

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

FY 2022

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>26 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>26 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 both Education and Environmental Conflict Resolution programs as well as enterprise activities including agency leadership, finance and operations, and data and information technology.	
Brief summary of significant agency activities that will cease during a lapse:	
N/A.	

Mission

The Morris K. 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. In 2009, Congress enacted legislation to also honor Stewart L. Udall for his half century of distinguished national leadership in environmental and Native American policy. The agency is known today as the Morris K. Udall and Stewart L. Udall Foundation (Udall Foundation) and is headquartered in Tucson, Arizona.

The Udall Foundation is authorized by Congress to:

- Award Scholarships, Fellowships, and Internships for study in fields related to the environment and to Native Americans and Alaska Natives in fields related to health care and Tribal public policy.
- Connect youth to the Nation’s public lands and natural resources to foster greater understanding, appreciation, stewardship, and enjoyment of those lands and resources through photography, positive outdoor experiences, and environmental education through the Stewart L. Udall Parks in Focus® Program.
- Provide funding to the Native Nations Institute for Leadership, Management, and Policy (NNI) for research, education, and outreach on Native American and Alaska Native health care issues and Tribal public policy issues.
- Provide funding to the Udall Center for Studies in Public Policy (Udall Center) to conduct policy research and outreach on the environment and related themes.
- Provide funding through the Udall Center to The University of Arizona Libraries, Special Collections to serve as the repository for the papers of Morris K. Udall and Stewart L. Udall and other such public papers as may be appropriate and assure such papers' availability to the public.
- Provide impartial collaboration, consensus-building, training, and conflict resolution services on a wide range of environmental, natural and cultural resources, Tribal, and public lands issues, conflicts, and disputes involving the Federal Government through the John S. McCain III National Center for Environmental Conflict Resolution (National Center).

Organizational Structure

The Udall Foundation is organized into two distinct program areas with separate funding structures: Education programs and the National Center. Agency leadership, finance and operations, and data and information technology employees support both program areas. As described in the sections below, 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	12	Exempt	Environmental Dispute Resolution Fund	No-year
Leadership; Finance and Operations; Data and Information Tech.	10	Exempt	Shared by both accounts	No-year

Education Programs

The Udall Foundation is authorized to award Scholarships, Fellowships, and Internships and to conduct other education programming in accordance with its statutory purposes (e.g., Parks in Focus). Not less than 20% of the current year interest earned from the Morris K. Udall and Stewart L. Udall Foundation Trust Fund (Trust Fund), described more fully below, is allocated to the Udall Center. At the direction of Congress and the Udall Foundation Board of Trustees, a portion of the annual appropriation to the Trust Fund may also be set aside for NNI. 20 U.S.C. § 5606.

National Center

The 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 to the National Center every year since FY 1999. The National Center is also authorized to collect and retain fees to reimburse the cost of the services it provides under the Udall Foundation enabling legislation; such monies along with the annual appropriation are deposited into the Environmental Dispute Resolution Fund (EDRF). 20 U.S.C. §§ 5607a and 5607b.

Financial Structure

The Udall Foundation's annual Performance and Accountability Report combines the financial data for the Trust Fund and the EDRF. However, the Udall Foundation's annual appropriation designates funding separately for the Education programs (Trust Fund) and the National Center (EDRF) and is deposited by the Department of the Treasury into the appropriate funds. The Secretary of the Treasury invests available balances from both funds in Treasury obligations. 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.

Education

Congress established the Trust Fund with an initial appropriation and has added to the balance through additional appropriations in subsequent years. Except as described above for NNI, 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 education programs and the Udall Center.

The Udall Foundation requires Congressional approval through the appropriations process to set aside a portion of its Trust Fund appropriation to support the purposes of NNI. The Udall Foundation Board of Trustees approves the annual set aside, the final amount of which is determined by the Udall Foundation Executive Director. The money is used to reimburse NNI for its actual, authorized expenses. A set aside in FY 2022 is contingent upon a Trust Fund appropriation and authorization from Congress. A lapse in appropriations for FY 2022 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 program and agency operations. In addition to appropriations, the National Center collects fees, primarily from Federal agencies via reimbursable inter-agency agreements, to reimburse services provided for environmental collaboration and conflict resolution projects and trainings.

Plan for Agency Operations in the Absence of Appropriations:

Education

The Education programs are paid for entirely with interest generated by the Trust Fund. As a result, an absence of appropriations for FY 2022 will not impact the normal operation of the Education programs, other than NNI. Education program staff will be exempt from furlough because their salaries are paid for by interest generated by the Trust Fund. In addition, 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 2022. 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 in the EDRF which are all "no-year" funds. These funds are sufficient to maintain normal National Center operations, based on the amount of EDRF funding available when the lapse occurs. National Center personnel will be exempt from furlough because their salaries are paid for by "no-year" funds in the EDRF.

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

Positions funded by both Treasury Accounts

The remaining Udall Foundation employees are funded by a mix of Trust Fund interest income and EDRF funds, proportional to the time expended in each program area. This includes the agency's executive leadership positions, finance and operations team, and data and information technology staff. To ensure the continued operation of the agency, these positions will be authorized to maintain normal operations during a lapse in appropriations. These personnel will be exempt from furlough because their salaries are paid for by a mix of interest generated by the Trust Fund and "no-year" funds in the EDRF.

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

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