



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

<b>Title: Determine Appropriate Valuation Method</b> <i>Identify the process in the "Verb Noun" format. (Ex: Maintain Ownership)</i>	<b>Process Number</b> ___ P.1.1 ___
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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>	Receive an overview of the intended land and natural resources uses.
<b>1.2 Process Overview</b>	<p>A valuation report is required because DOI or a beneficiary is initiating a macro-level planning process and program area land and natural resources values must be established. However, it is also possible that a request could be received to provide a site-specific valuation. If a tribe is making the request, the request package must include a tribal resolution or official minutes.</p> <p>The person requesting valuation services; for example, a beneficiary, a BIA Staff Planner, Agency Superintendent or Realty Officer, first reviews the intended land and natural resources use and the intended purpose of the valuation to determine the most expedient, yet still appropriate valuation method. For example, evidence of market value for low risk / low value transactions can be based on market studies in lieu of appraisals and a schedule of standard rates can be consulted for simple, unobtrusive transactions. The requestor also reviews submittal guidelines prepared by the Office of Appraisal Services (OAS) to ascertain the required supporting documents that must be included with the request package.</p> <p>A valuation request package, including the official request form that specifies the selected method and supporting documentation is submitted to the appropriate person for action. In most instances, the request package is submitted to a Regional Appraiser for approval and assignment to a staff or contract appraiser for completion of a report. However, mineral valuation requests are submitted to BLM and OSM, and timber valuation requests to BIA Forestry.</p> <p>If DOI is the planning project initiator, when the valuation method to be employed has been determined, the Staff Planner is notified of the decision so the cost of producing the valuation can be included in the planning team budget request.</p>
<b>1.3 Stops With</b>	Decision of valuation method to be used and formal valuation request submitted.

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

<b>Goal/Objective</b>
Goal 4: Land and natural resources management that maximizes return while meeting beneficiary desires



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<b>Goal/Objective</b>
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?**

<b>Beneficiary Involvement</b>
Beneficiaries are minimally involved because of a potential conflict of interest. The beneficiary may have knowledge about the property that is not known by others, e.g., cultural or historical. A Tribe that is also a beneficiary may have also contracted or compacted the appraisal program. However, review authority still lies at the OAS regional level which would resolve any potential conflict of interest.

**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  Tribal programs		May contract or compact the appraisal function.  Participates in determination of appropriate valuation method.  May submit a request for valuation services. Must include a tribal resolution or official minutes with the request package.
DOI National Business Center	Office of Appraisal Services (OAS)		Participate in determination of appropriate valuation method



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Organization	Office	Role	Contribution
BIA	Regional Office Agency/Field Office		Participate in determination of appropriate valuation method  Formally submit a request for valuation services

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

External Organization	Contribution
None	

**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
A beneficiary, BIA Roads or other federal agency requests a valuation		
BIA agency or regional staff requires a valuation	This would usually be a request for a site-specific valuation.	
DOI initiates a wide-area planning project	Program area valuations of land and natural resources included in the plan are required.	



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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>
Previous valuations	Appraisals conducted on the same site previously.
Governmental (federal, state, county, local and tribal) regulations and rules	For example, grazing lease regulations will allow for a rent study rather than a full appraisal.
Requestor's intended land and natural resources intended uses	
Official request form	Standard valuation request forms developed by OAS indicating required information for request submittal
Supporting documentation	May include: <ul style="list-style-type: none"> <li>- Proposed or Previous Lease/Sale Documents</li> <li>- Historical Sales/Pricing Data</li> <li>- Tribal Resolutions and Regulations</li> <li>- Planning and Zoning Ordinances</li> <li>- Economic Development Plan</li> <li>- Neighborhood Economic Data</li> <li>- Environmental Impact Statement</li> <li>- Restrictions</li> <li>- Full Chain of Title</li> <li>- Probate Order</li> <li>- TSR</li> <li>- Improvements Documents</li> <li>- Transactions History and Associated Prices</li> <li>- Previous Appraisals</li> <li>- Long Range Transportation Plan</li> <li>- Market Studies</li> <li>- Field Work</li> <li>- Interviews</li> <li>- Maps (Topographic, soil, etc.)</li> <li>- Survey</li> <li>- GIS Data</li> <li>- Timber Cruise</li> <li>- Minerals Valuation</li> <li>- Land Use Plan</li> <li>- Land Use Change Notice</li> <li>- 5-Year Cropping Plan</li> <li>- Farm Plan</li> </ul>



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Input	Description
	<ul style="list-style-type: none"> <li>- Soil Conservation Plan</li> <li>- Forest Stand Exam</li> <li>- Forestry Soils Information</li> <li>- Range Management Plan</li> <li>- Forest Management Plan</li> <li>- Crop Yields</li> <li>- Assessor's Parcel Number</li> <li>- Approved Subdivision Plan</li> <li>- Continuous Forest Inventory</li> </ul>
Beneficiary's intended use of the valuation	

**6.2 Outputs**

Output	Description
Valuation method	Appropriate valuation method to meet the requestor's need.
Formal request for valuation services	

**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
<b>See Schedule 1 Attached</b>		

**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
Appraiser concurrence with valuation method requested	Reliability of the valuation report.	To ascertain if the most expeditious, yet still appropriate, valuation method has been requested.



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Control	Reason	Description
DOI 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
Workflow tools	Routing requests and approvals
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.
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.
Request tracking system	Sequential numbering system and date stamp to record valuation status.
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.

**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.2.4	BRDM: Transfer Requests	Receive a request for valuation services from a beneficiary, a federal agency or other 3 <sup>rd</sup> party.
U.M.1.1	LNRUM:	Establish Management Unit baseline information.
U.M.2.1.3	LNRUM:	Request a site-specific valuation in processing a land use application.



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**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.1.2	Conduct Valuation	A valuation package is forwarded to the Regional Appraisal Office.
P.2.1.1	Request Resources	In order to set the budget for the planning project, the scope of the valuation to be completed must be considered.

**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
Note	On August 29, 2003 the Appraisal Foundation Report was received.
Recommendation	Revise the appraisal and realty handbooks to include: <ul style="list-style-type: none"> <li>a. Minimal valuation requirements for each type of Trust transaction that is acceptable, reliable and accurate</li> <li>b. Directives that affect valuations</li> <li>c. Minimal requirements for request submittal for each valuation method</li> </ul>
Recommendation	All valuation requests initiated at the local level (e.g., Agency or Reservation), even those from BIA Roads, should route through a BIA Agency Realty Officer acting as designee for the superintendent. Requests initiated at the regional level do not need to route through an Agency.
Recommendation	A list of pre-approved appraisers/valuation specialists should be prepared by OAS and made available to parties that may choose to contract for valuation services.
Recommendation	Develop a schedule of rates for simple, unobtrusive transactions such as rights-of-way renewals, billboard and communication sites. The schedule could be consulted in lieu of requesting a valuation in the appropriate instances.