



FY 2016 Congressional Justification

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Introduction

The Morris K. Udall Foundation (Udall Foundation) was established by the U.S. Congress in 1992 as an independent executive branch agency to honor Morris K. Udall's lasting impact on this nation's environment, public lands, and natural resources, and his support of the rights and self-governance of American Indians and Alaska Natives (P.L. 102-259). The 1998 Environmental Policy and Conflict Resolution Act (P.L. 105-156) created the U.S. Institute for Environmental Conflict Resolution as a program of the Udall Foundation to assist parties in resolving environmental, public lands, and natural resources conflicts nationwide that involve federal agencies or interests. In 2009, Congress enacted legislation to honor Stewart L. Udall and add his name to the Udall Foundation (P.L. 111-90). The agency is now known as the Morris K. Udall and Stewart L. Udall Foundation. The Udall Foundation's enabling legislation is codified at 20 U.S.C. 5601-5609. The Udall Foundation is located in Tucson, Arizona, and Washington, D.C. The Udall Foundation accomplishes its mission through six programmatic areas:

- ***Native American Congressional Internships***, which provide up to 12 internships annually to outstanding American Indian and Alaska Native college, graduate, and law students in order to provide them with practical experience with the federal legislative process. Since 1996, 221 interns from 110 Native nations have participated in the internship program.
- ***The Native Nations Institute for Leadership, Management, and Policy (NNI)*** at the University of Arizona, which focuses on executive education for tribal leaders and on policy research. The Udall Foundation and the University of Arizona cofounded NNI, building on the research programs of the Harvard Project on American Indian Economic Development.
- ***Parks in Focus***, which fosters greater understanding, appreciation, stewardship, and enjoyment of the Nation's natural resources by connecting youth from underserved communities to nature through photography, positive outdoor experiences, and environmental education. Since 1999, approximately 1,538 youth have participated in Parks in Focus.
- ***Udall Center for Studies in Public Policy (Udall Center)***, a unit of the University of Arizona, Environmental Policy and Conflict Resolution Programs, which supports policy-relevant, interdisciplinary research, science-policy dialogues, and other endeavors that link scholarship and education with decision making, particularly in the areas of water security and management, climate change adaptation and planning, and ecosystem services valuation and protection, primarily in the Southwest and U.S.-Mexico border region.
- ***Udall Undergraduate Scholarships***, which provide up to 50 scholarships annually to outstanding students who intend to pursue careers related to the environment, tribal public policy, or American Indian health care. Since 1996, 1,414 scholarships have been awarded.
- ***The U.S. Institute for Environmental Conflict Resolution (U.S. Institute)***, which helps federal agencies and other stakeholders resolve environmental, public lands, and natural resources conflicts and build capacity for environmental collaboration and conflict resolution. The U.S. Institute's range of services include consultations, assessments, process design, convening, neutral selection, mediation, facilitation, training, case management, program design, and other related activities covered by the Udall Foundation's enabling legislation.

The Udall Foundation's FY 2016 Budget Request of \$5.4 million is equal to the FY 2015 enacted appropriations.

The requested funding supports the Udall Foundation's principal objectives of promoting the awareness, enjoyment, and understanding of the nation's environment, natural resources, and public lands, and advancing tribal public policy and health care. These objectives are reflected in our strategic goals:

- Strengthen the appreciation and stewardship of the environment, public lands, and natural resources;
- Strengthen Native nations to facilitate their self-determination, governance, and human capital goals.

The FY 2016 Budget Request was developed in accordance with the Udall Foundation's Strategic Plan for FY 2015-2018. The Udall Foundation's FY 2015-2018 strategic goals, strategic objectives, and performance goals are shown in Table 1.

The Udall Foundation receives appropriations that are deposited into two funds, the Environmental Dispute Resolution Fund (EDRF) and the Trust Fund. Throughout this document, the budgets and performance goals of the EDRF are highlighted in red; the Trust Fund's are highlighted in blue. The EDRF is used for the U.S. Institute for Environmental Conflict Resolution program's annual operations. The Trust Fund's annual interest earnings fund the Scholarship and Fellowship Programs and Parks in Focus. In addition, up to 20% of the annual interest for the Trust Fund is allocated to the Udall Center. From FY 2001 through FY 2015 appropriations language has allowed a portion of the Trust Fund appropriations to be transferred to NNI each year, at the discretion of the Board of Trustees. A portion of this transfer funds the Native American Congressional Internship Program.

Although both funds invest available balances in Treasury obligations, they differ in how they may be spent: U.S. Institute appropriations remain available until expended; the appropriations for the Trust Fund are added to principal and invested, and only the interest income may be used to fund the Udall Foundation's educational programs. Trust Fund revenues have declined due to low interest rates on both long-term and short-term Treasury obligations. As a result, the Udall Foundation suspended the fellowship program in FY2012 and reduced scholarship awards from 80 to 50 in FY2013.

Congress also authorized the U.S. Institute to accept and retain fees for conflict resolution services, in addition to its appropriations. Earned revenues are processed primarily through reimbursable interagency funding agreements. Typically, there are one- to three-month delays between the U.S. Institute's expenditures (e.g., contract payments to private-sector providers) and reimbursements from requesting agencies. The delay between expenditures and reimbursements requires a working capital fund to ensure the U.S. Institute's obligations remain within available budgetary resources and in compliance with the Anti-deficiency Act.

Due to an anticipated reduction in appropriations and loss of earned revenue, the Board of Trustees instituted a hiring freeze in FY 2012 that remained in effect until the first quarter of 2014. During this period there was significant staff attrition. The Udall Foundation continued to perform effectively and efficiently focusing on opportunities to increase earned revenue and

accountability. Since the lifting of the hiring freeze, the Udall Foundation has been strategic and deliberate in determining which vacancies should be filled. During FY 2014, key management positions were filled. In FY 2015, the Foundation is beginning to fill vacant positions that provide revenue generating services.

As a result of feedback from the Office of the Inspector General of the U.S. Department of the Interior, the Udall Foundation implemented changes that have improved contracting procedures, strengthened management controls, and improved the Board of Trustees' oversight. Specifically, the Udall Foundation has issued new personnel policies, implemented improved Board operating procedures, and entered into an interagency agreement with the Interior Business Center for all contracting above the micro-purchase threshold. In addition, the Udall Foundation completed an organizational assessment; implemented a new organizational structure that improves efficiency and accountability (Table 2); completed the approval process of a new strategic plan; hired two senior managers with extensive federal experience to replace vacated positions; completed the process of re-writing position descriptions for all staff; trained staff on ethics and internal controls; and began an improved framework for testing and documenting its internal controls.

Detailed program budgets are attached as Appendices A, B, and C.

Udall Foundation Strategic Goals, Strategic Objectives, and Performance Goals

Strategic Goal 1

Strengthen the appreciation and stewardship of the environment, public lands, and natural resources

Strategic Objectives

1.1

Provide organizational assistance and information resources to build capacity for collaborative decision making and public participation related to environmental conflicts and natural resources issues involving federal agencies and interests

1.2

Provide services and information resources to resolve environmental, public lands, and natural resources issues among governmental and non-governmental stakeholders

1.3

Provide educational opportunities to promote understanding and appreciation of the environment and natural resources

Performance Goals

1.1.1

Provide training to further the use of environmental conflict resolution, collaborative decision making, and consensus building

1.1.2

Convene and facilitate policy dialogues and forums, and host conferences to further awareness and use of environmental collaboration and conflict resolution

1.1.3

Conduct research that informs environmental policy and natural resources management

1.2.1

Provide case consultation services and mediator referrals to increase the use of environmental conflict resolution and collaboration by federal agencies

1.2.2

Provide assessment, mediation, and facilitation services that address environmental, public lands, and natural resources conflicts involving federal agencies

1.3.1

Award scholarships to outstanding undergraduate students who intend to pursue careers related to the environment, and provide training and community building to Udall scholars

1.3.2

Award fellowships to outstanding graduate students who intend to pursue advanced degrees in fields related to the environment

1.3.3

Provide outdoor, educational programming to connect youth to nature through photography

Funding Source: **Red** = Environmental Dispute Resolution Fund; **Blue** = Udall Foundation Trust Fund

Strategic Goal 2

Strengthen Native nations to facilitate their self-determination, governance, and human capital goals

Strategic Objectives

2.1

Provide education and training to Native nations and non-Native entities or individuals who engage with Native nations

2.2

Provide information resources and services to resolve environmental, public lands, and natural resources issues that concern Native nations

Performance Goals

2.1.1

Provide Native nations with information resources and tools for leadership and governance that will enable them to achieve their strategic goals

2.1.2

Provide policy analysis and research to support Native nations

2.1.3

Provide scholarships, training, and community building to American Indian and Alaska Native undergraduate students who intend to pursue careers in tribal public policy or health care

2.1.4

Provide internships, training, and community building to American Indian and Alaska Native undergraduate, graduate, and law students in the areas of tribal public policy or health care

2.2.1

Provide assessment, mediation, facilitation, and related services on issues that concern Native nations

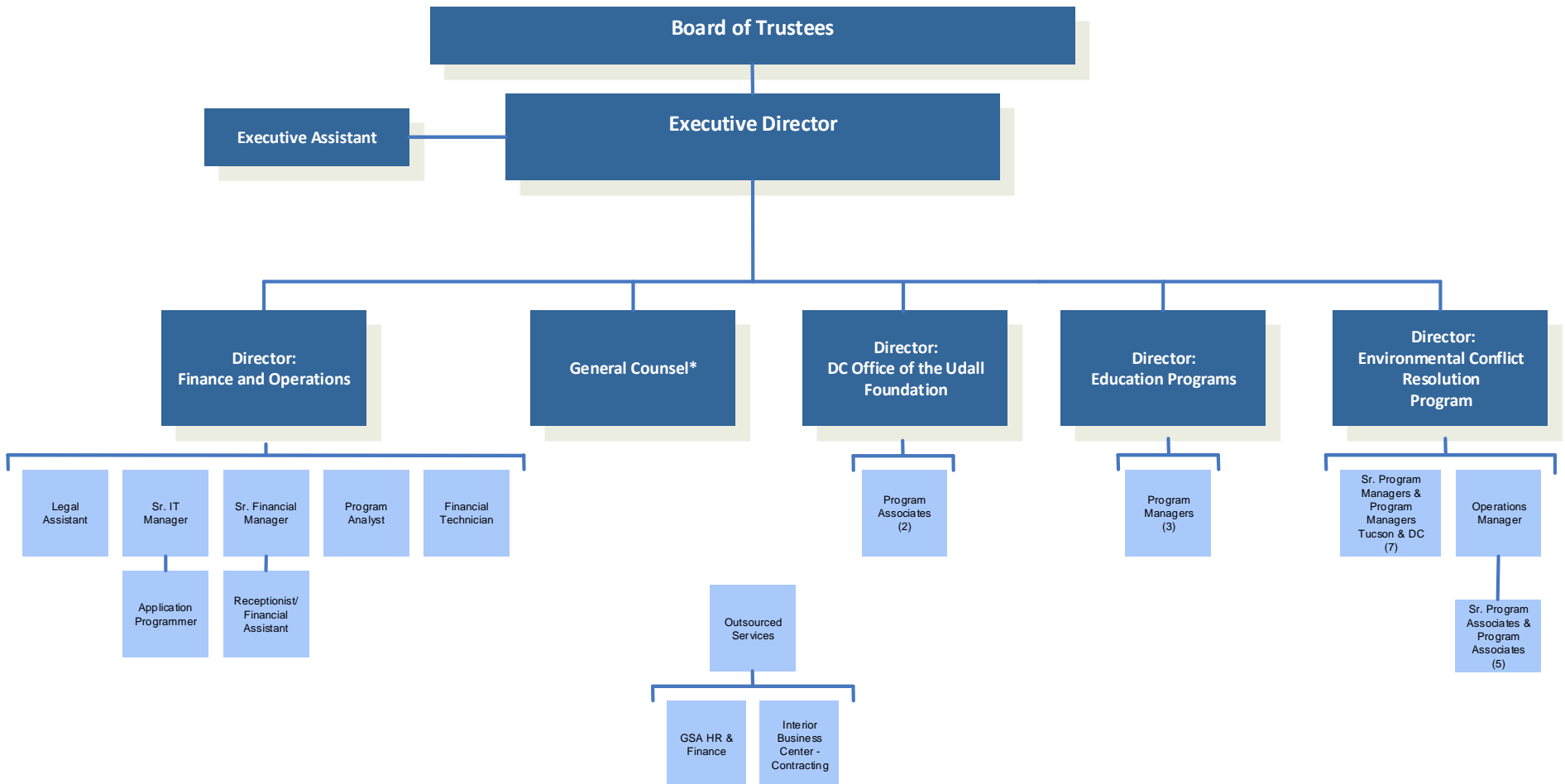
2.2.2

Increase the awareness and use of the Native Dispute Resolution Network for environmental conflict resolution and collaboration services

Funding Source: **Red** = Environmental Dispute Resolution Fund; **Blue** = Udall Foundation Trust Fund

Table 2

The Morris K. Udall and Stewart L. Udall Foundation
Organizational Chart



* Also a direct report to the Board

11/4/14

Environmental Dispute Resolution Fund - the U.S. Institute for Environmental Conflict Resolution Program

The U.S. Institute is the only federal program entirely dedicated to resolving environmental disputes and conflicts and promoting collaborative decision making for conflict prevention. It is a centralized resource for environmental conflict resolution (ECR) activities, serving multiple entities and needs.

The U.S. Institute's services produce cost savings across the federal government by working to reduce litigation and appeals, minimize inefficiencies and the waste of agency resources that result from conflict, reduce instances of stalled or delayed projects, avoid lost economic opportunities, minimize unnecessary and costly remediation when environmental issues are not dealt with in a timely manner, and avoid public frustration and lost confidence in government. Consequently, reductions in U.S. Institute funding that significantly impact services could result in higher litigation costs for other government agencies, with negative impacts on the broader federal budget.

Federal agencies request assistance from the U.S. Institute when neutrality, expertise, and case management capacity are needed to lead complex conflict resolution and collaborative problem-solving efforts, especially interagency cross-jurisdictional issues. Through its work, the U.S. Institute helps federal agencies better understand and respond to public and private interests, leading to more informed, timely, and workable federal decisions about public lands, natural resources, and the environment.

Congress authorized the U.S. Institute to accept and retain fees for conflict resolution services in addition to its appropriations. The U.S. Institute uses appropriations to support a small professional staff and uses contracted private-sector providers to augment service capacity. The U.S. Institute recovers costs through service fees to mitigate its reliance on appropriations. The U.S. Institute's business model leverages its appropriation to accomplish a great deal more work—and positive conflict resolution outcomes—than appropriations alone would support. Historic figures show that approximately 75% of project work is outsourced to the private sector, largely through work contracted with external service providers.

Environmental Dispute Resolution Fund	FY 2014 Actual		FY 2015 Enacted		FY 2016 President's Budget	
	FTEs	\$ (Millions)	FTEs	\$ (Millions)	FTEs	\$ (Millions)
Appropriations	21	\$3.4	25	\$3.42	25	\$3.42
Gross fee revenue*		\$3.4		\$3.88		\$4.08

*Gross fee revenue includes 100% of fees and cost reimbursements for ECR services provided. The U.S. Institute generally retains 20% to 30% of this figure each year, passing through the other 70% to 80% to private sector practitioners who perform services on contract with the U.S. Institute.

FY 2014.

The Udall Foundation was appropriated \$3.4 million in FY 2014 for the U.S. Institute program. In anticipation of a reduction in appropriations from \$3.6 million in FY 2013 (approximately a 5.4% reduction), the Udall Foundation had developed a conservative working budget for the U.S. Institute for FY 2014. Contingency planning for deeper budget cuts had led the Udall Foundation

to maintain a personnel and salary freeze throughout FY 2013. As a result of the freeze, the U.S. Institute had 21 FTEs in FY 2014, a sharp reduction (32%) from 31 FTEs in FY 2013. Under this working budget, services were reduced in a number of areas, including the Native resources sector and trainings to build ECR capacity within other federal agencies. Other services were eliminated altogether, such as the biennial conference to foster awareness and use of ECR. Reduced staffing and service areas impacted revenue generation; however, a targeted marketing plan mitigated the potential negative impact. The U.S. Institute continues to refine its marketing and outreach strategies to reach new agencies and markets in an effort to diversify its business model, and in order to stabilize or increase earned revenues. FY 2014 earned revenue was \$3.355 million, a small decrease from FY 2013.

FY 2015.

An appropriation of \$3.42 million in FY 2015 has enabled the Udall Foundation to restore vacated positions on a case-by-case basis and stabilize U.S. Institute program levels in priority areas. With this level of funding, the Udall Foundation intends to reestablish its Native resources sector that was suspended in FY 2013 due to staffing and funding constraints. The Udall Foundation also will continue to expand the Native Dispute Resolution Network, a database of conflict resolution practitioners with expertise in American Indian and Alaska Native issues involving environmental issues, natural resources, or public trust lands, including cultural property and sacred sites. In addition to the Native resources sector, the \$3.42 million in appropriations will support training that increases the capacity of federal agencies and practitioners to engage in environmental conflict resolution. Services will continue in existing areas, including lands management, water resources, and transportation. With these services, a staffing level of 25 FTE's, and a \$3.42 million appropriation, the Udall Foundation anticipates \$3.88 million in earned revenue, an increase of approximately 16% from FY 2014.

FY 2016.

The Udall Foundation requests an appropriation of \$3.42 million for the U.S. Institute in FY 2016, representing a funding level consistent with FY 2015. An appropriation of \$3.42 million, combined with internal operating efficiencies as a result of restructuring, will enable the U.S. Institute to maintain service levels in most strategic areas of emphasis. Earned revenue from services is estimated to be \$4.08 million, an increase of approximately 5% from FY 2015. With this level of funding, the U.S. Institute can continue to assist federal agencies and the public to address conflicts involving land management, water resources, and transportation.

Strategic Goal 1: Environmental Dispute Resolution Fund - the U.S. Institute for Environmental Conflict Resolution Program

Performance Goals based on FY 2016 Budget Request of \$3.42 million

Strategic Goal 1: Strengthen the appreciation and stewardship of the environment, public lands, and natural resources.

Strategic Objective 1.1: Provide organizational assistance and information resources to build capacity for collaborative decision making and public participation related to environmental conflicts and natural resources issues involving federal agencies and interests.

<p>Performance Goal 1.1.1 : Provide training to further the use of environmental conflict resolution, collaborative decision making, and consensus building.</p>	<p>Annual Target</p>
<p>(a) Measure 1: Number of trainings provided.</p>	<p>12</p>
<p>(b) Measure 2: Percent of ECR training participants who report what they take away from the training will have a very positive impact on their effectiveness in the future.</p>	<p>87%</p>

<p>Performance Goal 1.1.2 : Convene and facilitate policy dialogues and forums, and host conferences to further awareness and use of environmental collaboration and conflict resolution.</p>	<p>Annual Target</p>
<p>(c) Measure: Number of initiatives.</p>	<p>At least 3</p>

Strategic Objective 1.2: Provide services and information resources to resolve environmental, public lands, and natural resources issues among governmental and non-governmental stakeholders.

Performance Goal 1.2.1: Provide case consultation services and mediator referrals to increase the use of environmental conflict resolution and collaboration by federal agencies.	Annual Target
(d) Measure 1: Number of case consultations.	95
(e) Measure 2: Percent of ECR Roster Professional service users who report the Roster was a valuable resource for identifying qualified ECR professionals to assist them in solving their environmental or natural resources issues.	93%

Performance Goal 1.2.2: Provide assessment, mediation, and facilitation services that address environmental, public lands, and natural resources conflicts involving federal agencies.	Annual Target
(f) Measure 1: Number of assessments, facilitations, and mediations.	35
(g) Measure 2: Percent of assessments for which the majority of responding stakeholders strongly agree that the U.S. Institute helped them determine how best to proceed to resolve their conflict.	88%
(h) Measure 3: Percent of mediations/facilitations for which the majority of responding stakeholders report full or partial agreement was reached or progress was made toward addressing the issues or resolving the conflict.	91%

Strategic Goal 2: Environmental Dispute Resolution Fund - the U.S. Institute for Environmental Conflict Resolution Program

Strategic Goal 2: Strengthen Native nations to facilitate their self-determination, governance, and human capital goals.

Strategic Objective 2.2: Provide information resources and services to resolve environmental, public lands, and natural resources issues that concern Native nations.

Performance Goal 2.2.1: Provide assessment, mediation, facilitation, and related services on issues that concern Native nations.	Annual Target
(i) Measure 1: Number of assessments, facilitations, and mediations that involve Native nations or Tribal issues.	15
(j) Measure 2: Percent of assessments for which the majority of responding stakeholders strongly agree that the U.S. Institute helped them determine how best to proceed to resolve their conflict.	88%
(k) Measure 3: Percent of mediations/facilitations for which the majority of responding stakeholders report full or partial agreement was reached or progress was made toward addressing the issues or resolving the conflict.	91%

Performance Goal 2.2.2: Increase the awareness and use of the Native Dispute Resolution Network for environmental conflict resolution and collaboration services.	Annual Target
<ul style="list-style-type: none"> Measure 1: Number of entities made aware of the referral services available via the Native Dispute Resolution Network. 	12
<ul style="list-style-type: none"> Measure 2: Percent of ECR Native Dispute Resolution Network users who report the Network was a valuable resource for identifying qualified ECR professionals to assist them in solving their environmental or natural resources issues. 	93%

Trust Fund - Udall Foundation Education Programs

The Trust Fund programs consist of the Udall Undergraduate Scholarship, the Native American Congressional Internship, Parks in Focus, the Udall Center, and NNI.

The scholarship program identifies future leaders in environmental, tribal public policy, and health care fields. It is highly competitive; in 2014, 489 students, who had already participated in their schools' internal competition with a larger pool of applicants, competed for 50 scholarships. Scholars attend a four-day symposium that enhances professional skills, fosters career development, and encourages networking.

The Udall Foundation's summer internship program identifies future leaders in Indian country and places them in congressional and federal agency offices to learn firsthand how Washington impacts their tribes and communities. The internship provides professional development for 12 exceptional students annually, connecting them to a network of leaders and policy-makers in Indian affairs.

Parks in Focus fosters appreciation for the environment and natural resources for disadvantaged youth through photography-centered visits to public lands. Participants learn the fundamentals of photography, ecology, and conservation.

The Udall Foundation also supports NNI and provides funding to the Udall Center. NNI assists tribes engaged in constitutional and community reforms, and provides executive education to tribal leaders. Through NNI, these leaders have the opportunity to learn from each other and share best practices in governance and development. NNI also provides policy research and analysis in such areas as intergovernmental relations, natural resources management, development strategy, health care, law enforcement, and social services. The Udall Center sponsors policy-relevant, interdisciplinary research and forums on issues concerning environmental policy, primarily in the Southwest and U.S.-Mexico border region, and Indigenous nations policy.

The scholarship and Parks in Focus programs are funded by the interest earned on the Trust Fund by investing in Treasury obligations. Parks in Focus is also partially funded by donations; in FY 2014, \$106,020 in grants and donations was awarded to the Udall Foundation or to our partner youth organizations to offset the cost of programs in Arizona, California, Michigan, Montana, and Oklahoma.

The internship program and NNI are funded by appropriations. Since FY 2001, Congress has authorized the Udall Foundation to transfer a portion of its Trust Fund appropriations each year for the purposes of NNI. In addition to the Trust Fund corpus, \$11 million has been appropriated from FY 2001 through FY 2015 and transferred to NNI's leadership and management training and policy analysis programs in connection with American Indian and Alaska Native public policy and health care. In addition, the Udall Foundation's enabling legislation mandates that not less than 20% of interest revenues shall be appropriated to the Udall Center to fund policy research and education related to environmental issues.

The Education programs that are funded by the interest on Treasury investments have been adversely affected by declining Treasury rates since FY 2007. Interest from Treasury obligations fell approximately 13% from FY 2013 levels. Low interest rates are expected to continue for the foreseeable future, given the Federal Reserve’s current policy that is intended to keep long-term and short-term rates extremely low. This policy has resulted in increased purchase premiums for long-term instruments, exacerbating the reduced availability of long-term, higher-yield instruments, which limits the ability of the Udall Foundation to distribute risk by buying bonds with different maturity dates.

The Udall Foundation therefore cannot replace long-term investments and the income these generate at this time, due to the combination of extremely low interest rates and unacceptably high purchase premiums for bonds with higher rates of interest. In summary, there are no reasonable investment options available in the current market environment for Treasury instruments, which are the only investment available to the Udall Foundation.

Udall Foundation Education Programs	FY 2014 Actual		FY 2015 Enacted		FY 2016 President's Budget	
	FTEs	\$ (Millions)	FTEs	\$ (Millions)	FTEs	\$ (Millions)
<i>Appropriations</i>						
Trust Fund		\$1.1		\$0.995		\$0.955
NNI		\$1.0		\$1.0		\$1.0
<i>Program Budgets</i>						
Education programs*	6	\$2.1	6	\$1.9	6	\$1.8
NNI**		\$2.9		\$2.96		\$2.5

**Education Programs budget is based upon all available revenue and includes funding for the Udall Center.*

***NNI program budget includes all available funds, including grants and carry forward balances. NNI staff are not federal employees and therefore are not shown.*

Trust Fund Programs

FY 2014.

The Trust Fund programs are interest-rate sensitive. The Ph.D. fellowship was suspended in FY 2012 in anticipation of reduced interest revenues and has not been reinstated. Funding for the scholarship program was cut in FY 2013 in anticipation of a 13% reduction in interest revenues and an additional reduction of 6% in 2015. The number of scholarships awarded decreased from 80 to 50, a reduction of approximately 40%. Additional costs, including funding for honorable mention awards (reduced to \$0) and expenses associated with the four-day scholar symposium, were also substantially reduced.

FY 2015.

Given the decrease in interest revenue, the Udall Foundation will continue the reduced program levels established in FY 2014. The reduction in the number of scholarships awarded will continue, as will the reduction in additional, associated costs. The Ph.D. fellowship will continue in hiatus.

During August FY 2014, a \$1.9 million long-term bond matured. In consequence, interest revenues, which are generated by Treasury investments, declined by 6% in FY 2015, approximately \$91,000. As stated previously, annual appropriations to the Trust Fund are not spent, but are invested in Treasury obligations. For this reason, current appropriations levels do not greatly affect the Trust Fund programs' budget in the short term, while interest rates have a significant, immediate impact. It should be noted that the appropriation level does affect the Trust Fund in the long term; therefore, the President's Budget would provide a long-term benefit of protecting the corpus against inflation even though the appropriation utilized for Education programs decreased 9.6%.

Shared costs such as personnel, rent, and facilities will fluctuate in FY 2015 as overall Udall Foundation FTEs fluctuate, which will lead to fluctuations of the relative shares between the Environmental Dispute Resolution Fund and the Trust Fund. These costs will vary if the U.S. Institute FTEs fluctuate, even though the Trust Fund FTEs remain stable.

FY 2016.

The Udall Foundation requests an appropriation of \$1.955 million, up to \$1 million of which would be available for transfer to NNI (the same as in FY 2015).

Although the appropriations level has a marginal impact on the Trust Fund programs' short-term budgets, the cumulative effect is detrimental to long-term revenues. Trust Funds are held and managed in perpetuity, and are adversely affected by inflation. Planned savings are typically established to offset inflation, which is impossible during times of severely reduced earned interest.

Native Nations Institute

FY 2014.

The Udall Foundation transferred \$1 million to NNI in FY 2014. NNI serves as a self-determination, development, and self-government resource to American Indian nations and organizations by providing education to tribal leaders, developing curricular resources for institutions that serve Indian country, and conducting research into why some Native nations are successfully addressing community issues, and others are not. NNI assists tribes engaged in constitutional reform and provides policy research and analysis in such areas as intergovernmental relations, natural resources management, development strategy, health care, law enforcement, and social services—areas that are critically important to successful self-determination and self-government. It provides executive education to tribal leaders who have few of the educational opportunities available to members of Congress, governors, Fortune 500 executives, and others. Through NNI, these leaders have the opportunity to learn from each other and share best practices in governance and development. NNI also provides invaluable research and analysis to American Indian nations, strengthening tribal governments and their development efforts.

In FY 2014, the restoration and expansion of programs and replacement of some personnel resulted in significantly less savings to carry forward in FY 2015.

FY 2015.

A \$1 million appropriation supports NNI's cutting-edge self-governance and economic development work with tribal nations as well as the Udall Foundation's Native American Congressional Internship Program. In addition, NNI will collaborate with providers from tribes and other organizations to restore youth leadership and development programs. FY 2015 funding also supports the design and development of an internship program for tribal government professionals. It is anticipated that this program will build upon and complement the work funded by the Bush Foundation Partnership's Native Nation Rebuilders program.

FY 2016.

Funding of \$1 million in FY 2016 will support:

- *Educational Programs and Resources:* NNI's educational services help tribal leaders address issues related to constitutional reform, governmental design, policy analysis, and development systems. NNI will continue to expand its educational resources for Native nations, including distance-learning courses, nation-building curricula, the Indigenous Governance Database, and the Constitutions Resource Center.
- *Research and Policy Analysis:* NNI's credibility with Native nations is rooted in a growing body of systematic research on why some nations are successfully addressing community issues while others are not. NNI also examines issues of policy significance to Native nations and provides those nations with usable information for decision making.
- *Transfers to the American Indian Studies (AIS) department and the Indigenous People's Law and Policy Program (IPLP):* This will allow NNI to engage faculty in these units in the Continuing Education Certificate in Indigenous Governance, and will facilitate the

development of an MA curriculum and degree in Indigenous Governance.

- *Native American Congressional Internship Program:* Funding will allow placement of 12 American Indians or Alaska Natives in 10-week summer internships in Washington, D.C., and will support recruitment, selection, placement, work activities, and living expenses for interns.

Strategic Goal 1: Trust Fund - Udall Foundation Education Programs

Strategic Goal 1: Strengthen the appreciation and stewardship of the environment, public lands, and natural resources.

Performance Goals based on FY 2016 Budget Request of \$1.955 million

Strategic Objective 1.1: Provide organizational assistance and information resources to build capacity for collaborative decision making and public participation related to environmental conflicts and natural resources issues involving federal agencies and interests.

Performance Goal 1.1.3: Conduct research that informs environmental policy and natural resources management.	Annual Target
(l) Measure 1: Number of environmental policy presentations or briefings.	10
(m) Measure 2: Number of collaborating agencies and institutions.	10
(n) Measure 3: Number of environmental policy publications.	10

Strategic Objective 1.3: Provide educational opportunities to promote understanding and appreciation of the environment and natural resources.

Performance Goal 1.3.1: Award scholarships to outstanding undergraduate students who intend to pursue careers related to the environment, and provide training and community building to Udall.scholars	Annual Target
(o) Measure 1: Number of Scholarships.	50
(p) Measure 2: Percent of scholarship recipients who report they received a quality educational experience in their interactions and program activities with the Udall Foundation.	95%

Performance Goal 1.3.2: Award fellowships to outstanding graduate students who intend to pursue advanced degrees in fields related to the environment	Annual Target
(q) Measure: Number of Fellowships. [Fellowship suspended 2012-2014 due to low Trust Fund interest.]	0

Performance Goal 1.3.3: Provide outdoor, educational programming to connect youth to nature through photography.	Annual Target
(r) Measure 1: Number of students.	150
(s) Measure 2: Number of trips.	15
(t) Measure 3: Number of states.	4
(u) Measure 4: Percent of Parks in Focus participants who report they received a quality educational experience in their interactions and program activities with the Udall Foundation.	87%

Strategic Goal 2: Trust Fund – Udall Foundation Education Programs

Strategic Goal 2: Strengthen Native nations to facilitate their self-determination, governance, and human capital goals.

Strategic Objective 2.1: Provide education and training to Native nations and non-Native entities or individuals who engage with Native nations.

Performance Goal 2.1.1: Provide Native nations with information resources and tools for leadership and governance that will enable them to achieve their strategic goals.	Annual Target
(v) Measure 1: Percent of respondents who report NNI is an important resource for them in carrying out their nation-building work.	83%
(w) Measure 2: Number of individuals who enroll in distance-learning courses.	150
(x) Measure 3: Number of individuals who use the Indigenous Governance Database.	300

Performance Goal 2.1.2: Provide policy analysis and research to support Native nations.	Annual Target
(y) Measure: Number of completed case studies and/or policy-analyses.	2

Performance Goal 2.1.3: Provide scholarships, training, and community building to American Indian and Alaska Native undergraduate students who intend to pursue careers in tribal public policy or health care.*	Annual Target
(z) Measure 1: Number of Scholarships. (aa) Measure 2: Percent of recipients who report they received a quality educational experience in their interactions and program activities with the Udall Foundation.	8 95%

*Subset of Performance Goal 1.3.1

Performance Goal 2.1.4: Provide internships, training, and community building to American Indian and Alaska Native undergraduate, graduate, and law students in the areas of tribal public policy or health care.	Annual Target
(bb) Measure 1: Number of internships. (cc) Measure 2: Percent of interns who report they received a quality educational experience through the Native American Congressional Internship Program.	12 92%

Appendices A–C: Detailed Program Budgets

THE UDALL FOUNDATION				Appendix A	
Budget Summary: US Institute for Environmental Conflict Resolution					
	FY14	FY15	FY16		
	Actual	Enacted	President's Budget		Notes
Revenues					
Earned Revenue	3,355,000	3,881,600	4,081,600		
Operating Appropriation	3,400,000	3,420,000	3,420,000		
Interest Income	400	800	800		
TOTAL REVENUES	6,755,400	7,302,400	7,502,400		
Expenses					
Personnel					
Salaries	1,700,000	2,297,989	2,320,472		A
Fringe Benefits	510,000	758,336	788,961		
Total Personnel	2,210,000	3,056,325	3,109,433		
Other Operating					
Computers & Equipment	92,000	96,120	98,042		
Conferences & Meetings	78,850	130,545	130,545		
External Service Providers	1,682,500	2,864,446	3,065,775		B
Furniture	2,750	11,236	11,461		
Postage, Printing, Publications	21,000	86,547	58,955		
Rent & Facilities	311,640	319,201	318,506		C
Development & Training	13,000	58,166	58,528		
Supplies	24,500	62,366	58,617		
Telephones	49,000	93,355	93,355		
Travel: project-related	500,000	301,746	315,746		
Travel: marketing & outreach	94,000	178,240	157,081		
Miscellaneous	66,000	44,109	26,355		
Total Other Operating	2,935,240	4,246,075	4,392,967		
TOTAL EXPENSES	5,145,240	7,302,400	7,502,400		
Balance	1,610,160	0	0		
NOTES:					
Budget and actuals stated on cash basis.					
A - Following a two-year hiring freeze, some positions are being filled in FY 2015.					
B - Approximately 70 - 80% of project work is performed by external mediators on contract.					
C - Reflects shared costs based upon FTEs.					

Budget Summary: Education Programs

	FY14	FY15	FY16	Notes
	Actual	Enacted	President's Budget	
Revenues				
Earnings from Investments	1,427,518	1,336,190	1,336,190	A
Grants/Contributions	90,000	50,000	50,000	B
Carry forward	555,228	550,525	440,936	
TOTAL REVENUES	2,072,746	1,936,715	1,827,126	
Expenses				
Personnel				
Salaries	370,000	455,760	475,208	C
Fringe Benefits	107,300	136,728	147,314	
Education Support	(338,883)	(420,666)	(441,991)	
Personnel Total	138,417	171,821	180,531	
Other Administrative				
Travel	20,000	20,000	20,000	
Communications	7,700	7,700	7,700	
Printing/Photography	2,500	2,500	2,500	
Rent and Facilities	70,000	61,938	61,938	C
GSA Financial Activities	39,037	41,414	41,414	
Consultants	500	2,000	2,000	
Supplies/Publications	4,000	1,500	1,500	
Equipment/Furniture	0	3,000	3,000	
Miscellaneous	0	1,000	1,000	
Administration Total	282,154	312,874	321,584	
Education				
Education Support	338,883	420,666	441,991	
Program Support	50,000	70,000	70,000	
Scholarship-related:				
Payments	250,700	260,000	260,000	
Orientation	90,000	100,000	100,000	
Fellows	0	0	0	D
Parks in Focus	106,020	50,000	50,000	
20% Udall Center	404,464	267,238	267,238	E
Contingency	0	15,000	15,000	
Education Total	1,240,067	1,182,904	1,204,229	
TOTAL EXPENSES	1,522,221	1,495,778	1,525,812	
Balance	550,525	440,937	301,314	

NOTES:

Budget and actuals stated on cash basis.

The Trust Fund interest is affected by Treasury interest rates and the ability to replace maturing bonds with similar yielding bonds. Reductions in appropriations affect the long-term balance of the Trust Fund, but have a small effect in the short-term due to nearly 0% interest on short-term Treasury investments.

A - Assumes \$995,000 for FY15 and \$955,000 for FY16 (after \$1 million transferred to NNI). \$1.9 million bond which yielded 4.75% matured 5/14, reducing FY15 and FY16 interest by approximately \$91,000.

B - Donations fund the Parks in Focus program. FY15 & FY 16 assumes reduced donations and associated costs for programs outside of Arizona.

C - Organizational structure and methodology for salary and rent costs shared with the Environmental Dispute Resolution Fund was modified in FY14.

D - Fellowship suspended in FY12.

E - As per P.L. 102-259, at least 20% of available current interest. Cost in FY 2014 reflects delayed billing.

Budget Summary: Native Nations Institute

	FY14	FY15	FY16	
	Actual	Enacted	President's	Notes
			Budget	
Revenues				
Carry forward	1,070,053	1,041,589	625,325	A
Grants	837,083	917,037	904,458	B
Annual Appropriation	1,000,000	1,000,000	1,000,000	
TOTAL REVENUES	2,907,136	2,958,626	2,529,783	
Personnel				
Grants	837,083	917,037	904,458	
Appropriation	714,916	941,264	1,009,592	
Total Personnel	1,551,999	1,858,301	1,914,050	
Operations				
NNI Operations	43,806	55,000	40,000	
Educational Programs	49,385	55,000	55,000	
Educational Resources	19,592	55,000	32,000	C
Research and Policy Analysis	20,520	65,000	40,000	
Indigenous Gov Certificate/MA	0	0	38,000	
Independent Contractors	0	0	10,000	
Interdepartmental Transfers	30,245	95,000	95,000	
Native American DC Internship	150,000	150,000	150,000	
TOTAL Operations	313,547	475,000	460,000	
TOTAL EXPENSES	1,865,547	2,333,301	2,374,050	
Balance	1,041,589	625,325	155,733	

NOTE:

Budget and actuals stated on cash basis.

A - Carry forward from allocation to NNI from Udall Foundation's appropriations.

B - Grants from Bush Foundation, Kellogg Foundation, state programs and others.

C - Includes distance learning capabilities.