

**Morris K. Udall and Stewart L. Udall Foundation
Plan for Agency Operations in the Absence of Appropriations**

Lapse Plan Summary Overview	
Estimated time (to nearest half day) required to complete shutdown activities:	<i>NA-see below</i>
Total number of agency employees expected to be on board before implementation of the plan:	<i>29 FTEs</i>
Total number of employees to be retained under the plan for each of the following categories:	
Compensation is financed by a resource other than annual appropriations:	<i>29 FTEs</i>
Necessary to perform activities expressly authorized by law:	<i>0 FTEs</i>
Necessary to perform activities necessarily implied by law:	<i>0 FTEs</i>
Necessary to the discharge of the President's constitutional duties and powers:	<i>0 FTEs</i>
Necessary to protect life and property:	<i>0 FTEs</i>
Brief summary of significant agency activities that will continue during a lapse:	
All Udall Foundation activities will continue during a lapse. These include the award of Scholarships, Fellowships, and Internships for educational purposes, as well as other Education programs in accordance with statutory purposes (e.g., Parks in Focus). These also include the John S. McCain III National Center for Environmental Conflict Resolution, which provides collaboration and conflict resolution services such as assessment, mediation, and training to resolve environmental disputes when there is a Federal interest.	
Brief summary of significant agency activities that will cease during a lapse:	
N/A.	

Background:

Mission:

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 Native Americans 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 2000, Congress authorized the Udall Foundation to conduct management and leadership education and provide assistance and resources for policy analysis for Native American and Alaska Native leaders (P.L. 106-568). 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. In 2019, Congress enacted legislation to reauthorize the Udall Foundation and to amend the enabling legislation by renaming the U.S. Institute for Environmental Conflict Resolution as the John S. McCain III National Center for Environmental Conflict Resolution, and to include the Stewart L. Udall Parks in Focus® program and the Native Nations Institute for Leadership, Management, and Policy as formal elements of the Udall Foundation’s Education programs (P.L. 116-94). The Udall Foundation’s enabling legislation is codified at 20 U.S.C. 5601-5609. The agency is headquartered in Tucson, Arizona, and maintains an additional office in Washington, D.C.

Organizational Structure

The Udall Foundation is organized into two distinct program areas with separate funding structures: Education programs and the National Center for Environmental Conflict Resolution. Finance and operations staff support both program areas and the Udall Foundation is authorized 29 FTEs in total. As described in the sections below, the employees are funded either by annually appropriated funds, other than annually appropriated funds, or a mix of funding sources.

Program	FTEs	Status	Treasury Account	Type
Education	4	Exempt	Trust Fund	No-year
National Center	14	Exempt	Environmental Dispute Resolution Fund	No-year
Finance + Operations	11	Exempt	Shared by both accounts	No-year

Education Programs

The Udall Foundation is authorized to award Scholarships, Fellowships, and Internships for educational purposes, as to conduct other programs in accordance with its statutory purposes. These include:

- Scholarships for college undergraduates in two areas: 1) those who intend to pursue careers related to the environment, and 2) Native Americans and Alaska Natives who intend to pursue careers in health care or tribal public policy.
- Internships, including awards to Native American and Alaska Natives, in Federal, state, and local agencies, or in offices of major public health or public policy organizations.
- Fellowships to graduate students pursuing advanced degrees in fields related to the environment and to outstanding Native American and Alaska native graduate students preparing for careers in health care and tribal public policy, including law and medicine.
- Parks in Focus®, which connects youth from underserved communities to nature through photography.

Not less than 20% of the current year's interest earned from the Trust Fund (described more fully below) is allocated to the Udall Center for Studies in Public Policy at the University of Arizona to be used for various purposes including research on environmental policy, Native American and Alaska Native health care issues, and Tribal public policy issues.

At the direction of Congress and the Udall Foundation Board of Trustees, a portion of the annual appropriation to the Trust Fund may be set aside for the Native Nations Institute, which is housed at the University of Arizona and serves as a self-determination, development, and self-governance resource for indigenous peoples. It assists Tribes through research and analysis of policy decisions in such areas as intergovernmental relations, natural resource management, development of strategy, law enforcement, cultural affairs, and social services, and through customized executive education to senior leaders and managers of Native Nations.

The Udall Foundation's educational programs are funded by the interest earned from investment of the Morris K. Udall and Stewart L. Udall Foundation's Fund (Trust Fund). 20 U.S.C. § 5606. The Trust Fund is discussed more fully below.

National Center

The John S. McCain III National Center for Environmental Conflict Resolution (National Center) provides collaboration and conflict resolution services such as assessment, mediation, and training, and resolves environmental disputes when there is a Federal interest. Congress has provided annual operating appropriations for the National Center every year since Fiscal Year 1999. The National Center is also authorized to collect and retain fees to reimburse the cost of the services it provides under the enabling legislation, which moneys (along with the annual appropriation) are deposited into the Environmental Disputes Resolution Fund (EDRF). 20 U.S.C. §§ 5607a and 5607b.

Financial Structure

The annual financial statements prepared by the Udall Foundation for OMB and Congress (and independently audited) combine the financial data for the Trust Fund and the EDRF. However, the Udall Foundation's annual appropriation designates funding separately for the Trust Fund and the National Center and is deposited by the Department of the Treasury into the appropriate funds (Trust Fund and EDRF). Both Treasury accounts are designated by Congress as available until expended (i.e., "no-year" funding), therefore available balances are carried forward year-to-year. In addition, the Secretary of the Treasury invests available balances from both funds in Treasury obligations. Following is an explanation of how the moneys in those funds may be utilized to fund Foundation programs.

Education

Congress established the Morris K. Udall Trust Fund with an initial appropriation and has added to the Trust Fund with additional appropriations in subsequent years. Except as described above for the Native Nations Institute (NNI), the appropriations for the Trust Fund are added to principal and invested, and only the income may be used to fund the Udall Foundation's educational programs. ccc

Since 2001, the Foundation has received Congressional authorization on an annual basis to set aside a portion of its appropriation for the Trust Fund to support the purposes of NNI. The Udall Foundation Board of Trustees approves the annual set aside, the final amount for which is determined by the Udall Foundation Executive Director. The money is disbursed monthly to NNI to reimburse its actual,

authorized expenses. A set aside in FY 2021 is contingent upon a Trust Fund appropriation and authorization from Congress. A lapse in appropriations for FY 2021 will delay the ability of the Board of Trustees to approve such a set aside until an appropriation is provided.

National Center

National Center appropriations remain available until expended (i.e., “no-year” funding) and are used for annual operations. In addition to appropriations, the National Center collects fees, primarily from Federal agencies via reimbursable inter-agency agreements, to reimburse services provided. The Udall Foundation may also solicit and accept grants, gifts, and donations to support the National Center.

Plan for Agency Operations in the Absence of Appropriations:

Education

The Education programs, including the salaries of the staff administering each program, are paid entirely from the interest generated by the Trust Fund, grants, and gifts. As a result, an absence of appropriations for the FY 2021 will not impact the operation of the Education programs, other than NNI. The Udall Foundation’s Education programs will continue normal operations because there will not be a gap in available funding. Education program activities are funded entirely from the Trust fund interest and associated staff are therefore “exempt” from furlough. In addition, the interest income from the Trust Fund is used to fund a portion of the salary of several employees with agency-wide responsibilities, as discussed further below.

Until there is an appropriation designated for NNI, there will be no funds to set aside to NNI in FY 2021. NNI employees are not employees of the Federal government so a lapse in appropriations will not require the furlough of NNI’s staff and will not affect NNI operations, except insofar as the failure to set aside funds might impact NNI’s financial position.

National Center

The National Center utilizes reimbursable inter-agency agreements for project work. There is a delay between the payment for services and reimbursement; therefore, carryforward funds are used to maintain a positive cash flow. In the absence of appropriations, the National Center will utilize carryforward funds (all “no-year” funding). These funds are sufficient to maintain normal operations for a period of time determined by the amount of the funds that are available when the lapse takes place. National Center personnel are therefore “exempt” from furlough and will continue to perform their program functions.

If a lapse in funding is greater than sixty (60) days, the Udall Foundation will re-assess the ability to maintain normal operations to determine if less than 100% operational capacity is advised.

Positions funded by both Treasury Accounts

The remaining Udall Foundation staff positions are funded by a mix of Trust Fund interest and EDRF monies, proportional to the time expended in each program area. This includes the agency’s executive leadership positions. To ensure the continued smooth operation of Udall Foundation operations, these positions will be authorized to continue work. The personnel so funded are therefore “exempt” from furlough and will continue to perform their operational duties. If a lapse in funding is greater than sixty

(60) days, the Udall Foundation will re-assess the ability to maintain normal operations to determine if less than 100% operational capacity is advised.

Designated contacts regarding the plan:

David Brown, Executive Director

brown@udall.gov

520-901-8560

Marc Rosen, General Counsel and Deputy Executive Director

520.901.8552

rosen@udall.gov