



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

<b>Title: Review Accounts and Investment Options</b> <i>Identify the process in the "Verb Noun" format. (Ex: Maintain Ownership)</i>	<b>Process Number</b> <b>FO.2.1</b>
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**1. Process Definition** *Provide an overview of the process and define its starting and ending points*

<b>1.1 Starts With</b>	Funds are available in a beneficiary account.
<b>1.2 Process Overview</b>	<p>Before the Investment Operations process begins, the following occurs:</p> <ul style="list-style-type: none"> <li>• The Investment Committee conducts a review of assets held for investment in tribal portfolios. It also structures, manages, and develops investment portfolios and models.</li> <li>• Trust personnel meet with tribes that wish to invest their account balances and help them decide on the investment strategy they would like to pursue. The tribe chooses an investment strategy from those developed by the Investment Committee.</li> </ul> <p>The Trust Services staff reviews investment strategies selected by the tribe and the trust accounting system automatically determines whether a beneficiary account contains funds available for short or long-term investment.</p>
<b>1.3 Stops With</b>	A decision to execute a trade or invest short term.

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

<b>Goal/Objective</b>
Manage and invest fund assets to provide prudent rates of return in accordance with appropriate statutes and investment strategy options while considering the best interests of the beneficiaries.

**3. How should Beneficiaries be involved in this process?**

<b>Beneficiary Involvement</b>
A tribal beneficiary meets with trust personnel to choose an investment strategy.

**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, OSM 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
	Investment		Monitor investor-related input factors.



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Organization	Office	Role	Contribution
	Committee		Monitor market conditions. Develop investment portfolios.
OST	Trust Services		Explain available investment options to a tribal beneficiary. Review investment strategies selected by a tribe. Review beneficiary account cash management detail. Determine funds available for short or long term investment.

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

External Organization	Contribution
Custodian	Hold all tribal securities for safekeeping.

**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
Receipt of funds	Monies received in a beneficiary's account that are available for short or long-term investment.	Daily
Receive an ad-hoc request for an investment transaction	Special instructions from authorized personnel.	Infrequently



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**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**

<b>Input</b>	<b>Description</b>
Beneficiary account	An account created to receive and disburse trust-related monies to individual Indian and tribal beneficiaries.
Investment strategy options	Options that outline the manner in which a tribal beneficiary wants its money invested

**6.2 Outputs**

<b>Output</b>	<b>Description</b>
A decision to invest tribal monies short term or execute a trade	Based on the beneficiary's account balance and selection of an investment option.

**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.*

<b>Obligation</b>	<b>Source</b>	<b>Business Impact</b>
Regulations on deposit, care, and investment of Indian monies	25 USC (United States Code) 161,162	Prescribes allowable investments for trust funds held by the U.S. Government.
Regulations on unclaimed per capita accounts	Public law 87-283	Manage and invest trust fund assets to provide prudent rates of return.
Mandated requirements for trust assets management	Trust Reform Act (Public Law 103-412)	Accountability for trust funds.
Regulations for carrying out the duties to manage and administer trust assets	25 CFR 115	Guidelines for management of trust funds for tribes and individual Indians.  Subpart F 702 –800: Types of funds that can be received into trust; tribal accounts, withdrawals, investments, liquidations.



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Obligation	Source	Business Impact
Guidance on cash and investment transactions	Treasury regulations	Safeguard trust assets.
Freedom of Information Act (FOIA)	5 USC 552	Provides specifically that "any person" can make requests for government information. Citizens who make requests are not required to identify themselves or explain why they want the information they have requested. All branches of the Federal government must adhere to the provisions of FOIA with certain restrictions for work in progress (early drafts), enforcement confidential information, classified documents, and national security information.
Privacy Act of 1974	5 USC 552 (a)	Protects information pertaining to individuals.

**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
Department Order No.3215	Ensure consistency in the administration of trust responsibility.	Principles for the discharge of the Secretary's trust responsibility.
OTFM Manual Part 220.4	Ensure compliance with financial standards.	Policies, procedures and operations manuals pertaining to the management of the Indian trust fund.
Interagency Handbook	Ensure that the distinctions between the BIA and OST responsibilities are defined, understood and followed.	Define roles and responsibilities of OST and BIA.
Audits	Ensure adherence to policies and procedures and that an audit trail is intact.	Analysis, adjustment of accounts. May include a certification of accuracy from a non-prejudiced accounting professional.
Reconciliation	Ensure that accounts are in balance.	Perform daily reconciliation, including reconciliation with Treasury on investment account activity and balances.



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<b>Control</b>	<b>Reason</b>	<b>Description</b>
An internal audit control function is in place following OCC requirements to monitor processes	DOI consults with OCC to develop trust standards and regulations to ensure compliance with stated objectives.	Office of Controller of the Currency (OCC) - Regulation 9. Government financial standards.
Segregation of duties	Ensure that the risks associated with performing investment activities on behalf of beneficiaries is mitigated as much as possible.	Segregate roles and responsibilities for functions such as trading, calculation of interest earned and reconciliation.
Peer review, sampling, management control review and quality assurance	Ensure consistent adherence to financial procedures and accuracy of accounting entries.	Internal audits and checks.

**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.*

<b>System Name</b>	<b>Support</b>
Trust Financial Accounting System (TFAS)	Technology that applies receipts, distributions and disbursements to the appropriate beneficiary and escrow accounts. An escrow tracking module is also included.
Investment portfolio management system	Technology system that includes: 1. Investment research(e.g., Bloomberg, pricing service, Landmark, Rightfax) 2. Investment performance 3. Portfolio modeling
Funds receivable system	Technology that tracks payor commitments of funds, such as leases, judgment awards, sales, probate settlements, and receipts against those commitments. A cash management module that allocates projected and actual receipts to and from beneficiary accounts is also included.
Funds payable system	Technology system that records scheduled and actual disbursements from trust and trust-related accounts to beneficiaries or third parties. A cash management module that allocates projected and actual disbursements to and from beneficiary accounts is also included.



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System Name	Support
Invest One Accounting System	Treasury system that contains account information, activity, balances and interest earnings. This is Treasury's system of record for the summary level investment of trust funds.

**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
B.6.1	Provide Counsel on Asset Options	Provide information about tribal beneficiary investment option selected.
FO.1.1a	Create Trust Funds Receivable	Projected receipts are available for cash management review.
FO.1.1b	Create Non-Trust Funds Receivable	Projected receipts are available for cash management review.
FO.1.2a	Receive and Post Trust Funds	Actual receipts are available for cash management review.
FO.1.2b	Receive and Post Non-Trust Funds	Actual receipts are available for cash management review.
FO.3.1	Create Funds Payable	Projected disbursements are available for cash management review.
FO.3.5	Post Disbursements	Actual disbursements are available for cash management review.

**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
FO.2.2	Pool and Sweep Funds for Short Term Investment	Funds available in the beneficiary account do not meet the criteria for long-term investment.



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Process No.	Name	Condition of Relationship
FO.2.3	Execute Trades for Long Term Investment	The beneficiary has selected an investment strategy and sufficient funds are available in the beneficiary account for long-term investment.

**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
Issue	Who serves on the investment committee?