



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

Title: Conduct Bidding <i>Identify the process in the "Verb Noun" format. (Ex: Maintain Ownership)</i>	Process Number UM.2.4
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1. Process Definition *Provide an overview of the process and define its starting and ending points*

1.1 Starts With	Compile a listing of bid responses received per competitive advertisement
1.2 Process Overview	<p>In order to promote achieving fair market value or highest value for land use, a bidding process may be conducted. Bidding is the most appropriate method of ensuring a fair market value is received. This process may be conducted for Management Units that are either tribally owned property or fractionated interests.</p> <p>Within 30 days after the closing of the bid opening, a bid selection will be made and all bid participants will be notified regarding the award. Within 45 days after the closing of the bid opening, all non-awarded bids deposits will be returned.</p> <p>The bidding process is completed when an offer is accepted.</p>
1.3 Stops With	Prepared bid abstract

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 4.1: LAND AND NATURAL RESOURCE ASSET PLANS AND STEWARDSHIP STRATEGIES Develop land and natural resource asset plans and stewardship strategies.
OBJECTIVE 4.2: PRESERVATION AND PROTECTION OF LAND AND NATURAL RESOURCE ASSETS Preserve and protect the long-term viability of land and natural resource assets consistent with fiduciary duties and with the beneficiaries' intended use of the as-sets.
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.



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3. How should Beneficiaries be involved in this process?

Beneficiary Involvement
A beneficiary may be involved in the bidding process or may conduct bidding on his/her/their own behalf.

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
BIA	Agency or Regional Office		Conduct bidding. Collect bids. Recommend for or against the apparent high bidder. Approve the apparent high bidder.
Tribe	Program Office		Provide input to the bid process as necessary. Conduct bidding on their own behalf.
Compacted or Contracted Tribe	Program Office		Perform all DOI functions except those considered inherently federal.

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

External Organization	Contribution
None	



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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
Competitive advertisement bid response	Once bid responses are received by the closing date facilitated bid conduction may take place.	
Timber sale approval	Line Official approves sale of forest products.	

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
Sealed Bid responses	Received as a result of competitive advertisement
Oral Bid	Received at the time of oral auction / bid conduction
Bid Deposit	Received prior to bid conduction with initial bid response or bid application
Tribal Preferences	Tribal priorities for bid acceptance
Pre-Sale Fair Market Value/ Minimum Acceptable Bid	A formal appraisal, if requested, is used to establish a fair market value. Otherwise, an informal opinion of valuation is used to establish a fair market value.
Estimated Valuation/ Opinion of Value Report (Solids)	A formal appraisal, if requested, is used to establish a fair market value. Otherwise, an informal opinion of valuation is used to establish a fair market value.
Competitive Advertisement Response – Bid Offer	Auction bids.
Prospective Lessee Company Documentation	Documentation is required to establish financial responsibility and viability of the Company submitting bid response to competitive advertisement.
Bonus Monies	Required upfront prior to selection of the operator



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6.2 Outputs

Output	Description
Bid Abstract	Summarizes and qualifies all bids received.

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 attached Schedule 1		

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
IAMs	Internal control	
Handbooks and Manuals	Internal control	

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
Realty system	System should allow for automated processing of bid abstract from initial bid responses and bid deposits received.



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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
UM.2.1	Solicit Land Use Contracts	Applications for consideration of land use contracts may be received by tribal enterprises.
FO.1.2b	Receive and Post Non-Trust Funds	Bid deposits have been received and posted to a non-Trust account.

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
UM.2.6	Approve Land Use Contract	Delegated line official provides final approval of the tribal enterprise award of the land use contract
UM.2.5	Negotiate Land Use Contract	This may occur when there is no bidder for advertise leases.
B.6.2.3	Beneficiary Involvement for Land and NR Use and Management	Assist with awarding a land use contract.

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	Bidding for land use contracts may be subject to bidder collusion to the detriment of the owners who may not get a true open competitive price as a result.