

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

ELOUISE PEPION COBELL, et al.)
)
Plaintiffs,)
)
v.) Case No. 1:96CV01285
) (Judge Lamberth)
GALE NORTON, Secretary of the Interior, et al.)
)
Defendants.)
_____)

**NOTICE OF PROPOSED DEPARTMENT OF THE INTERIOR
REORGANIZATION TO IMPROVE INDIAN TRUST ASSETS MANAGEMENT**

Defendants hereby notify the Court of a reorganization process underway within the Department of the Interior ("Interior") to improve the management of Indian trust assets. The proposed reorganization results from concerted efforts by Interior to create a management structure that can effectively implement trust reform and eliminate problems identified by the Court, the Court Monitor, Interior, and Interior's consultant, Electronic Data Systems Corporation ("EDS").

In June 2001, Interior contracted with EDS to determine the current status of trust reform, identify business and technical issues, recommend improvements, and develop a schedule for future improvement efforts. Declaration of J. Steven Griles ("Decl.") ¶ 7.

EDS has submitted a report entitled "Interim Report and Roadmap for TAAMS and BIA Data Cleanup," dated November 12, 2001 ("EDS Report"). The EDS Report contains the following key recommendations for improving Indian trust asset management:

- * Immediately appoint a single, accountable trust reform executive sponsor
- * Develop an overarching trust operations business model
- * Adopt an overall business and computer systems architecture

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- * Adopt a consistent information systems acquisition strategy
- * Implement consistent technology frameworks, methods, and tools
- * Establish a trust program management center
- * Execute comprehensive staffing plans for all participating organizations

Decl. ¶ 8.

Concurring with a joint recommendation of the Special Trustee for American Indians and the Assistant Secretary - Indian Affairs, Secretary of the Interior Norton has directed Interior staff to begin the process of reorganizing Interior's trust asset management. Id. ¶ 9.

The proposed reorganization consolidates Indian trust asset management functions in a new agency: the Bureau of Indian Trust Assets Management. Id. ¶ 10. The proposed Bureau will report to an Assistant Secretary for Indian Trust Assets Management. The Special Trustee for American Indians will continue to perform oversight for the Department's trust reform efforts. The Bureau of Indian Affairs, under the supervision of the Assistant Secretary - Indian Affairs, will continue to provide those services to Indian tribes and individuals that are not related to trust assets. Id. ¶ 11.

The proposed reorganization impacts many interested parties. Interior has begun consultation with Indian tribes and with Congress. Appropriate notification to departmental employees and union representatives will occur on November 15, 2001. Also, candidates for the Assistant Secretary and the Bureau Director must be found. The Assistant Secretary must be nominated and confirmed. Id. ¶ 12.

Trust reform activities will continue during this transition process. The final organization structure will depend upon the results of the consultation process. Implementation will progress as soon as it becomes final. In the meantime, three key subprojects (TAAMS, BIA Data Cleanup, and Probate) will be supervised by Ms. Donna Erwin, previously Deputy Special

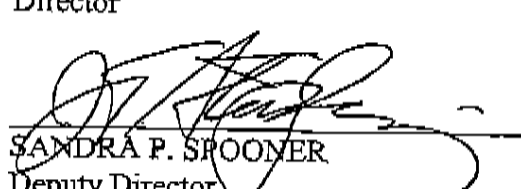
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Trustee for Trust Systems and Projects, under a newly-created Office of Trust Transition in the Office of the Secretary. Planning for the transfer of the remaining subprojects is underway. Project resources needed in the short term are being identified and work with EDS to develop a business model is underway. Id. ¶ 13.

Meanwhile, OHTA, created by Secretarial Directive on July 10, 2001, has proceeded on its announced schedule with its task of planning, organizing, directing and executing the historical accounting of IIM accounts. On September 10, 2001, OHTA issued a "Blueprint for Developing the Comprehensive Historical Accounting Plan for Individual Indian Money Accounts," which sets forth a description and timetable for completion of all steps necessary to staff and develop the plan for the historical accounting. On November 7, 2001, OHTA issued its "Report Identifying Preliminary Work for the Historical Accounting." It identifies work that is underway and work that can begin immediately to constitute an historical accounting and pilot test possible methods and assumptions about how to conduct the historical accounting, among other tasks. In the proposed reorganization, OHTA will be a line organization under the new Assistant Secretary. Id. ¶ 14.

Respectfully submitted,

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