problem, this wants too much for Interior. There isn't a number proposed by the agency. The opportunity's in front of us, but Interior wants to much.
- b. Jim Cason said they're looking to the Secretary, Dorgan, and Thomas for direction. We don't know where this lawsuit will go.

Dates were picked for the August and December TBAC meetings.

- **August 9-10, Montana at the**
- **December 3-4**

Protocols passed until March, and the subcommittee will redraft the protocols for consideration then.

Taskforce on TBAC Effectiveness Improvement Created

Jim Cason said the TBAC is a little in a rut. We need to re-invigorate the TBAC. We'd like a subcommittee to get together in the next months and look at how to make this group more effective. How can we make sure we're as productive as possible. Each side should nominate four people and a chair.

Jim Cason asked Bob Middleton to chair, and appointed Jerry Gidner, Terry Virden, Clay Gregory. On the tribal side, Arturo Senclair, Ed Thomas (Chair), Ron Allen, Leslie Lohse, and Ron His Horse is Thunder were appointed.

Jim Cason wants the subcommittee to give feedback on the agenda, thoughts on improving info exchange. A computer server to send out info, maybe through NCAI? Look for targeted invitees to bring to the group. Who would we benefit from? Norm Dicks? Dorgan? The Secretary? The OMB Director? Program Area Directors? Who would benefit from hearing from us? Look at proposed tasks for the group. What should we try to do as a group? Have the group see whether we should dip into substantive issues. Should we discuss fractionation? It's not exactly a budget issue, but should we talk about that? Should we talk about capitalizing economic development? We talk about it, but Bob Middleton has no money. Where will we offset that? Should we have some discussion about how to effectively manage lobbying? How do we work with NCAI? We want this to be time well spent.

Arturo Senclair suggested the PowerPoints should be available on the NCAI website.

All the nominees accepted.

Ed Thomas said he'll be in DC the week of the 19th of January.

Rick Gay asked if we should have discussion about the CR? How do we ensure an 07 appropriations bill is passed? There's \$10 million on the table. Jim Cason said we should collectively talk to the representatives on the committees. Interior will tell OMB that. But tribal leaders definitely should talk to appropriators.

Bob Middleton said he'll have a job available – a division chief job, with a background in banking.

Andrew Old Elk said Bob Middleton's report was really good.

Ed Thomas thanked the Interior staff for meeting with us and congratulated Art Senclair as the new tribal co-chair. Tiffany Cheuvront pointed out that we still need to finish the priorities.

Adjourned into the Tribal Caucus

Tribal Caucus – Discussion of Priorities, December 6th, 2006

Arturo Senclair asked if the already established four priorities will work for FY09. Ron Allen suggested changing contract support out of the priorities to community development, and include economic development and contract support. Natural resources will be separate. Ed Thomas asked if we should keep in tune with the budget format of BIA? We can justify welfare until we get economic development. Ron Allen asked for the subcommittee to take a stab at it and then vet it with the full committee. Tiffany Cheuvront said we were going to try to look at the numbers for natural resources and others categories. A comment was made to not overlook tribal courts. The subcommittee will meet in February to meet with appropriators. We should also meet with OMB on 09 in February.

A question was raised about the limit on the four priorities. Ron Allen said for years we've asked for inflationary adjustment. OMB and the appropriators ask for the top 3-4 priorities. The inflationary adjustment argument didn't work. We won't let the priorities take away from the base budget. Tribes will still go after individual stuff. We have a strong case with law enforcement. Jim Cason said we do have a good case with OMB. We should bring in the White House Intergovernmental Affairs as well. These are the kinds of things we have to do.

The priorities were agree upon: Public Safety and Law Enforcement (including courts), natural resources, education, and community development (including economic development and contract support costs).