



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

<b>Title: Encode Operator Production Reports</b>	<b>Process Number</b> <b>UM.4.6.2</b>
<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*

<b>1.1 Starts With</b>	Receive production report from operator.
<b>1.2 Process Overview</b>	<p>Information is provided by an operator. Each item on the report is traced to a specific land use contract within the integrated data for land use, via a cross-reference from the producing unit to a contract number. The operator-provided information is then encoded to the land use system, ensuring appropriate reference to the correct underlying land base, the quantities, grades/qualities, and time period of production, and references each of these to the terms of the related land use contract, and date of receipt and date of encoding the production report. Accuracy of the encoding is of great importance, as any errors will significantly impact additional trust administrative work as well as tracking operator discrepancies as potential non-compliance.</p> <p>The preferred method of data receipt is via electronic submission, with automated system processing of the submitted information. This results in the most timely and accurate encoding. Manual (paper-based) submissions may also be received at a centralized location for receipt, review/matching/encoding, and entry in the integrated land use system.</p> <p>If no royalty report is submitted by the operator, then the production data will be cleared during the royalty reconciliation process. A funds receivable control record for the production period for the contract is updated to indicate that the receivable has been accrued for the production quantity.</p>
<b>1.3 Stops With</b>	Update control record for production memo receivable.

**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
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 assets.



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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

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

<b>Beneficiary Involvement</b>
None

**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	Central Office		Log receipt of production report. Review and encode information. Enter information into land use contract system.

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

External Organization	Contribution
Land use contract operator	Submit production report and assist in resolving any questions required to encode and record report in integrated land use contract system.



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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
Receive operator production report		Once / month / production contract

**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
Operator Production Report	Production report from operator of land use contract.
Land use contract	Contract details and terms from integrated land management system.
Funds receivable data	Information related to the source and the status of what contract information has been received in order to record a memo account of remittance receivable on the land use contract, status of any offsetting receipt of royalty funds, status of any funds receipt reconciliation (e.g. royalty reconciliation), and status of any production reconciliation. This information exists for each period as specified in the contract. Production reconciliation status is relevant only to forestry, oil & gas, or mineral contracts.

**6.2 Outputs**

Output	Description
Encoded operator production report	Operator production information for a specific production period, with index or reference to the correct underlying DOI land use contract or land base, the quantities, grades/qualities, and time period of production, and references each of these to the terms of the related contract, and date of receipt and date of encoding the production report.
Funds receivable record	Updated memo receivable amount and status.



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## 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
BIAM	Internal control	Policies and procedures
Inter-Agency Handbook	Internal control	Policies and procedures

## 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
Land use contract system	Application module supporting land use contracts, specifically for production-based land use (e.g. forestry, oil & gas, mineral extraction).
Funds receivable system	Financial system supporting tracking of various remittances receivable. This can include non-trust remittances such as bid deposits, surety bonds, as well as trust funds such as periodic rental payments for leases or permits, and production royalty payments. The system supports a clearing account structure to track what receipts are due, apply any receipts to a specific trust process identifier or land use contract (whether in draft status or perfected), and tied to the status of whether payments need to be (or have been) reconciled within the production tracking system.
Production tracking system	Application module which supports entry and reconciliation of various production-related information; specifically, royalty report information, royalty fund receipts, independent production data, and operator production reports.



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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
None		

**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.4.6.3	Reconcile Production	Production information will be reconciled with monies received from the operator.

**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
	None