



1 Introduction

This "As-Is" Trust Business Model (As-Is Model) deliverable is presented to the Office of the Special Trustee for American Indians (OST) of the Department of the Interior (DOI). The As-Is Model is the compilation and analysis of 10 work sessions with the 12 BIA Regions, a session with the compact and contract Tribes, a session with the OST/Office of Trust Funds Management (OTFM) and a session with Minerals Management Services in Denver, Colorado. Through these sessions, more than 1000 subject matter experts from Tribes, BIA, BLM, MMS, OHA, and OST were consulted.¹ The purpose of the As-Is Model is to describe how certain Trust functions are delivered within the current DOI environment and to serve as a basis from which future reform efforts can be developed and implemented. The As-Is Model encompasses fiduciary Indian Trust functions, and is organized by eight major business process areas: Probate, Title, Beneficiary Services, Appraisal, Surface Asset Management, Subsurface Asset Management, Accounting Management, and Cadastral Survey Services. Universal support functions (e.g., training, workforce planning) are not directly addressed in this effort, as they were included in a previous EDS report, "Trust Reform Observations, Recommendations and Roadmap." However, universal support functions are critical to the development of the Trust To-Be Model and will be addressed in the next phase of the Department's Trust Reform efforts.

The As-Is Model documents, in detail, the standard and non-standard Trust processes. The term "standard" refers to common practice in the field, i.e., how a process operates most of the time is not necessarily how it is supposed to operate. For each of the eight core Trust processes, a baseline model defining the standard process is presented. Regional variations to the standard processes are presented in variance (non-standard) tables. The variance tables, located in Chapter 4, explain why process variations exist, i.e., whether they are due to federal, state or local laws, treaties, court rulings, local practices, or other reasons.

As a comparison to DOI Trust processes, EDS conducted a review of similar industry processes to understand how processes are performed, managed and measured. From this understanding of current DOI processes and industry standards, EDS, working with DOI and the Tribal Task Force representatives, has developed recommendations for each of the process areas as well as for enterprise-wide and cross-process improvement areas.

This report consists of six chapters and twelve appendices:

- a) **Chapter 1, *Introduction***, introduces the As-Is Model, describes the approach taken to develop the model, and explains the layout of the document.
- b) **Chapter 2, *Context and Complexity of the Indian Trust***, discusses the various laws, treaties, practices and Indian culture contributing to the unique and complex environment of the Indian Trust. It also demonstrates the complex interaction among the processes.
- c) **Chapter 3, *Industry Standards and Performance Measures***, describes standards, practices, and measures from the commercial trust environment and other trust related industries. Also identifies current performance measures and metrics used by DOI to measure Trust processes.

¹ BIA is the Bureau of Indian Affairs, BLM is the Bureau of Land Management, MMS is the Minerals Management Service, OHA is the Office of Hearings and Appeals, and OST is the Office of the Special Trustee.



- d) **Chapter 4, *As-Is Trust Business Model***, presents an overview of the As-Is Trust Model as well as details on each of the core Trust process areas. Details for each process include the As-Is baseline description, process flowcharts, variance tables, organizations, roles and responsibilities, process locations, inputs and outputs, events, fiduciary and legal obligations and controls, and systems used to support the business processes.
- e) **Chapter 5, *Findings and Recommendations***, presents high level and cross process, as well as specific process-related findings and recommendations for re-engineering Trust processes as well as associated improvements.
- f) **Chapter 6, *Trust Business Way Forward***, presents a high-level plan for the next phase of Trust Reform. It includes how to get started, assumptions, special needs, implementation plan, and expected benefits.
- g) **Appendix A, *Glossary***
- h) **Appendix B, *Work Session Participants***
- i) **Appendix C, *Workshop and Tribal Task Force Participants***
- j) **Appendix D, *Office of Management and Budget Circular No. A-130***
- k) **Appendix E, *Business Modeling Tools***
- l) **Appendix F, *List of Obligations***
- m) **Appendix G, *Industry Resources***
- n) **Appendix H, *Highlights from OCC Comptrollers Handbook for Fiduciary Activities***
- o) **Appendix I, *Commercial Trust Service Standards***
- p) **Appendix J, *Public Sector Leaders***
- q) **Appendix K, *Forestry Measures Collected***
- r) **Appendix L, *Cadastral Survey Measures Collected***
- s) **Appendix M, *Long Range Leasing Measures Collected***

The remainder of Chapter 1 describes the As-Is Model study and report: why the project was conducted, the approach used, what was included in the study, who was involved, the analysis criteria applied, and importantly, suggested reading tips for navigating through the report.

1.1 The Need for the As-Is

After reviewing the High Level Implementation Plan for Trust Reform, one of the key recommendations included in EDS' January 2002 *Trust Reform Final Report and Roadmap* was to develop a business model for Trust operations. In this recommendation, EDS suggested that DOI develop an accurate, current state model to include business processes, internal controls, and associated information technology. The As-Is Model addresses the business process dimension of that recommendation.

Through the development of the As-Is Model, the Department achieved the following benefits:

- a) Established a broad understanding of current Trust business operations within DOI and some of the Compacted/Contracted Tribes
- b) Identified needs and opportunities for improvement



c) Identified variances among regions, and their causes

Prior to the As-Is Model project, various efforts within the Department were either underway or had taken place to document segments of the Trust business processes. However, this is the first comprehensive, cross business process approach to documenting key processes supporting the Indian Trust, and their inter-relationships. Also, for the first time a location-by-location documentation of standard practices and variances from standard practices has been developed. This allows an understanding of the extent and causes of varying practices, and establish whether there is a specific requirement for each, or if it has evolved over time or at local discretion. Further, through the As-Is Model, the Department has identified current issues and opportunities for change that provide a launching pad for reform. It is for this reason that the process modeling is so detailed and involved such a wide spectrum of participants.

1.2 Overall Project Approach

The As-Is Business Modeling Team, composed of EDS consultants and DOI staff, and assisted by Tribal Task Force representatives, used their consulting experience and knowledge of the DOI organization to develop an objective and pragmatic approach to the As-Is Model, truly maximizing the skills and subject-matter-expertise of project participants. The consultants customized EDS process analysis and process modeling methodologies for DOI and the unique environment within the Indian Trust. The approach utilized workshop sessions at field site locations and emphasized participation from a wide audience of stakeholders across Indian Country – from senior executive leaders to the critical front-line workers (DOI and Tribal) interfacing daily with beneficiaries. In addition, Tribal Task Force representatives participated in the project, including visits with the BIA Regions. Critical to the success of the project was the ability to reach out to the people responsible for carrying out the eight core Trust *business* processes. This helped to ensure that the information gathered was accurate and representative of the broad constituent base for which Trust operations are conducted. It provides a solid foundation for the Department to move forward with the To-Be phase, which is planned to start shortly following the completion of the As-Is.

The As-Is Model is the result of several streams of work commencing in late February of 2002. The diagram below depicts the overall project approach. Each step outlined in the diagram is summarized in the pages that follow. It is important to understand the efforts that went into the project to truly recognize the significance of the detailed information and findings presented in later chapters.

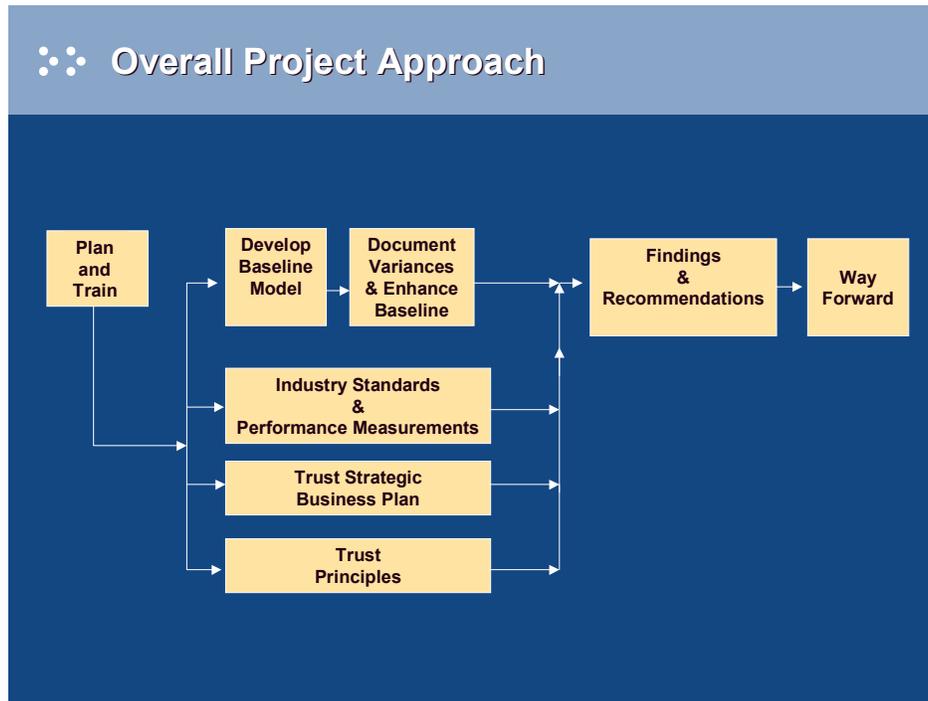


Figure 1.2- 1 Overall Project Approach

1.2.1 Plan and Train

The first phase of As-Is modeling was a joint effort by EDS and DOI to plan the project and build and train the team. Following contract signing, EDS and DOI worked together to confirm the scope of the project, draft the project plan and schedule, build the modeling team, and train the team on the approach and methodology to be followed.

Building the As-Is Model Team. In this critical first step, EDS and DOI recognized the need for a team made up of subject matter experts reaching across DOI and Indian Country geographically as well as organizationally. To meet this need, the DOI Deputy Secretary requested that each BIA Regional Director and heads of the DOI Bureaus (BIA, MMS, OHA, OST and BLM) nominate individuals for participation in the project. In addition, the Tribal Task Force was asked to nominate eight representatives to participate on the As-Is Team. Through these efforts, the following roles and responsibilities were established:



Table 1.2- 1 Key Participants in the Development of the As-Is Trust Model

Role name	Role description
DOI Executive Sponsor(s)	Provided executive direction and feedback on project activities. Executive sponsors were interviewed and consulted throughout the project by the EDS team leadership.
Steering Committee	Chaired by the Deputy Secretary. Composed of eight DOI managers, eight Tribal Leaders, and two EDS executives. Selected DOI team participants, confirmed high-level process descriptions, reviewed deliverables, facilitated internal DOI communications, provided third-level issue resolution.
Oversight Committee	Chaired by Deputy Special Trustee for Trust Systems and Projects. Composed of the DOI Contracting Officer Technical Representative, six Tribal Leaders, and the EDS Program Manager. Provided tactical guidance and direction. Served as project champion, responsible for coordination of DOI resources and activities, provided second-level issue resolution.
DOI COTR (Contracting Officer Technical Representative)	Provided day-to-day project oversight and management of team activities. The official interface between DOI and the EDS Team. All EDS status reports, contract change requests, requests for DOI actions and support, interview records and comments, deliverables, and project scope changes were coordinated between the COTR and the EDS Program and Project Manager.
EDS Program & Project Manager	Provided executive direction and day-to-day project oversight of EDS team activities.
DOI Process Sponsors	Paired with an EDS process facilitator (below) to gather information, review and document the eight core Trust business processes. Formed part of the As-Is Team that conducted the regional work sessions.
EDS Process Facilitators	Paired with a DOI process sponsor (above) to gather information, review and document the eight core Trust processes. Formed part of the As-Is Team that conducted the regional work sessions.
Tribal Task Force Representatives	Provided expertise and Tribal perspectives on Trust processes. Participated in conducting the regional work sessions.



Role name	Role description
Regional Subject Matter Experts	Regional experts on specific processes. Actively participated in the regional work sessions by providing information as to how the Trust processes were conducted in their respective regions.

Once the core Trust business processes were identified as detailed below, an EDS Process Facilitator and a DOI Process Sponsor were assigned to each of the eight Trust business processes to form process specific teams. While all of the members in the above table participated in the development of the As-Is Model, the “As-Is Team” refers to the EDS consultants and the DOI process sponsors only.

Training the As-Is Model Team. In April 2002, EDS worked with DOI to plan, facilitate, and document a one-week workshop. The purpose of the workshop was two-fold: to train the As-Is Team for the project, and to begin development of the baseline model. (The workshop is described in more detail below.) Team training accomplishments of the workshop included:

- a) Discussing fundamental concepts of cross-functional process management and process modeling
- b) Building awareness of process management as it is being implemented within DOI for Trust processes
- c) Confirming with participants the on-going expectations of their roles and responsibilities as Process Sponsors and Process Experts

1.2.2 Develop Baseline Model

Developing the baseline model involved three major steps: determining core Trust processes, conducting the baseline model workshop, and refining the baseline model.

Determining core Trust processes. The EDS team drafted an initial list of the core Trust processes. This list was reviewed and revised by the DOI senior leaders, resulting in the eight core Trust processes, listed below:

Table 1.2- 2 Core Trust Processes

Trust Process Area	Trust Process Description
Probate	The process by which Trust assets are divided among a beneficiary’s heirs, devisees and claimants.
Title	All processes supporting the acquisition, conveyance and disposal of Trust lands; Rights-of-Way crossing Trust lands, Mortgages and Assignments, and the recordation and reporting of beneficiary interest in those lands.
Beneficiary Services	All processes that interface with the beneficiary and provide responses to requests for information regarding Trust assets and services. It should be recognized that Beneficiary Services is an integral part of the other seven Trust business processes.
Appraisal	The process by which surface and subsurface asset values are obtained.



Trust Process Area	Trust Process Description
Surface Asset Management	The land planning, leasing, permitting and administrative activities that support the utilization of surface acreage.
Subsurface Asset Management	The leasing, administration and reclamation activities surrounding the recovery of solid and liquid mineral assets.
Accounting Management	Financial account management and the activities associated with maintaining, collecting, investing, distributing, disbursing, reporting, and auditing of Trust-related monies.
Cadastral Survey Services	The process that creates and defines tracts and boundaries of Trust real properties and related consultation services and products.

These eight Trust business processes serve as the focus of the As-Is Model. As stated above, the As-Is Model work teams were organized around the eight processes. In addition, this report itself is organized around the eight processes that are referred to frequently in the pages that follow.

Conducting the Baseline Model Workshop. The workshop held in April 2002 (referenced in section 1.2.1) resulted in a draft baseline straw model for each of eight core business processes. (Reference Appendix C for a listing of participants.) In documenting the baseline models, the As-Is Team used the Integrated Definition for Function Modeling (IDEF) models and written descriptions of each of the eight business processes. The IDEF methodology is a set of graphical modeling tools used in business process reengineering efforts around the world. IDEF has been the U.S. government standard since 1993 for systems documentation and requirements specifications, and is the basis for many business modeling and simulation software applications.² IDEF 0 models depict system or organizational functions, functional relationships, and data³. Activities are described graphically by their inputs, outputs, controls, and mechanisms. IDEF 3 is used to capture precedence and causality relationships among processes.⁴ IDEF modeling is explained in more in Appendix E, *Business Modeling Tools*.

Refining the Baseline Model. Following the baseline workshop, the As-Is Team visited two sites; one in Aberdeen, SD and the other in Billings, MT to refine the baseline straw model. The As-Is Team developed a refined baseline model as a result of these work sessions, which was distributed throughout DOI and Indian Country. The purpose of the baseline model is to identify how each of the eight business processes is carried out most of the time.

1.2.3 Document Variances and Enhance Baseline

Revisions to the baseline model continued through November 2002, as the As-Is Team and Tribal Task Force representatives conducted work sessions with subject matter experts from each of the BIA Regions and specific compacted and contracted Tribes. The purpose of the work sessions was to document variations to the process baseline models and to enhance the baseline model.

Work sessions were held with representatives of each region for each Trust process, with participants from Tribes, BIA, BLM, MMS, OHA, and OST.⁵ On average, the sessions were one-

² Corbin, Lisa, "Tools of the Trade," [GovExec.com](http://www.govexec.com), August 30, 1999.

³ See <http://www.idef.com/idef0.html> for an overview of IDEF0.

⁴ See www.idef.com/idef3.html for an overview of IDEF3.

⁵ BIA is the Bureau of Indian Affairs, BLM is the Bureau of Land Management, MMS is the Minerals Management Service, OHA is the Office of Hearings and Appeals, and OST is the Office of the Special Trustee.



week long. As a result of these work sessions, the As-Is Team, identified the genesis of the variances, clarified sub processes, and documented additional details for the baseline model. Additional information obtained during interviews and work sessions included:

- a) Fiduciary and legal obligations and controls specific to the location
- b) Systems used to support the business processes
- c) Performance measures and metrics
- d) Opportunities for improvement
- e) Issues, comments, and recommendations related to each of the processes
- f) Individual and organizational roles and responsibilities

During this phase of the project, the As-Is Team documented and created six versions of the As-Is baseline model, with each building upon the previous version. In addition, the baseline enhancements and process variances gathered during the Regional work sessions were delivered to the respective BIA Regional Directors, and work session participants for review and comment.

The As-Is baseline model and regional variances were documented based on the information provided by the participants who attended the work sessions.

1.2.4 Applicable Industry Standards

A parallel effort to the development of the baseline model was the research and documentation of standards, practices, and performance measures used by commercial trust and non-trust industries for managing similar processes. The EDS project team members obtained these industry standards through interviews with industry experts and research of relevant documentation. Also as part of this effort, the EDS team interviewed DOI executives and senior management to understand operational performance management needs, existing measurement and reporting, critical success factors, and measurement issues.

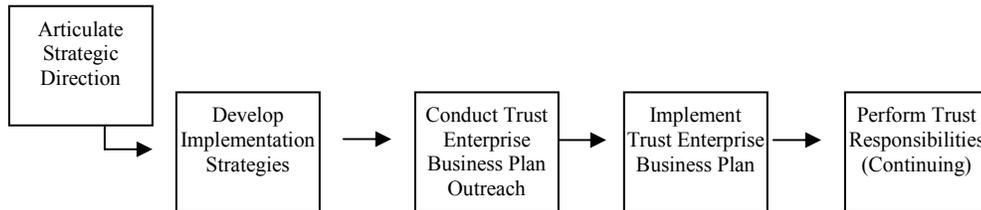
The findings and standards resulting from this activity were used to assist the EDS As-Is team in developing recommendations for improving current Trust processes and overall Trust Reform efforts.

1.2.5 Draft *Comprehensive Trust Management Plan*⁶

The EDS team reviewed draft versions of the *Comprehensive Trust Management Plan* and included it as analysis criteria for the As-Is Trust processes. Details on the analysis criteria can be found in section 1.2.7.

The DOI Office of Indian Trust Transition (OITT) distributed a draft of the *Comprehensive Trust Management Plan* in June 2002. This document outlines the process DOI intends to use to reform and manage the Department's Trust responsibilities. There are five specific steps in this process as depicted in the following diagram.

⁶ This section makes reference to draft versions of the document previously titled the *Indian Trust Business Plan* and currently titled the *Comprehensive Trust Management Plan*. Revisions to the document were made throughout 2002 and a final draft of the report was issued February 20, 2003.



OITT states that the Plan will be a living and useful document, and will be used to develop a common understanding among employees responsible for Trust-related activities throughout the Department. OITT also emphasizes the importance of monitoring performance and consulting with beneficiaries to refine the business as appropriate.

In addition to detailing the steps of implementing the Plan, OITT has presented a set of strategic goals and objectives in draft format. The following matrix illustrates to which of the eight processes the strategic goals and objectives are related. In analyzing each of the process areas, the strategic goals and objectives related to that process were used as a way to focus the analysis and the development of recommendations.

Table 1.2- 3 Trust Strategic Goals and Objectives⁷

Trust Strategic Goals and Objectives	Related Trust Process(es)
Strategic Goal 1: Beneficiary Services Enhance and maintain a beneficiary focus of providing service to and maintaining communications with beneficiaries.	All eight core Trust processes
Objective 1.1: Beneficiary statements Routinely provide timely, accurate, understandable, and comprehensive statements to beneficiaries.	Accounting Beneficiary Services Probate Subsurface Surface
Objective 1.2: Beneficiary services Provide beneficiaries with easy access to trust account services and information.	Beneficiary Services
Objective 1.3: Beneficiary communications Develop and maintain effective communications with beneficiaries to facilitate beneficiary involvement in improving trust management, acquisition / disposal, and conveyances of trust assets, consistent with DOI's fiduciary duties.	Beneficiary Services
Strategic Goal 2: Ownership Information Verify, track, and maintain the land, natural resource, and fund asset ownership information required to manage assets effectively and to provide beneficiary services.	Beneficiary Services Cadastral Survey Probate Subsurface Surface Title
Objective 2.1: Probate and estate administration Consistently prioritize and resolve probate and estate administration cases on a timely basis to meet effectively asset management and beneficiary service requirements.	Probate

⁷ Taken from a draft of the *Comprehensive Trust Management Plan*, dated September 16, 2002.



Trust Strategic Goals and Objectives	Related Trust Process(es)
<p>Objective 2.2: Surveys Establish accurate and up-to-date surveys to ensure correct boundaries for trust individual and tribal lands and any resulting revenue distribution.</p>	Cadastral Survey
<p>Objective 2.3: Title, realty, and administrative information Develop, maintain, and make readily available accurate and current asset ownership and administrative information that is managed to professional fiduciary standards.</p>	Beneficiary Services Cadastral Survey Subsurface Surface Title
<p>Strategic Goal 3: Land and Natural Resource Assets Provide stewardship and management of land and natural resource assets in the best interests of the beneficiaries, while fulfilling fiduciary and legal responsibilities.</p>	Appraisal Cadastral Survey Subsurface Surface
<p>Objective 3.1: Land and natural resource asset plans and stewardship strategies Develop land and natural resource asset plans and stewardship strategies.</p>	Cadastral Survey Subsurface Surface
<p>Objective 3.2: Preservation and protection of land and natural resource assets Preserve and protect the long-term viability of land and natural resource assets consistent with fiduciary duties and with the beneficiary's intended use of the assets.</p>	Cadastral Survey Subsurface Surface
<p>Objective 3.3: Land and natural resource asset business management Manage land and natural resource assets effectively and proactively to obtain fair market value for beneficiaries, as required, and to incorporate beneficiary requirements.</p>	Cadastral Survey Subsurface Surface
<p>Objective 3.4: Appraisals Obtain appraisal information, as necessary, on trust and restricted lands for tribal and individual Indian owners, using methods and techniques that meet professional standards.</p>	Appraisal Cadastral Survey Subsurface
<p>Strategic Goal 4: Trust Fund Assets Manage trust fund assets consistently with legal and fiduciary responsibilities ensuring timely and productive use of the assets.</p>	Accounting Subsurface Surface Title
<p>Objective 4.1: Fund assets management Manage and invest fund assets to provide prudent rates of return, while considering the best interests of individual beneficiaries and tribes.</p>	Accounting
<p>Objective 4.2: Collection, disbursement, and accounting of funds Collect, disburse, and account for funds associated with trust assets accurately and on a timely basis.</p>	Accounting Subsurface Surface Title
<p>Strategic Goal 5: Indian Self-Governance and Self-Determination Encourage and support compact and contract opportunities associated with trust management to promote Indian self-governance and self-determination.</p>	Accounting Subsurface
<p>Objective 5.1: Expand self-governance compacts and self-determination contracts Foster expansion of self-governance compacts and self-determination contracts.</p>	N/A
<p>Objective 5.2: Technical assistance Provide Indian tribes with technical assistance to develop, implement, and manage Indian trust fund investment plans, in accordance with the American Indian Trust Fund Management Reform Act of 1994.</p>	Accounting
<p>Objective 5.3: Cooperative audit agreements</p>	Subsurface



Trust Strategic Goals and Objectives	Related Trust Process(es)
Increase the number of tribes that participate in cooperative audit programs for oil and gas leases.	
Strategic Goal 6: Administrative Services Develop, maintain, and coordinate administrative services to support the effective and efficient fulfillment of DOI trust management responsibilities.	All eight core Trust processes, where applicable
Objective 6.1: DOI trust organization Create a DOI trust organization with the structure, policies, and processes that will facilitate fulfillment of fiduciary and legal requirements with a beneficiary focus.	N/A
Objective 6.1.1: Fiduciary duty focus and strategy Develop a fiduciary duty focus and strategy to trust management.	N/A
Objective 6.1.2: Consolidation and accountability Consolidate DOI Indian trust responsibilities into a single organization accountable for executing, maintaining, and managing trust fiduciary activities.	N/A
Objective 6.1.3: Policies and procedures Coordinate policy and procedure development and management relating to all Indian trust reform and management activities to ensure that fiduciary and legal requirements are achieved.	N/A
Objective 6.1.4: Trust processes Benchmark and improve DOI trust processes and apply appropriate standards.	N/A
Objective 6.1.5: Activity-based costing Develop an activity-based costing model for implementation of Trust business plan objectives.	N/A
Objective 6.2: Accounting Develop and maintain accounting activities that are user friendly, integrated, provide necessary functionality, and contain appropriate interfaces to support effective and efficient trust management.	Accounting Subsurface Surface Title
Objective 6.3: Historical accounting Complete a historical accounting that meets DOI's legal and fiduciary obligations to individual Indian money beneficiaries to ensure that appropriate and authorized distributions to beneficiaries are made.	N/A
Objective 6.4: Human Resources Conduct workforce planning to manage the DOI trust workforce so positions are filled on a timely basis with well-trained employees who are accountable for effective performance.	Analysis & Recommendations provided in EDS Trust Reform and Roadmap published in January, 2002
Objective 6.4.1: Workforce planning Develop organizational work plans focused on workforce planning, staffing, recruiting, retention, and retirement forecasting, and develop associated infrastructure.	Analysis & Recommendations provided in Trust Reform and Roadmap published in January, 2002
Objective 6.4.2: Workforce training Develop a comprehensive and coordinated DOI trust management training program.	Analysis & Recommendations provided in EDS Trust Reform and Roadmap published in January, 2002



Trust Strategic Goals and Objectives	Related Trust Process(es)
<p>Objective 6.5: Information Technology Develop, operate, and maintain a trust enterprise architecture with the appropriate computer systems to facilitate successful trust operations.</p>	<p>Analysis & Recommendations provided in EDS Trust Reform and Roadmap published in January, 2002</p>
<p>Objective 6.5.1: Trust enterprise architecture Develop a comprehensive trust enterprise architecture.</p>	<p>Analysis & Recommendations provided in EDS Trust Reform and Roadmap published in January, 2002</p>
<p>Objective 6.5.2: A-130 compliance Fully comply with applicable requirements outlined in OMB Circular No. A-130.</p>	<p>See Section 1.2.7 and Appendix D</p>
<p>Objective 6.5.3: Data and systems security Develop and implement data and systems security procedures.</p>	<p>Analysis & Recommendations provided in EDS Information Assurance Report and Roadmap published in January, 2002</p>
<p>Objective 6.6: Business practices Develop and maintain business processes and practices that are based on professional standards that are complete, consistent, and reliable.</p>	<p>All eight core Trust processes</p>
<p>Objective 6.7: Performance measures Develop, maintain, and use clear performance measures to manage trust operations and to assess performance.</p>	<p>All eight core Trust processes</p>
<p>Objective 6.8: Risk management Develop, implement, and maintain a comprehensive risk management program, including extensive internal and management controls, to monitor and evaluate the effectiveness of DOI's trust operations.</p>	<p>N/A</p>
<p>Objective 6.9: Records management Create, manage and preserve trust records with adequate and proper documentation so that the information necessary to fulfil DOI's fiduciary responsibilities is protected, available, and accessible to beneficiaries.</p>	<p>N/A</p>

1.2.6 Trust Principles

The Department's Trust Principles initially developed in 2000 were reviewed by the As-Is Team and used to develop analysis criteria for evaluating the As-Is Trust processes.

DOI has spent substantial time and effort developing a set of Trust Principles by which all Trust processes and activities are governed. These Trust Principles were first introduced in 2000 and were subsequently vetted by DOI leadership, approved by the Office of the Solicitor, and incorporated into DOI's Departmental Manual pursuant to Secretarial Order 3215.

The following Trust Principles are stated in the 2000 DOI Departmental Manual.



“It is the policy of DOI to discharge, without limitation, the Secretary’s Indian Trust responsibility with a high degree of skill, care, and loyalty. The proper discharge of the Secretary’s Trust responsibilities requires that persons who manage Indian Trust assets:

A.	Protect and preserve Indian Trust assets from loss, damage, unlawful alienation, waste, and depletion;
B.	Assure that any management of Indian Trust assets that the Secretary has an obligation to undertake promotes the interest of the beneficial owner and supports, to the extent it is consistent with the Secretary’s Trust responsibility, the beneficial owner’s intended use of the assets;
C.	Enforce the terms of all leases or other agreements that provide for the use of Trust assets, and take appropriate steps to remedy trespass on Trust or restricted lands;
D.	Promote Tribal control and self-determination over Tribal Trust lands and resources;
E.	Select and oversee persons who manage Indian Trust assets;
F.	Confirm that Tribes that manage Indian Trust assets pursuant to contracts and compacts authorized by the Indian Self-Determination and Education Assistance Act, 25 U.S.C. 450. <u>et seq.</u>, protect and prudently manage Indian Trust assets;
G.	Provide oversight and review of the performance of the Secretary’s Trust responsibility, including Indian Trust asset and investment management programs, operational systems, and information systems;
H.	Account for and timely identify, collect, deposit, invest, and distribute income due or held on behalf of beneficial owners;
I.	Maintain a verification system or records that is capable, at a minimum, of identifying: (1) the location, the beneficial owners, any legal encumbrances (i.e., leases, permits, etc.), the user of the resource, the rents and monies paid, if any, and the value of Trust or restricted lands and resources; (2) dates of collections, deposits, transfers, disbursements, third party obligations (i.e., court ordered child support, judgments, etc.), amount of earnings, investment instruments and closing of all Trust fund accounts; (3) documents pertaining to actions taken to prevent or compensate for any diminishment of the Indian Trust assets; and (4) documents that evidence the Department’s actions regarding the management and disposition of Indian Trust assets;
J.	Establish and maintain a system of records that permits beneficial owners to obtain information regarding their Indian Trust assets in a timely manner and protect the privacy of such information in accordance with applicable statutes;
K.	Invest Tribal and individual Indian Trust funds to make the Trust account reasonably productive for the beneficial owner consistent with market conditions existing at the time the investment is made;
L.	Communicate with beneficial owners regarding the management and administration of Indian Trust assets; and
M.	Protect treaty-based fishing, hunting, gathering, and similar rights of access and resource use on traditional Tribal lands.”⁸

⁸ Department of the Interior Departmental Manual; Effective Date: 10/31/00; Series: Departmental Management; Part 303: Indian Trust Responsibilities; Chapter 2: Principles for Managing Indian Trust Assets.



1.2.7 Findings and Recommendations

The Findings and Recommendations phase of the project was not a discrete point in time, but rather, took place over the course of the project. As the team gathered and documented data, observations, and findings, they compared this information to the following criteria:

- a) **DOI Trust Mission:** As stated in the September 16, 2002 draft of the *Comprehensive Trust Management Plan*, “DOI will perform all trust responsibilities to American Indians and Alaska Natives with a beneficiary focus and will fulfill its fiduciary and legal requirements.”
- b) **DOI Trust Principles:** See Section 1.2.6. Trust Principles as stated in DOI’s Departmental Manual.
- c) **Applicable Industry Standards and Performance Measures:** See Section 1.2.4. Industry standards and measures identified by the EDS team.
- d) **DOI Trust Strategic Goals and Objectives:** See Section 1.2.5. Goals and objectives stated in the *Comprehensive Trust Management Plan*.
- e) **Office of Management and Budget Circular No. A-130:** The purpose of this Circular was to establish policy for managing Federal information resources (i.e., governmental information and information technology). The EDS team completed a high-level review of the Circular, and identified one major tenet as relevant to the development of the As-Is Business Model: providing information to the public. The regions and agencies are required to provide Trust asset information to both Indians (beneficiaries) and non-Indians. This requirement, particularly beneficiary services, was addressed during the analysis phase. For the complete analysis of OMB-130, see Appendix D.

These key DOI and industry references aim to support the Department’s mandate to improve operational effectiveness and efficiency of Trust processes and provide high quality services to beneficiaries. Using these criteria, the As-Is Team identified areas of strength as well as opportunities for improvement within DOI’s trust operations. The improvement areas served as the focus for recommendation development.

The As-Is Team developed a series of recommendations covering each of the process areas as well as higher level, cross process recommendations. Stakeholder recommendations collected during work sessions were considered as well as those originating from the independent perspective of the EDS Team. In developing recommendations, the As-Is Team referenced DOI and Tribal internal best practices, industry standards and performance measures. Most of the cross process recommendations were the result of meetings that took place between the As-Is Team and Tribal task force representatives during each of the work sessions.

1.2.8 Way Forward

Based on EDS experience in working with other U.S. government departments, bureaus and agencies, the team developed a “Way Forward” discussion to conclude the report. This describes how DOI might transition from the As-Is to the To-Be development phase, including what steps need to be considered in preparing for this critical next step in transforming the Department’s Trust processes and services.



The information presented in this report is meant to provide a foundation for beginning the “To-Be” phase of the Trust Business Model. The recommendations presented should not be considered the To-Be, but should be considered as the starting point for To-Be development. The To-Be phase typically involves some further analysis, prioritization and refinement of recommendations made in the As-Is phase. The To-Be phase also encompasses developing a new Trust model, identifying funding requirements, communication and change management planning and universal support functions (e.g., training, workforce planning).

1.3 Navigation Tips

This report represents a close-up review and analysis of how the Department operates and manages the business processes associated with the Indian Trust. It is intentionally detailed, in order to provide specific information for the reengineering efforts that will follow. Chapter 4 may be read and referenced in pieces, depending upon the reader’s area of interest and work at hand. There are eight main sections to Chapter 4, each describing one of the eight core business processes and its sub-processes. Chapter 5 provides findings related to the eight core business processes as well as issues that span multiple processes. Recommendations for all process areas are also identified in Chapter 5. Chapter 6 outlines a Way Forward for the Department. The As-Is Team hopes this document will serve as a useful starting point and foundation for building the new, To-Be Trust Business Model.