



NEW MEXICO INDIAN AFFAIRS DEPARTMENT FY 2010 ANNUAL REPORT

SUBMITTED PURSUANT TO THE STATE-TRIBAL COLLABORATION ACT (SB 196)

July 31, 2010

SECTION I. EXECUTIVE SUMMARY

The Indian Affairs Department (“IAD” or “Department”) fulfills a central role in facilitating communication and collaboration between the Governor’s Office, the other thirty-two (32) Cabinet agencies, and the twenty-two (22) Indian tribes, nations and pueblos on programs and issues affecting Native Americans in New Mexico. As described in this Annual Report, in FY 2010 the IAD made significant strides to accomplish the six goals in our 2008-2010 Strategic Plan, ensure state-side adherence to the State-Tribal Collaboration Act (“STCA”), fulfill the 2009 and 2010 State-Tribal Leaders Summit commitments and address important issues and concerns that arose during the year that affect tribes and Native American citizens of our state.

In FY 2010 the IAD **improved Native American health** by: leading several efforts to protect Medicaid-funded health services to Native Americans during a time of significant Medicaid funding shortfalls; organizing two tribal forums about the numerous Indian-specific provisions of the Patient Protection and Affordable Care Act (“PPACA”) and, as a member of Governor’s Richardson’s Health Care Reform Leadership Team, ensuring state agencies were aware of and prepared to implement those provisions; advocating for and assisting with a coordinated response by multiple state agencies to the Thoreau suicide crisis; providing \$750,000 in special project funding to Native American health projects; ensuring \$444,757 in federal funding was made available to tribes for H1N1 planning and preparation; and advocating for Native American behavioral health needs as a member of the Behavioral Health Purchasing Collaborative and chair of the Native American Subcommittee to the Behavioral Health Planning Council.

The IAD **promoted meaningful state-tribal collaboration and coordination** by: organizing the 2010 State-Tribal Leaders Summit with tribal and state leaders and working to ensure implementation of the governor’s directives from the 2009 and 2010 Summits; coordinating the

efforts of the 33 Cabinet departments so that, for the first time in New Mexico history, every Cabinet department has a State-Tribal Consultation, Collaboration and Communication Policy; working with all 33 Cabinet departments to compile the first-ever Annual Report on State-Tribal Collaboration and Services to Native Americans totaling 664 pages; assisting state agencies with convening tribal consultation sessions; compiling and distributing daily email news blasts of funding key meeting announcements; organized a successful legislative American Indian Day; facilitating consideration of Native American concerns and recommendations in state policy making, resource allocation and service provision by serving on more than 20 boards and committees, tracking 65 Indian-related bills, completing 29 Fiscal Impact Report during the 2010 legislative session and advocating for passage and enactment of numerous Indian-related bills during three legislative sessions; and working with the Public Education Department to hold the 2009 Native American Solutions Summit and convene a Native American Education Task Force.

The IAD **improved tribal infrastructure capacity** in FY 2010 by: securing permanent funding to the Tribal Infrastructure Fund (“TIF”) by developing, and then coordinating state and tribal efforts to successfully secure enactment of, HB 162 during the 2010 legislative session, which will yield \$100 million to tribal communities in the first 10 years alone; convening four special meetings of the Tribal Infrastructure Board to develop an extensive report to Governor Richardson on tribal infrastructure needs and resources; creating a training and technical assistance coordinator to enhance services to tribes and state agencies; planning the first ever State-Tribal Collaboration and Capacity-Building Conference; working with the American Indian Chamber of Commerce to complete and distribute a Report on Assessment Tool and Tribal Infrastructure Profile profiling the infrastructure and economic development status of 74 tribal communities; working closely with the Navajo Nation to improve their capital outlay process through quarterly reconciliation meetings, a bi-annual leadership-level workgroup, implementation of the Master Intergovernmental-Agreement and hiring of Navajo contractor; and creating the 120-page *State of New Mexico’s Native American Programs and Services Directory*.

The IAD **enhanced comprehensive funding for tribal infrastructure** by: planning a philanthropically-funded Native Green Loan Fund to complement the TIF; developing the *Native American Programs and Services Directory*; working with NMED to redesign the Universal Funding Application (“UFA”) to more accurately gauge tribal water and wastewater projects; chairing the TIF Board and allocating TIF awards to 16 projects totaling \$5,422,816 and securing \$2.5 million for allocation in FY 2011; managing and assessing the exact status of *457 capital outlay and infrastructure projects totaling \$73,301,824; and implementing a daunting array of initiatives and directives related to SB 29, HB 17, SB 182 and the Capital Outlay Freeze to determine stagnant capital outlay funds that could be reverted to address the state’s severe budget shortfall while striving to protect and revive viable and vitally-needed tribal projects and funding.*

Tribal economic development efforts were strengthened by the IAD’s efforts to: establish and coordinate the efforts and final report of the Tribal Economic Development Task Force created by EO 2009-037; make presentations to tribal audiences about the opportunities with the New Mexico Green Economy, Ecotourism, Film, and other state-driven initiatives; build tribal economic development capacity through training, workshops, and project-specific discussions;

complete its duties a member of the Green Jobs Cabinet; supporting tribes in their efforts to secure and tracking tribal ARRA funding awards; facilitate discussion about and commitments regarding tribal economic development at the 2009 and 2010 State-Tribal Leaders Summits; and work with JJ Clacs & Company to complete a “New Mexico Pueblos, Tribes and Nations Community & Economic Development Profile” report.

Finally, in FY 2010 the IAD **improved our administrative effectiveness and efficiency** by: developing process and strategic maps of key systems, processes and procedures; improving our performance management system; cross-training staff; quickly filling critical staff vacancies to prevent disruption of services; awarding and administering 14 Special Projects totaling \$1,426,948 for projects related to Native American health, education, services to urban Indians, cultural preservation, and emergency management; receiving an unqualified audit for FY 2009; and fighting to avoid the most drastic cuts proposed to IAD’s budget in FY 2011 while implementing a 3% cut and 5 furlough days in FY 2010.

SECTION II. AGENCY OVERVIEW/BACKGROUND

Agency Overview

The IAD the only Cabinet-level state Indian Affairs agency in the United States and fulfills a central role in facilitating communication and collaboration between the Governor’s Office, the other thirty-two (32) Cabinet agencies, and the twenty-two (22) Indian tribes, nations and pueblos on programs and issues affecting Native Americans in New Mexico. As the lead coordinating agency for intergovernmental and interagency programs concerning tribal governments and the State of New Mexico, when the IAD was elevated to Cabinet level in 2004 it was given broad statutory authority in the Indian Affairs Act 9-21-0 to 9-21-15 NMSA 1978, to:

1. Investigate, study, consider and act upon the entire subject of Indian conditions and relations within New Mexico, including problems of health, economy and education and the effect of local, state and federal legislative, executive and judicial actions; and
2. Assist in setting the policy, and act as the clearinghouse, for all state programs affecting the Indian people of New Mexico.

From this broad direction, the IAD has developed the following vision and mission statements and strategic plan to guide our actions and long-term goals.

Vision Statement:

New Mexico’s Native American citizens will have the resources necessary to improve their quality of life and maintain their cultures and languages through collaborative, productive and lasting government-to-government relationships between the State of New Mexico and Indian tribes, nations and pueblos as well as through effective participation of Native Americans in all aspects of state government.

Mission Statement:

As a Cabinet-level department, the IAD is the lead coordinating agency in New Mexico state government for ensuring effective interagency and state-tribal government-to-government relations. The IAD reinforces tribal governmental efforts to ensure that Native American concerns and needs are addressed in state policy making decisions; effectively manages, and facilitates ways to increase and leverage state resources to benefit Native Americans; and successfully collaborates with national, tribal, state and local agencies, entities, and organizations.

IAD 2008-2010 Strategic Plan:

IAD's 2008-2010 Strategic Plan was developed by the IAD Cabinet Secretary Alvin Warren and the IAD staff with significant input from tribal leaders, the Indian Affairs Commission, state agency heads, legislators and other stakeholders and focuses on six goals:

- Goal 1: Ensure equitable provision of state health services and resources to American Indians consistent with the government-to-government relationship.
- Goal2: Promote meaningful collaboration and coordination between state and tribal governments.
- Goal 3: Improve tribal governmental capacity to effectively compete for greater funding for and complete infrastructure projects.
- Goal 4: Improve use of comprehensive funding strategies for tribal infrastructure projects.
- Goal 5: Collaborate with appropriate state agencies, tribal governments and corporations and Indian organizations to enhance state government support for Native American economic development ventures.
- Goal 6: Establish clear and aligned Departmental procedures that position the IAD as the leading organization within state government for building relations with tribes and tribal organizations.

These six goals reflect the principal Native American needs articulated by the broad range of tribal and state leaders and other stakeholders. The objectives and strategic actions that IAD has pursued to achieve these goals have produced creative and durable partnerships across state, tribal, federal, non-profit, philanthropic, educational and private sectors. At the same time, the Strategic Plan includes the IAD's statutory and recurring responsibilities and has proven flexible enough to accommodate unanticipated activities and opportunities.

Agency Organizational Chart

Cabinet Secretary Alvin Warren is the agency head. Cabinet Secretary Warren supervises the Deputy Cabinet Secretary Marvis Aragon, Jr. and the General Counsel Tammi Lambert. The deputy cabinet secretary supervises all department directors as well as the public information officer and the Training and Technical Assistance Coordinator Ben Fletcher. There are three divisions or units within the Department. The Administrative Services Division is comprised of the Director Lillian Brooks and three staff members. The Capital Outlay Unit is comprised of the Manager (Rebecca Martinez until April, 2010 and Laurie Chapman from May, 2010 forward) and three staff members. The Policy Unit is comprised of the Senior Policy Analyst Francine Hatch and two staff members.

Cabinet Secretary Warren and Deputy Secretary Aragon oversee the management and direction of the Department. The cabinet secretary is responsible to Governor Bill Richardson for the operation of the Department. The cabinet secretary and deputy secretary exercise general supervisory authority over all Department employees. They administer and enforce the laws with which the cabinet secretary or the Department is charged, approve contracts, agreements and official correspondence on behalf of the Department and testify before appropriate legislative committees regarding the Department's budget and initiatives. They also make public presentations on behalf of the Governor and the Department regarding Native American matters. Finally, they interact directly with and facilitate communication between the leadership of the twenty-two (22) tribes, nations and pueblos and the New Mexico Governor's Office, the Lieutenant Governor's Office and the heads and staff of the other thirty-two (32) Cabinet-level state agencies.

The IAD Policy Unit ("PU"), led by Senior Policy Analyst Francine Hatch, works to create and implement innovative policies to benefit Native Americans in New Mexico. The Policy Unit provides bill and policy analysis, research services, training and information to state agencies and the twenty-two (22) federally recognized tribes, nations and pueblos in New Mexico. The Policy Unit implements policy initiatives in many areas, including education, health, community and economic development, legislative training and analysis. The Policy Unit puts the New Mexico Governor's state-tribal policy initiatives into practice on a statewide level.

The IAD Capital Outlay Unit ("COU") -- headed by COU Manager Rebecca Martinez until April, 2010 and then by COU Manager Laurie Chapman from May, 2010 forward -- administers funding, and manages intergovernmental grant agreements between the state and tribes, nations, pueblos and tribal entities for capital outlay projects. The COU also collaborates with the Department of Finance Administration through Memorandum of Understandings regarding the financial administration of projects funded pursuant to the Tribal Infrastructure Fund ("TIF") Act. These funds address significant infrastructure needs in tribal communities, including water and wastewater systems, roads, electrical power lines, health facilities, and governmental facilities. In addition, the COU also administers financial resources for Special Projects and Special Appropriations to tribal communities that were funded by the Legislature for recurring services. Finally, the COU provides training and technical assistance to tribal leadership and staff to assist with planning and implementing infrastructure projects.

The IAD General Counsel Tammi Lambert assists with collaboration between state agencies and tribal entities on Indian Law legal issues. The general counsel renders legal opinions for the

cabinet secretary, deputy cabinet secretary, IAD managers and staff. The general counsel also attends and provides legal advice at Department meetings. The general counsel provides legal analysis and information to other Cabinet-level state agencies and general counsels on tribal sovereignty and other Indian Law issues. During the legislative session, the IAD general counsel keeps abreast of legislation, provides final approval on all Fiscal Impact Reports (“FIR”) generated by the Department, provides legal analysis to the Office of the Governor on legislation affecting Native Americans, provides legal assistance in the drafting of state legislation, serves as liaison with legislative advocates, and represents Indian Affairs Department as an advocate before the legislature in such matters as directed by the cabinet secretary. The general counsel provides legal assistance in the drafting of legal documents, policy, rules and regulations, resolutions, Executive Orders, and other legal or related papers. The general counsel represents the Indian Affairs Department at state and tribal workshops and seminars relating to state-tribal issues to limit exposure to liability. The general counsel also coordinates and monitors legal matters and services to the Department with outside counsel, studies and interprets laws, court decisions, ordinances and other legal authorities and develops and conducts staff training sessions and workshops.

The IAD Public Information Officer (“PIO”) once communicated useful information to a tribal and non-tribal distribution list. The IAD I-News publication, the Daily Native American News Headlines and Announcements, and the IAD website have proven useful tools to share funding opportunities, Request for Proposal (“RFP”) Announcements, TIF Funding Announcements, and upcoming meeting announcements to the general public. Use of these communication tools, press releases, media coverage, speaking engagements, and organization of Indian Day at the legislature promote an effective public relations campaign to communicate tribal needs, challenges and successes. The Public Information Officer position was separated in December, 2009 and eliminated from the IAD’s FY 2011 budget.

The IAD Training and Technical Assistance Coordinator (“TTAC”) position was created in FY 2010 in response to the needs expressed by tribal leaders at the 2008 IAD Policy Forum. The TTAC Ben Fletcher works broadly across the Department contributing to the objectives of the Policy and Capital Outlay Units. In addition, the TTAC provides specific technical assistance to the 22 tribes in New Mexico. The TTAC maintains the IAD *Tribal Resource Guide*, which provides federal, state and philanthropic funding opportunity information, technical assistance with grant funding applications, and general resource information for tribes regarding capital outlay. The TTAC also created and periodically updates the *State of New Mexico’s Native American Programs and Services Directory*. This directory lists all Native American specific programs and services that are available within the State of New Mexico. The TTAC coordinates the provision of training to tribes on a variety of subjects. The TTAC creates and distributes the Department’s *News Blast*, a tri-weekly publication that IAD sends to tribes, tribal entities and others on its list-serve. The *News Blast* includes conference dates for programs or services relevant to the Native American population, provides federal or state collaboration announcements on various topics, highlights Indian specific news, and publicizes funding announcements for grants, programs and services that benefit the state’s Native American population. Additionally, the TTAC coordinates state and federal resources to identify viable solutions to a tribe’s specific needs.

New Mexico Indian Affairs Commission

Since 1953, the New Mexico Indian Affairs Commission has advised and provided information to the state government on all issues affecting Indian people in New Mexico. Its ten members are appointed by the state governor to represent the diversity of Native Americans across the State. Pursuant to the “Indian Affairs Department Act” [9-21-1 to 9-21-15 NMSA 1978] the Indian Affairs Commission has the statutory duty to:

1. Conduct meetings to provide an opportunity for the presentation and exchange of ideas with respect to Indian affairs by any interested party that result in the promotion of the welfare of the Indian people;
2. Receive and disseminate information on issues that significantly impact the welfare of the Indian people;
3. Apprise the secretary of the conditions in Native American communities in New Mexico; and
4. Advise the secretary on policy matters related to the Department’s powers and duties.

The Commission meets quarterly around the state and is an integral part of developing the IAD strategic plan, legislative initiatives and budget priorities.

SECTION III. AGENCY EFFORTS TO IMPLEMENT POLICY

Pursuant to the 2009 State-Tribal Collaboration Act (“STCA”), the IAD adopted its Tribal Consultation, Collaboration and Communication Policy (“Policy”) on December 18, 2009. The Policy is designed to promote effective communication, collaboration and positive government to government relations between the state and the 22 tribes, nations and pueblos. Additionally, the Policy reflects the Department’s commitment to promote cultural competency in providing services to American Indians/Alaska Natives. The Policy also identifies key principles that guide the IAD in its interactions with tribal governments and American Indians/Alaska Natives.

Throughout FY 2010, the IAD engaged in many collaborative activities in its efforts to implement the Policy. These included the following:

Native American Veterans Tax Settlement Fund

The Native American Veterans’ Settlement Fund Act (“Fund”), Senate Bill 541, passed during the 2009 Legislative session, amended the Native American Tax Settlement law by clarifying the eligibility for and administration of certain tax exemption refunds. The legislation also appropriated \$1 million to the Fund.

During FY 2010, the IAD collaborated with the Taxation and Revenue Department (“TRD”) and the Department of Veterans’ Services (“DVS”) to implement the Fund. These efforts included incorporating comments from the formal tribal consultation with tribal leaders on June 18, 2009 into the rules and forms. Following the consultation, the departments met to develop forms and procedures for processing the settlement claims. The IAD and DVS also worked to create

outreach plans to ensure that information on the settlement process reaches as many tribal communities, Native Veterans' organizations and individual veterans as possible. The regulations became effective on December 1, 2009 and the DVS and TRD began implementing the regulations. As of June 23, 2010, the TRD reported 934 claims received and 483 refunds issued for a total amount of \$436,841 paid from the Fund. The Native American Veterans Income Tax Settlement Fund Claim form can be found on each of the departments' websites.

Behavioral Health Statewide Entity RFP

The IAD assisted in creating tribal-specific terms of the contract with OptumHealth New Mexico, who was selected as the State of New Mexico's second Behavioral Health Statewide Entity ("SE") in December, 2008. OptumHealth began operations on July 1, 2009. Throughout FY 2010, the IAD worked closely with the other members of the New Mexico Behavioral Health Purchasing Collaborative ("Purchasing Collaborative") and its staff to ensure that the SE complied with the tribal-specific terms of its contract. During the latter part of FY 2010, the Purchasing Collaborative sought to release another RFP for a new SE and coordinated five public input meetings to develop the RFP language. As a member of the Purchasing Collaborative, the IAD supported and participated in the process advocating and ensuring that the needs of Native American families and children were considered in the selection process. For example, the IAD assisted with organizing a tribal consultation session with tribal leaders regarding the components and language of the RFP. Tribal leaders were provided with the opportunity to present recommendations for the new SE in order to meet the needs of tribal providers and community members. While the Purchasing Collaborative ultimately determined to not seek a new SE, IAD ensured that tribal concerns with the SE are being addressed. The IAD accomplished this by ensuring the inclusion of specific language in a Letter of Agreement executed with OptumHealth regarding other components of their contract, particularly establishing contracts with the remaining tribal health entities.

Thoreau Youth Suicide Crisis

After a number of suicides and suicide attempts in and involving the Navajo community of Thoreau, New Mexico, the IAD advocated in Cabinet meetings, with Governor's Office staff and with other cabinet secretaries regarding the need for a coordinated and sustained state response to assist the Navajo Nation and the Indian Health Service. As a result, the Governor's Office and IAD have coordinated a five-month response by nine Cabinet-level departments as well as the Purchasing Collaborative. Several of these agencies identified emergency funding to assist with prevention, post-vention and summer youth activities. In particular, IAD allocated \$25,000 to the Coalition for Healthy and Resilient Youth (via the McKinley County Sheriff's Department in Thoreau, NM) for:

- Managing youth suicide awareness and prevention activities;
- Increasing culturally relevant knowledge of signs of suicide and risk and protective factors, and the identification of resources among youth; and
- Providing a Native HOPE Youth Suicide Prevention Summit three day training.

In addition to funding, the IAD's cabinet secretary and Policy Unit staff have served as an intermediary between the Unified Command and the Governor's Office. In that role, the IAD has assisted with securing support from the local school district and coordinating state resources. The IAD also assisted the Unified Command with pursuing a more suitable facility for the Unified Command Center.

State-Tribal Domestic Violence Workgroup

At the recommendation of the IAD, Dorian Dobson, cabinet secretary to the Children, Youth, and Families Department ("CYFD"), convened a State-Tribal Domestic Violence Workgroup ("Workgroup"). In FY 2010, the IAD continued to serve as a State Advisor to the Workgroup. Through a tribal consultation process, CYFD requested representatives from the 22 tribes, pueblos, and nations to serve on the Workgroup. The Workgroup provided recommendations regarding the Domestic Violence Service Definitional Manual used by CYFD to ensure that the Manual is culturally appropriate for Native American service providers and responsive to Native American communities.

The Workgroup reviewed and provided recommendations pertaining to the service components of the Domestic Violence Service Delivery Manual, which included language that reflects the approaches that are used when working with Native American populations. Language amendments were determined for the following service components:

- Client Intake
- Emergency Shelter Services
- Care and Support
- Survivor Service Assessment
- Specialized Assessment
- Domestic Violence Offender Treatment
- Advocacy and Support
- Legal Advocacy
- Skills and Knowledge Services
- Community Outreach
- Community Training
- Travel/Transportation
- Direct Legal Services

The proposed language would allow for communities to adapt the requirements of each service component of the Manual in order to meet the specific needs of the served populations.

Additionally, the Workgroup sought to develop a service component that encompassed Native traditions. As a result, OptumHealth enabled CYFD to use their framework, which allows tribal service providers the ability to bill for culturally appropriate services without the need to disclose specific tribal practices or practitioners and respectfully recognizes various Native traditional practices. The recommendations were submitted to the CYFD and the IAD, and approved by the Workgroup. In FY 2011, the CYFD, the IAD, and the Workgroup will assess the

implementation and impact of the language amendments to the Domestic Violence Service Delivery Manual.

Home Visitation Program Grant Application (Collaboration with CYFD)

The Children, Youth and Families Department (“CYFD”) applied for a Health Resources and Services Administration (“HRSA”) grant. The purpose of the HRSA grant is to provide funding to develop a coordinated system of early childhood home visiting that is capable of providing infrastructure and supports to assure high-quality, evidence-based practice. The CYFD requested a partnership with the Indian Affairs Department (“IAD”). IAD cabinet secretary worked with the cabinet secretary of CYFD to seek specific funds for at-risk tribal communities identified through the assessment process.

Medicaid Redesign

In September 2009, HSD announced to the LFC and the Governor’s Office that they will have to engage in aggressive cost containment of Medicaid in order to meet the upcoming FY10 and FY11 deficits and balance the state budget, for which Medicaid is a significant expenditure. The IAD participated in a meeting of an ad hoc committee of the BH Planning Council, which was formed to give feedback on principles that legislators should consider when looking at cuts to Medicaid. The IAD also assisted with outreach to tribal leaders and health care workers about upcoming legislative and HSD meetings on this issue. The IAD staff then attended the HSD tribal input session on September 24, 2009. At least 88 people attended this meeting, including Zuni Governor Norman Coeeyate and former Tesuque Governor Rick Vigil. Strong concerns were expressed about the significant negative impact that cuts to Medicaid would have on Native Americans, particularly because of the dire underfunding of the Indian Health Service system.

Shortly after this session, the Pueblo of Zuni formally requested consultation with HSD about Medicaid redesign. At the IAD’s recommendation, then-HSD Secretary Pam Hyde and the IAD cabinet secretary travelled to the Pueblo of Zuni to formally consult with their tribal leadership on this issue. Subsequently, in December 2009, IAD and HSD convened a tribal consultation session to discuss anticipated cuts in Medicaid funding and impacts those cuts would have on Native Americans. Native Americans are disproportionately eligible for Medicaid and the Indian Health Service. Additionally, tribal 638 health systems depend on Medicaid reimbursements to provide critically-needed healthcare to Native Americans.

Following this tribal consultation and at the recommendation of the IAD, Katie Falls, the HSD cabinet secretary appointed after Pam Hyde, convened the State-Tribal Workgroup on Medicaid Redesign in January of 2010. The Workgroup has focused on developing a proposed mechanism to protect services for American Indian Medicaid beneficiaries that are paid at 100 percent Federal Financial Participation (“FFP”) when services are provided at IHS and Tribal 638 programs.

The IAD cabinet secretary and Policy Unit staff assisted HSD with coordinating and documenting Workgroup meetings to ensure their effectiveness. The Workgroup is co-chaired by Secretary Katie Falls, the Director of the Navajo Nation Department of Health, Anslem

Roanhorse, and Zuni Head Councilwoman, Shelly Chimoni. The Workgroup includes designated representatives of 18 tribes, nations and pueblos. During FY 2010, the Workgroup convened three meetings. IAD also assisted the Workgroup and HSD with developing a concept paper that outlines the most feasible mechanism to protect services to Indian Medicaid beneficiaries. The HSD, the IAD, and the Workgroup refined the concept paper and presented it to representatives of all 22 tribes, nations and pueblos at a second formal tribal consultation session in late August, 2010. Should the tribal leadership concur with the proposed mechanism, IAD will support HSD in coordinating state and tribal support to gain approval of the mechanism by the Health and Human Services Department's Centers for Medicaid and Medicare Services.

The implementation of this concept would ensure the continuity of services for American Indian beneficiaries that are more directly affected by access and health disparities without any cost to the State.

Health Care Reform Leadership Team

By Executive Order, Governor Bill Richardson created the Health Care Reform Leadership Team, which is responsible for developing a strategic plan that addresses the provisions (including Indian-specific provisions) of the Patient Protection and Affordable Care Act ("PPACA") and providing recommendations that regard the process and method for implementation. The IAD cabinet secretary is a member of the Health Care Reform Leadership Team. Four IAD directors and staff were assigned to assist with the Leadership Team's responsibilities. The IAD focused on informing the Leadership Team about the significant Indian-specific provisions in the PPACA and the measures the state would need to take to ensure compliance with those provisions. In June of 2010, the IAD sent letters to tribal leaders, both Indian Health Service ("IHS") area directors, and key Indian health organizations and stakeholders seeking their input and recommendations regarding PPACA. Based up their input, as well as significant research by IAD staff, the IAD worked closely with HSD and other state agencies to reference tribes and Native Americans appropriately throughout the strategic plan, include and specific Native American section and set of recommendations and an appendix listing the various Indian-specific provisions and recommendations provided by tribes, the IHS and Native American health care organizations. The IAD general counsel provided a legal analysis of the Indian-specific provisions of the PPACA, and participated in the Legal Work Group to develop legislative recommendations for the upcoming legislative session. Moreover, IAD provided assistance to other State agencies as they developed their sections of the Strategic Plan, specifically regarding the incorporation of the Indian provisions of the PPACA.

IAD Native American Programs and Services Guide:

After more than one year of intensive research and coordination with other state agencies, in January, 2010, the IAD released its Native American Programs and Services Directory ("Directory") for use by its Native American constituents. The Directory Guide is one of the IAD's efforts to make it easier for Native American leaders, service providers and individuals to identify and access a variety of detailed funding sources and services provided by state agencies to address their communities' needs and priorities. There are a vast array of state agency programs and services that could benefit Native Americans, each with varying deadlines and

requirements that can frequently change. To ease the challenge of accessing these services, the 120 page Native American Programs and Services Directory was organized into 30 chapters and lists the programs and services available to Native Americans in 29 Cabinet-level state agencies and the New Mexico Finance Authority. It provides a summary of each program and service, the contact person and information for each program and any website links.

This Directory was one of many products of the Tribal Policy Forum held in June of 2008 and was created to help achieve four of the objectives outlined in the IAD's 2008-2010 Strategic Plan:

1. Assure comprehensive funding strategies are implemented for tribal infrastructure projects;
2. Ensure equitable provision of state health services and resources to American Indians consistent with the government-to-government relationship;
3. Promote meaningful collaboration and coordination between state and tribal governments; and
4. Improve the use of comprehensive funding strategies for tribal infrastructure projects.

State-Tribal Collaboration and Capacity-Building Conference:

During the final quarter of FY 2010 the IAD has been organizing the first State-Tribal Collaboration and Capacity Building Conference, which is scheduled for July 29, 2010. The Conference was to be funded by a grant from the W.K. Kellogg Foundation. It is being held in response to requests by tribal leaders and staff to provide them with training to better access state government resources and influence state policy and budgeting to meet the needs of their Pueblos, Tribes and Nations. The conference will focus on four key areas: *Working Effectively with State Government Executive Agencies, including the Indian Affairs Department; Using the New Mexico Legislative Process to Achieve Tribal Priorities; Best Practices in Improving Tribal Infrastructure and Strengthening Tribal Economic Development*. It is anticipated that the Conference will have approximately 45 presenters, many top-level tribal and state government officials, and many participants from all of the tribes, nations and pueblos.

Other Activities:

The IAD has acted as an intermediary, negotiator, and conciliator in various situations where a state agency and an Indian nation, tribe or pueblo faced a standstill in negotiations, a breakdown in communication or a lack of mutual understanding to resolve a shared issue.

In January and February of 2010, IAD'S cabinet secretary and general counsel facilitated negotiations between the Pueblo of Laguna and the New Mexico Department of Transportation ("DOT") regarding an authorization for a Construction Maintenance Easement across Pueblo of Laguna lands located on 1-40 at the Seama Interchange. The pueblo and the state agency had been stuck for two years on the language of the agreement, and as the "agreements to enter" were at the point of expiration, the DOT was in danger of trespassing. After a series of meetings, telephone calls, and a facilitated meeting, the IAD was able to assist the parties with reaching a mutually acceptable agreement. The written agreement contains important language maintaining

appropriate tribal jurisdiction and addresses uncertainties created by the State v. A-1 Contractors case. The agreement will be used as a template for other DOT projects. The opening of the Interchange occurred on April 27, 2010, where the IAD was acknowledged for their role in the process.

The IAD cabinet secretary and the IAD general counsel facilitated similar results in disputes between the Ft. Sill Apache Nation and the Regulation and Licensing Department, Ohkay Owingeh and the Regulation and Licensing Department, and the Pueblo of Pojoaque and the Taxation and Revenue Department. In each occasion the issue was resolved to the mutual benefit and satisfaction of both parties.

SECTION IV. CURRENT AND PLANNED PROGRAMS AND SERVICES FOR AMERICAN INDIANS / ALASKA NATIVES

To accomplish its Vision, Mission and Strategic Plan Goals and Objectives, the IAD's primary programmatic activities include:

- Assisting with developing and securing legislation and policy affecting tribes and Native Americans;
- Maintaining consistent high-level visibility of tribal concerns and issues in state government;
- Working to provide and leverage infrastructure funding to tribal entities;
- Working to provide Special Projects / Appropriations funding to tribal entities; and
- Providing training and technical assistance to tribes and state agencies.

These programmatic activities have been focused on accomplishing the goals outlined above that comprise the IAD 2008-2010 Strategic Plan as well as on addressing significant needs and priorities that have arisen unexpectedly. Accordingly, this section of the Annual Report is arranged to reflect the progress and accomplishments according to goals and objectives of the IAD Strategic Plan.

GOAL 1: Ensure equitable provision of state health services and resources to American Indians consistent with the government-to-government relationship.

Objective 1.1 – Facilitate inclusion of Native American health needs and the most significant tribal recommendations in the 2008 New Mexico Department of Health (“DOH”) Statewide Comprehensive Strategic Health Plan

As required by state statute, the Department of Health (“DOH”) and the New Mexico Health Policy Commission is required to develop the New Mexico Comprehensive Strategic Health Plan every four years and an update report of the Plan after two years of implementation. The Plan aligns strategies to specific entities responsible for each of the activities proposed, including tribal governments.

During FY 2010, IAD gathered information from tribal governments and health organizations regarding the initiatives and strategies that these entities have implemented in order address the 11 health issues of the Plan. The Department will provide DOH with the tribal government component of the update report at the beginning of FY 2011.

Objective 1.2 Collaborate with the New Mexico Health and Human Services (“HHS”) Departments to Increase Health Services to Native Americans

W.W. Kellogg Foundation Grant

The IAD sought to improve resources to address pressing health service issues during a time of budget cutbacks by pursuing private foundation funding. In June of 2009, the IAD secured a \$200,000 grant from the W.K. Kellogg Foundation. Throughout FY 2010, IAD collaborated with the Department of Health (“DOH”) to use these funds to support a variety of initiatives directly benefitting Native American health. These initiatives are described more fully throughout the Annual Report. The initiatives include contracting with a Native American Health Initiatives Coordinator, hiring a part-time Native American Health Coordinator at DOH, and hosting two health forums.

Indian Affairs Department Health Care Reform Forum

The IAD, along with the DOH Office of American Indian Health, UNM Center for Native American Health, the RWJ Center for Native American Health Policy, and with support from the W. K. Kellogg Foundation, sponsored a health forum on December 2-3, 2009. The Forum was named, “Stepping Closer to National Healthcare Reform: A Forum on Healthcare Reform and its Impacts on Indian Healthcare” and was held at the Indian Pueblo Cultural Center. The Forum was created as part of the IAD efforts to increase outreach on important health concerns impacting tribal communities, as well as increase tribal communities resources and capacity to address important health issues in their communities.

The goals of the forum were to engage with tribal leadership, community members, advocates and other stakeholders to:

- Build an understanding about the current status of healthcare reform at the national level;
- Understand the potential impacts of these proposals on Indian healthcare; and
- Strategize ways in which tribal communities can anticipate, plan, and support their communities as health care reform is implemented.

As a result of this Forum, the IAD published a report that outlines information regarding health care reform initiatives and the components of health care reform impacting American Indians.

In July 2010, the IAD is organizing a one-and-a-half day conference designed to increase understanding of health care reform, and to provide information regarding opportunities to fund and support behavioral health, substance abuse and suicide prevention. This event will bring in local experts to provided in-depth presentations on the new health care reform laws and the specific implications these new laws will have on tribal members, their families, and

communities. Conference participants will be provided with a general overview of prevention strategies and how they fit within the behavioral health system to protect youth from developing serious behavioral health issues. Presentations will also be made by New Mexico private foundations to increase tribal awareness of philanthropic resources available to assist tribes with addressing health issues in their communities. This conference will also be funded by the W.K. Kellogg Foundation.

Special Projects

The IAD administers three health-related special projects: 1) the Navajo Nation Emergency Management Program, funded for \$300,000, which provides emergency services to citizens of the Navajo Nation impacted by emergencies and disasters; 2) the Navajo Nation Uranium project, funded for \$50,000, which provides referral services to victims of uranium exposure; 3) the Isleta Recreation Program, funded for \$50,000, which provides staffing to work with the community to combat obesity and diabetes.

H1N1

During the first two quarters of FY 2010 the IAD provided assistance to the DOH as the state prepared for the widely-anticipated H1N1 outbreak. IAD recommended, coordinated, and facilitated a meeting between the DOH and tribal leaders and health representatives to provide information on the H1N1 vaccine distribution and community education about H1N1 prevention. The IAD also advocated successfully for portions of the federal Centers for Disease Control and Prevention (“CDC”) funding to the state to be provided directly to tribal governments to assist with their H1N1 planning, preparations and response. The IAD general counsel worked closely with the DOH general counsel’s office to develop the terms and conditions of the Intergovernmental Grant Agreements between the DOH and the tribes.

As a result, a total of \$444,757 from the CDC H1N1 funds was provided to the 22 tribes, nations and pueblos by the DOH through these Intergovernmental Grant Agreements. The IAD worked closely with DOH and tribes to ensure tribes were notified about the availability of this funding and that intergovernmental agreements were negotiated in a timely manner to provide for use of these funds. The IAD also ensured that tribal and Bureau of Indian Education schools, as well as IHS and tribal health facilities, were included in the information, ensuring that schools and hospitals would be included in alert notification. Otherwise, they would not have been part of the communication network and a coordinated response would not have been possible.

The IAD was also asked to participate on the Department of Homeland Security and Emergency Management’s H1N1 Food Continuity Taskforce to develop a plan for providing free meals to children and families if schools closed due the H1N1 or a disruption in food supply lines. The IAD was asked to help the Taskforce connect with tribal WIC, Head Start, Bureau of Indian Education (“BIE”), and other food distribution centers on Indian Reservation Programs to ensure that the entities were aware of the plan and who to contact in case of a breakdown in food delivery.

Expansion of Fee-for-Service to Tribal Communities

Over the course of eight months, the IAD worked with the Five Sandoval Indian Pueblos (“FSIP”) and the Behavioral Health Services Division (“BHSD”) of the Health Services Division to address concerns related to the expansion of fee-for-service for tribal providers serving Medicaid beneficiaries residing within the five pueblos. After a formal request for tribal consultation was submitted by the five Sandoval Pueblo governors, the IAD assisted the FSIP and the BHSD with convening the formal consultation session in December 16, 2009 with four cabinet secretaries as well as several subsequent workgroup meetings. As a result of these collaborative efforts, the FSIP and the BHSD came to an agreement regarding the fee-for-service structure and developed a plan for payment of services and a mechanism for monitoring fund expenditures in order to ensure both the appropriate use of such funds and support the provision of culturally-appropriate services to members of the five Sandoval Pueblos.

State-Tribal Quality of Life Collaborations

The IAD and the DOH also collaborated on the “State-Tribal Quality of Life Collaborations Project,” designed to increase equitable access by Native American children, families and communities to essential state government programs and services, particularly those related to health, education, community infrastructure and economic development. This Project has consisted of an integrated approach of targeted staffing, forums, training and technical assistance). This Project was funded by the W.K. Kellogg Foundation Grant.

The DOH hired a part-time Youth Health Coordinator (“Coordinator”) to collaborate with the IAD on joint Native American health initiatives. The Coordinator explored policy alternatives and assisted state departments and tribal entities with coordinating health prevention and promotion activities. Specifically, this position:

- 1) Assisted IAD with the 2010 review of tribal activities outlined in the 2008 comprehensive Strategic Health Plan, particularly by contributing to the listing of tribal activities in relation to obesity from 2008 to the present;
- 2) Worked with IAD to conduct the two Native American health Forums;
- 3) Implemented a diabetes and obesity prevention program for youth in three tribal communities; and
- 4) Participated and aided in the planning process and convening of the Milbank Policy Forum (described below).

The Coordinator, in cooperation with IAD, also implemented a multi-sector community-wide obesity and diabetes prevention initiative in three tribal communities. Each community brought together tribal leaders to develop a five year vision/first year action plan. Implementation of the plan began in the Fall of 2010. The three initiatives are:

- 1) Keeping Po Who Geh Owingeh Healthy – One Child at a Time (San Ildefonso);

- 2) Healthy Kids – Healthy Community – Healthy Santa Clara Pueblo (Santa Clara); and
- 3) Healthy Ko'tyit (Cochiti)

Milbank Forum

The IAD and the DOH also worked together to coordinated a forum entitled *Enhancing Policy through Advocacy and Collaboration: Healthy Kids, Healthy Tribal Communities*, for tribal leaders, State policymakers, and health officials held on June 28-29, 2010. The forum was sponsored by the Milbank Memorial Foundation and was hosted by Governor Robert Benavides of Isleta Pueblo at Hard Rock Hotel and Convention Center. Participants will have an opportunity to discuss effective and culturally-appropriate strategies that reduce the prevalence of obesity and Type II diabetes in New Mexico's 22 American Indian tribal communities. The forum provided information on existing and promising tribal practices and policies that enable the proliferation of a culture embedded with healthy food choices, physical activity, and healthier weights. The forum's objectives were to build local, state, and tribal initiatives that support the implementation of culturally relevant policies and programs, and to enable tribal communities to initiate the creation and sustention of a healthy culture.

Native America Health Careers Workgroup

Pursuant to his commitment at the 2009 State-Tribal Leaders Summit, Governor Richardson directed the DOH and the IAD to respond to the issue of recruitment and retention of Native American health professionals raised by tribal leaders at the 2000 State Tribal Leaders Summit. In FY 2010, the two departments convened meetings with various non-profits and other organizations to discuss current programs and proposed efforts for the recruitment and retention of Native American health professionals. As a result of these meetings, a report was provided to the Governor's Office that listed recommendations from no-cost to high cost efforts. The IAD provided a \$49,000 grant to the Center for Native American Health ("CNAH") at the University of New Mexico Health Sciences Center to support their health careers mentorship and student development program. The program was focused on developing more in-depth mentoring, increasing the number of allied health program partnerships and targeting additional rural schools.

Tobacco Cessation

In FY 2010 the IAD allocated \$370,000 through our Tribal Tobacco Cessation and Prevention Program, pursuant to Section 6-4-10, NMSA 1978, the state Tobacco Use Prevention and Control Program ("TUPAC"). The overall goals for this Program are to promote cessation and prevention of commercial tobacco abuse in Native communities, with special emphasis on Native youth, and to promote cultural awareness of the Native traditional and ceremonial use of tobacco as a means to strengthen cultural identity and resistance to commercial tobacco. Eight tribal and Native American-serving entities were selected for funding in FY 2010, receiving from \$17,000 to \$75,000. Through the activities of these eight entities more than 19,630 individuals were reached in FY 2010.

The IAD also hired Keres Consulting, Inc. (“Keres”) in FY 2010 to: evaluate program reporting and monitoring; be a liaison with TUPAC and the IAD funding grantees; develop and administer a survey of youth tobacco use and awareness; provide programmatic recommendations to the IAD regarding how to improve the use and management of these funds; make recommendations for grant allocation for FY 2011; and assist with developing a presentation and report to the Legislature’s Tobacco Oversight Committee.

In addition, the IAD retained Keres to conduct site visits to evaluate the Tobacco Cessation and Prevention programs funded through the IAD. These visits emphasized that each tribal Tobacco Cessation and Prevention program operates uniquely in order to be effective and relevant to each of the respective communities. The information received from these site visits allowed the IAD to identify the various successes achieved in FY 2010 by several of the grantees and also helped us to identify the challenges programs encounter in an effort to continuously improve their programs. As part of these efforts, a meeting was held with TUPAC in May to better understand the organization’s survey tool.

For FY 2011 only \$262,825 was appropriated to the IAD for Tobacco Cessation and Prevention Programs. On May 19, 2010 a Notice of Funding Availability was sent to all 22 tribes. An evaluation team consisting of two IAD staff members and one consultant reviewed eight proposals submitted for funding consideration for FY 2011. The IAD decided to supplement the TUPAC funding with IAD special project funding in order to fund all eight proposals at an appropriate level. In FY 2011 the IAD will complete the award process. The IAD will also continue to work with a consultant to improve oversight and management of the Tobacco Cessation and Prevention projects.

The IAD general counsel provides legal assistance regarding the issuance of the funding announcement, manages the time-lines and procurement code issues, reviews the proposals, and reviews the final Professional Services Contract prior to its release.

Objective 1.3 – Increase benefit to tribal health facilities from targeted state policy initiatives

FirstBorn Program

Through the W.K. Kellogg Foundation grant, the IAD hired a contractor to evaluate the cultural appropriateness of the FirstBorn program for tribal communities. The contractor consulted with the FirstBorn program, the Los Alamos National Laboratory Foundation, and the New Mexico Department of Health to assess the cultural component of the FirstBorn program. The contractor conducted site visits and interviews of program staff in the counties of Rio Arriba, Santa Fe, and Socorro, researched cultural appropriateness of the measures and tools used to evaluate such programs, and analyzed program curriculum with a health educator. An evaluation report regarding the cultural appropriateness of the FirstBorn program for tribal communities will be completed in FY 2011.

Strong Starts for Pueblo Children

The IAD is participating with the All Indian Pueblo Council’s (“AIPC”) “Strong Starts for Pueblo Children” initiative that was kicked off in April 2009. The AIPC was one of five New

Mexico organizations selected to join a new Everyday Democracy initiative that helps communities find ways to work together for the success of children. Through this initiative, the AIPC will bring together cross sections of tribal communities to work together on finding ways to improve conditions for Native children and families.

School-Based Health Centers

The Indian Affairs Department hired a contractor through a W.K. Kellogg Foundation grant to collaborate with Elev8 New Mexico and the Alliance for School Based Health to develop and produce a report that contains recommendations regarding measures that can be initiated, including associated costs, to increase the number of school-based health centers serving Native American students, specifically students in tribal and Bureau of Indian Education schools. The contractor has assessed the core characteristics and outcomes of the school-based health centers. Additionally, the IAD contractor is in the process of developing a preliminary advocacy strategy that can be utilized to facilitate the process to increase the number of school-based health centers in tribal communities. A final report will be submitted to IAD in August, 2010 and available to the public in September, 2010.

Objective 1.4 – Facilitate consideration of Native American behavioral health needs and concerns in state policy making and resource allocation

An important part of the IAD's efforts to improve health disparities involves working to enhance resources for Native American behavioral health. The State, through the Behavioral Health Purchasing Collaborative, provides behavioral health resources and services for thousands of New Mexicans, including Native American adults and children. The IAD is a member of the Purchasing Collaborative and the Chair of the Native American Subcommittee of the Behavioral Health Planning Council, both of which require coordinating and attending several monthly meetings. In these roles, IAD works closely with the Behavioral Health Services Division, the HHS Departments and the Stateside Entity ("SE") to advocate for Native American behavioral health issues and the needs of tribal consumers and providers.

The IAD ensured that the contract language for Native American behavioral health services was included in the RFP for a new SE; however, the Collaborative determined that it would not go forth with a RFP for a new SE. OptumHealth continues to be the SE and, as a result, the Collaborative entered into a Letter of Agreement with OptumHealth regarding other elements relating to their contract, such as establishing contracts with the remaining tribal health entities. The IAD is building a working relationship with OptumHealth to ensure that the Native American provisions of the contract are adhered to in a timely and effective manner.

Moreover, the IAD, in partnership with the Center for Native American Health, undertook a survey of Native American consumers and their experience with the New Mexico Behavioral Health System. Completed at the end of 2008, the study worked with Native community partner organizations to determine the "opinions, perceptions, and beliefs of some Native American consumers about their mental and behavioral health care." The purpose of the study was to improve the development and delivery of effective mental and behavioral health services in

Native communities. The Department will release the study findings to the Native American Subcommittee, the Collaborative, and other tribal communities in FY 2011.

Art and Leadership Program for Native American Girls

The Indian Affairs Department provided \$30,000 in funding for the O’Keeffe *Art and Leadership Program for Native American Girls* (“Project”). The Project consisted of two School-Based events and one Summer Intensive session. The Project utilized learning-through-the arts techniques, supported by highly trained staff, including community based presenters from the Navajo Domestic Abuse Shelter in Crownpoint. The art projects were combined with guided discussions focusing on personal wellness and healthy solutions for life-challenging situations.

The Girls’ Day School Based event was held at Tohatchi High School on May 6-7, 2010 with 38- ninth grade and 39-tenth grade girls participating. The second event was held on May 12-13, 2010 at Newcomb High School with 29- ninth grade and 32- tenth grade girls. The Summer Intensive Session was held at the College of Santa Fe from June 21-25, 2010. This program brought tenth grade participants from the Girls Day components to stay on a college campus. Most of the participants had spent little time away from home or off the reservation. The Project, envisioned as a pilot project that could be expanded in the future to other tribal groups, facilitated access to training and behavioral health support to girls who would otherwise have little or limited access to obtain such support.

Senate Memorial 4 Evaluate Benefits of Native American Soccer

Senate Memorial 4, passed by the New Mexico Senate in 2009, asked the IAD and the Department of Health to evaluate the positive health outcomes of the Native American Soccer Project (“NASP”) and the annual Indigenous Soccer Cup (“ISC”) organized by Southwest Youth Services. The study was the first ever comprehensive evaluation of the health outcomes of the NASP and the ISC. The study was completed with the assistance of the University of New Mexico, College of Nursing and the Robert Wood Johnson Foundation Center for Health Policy. The project measured health attitudes and behaviors by evaluating the responses of two hundred middle and high school ISC participants to the 2007 Youth Risk and Resilience Survey (“YRRS”). The results of the survey were compared with the 2007 YRRS results for New Mexico American Indian middle and high school students and all New Mexico middle and high school students. The findings demonstrated that ISC participants report fewer risky behaviors related to alcohol use and smoking among middle and high school aged participants. Additionally, high school aged ISC participants report higher rates of physical activity. The evaluation noted the positive impact of health education associated with the NASP and ISC programs and recommended that in the future a more comprehensive evaluation focusing on the health and social benefits of the programs be conducted.

GOAL 2: Promote meaningful collaboration and coordination between state and tribal governments.

Objective 2.1 – Secure state policy standardizing best practices in collaboration and consultation with tribal governments

State-Tribal Collaboration Act (“STCA”)

In FY 2009, the IAD secured the passage of legislation that standardized the state’s best practices for tribal collaboration. Since the STCA was signed into law on March 19, 2009, the IAD has had a central role in coordinating the efforts of the Governor’s Office, the Cabinet-level agencies and tribal governments to implement the various provisions of the STCA. The STCA requires:

- **Annual summit** - The governor and the 22 tribal leaders will be required to meet annually to address issues of mutual concern;
- **Communication and Collaboration Policies** - All 33 Cabinet-level agencies are required to develop and implement policies by December 31, 2009 that promote effective communication and collaboration and positive government-to-government relations with tribal governments as well as promote cultural competency in the provision of services to American Indians / Alaska Natives;
- **Tribal Liaisons** - All Cabinet-level agencies are required to designate a tribal liaison as a point of contact to ensure compliance with the proposed legislation, have regular contact with the agency’s cabinet secretary or their office, and maintain ongoing communication with the tribes;
- **Training for State Employees** – In order to give state agency managers and employees the greatest chance for success in working with their tribal counterparts, those who have regular contact with tribes will be provided training through the State Personnel Office. The training will be designed in collaboration with the IAD.
- **An Annual Report** – Each Cabinet-level agency is required to submit an annual report to the Governor’s Office through the IAD by July 31 on that agency’s implementation of STCA and listing the programs and services directly affecting American Indians and Alaska Natives. The IAD is responsible for compiling these into an annual report that will be submitted to the Governor’s Office and the state legislature.

2009 State-Tribal Leaders Summit

The first annual State Tribal Leaders Summit focused on tribal and state priorities in the areas of health, economic development, infrastructure, education, and state-tribal DWI coordination. The Summit resulted in a series of commitments by Governor Bill Richardson, several of his executive agencies and tribal leaders. Throughout FY 2010, the IAD worked along with the Governor’s Office and various Cabinet-level agencies to coordinate taskforces, workgroups and meetings to address the commitments made by Governor Richardson on the issues presented at the Summit. These efforts resulted in many accomplishments in the five topic areas. Throughout the year, the IAD tracked the progress made and actions taken to address those commitments. The developments and accomplishments were compiled in a status report that was shared and presented to tribal leaders at the 2010 pre-Summit meeting. The 2009 Summit Status Report can be viewed on the IAD website.

2010 State Tribal Leaders Summit

The 2010 State Tribal Leaders Summit was held on April 14, 2010 at the Isleta Casino and Resort, Isleta Pueblo, New Mexico. To prepare for the Summit, the IAD facilitated two meetings, in December 2009 and in January 2010, with the 22 tribal leaders to discuss how they wanted to plan for the 2010 Summit. At the January meeting, tribal leaders decided which tribal leaders would comprise the Planning committee for the 2010 Summit.

The IAD worked directly with the Planning Committee to prepare for the Summit and served as a facilitator and recorder for all Planning Committee meetings. The Planning Committee met five times in February, March and April to discuss and make decisions about all of the major aspects of the Summit, including the agenda, issues to be discussed, participants, location and other logistics.

The Planning Committee decided that the Summit would be conducted over the course of a full day, preceded by a full-day pre-Summit meeting. Isleta Resort and Casino was chosen by tribal leaders to host the 2010 Summit from among three proponents. The IAD worked closely with Penny Griego, the Resort Sales Director, to ensure the Resort, working in collaboration with the Pueblo of Isleta, completed all preparations for the Summit. The IAD applied for and obtained funding from the Kellogg Foundation to offset \$20,000 of the costs of the Summit. The Pueblo of Isleta and the Isleta Resort and Casino bore the majority of the costs of the Summit.

At the Planning Committee's direction, the IAD sent a survey to the leadership of all 22 tribes on February 4, 2010. Based on the tribal leaders' response to this survey, the Planning Committee focused on three broad topics at the Summit: Tribal Economic Development; Tribal Infrastructure; and Indian Education. Individual tribes still had the discretion to raise additional topics through tribal position papers or by seeking an individual meeting with Governor Richardson. This survey, and a follow-up Survey sent on February 26, 2010, gave all 22 tribes the opportunity to identify more specific issues within these broad topics as well as proposed solutions to be discussed at the Summit. IAD cataloged all the responses and assisted the Planning Committee with reviewing all the responses, identifying the main tribal concerns in the three topic areas and developing thirteen actions requested of Governor Richardson to address these concerns. Draft Issue Papers describing these proposed issues and solutions were created by the Planning Committee with assistance from the IAD. The draft Issue Papers were sent to the leadership of all 22 tribes to provide comments before they were finalized and sent to Governor Richardson.

After the Issue Papers were received by Governor Richardson, the IAD worked with the cabinet secretaries and tribal liaisons from agencies directly responsible for those topics and coordinated with them to create responses for Governor Richardson to consider in addressing the specific issues at the Summit. Additionally, Governor Richardson's Office added a fourth topic to the Summit agenda: State-Tribal DWI Collaboration. IAD met with the DWI Czar's office and assisted them with drafting an Issue Paper to be shared with tribal leaders. The DWI Issue Paper was sent to the tribal leaders prior to the Summit. At the request of the Planning Committee, the IAD developed a DWI Issue Template to assist tribal leaders in preparing their response to Governor Richardson's requested actions.

At the 2010 pre-Summit meeting, the IAD assisted tribal leaders with final preparations for the Summit by preparing presentations on the finalized Issue Papers, selecting presenters and speakers, and presenting the 2009 Summit developments and accomplishments. The pre-Summit meeting was followed by an invitation-only evening reception and dinner between Governor Richardson and state and tribal leaders. The 2010 Summit included a full day of discussion between the 22 tribal leaders and Governor Richardson and several state executive agencies and resulted in several commitments. The Governor's Office directed thirteen cabinet secretaries (or their deputy secretaries, if they were not available) and all 33 tribal liaisons to attend the Summit. He also invited the Executive Director of the New Mexico Finance Authority and his key staff to participate in the Summit. Finally, he invited the New Mexico Indian Affairs Commission to attend the Summit as part of his delegation.

As with the 2009 Summit, the IAD will work with the Governor's Office, specific agencies and tribal leaders throughout the remainder of FY 2010 and in FY 2011 to ensure follow-up on the issues identified by the tribes and the state.

State Agency Tribal Communication and Collaboration Policies

As noted above, the State-Tribal Collaboration Act mandates that every state agency develop and implement policies promoting positive government-to-government relations, culture competency in the delivery of programs and services, and a method for notifying state agencies about the policy by December 31, 2009. The IAD worked closely with state agencies and tribes and was instrumental in facilitating the policy development process.

On June 30, 2009, the IAD convened a meeting with state and tribal representatives to garner input for the development of agency policies. Based on the input received, the IAD created a template and guidelines outlining core principles for state agencies to follow in developing their policies. Additionally, state agencies and tribes recommended that the 33 Cabinet-level agencies be divided by broad topic area and work together to draft their respective policies.

As a result, the IAD worked with the Governor's Office to establish the following six policy groups:

- Healthy New Mexico
- Making Schools Work
- Efficient Services for New Mexicans
- Promoting and Growing New Mexico
- Protecting and Promoting New Mexico's Environment, and
- Safer New Mexico.

Each group was comprised of a state and tribal co-chair, state tribal liaisons, tribal leaders and/or their designees. These groups met during the fall of 2009 to develop overarching agency policies that each agency would adopt individually. The IAD Policy Unit was instrumental in working with all six policy groups, particularly the two co-chairs, to ensure the process was inclusive of tribal participation and the resulting policies fulfilled the legislative intent. Throughout the process, the IAD also assisted each group with keeping tribes informed of the progress and

continuously request input on the draft policies. The IAD worked closely with the Governor's Office to ensure that, on December 18, 2009, all 33 Cabinet-level agency policies were signed and adopted. The policies can be viewed at the IAD website.

Tribal Liaisons

The IAD promotes interagency communication and collaboration through ongoing communication and collaboration with the state tribal liaisons. The IAD maintains current contact information for tribal liaisons and provide ongoing support on a variety of issues, including the implementation of the State-Tribal Collaboration Act. Additionally, we held four quarterly tribal liaison meetings in FY 2010 on:

- July 16, 2009
- November 24, 2009
- March 24, 2010, and
- June 22, 2010.

These meetings provide tribal liaisons with the opportunity to update one another on the work the agency is doing with regard to tribal issues and to share agency efforts and best practices for tribal collaboration.

Despite agency turnover and the hiring freeze, the IAD ensured that all agencies satisfied the statutory mandate of designating at least one tribal liaison. At the end of FY 2010 there were 45 tribal liaisons designated in the 33 Cabinet-level agencies. However, due to the hiring freeze, several full-time tribal liaison positions have become vacant. The tribes and state agencies have identified agency tribal liaisons as critical elements in developing and promoting positive government-to-government relations. As such, the IAD will continue to advocate that these positions be filled.

Training

During the fall of 2009, the IAD and the State Personnel Office ("SPO") began work to develop the training and curriculum to be provided to state agency managers and employees. These efforts were kicked off with the convening of a state-tribal workgroup comprised of state tribal liaisons and tribal leaders and/or their designees. The workgroup provided valuable input on key concepts for working effectively with tribes and helped shape the core content for the training curriculum.

Using funding provided through a grant from the W.K. Kellogg Foundation, the IAD and the SPO contracted with the American Indian Law Center to develop the training module based on the input received from the state-tribal workgroup. A pilot training session was held on May 24, 2010 at the Institute of American Indian Arts with over 35 state agency participants. The day-long training involved tribal leaders who presented on Native American core values and engaged participants in a question and answer session on working with tribal governments. Additionally, participants were introduced to the fundamental principles of tribal sovereignty, tribal governments and tribal law, and gained tips for working effectively with tribes. The day ended

with an open discussion with participants providing feedback on the training and a participant survey.

Based on the input received from the pilot training, the IAD and the SPO are currently in the process of revising the training curriculum and anticipate that a second pilot training session will be held in September along with a “Train the Trainer” session for state agency tribal liaisons and other employees interested in conducting the training.

Objective 2.2 – Increase mutual understanding and respect between state and tribal governments

American Indian Day at the Legislature

The IAD convened a planning committee and completed various tasks to coordinate and host the 23rd American Indian Day on February 5, 2010 at the New Mexico Legislature. Throughout these events, numerous state and tribal leaders spoke to significant progress made in state-tribal relations in the areas of health and human services, education, infrastructure, natural resources, and the environment. American Indian Day included various speeches by tribal leaders from the Navajo Nation, Mescalero Apache Tribe and several Pueblos, as well as performances from a variety of youth dance groups. On the eve of American Indian Day, the IAD worked with Santa Clara Pueblo to organize a special reception for tribal and state leaders at the Santa Claran Hotel and Casino.

Communication with Constituents

The IAD ensured that formal congratulatory correspondence was sent by both Governor Richardson and Secretary Warren to the returning and new leadership of the 22 tribes, nation, and pueblos. The IAD letter included a packet of key information about state government to make tribal leaders aware of key state legislation, policies and staff to assist them with meeting the needs of their communities.

Amidst the state fiscal crisis, the IAD Public Information Officer position was separated in December, 2009 and entirely eliminated from the IAD FY 2011 budget. Nevertheless, the IAD dedicated a portion of available staff time and resources to ensure that the IAD continues to provide critical information to our constituents and stakeholders.

In particular, the new IAD TTAC made great strides in improving the ways in which the Department communicates with tribal constituents and the public at large. In particular, vast improvements were made to the IAD “News Blast.” The News Blast is an electronic newsletter sent three times a week to an extensive list-serve of tribal leaders, administrators, tribal liaisons, cabinet secretaries and a many other interested parties. Improvements to the news blast include links imbedded within the document that take viewers to various opportunities, including myriad funding and grant opportunities, as well as a calendar of meetings and events for tribal officials. The IAD website was also improved through better organization and the removal of items that were not pertinent to the function of the Department. This continues to be an area that, over time, will continue to improve substantially. In addition, The TTAC created promotional materials House Bill 162: Severance Tax Bonds for Tribal Infrastructure.

Additionally, two IAD newsletters (“I-News”) were distributed, highlighting many of the IAD’s unique and important accomplishments.

Finally, the cabinet secretary gave more than 60 keynote speeches and other presentations around New Mexico to educate the general public, tribal leaders, state policymakers and tribal constituents about the full spectrum of issues facing Indian people in the state.

Objective 2.3 – Facilitate consideration of Native American concerns and recommendations in state policy making, resource allocation and service provision

To facilitate consideration of Native American concerns and recommendations in state policy making, resource allocation and service provision, the IAD Policy Unit works with state departments and tribal leadership to create policies intended to improve the quality of life for Indian citizens of New Mexico. Under the direction of Governor Richardson, tribal leadership, Secretary Warren, and members of the New Mexico Indian Affairs Commission, the IAD Policy Unit works to:

- Identify state-tribal policy priorities and conduct research;
- Bring together state and tribal decision makers and policy experts to implement state-tribal policy priorities;
- Serve as a clearinghouse to provide information to state and tribal decision makers and policy experts;
- Support and monitor governor and tribal approved state legislative initiatives during New Mexico’s legislative sessions;
- Provide information and training to state departments and tribal governments; and
- Attend the Interim Indian Affairs Committee and respond to questions and requests for information from the committee.

2010 Legislative Session (January 19-February 18, 2010)

Much of the Policy Unit’s activities are significantly affected by the outcomes of the yearly legislative session. During the 2010 Legislative Session, the IAD developed and worked with Governor Bill Richardson and Speaker of the House of Representatives Ben Lujan to secure enactment of House Bill 162– *Severance Bonds for Tribal Infrastructure*. This legislation was a top priority of the Governor, the IAD, the Tribal Infrastructure Board and tribal leaders. Its enactment ensures that approximately \$10 million every year will flow to the Tribal Infrastructure Fund from the Severance Tax Bond Fund. House Bill 162 was signed into law by Governor Bill Richardson on March 5, 2010.

Moreover, the IAD tracked 65 Indian-related bills and completed 29 Fiscal Impact Report requests from the Legislative Finance Committee. The following outlines other Indian-specific legislation signed into law by Governor Richardson during the 2010 Legislative Session:

- House Bill 90 – *Native American Schools Dual Credit* (sponsored by Representative Ray Begaye) – expands dual credit eligibility for students attending Federal Bureau of Indian Education (“BIE”) high schools. As a result, high students will have the opportunity to

simultaneously earn high school and college credits by completing academic courses from an accredited tribal college in New Mexico.

- House Bill 264 – *Indian Law Institute for Legislators* (sponsored by Representative Patricia Lundstrom) – appropriated \$5,000 for a one-day informational institute for legislators pertaining to the foundational principles of Indian law.
- Senate Bill 59 – *Extend Tax Sharing Agreement Terms* (sponsored by Senator Phil Griego) – extends the period (up to 20 years) of the gasoline tax revenue sharing agreements between the State and the two Pueblos of Nambe and Santo Domingo. The law will ensure the two pueblos continue to receive dedicated revenues that are utilized for tribal infrastructural needs.
- Senate Bill 107 – *Indian Arts and Crafts Crimes Consistencies* (sponsored by Senator Lynda Lovejoy) – increased the penalties for willful violations of the New Mexico Indian Arts and Crafts Sales Act. This bill will ensure the legitimate sale of authentic Native American art and preserve the integrity of pueblo and tribal culture embedded in the State.

2010 Special Legislative Session (March 1-4, 2010)

Amidst the dire economic conditions of the State, the New Mexico Legislators were not able to reach agreement on revenue enhancements or finalize the General Appropriation Act during the 2010 Regular Legislative Session. As a result, Governor Bill Richardson convened the 2010 Special Legislative Session, during which the legislative body passed House Bill 2 – *General Appropriation Act of 2010* (sponsored by Representative Kiki Saavedra) – authorizing appropriations and expenditures of State agencies. Appropriations allocated for Native American programs and initiatives (not including capital outlay) totaled \$7.3 million, which included \$3.5 million to IAD for general operations and special projects, and \$3.8 to other state agencies for all other Native American related initiatives.

The following outlines other legislation of interest to tribal communities that was signed into law by Governor Richardson as a result of the 2010 Special Legislative Session.

- House Bill 3 – *Cigarette Tax Increase and Tribal Stamp* (sponsored by Representative Gail Chasey) – increases the cigarette excise tax rate to \$0.75 per pack and adjusted the distributions to the beneficiaries in order to ensure that the revenues from the tax increase is applied to the General Fund. The IAD worked with the Governor's Office, tribal leaders and legislators to secure the tribal language in HB 3. Accordingly, the bill also revised the current cigarette tax exemption for tribal cigarette sales to be predicated on certification by each particular tribe that it has imposed a "qualifying tribal cigarette tax" of at least \$0.75 per pack. The effects of this bill will only be in place for four years (July 1, 2010 to June 30, 2014), at which time the cigarette tax rate, discounts for stamps, distributions to beneficiaries and the tribal tax-credit stamps revert back to the previous laws.

- House Bill 5 – *Severance Tax Bond Projects* (sponsored by Representative Jim Trujillo) – authorized \$41.8 million from Severance Tax Bond capacity and approximately \$3.9 million from other state funds for various capital outlay projects statewide, including projects located on Indian lands. The IAD worked with the Governor’s Office, tribal leaders and legislators to secure a portion of these funds for tribal projects. Accordingly, appropriations include \$2.5 million to be allocated by the Tribal Infrastructure Board for tribal infrastructure projects.
- Senate Bill 1 – *Capital Outlay Projects General Obligation Bonds Act* (sponsored by Senator Carlos Cisneros) – authorizes the issuance of general obligation bonds for statewide capital outlay projects. Bond issues relating to Native American capital outlay projects include funding for tribal senior citizen facilities and improvements, tribal libraries acquisition and construction, a tribal wellness center and included \$5.3 million for four tribal schools and institutions.

Indian Education

As a follow up to commitments made during the 2009 State-Tribal Leaders Summit, the IAD worked closely with Public Education Department (“PED”) Secretary Veronica Garcia to create the Native American Education Task Force. The Task Force was asked to oversee the November, 2009 Native American Solutions Summit (“NASS”). The NASS was part of the Governor Richardson’s three-part achievement gap summit series to address closing the academic achievement gaps for ethnic minorities and bring back dropouts to receive their high school diplomas. The Task Force was to examine and recommend strategies through the NASS to:

- Provide more resources to school districts with significant Native American student populations;
- Support curricula that better prepares Native American students for advanced learning skills and appropriately incorporates Native language, culture and history content while ensuring schools met the requirements of the No Child Left Behind Act; and
- Identify strategies to recruit and retain Native American teachers.

The IAD and Task Force members attended the NASS. Following the NASS, the IAD and the PED convened the Task Force and together created a matrix aligning recommendations from the NASS, the 2009 State-Tribal Leaders Summit, and the Indian Education Advisory Council. The matrix was included in the overall Solutions Summit Report. Moreover, the Task Force submitted its top priority recommendations to the IAD and PED Secretaries for consideration in the upcoming year.

The IAD also participated in several other Indian education-related initiatives/activities in FY 2010, including:

- Collaborating with the PED on rounds one and two of the state’s Race to the Top applications for education reform funding. The IAD’s work focused on ensuring that the applications included specific initiatives/actions from the 2009 Native American

Solutions' Summit Report matrix, as well as tribal leaders' requests from the 2010 State Tribal Leaders Summit, The PED Government-to-Government Meetings;

- Attending the All Indian Pueblo Council ("AIPC") Indian Education Meetings, including providing input on the AIPC's position statement on the Department of Education's Blueprint for the Elementary and Secondary Education Act ("ESEA") Reauthorization; and
- Attending the Tribal Consultation at Santa Clara Day School on the ESEA blueprint.

The IAD also participates on over twenty state boards, commissions, and committees some of which are highlighted below.

Behavioral Health Purchasing Collaborative

The IAD is a voting member of the Interagency Behavioral Health Purchasing Collaborative. As such, IAD is responsible for attending and staffing the meetings as well as participating in subcommittees and initiatives of the Collaborative. For more information, see Goal 1 above.

Behavioral Health Planning Council

The IAD is statutorily named as an ex-officio member of the New Mexico Behavioral Health Planning Council, a statewide behavioral health policy and planning council of members appointed by the Governor. The IAD monitored and participated in the following initiatives and issues:

- The reorganization and sustainability of the Planning Council;
- The development of the FY 2011 Planning Council Strategic Priorities;
- The development of the Policies and Procedures of the Planning Council; and
- The chairmanship of the Native American Subcommittee of the Planning Council.

American Indian Health Advisory Council

The American Indian Health Advisory Council ("AIHAC") was created in 2006 to provide guidance to the New Mexico Department of Health on issues impacting American Indian populations residing in New Mexico. The Council develops strategies to:

- Eliminate health disparities among American Indian populations residing in New Mexico;
- Identify and provide technical assistance and strategize training needs for American Indian communities; and
- Identify and address gaps in the existing healthcare delivery systems.

The IAD is an ex-officio member of AIHAC.

Code Talkers Documentary Screening, Negotiation and Lawsuit

In 2006, the Legislature and the Governor's Office allocated \$450,000 for the making of a documentary to honor the contribution of the Navajo Code Talkers during World War II. The

Department entered into a Professional Services Contract (“PSC”) for this project. Standard PSC contract indicates that the state would fully own the project product. On July 17, 2009, the IAD presented a private screening of this documentary to the Navajo Code Talkers and their families at the El Morro Theater in Gallup, NM. The Code Talkers indicated that the film did not meet their expectations with regard to story content, quality, editing, and cultural competency. The contractor has asserted partial ownership of the film, and has been marketing the product through the internet. As a result, the Department cannot engage future contractors to complete the project until the cloud on the title is cleared. After a year of negotiation, the Department ended FY 2010 preparing to file suit for declaratory relief in state court. The IAD will meet with the Navajo Nation Office of the Vice President, the Navajo Nation Speaker’s Office, and the Navajo Code Talkers Association to seek their support. Efforts to settle this case in favor of state ownership of the product will continue in FY 2011.

Objective 2.4 – Improve interagency coordination to better address Native American needs and concerns

Throughout the year, the IAD works continuously to improve inter-agency coordination to better address Native American needs and resources.

Tribal Liaisons

As described above under Objective 2.1, the IAD convened four State Tribal Liaison meetings in FY 2010 to better coordinate the efforts of the tribal liaisons as well as share best practices.

Census Information Center

The IAD signed an original MOA with the U.S. Census Bureau to become a Census Information Center (“CIC”) in November of 2006. IAD renewed the MOA with the Census on January 8, 2008 and this MOA will be in effect until December 31, 2010. CICs are “national, regional, and local nonprofit organizations representing and/or serving the interests of underserved communities (racial/ethnic groups, children, rural areas, disabled etc).” The CICs provide awareness of and access to Census Bureau data for program planning, needs assessment, policy development analysis, and advocacy by underserved communities.” As a CIC, the IAD duties for the coming year include disseminating census data to our communities; providing access to census data and products; providing technical assistance to data users; and supporting outreach, promotion, and recruitment efforts associated with the 2010 Census.

Constituent Requests

The IAD receives a number of constituent requests throughout the year from the Governor’s Office and directly from tribal leaders, Native Americans and the general public. The Capital Outlay Unit in particular receives requests on virtually a daily basis by tribal entities to assist with capital projects. As part of our mission and goals of the Department, we work to respond to constituent requests in a timely fashion, providing needed information or connecting them with resources they need.

Interagency Communication

The IAD PIO and, now, the TTAC, keeps tribal liaison contact information current, communicates regularly with liaisons, and invites liaisons to contribute articles to our I-News newsletter. The PIO communicated regularly with other agency PIOs, and shared information on issues that affect New Mexico tribal communities. The cabinet secretary, deputy secretary and Policy Unit also communicated regularly with agency tribal liaisons on the wide variety of issues addressed by the IAD in FY 2010, many of which are mentioned in elsewhere in this report.

GOAL 3: Improve tribal governmental capacity to effectively compete for greater funding for and complete infrastructure projects.

Objective 3.1 – Explore establishment of a “Planning and Technical Assistance” program within the IAD

During the fall of 2008, the IAD Capital Outlay Unit (“COU”) completed an evaluation of the need for a Planning and Technical Assistance Program. Based upon this, the IAD submitted an expansion request in our FY 2010 budget request to create a new, full-time Training and Technical Assistance Coordinator. This new position was approved in House Bill 2. Subsequently, in August of 2009, the IAD filled this position. The TTAC provides technical assistance and information to and develops training opportunities and resource documents for our Native American constituents throughout the year. A description of the TTAC duties and responsibilities are addressed in the job description in the organizational chart section of this document.

Objective 3.2 – Support creation of up-to-date comprehensive tribal infrastructure plans

In FY 2009, the IAD and the American Indian Chamber of Commerce of New Mexico (“AICC”) collaborated to design and use a Tribal Assessment Tool to research significant tribal infrastructure needs and interests and to bring greater and more diverse opportunities for economic development to the twenty-two tribes, nations and pueblos in New Mexico. AICCNM conducted a survey with the following anticipated outputs: 1) a profile of the status of the tribe’s essential infrastructure; 2) a determination of whether the tribe may need to create or update their comprehensive infrastructure plan; 3) an assessment of other funding and technical assistance available to support the creation of such a plan; 4) an assessment of each tribe’s existing economic development conditions and readiness for economic development; and 5) an identification of assistance that the AICC and State of New Mexico could provide to each tribe’s economic development and infrastructure efforts.

During the first two quarters of FY 2010, the AICC continued to revise and refine the final Report on Assessment Tool and Tribal Infrastructure Profile. The Report and Profiles were submitted to and approved by 74 tribal communities representing the twenty-two tribes, nations and pueblos.

Part One of the Report addressed the Capital Infrastructure capacity of tribal communities and assessed capital facilities and land assets under public ownership, or operated or maintained for public benefit, that are necessary to support development and redevelopment and to protect the public health, safety and welfare. Infrastructure systems include transportation, energy, telecommunications, farmland retention, water supply, wastewater disposal, storm water management, shore protection, open space and recreation, recreational facilities, solid waste management, public health care, public education, higher education, arts, historic resources, public safety, justice, corrections, public administration, and public housing. Part Two addressed Economic Development capacity, including infrastructure, facilities and programs that contribute to economic development potential such as industrial sites, zoning that matches market realities, transportation infrastructure etc. Part Three addressed Strategic Planning and Civic Capacity including the community vision, strategic planning, trained leadership, functional organizations, partnerships and collaboration. An individual Profile was completed of each tribe, nation and pueblo as well as individual Navajo chapters.

The Final Report identified several key concerns, including: 1) there are significant tribal infrastructure needs in tribal communities, particularly regarding emergency and public safety facilities, water and wastewater systems; 2) 63% of responding tribes and Navajo chapters either do not have comprehensive infrastructure plans to prioritize and plan how to address these needs or have plans that are more than five years old; 3) 85% of responding tribes and Navajo chapters need additional resources to create such infrastructure plans and 4) 70% of responding tribes and Navajo chapters need additional assistance to develop such plans.

In terms of next steps, the findings of the Final Report and individual Profiles helped the IAD to justify the need for HB 162. In addition, the IAD will present information on the development of comprehensive infrastructure plans as part of the 2010 State-Tribal Collaboration and Capacity Building Conference scheduled for July 29, 2010.

For more information about the findings of the study, please consult the Final Report, available at the IAD offices.

Objective 3.3 – Encourage and assist the Navajo Nation with implementing policies and practices to improve capital outlay project planning, approval and completion

Our efforts in this area have been ongoing for several years. In FY 2010, the IAD COU and Navajo Nation Capital Improvement Office continued our process to reconcile the capital outlay status information on at least a quarterly basis. The meetings are held in Window Rock and Santa Fe alternately and allow both entities to discuss Capital Outlay projects in depth. Status lists are provided by the IAD. Each Navajo Nation capital outlay project status is reviewed and discussed. Of particular concern are projects that have been reauthorized one or more times and are not progressing. Projects with no scope of work or contractual issues are examined for justification. Other initiatives in process are discussed and follow-up assignments are distributed for the next meeting. This process has proved to be quite successful as it allows both entities to identify problem areas that need follow-up to assure progress and project close-out in a timely manner.

In addition, the IAD hired a Navajo contractor to work with Chapter officials, staff and others in the field to ensure capital projects were completed. Some of the tasks performed by this contractor to help facilitate capital projects were:

- Identification of capital projects that were stalled and not progressing;
- Assisting project sponsors in understanding the legislative intent and provisions of the Joint Powers and Grant Agreements;
- Assisting various project sponsors with Navajo Nation policies and procedures that related to their projects;
- Assisted project sponsors with Navajo Nation procurement procedures;
- Assisted project sponsors with submitting appropriate documents through Navajo Nation Finance Department;
- Assisting project sponsors with various reports relating to their projects; and
- Coordinating meetings between various governmental agencies and project sponsors to address various issues and concerns relating to their capital projects;

Through this process, it is important to note that the Navajo Nation Capital Outlay process has been improved and projects are being completed in a more efficient and timely manner.

Also in support of this objective, IAD convened a leadership-level Capital Outlay Workgroup representing the Navajo Nation and the State of New Mexico. In FY 2010 the IAD cabinet secretary convened two formal meetings of this workgroup, which focused most of its efforts on collaborative efforts to manage the situation created by the Capital Outlay Freeze mandated by Governor Richardson on October 26, 2009. These workgroup meetings complemented the formal Navajo-COU reconciliation meetings that were convened quarterly by the COU manager or the general counsel, who acted as COU manager for three months. These, along with the many other times such discussions were held telephonically or in person, fostered communication and collaboration toward successful funding and completion of Navajo Nation Capital Outlay projects and compliance with state law and Executive directives regarding potentially non-viable projects.

Objective 3.4 – Provide tribal-focused infrastructure planning workshops

Despite the Capital Outlay Freeze of 2010, the IAD COU continued to provide individualized daily technical assistance to tribes by telephone, meetings in the office and on location in New Mexico's tribal communities. COU staff assisted tribal representatives with information about capital project allocations, approaches, recommendations and alternatives to completing State funded capital projects. This included review of contract compliance issues and guidance on how to complete and submit Quarterly Status Report/Request for Payment. COU staff also provided an overview on the requirements for planning and designing a project including necessary clearances such as environmental and archaeology clearances and right of way.

The IAD COU also served as an organizing partner for New Mexico Infrastructure Finance Conference. The conference was held at Isleta Resort in October 2009. The intent of the conference was to provide workshops relevant to New Mexico communities and provide information about financing and technical assistance to facilitate the planning and

implementation of much-needed capital projects. The conference provided three days of sessions and workshops filled with presentations about planning, tourism, utilities, water and wastewater, economic development, transportation, and other public infrastructure. The conference also offered the opportunity to meet with key contacts that can answer questions and guide communities as they bring planned projects to realization. The conference theme was “The Up Side of Down.” The COU organized a “Tribal Track,” offering four workshops specifically relating to tribal communities and initiatives. The workshops for October 2009 included: *NM Tribal Infrastructure Profile and Economic Development Assessment Tool*; *Emerging Economic Development Opportunities for New Mexico Tribes*; *E-Solutions for Tribal Infrastructure Resource Development*; and *Community Planning – Putting the Plan into Action*. The Tribal Track has resulted in increased attendance from tribal communities throughout the state.

The Tribal Resource Guide and the New Mexico Native American Programs and Services Directory were released to tribal constituents in August 2009 and January 2010, respectively (See Section III. Agency Efforts to Implement Policy). These resource guides help to provide tribes with easier access to detailed sources of funding and technical assistance for capital improvement and other projects. The IAD TTAC posted both guides on the IAD website.

In previous years, the IAD COU provided training and technical assistance to tribal communities throughout the State. However, in FY 2010 -- due to the extraordinary and overwhelming actions required to implement the Capital Outlay Freeze, SB 182 and to revive projects and project agreements, and the significant COU staff turnover beginning in January, 2010 -- COU staff had no time to conduct these trainings. However, in the final two quarters of FY 2010, IAD planned the first ever State-Tribal Collaboration and Capacity-Building Conference, which is scheduled to take place on July 29, 2010. The Conference, funded by the W.K. Kellogg Foundation, is being convened in response to requests by tribal leaders and staff to provide them with the necessary training and tools to be able to better access state government resources and influence state policy and budgeting needs on behalf of their Pueblos, Tribes and Nations. Tribal leaders and senior managers from all 22 tribes, nations and pueblos were invited to participate in the Conference at no cost. The Conference will focus on four key areas: *Working with State Government Executive Agencies including the Indian Affairs Department*; *Using the Legislative Process to Achieve Tribal Priorities*; *Learning Best Practices in Improving Tribal Infrastructure and Strengthening Tribal Economic Development*. The Tribal Infrastructure tract will include five presentations on “Developing Infrastructure Capital Improvement Plans (“ICIP”)”, “Using the Uniform Funding Application to Secure Funding for Tribal Water and Wastewater Projects,” “Developing Comprehensive Tribal Infrastructure Plans”, “Effectively Planning and Managing a Tribal Infrastructure Project” and “The New Tribal Infrastructure Fund: Permanent Funding for the Future of Tribal Communities.”

Objective 3.5 – Explore options to improve capability of the Tribal Infrastructure Fund to provide consistent and adequate financial resource

At the inaugural State-Tribal Leaders Summit in May, 2009, several tribal leaders raised with Governor Bill Richardson serious concerns that their communities continue to lack adequate water and wastewater systems, electrical power lines, communications, health and emergency response facilities, and roads. To address this challenge, tribal leaders expressed a need to

increase resources for tribal infrastructure projects, particularly through identifying a permanent funding source for the TIF.

Accordingly, on October 14, 2009, Governor Richardson directing the Tribal Infrastructure Fund Board (“TIF Board”) to conduct a comprehensive review of factors relevant to increasing resources for tribal infrastructure and provide concrete recommendations, including developing legislative proposals and options to increase funding and create a permanent funding source for the Tribal Infrastructure Fund.

Toward this end the TIF Board held three Special Meetings on November 10, November 17 and December 4. Presentations were received by representatives of federal and state agencies and tribal governments. The final report, provided to the Governor’s Office in December, 2009, contained six recommendations including “Enact Legislation Establishing a Permanent Allocation of 7% of Annual Senior Severance Tax Bonding Capacity to the TIF.”

In January, 2010 the IAD worked closely with Governor Richardson, his key legislative and legal staff and with Speaker of the House Ben Lujan and determined to pursue legislation in the 2010 Session to create a permanent funding stream to the TIF. Governor Richardson included a reference to this legislation in his final State of the State Address on January 19, 2010. IAD worked with the Governor’s Office, DFA and NMFA to draft HB 162 – Severance Bonds for Tribal Infrastructure, which was introduced by Speaker Lujan on January 25, 2010. HB 162 automatically allocates 5% of the annual Severance Tax Bond capacity to the TIF, amounting to an average of \$10 million per year – doubling the previous annual appropriations to the TIF.

IAD collaborated with tribal leaders and their representatives, the Governor’s Office, legislators, the Indian Affairs Commission and many other advocates to coordinate all efforts to obtain passage of HB 162. This included creating public materials and talking points in support of HB 162, tracking and informing stakeholders and supporters about legislative committee hearings on HB 162, cultivating allies and supporters, providing testimony alongside Speaker Lujan on HB 162 at each committee hearing and assisting as an expert witness during floor consideration. As a result -- even in the midst of one of the most significant financial crises facing New Mexico -- HB 162 was passed by both the New Mexico State Senate and House of Representatives and signed into law by Governor Richardson on March 5, 2010. It will become effective July 1, 2011.

Goal 4: Improve use of comprehensive funding strategies for tribal infrastructure projects.

Objective 4.1 – Assess need and opportunities to prioritize and increase funding for tribal infrastructure projects

The TIF Board, during its special meetings in the Fall of 2009, heard presentations from the Public School Capital Outlay Council (“PSCOC”) and the Water Trust Board (“WTB”) regarding their processes for prioritizing capital outlay funding requests. These processes were analyzed and included in the report provided to Governor Richardson. In FY 2011, the IAD and the TIF Board will review these processes in greater detail along with that of the Aging and Long

Term Services Department. The IAD also intends to work with tribal leaders to explore the advisability and options for prioritizing tribal projects, particularly in light of the significant decrease in funding available to support general capital outlay projects statewide and the need to effectively plan for and utilize the permanent TIF funding created by HB 162.

Native Green Loan Fund

With Governor Richardson's signing of HB 162, IAD is positioned to create additional partnerships to leverage TIF dollars. One such partnership would create an affiliated New Mexico Native Green Loan Fund ("Loan Fund") to increase incentives and resources for green and "greened-up" tribal infrastructure projects using private foundation Program Related Investing ("PRI") resources. The Loan Fund would support green and "greened-up" tribal infrastructure projects because often time these projects lack sustainability and green design elements due to a lack of knowledge, incentives and capital. More specifically, the Loan Fund would augment our existing and highly-successful TIF program and provide 'green' options to tribal infrastructure projects.

Throughout FY 2010 the IAD has worked to develop this initiative with Confluence Philanthropy, a network of practitioners that build capacity and provides technical assistance to enhance the ability of foundations and non-profits to pursue mission related investing strategies, and with Social Enterprise Associates, a consulting firm with expertise in financing social innovations, socially responsible investment, and PRI.

The Loan Fund concept would leverage the anticipated \$10 million in annually appropriated TIF funds with a projected \$10 million revolving PRI Loan Fund. The Loan Fund would augment the TIF and provide 'green' options to tribal infrastructure projects, such as solar electrification, natural 'living machine' wastewater technology, and incorporating LEED certified components in tribal projects. Current discussions would have the Loan Fund housed in a community lending institution that would be selected through an RFP process. PRI's provided by philanthropic entities would be placed at the lending institution within a below market rate loan fund program.

IAD and the other core partners are planning a gathering in Santa Fe in early August, 2010, hosted by the Santa Fe Community Foundation, with anchor funders and other interested individuals to further develop the concept and next steps for the Green Loan Fund. In addition, the IAD will recommend to the TIF Board at their July 7 meeting that the FY2011 TIF funding allocation include an increased emphasis on planning grants with for green and "greened-up" projects. This will support a pipeline for such projects and increase those that will be ready for construction dollars in FY2012 when HB 162 becomes effective.

Objective 4.2 – Create a database on the IAD website of existing funding sources

Again, the Tribal Resource Guide and the IAD Guide to State Agency Native American Programs and Services were released to tribal constituents in August of 2009 (See Section III. Agency Efforts to Implement Policy). These resource guides help to assure that tribes have easier access to detailed sources of funding for capital improvement and other projects. IAD's

training and technical assistance coordinator ensure that both guides are posted on the IAD website.

Objective 4.3 – Implement the Uniform Funding Application (“UFA”) for TIF projects

In FY 2009, the IAD worked with various state agencies to determine how the UFA could be implemented for TIF projects. A presentation was made to the TIF Board and it was determined that the UFA would be made available to TIF applicants on a voluntary basis. As a result, the IAD included a box for TIF applicants to check on the FY 2010 application form that would allow their application to be shared with the UFA. The TIF Board also asked that the IAD prepare to fully integrate the UFA for TIF funding in FY 2010.

However, tribes, including the Pueblo of Acoma, raised concerns in FY 2010 that the UFA process as it currently exists did not accurately gauge tribal water and wastewater systems. They asserted that some questions on the current application are not directly applicable to tribal governments and water systems. These may include questions about the applicant’s water rights file being current with the State Engineer’s Office, the monthly charges for commercial and residential water, and full compliance with the NMED regulations and the state’s Open Meetings Act.

To investigate and address these concerns, the IAD and NMED formed the UFA Work Group in September of 2009. The Work Group met four times and identified ways to amend the UFA to better gauge and meet the needs of tribal communities and tribal water and wastewater systems. The NMED took the lead in amending the UFA including providing individuals to review each UFA application submitted when changes take place to ensure the needs of each community are assessed fairly and carefully. The special TIF Board report to Governor Richardson also highlighted the tribal UFA concerns and recommended that the IAD and the NMED continue their cooperative effort to develop an updated version of the UFA by July 2010 so that the new version of the UFA would be ready to be implemented in the FY 2011 funding cycle.

As of the April, 2010 State-Tribal Leaders Summit, the new UFA had not been implemented. Tribal leaders again raised this concern with Governor Richardson, who directed NMED Cabinet Secretary Ron Curry to implement the revised UFA by July 1, 2010. IAD fully expects and will continue working with NMED to ensure that the revised UFA will be implemented in FY 2011.

Related to the UFA, the IAD also coordinated with tribes to submit their top priority water/wastewater project for funding consideration by the Water Trust Board. As a result, four tribal projects were included in HB 56, NMFA Water Fund Projects, which Governor Richardson signed into law on March 8, 2010.

Objective 4.4 – Ensure effective management of Tribal Infrastructure Act projects and funding

In FY 2010, the IAD worked with the Tribal Infrastructure Fund Board to allocate infrastructure grant funds to 10 projects and planning grant funds to 6 projects, totaling \$5,422,816. Since FY 2005, 72 projects have been funded by TIF totaling \$23,228,854.

To initiate the FY 2010 TIF process, the TIF Board first met to revise and approve the TIF Guidelines, Notice of Funding Availability (“NOFA”) and applications in July, 2009. That same month, the NOFA and Guidelines were posted on the IAD website and also distributed by the IAD to the tribal leadership of the tribes. The IAD staff provided outreach workshops to notify the New Mexico tribes, nations, and pueblos that TIF project applications were being accepted and the date that such applications were due to the IAD.

In FY 2010, after the passage of the designated deadline for applications, a project review team comprised of staff from the various agencies represented on the TIF Board completed an initial evaluation of project applications according to criteria identified in the Guidelines. The result of the project review team’s review and analysis were documented according to the criteria and points assigned. The scores were then averaged, ranked, summarized and presented to the TIF Board in September, 2009. Tribal entities with top ranking proposals were given an opportunity to make a ten minute presentation to the TIF Board. The TIF Board then deliberated and selected which among the top ranking proposals to fund. The FY 2010 TIF awards were delayed until early 2010 due to the Capital Outlay Freeze ordered by Governor Richardson. Due to the freeze, the TIF Board on April 26, 2010, directed IAD to implement a TIF Amendment allowing for a seven month extension to all outstanding projects.

During the 2010 Legislative session, \$2.5 million was allocated by the legislature for the 2011 Tribal Infrastructure Fund. The TIF Board will meet in July, 2010 to determine the process for allocation of these funds. Due to the dire financial constraints the state is facing, it has been decided by IAD to hold off hiring the TIF Manager to oversee the TIF projects.

As part of our ongoing efforts to ensure effective management of the Tribal Infrastructure Act projects, the COU conducts regular project analysis. Technical assistance is provided to tribal entities regarding questions pertaining to the Scope of Work (“SOW”), especially as it pertains to the budget justification sections, whether Art in Public Places (“AIPP”) applies, and other allowable costs. COU also provides project status spreadsheets to tribal entities upon request, including status on projects with regard to the signature process. The IAD COU engages in daily communications with tribes regarding capital project reauthorizations, current balances and/or any new purposes. The COU also provides assistance and coaching to tribal entities on the Request for Payment forms, Guidelines, and offers guidance with regard to the required supporting documents needed for reimbursement.

Objective 4.5 – Ensure effective allocation and management of tribal capital outlay Appropriations

At the beginning of FY2010 the IAD COU managed 458 capital outlay and infrastructure projects totaling \$74,692,006. During FY 2010 the IAD closed-out 297 projects with a total original appropriation amount of \$40,701,90. These amounts include 132 projects totaling \$8,483,013 that were deauthorized and reverted pursuant to SB 182. However, the majority - 165 projects totaling \$32,218,888 - are projects that tribal entities completed and the IAD COU closed out in FY 2010.

To ensure effective allocation and management of tribal capital outlay appropriations, the COU performed regular monitoring of and compliance checks on all tribal projects. This included daily review of Request for Payment submittals from tribal entities to ensure that expenditures meet the approved scope of work and legislative intent of the appropriation. Quarterly narrative reports were also reviewed to monitor the progress of all COU projects. As projects came to a close, site visits were scheduled to inspect the completed project and record accomplishments to the agency file for future reference. After January 2010, however, due to the demands of the capital outlay freeze, the COU did not have the staff or time to conduct site visits. Budget revisions were submitted by tribal entities when there was a diversion from the original scope and budget. These requests were reviewed and a determination made whether to approve if it was within the legislative intent or to deny if it was deemed inappropriate.

In addition to these efforts, the COU provided frequent technical assistance as required with DFA Comprehensive Annual Financial Reporting regarding payments on projects for correction, transfers, operating transfers, journals, reversions, wire transfers (ACH deposits) and all financials regarding Capital Outlay projects. The COU engaged in on-going communication with the NM State Board of Finance (“SBOF”) regarding Severance Tax Bond draw request for invoices received, reversions, operating transfers, questionnaires & certification. The COU also had daily discussions with the Capital Projects Bureau regarding established appropriation budgets, processed CapBuds, Capital Budget Reallocation Forms, transfers, reauthorizations and updating Capital Projects Monitoring System on a quarterly basis. Daily discussions were held with tribal entities that requested assistance with completing the COU Request for Payment forms. The COU also provided status on payments being processed, regarding ACH direct deposits, and responded to SBOF requests for project Questionnaires and Certification.

In FY 2010, as a result of the global financial crisis, the State experienced significant fiscal challenges and projected a budget deficit of approximately \$650 million dollars. In August the IAD was notified by the Legislative Finance Committee (“LFC”) that all agencies who administer Capital Outlay projects were to complete a survey for each project no later than August 28. The IAD sent a letter to the leaders of the 22 tribes, nations and pueblos informing them of this process and requesting their cooperation and assistance. The IAD completed and submitted these surveys to the LFC and to DFA for all applicable projects. In September, the DFA/LFC continued to request input from the IAD on the viability of projects administered by our agency and if we would recommend project funding be reauthorized or reverted.

In October 2009, Governor Richardson called the Legislature into Special Session to deal with the state’s fiscal crisis. During the session, the IAD analyzed legislation, attended committee meetings and monitored overall session activity. Our General Counsel kept abreast of legislation, attended hearings, provided legislative analysis, reviewed and monitored proposed changes to capital outlay projects under IAD management and worked closely with the Governor’s Office, tribal entities and DFA to identify those that are confirmed to be viable projects with fully-executed third party contracts.

Two important laws were passed as a result of the 2009 Special Session that directly impacted tribal capital outlay projects. The first was SB 29, which mandated that the funding for certain

capital outlay projects be “swapped” from General Fund to Severance Tax Bonds. Fifteen (15) tribal projects allocated to the IAD were affected by SB 29, with a total impact of \$5,052,382.

HB 17, as amended, was also part of the solvency bills. It mandated that the Legislative Council Service, the Legislative Finance Committee, and the Department of Finance and Administration (“DFA”) identify a minimum of \$150 million of voidable capital outlay projects. On October 30, 2009, Governor Richardson issued a directive to all agencies, including the IAD, to cancel and reevaluate all capital projects in response to this legislative mandate.

As a result, the IAD leadership, COU staff and General Counsel devoted unprecedented time and effort to completing a range of tasks to implement Governor’s Richardson’s and DFA’s directives regarding the capital outlay freeze while respecting the unique state-tribal government-to-government relationship. These included the following: 1) maintained constant communication with the leadership, attorneys and staff of the 22 tribes, nations and pueblos as well as tribal entities telephonically and in person to obtain accurate third-party contract verification forms; 2) worked with DFA to develop and implement a process for tribes and tribal entities to submit exception requests where third party documentation did not exist but where projects were demonstrably viable and assisted tribes and tribal entities with such exception requests; 3) devoted the majority of three months to working with tribes and tribal entities to compile, verify and review information – specifically, third party contracts, third party contract cover sheets and project exception forms -- about the accurate status of each of the 457 tribal projects managed by IAD and convey this information to DFA; 4) constantly updated and reconfirmed the COU’s master project status databases and spreadsheets; 5) worked closely with the tribes and DFA to craft, negotiate and finalize Master Intergovernmental Agreements (“MIGA”) and necessary exhibits to revive and reinstate projects to the extent they reflected a valid third party contract or meet the other DFA exception criteria; 6) advocated for unique tribal circumstances with DFA, such as recognizing the use of tribal force account labor; 7) testified before the Interim Indian Affairs Committee; 8) worked with the Governor’s Office and DFA to respond to tribal concerns and issues and 9) addressed countless questions and concerns from tribal leadership, tribal staff and state legislators and arranged for state-tribal meetings, where appropriate and possible, to resolve issues.

The IAD heard serious concern from tribal leaders and representatives about the potential impact of the capital outlay freeze on a significant number of tribal projects at IAD and we communicated those concerns to the Governor’s Office and DFA. Because of the certainty that funding for stalled capital outlay projects would be recommended to the legislature for deauthorization – regardless of which entity held the funding – IAD strived to ensure that DFA had the most accurate information about the current status of tribal capital outlay projects while reinforcing the critical importance of capital outlay funding to tribal communities and entities. At the same time the IAD worked closely with tribal leadership and staff over the course of six months to inform them of the state’s revenue challenges, the fact that some of their projects would be de-authorized, how the project review and deauthorization process was unfolding and their best opportunities for advocacy.

After a difficult legislative session, on March 10, 2010, SB 182 (SFCS/SB182) was signed into law, requiring DFA to transfer unexpended or uncommitted balances of certain capital projects to

the originating fund within 30 days of the effective date. The purpose of SB 182 was to balance the state's budget by reducing operating expenses and by de-authorizing stagnant capital outlay projects. Throughout the session the IAD analyzed the introduced and amended versions of SB 182 to identify potential reversions affecting tribes and tribal entities and worked with DFA, legislators and tribal representatives regarding viable projects that should not be included in the bill. During the implementation of SB 182, the IAD General Counsel and COU staff identified projects that had a third party contract, matching funds, or a DFA approved exception and provided this information to DFA. Ultimately, the IAD had 142 tribal projects affected by SB 182 amounting to \$8,400,665.

Knowing that the IAD has done its best to document viable tribal capital outlay projects and prevent their deauthorization we chose to focus our efforts in the 2010 legislative session on securing enactment of HB 162, which will result in tribal communities receiving approximately \$100 million in infrastructure funding in the first ten years alone. The deauthorization of capital outlay projects underscored the importance of tribes prioritizing, planning and executing their projects effectively so that once funding has been secured projects can be completed in a timely manner. It also served as a reminder of complying with the terms and conditions of the Intergovernmental Grant Agreements, including Quarterly Reporting, so that the IAD and other state agencies are kept informed of project progress.

The MIGA format developed collaboratively with the Navajo Nation in FY 2009 proved indispensable in FY 2010 to expediting re-instatement of the approved amounts of the capital outlay projects that had been frozen by Governor Richardson and that were not deauthorized per SB 29 or SB 182. IAD developed and entered into three MIGAs with the Navajo Nation:

- 1) MIGA One - Re-activated the force accounts of the Navajo Nation that were frozen in October of 2009. This was issued in January 2010.
- 2) MIGA Two - Re-instated the remaining capital projects that were frozen in October of 2009, but were justified by third party contracts prior to SB182 implementation. This was issued in February 1, 2010.
- 3) MIGA Three - This MIGA re-instated all capital project remaining after SB 182; projects not covered in MIGA 2.

The IAD also used MIGAs to revive 257 projects for 25 tribes and tribal entities. By the end of FY 2010 the IAD COU managed 183 capital outlay and infrastructure projects totaling \$35,579,388.

The entire Capital Outlay freeze and deauthorization process was daunting and stressful on the IAD staff involved, particularly those in the COU. As a result, in January of 2009, IAD lost a critical position for project management, the project engineer. Subsequently, both the capital outlay manager and the capital outlay business operations specialist resigned their positions. The IAD General Counsel also served as acting COU manager during the time the manager was on extended sick leave and subsequent to her resignation and both COU and ASD staff took on additional duties to ensure the continuity of COU services to our constituents. Despite the ongoing hiring freeze, the IAD leadership and ASD worked diligently with the State Personnel Office and DFA to ensure that the latter two positions were filled as soon as possible. At the conclusion of FY 2010 the project engineer position remained unfilled due to the hiring freeze

and ongoing budget reductions imposed on the IAD; it is our intent to have this position filled in the Fall of 2010.

GOAL 5: Collaborate with appropriate state agencies, tribal governments and corporations and Indian organizations to enhance state government support for Native American economic development ventures.

The IAD continued our work to enhance state government support for Native American economic development opportunity. Several initiatives and activities were implemented in FY 2010 in line with our strategic objectives.

Objective 5.1 – Collaborate with the Economic Development Department (“EDD”) to increase Native American participation in targeted state government economic development programs

Tribal Economic Development Task Force

To implement the commitment made by Governor Richardson at the 2009 State-Tribal Leaders Summit, the IAD worked closely with the Governor’s Office, tribal leadership and tribal economic development experts to draft an Executive Order creating a Tribal Economic Development Task Force (“Task Force”) and identify potential members to be appointed. On September 14, 2009 Governor Richardson signed Executive Order 2009-037 creating the Task Force, whose membership included both tribal and state government representatives.

The purpose of the Task Force was to accomplish three duties: 1) research the benefit of Native American Enterprise Zones and examine current and potential incentive options to bring high wage jobs to Indian Country, including the development of Gross Receipt Tax incentives; 2) identify ways for the state to include tribal inclusion in the development of tourism and tourism resources, including eco-tourism initiatives, so there is mutual benefit; and 3) identify state resources available to assist tribes in accessing film industry economic development opportunities.

Through collaborative efforts of the EDD and the IAD, the Task Force met several times in the Fall of 2009 at various locations in tribal communities around the state and provided Governor Richardson’s Office with a final report in December of 2009 outlining 27 recommendations. The complete report can be accessed on both the EDD and the IAD websites. In summary the report made four recommendations related to the establishment of “Native American Enterprise Zones” per the New Mexico Enterprise Zone Act [5-9-1 NMSA 1978]; three recommendations outlined actions to be taken regarding taxation on tribal land; two recommendations proposed actions to boost tribal participation in ecotourism opportunities within the state; five recommendations proposed actions to boost tribal participation in the New Mexico’s Green Economy initiative; three recommendations suggested ideas to improve tribal involvement in the New Mexico film industry; four recommendations suggested ways to improve tribal economic development capacity through education; two recommendations suggested ways EDD, IAD and

the USDA could provide a forum for additional resources and, four recommendations addressed the need for continued involvement of the Task Force, the need for a strategic plan, and continued discussions at the 2010 State-Tribal Leader Summit and at a proposed Tribal Economic Development Summit.

Based on the final report of the Task Force, the EDD and IAD developed a priority list of recommended actions to cooperatively advance in calendar year 2010. These recommendations and corresponding progress are as follows:

- The Task Force should continue in existence and effort until December 31, 2010. At the 2010 State-Tribal Leader Summit, Governor Richardson committed to establishing a Tribal Economic Development Advisory Council to work with the cabinet secretary of EDD to advance tribal economic opportunity. The IAD is currently working with the Governor's Office to draft the Executive Order and seek tribal input on appointments to the Council...
- The New Mexico Tourism Department ("NMTD") should develop a formal New Mexico Ecotourism tribal promotion plan by March 31, 2010 and should provide training to tribal individuals for employment opportunities in the ecotourism industry. The IAD worked closely with the NMTD and ensured that, through their contractor, EcoNewMexico, the NMTD launched a tribal outreach plan which consisted of meetings with tribal tourism representatives, establishing local steering committees, and providing training opportunities in the ecotourism industry. Several tribally owned and private tribally-owned tourism operations are now part of the state's ecotourism initiative.
- The IAD should become a member and participate in the New Mexico Green Jobs Cabinet and the Green Industry Council to foster communication. With the assistance of the EDD Green Economy Manager, the IAD has become a member and the IAD Cabinet Secretary and Deputy Cabinet Secretary participate actively in the New Mexico Green Jobs Cabinet ("GJC") and the Green Industry Council. The IAD submitted a status report to the GJC on June 21, 2010.
- The EDD should develop a formal New Mexico Green Economy tribal promotion plan by March 31, 2010, that outlines tribal outreach, participation opportunities, resources available and possible industry partnerships. Through Executive Order 2010-001, Governor Richardson asked IAD to "provide information to the Tribes, Nations and Pueblos in New Mexico about the opportunities for economic development presented by the green economy." Since the January 12, 2010 release of the executive order, the IAD Deputy Cabinet Secretary has met regularly with staff of the EDD and New Mexico green industry associations, partners and tribal businesses to gain specific familiarity with the green economy. Furthermore, the IAD staff has participated in various conferences and webinars that focus on green economy opportunity through federal government resources. With information provided by the above named individuals and others, the IAD developed a presentation to outline tribal opportunities in the New Mexico Green Economy. The presentation includes an introduction to the green economy, identifies industry specific tribal opportunities, workforce development initiatives, and available

resources for tribes. This formal presentation has been provided to various tribal audience groups, including the:

- American Indian Chamber of Commerce Annual Economic Development Summit;
- Tribal Economic Development Task Force and
- Southwestern Business School Deans Association.

Furthermore, the IAD engaged in presentations and discussions with various tribal leaders on these topics, which include:

- Navajo Nation tribal leadership representatives;
 - Navajo Nation Green Commission;
 - All Indian Pueblo Council leadership; and the
 - Jicarilla Apache Nation tribal leadership.
- The EDD should meet with the Navajo Nation to determine how their initiatives driven by the Navajo Green Commission Act coordinate with the state's green initiative. IAD worked to assist EDD with this recommendation by hosting initial meetings with members of the Navajo Green Commission. After their full membership was appointed, the Commission intends to develop a plan of operation listing their priority initiatives.
 - The New Mexico Film Office ("NMFO") should develop a "best practices" model and brochure and conduct training sessions on these practices for tribal leadership. The NMFO met with EDD and IAD representatives to outline their tribal outreach effort. Tribal participation is evidenced by several headline productions being filmed on tribal land. Furthermore, the Pueblo of Zia was identified as demonstrating "best practices" which other tribes could model. Zia's Film Liaison will present at the IAD 2010 State-Tribal Collaboration & Capacity-Building Conference in the summer of FY 2010.
 - Tribal governments and entities that allow filming on tribal land need to have a "we're open for business" message. This Task Force recommendation was discussed with the NMFO, but has not progressed mainly due to budget constraints.
 - Public business incubators (Small Business Development Centers) should work directly with tribal governments and communities to promote and service tribal entrepreneurs and develop a formal tribal promotion plan by March 31, 2010. This recommendation was postponed until FY 2011, when the EDD and IAD plan to meet with leadership of the various business development resource centers.
 - The Tribal Economic Development Task Force should evaluate opportunities with New Market Tax Credits. Action on this recommendation was postponed until FY 2011 when the Tribal Economic Development Advisory Council is established.

Native American New Market Tax Credit and Economic Development Assistance Guide

Also in December 2009, EDD provided Governor Richardson's Office with the Native American New Market Tax Credit and Economic Development Assistance Guide which EDD worked with select state and tribal representatives to create. Additionally, IAD continued to update the Native American Programs and Services Directory listing state agency economic development-related programs and services available to Native Americans and tribes.

Objective 5.2 – Support EDD and the Department of Workforce Solutions (“DWS”) in increasing tribal capacity to develop successful economic development ventures

New Mexico Green Industry Council

Lead by the DWS, the New Mexico Green Industry Council has been established to advance a New Mexico green workforce. After succeeding in obtaining about \$6 million of stimulus funding, the Council is establishing policy and procedures to be able to award funding to entities that will grow New Mexico's green workforce. IAD has participated on the Council.

New Mexico Green Jobs Cabinet

To formulate a cohesive plan to develop and capitalize on these varied resources, Governor Bill Richardson created the GJC. The GJC was tasked with providing an overview of New Mexico's green economy and to implement a statewide strategic plan for clean technology economic development. The GJC is staffed by the EDD who released a report in September 2009, outlining five strategies to grow New Mexico's green economy and offered recommendations to achieve these goals. IAD participates on the GJC promoting green economic opportunity to tribal businesses.

IAD Resource Guides

In addition, the IAD Training and Technical Assistance Coordinator provided updates to the Tribal Resources Guide and the IAD Guide to State Agency Native American Programs and Services. These guides list resources available by state, federal and private funding sources to address tribal community needs and priorities. Both guides are posted on the IAD website.

Objective 5.3 – Highlight the positive aspects of tribal economic development and the unique contribution of tribes and Indian people to the State of New Mexico

Public Relations

Through our I-News and News Blasts, IAD continued to share information on how New Mexico's tribes, nations and pueblos positively impact the state's economy. Furthermore, IAD staff provided numerous presentations to various audiences regarding tribal economic development.

2010 State-Tribal Leader Summit – Economic Development

In preparation for the 2010 State-Tribal Leader Summit, tribal leaders identified tribal economic development to be one of four priorities to be addressed and articulated how improvement's to their economy impacts the non-tribal surrounding communities. Tribal leaders identified the following concerns related to tribal economic development:

- Enterprise Zone Act lacks incentives for businesses to locate and create joint ventures on tribal land
- A three Month Tribal Economic Development Task Force did not provide enough time to fully investigate the complex issues
- Presence of barriers to tribal utilization of existing tax and economic development incentives
- Lack of financing for economic development and small business ventures on tribal land

As a result of the Summit, Governor Richardson committed the TRD to report on the fiscal impact of tax sharing agreements with tribes in the Department's State-Tribal Collaboration Act annual report; analyze how economic development tax incentives can be expanded for use on tribal lands; and examine the New Mexico Enterprise Act to determine if modification are needed in order for tribes to access those programs. Governor Richardson also committed the EDD to explore modification to the Community Loan Fund to provide access to tribes to such funds and to establish a Tribal Economic Development Advisory Council. The IAD has worked with these agencies to ensure follow-through on the Governor's commitments.

Objective 5.4 – Collaborate with the EDD to develop a database of key economic development and demographic information about tribes for marketing, business recruitment, business expansion, and capacity building

Tribal Economic Development Capacity Building

In FY 2010, the IAD continued work with JJ Clacs & Company to build tribal economic development capacity. The year-long program included a tribal assessment of economic development capacity for each tribe, pueblo, and nation in New Mexico; interactive training workshops based on analysis of current capacity; resource and tool development in support of capacity building within tribal communities; direct follow-up with tribes; and technical support to tribes on self-selected projects.

JJ Clacs completed a "New Mexico Pueblos, Tribes and Nations Community & Economic Development Profile" report in FY 2010. Key elements presented in each profile include the geographic setting, cultural and tribal government structures, and demographic and statistical data for each tribe. The report has at least two essential purposes: 1) the collective profile document is intended to be a resource available to state agencies and interested parties considering a business relationship with a particular tribal government and 2) each individual profile developed for the 22 tribes provides relevant information which could serve as a foundation to further economic development opportunity in each tribe.

Other Economic Development-Related Initiatives

American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act (“ARRA”) was signed into law on February 17, 2009, providing \$787 billion for job preservation and creation, infrastructure investment, energy efficiency and science, assistance to the unemployed, and State and local fiscal stabilization.

According to a Resource Guide developed by New Mexico’s Washington D.C. delegation, approximately \$1.8 billion in ARRA funding was to be available to all New Mexicans. Although there are a few Native American set-asides coming through state agencies, the report also indicated the availability of \$2.6 billion in funding and more than \$2.4 billion in bond authority in direct and competitive grant funding for Native Americans nationwide.

New Mexico Office of Recovery and Reinvestment

In collaboration with the New Mexico Office of Recovery and Reinvestment (“NM ORR”), the IAD continued to fulfill our Agency Plan by serving as facilitator, liaison, and partner to other state and federal agencies in their assistance to tribal constituents with ARRA funding opportunities.

Although IAD does not administer any ARRA funding, in FY 2010 we actively assisted tribes with securing ARRA funding by:

- Sharing ARRA funding opportunities with tribal ARRA lead people via email news blasts;
- Coordinating a list of tribal “shovel ready” projects that can be matched, in cooperation with other state and federal agencies, to state and federal funding sources;
- Implementing an operating policy (through Governor Richardson’s Office) of cooperation and collaboration amongst state agencies to best serve tribal constituents and maximize the amount of ARRA funding coming to New Mexico;
- Launching a web page on the NM ORR website that includes general information of the IAD’s role with regard to ARRA funding opportunities; and
- Developing tracking mechanisms with state and federal agencies to monitor ARRA funding in tribal communities.

Funding to Native Americans in New Mexico

Monitoring the amount of ARRA funding awarded to benefit Native Americans living in New Mexico proved to be a challenging task. The IAD continues to encourage state and federal agencies to share funding information with us and we have made the same request of the tribes, nations, and pueblos.

Based upon information provided to IAD, funding awards to New Mexico tribes include:

Drinking Water Infrastructure Grant	\$5,162,565
Clean Water Indian Set Aside	\$13,269,940
Indian Housing Block Grant	\$6,840,644
Energy Eff. & Conservation Block Grant	\$7,743,600

Tribal Nutrition Service Programs	\$212,940
Child Care and Development Fund	\$855,557
Byrne JAG (Police Services)	\$134,719
Community Services Block Grant	\$855,573
TANF Emergency Fund	\$15,987,708
Transit	\$863,750
Transportation	\$1,936,582
Fire Protection Grant Award	\$100,000
Emergency Food & Shelter	\$2,531
Indian Housing Block Grant	\$16,949,899
Housing Construction/Renovation, HIP, Roads, Workforce Training	\$59,246,000
Housing - Equipment, Facilities Construction & Maintenance, Sanitation	\$20,305,000
USDA Forest Service Grant	\$617,969
Head Start	\$1,238,549
WIA	\$36,218
Department of Transportation	\$125,000
Smart Grid	\$4,900,000
Energy Eff. & Consrv. Block Grant	\$449,990
DOE Geothermal	\$4,995,844
Early Head Start	\$32,425
Tribal Economic Development Bonds	\$29,838,746
Department of Justice - Criminal Justice Initiatives	\$11,564,259
Broadband Funding	\$632,225
Department of Commerce Broadband	\$32,190,067
Indian Housing Block Grant	\$2,000,000

GOAL 6: Establish clear and aligned Departmental procedures that position the IAD as the leading organization within state government for building relations with tribes and tribal organizations.

Objective 6.1 – Develop standard and streamlined operating procedures for the Administrative Services Division

In FY 2010 the IAD ASD contracted with JTI to document all IAD operating procedures. JTI implemented the Agency's process mapping initiative which included the documentation of the Agency's major and key systems, processes and procedures. These documented systems and process will be incorporated to a Standard Operating Procedures Manual. In general, JTI gathered information by consulting with the leadership and staff of IAD personnel, drafted process maps, discussed the documented maps with the IAD leadership and staff and then finalized the maps.

Specifically, JTI conducted an initial on-site visit, briefed the IAD management on the process mapping initiative, participated in an in-depth tour of the agency, and began a review of the IAD strategic planning process, strategic plan and current performance management system.

With this information, JTI developed a draft IAD Strategy Map. The strategy map began by creating a matrix of the IAD current goals and identifying cross-cutting strategic “functional” themes. These themes were identified through a discussion with the IAD management. JTI completed the IAD strategy map by populating the matrix with the IAD current objectives and determining any gaps where action must be taken.

JTI documented the IAD overall business model. This illustration included the key organizational systems of leadership, constituent management, value creation, performance management, and support services. The IAD communication system was mapped to show the flow of information and how it is managed. Since this particular system expands beyond the IAD, the development of this map included discussion of how tribal liaisons in other state agencies play a role in the flow of information. Maps of specific agency business unit processes included:

- 1) Administrative Services Unit
 - a) Employee recruitment, orientation and performance management
 - b) Budget proposal, testimony and lobbying
 - c) Procurement, accounts payable and reconciliation for audit
 - d) Employee leave requests, payroll approval and data entry
 - e) Compensation and benefits administration (e.g. workers comp)
 - f) Special project/special appropriation contract management
- 2) Capital Outlay Unit
 - a) Legislative appropriations
 - b) Tribal Infrastructure Fund
 - c) Capital outlay project management cycle
 - d) Monitoring the capital outlay appropriations budget
- 3) Policy Unit
 - a) Legislative session
 - b) State-Tribal Collaboration Act
 - c) Participation on boards, committees, task forces
 - d) Constituent requests
- 4) General Counsel
 - a) Legal issues and inquiries from within state government
 - b) Contract review process
 - c) Constituent requests
- 5) Training and Technical Assistance
 - a) Training to tribal entities (mandatory)
 - b) Training to tribal entities (as requested)
 - c) Technical assistance services

Finally, JTI used the IAD strategy map, business model and key processes to create an IAD performance scorecard. The performance scorecard will be used by the IAD leadership and

employees as a management tool to implement continuous performance improvement concepts to better serve constituents.

Objective 6.2 – Establish the Administrative Services Division as a “Relationship Building Unit”

The IAD had a dynamic past year, complete with major successes and daunting challenges. The IAD has strengthened relationships with tribal leaders and other agencies and improved the services we provide. At the same time the IAD, one of the smallest Cabinet-level departments in New Mexico state government, has contended with staff changes in key positions, transitions in state government, and the fall-out from the state budget deficit. Staff has sometimes had to work long hours to respond to various executive and legislative directives with very short turnaround times.

To support employee morale and performance, in FY 2010, employee birthdays were celebrated with an employee potluck. The IAD holds full staff meetings once a quarter to share information across divisions and units about Departmental initiatives and efforts. Job descriptions and scopes of responsibility for the staff were continuously updated to meet the staffing needs of the Department. Absenteeism changed from 3 call-ins per month in FY 2009 to 2 call-ins per month in FY 2010. We implemented more staff outreach in FY 2010, such as employee training, in policy subjects like the domestic violence policy, the tele-work policy, and the records retention policy. The IAD continues to support work skills training such as computer software training.

Objective 6.3 – Ensure Administrative Services Division and Capital Outlay Unit staff cross-trained in areas of overlapping responsibilities

In FY2010 the ASD and the COU staff were fully crossed trained on data entry functions of SHARE and the HCM modules. Duties such as answering incoming calls and responding to constituent requests are alternated as the need arises.

Objective 6.4 – Process Special Projects and Appropriations Effectively

In FY 2010, the IAD awarded and the COU administered 2 Special Appropriations totaling \$70,000 and 12 Special Projects totaling \$1,356,948 that benefited Native Americans. Of this amount, three of the projects were for youth development, two were for community development, four were for health projects, three were for cultural preservation, one was for economic development, and one was for urban Indian services.

The award letters for these projects were sent out in June, 2009 with a request for a scope of work. Upon receipt of the requested documents, the IAD COU drafts either an Intergovernmental Agreement for a tribal government or a Professional Services Contract for an organization and sends it back to the entity for signature. This contract negotiation process generally takes 2 weeks to 6 months. Three out of fourteen Special Project contracts had been fully executed by the beginning of the FY 2010 and eleven out of the fourteen contracts were fully executed by July 31, 2009.

Special projects and appropriation site visits are completed by the Capital Outlay Unit staff. In FY 2010, site visits were conducted with 40% of the funded special projects, but were limited due to short staffing and the prioritization placed on addressing the many Capital Outlay Freeze and deauthorization requirements.

The ASD Director generates a quarterly budget status report from the SHARE accounting System and reviews the budget numbers with the Cabinet Secretary and Deputy Secretary. . The IAD General Counsel provides legal assistance regarding the issuance of any RFP announcements, manages the timeline and procurement code issues, reviews the proposals, and reviews final Professional Services Contracts.

In FY 2010 the IAD sought to improve the quantitative information and data received from Special Projects to document the effectiveness and reach of their respective programs. In order to increase monitoring and accountability of tribal Special Projects, the IAD called the different Tribes, Pueblos and Nations to schedule conference calls about their special project programming. The IAD also began reaching out to other departments that had information about particular programs. In June, 2010 the IAD staff scheduled conference calls with relevant contacts. IAD staff, recognizing the need to compile a quantifiable and qualitative report, adapted their questioning and interviewing approach to extract the data available and other qualitative based information to develop a comprehensive annual report.

As described in detail under Objective 1.2 above, the IAD also awarded \$380,000 in FY 2010 to eight projects as part of the IAD's Tobacco Cessation and Prevention Program. Through the activities of these eight entities more than 19,630 individuals were reached in FY 2010

Objective 6.5 – Conduct regular tracking, evaluation, reporting of strategic plan progress and make modifications, as necessary

The IAD Performance Management System continues to be developed. In FY 2010 we implemented a process of quarterly reviews of our strategic objectives and actions. As we move forward, we will evaluate Departmental and unit performance using qualitative and quantitative measures through “dash board performance metrics.” These performance indicators will then be summarized on a quarterly basis and discussed amongst the IAD management team.

Objective 6.6 – Ensure effective management of the IAD funds

FY 2010 proved to be a very challenging year for the IAD budget. For the FY 2010 budget, in August 2009, Governor Richardson directed the IAD and other executive agencies to reduce FY 2010 general fund expenditures by 3%. The IAD was then asked to submit potential cuts at the 3, 4, and 4.5 percent levels to DFA in September. The IAD continued to respond to requests for information from DFA in October and November. Beginning on December 24, the IAD along with other agencies took measures to implement the five day furlough mandated for all state staff.

Regarding our FY 2011 budget request, the IAD ASD worked with the Cabinet Secretary and Deputy Cabinet Secretary and the various unit and division directors to compile the FY 2011

General Fund operating budget and other related budgets and appropriation requests and submitted the requests to DFA on September 1, 2009. The IAD provided testimony on our FY 2011 budget request on November 16, 2010 to the Legislative Finance Committee and on January 21, 2010 to the House Appropriations and Finance Committee.

The Executive Budget recommendation proposed to decrease the IAD General Fund Appropriations by about \$623,225.00 below FY 2010 operating levels, and included a \$486,225 decrease from the IAD operating budget and a \$137,000 decrease from the Tobacco Settlement Program Fund for tobacco cessation and prevention programs for Native American communities. The LFC's proposal was more drastic and sought to cut the IAD's budget by 21.5% from the enacted FY 2010 budget amount. At the HAFC hearing the IAD cabinet secretary described the significant impact the LFC's proposed cut would have on the number of IAD personnel, our ability to meet our statutory duties and the funding we provide to tribes for special projects. The HAFC Committee Chairman Saavedra directed a subcommittee of three legislators to work with the IAD, the DFA and the LFC to determine an appropriate budget. The IAD ASD and the Cabinet Secretary met with the subcommittee on January 26, which recommended approval of the Executive Recommendation including 15 FTEs. The Executive recommendation was reflected in HB 2 as enacted.

As a result, the IAD submitted our FY 2011 Operations Budget on May 3, 2010 to DFA and LFC. It reflects a cut of 17% from the FY 2010 enacted amount, or a total of \$695,800. Particularly challenging will be the reduction of Tobacco Cessation funding from \$400,000 in FY 2010 to \$293,800 in FY 2011. Per House Bill 2, the overall base budget amount is \$3,364,100. In Category 200, Personal Services and Employee Benefits, the approved amount is for \$1,207,300. This amount covers the salaries and benefits for 15 employees including five Governor Exempt and 10 classified positions. Under Category 300, Contractual Services, the approved amount is \$750,000. Category 400, OTHER, totaled \$1,406,800, which includes \$1,155,900 for the Grants and Services line item and \$250,900 for general operations. In FY2011 the ASD will continue working in coordination with DFA Financial Control and Budget Division to assure timely submission of the financial documents relating to the operating budget and the SHARE system reporting requirement. For FY2010, the IAD sought and was fortunate to be awarded a grant from the Kellogg Foundation in the amount of \$200,000.00. The grant will supplement programs and projects that provide services to tribal communities.

In accordance with the Procurement Code and 2.2.2 NMAC "Requirements for Contracting and Conducting Audits of Agencies" The IAD engaged Burt & Company, CPAs, to perform the annual financial audit. The financial report is designed to provide our citizens and taxpayers with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. The process involved the preparation of documentation such as the A611-balance sheet, the trial balance and personnel liability reports. The ASD and COU staff assisted the CPA with random selection and population of financial documents. The IAD received an unqualified audit for FY 2009. It is the IAD's goal to turn the audit in to the State Auditor's office by the December 15 deadline was accomplished with the assistance of the IPA and IAD ASD staff.

Objective 6.7 – Ensure Departmental policies are kept current

After studying and interpreting federal and state law, policy and other authorities, the IAD general counsel drafted and the cabinet secretary approved an updated policy on the administration of the Americans with Disabilities Act. The IAD also instituted an updated leave policy and a Telework Policy beginning in August, 2009. The general counsel also drafted and compiled the Domestic Violence in the Workplace Policy, and submitted the cabinet secretary-approved policy to the NM DV Commission and to the State Personnel Office for review. In FY 2010, the IAD ASD submitted our Alternative Work Schedule Policy to the State Personnel Office for review and approval.

SECTION V. TRAINING AND EMPLOYEE NOTIFICATION

In FY 2009 the IAD and the State Personnel Office (“SPO”) coordinated research and planned and developed training as required by the STCA. In FY 2010, the IAD convened a workgroup of state and tribal representatives to identify objectives, curriculum and materials for this training. Additionally, the IAD and the SPO continued extensive research on training models from other state agencies and looking at curriculum from other state and federal agencies.

In May of 2010, the IAD along with SPO, conducted a pilot training to state employees on the STCA and is still refining the training on an ongoing basis. In FY 2010 the IAD and the SPO will further refine the training curriculum and materials and design a training methodology and approach to train a significant number of key state employees before the end of calendar year 2010.

The IAD notified all of our personnel of the STCA’s key provisions during its March 25, 2009 staff meeting. On a quarterly basis, the IAD PU provides additional updates to all staff on the implementation of the STCA. New employees are informed about the STCA during their orientation.

SECTION VI. KEY NAMES AND CONTACT INFORMATION

The IAD is located in Santa Fe, NM. Our address is 1220 S. St. Francis Drive, Santa Fe, NM 87505. Our office is open from 8-5pm Monday through Friday, closed between 12-1pm for lunch. The IAD main office number is (505) 476-1600.

The following are key contacts for the Department:

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SECTION VII. APPENDICES.

A. Copy of Agency Tribal Collaboration and Communication Policy.

Attached.

B. Agency-specific and applicable/relevant state or federal statutes or mandates.

Source of law	Section	Name of Section	Purpose of law
NMSA	9-21-1 et seq.	Indian Affairs Department	Create IAD
NMSA	6-29-1 et seq.	Tribal Infrastructure Act	Create TIF Board and TIF fund
NMSA	11-18-1 et seq.	State-Tribal Collaboration Act	State Tribal Collaboration
NMSA	47-6-1 et seq	Subdivision Act	Tribes entitled to notice of subdivision plat applications
NMSA	7-27-10.1	Severance Tax Bonding Capacity for Tribal Infrastructure	Severance tax for Tribal Infrastructure Projects
NMSA	6-28-1 et seq.	Tribal Capital Improvement	Capital outlay to Navajo Nation
NMSA	7-24-1 et seq.	Native American Veterans Income Tax Settlement Fund	Refund Native American veteran's overpaid taxes collected by the state; outreach

C. Glossary or definitions of special agency terms and acronyms

These are listed throughout the document.

D. Agreements, MOUs/MOAs with tribes that are currently in effect using the following table format. This information will be compiled into a master listing.

Tribe	Agency	Broad Activity	Agreement Name	Current Status	Contact(s)	Phone #
Albuquerque Indian Center	IAD	Community Development	Albuquerque Indian Center	In effect	Mary Garcia	505-268-4418
American Indian Chamber of Commerce	IAD	Economic Development	American Indian Chamber of Commerce Economic Development	In contract process	Ted Pedro	505-766-9645
Cochiti Pueblo	IAD	Community Development	Cochiti Youth Language Program	In effect	Governor John F. Pecos	505-465-2244
Isleta Pueblo	IAD	Community Development	Isleta Recreation Program	In contract process	Governor Robert Benavides	505-464-4494
Jemez Pueblo	IAD	Community Development	Jemez Pueblo Utilities	In contract process	Governor David Toledo	505-869-3111
Jemez Pueblo	IAD	Economic Development	Jemez Walatowa Visitor Center	In effect	Governor David Toledo	505-869-3111
Jicarilla Apache Nation	IAD	Cultural Development	Jicarilla Apache Heritage Preservation Project	In contract process	President Levi Pesata	575-759-3242
McKinley County	IAD	Community Development	Tohatchi Fight Back Inc. Youth Development	In contract process	Levon Benally	505-733-2994
McKinley County	IAD	Community Development	Tohatchi Fight Back Youth Development	In contract process	Levon Benally	505-733-2994
Navajo Nation	IAD	Streamlining contract	Master Intergovernmental Grant Agreement	In effect	President Joe Shirley	928-871-6352
Navajo Nation	IAD	Community Assistance and Development	Navajo Nation Emergency Management	In contract process	Sampson Cowboy	928-871-6581
Navajo Nation	IAD	Community Assistance	Navajo Nation Uranium Workers Office	In contract process	Lawrence Martinez	505-368-1261
Santa Fe Indian School	IAD	Community Development	Santa Fe Indian School Leadership Program	In effect	Carnell Chosa	505-989-6303

University of New Mexico	IAD	Cultural Development	UNM Tribal Language Certification	In contract process	Professor Christine Sims	505-277-3165
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F. New Mexico Indian Affairs Department-Boards, Commissions, and Committees

New Mexico Indian Affairs Department-Boards, Commissions, and Committees		
STAT	NMSA § 6-4-10	Tobacco Settlement Fund Projects; 6-4-10 (2000)
STAT	NMSA § 9-3-13	Sex Offender Management Board; NMSA § 9-3-13 (2007)
STAT	NMSA § 9-7-6.4	Behavioral Health Purchasing Collaborative; NMSA § 9-7-6.4. (2004)
		Supportive Housing Leadership Group
STAT	NMSA § 9-21-13	Indian Affairs Commission
STAT	NMSA § 9-25-10	Higher Education Advisory Board; NMSA § 9-25-10 (2005)
STAT	NMSA § 22-23A-6	NM Indian Education Advisory Council; NMSA § 22-23A-6 (2007)
STAT	NMSA § 24-1-28	Behavioral Health Planning Council; NMSA § 24-1-28 (2004)
STAT	NMSA § 24-1-28C(e)	Native American Sub-Committee; NMSA § 24-1-28 (2004)
STAT	NMSA § 24-11-1	Office of Medical Investigator Board; NMSA § 24-11-1 (2003)
STAT	NMSA § 28-16A-4	Developmental Disabilities Planning Council; NMSA § 28-16A-4 (1993)
EO	EO 2003-005	Governor's Children's Cabinet
EO	EO 2003-019; EO	NM State Drought Task Force

	2008-037	
EO	EO 2006-014	Governor's Women's Health Advisory Council
EO	EO 2006-068	Governor's State-Tribal- DWI Task Force
EO	EO 2007-006	E911 Coordinating Committee
EO	EO 2008-012	Centennial Taskforce
EO	EO 2009-002	Green Jobs Cabinet
EO	EO 2009-037	Tribal Economic Development Task Force
EO	EO 2010-001	Green Industry Council
EO	EO 2010-012	Healthcare Reform Leadership Team
Memorial	HM 5 (2009)	Review State Transportation Needs Working Group
IAD		State Tribal Liaisons
IAD		Real ID Task Force
IAD		American Indian Health Advisory Council
IAD		NM Focusing on Abilities Leadership Board
IAD		NM Comprehensive Statewide Traffic Safety Plan
IAD	MOU ends 2010	Census Information Center
IAD		CYFD Domestic Violence Service Definition Manual Working Group
IAD		Tribal Utilities Workgroup

