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From: Parsky, Keith <keith_parsky@btfa.gov>
Sent: Monday, October 26, 2020 3:32 PM
Subject: Re: DOI-OST-2020-005961

The Bureau of Trust Fund Administration (BTFA) which was the Office of the Special Trustee received the above referenced FOIA request. Your request was very specific for the Efficiency Operations Review conducted by PriceWaterhouseCoopers under IND14PA00045, Task Order IND17PB00276. Staff located what I hope is the relevant document.

Please feel free to call me to discuss this matter further.

Best,
Keith Parsky

United States Department of the Interior
Office of the Special Trustee for American Indians
Office of Trust Review and Audit
Program Assessment Report

For OTRA Internal Use Only
October 24, 2017

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I.   Summary of Analysis

Overview

The Office of Trust Review and Audit (OTRA) is responsible for performing Indian Trust Examinations (ITE), Tribal Trust Evaluations (TTE), and Trust Records Management Assessments (RMA) to provide assurance that Federal laws and fiduciary trust standards in managing the Indian trust are met. To continue to improve how OTRA fulfills its responsibilities, OTRA completed an assessment of its core processes to gain insight on operational needs and identify potential next steps for addressing these challenges. This report summarizes the Analysis Team's approach, observations, and next steps for OTRA's consideration.

Approach

Phase 1: Review Existing Documentation

To assess OTRA's current state, the Analysis Team conducted an initial working session with OTRA leadership to gather information on the organization's operations, processes, procedures, and controls. The Analysis Team requested and received supporting documentation from OTRA including current and proposed organizational charts, Standard Operation Manuals, the Indian Trust Examination Guidebook (TEG), guidance memorandums, and email directives.

The Analysis Team considered OTRA's organization across 12 elements:

1. Governance and Reporting
2. Stakeholders
3. Scope
4. Risk and Issue Management
5. Planning
6. Benefits Management
7. Resource and Performance Management
8. Cost Management
9. Suppliers
10. Quality Management
11. Ongoing Assurance and Learning
12. Change Control

In addition, OTRA submitted a Technical Approach Map to help align its documents to the review categories. Following the working session, the Analysis Team reviewed the supporting documentation to develop a high-level view of OTRA's requirements from Federal laws and fiduciary trust standards, program management functions, and roles and responsibilities for staff. The resulting high level view gave the Analysis Team the framework to develop the interview strategy which is included in **Appendix A.** In subsequent sessions, the Analysis Team worked with OTRA leadership to validate the initial analysis of the staffing structure and workload, and gather input on how OTRA defines success in terms of compliance and value.

Phase 2: Interview OTRA Stakeholders

The Analysis Team worked closely with OTRA leadership to refine the interview approach, and to identify and finalize the list of stakeholders for interviews. Using the initial assessment, the Analysis Team developed questions for each stakeholder group designed to get feedback on current levels of effort, alignment of activities, potential operational inefficiencies, and possible opportunities for improvement. Participants received high-level questions in advance to give them time to prepare and an opportunity to suggest additional questions or topics. The Analysis Team completed 18 interviews; these included auditors, supervisory auditors, OTRA leaders, and external stakeholders.

Phase 3: Document the Current State

Following completion of the interviews, the Analysis Team compiled stakeholder feedback and looked for themes and then synthesized them into the current state and known challenges. The Analysis Team created a criteria matrix **(Appendix B)** to logically group the opportunities into five observations.

Phase 4: Develop Observations

Using the results from Phases 2 and 3, the Analysis Team used the criteria matrix to group known challenges in observations. The Analysis Team used interview feedback on the desired future state to develop next steps and address the challenges in a way that accounts for stakeholders' goals and visions of success. **Figure 1** presents the criteria the Analysis Team used to assess the estimated effort to implement a given opportunity and its expected impact to OTRA relative to other identified opportunities.

Score	Impact	Effort
Low	• Affects a subset of staff • Results in substantial improvements to an existing policy	• 0 – 6 months to implement • Requires refinement of existing processes • Necessitates intra-office coordination
Medium	• Affects a majority of the staff • Results in a new policy	• 6 – 12 months to implement • Requires restructuring of existing processes • Necessitates coordination among senior agency staff
High	• Affects all staff • Results in a new formalized process • Results in new skills and knowledge needed	• 1+ years to implement • Requires a cultural shift and process changes • Necessitates coordination among senior agency staff and/or external stakeholders

Figure 1: Criteria for Evaluating Impact and Effort of Proposed Opportunity Areas

This report summarizes the Team's assessment from **Phase 4**. The Analysis Team identified 13 potential process improvements OTRA should consider that would address the observations. **Figure 2** is a graphical representation of the impact and effort of the potential process improvements. Those scoring towards the top left of the chart represent "quick wins" (i.e., low effort, high impact), whereas those scoring towards the top right may represent longer term improvement initiatives (i.e., high effort, high impact).
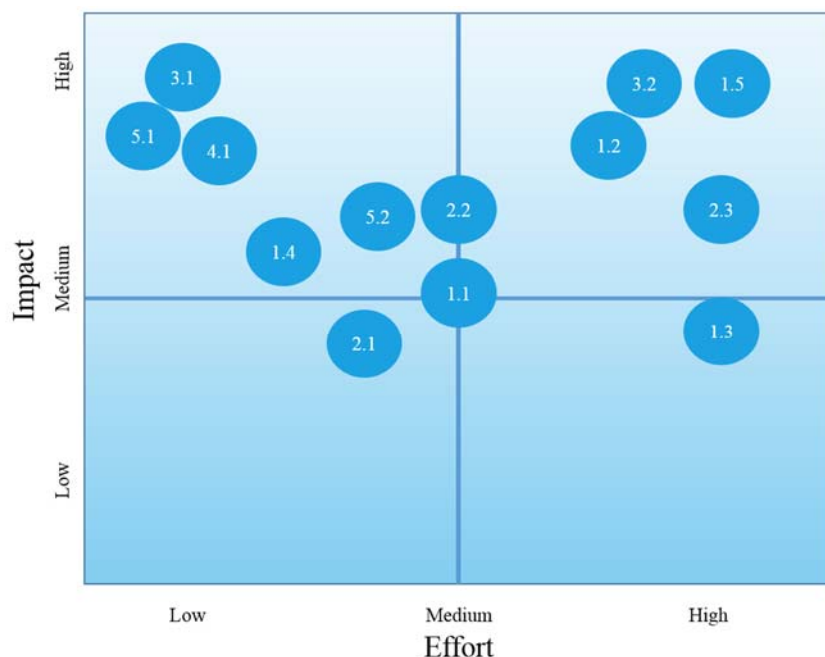
Figure 2: Impact and Effort for Opportunities to Improve Efficiency

Figure 3 summarizes the observations and potential process improvements depicted in the matrix. **Section 2. Observations** documents additional detail for the identified opportunity and its ranking.

#	Observations	Potential Process Improvements
1	OTRA bears responsibility for a large volume of work, and may need to redefine its scope or secure additional resources to meet requirements.	1.1. Establish and Document a Shared Understanding of OTRA's Planned Scope.
		1.2. Explore Using Risk Information to Set Priorities.
		1.3. Assess Legislative and Regulatory Needs.
		1.4. Plan for the Impact of Special Initiatives.
		1.5. Backfill the Supervisory Auditor Vacancy.
2	Additional specialists or specialized knowledge, in areas such as forestry, fish hatchery, land, and water management, could help OTRA increase the impacts of its reports.	2.1. Consider OTRA-wide Skill Sets and Establish Plan to Address Gaps.
		2.2. Pursue Opportunities to Develop Tribe-Specific Knowledge.
		2.3. Establish a Formal Feedback Process.
3	OTRA may be able to enhance the effectiveness of its policies by streamlining communication practices.	3.1. Implement Team Meetings.
		3.2. Establish an Efficient Process for Maintaining Guidance.
4	OTRA may be able to eliminate steps, especially those that are administrative in nature, to operate more efficiently.	4.1. Assess and Identify Opportunities to Reduce Administrative Tasks.
5	OTRA would like to issue reports more efficiently, and avoid issuing reports outside of its established timeline.	5.1. Increase Collaboration with Auditors during Fieldwork.
		5.2. Update the Internal Review Process.

Figure 3: Summary of Key Opportunities to Improve Efficiency

Figure 4 depicts a roadmap for how OTRA could approach the process improvements. It groups the process improvement opportunities identified by the Analysis Team relative to when OTRA could begin working towards the improvement (i.e., near, mid, and long term) and depicts key dependencies among the opportunities (e.g., OTRA should implement **Potential Process Improvement 1.4** prior to beginning any of the "special initiatives"). The upper and lower paths represent OTRA's ability to work on different process improvements concurrently (e.g., OTRA can begin holding team meetings ("quick win") even as it works to refine its scope).
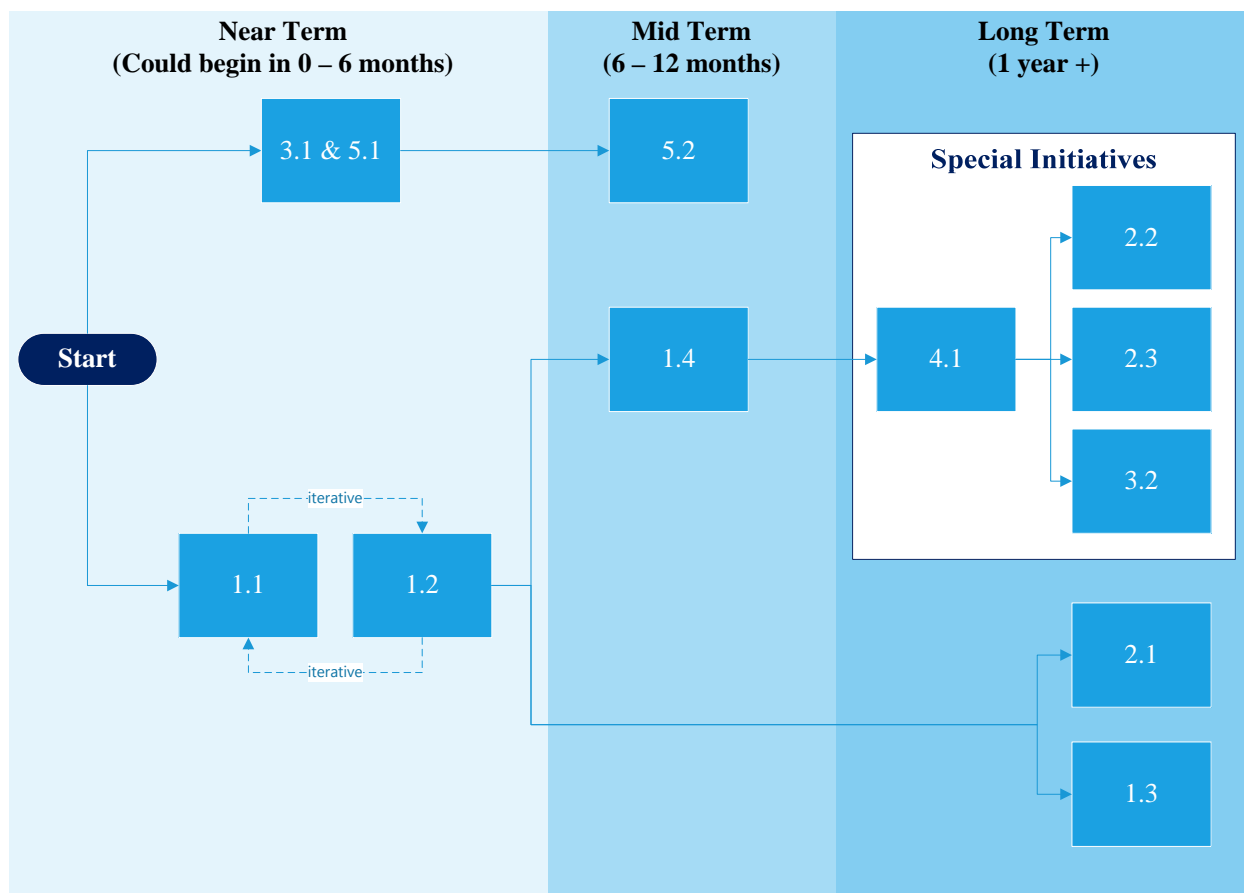

Figure 4: Draft Roadmap of Potential Process Improvements

The roadmap in **Figure 4** presents an approach where OTRA immediately reinstates its auditor technical meetings (**Potential Process Improvement 3.1**) and places greater emphasis on coordination between auditors and senior auditors during field work (**Potential Process Improvement 5.1**). As OTRA gains experience using these two techniques, it may adjust how it does them; however, beginning them **near term** is likely to help OTRA immediately improve office-wide collaboration and the quality of its review processes. OTRA should also use the next six months to begin revisiting its scope of work to establish a shared understanding of its mission, objectives, and outcomes (**Potential Process Improvement 1.1**). Although OTRA can begin these discussions near term, they are likely to continue for some time as OTRA socializes its "brand" with senior leadership. As additional information, especially risk data becomes available (**Potential Process Improvement 1.2**), OTRA should use these inputs to further inform its mission and objectives.

Another opportunity the Analysis Team identified was for OTRA to assess its internal review process (**Potential Process Improvement 5.2**). However, it may be beneficial for OTRA to first

resume auditor technical meetings and increase coordination from the field, and then to assess the impacts these activities have on its internal review cycle. Following any improvements that result from enhanced collaboration, OTRA will be in a better position to determine what remaining changes it needs to make to its internal review process. Similarly, OTRA is likely to benefit from assessing the opportunity costs and benefits of special initiatives prior to authorizing them (**Potential Process Improvement 1.4**). While OTRA can implement conducting this analysis immediately, it is likely to deliver greater benefits once OTRA has refined its mission and scope so that this information can be taken into consideration when examining trade-offs.

Long term, OTRA may pursue special initiatives to achieve process improvements (i.e., reduced administrative tasks, additional tribe-specific knowledge, formal external stakeholder feedback process, and robust approach for maintaining guidance). Given OTRA's resource constraints, it needs to plan for these efforts and should prioritize them based on mission objectives. The Analysis Team placed reducing administrative tasks (**Potential Process Improvement 4.1**) to the left of the other special initiatives in **Figure 4** as this project should produce direct process efficiencies (i.e., remove steps). The other identified initiatives are more likely to indirectly improve efficiency as follows:

- **2.2. Pursue Opportunities to Develop Tribal/Agency-Specific Knowledge.** By increasing its auditors' tribe-specific knowledge, OTRA may reduce the length of time required to write reports, as auditors will be positioned to develop higher quality findings more quickly.

- **2.3. Establish a Formal Feedback Process.** Obtaining insight into its external customers' views could help OTRA identify process improvements (e.g., more efficient ways of requesting documentation) or activities it can discontinue altogether.

- **3.2. Establish an Efficient Process for Maintaining Guidance.** Providing personnel with access to a consolidated source of review guidance could allow auditors to more efficiently locate information and reduce the likelihood of errors.

Another long term improvement OTRA could pursue includes working towards permanent updates to applicable legislative and regulatory requirements (**Potential Process Improvement 1.3**) to the extent these are no longer appropriate (e.g., it may not be reasonable for OTRA to review all compacted Tribes annually). Similarly, as OTRA refines its mission, it should take a holistic view of the skill set it requires (**Potential Process Improvement 2.1**) in order to continue to deliver useful reports.

Based on information shared during interviews, the Analysis Team identified a need for OTRA to backfill the vacant supervisory auditor position. As filling positions depends on a number of factors, the Analysis Team did not include **Potential Process Improvement 1.5** in the roadmap; however, should resources become available, OTRA would likely benefit from filling the position to help distribute workload.

II.   Observations

This section documents the Analysis Team's observations of the assessment, and presents corresponding opportunities OTRA may consider implementing. Some of the opportunities address multiple observations.

1. **Observation: OTRA bears responsibility for a large volume of work, and may need to redefine its scope or secure additional resources to meet requirements.**

Current State

Several Federal mandates influence the scope of OTRA's work. The American Indian Trust Fund Management Reform Act of 1994 requires that the Office of the Special Trustee for American Indians oversee reform efforts and provide for more effective management of and accountability for the proper discharge of the Secretary's duties in regard to the trust responsibilities of the United States. In addition, OTRA is responsible for performing annual trust evaluations for tribes pursuant to congressional mandate and the requirements of 25 CFR §1000.350. OTRA's trust examinations provide critical feedback to the Special Trustee on performance in administering the Secretary's fiduciary trust responsibilities by evaluating organizations against the applicable laws, regulations, DOI policies and procedures, lease agreements, and legal precedents.

DOI offices and agencies engaged in administering Indian trust services on behalf of the Secretary, compacted and contracted tribes, as well as Bureau of Indian Affairs (BIA) regional and agency offices are subject to OTRA trust examinations. The scope of each examination is determined by the extent of trust functions performed by the organization. In general, OTRA is responsible for the following scope of work:

- RMAs are conducted for approximately180 offices over a three-year period;

- ITEs are conducted for approximately 100 agencies and regional offices over a three-year period; and

- TTEs are conducted for all tribes operating under Public Law (PL) 93-638 compacts (approximately 120) for trust programs annually.

Known Challenges

The Analysis Team identified several recurring themes during interviews related to the challenges OTRA faces when managing and accomplishing the scope of its work:

- OTRA's annual workload is continually growing as a result of an increasing number of tribes compacting, and tribes generally compacting more programs. For example, in FY14 OTRA was responsible for reviewing 105 compacted tribes, whereas in FY17, OTRA was responsible for reviewing 120 compacted tribes (an increase of 12.5%).

- OTRA is operating under a modified organizational structure to support a staff detail. This means OTRA is still trying to meet scope objectives despite a vacancy in the supervisory auditor role, which has historically been responsible for overseeing TTEs.

- OTRA must pursue some special initiatives, such as developing a new tribal methodology, to keep its processes running efficiently and effectively in the long-term. However, these initiatives add to the scope of OTRA's day-to-day work, placing further strains on its resources in the short term.

- Internal and external shareholders hold varied perspectives about whether OTRA functions primarily as an "internal" or "external" auditor; these perspectives result in differing expectations for the scope of OTRA's reviews.

Potential Process Improvements

1.1. Establish and Document a Shared Understanding of OTRA's Planned Scope. To support OTRA in managing the scope of its responsibilities and communicating resource gaps, OTRA leadership should regularly assess the office's priorities and objectives, and document how these tie to OTRA's planned work. To the extent that resource constraints prevent OTRA from completing all the reviews required in accordance with legislation and/or departmental mandates, OTRA should document the gap. This can support OTRA in clearly establishing its definition of success based on available resources, and communicating resource needs.

Documenting priorities, objectives, and what they mean in terms of workload, can also support OTRA leadership in engaging the Special Trustee (or his/her Deputy) to confirm alignment with OST's overarching strategic goals, and discuss opportunities to address resource gaps. Furthermore, clearly communicating OTRA's priorities and the outcomes the office is planning to achieve, can help OTRA leadership dispel confusion around its role (e.g., internal/external audit function) and increase awareness of OTRA's "brand."

A clearly defined mission and realistic scope objectives provide the foundation OTRA requires to demonstrate that it operates efficiently and effectively (or "manages performance"). Organizations with mature performance management practices draw clear links between their mission requirements, day-to-day activities, and resources. Generally, these organizations seek to allocate their resources to activities that deliver the most value towards mission requirements and expend as few resources as possible on any required, yet low value activities.

Once OTRA and OST leadership share an understanding for "what" OTRA needs to accomplish, OTRA will be better positioned to justify "how" it executes on mission requirements and achieves outcomes is efficient and effective. To support OTRA in defending the "how," it should regularly assess its operating effectiveness to determine whether its processes and activities are being completed at the desired level of quality. This is important because OTRA's definition of success is not simply a high number of completed reviews; rather, it seeks to improve trust management practices, so OTRA strives for a balance between quality and number of completed reviews. As a result, OTRA must have insight into the quality of its operations in order to assess its efficiency.

Performance reporting information, such as number of reports adhering to delivery schedule, number of days to issue a report, and number of concurred findings can provide useful information to enable continuous improvement. If goals are not being met, OTRA can use root cause analysis to determine underlying causes and make adjustments. Setting and measuring against performance targets (e.g., one review cycle per report) that are not directly tied to OTRA's mission outcomes can also be an effective technique for encouraging performance improvement; however, OTRA must balance the additional effort of tracking the information ("cost") against the expected benefits. This type of technique also tends to be more beneficial when used for informational purposes and to promote discussion around the appropriate level of performance (e.g., "what is a reasonable number of review cycles for the average report?") than to directly assess performance.

1.2. Explore Using Risk Information to Set Priorities. As OTRA considers how to align resources across its ITE, TTE, and RMA responsibilities, risk information may help OTRA better understand the impacts of its decisions. Drawing on enterprise risk management (ERM) principles, OTRA could explore taking a more holistic view of its responsibilities to assess which trust operations pose the greatest risk; and analyze whether OTRA resources are appropriately aligned to ITE, TTE, and RMA activities given the relative levels of risk these areas present. For example, if it is generally more likely that OTRA will identify findings during a TTE, then it may want to allocate more resources to TTEs. Similarly, if a given program (e.g., land) is more complex to manage and/or OTRA frequently identifies issues with trust management practices within the program, OTRA may use this risk information to help target its examinations to agencies or tribes with this attribute.

An immediate opportunity OTRA could research further is creating greater consistency between its ITE and TTE reviews. It appears the reviews are designed to meet similar objectives around ensuring Tribes and agency offices are upholding their trust responsibilities, yet do so using different processes. Some process differences seem to stem from the need to achieve greater efficiency in TTEs as OTRA is supposed to review all compacted Tribes annually. An analysis of risks shared by and specific to the managing entity (i.e., Tribe or agency office) may help OTRA address scope challenges (see **Potential Process Improvement 1.1**) as it would expose the areas posing the greatest risk to trust management. This insight may in turn help OTRA defend any needs for legislative and regulatory updates (see **Potential Process Improvement 1.3**).

For example, if results indicated that a trust faces similar levels of risk of being mismanaged regardless of the managing entity (i.e., Tribe or agency office), OTRA may more effectively and efficiently meet its mission objectives using other risk factors to prioritize which organizations it reviews. Similarly, any process variations, such as whether the review includes a site visit, would be based on the relative risk the entity (or other risk factor) poses to trust management.

1.3. Assess Legislative and Regulatory Needs. Long term, OTRA may benefit from a formal assessment of the legislation and regulation, as well as any DOI and/or OST directives and policies to which it is subject, to determine whether any flexibility exists to influence the scope of its workload in terms of evaluation types and frequency. For example, if the requirement to examine all compacted tribes on an annual basis was set based on fewer tribes compacting, the requirement may no longer be realistic given OTRA's resources. Similarly, should TTEs pose a greater risk to trust management, OTRA may more effectively meet its mission objectives using a rigorous TTE review process as opposed to one that emphasizes completing a higher volume of reviews. Working with appropriate officials to review and update the requirements to address current risk factors could support OTRA with the long term management of its responsibilities.

1.4. Plan for the Impact of Special Initiatives. In taking on new initiatives, OTRA should consider the opportunity costs of reviews (e.g., "shifting resources to support this special initiative means OTRA will complete # fewer reviews; however, long term, we expect to be more efficient because…"). In addition, considering how special initiatives support OTRA in addressing the areas of greatest risk (as discussed in Observation 2), could help OTRA prioritize its non-review projects. As OTRA takes on special initiatives and establishes its annual work plan, it should document the anticipated impacts, and define and communicate milestones. Given some of the other challenges OTRA faces (e.g., large review scope,

supervisory auditor vacancy), defining the opportunity costs of special projects will help OTRA continue to clearly establish and successfully accomplish a realistic scope.

OTRA may find it helpful to conduct risk impact assessments on new initiatives to assess the impacts of taking on new projects. The Risk Impact Assessment consists of applying a numerical rating (e.g., 1 (low) – 5 (high)) for the likelihood that an issue will occur, and the potential impact of the event on schedule, budget, and scope. The final exposure score is determined by multiplying likelihood and impact ratings; the higher the score, the more risk involved. The score can support informed decision making. Additional relevant data can be obtained from conducting risk analyses on existing initiatives to determine the exposure of current projects.

1.5. Backfill the Supervisory Auditor Vacancy. OTRA has taken steps to cover the responsibilities held by its TTE Supervisory Auditor; however, given the office's scope of responsibilities, an organizational model lacking an additional supervisory auditor appears unsustainable long term. To continue to meet mission objectives, OTRA should work with OST leadership to prioritize filling this role, thereby alleviating the added work placed on its remaining supervisors, and increasing the efficiency with which it completes reviews and issues reports.

2. **Observation: Additional specialists or specialized knowledge, in areas such as natural resources (i.e. fisheries, trust land management, and water management) could help OTRA increase the impacts of its reports.**

Current State

Both internal and external stakeholders acknowledge the value of OTRA's examinations as a means of identifying operational issues. External stakeholders the Analysis Team interviewed indicated that reports are most beneficial when they provide comprehensive information based on specific regulations relative to the tribe or agency and the programs managed. The timeliness of receipt of the final report was also an important component in the overall perception of the report's usefulness by both internal and external stakeholders. Internally, auditors also expressed feeling an obligation to return results in a timely manner to protect their personal reputations and OTRA's brand. External stakeholders noted during interviews that receiving a report shortly after an evaluation allowed for swift action to be taken to address observations and findings, whereas delayed reports could result in the findings being out of date or no longer relevant.

Known Challenges

OTRA currently has some recognized specialists with deep experience in certain areas, such as land and minerals management; however, some staff members do not yet possess this level of experience or specialized knowledge. In addition, training is currently available to staff, but may be pursued based on individual needs or interests without consideration for office needs as a whole. This could result in skill gaps across OTRA, especially related to the trust programs it audits.

Potential Process Improvements

2.1. Consider OTRA-wide Skill Sets and Establish Plan to Address Gaps. OTRA may be able to bring additional value to its reports if its staff follow a more formalized audit training approach that emphasizes increasing audit skills and regulatory knowledge. OTRA should consider collectively assessing its resources' skills and experience to identify OTRA-wide areas of strength and potential knowledge gaps. Based on the OTRA-wide gaps, the office

should establish a plan for bolstering the required skills. Furthermore, defining training paths could help OTRA ensure it maintains the right mix of skills across its resources, and help provide new team members with a common baseline understanding of audits. Training paths could include audit-specific courses, such as Entry Level Auditor, Intermediate Auditor, Advanced Auditor, Report Writing, and Statistics, and regulatory-specific training such as land, minerals, and forestry management.

In addition to considering OTRA-wide training needs, OTRA should use its insight into potential skill gaps to inform its recruiting strategy. When opportunities to bring on new resources exist, OTRA may target personnel with specific knowledge, especially within the programs managed by agencies and tribes, and invest in training the resource on how to conduct reviews. This could help OTRA continue to provide impactful findings and recommendations in its reports.

2.2. Pursue Opportunities to Develop Tribe-Specific Knowledge. As external stakeholders find OTRA's reports most useful when they address regulatory requirements in the context of an organization's unique circumstances, OTRA should continue to build deeper insight into the nuances of regional/agency offices' and tribes' practices. OTRA resources are already using training and annual conferences as opportunities to build their knowledge of tribe-specific practices. OTRA should allocate more resources to support attendance to participate in tribal outreach and events that allow team members to get a better frame of reference and increase their awareness of unique challenges, needs, and management practices. For example, OTRA may be able to align site visits to overlap with significant events (e.g., administrative conferences) that could be relevant to evaluations, without adding significant cost. Aside from this knowledge informing individual reviews, team members can share what they learned about the tribe/office and how OTRA can further improve its review processes during a subsequent auditor technical meeting (see **Potential Process Improvement 3.1**).

2.3. Establish a Formal Feedback Process. Establishing a formal process to capture external stakeholder feedback following evaluations can help OTRA to continue to enhance the value of its examinations and reports. It may also help OTRA identify and address internal skill gaps. For example, OTRA may consider developing a short survey to gather external stakeholders' assessments of site visits or a final reports. On a periodic basis, OTRA could assemble a team to interview a sub-set of external stakeholders about their experiences working with OTRA and summarize themes from the session. This information could help OTRA leadership identify opportunities to better serve stakeholders; focus efforts on high impact activities; and enable preemptive, solutions-oriented dialogue.

3. Observation: OTRA may be able to enhance the effectiveness of its policies by streamlining communication practices.

Current State

OTRA uses multiple checklists to promote consistency and reduce the risk of errors. Furthermore, to provide timely guidance on process changes and/or operational needs, OTRA uses email directives and in person feedback to make staff aware of changes. Email directives are stored on OTRA's shared drive.

Known Challenges

The Analysis Team identified several recurring themes during interviews related to the challenges OTRA faces in driving consistency and compliance with its processes:

- Team members' workloads and site visit schedules have resulted in OTRA using email directives to alert team members of new process requirements and/or expectations. This means changes may be implemented with little prior notice (e.g., "effective immediately") and before OTRA leadership has had an opportunity to discuss them with team members. It can also result in team members having to change how they complete certain activities mid-review.

- In an effort to promote process efficiency and effectiveness, OTRA may issue several email directives a week. However, the frequency of directives, combined with a lack of opportunity to discuss them in person, can contribute to confusion and frustration among team members. For example, one email directive required reports to be reviewed via track changes in Auto Audit; however, some reviewers prefer a checklist to track their changes or handwrite comments. When these types of changes to the process accompany a directive, a conversation to provide insight into OTRA's process needs could help staff understand the need for change.

- A formal process for rescinding outdated email directives has not been defined, and at times, results in process inconsistencies.

- A single, definitive source of current policy and process information is not readily available, which can make it challenging for OTRA team members to quickly resolve questions or remain confident in their approaches.

Potential Process Improvements

3.1. Implement Team Meetings. OTRA should consider using team meetings (or "auditor technical meetings") to increase office-wide collaboration and discuss new directives, current challenges, and lessons learned. Holding auditor technical meetings could help OTRA reduce the amount of re-work during the report review process by discussing planned directives and other process changes; gaining feedback on proposed changes; revisiting directives that are still applicable, but in need of updates for accuracy/consistency; and announcing any rescinded guidance. The added collaboration can help OTRA decrease the likelihood of errors and the amount of time it takes to complete a report. OTRA should consider holding auditor technical meetings on a bi-weekly basis to balance workload and communication needs; to the extent practical, team members conducting site visits should plan for the meetings and attend virtually (i.e., dial in).

For example, OTRA may use the following general agenda format to help ensure meetings cover several different topics that may enhance the quality of the reporting process:

- Discuss changes to the report developing process and allow staff to ask clarifying questions.

- Share lessons learned and leading practices identified during site visits.

- Share feedback from external stakeholders (tribal leaders, BIA superintendents, etc.) to celebrate accolades and address areas for improvement.

The meeting coordinator, which could be a senior auditor or member of leadership, should regularly solicit input from OTRA staff on the specific topics they would like to see addressed through upcoming meetings. Leadership could use the auditor technical meetings to discuss upcoming changes to the reporting process and gain feedback from staff before implementing the changes. Once they receive feedback and buy-in from the staff, leadership can email the directive to make it official policy. This will help avoid confusion among staff when new email directives are sent out and can help better prepare the office for upcoming changes.

3.2. Establish an Efficient Process for Maintaining Guidance. OTRA may consider taking steps to increase the use of the Trust Examiner's Guide (TEG) as the definitive source of OTRA policy, procedures, and checklists. OTRA should establish a recurring process for updating the TEG. For example, OTRA could apply significant policy changes during a formal, annual update effort versus small directives, which it might apply "in flight" during the course of the year. During the formal update period, OTRA should take care to remove any outdated information and to integrate current checklists. This will make the TEG the definitive source of policy and procedures for OTRA and eliminate the need to consult multiple resources to locate information.

4. Observation: OTRA may be able to eliminate activities, especially those that are administrative in nature, to operate more efficiently.

Current State

OTRA uses tools, such as checklists, templates, and standard operating procedures (SOPs), to help ensure it is operating in a compliant manner and team members follow defined processes. Given the complexity of OTRA's work, it has developed many such tools tailored to specific review needs. While these tools encourage process discipline, they also take time to complete. As a result, team members complete additional steps as part of ITEs, TTEs, and RMAs that were not required in the past and are not required in order for OTRA to be compliant with applicable requirements.

Known Challenges

Given OTRA's scope of responsibilities, as described in Observation 1, any additional steps can significantly increase team members' workloads, and result in overall process delays. The Analysis Team noted that multiple interviewees commented on an increase in the number of administrative tasks they must complete as part of reviews. For example, OTRA staff track their time in both QuickTime and an internal spreadsheet. While the internal spreadsheet helps OTRA report work accomplished at a more granular level than is available via QuickTime, it also creates more work for OTRA team members. As a result, team members may have less time to devote to high priority tasks, such as preparing for field work or researching new issues.

Potential Process Improvements

4.1. Assess and Identify Opportunities to Reduce Administrative Tasks. OTRA should consider completing a detailed analysis of the administrative tasks incidental to ITEs, TTEs, and RMAs that it may be able to discontinue or streamline to achieve greater process efficiency. For this report, the term "administrative tasks" encompasses traditional administrative functions, such as documenting travel and timekeeping, as well as review-specific documentation activities, such as completing checklists that are designed to drive process compliance and quality. Using risk information, similar to **Potential Process**

Improvement 1.2, could help OTRA identify the administrative tasks providing the most value in terms of risk mitigation, and make decisions about where to tolerate some additional risk in return for improving efficiency. For example, OTRA may permit team members to make their own arrangements in the travel management system, thereby avoiding the extra steps associated with documenting and reviewing trips outside of the system. Some errors may occur, but in aggregate the process change could improve OTRA's overall process efficiency. Alternatively, OTRA could use a year-over-year analysis of expenses to analyze whether current policies resulted in a reduction in cost or time spent on travel administration, timekeeping, and checklist completion.

5. **Observation: OTRA would like to issue reports more efficiently, and avoid issuing reports outside of its established timeline.**

Current State

During interviews, the Analysis Team noted that OTRA drives to deliver reports to external stakeholders within 60 days after completing field work. OTRA keeps track of each report's estimated due dates and actual due dates in a spreadsheet. In several instances the reports are not delivered by the 60 day deadline due to different challenges.

Known Challenges

Supervisory auditors are reviewing more reports than typical due to the vacant supervisory auditor position. Along with reviewing more reports, some team members are supporting other strategic initiatives, resulting in additional challenges to completing timely reviews. Due to the number of reports, as well as time constraints, supervisory auditors may not be able to review work plans, work papers, and draft reports timely, or to the level of detail necessary to ensure high quality outputs. Furthermore, supervisory auditors are also generally unable to coordinate with auditors in the field as much as needed, resulting in more time spent reviewing the reports several weeks after field work is complete. This can create rework throughout the review process and delay issuing reports.

OTRA leadership reviews work papers and reports after the supervisory auditor and generates multiple sets of comments. OTRA leadership generally does not have insight into auditors' findings and observations from the field until receipt of the draft report. This process can result in leadership reaching a different conclusion about the severity of findings and observations, which leads to additional work to revise.

Some overlap appears to exist between leadership and supervisory reviewers, which can lead to redundancies in the review process and delay report issuance.

Potential Process Improvements

As identified in **Potential Process Improvement 1.5**, backfilling the supervisory auditor role could help OTRA address the known challenges associated with this observation. In addition, the Analysis Team identified these potential process improvements:

5.1. **Increase Collaboration with Auditors during Fieldwork.** During the interviews, the Analysis Team heard from some external stakeholders that they receive multiple calls and emails from OTRA staff after their field work has been completed. OTRA auditors should raise observations and findings to their supervisory auditors as they come up during field work to agree on the logic they used to arrive at their conclusions, discuss issue severity, and reduce rework and follow-up upon their return from the field. While daily check-ins may not

be feasible given workload and schedules, a mid-point call could serve to help OTRA ensure auditors and supervisory auditors have a common understanding of the likely review results.

5.2. Update the Internal Review Process. OTRA should consider revisiting its internal review process to confirm it has developed specific tasks and objectives for each level of review, and has communicated review expectations to resources involved in the process. Setting clear review expectations can help OTRA increase effectiveness of reviews and improve timeliness, as it reduces the likelihood of review gaps and redundancies. For example, OTRA may work with reviewers to confirm the identified roles and responsibilities are still appropriate and serve a distinct purpose (e.g., technical review, spelling, grammar, formatting check, etc.). These tools (i.e., checklists and templates) provide rigor and help ensure processes are followed, however, at some point there could be too many and it may be worthwhile for OTRA to review each checklist or tool used as part of key processes, to make sure the tool is still useful and is achieving the intended benefit.

III. Next Steps

To continue momentum of the assessment, OTRA leadership should consider these next steps:

1. **Solidify observations and next steps:** OTRA leadership should collaborate to discuss the observations and potential process improvement opportunities identified in this report. In doing so, they should consider how to share information across the OTRA organization, and potential with external stakeholders, to begin building agreement on which changes to implement.

2. **Develop an implementation strategy:** OTRA should develop a strategy for transitioning operations to the desired state based on the effort to implement the selected opportunities. OTRA should establish a timeframe for implementing specific changes and develop methods for follow-up and measuring success of applied changes.

3. **Continue to identify new opportunities:** As OTRA implements the opportunities and realizes the impacts to its operations and workforce, leadership may identify additional changes to realize further benefits.

IV.   Appendix

Appendix A: Interview Strategy

Interviewee				Interview Objectives	Sample Questions
OTRA Supervisors and Staff	Supervisory Auditors		Individual	Gain understanding of internal processes and determine if any gaps in quality control are present	• Describe your role and typical workload. • Describe your team's work, your supervisor's role and team members' roles and responsibilities. • Tell us about the external stakeholders with whom you connect. • How do you ensure quality in your work? • How do you identify needs for improvement in the quality of your work? What improvements have you/would you like to make? • What challenges do you see yourself, the auditors you supervise and new auditors face? • What are your top lessons learned working at OTRA? • What resources do you turn to for help in performing your work?
				Assess the reliability, validity, and relevance of performance measures	
				Understand challenges related to the beneficiaries	
	Auditors		Small Group	Gain understanding of how auditors work and function as a team and the level of efficiency staff perceives for OTRA processes and functions	• Describe your role and typical workload. • Describe your team's work, your supervisor's role and team members' roles and responsibilities. • Tell us about the external stakeholders with whom you connect. • How does your team manage quality in the work you perform? • What process improvements have you seen OTRA make? What changes would you like to see OTRA make? • What are your top lessons learned working at OTRA? • What resources do you turn to for help in the work you perform?
				Understand the controls in place that help OTRA achieve and monitor program outputs	
OTRA Leadership	Director, OTRA		Individual	Identify program efficiencies and deficiencies	• Describe your role. • Describe your vision for OTRA. • Describe your staff, including your supervisor and direct reports. • Tell us about the external stakeholders with whom you connect. • How is OTRA's value defined? • How are OTRA's activities prioritized? What are OTRA's top priorities? • How do you define quality in OTRA's work? • What are the top risks OTRA faces? • How do you assess your team's performance? • What process and organizational changes would you like to see OTRA make? • Describe OTRA's budget.
				Gain insight into the process OTRA follows to identify and manage risk	
	Deputy Director, OTRA		Individual	Understand how OTRA develops and manages its budget	

Interviewee			Interview Objectives	Sample Questions
Special Trustee	Principal Deputy Special Trustee	Individual	Understand how leadership views OTRA and determine if communications are effective	• Describe your role as it relates to OTRA. • How do you define the role of OTRA? • Tell us about your current level of interaction with OTRA. • What are your requirements of OTRA? • How does OTRA communicate with you? • What is OTRA doing well and what do you see as potential areas for improvement?
	Deputy Special Trustee, Program Management	Individual	Understand how leadership views OTRA and determine areas of improvement	• Describe your role. • Describe your team, including your supervisor and team members. • Tell us about the external stakeholders with whom you connect with regards to OTRA. • How is OTRA's value defined? • What do you view as OTRA's top priorities? • What is OTRA doing well and what do you see as potential areas for improvement?
Other OST Leadership	Bureau of Indian Affairs (BIA) Deputy Bureau	Individual	Understand how leadership views OTRA and determine if communications are effective	• Describe how you view OTRA and your current level of interaction with OTRA. • Describe how you use the results of the assessments from OTRA. • Are the assessments beneficial? What could be added to make them more beneficial? • What changes would you make to improve your interactions with OTRA? • Do OTRA's reports reach the right level?
	Records Information Management Specialist	Individual	Understand how leadership views OTRA and determine if communications are effective	
External Stakeholders	BIA	Individual	Understand the effectiveness of evaluations on beneficiaries	
	Tribes	Individual	Understand the effectiveness of evaluations on beneficiaries	

Appendix B: Criteria Matrix

#	Observation	Elements	Current State	Known Challenges	Potential Process Improvements
1	OTRA bears responsibility for a large volume of work, and may need to redefine its scope or secure additional resources to meet requirements	• Governance and Reporting • Scope • Benefits Management • Resource and Performance Management • Risk and Issue Management	Several Federal mandates (tribes, ITEs, RMAs) influence the scope of OTRA's work	• OTRA's workload is continually growing • OTRA is operating under a modified organization structure to support a staff detail • OTRA must pursue some special initiatives • Internal and external stakeholders hold varied perspectives on OTRA's functions	• Establish and document a shared understanding of OTRA's Planned Scope. (1.1) • Explore Using Risk Information to Set Priorities. (1.2) • Assess legislative and regulatory needs. (1.3) • Plan for the impact of special initiatives. (1.4) • Backfill the Supervisory Auditor vacancy. (1.5)
2	Additional specialists or specialized knowledge, in areas such as forestry, fish hatchery, land, and water management, could help OTRA increase the impacts of its reports	• Stakeholders • Benefits Management • Planning • Ongoing Assurance and Learning	• External stakeholders indicated reports are most beneficial when they provide information on specific regulations related to their tribe or agency • Timeliness of receipt of final report important in perception of external stakeholders • External stakeholders noted receiving reports shortly after the evaluation allowed for quick action to be taken	• OTRA has some staff with experience in certain areas but some do not possess that knowledge • Training available but the organization is not taken in to consideration	• Consider OTRA-wide skill sets and establish plan to address gaps. (2.1) • Pursue opportunities to develop tribe-specific knowledge. (2.2) • Establish a formal feedback process. (2.3)

#	Observation	Elements	Current State	Known Challenges	Potential Process Improvements
3	OTRA may be able to enhance the effectiveness of its policies by streamlining communication practices	• Resource and Performance Management • Quality Management • Change Control	• OTRA uses multiple checklist to promote consistency • OTRA uses email directives and in person feedback to make staff aware of changes	• Workloads have resulted in OTRA using email directives and not in person meetings • OTRA may issue several email directives per week • Formal process for rescinding outdated directives is not defined • One source of current policy and process information is not readily available	• Implement team meeting. (3.1) • Establish an efficient process for maintaining guidance (3.2)
4	OTRA may be able to eliminate steps, especially those that are administrative in nature, to operate more efficiently	• Resource and Performance Management • Quality Management • Change Control	• OTRA uses tools to ensure it is operating in a compliant manner • Team members complete additional steps as part of the evaluations	• Increased number of administrative tasks to complete as part of reviews • One example noted was timekeeping	• Assess and Identify Opportunities to Reduce Administrative Tasks (4.1)
5	OTRA would like to issue reports more efficiently, and avoid issuing reports outside of its established timeline	• Resource and Performance Management • Quality Management • Cost Management	• OTRA drives to deliver reports 60 days after field work is complete • OTRA keeps track of estimated due dates for each report	• OTRA staff are reviewing more reports than before due to a vacant position • OTRA staff are supporting strategic initiatives • OTRA leadership generate multiple sets of comments on the reports	• Increase Collaboration with Auditors during Fieldwork (5.1) • Update the Internal Review Process (5.2)