§ 39.1001 Definitions.
(a) Agency Education Office means a field office of the Office of Indian Education Programs providing administrative direction and supervision to one or more Bureau-operated schools as well as being responsible for all other education functions serving tribes within that agency’s jurisdiction.
(b) Area Education Office means a field office of the Office of Indian Education Programs responsible for all education functions serving tribes not serviced by an agency education office and in some cases providing administrative direction to one or more off-reservation boarding schools not under an agency education office.

§ 39.1002 Allotment of education administrative funds.
The total annual budget for agencies/areas shall be allotted to the Director and through him/her to agency and area education offices. This total budget shall be distributed to the various agency and area education offices as follows:
(a) Each agency or area education office as defined above shall receive a base amount of $50,000 for basic administrative costs; and
(b) Each agency or area education office as defined above shall receive an amount under these funds equal to two percent of the total higher education, Johnson-O’Malley and adult education funds administered by each office, except that the Navajo Agencies are restricted to a maximum of $50,000 for administering the Johnson-O’Malley and higher education programs; and
(c) Eighty percent of the remaining funds shall be distributed proportionately based on the number of schools operated under the jurisdiction of each agency or area education office, with Bureau-operated schools counting as 1 and contract/grant schools counting as 0.6; and
(d) The remaining twenty percent shall be distributed proportionately based on the total weighted student units generated by all schools under the jurisdiction of each agency or area education office.

For FY 1991 only, the Director may reserve an amount equal to no more than one half of the funds received in FY 1990 by those offices to be closed in FY 1991 to cover severance pay costs, lump sum leave payments and relocation costs for those individuals affected by the closures. Any balance uncommitted by March 31, 1991, shall be distributed in accordance with the formula in §39.122.

Subpart K—Pre-kindergarten Programs

§ 39.1100 Interim fiscal year 1980 and fiscal year 1981 funding for pre-kindergarten programs previously funded by the Bureau.
Those schools having pre-kindergarten programs funded fully or in part from Bureau education funds in fiscal year 1979 shall be funded from Bureau education funds by the Director in fiscal year 1980 and fiscal year 1981 at their fiscal year 1979 Bureau education funding levels. The fiscal year 1979 pre-kindergarten Bureau funding amount for each Bureau funded school shall be deducted from the school’s fiscal year 1979 Bureau Education Budget amount prior to application of the phase-in provision.

The Director, in consultation with the tribes and school boards, shall determine appropriate weight factors needed to include pre-kindergarten programs in the Indian School Equalization Formula in fiscal year 1982. Based on a needs assessment, to be completed by January 1, 1980, pre-kindergarten programs shall be included in the Bureau’s education request for fiscal year 1982.