



U.S. Department of the Interior
"To-Be" Trust Business Model
Process Template

Title: Conduct Valuation	Process Number _____ P.1.2 _____
<i>Identify the process in the "Verb Noun" format. (Ex: Maintain Ownership)</i>	

1. Process Definition *Provide an overview of the process and define its starting and ending points*

1.1 Starts With	Determine if a valuation of the land and natural resources has been previously completed.
1.2 Process Overview	<p>The office responsible for the completion of the valuation, usually a Regional Appraisal Office, receives a valuation request package, including the official request form and supporting documentation. Most mineral valuations are completed by BLM and OST/OAS, and timber valuations completed by BIA. If a valuation of land (e.g., an appraisal or market study) is required, and the Regional Appraiser determines that the request package does not include all necessary information or is not in accordance with all applicable federal, state, tribal and local laws and regulations, he/she may cancel or postpone the request and return it to the requestor, usually a BIA Agency Office or Compacting/Contracted Tribal Office, for further processing.</p> <p>The Regional Appraiser or a Staff Appraiser determines if a request can be satisfied by a previously accepted valuation. If the existing valuation is deemed to still be accurate, the requestor is notified to proceed with the transaction based on the current report. If a new valuation is required, the Regional Appraiser assigns the request to a staff or contracted appraiser who then conducts a program area, management unit or site-specific land and natural resources valuation. In the course of authorizing the production of a valuation report, the Regional Appraiser or assigned appraiser determines the preliminary scope of the report based on the information contained in the request package and in consultation with the requesting Agency Superintendent, Program Manager or Compacting/Contracted Tribal Realty Official. He/she then reviews the purpose and intended use of the valuation and concurs with or revises the valuation method requested.</p> <p>For low value/low risk transactions, evidence of market value will be based on a market study in lieu of an appraisal.</p> <p>For the purposes of this baseline, an appraisal has been conducted any time a licensed appraiser renders an opinion of real property value. If an appraisal is required, The Regional Appraiser makes the following determinations, in accordance with USPAP:</p> <ol style="list-style-type: none"> 1. Will the appraisal process be complete or limited? The process is considered limited if there is one or more departures from USPAP requirements for a complete appraisal process. 2. Which of 3 primary approaches will be used to determine the value of a property: sales/market, income or cost approach? <p>What appraisal report form will be used: self-contained (full), summary or restricted?</p>
1.3 Stops With	A completed valuation; e.g., appraisal, feasibility study or investment analysis.



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2. Trust Business Objectives *Identify the Comprehensive Trust Model strategic goals and business objectives to which this process contributes.*

Goal/Objective
Goal 4: Land and natural resources management that maximizes return while meeting beneficiary desires
Objective 4.3 Land and natural resource asset business management: Manage land and natural resource assets effectively and proactively to obtain fair market value for beneficiaries and to incorporate beneficiary requirements.
Objective 4.4 Appraisals: Obtain appraisal information, as needed, on trust and restricted lands for tribal and individual Indian owners, using methods and techniques that meet professional standards.

3. How should Beneficiaries be involved in this process?

Beneficiary Involvement
Beneficiaries are usually not in contact with the appraiser. A potential for a conflict of interest exists, so interaction should be prudent. USPAP requires that an appraiser decline an appraisal request if he or she believes a perceived conflict of interest could arise.
At times, it is helpful to contact the beneficiary for additional information, such as directions to the site or to ascertain the conditions of property improvements, such as well and septic systems.

4. Organizations, Offices and Roles. *Identify the DOI organizations and related roles that should be involved in performing the process.*

4.1 DOI Organizations. *Identify the DOI organizations, offices and individual roles that contribute to this process.*

DOI organizations include the Office of the Secretary, BIA, OST, BLM, MMS, OHA, among others.

Offices include Central Offices, Regional Offices, Agency (Field) Offices, etc.

All individual roles that contribute, in a significant manner, should be identified.

Organization	Office	Role	Contribution
Tribes	Tribal Governing Body Office Tribal Appraisal Office		Contract or compact the valuation function. Provide consultation services to beneficiaries.
DOI National Business Center	Office of Appraisal Services		Provide valuation services as required. Receive an official request. If a valuation service is required, assign the



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Organization	Office	Role	Contribution
			request to the appropriate person to produce a report or provide a consultation statement. Maintain a list of potential certified "for fee" appraisers. If a contracted appraiser will be assigned, prepare the statement of work and requisition, estimate the cost, and work with the Contracting Office to negotiate contract terms and conditions.
DOI National Business Center	Office of Appraisal Services		Produce a land and natural resources, including minerals for conveyances, valuation. Provide a consultation statement.
BIA	Regional Office Agency/Field Office		Provide timber valuations.
BIA	Regional Office Agency/Field Office		Provide subject matter expertise.
BLM	State Office		Provide sand, gravel, coal, mineral, oil or gas deposit valuations.
BLM	State Office		Provide subject matter expertise.
BLM	State Office		Provide subject matter expertise.
OSM	Regional Office		Provide subject matter expertise.
MMS	State Office		Provide valuations in connection to the audit function.



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Organization	Office	Role	Contribution
DOI National Business Center	OST Contracting Office		Prepare and advertise Request for Quotation, receive bids. Review and issue contracts for appraisal services.
BIA	Agency or Regional Office		If full tract appraisal is completed on property with an undivided ownership interest, divide interest between the owners.

4.2 External Organizations. *Identify the non-DOI organizations that support the execution or control of this process.*

External Organization	Contribution
"For Fee" Appraisers	Produces a land and natural resources valuation.

5. Event(s) *Identify the events or conditions that start the process. Describe each event and indicate the frequency (daily, monthly, quarterly, etc.) in which each event is expected to occur. An event may be an external interaction (a beneficiary submits an application), the expiration of a period of time (a lease is due to expire in 90 days), or the realization of some pre-defined threshold (an IIM account reaches the automatic disbursement threshold).*

Event	Description	Estimated Frequency
None		

6. Inputs and Outputs. *Identify and describe all inputs and outputs related to this process. Inputs are information or materials used during the execution of the process; outputs are materials or information produced by the process.*

6.1 Inputs

Input	Description
Official Valuation, Consultation or Review Request Packet	A request for a valuation produced by a specific methodology. Most frequently, the request includes the BIA Agency Superintendent's or his/her designee's approval and signature.
Supporting documentation	May include: <ul style="list-style-type: none"> - Proposed or Previous Lease/Sale Documents - Historical Sales/Pricing Data - Tribal Resolutions and Regulations



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Input	Description
	<ul style="list-style-type: none"> - Planning and Zoning Ordinances - Economic Development Plan - Neighborhood Economic Data - Environmental Impact Statement - Restrictions - Full Chain of Title - Probate Order - TSR - Improvements Documents - Transactions History and Associated Prices - Previous Appraisals - Long Range Transportation Plan - Market Studies - Field Work - Interviews - Maps (Topographic, soil, etc.) - Survey - GIS Data - Timber Cruise - Minerals Valuation - Land Use Plan - Land Use Change Notice - 5-Year Cropping Plan - Farm Plan - Soil Conservation Plan - Forest Stand Exam - Forestry Soils Information - Range Management Plan - Forest Management Plan - Crop Yields - Assessor's Parcel Number - Approved Subdivision Plan - Continuous Forest Inventory
Previous valuations	Mineral valuations from BLM, OSM, MMS, and timber cruise valuations from BIA. OAS keeps appraisals on file indefinitely. USPAP requires a minimum of 5-year retention, but the US Government considers all appraisals to be part of the permanent Trust record.
Unapproved valuation	If a valuation prepared or contracted by DOI is not approved after review, the valuation is returned for rework.
Directory of OAS Staff & Contract Appraisers	A list of OAS staff and contract appraisers from which the Regional Appraiser can select the person(s) to be assigned to an appraisal based on availability, experience and competence



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6.2 Outputs

Output	Description
Determination of land and/or natural resources value	A completed appraisal report, feasibility study, investment analysis, or other document indicating the determined value of the land and natural resources to be encompassed in the plan.
Contract for appraisal services	A contract for one or more outside appraisers to perform an appraisal.
Consultation statement	Consultation statement provided indicating a potential range of value, rather than site-specific information.

7. Fiduciary and Legal Obligations and Controls

7.1 Obligations

Identify and describe the legal and fiduciary obligations that impact this process. For each obligation, indicate the document or commitment that defines the obligation and the citation (paragraph or section) within the document that pertains to this process.

Obligation	Source	Business Impact
See Schedule 1 Attached		

7.2 Controls

Identify and describe any controls (enforcement mechanisms) that may be used to ensure that the process adheres to obligations and internal process requirements. Controls may be reviews, audits, segregated duties, etc. Indicate the reason that each control should be introduced (name the obligation that a control is intended to enforce; indicate any controls required to ensure consistency or reliability).

Control	Reason	Description
Regional Appraiser Approval	Request may be postponed or canceled if pertinent information and documentation is missing from the request packet.	Regional appraiser reviews and approves the request before assigning an appraiser.
Senior Appraiser / Appraiser Trainee	Checkpoint	An experienced appraiser supervises and mentors appraiser trainee.
Continuing Education Requirements	Required per USPAP and state licensing agencies.	Included in position description for certified appraisers. Uncertified appraisers are encouraged to complete the certification requirements.



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Control	Reason	Description
Valuation Report Signature	Meets USPAP requirements and/or standards.	Appraiser assumes ownership of the determined value.
Contracting Document	If a contracted appraiser performed the appraisal, the contract spells out the terms of the engagement and the Statement of Work.	Document authorizing the performance of work and payment for those services between a contracted appraiser and OAS or a tribe.
Appraisal Handbook	Ensure consistency. A set of guidelines for developing and reporting opinions of value of Trust properties.	Internal control document produced by the BIA while appraisers were part of BIA. The Handbook is in draft form and is currently being revised.

8. Mechanisms (Systems of Record) *Identify the mechanisms, or systems, that are needed to support the process (ex: Ownership, Leasing, Workflow Management, Office Filing System, etc.). Indicate the information and activities, relevant to this process, that each system supports.*

System Name	Support
Integrated data	Accurate data, easily retrievable, is essential to the production of a valuation. Examples of data include encumbrances, zoning, BIA land inventory, and lease and ownership data.
Skills Inventory	Personnel data including staff competencies, location and availability to help establish a planning team with the appropriate expertise.
Workflow tools	Routing requests and approvals.
Request tracking system	Sequential numbering system and date stamp to record valuation status.
Internet access	Comparable Data Systems: Local sources of real estate lease and sales information. MAPTECH: Free site where topographical maps can be downloaded. State Websites: Free websites where aerial maps, soils, roads, livestock and water information, can be downloaded. Aerial Photograph Files: Can be purchased from 3 rd party sources or BLM.
Imaging	The ability to scan hardcopy documents into a digital format. Examples of documents include completed plans, leases and contracts, tribal documents and contracted valuations.



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System Name	Support
Geo-spatial referenced data	The ability to drape aerial photography, digital elevation models, or satellite imagery resource data over survey measurements and boundary lines. Ability to manipulate and retrieve GIS functionality; e.g., legal descriptions and trust allotment or tract numbers.
Automated valuation model	Computerized valuation of undivided ownership interests in Trust real property.

9. Inter-Process Relationships *Identify other trust processes that are related to this process (either predecessors or successors). If applicable, indicate the condition under which the processes are related.*

9.1 Predecessors. *Predecessors are processes that either produce information required by this process or that result in the need to execute this process.*

Process No.	Name	Condition of Relationship
P.1.1	Determine Appropriate Valuation Method	A valuation request package is forwarded to the Regional Appraisal Office.
P.1.3	Review Valuation	If a valuation prepared or contracted by DOI is not approved after review, the report is returned to the originator for rework.

9.2 Successors. *Successors are processes that either use information produced by this process or that must be executed as a result of performing this process.*

Process No.	Name	Condition of Relationship
P.1.3	Review Valuation	A completed valuation report is ready for review.

10. Comments *Summarize any discussion, problems, issues or recommendations that should be considered when reviewing process performance. Category Values (Note, Best Practice, Decision, Problem, Issue, Recommendation)*

Category	Comment
Recommendation	638 contracts should include Regional Appraiser pre-approval of those who will conduct appraisals.