- Defining business lines provides a baseline for developing standard business processes and systems, as well as effectively aligning the organization with the business model.

This subsection describes the major products and services that comprise each business line. These are critical because they influence the design of business processes, information systems, and organizational structure. This definition of offerings, along with the business line descriptions, helps to define comprehensive trust management in the eyes of beneficiaries and other stakeholders, and to shape their expectations for service delivery.

Expectations of beneficiaries often exceed what DOI can accomplish within legislative boundaries. Products and services not listed because they fall outside these boundaries cannot be provided by comprehensive trust management.

BUSINESS LINE 1: BENEFICIARY TRUST REPRESENTATION

Beneficiary trust representation involves proactively communicating, providing trust management services, and representing the best interests of the beneficiaries in all trust matters. This business line establishes primary accountability for trust representation with OST. However, beneficiary representation is the primary responsibility of both BIA and OST. OST's objectives, for instance, are to provide beneficiaries with timely and accurate information on trust accounts. However, this business line is not the exclusive business line of OST or BIA. Beneficiary trust representation only can be performed successfully through coordinated efforts among involved or affected DOI agencies.

The primary beneficiary trust representation products and services within this business line are as follows:

- Advise beneficiaries and other DOI personnel on trust management processes and issues.
- Represent beneficiaries in fiduciary trust interests concerning trust assets and provide oversight of land and natural resource management.
- Provide beneficiaries with timely and complete fiduciary trust information and reports, and conduct consultation with tribal and individual trust beneficiaries regarding management of fiduciary trust assets.
- Facilitate beneficiary involvement in developing trust management plans, acquisition and disposal, and conveyances of trust assets.
- Provide Indian tribes with technical assistance to develop, implement, and manage their tribal trust fund investment plans.

desirable, this business line also involves promoting Indian self-governance and self-determination through advice and counsel on asset management. This business line reports through the management chain to the Assistant Secretary—Indian Affairs who oversees performance.

The stewardship products and services are as follows:

- BIA:
  - Provide stewardship and management of land and natural resource assets in the best interests of the beneficiaries, while fulfilling fiduciary and legal responsibilities. BLM provides approval of operations for mineral leases.
  - Obtain cadastral surveys from BLM to establish accurate surveys and ensure correct boundaries for individual and tribal lands.
  - Provide title, realty, and administrative information. This entails developing, maintaining, and making readily available accurate and current land asset ownership and administrative information, including acquisition, conveyance, right of way and easements, mortgages and assignments, and disposal functions.
  - Encourage and support compact and contract opportunities associated with trust management to promote Indian self-governance and self-determination.
  - Ensure probates are performed when appropriate.

Many other important activities are involved in comprehensive trust management, but they play a supporting or oversight role and are not part of the main business lines. These will be accounted for as product or service requirements are identified as the organizational model is developed.

3.4.1 Supporting Products and Services

A number of products or services enable comprehensive trust management to deliver services to beneficiaries or support senior management in the execution of their duties. DOI must account for these items because they must be incorporated in the process design, systems design, and staffing requirements analysis. They are as follows:

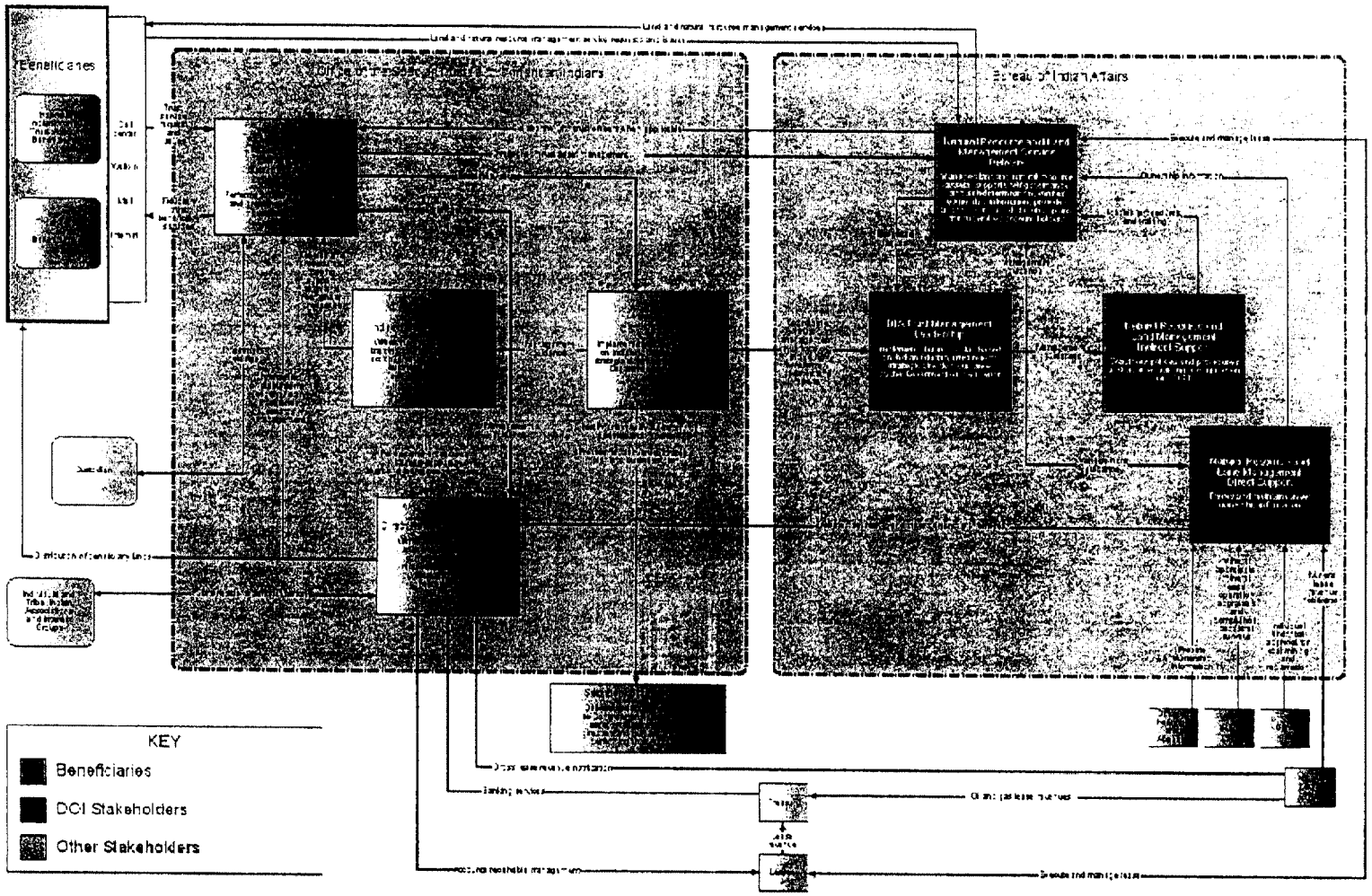
- OHA: Estate adjudication
- MMS: Collection and verification of mineral lease revenues and mineral compliance audits

- BLM:
  - Mineral appraisals
  - Cadastral surveys
  - Mineral lease operations, approval, and compliance
  - Technical assistance and advice on proposed BIA mineral actions
- OSM:
  - Mining permits
  - Inspections
- OST:
  - Comprehensive trust management modernization plan
  - Appraisals
  - Status updates on reform efforts
- BIA:
  - Status updates on reform efforts
  - Periodic statements of performance and audits
  - Annual report on implementation of programs and assessment of budget as requested by Congress
  - Periodic reports as requested by the court

3.5 FUTURE SERVICE DELIVERY MODEL

The new trust management service delivery model identifies the new mode of comprehensive trust management business operations (Figure 3-7). It identifies who provides products and services and the flow of products and services. It depicts OST and BIA working together as a cohesive team.

Figure 3-7. Future Service Delivery Model



The model begins on the left with beneficiaries requesting and receiving services through various service channels. The primary contact for beneficiary fiduciary trust services will be OST and/or BIA. The service delivery staff directly supports the beneficiaries. Indirect and direct support staffs further enhance these beneficiary support functions, and leadership directs and guides operations.

Along the lower section of the diagram are the other key stakeholders involved. The service delivery model details those within OST and BIA responsible for coordinating efforts with these key stakeholders.

The following subsections define the relationship and role of the three key players in trust management services: beneficiaries, OST, and BIA.

3.5.1 Beneficiaries

The service delivery model begins with the individual Indian and tribal beneficiaries requiring trust services, such as receiving trust account information, routine trust account statements, advice, and guidance. The intent is to maintain BIA service delivery representatives and to provide beneficiaries with an additional point of contact for all trust service requests and ownership information updates across all areas. Therefore, beneficiaries will continue to have access to the BIA in addition to an assigned trust officer within OST. Eventually, DOI anticipates that ownership information will be accessible to beneficiaries through various communication channels/contact methods—for example, walk-in, direct phone line, the Internet, a call center, or postal mail—to provide improved access.

3.5.2 Office of the Special Trustee for American Indians

OST is responsible for beneficiary fiduciary trust representation and trust financial management. Four main business groups are needed to perform these functions:

1. Fiduciary trust beneficiary service delivery
2. Direct support
3. Indirect support
4. Leadership.

3.5.2.1 Fiduciary Trust Beneficiary Service Delivery

Trust officers will provide fiduciary trust asset services and oversee trust asset management. First, trust officers will maintain information and provide a point of contact for all trust asset management information and services. Second, trust officers will establish and maintain close working relations with BIA agency superintendents as they provide oversight of beneficiary asset management. Trust

officers monitor at-risk decisions and transactions and collaboratively work with BIA to reach a consensus on final actions. Risk identifiers will be defined at a later date.

3.5.2.2 Direct Support

For trust officers to fulfill their role, they need direct support. The direct support team captures, maintains, and tracks fund asset information. Direct support is responsible for records management, accounting of funds, investments, and disbursement of payments.

3.5.2.3 Indirect Support

To ensure effective and efficient operations, OST requires indirect support to develop policies and procedures, provide training, and reengineer business processes—as applicable—to ensure standardized, best-practice operations. Indirect support also is required to provide the infrastructure for well-trained trust officers, direct support staff, and OST leadership.

3.5.2.4 OST Leadership

OST leadership is responsible for the following: implementing the business plan on the basis of DOI strategic guidance; measuring implementation results; updating the business plan accordingly; and informing the Secretary on trust reform efforts. The leadership also provides guidance and direction for service delivery, direct support, and indirect support.

OST leadership ensures that efforts within OST and between OST and BIA are coordinated. Although a separate trust management division is proposed in Chapter 4, DOI will attempt to avoid stovepiped operations by establishing policies and procedures to foster communications and strong working relations among OST, BIA, BLM, MMS, and other key agencies.[10]

3.5.3 Bureau of Indian Affairs

BIA is responsible for stewardship and management of land and natural resources, and beneficiary communication. Four main business groups are needed to perform these functions:

1. Service delivery
2. Direct support
3. Indirect support
4. Leadership.

[10] Stovepiping—singling out of a specific operation without regard for integration efforts.

3.5.3.1 SERVICE DELIVERY

The BIA service delivery staff manages land and natural resource assets, supports self-governance and self-determination, updates and verifies ownership information, and ensures collection of non-mineral lease revenues. They conduct assessments and develop distribution plans for beneficiaries, including conducting due process to place appropriate accounts in supervised status. The service delivery staff also develops and maintains close working relations with OST service delivery staff in order to provide services to beneficiaries and communicate with them.

3.5.3.2 DIRECT SUPPORT

To do its job, the service delivery staff needs a direct support staff to capture, maintain, and track asset ownership information. The direct support staff also provides real estate services, such as resolving probate cases, and natural resource management services.

3.5.3.3 INDIRECT SUPPORT

To ensure effective and efficient operations, BIA requires indirect support to develop policies and procedures, provide training, and reengineer business processes as applicable. These indirect support efforts are coordinated with OST and ensure standardized, best-practice operations.

3.5.3.4 BIA LEADERSHIP

BIA leadership is responsible for implementing the business plan on the basis of DOI strategic guidance, measuring implementation results, and updating the business plan accordingly. The leadership also provides guidance and direction for service delivery, direct support, and indirect support. Additionally, it ensures coordinated efforts within BIA and maintains close working relations with OST. Leadership reports to the DOI Secretary on trust performance.

3.6 FIDUCIARY OBLIGATIONS AND REQUIREMENTS

3.6.1 Fiduciary Obligations

Interior has examined the requirements applicable to administration of the Individual Indian Monies (IIM) accounts. The primary accounting requirements that Interior must meet is set by the 1994 Act. The Act specifically describes the accounting duties owed by DOI to tribes and individual Indians. The act requires DOI to:

- provide adequate systems for accounting for and reporting trust fund balances;
- provide adequate controls over receipts and disbursements;

Table 3-2. Examples of Statutory and Regulatory Requirements

	#1 Beneficiary trust representation	#2 Trust financial management	#3 Stewardship of land and natural resources	All three business lines
Computer Crime Act of 1984				x
Computer Fraud and Abuse Act of 1986, Public Law 99-474, 18 United States Code (U.S.C.) 1030				x
American Indian Trust Fund Management Reform Act of 1994				x
Appraisal handbook			x	
BIA/OST Interagency Handbook				x
Computer Matching and Privacy Protection Act of 1986, Public Law 101-56				x
Computer Security Act of 1987, Public Law 100-235, 40 U.S.C. 759				x
DOI Departmental Manuals				
303—Principles for Managing Indian Trust Assets				x
375—Information Technology Security Program				x
376—Chapter 19, Information Technology Security Program, April 15, 2002				x
380—Records Management Program and Responsibilities				x
384—Records Disposition				x
441—Personnel Suitability and Security Requirements, Chapter 1-6				x
444—Physical Security and Building Security, Chapter 1				x
486—Vital Records				x
DOI Information Technology Security Plan (ITSP), Version 2.0, April 15, 2002				x
DOI Information Technology Security Reference Handbook, September 2001				x
DOI Risk Assessment Guideline, April 23, 2002				x
DOI Contingency Planning Guideline, April 22, 2002				x
DOI System Security Plan (General Support System [GSS]) Guide and Template, May 31, 2002				x
DOI System Security Plan (major application [MA]) Guide and Template, May 31, 2002				x
Electronic Communications Privacy Act of 1986, PL 99-508				x
Federal Oil and Gas Royalty Management Act of 1982				x

Table 3-2. Examples of Statutory and Regulatory Requirements (Continued)

	#1 Beneficiary trust representation	#2 Trust financial management	#3 Stewardship of land and natural resources	All three business lines
Federal Records Act of 1950		x		
Federal Information Processing Standard (FIPS) PUB 102, Guideline for Computer Security Certification and Accreditation, September 1983				x
FIPS PUB 31, Guidelines for Automated Data Processing Physical Security and Risk Management, June 1974				x
FIPS PUB 73, Guidelines for Security of Computer Applications, June 1980				x
Freedom of Information Act, 5 U.S.C. 552				x
Generally accepted government auditing standards (GAS/GAGAS)—"Yellow Book"		x		
Generally accepted accounting principles applicable to Indian trust (Federal Accounting Standard Board (FASB), American Institute of Certified Public Accountants (AICPA), Governmental Accounting Standard Board (GASB), etc.)		x		
Government Information Security Reform Act (GISRA), Title X, Public Law 106-398				x
Government Performance and Results Act (GPRA) of 1993, Public Law 103-62, 107 Stat., 5 U.S.C. Section 306, 31 U.S.C. 1105, 1115-1119, 3515, 9703-9704				x
Information Technology Management Reform Act of 1996 (Clinger-Cohen Act), Division E of Public Law 104-106, 40 U.S.C. 1401				x
National Archives and Records Administration (NARA) in 36 Code of Federal Regulations (C.F.R.) and 44 U.S.C.				x
National Security Act, as amended, Public Law 102-485				x
National Institute of Standards and Technology (NIST) Special Publications (SPEC PUB)				
SPEC PUB 800-12—An Introduction to Computer Security: The NIST Handbook, October 1995				x
SPEC PUB 800-14—Generally Accepted Principles and Practices for Securing Information Technology Systems, June 1996				x
SPEC PUB 800-18—Guide for Developing Security Plans for Information Technology Systems, December 1998				x
SPEC PUB 800-26, Security Self-Assessment Guide for Information Technology Systems, November 2001				x
SPEC PUB 800-30, Risk Assessment Guide for Information Technology Systems, January 2002				x
SPEC PUB 800-34, Contingency Planning Guide for Information Technology Systems, June 2002				x
SPEC PUB 800-47, Security Guide for Interconnecting Information Technology Systems, September 2002				x
Office of Management and Budget Circulars				

Table 3-2. Examples of Statutory and Regulatory Requirements (Continued)

	#1 Beneficiary trust representation	#2 Trust financial management	#3 Stewardship of land and natural resources	All three business lines
A-11, "Preparing, Submitting, and Executing the Budget," June 22, 2002				x
A-50, "Audit follow-up Inspector General (IG)/General Accounting Office (GAO)"		x		
A-123, "Management, Accountability, and Control"				x
A-127, "Financial Management Systems," July 23, 1993				x
A-130, "Management of Federal Information Resources," February 8, 1996				x
OST Investment Policy	x	x		
Paperwork Reduction Act of 1978, as amended, Public Law 103-13, 109 Stat 163, 44 U.S.C. Ch 35				x
Privacy Act of 1974, Public Law 93-579, 5 U.S.C. 552a (1974)				x
Prudent man rule subject to limitations under 25 U.S.C. 162 (a)		x		
Sections applicable to Indian Trust of the Uniformed Principal and Income Act		x		
Statement of Auditing Standards 70 review related to trust fund accounting system				x
The Chief Financial Officers Act of 1990, Public Law 101-576, 31 U.S.C. 901, et. seq., as amended		x		
The Federal Financial Management Improvement Act of 1996		x		
The Federal Managers' Financial Integrity Act of 1982, Public Law 97-255, 31 U.S.C. 1352		x		
Title 25 of the United States Code and applicable regulations for land use and leasing			x	
Universal Standards of Professional Appraisal Practices			x	

For further information on which functions within each business line are affected by these requirements, refer to Appendix C.

3.7 TRANSITION TO CHAPTER 4

Chapter 4 defines the new organization. It also describes the roles and responsibilities needed to support the new service delivery model, achieve the business objectives, and meet the fiduciary obligations.

Chapter 4
Organizational Realignment

4.1 INTRODUCTION

The updated strategic direction and business profile provide the fundamental information needed to reform and revitalize an organization. How the organization is structured to support the business lines is equally critical to success. The realignment is a major component of the overall modernization effort. As portrayed in Figure 4-1, realigning the organization is the next important step toward realizing comprehensive trust management. Figure 4-2 shows the roadmap to and core components of this chapter.

Figure 4-1. Comprehensive Assessment and Planning Methodology

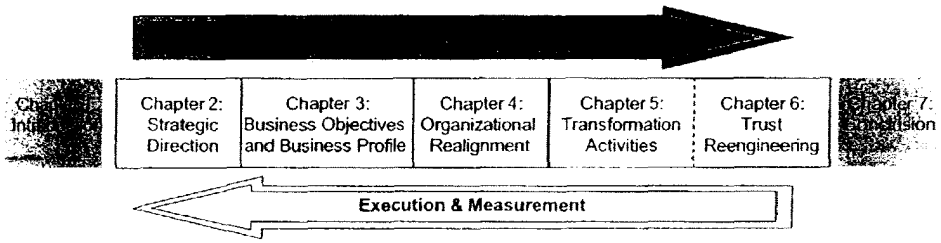
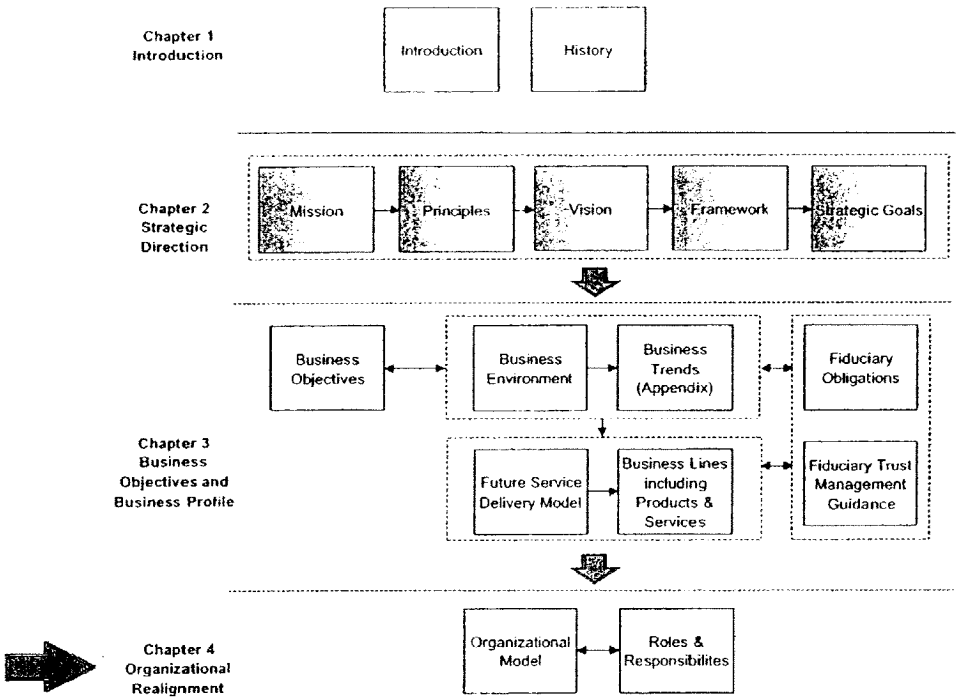


Figure 4-2. Roadmap to and Core Components of Chapter 4



4.2 BACKGROUND

DOI has undertaken many trust reform initiatives over the years, with modest success and unanticipated failure. Most interested parties know that continued individual initiatives will not generate the breadth or depth of improvement required. Accordingly, DOI has set in motion a complete modernization of Indian trust management, addressing all aspects of service delivery, including organizational design.

Reorganization is vital to this multifaceted approach to trust reform. Past attempts to change the organization have met with resistance and mixed results. The Joint DOI/Tribal Leaders Task Force discussions clearly linked organizational structure with the ability to provide quality services to trust beneficiaries.

This chapter contains the plan for reorganizing DOI's Indian trust operations to improve the effectiveness and accountability of trust management. The implementation of this organizational design will enhance benefits to trust beneficiaries in the following ways:

- Dedicating personnel to provide consolidated beneficiary services
- Increasing the emphasis on tribal contracting and compacting
- Maintaining staff and conserving monetary resources within BIA and OST

- Improving organizational accountability
- Elevating the profile of Indian economic development
- Grouping organizational functions more efficiently.

4.3 TRIBAL CONSULTATION

DOI held sessions with the Joint DOI/Tribal Leaders Task Force to discuss collaboratively the organizational issues related to trust reform. The task force evaluated numerous proposals for trust reform that had been submitted to the Secretary of the Interior. In addition, it assisted DOI in reviewing current practices. The task force provided proposals to the Secretary on organizational alternatives for the management of trust services within DOI.

The task force represented a broad cross-section of tribal interests. It consisted of two leaders from each of the twelve BIA regions, with a third acting as an alternate. Members of the federal team were senior Department officials. The task force held joint multiday meetings in Shepherdstown, WV, Phoenix, AZ, San Diego, CA, Minneapolis, MN, Bismarck, ND, Portland, OR, Anchorage, AK, Alexandria, VA, and Washington, DC.

The task force ultimately agreed to recommend that Congress establish the position of Undersecretary for Indian Affairs, appointed by the President, confirmed by the Senate, and reporting directly to the Secretary. The Undersecretary would have direct-line authority over all aspects of Indian affairs within DOI. This authority would include coordination of trust reform efforts across the relevant agencies and programs within DOI to ensure these functions are performed in a manner consistent with its trust responsibility. The Office of the Special Trustee for American Indians would be phased out.

The task force also agreed that the Office of Self-Governance and Self-Determination should report directly to the new Undersecretary for Indian Affairs. This arrangement would enhance the ability of tribes interested in moving toward more compacting and contracting to directly provide the services due to Indian beneficiaries. Similarly, the task force agreed that any authorizing legislation would also include the creation of a Director of Trust Accountability, reporting directly to the Undersecretary, who would have day-to-day responsibility for overseeing the trust programs of DOI.

Members of the task force also recommended a restructuring of BIA. DOI and the tribal representatives agreed that the status quo was unacceptable and that DOI's long-standing approach to trust management needed to change. Moreover, this change must be reflected in a system that is accountable at every level, with people trained in the principles of trust management.

After nearly a year of task force meetings and organizational consultations, the process closed with a final consultation session in Washington, DC, in December 2002. Although the task force consultation process did not reach consensus on draft legislation supporting a trust organization structure, it did reveal the desires of the tribes regarding the kind of reorganization that would both strengthen trust functions and meet the beneficiaries' needs.

4.4 NEW ORGANIZATION

The new organizational structure, approved by the appropriate Congressional committees in December 2002, better supports achievement of the modernization goals and objectives. The future comprehensive trust management organization must fully align with the new strategic direction and business profile, and its roles, responsibilities, and resources must effectively support the new service delivery model.

DOI analyzed the service delivery model to document elements with a common purpose and function. To design an organization that effectively executes service delivery, DOI placed directly related activities under a responsible manager to ensure clear direction, management, and responsibility. DOI aligned subordinate layers under the responsible managers until all functions were fully accounted for in the organizational model. Properly aligning these elements with the service delivery model ensures efficient workflow. Finally, DOI evaluated the new design for compliance with selected organizational objectives used to guide the initial analysis. These organizational objectives are as follows:

- Support a strong, beneficiary-focused service delivery
- Align responsibility, function, and authority
- Align duties and responsibilities such that different functional activities are not duplicated in another part of DOI
- Provide effective management controls
- Support accurate and timely reporting
- Support performance measurement
- Support personal and organizational accountability
- Clearly assign and integrate fiduciary obligations.

The new organizational structure aligns with the service delivery model (Figure 3-7) and supports the overarching principles of performance and accountability. This model, described in the following sections, represents the intended

and desired—but not yet implemented—structure. The new structure will require revising the *DOI Departmental Manual*, which addresses operations.

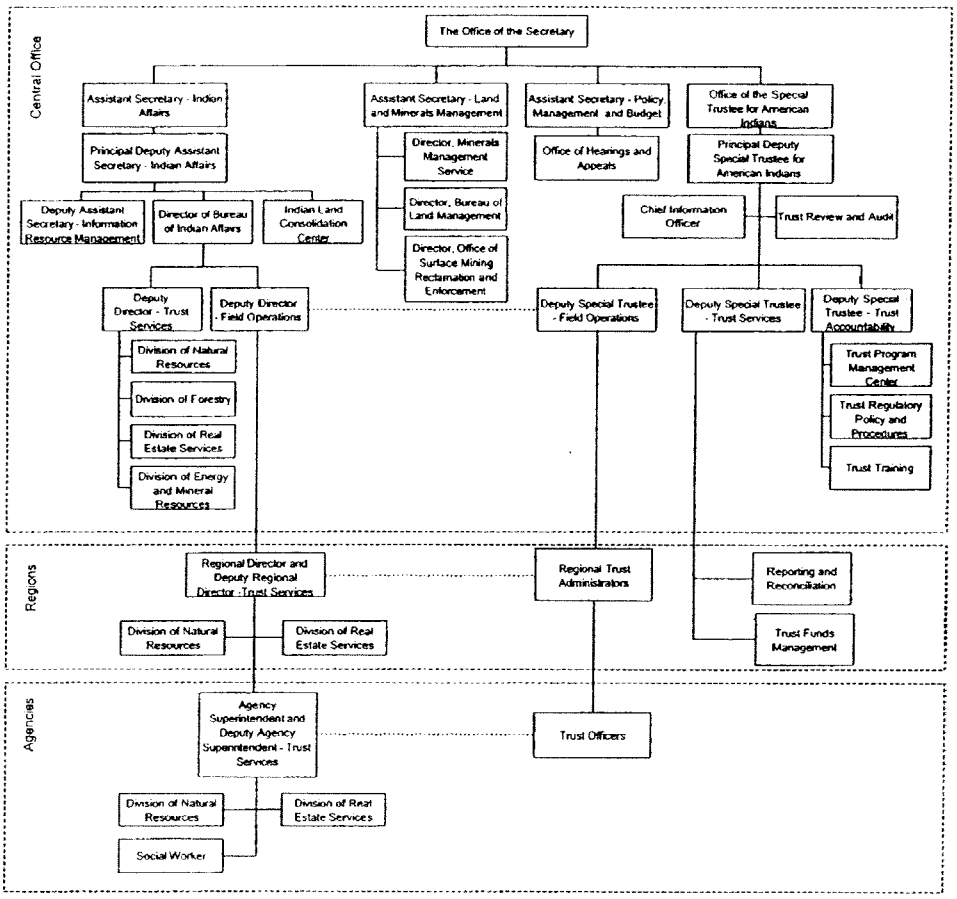
4.5 Service Delivery Assessment

The service delivery functions (as shown in the service delivery model in Chapter 3) are key to developing the organizational structure. They assist in identifying the specific organizational elements responsible for delivery of products and services, and for providing critical support to the direct delivery functions. The service delivery model indicates that four primary offices within DOI are critical to reforming comprehensive trust management:

- The Office of the Assistant Secretary—Indian Affairs oversees BIA, which has stewardship and management of trust lands and natural resources in addition to other responsibilities and services outside of trust program activities.
- The Office of the Assistant Secretary—Land and Minerals Management continues to provide support services to BIA for trust land and mineral matters through BLM, MMS, and OSM.
- The Office of the Assistant Secretary—Policy, Management and Budget continues to provide support services to BIA (through OHA) in the determination of disputed legal ownership and certain probate issues.
- Office of the Special Trustee for American Indians (OST) provides the fiduciary trust management activities and oversight.

Within the four primary offices many organizational components—located in the central office, regions, and agencies—support comprehensive trust management (Figure 4-3). (Figure 4-3 displays only the organizational elements involved in comprehensive trust management.)

Figure 4-3. Summary Overview—Comprehensive Trust Management Structure (only key officers with significant trust duties are shown)



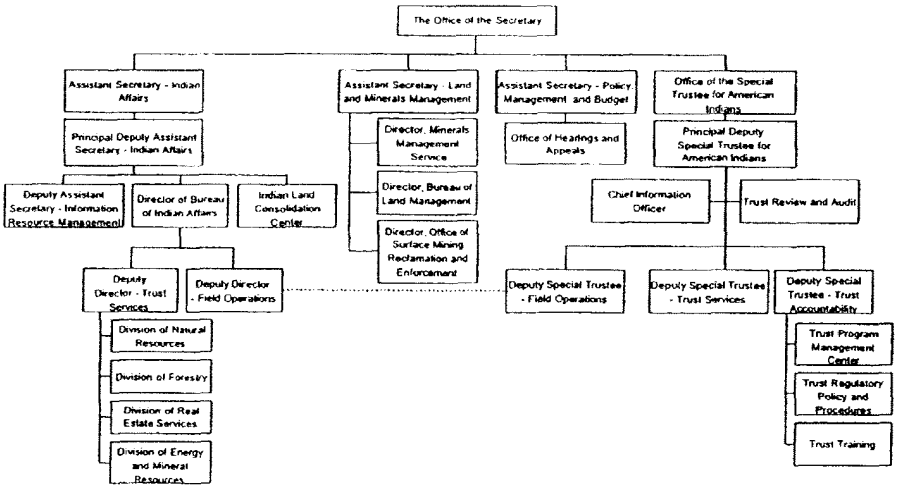
Note: The shaded boxes and dotted lines between them indicate a working relationship and the need to coordinate and communicate trust management issues. This coordination provides the connectivity needed to avoid stovepiping of trust management functions in the different organizations.

The following sections describe the locations—central office, regions, and agencies—and their structures.

4.5.1 Central Office

Figure 4-4 shows the overall comprehensive trust management structure in the central office related to Fiduciary trust asset management.

Figure 4-4. Central Office—Comprehensive Trust Management Structure



Notes: The shaded box and dotted line from the Deputy Director for Field Operations to the OST side of the structure indicate a working relationship. The Deputy Special Trustee for Field Operations will be located in Washington, DC, or Albuquerque, NM.

4.5.1.1 Bureau of Indian Affairs

BIA has primary responsibility for the stewardship of Indian and tribal natural resources and land management. The BIA structure in the central office provides leadership and guidance through statutes, regulations, policies, and procedures for servicing trust land management. The principal element is the Office of the Deputy Director—Field Operations.

The Deputy Director—Field Operations provides the direct line authority to the regions. The Deputy Director—Trust Services provides policies, procedures, and guidance for natural resources management in the field through the following divisions:

- Division of Natural Resources
  - Water resources
  - Irrigation and safety of dams
  - Agriculture/Range management
  - Fish, wildlife, and parks
- Division of Real Estate
  - Land acquisition and disposal
  - Land title records office

- Probate
- Rights-of-way
- Lease/permit

- Division of Forestry
  - Forestry and Fire
- Division of Energy and Minerals Resources
  - Energy and Minerals Management.

The Office of the Assistant Secretary—Indian Affairs shares responsibility with OST for information technology policy, planning, architecture, configuration management, engineering, security, privacy, project management, development, and operation of trust systems and their integration with the DOI and federal architecture.

4.5.1.2 Minerals Management Service, Bureau of Land Management, and Office of Surface Mining

The MMS supports mineral lease revenue collection, disbursement activities, and audit compliance for the trust programs. BLM provides mineral appraisals, mineral operations approval and compliance, and cadastral surveys of beneficiaries' trust land. OSM regulates all coal mining and reclamation operations on Indian lands under the Indian Lands Program Regulations. The line of authority for MMS, BLM, and OSM goes to the Assistant Secretary—Land and Minerals Management.

4.5.1.3 Office of Hearing and Appeals

OHA issues probate orders determining heirs to trust land through the complex probate estate administration, and the line of authority is to the Assistant Secretary—Policy, Management and Budget.

4.5.1.4 Office of the Special Trustee for American Indians

OST provides fiduciary guidance, management, and leadership for both tribal trust accounts and IIM accounts. OST oversees and coordinates DOI efforts to ensure establishment of consistent policies, procedures, systems, and practices throughout DOI. OST consists of the following organizational units, which perform oversight activities and operations for OST personnel:

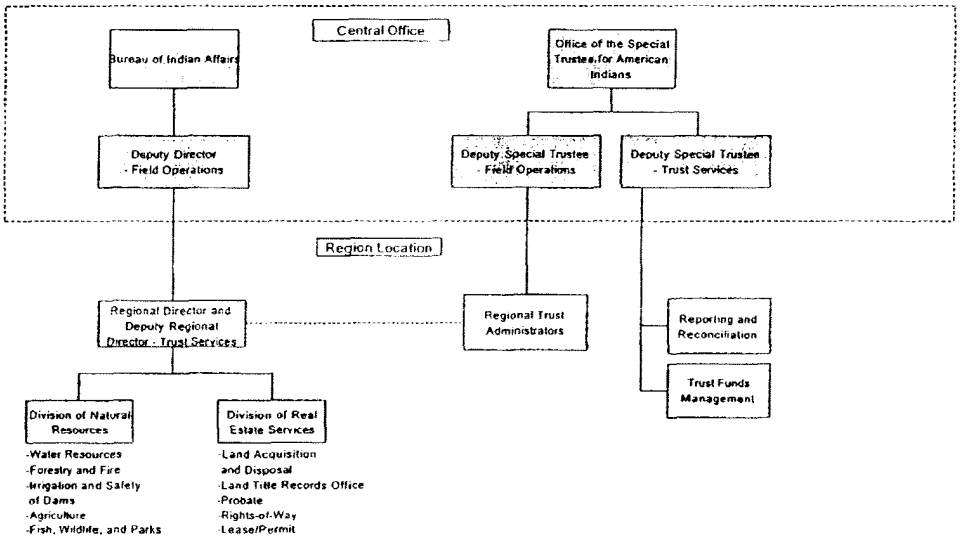
- Chief Information Officer provides and maintains the information technology where beneficiary records information resides.
- Trust Review and Audit analyzes reports and production data for accuracy and manages contractors performing independent audits.

- Deputy Special Trustee for Trust Accountability coordinates policy, development of regulations, and establishment of procedures for comprehensive trust management.
- Deputy Special Trustee for Trust Services provides beneficiary trust records maintenance, trust fund management, and investment services.
- Deputy Special Trustee for Field Operations manages the interface with beneficiaries, overseeing and providing technical assistance to the trust officers.

4.5.2 Regions

The regional structure provides the trust elements needed for delivery of trust management services and support to the field. Figure 4-5 shows the regional structure, which addresses the BIA and OST trust management functions in the regions.

Figure 4-5. Region—Comprehensive Trust Management Structure



4.5.2.1 BIA Regional Director

The Regional Director's office, which includes trust operations, provides stewardship of natural resource and land management technical assistance to agency superintendents. A deputy director provides line authority for the Division of Natural Resources and Division of Real Estate, which provide policy and decision support to the agencies.

The Deputy Regional Director for Trust Services provides information and assistance to the OST regional trust administrators. The working relationship is similar to that between the Deputy Director—Field Operations and Deputy Special Trustee—Field Operations.

4.5.2.2 OST Regional Fiduciary Trust Administrators

The regional fiduciary trust administrators provide the direct line authority connection to the agency trust officers. They closely monitor the field activities while providing policy and guidance. The regional trust administrators provide some of the direct support functions to the agency-level trust officers and resolve issues escalated by the trust officers.

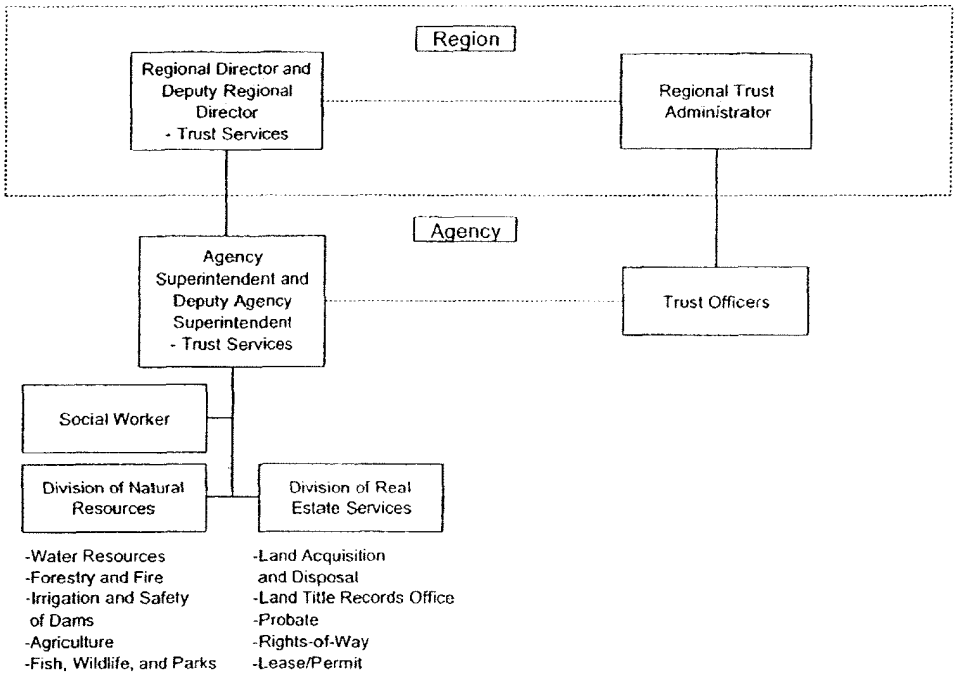
4.5.2.3 OST OTFM and Reporting and Reconciliation

The Office of Trust Funds Management (OTFM) and the Office of Reporting and Reconciliation are located in Albuquerque, NM. They directly support the agency trust officers. OTFM records, invests, and disburses beneficiary trust fund assets. The Office of Reporting and Reconciliation is responsible for internal and external reconciliation and reporting.

4.5.3 Agency

The interaction between the beneficiaries and comprehensive trust management elements takes place in the agencies. The likely contacts for beneficiaries are the Deputy Agency Superintendents—Trust Services in BIA and the Trust Officers in OST. Figure 4-6 shows the relationship and direct-line authority from the regions to the agencies.

Figure 4-6. Agency—Comprehensive Trust Management Structure



4.5.3.1 BIA Deputy Agency Superintendents—Trust Services

The Agency Superintendent is the responsible official for managing all BIA activities at an agency office. The following activities, however, may be performed by a Deputy Agency Superintendent for Trust (DAST), when one is available:

- DAST will work with tribes and individuals on developing trust resource management plans.
- DAST will develop and implement trust fund expenditure plans for supervised and encumbered accounts.
- DAST will develop natural resource protection, maintenance, use and enhancement plans, and ensure that cultural and environmental concerns are considered and addressed.
- DAST will ensure that regulatory and procedural requirements for management of day-to-day natural resource business processes are made available to tribes and followed.
- DAST is the appropriate liaison to contract and compacted tribes regarding the tribes management of their natural resources.

- DAST is the appropriate liaison to state, local, and other federal agencies to promote contracting and compacting for protection of trust natural resources, resolving boundary disputes, conservation enforcement, cooperative agreements for fire suppression and habitat development, etc.

- DAST will at times have full access to trust officers employed by Interior and work in a collaborative style to ensure a seamless presentation of trust management processes to all trust beneficiaries.[11]

4.5.3.2 OST FIDUCIARY TRUST OFFICERS

The OST fiduciary trust officers interact with beneficiaries for trust needs. The trust officers work closely with the Deputy Agency Superintendents and their staff to work on beneficiary issues and ensure the beneficiaries are receiving delivery of products and services. Some of their specific duties include the following:

- One or more trust officers are to be located in local BIA agencies, where appropriate, or within reasonable proximity if necessary. Trust officers are to be the primary contact for trust beneficiaries regarding information related to their trust assets.

- Trust officers' role is to be a key contact for trust beneficiaries and to work cooperatively with Superintendents by being the trust liaison for trust matters involving information about beneficiary's trust assets, status of account, obtaining required information for trust accounts, gathering information for use by the Agency in managing a beneficiary's natural resources, etc.

- Trust officers will work with the Agency to assist, as requested, in the development of fiduciary trust management plans, and will review and concur with the plans, when appropriate, to ensure fiduciary trust obligations are met within the plan.

- Trust officers will establish, implement, and maintain controls over trust cash assets. It is anticipated that these procedures and controls will be consistent from agency to agency and will be established in consultation with the DAST and Superintendent.

- Trust officers will serve as the local collections office for all trust funds, encoding transactions, monitoring the accounts receivables, and providing technical assistance on trust matters.

- Trust officers will receive reports from the Trust Program Management Center on performance measures. They will work with the DAST to

[11] Some regional offices provide these services typically provided by agencies.

improve any weaknesses reported and revise business processes as appropriate.

- Trust officers will be primarily responsible for the appropriate creation, storage, and disposition of trust records and will work together with the DAST and Superintendent to ensure that policies, procedures and training are followed and made available to agency staff as necessary.
- Trust officers will ensure that appropriate documentation of all fiduciary trust transactions and internal controls are in place and followed.
- Trust officers will review and audit fiduciary trust asset management decisions and transactions that meet high-risk criteria. Trust officers will work collaboratively with the DAST in a contemporaneous manner to reach concurrence on such decisions and transactions.

4.6 Roles and Responsibilities

Table D-1 in Appendix D identifies the roles and responsibilities for the core roles of the comprehensive trust management organizational design.

Table D-1. Roles and Responsibilities

Office of the Special Trustee for American Indians			
Office/Individual	**Role**	**Key Roles**	**Responsibility**
Special Trustee	Executes trust management role and focuses outside OST organization that includes the Secretary of the Interior, BIA directors, tribal task forces, and other stakeholders; mo[illegible] manages the [illegible] Special [illegible] manager[illegible] and Audit, [illegible] Director, B[illegible] [illegible]mance and Administration, and OST Chief Information Officer of OST	Monitor the external environment for perceived [illegible]al [illegible] the trust [illegible] [illegible]th all [illegible]ices on issues and status of CTM functions Maintain close relationship with Assistant Secretary - Indian Affairs	Inform the Secretary of the Interior of all developments, positive and negative, and how the function is operating Coordinate with BIA to provide or influence products and services on issues concerning the CTM function

See appendix.

4.7 Summary

The organizational structure design provides the necessary elements for effectively accomplishing the comprehensive trust management mission, strategic direction, business plan, and service delivery model—with a focus on delivery of services to beneficiaries.

The organizational structure presented in this chapter is a natural extension of the strategic direction of Chapter 2 and the business profile of Chapter 3. It clearly delineates the organizational units that have the roles and responsibilities required to meet DOI's fiduciary trust obligations.

Chapter 5
Transformation Activities

5.1 INTRODUCTION

Chapters 2, 3, and 4 describe DOI's strategic direction, business objectives, service delivery model, organization realignment, and roles and responsibilities required to achieve a new level of performance and accountability in Indian trust management. This chapter describes the transformation activities required to achieve comprehensive trust management as defined in the previous chapters. This chapter is a shift from design to implementation of comprehensive trust management and represents the final step in this plan, as shown in Figure 5-1. Figure 5-2 shows the roadmap to and core components of this chapter.

Figure 5-1. Comprehensive Assessment and Planning Methodology

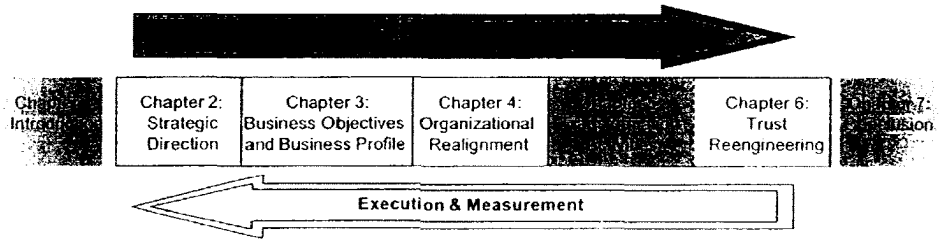
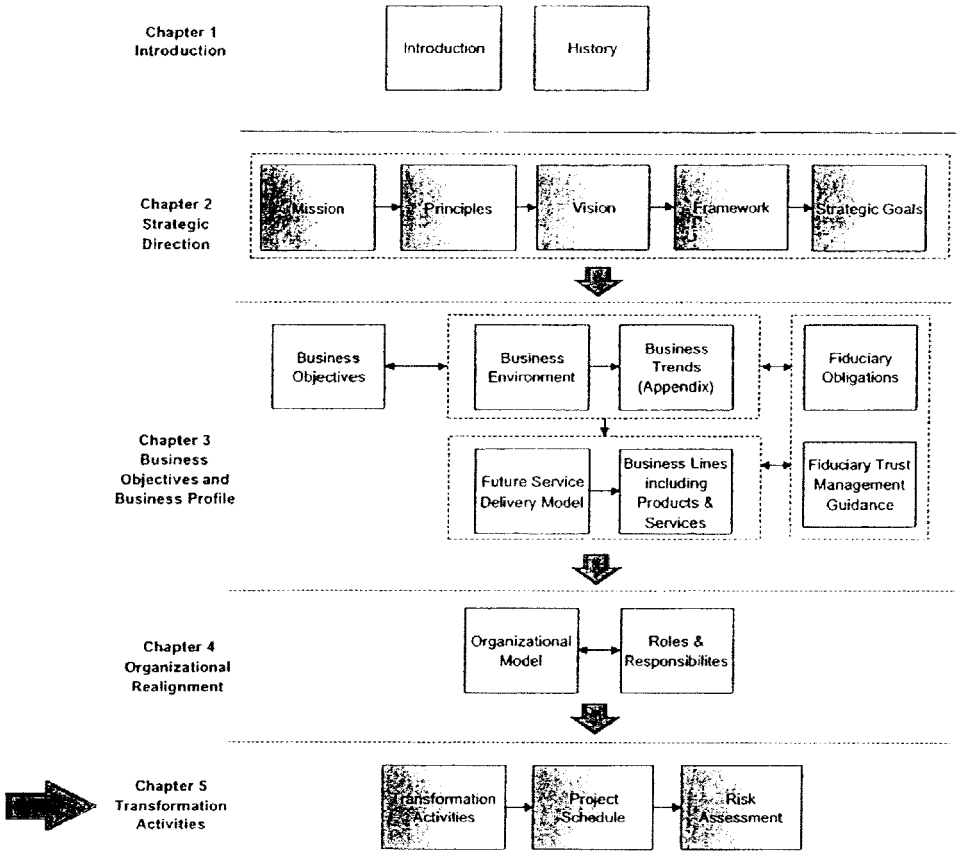


Figure 5-2. Roadmap to and Core Components of Chapter 5



Beginning in January 2002, DOI set essential goals, assessed improvement progress, analyzed commercial best practices, continued initiatives to solve problems or implement improvements, and recommended a comprehensive assessment of trust management modernization. Section 5.2 describes the project components identified for inclusion in the ongoing comprehensive transformation effort.

5.2 Project Activities Required for a Comprehensive Transformation Effort

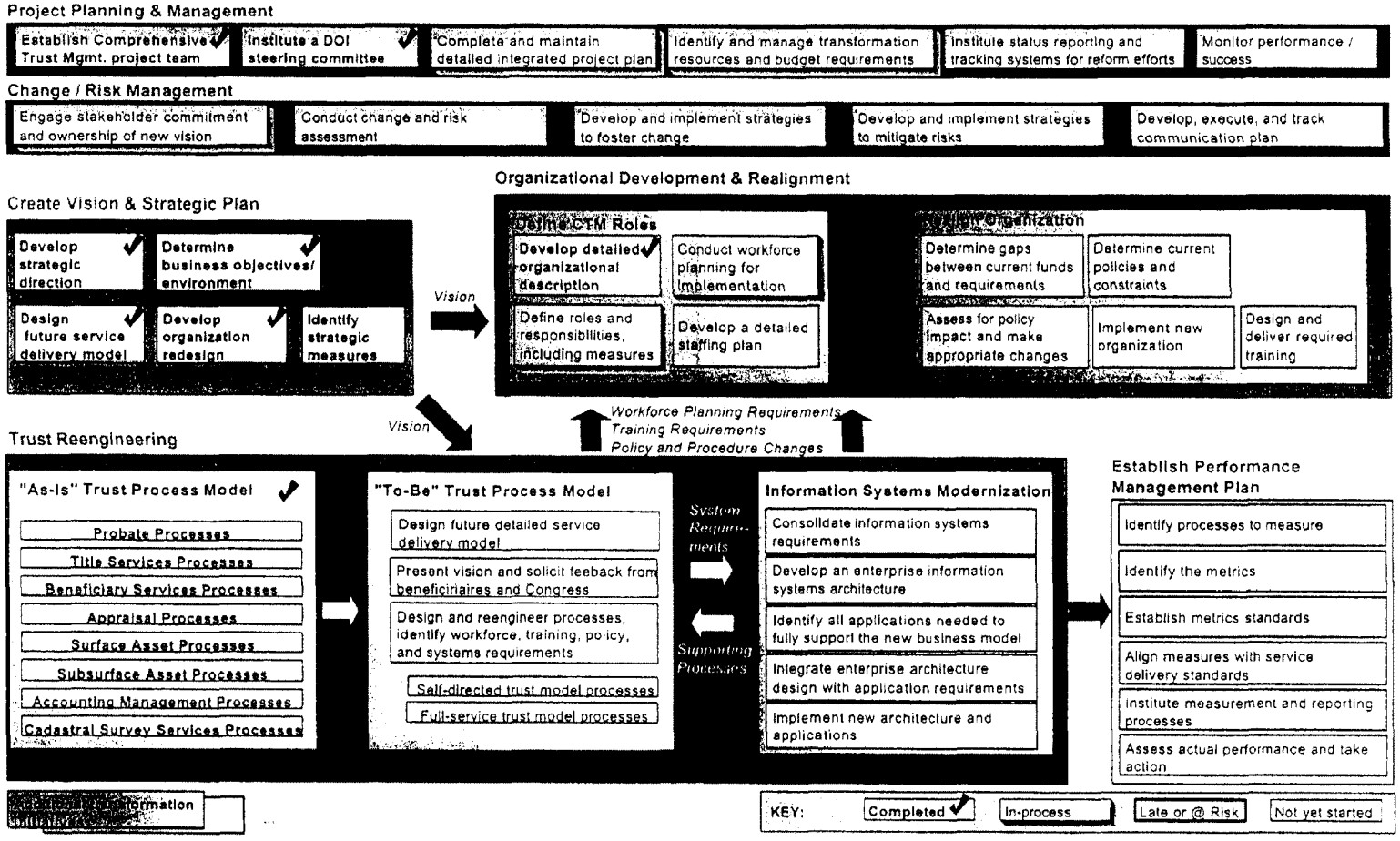
This section addresses the overall activities, such as project management, organizational realignment, and change management, required for successful transformation. The individual implementation tasks fall under six major project components:

- Project planning and management
- Change/risk management

- Create vision and strategic plan
- Organizational development and realignment
- Trust reengineering
- Establish performance management program.

See Figure 5-3 for an illustration of these six transformation activities.

Figure 5-3. Transformation Activities



The following subsections describe the major components.

5.2.1 Project Planning and Management

Project planning and management is an ongoing process. Significant resources will be required over several fiscal years to succeed, especially in light of the envisioned organization, process, and information systems modernization. As with all such efforts, total requirements can easily exceed available resources. This group of activities involves establishing a more formal process and structure for identifying, requesting, and allocating resources across the project. Additionally, all trust transformation efforts need to be coordinated. The Office of Indian Trust Transition manages and provides oversight to transformation activities and planning.

Project planning and management activities include the following:

- Continue engagement of Comprehensive Trust Management (CTM) project team and DOI trust executive steering committee
- Complete and maintain a detailed integrated project plan
- Identify and manage transformation resources and budget requirements
- Institute status reporting and tracking systems for reform efforts
- Monitor performance/success.

5.2.2 Change/Risk Management

Transformation requires a sweeping culture change within DOI trust management functions to align the workforce with the new strategic direction and business profile. New processes and systems will fall short if the organization's culture does not support them. A top priority is to initiate a change management project that transitions organizational norms, beliefs, and values to fully support service delivery, performance, and accountability. Part of any transformation effort is to establish a sense of urgency because transformation requires the proactive cooperation of many stakeholders. This requires mitigating risk, actively fostering change, and tracking and managing a significant amount of communications.

These change management tasks will improve the alignment of the human element with the business practices to complete the modernization:

- Engage commitment and ownership of new vision
- Conduct detailed change and risk assessments
- Develop and implement strategies to foster change and mitigate risks
- Develop, execute, and track communication plan.

5.2.3 Create Vision and Strategic Plan

As previously mentioned, to fulfill its trust responsibilities effectively and efficiently, Interior must have an overall strategic plan to guide design and implementation of trust reform efforts. This strategic plan describes the vision, goals, and objectives of trust reform and operation of the trust program. It will be regularly evaluated and updated to ensure its responsiveness to the needs of Interior's trust operations. It will be a dynamic strategic plan will be adapted to changing environments.

5.2.4 Organizational Development and Realignment

This involves clearly defining detailed CTM roles and responsibilities, identifying clear lines of responsibility, performance, and accountability, mapping the interactions required among stakeholders, and supporting the process of realigning the organization.

The steps involved in organizational development and realignment are the following:

- Define Comprehensive Trust Management roles
  - Develop a detailed organizational description
  - Define roles and responsibilities, including new performance measures for new organization
  - Conduct workforce planning for implementation
  - Develop a detailed staffing plan
- Realign Organization
  - Determine gaps between current funds and requirements
  - Determine current policies and constraints
  - Assess for policy impact and make appropriate changes
  - Implement new organization
  - Design and deliver required training.

This organizational development will expand upon current efforts. Upon recommendation of OST and BIA based on Joint DOI/Tribal Leaders Task Force input on December 4, 2002, the Secretary of the Interior approved a new organizational structure within current statutory constraints to provide trust services to the beneficiaries in a more accountable and efficient manner. The

appropriate Congressional committees approved reprogramming funds to support the new organizational structure on December 18, 2002.

5.2.5 Trust Reengineering

This activity requires an assessment of how DOI intends to perform its role as trustee and manage the three business lines of beneficiary service, financial accountability, and natural resource management. DOI then must develop efficient and standard business processes and supporting systems across all three trust business lines, incorporating best practices when possible. At the core of the reengineering efforts is beneficiary relationship management. Beneficiary relationship management is the process of establishing positive relationships with all beneficiaries, understanding comprehensive trust management servicing requirements, achieving effective communication between beneficiaries and the DOI government workforce, and quickly and efficiently tracking and resolving service delivery issues. These tasks will be integrated into the process and system reengineering efforts.

5.2.5.1 "As-Is" Trust Process Modeling

The first phase of the reengineering project was the "As-Is" Model effort that commenced in February 2002 and finished in February 2003. The "As-Is" Model establishes a comprehensive understanding of how trust operations are conducted currently. The final *"As-Is" Trust Business Model Report* will be issued during the first quarter of calendar year 2003. The report provides detailed documentation of the Indian trust's eight core processes:

- Probate
- Title Services
- Beneficiary Services
- Appraisal
- Surface Asset Management
- Subsurface Asset Management
- Accounting Management
- Cadastral Survey.

The report examines related industry standards and performance measures, documents the "As-Is" trust business model, and provides findings and recommendations.

5.2.5.2 "To-Be" Trust Process Modeling

During the "To-Be" phase, DOI will take a fresh look at how the Indian trust should be designed and operated. DOI will go beyond incrementally revising the existing eight core trust processes and redefine the core processes and activities required to successfully perform trust management in the future. These activities will build on the high-level service delivery model presented in Chapter 3, and will integrate the specific functions of trust management into an effective, performance-based, detailed service delivery model. The service delivery model is a roadmap that displays the relationship between all the elements of comprehensive trust management service delivery. New process flows and interactions will then be designed with improved information technologies and best practices.

The change effort will be a DOI-wide transformation encompassing most aspects of the trust. The intent is to design and implement necessary changes to ensure that new strategic goals and business objectives are made possible.

5.2.5.3 Information Systems Modernization

DOI has identified the "As-Is" business, data, application, technology, and security architecture. A high-level blueprint has been developed to map trust business systems processes from existing procedures and information technology systems. The recommendations from the blueprint are currently being scheduled for review and action.

The enterprise architecture and management systems will enable the new business processes to function, to ensure data accuracy and storage capability, and to effect the necessary reporting and auditing. DOI will upgrade current systems and add new ones to meet the future needs of CTM. Modern and appropriate records and information systems are required to support the core business processes. From the business process reengineering and standardization, existing systems can be expanded and new systems introduced that enable faster and more accurate processing, provide data and reports simultaneously to multiple users across the nation, and make accurate record keeping an attainable goal.

The trust reengineering activity is further described in Chapter 6.

5.2.6 Establish Performance Management Program

Improved performance can only be achieved through the design, implementation, and continued use of a performance management program. These activities include setting performance standards, measuring performance, and improving processes when standards are not met.

5.3 PROJECT SCHEDULE

The project schedule appearing in Figure 5-4 incorporates the components required for successful transformation. This sample project schedule illustrates major milestones and will expand as the project unfolds in greater detail and specific initiatives are developed. It is an active management tool that will be routinely updated, tracked, and reported. The schedule is part of a dynamic plan that will evolve and change in the future, and is constructed to support the complex nature of the CTM project.

Figure 5-4. Comprehensive Trust Management Project Schedule

ID	Task Name	Status
1	**Expand Project Planning and Management**	
2	Establish Comprehensive Trust Management project team	Completed
3	Institute a DOI Steering Committee	Completed
4	Complete and maintain detailed integrated project plan	On-going
5	Identify and manage transformation resources and budget requirements	On-going
6	Institute status reporting and tracking systems for reform efforts	On-going
7	Monitor performance /success	On-going
8	**Change Organizational Culture**	
9	Engage commitment and ownership of new vision	In-process
10	Conduct detailed change and risk assessments	
11	Develop and implement strategies to foster change and mitigate risks	
12	Develop, execute, track communication plan	
13	**Create Vision and Strategic Plan**	
14	Develop strategic direction	Completed
15	Determine business objectives and assess business environment	Completed
16	Develop future service delivery model	In-process
17	Develop organizational redesign to support new service delivery model	Completed
18	Identify strategic performance measures to monitor achievement of strategic goals	In-process
19	**Organizational Development**	
20	Define Comprehensive Trust Management roles	
21	Develop a detailed organizational description	In-process
22	Define roles and responsibilities including new performance measures for new organization	In-process
23	Conduct workforce planning for implementation	
24	Develop a detailed staffing plan	
25	Realign Organization	
26	Determine gaps between current funds and requirements	
27	Determine current policies and constraints	
28	Assess for policy impact and make appropriate changes	
29	Implement new organization	
30	Design and deliver required training	
31	**Trust Reengineering**	
32	Assess and document "As-Is" processes	Completed
33	Define "To-Be" processes	
34	Design future detailed service delivery model	
35	Present vision and solicit feedback from stakeholders	
36	Design and reengineer processes and identify workforce, training, policy, and systems requirements	
37	Modernize/Implement information systems	In-progress
38	Consolidate information systems requirements	
39	Develop an enterprise information systems architecture	
40	Identify all applications needed to fully support the new business model	
41	Integrate enterprise architecture design with application requirements	
42	Implement new architecture and applications	
43	**Establish Performance Management Program**	
44	Identify processes to measure	
45	Identify the metrics	
46	Establish metrics standards	
47	Align measures with service delivery standards	
48	Institute measurement and reporting processes	
49	Assess actual performance and take action	

5.4 RISK MANAGEMENT

Risks are always present in a modernization effort of this scale and significance. Because risk management has been an integral part of the overall effort from the beginning, DOI identified major risks, assessed the potential impact, and developed initial mitigation strategies for the expansion activities of phase two.

Identifying risks in an integrated manner can be a complex process. The approach used at this point is to assess the strategic framework for potential risks and severity of impact. In this plan, DOI rated each risk—high, medium, or low—for its potential impact and the likelihood that it will occur. Although initial mitigation strategies are proposed, this high-level assessment of risk cannot replace detailed risk management. The project plan contains procedures for establishing an ongoing risk management program.

Eight major risks are associated with the CTM modernization project. Each involves a critical part of the project, and not mitigating these risks could prevent project success. Table 5-1 displays the results of the risk assessment. The sequence number shows the order in which these risks are likely to occur.

Table 5-1. Risk Assessment

Sequence	Risk	Potential impact	Likelihood	Mitigation strategy	Project action
1	The strategic and business directions for CTM lack sufficient definition and clarity to create the understanding and acceptance of the modernization project.	Medium. Modernization efforts can continue, but progress will be more difficult and real change will be limited.	Low	Provide as much information and detail as possible in the initial modernization plan and then develop a means for updating, expanding, and communicating information as the project unfolds.	Establish a dedicated project planning and management team for the entire modernization effort (several transition elements in place already).
2	Beneficiaries do not accept the DOI modernization plan.	High. Will severely limit the ability to transition to a performance-based, accountable partnership.	High	Organize a consultation effort to give beneficiaries voice and make them a partner in the modernization effort.	Secure support for the CTM plan and begin developing and managing the desired long-term partnership.
3	Various major stakeholders disagree on the CTM mission and implied boundaries.	High. If the major stakeholders cannot agree on what CTM is and what it isn't, then service and performance expectations will always be misaligned and dissatisfaction always prevalent.	Medium	Develop a complete library of mission-defining information and then, through the proper venue, initiate a process for sharing all information and reaching agreement on the CTM mission.	Initiate a proactive BRM program for the entire effort to develop support, accentuate the positive changes, and mitigate risk.

Table 5-1. Risk Assessment (Continued)

Sequence	Risk	Potential impact	Likelihood	Mitigation strategy	Project action
4	Sufficient resources are not available to complete the modernization effort.	High. Without sufficient resources, implementation actions will not be completed and progress will be limited.	High	Ensure that Congress is fully aware of DOI's needs and prioritize funding requests based on the highest needs.	Develop a resource requirements and allocation plan for the entire effort and integrate into the Department's overall budget process as early as possible.
5	Organizational revisions do not effectively align with the service delivery model or support achievement of the business objectives, limiting the degree to which service delivery can be improved.	Medium. Service delivery can be improved, even if the organization is not effectively aligned, but the degree of improvement will be limited.	Low	Directly link the service delivery model and the new organization and validate through use of clearly understood organizational principles.	Begin organizational realignment with the development of an organizational description that clearly defines roles, responsibilities, staff requirements, and workflow. Begin to align existing or new organizational elements with the service delivery model as soon as practical.
6	Reengineering efforts do not generate the degree of improvement nor integration needed.	Medium. Ability to improve service will be limited by the degree of innovation and standardization incorporated in the reengineering.	Medium	Derive clear concepts and principles from the modernization plan that guide the reengineering effort and create traceable linkages to the service delivery model. Link processes to measures and assess the capability of the processes to meet planned efficiency.	Using the service delivery model, conduct detailed business process improvement initiatives for all applicable business processes.
7	Information systems do not support the process improvements or the data and record accuracy needed.	High. Improvement in data and record accuracy is a core requirement for the modernization of CTM. Less effective systems will have major negative impacts on performance, accountability, and efficiency.	Medium	Conduct a detailed functional requirements and integration analysis, on the basis of reengineered processes, to ensure optimum support for the "To-Be" environment. Develop performance and accuracy standards to apply to new system procurement.	Based on the results of the business process improvement efforts, complete information systems modernization that effectively aligns information systems with the business processes and meet performance and accuracy requirements.
8	Desired BIA cultural shift does not occur, hampering efforts to complete the modernization.	High. If corporate culture does not realign with the new strategic direction, then service will continue to be delivered as it is today, under the guise of new processes and systems.	Medium	Initiate a change management program to define the need for change, develop a comprehensive change management plan, and effectively execute the plan.	Initiate a formal change management program to expand and continue the cultural shift to an integrated, performance-based, and accountable business culture.