



NEWS

U.S. DEPARTMENT OF THE INTERIOR

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Office of the Special Trustee for American Indians (OST) Budget Emphasizes Continued Reform of IT Systems and Services to Improve Management of the Trust for Beneficiaries

The President's FY2008 budget request for the Office of the Special Trustee for American Indians (OST) is \$196.2 million, \$15.4 million above the 2007 continuing resolution, and \$26.6 million below the FY06 enacted appropriation.

The OST budget includes \$60 million for the Office of Historical Trust Accounting, \$38.6 million above the continuing resolution and \$3.6 million above the 2007 President's budget, to assist with the increased workload associated with additional tribal trust lawsuits and to ensure that the IIM historical accounting is completed by 2011. The budget for Historical Accounting was reduced by \$35 million in the 2007 continuing resolution. The budget restores funding for these critically important activities that will provide an accounting for individual Indians and tribes. The Indian land consolidation program is funded at \$10 million, a reduction of \$20.7 million from the 2007 continuing resolution. The funding level for land consolidation maintains all core operations while the Administration considers other strategies to address this difficult issue. The FY2008 OST budget also incorporates a \$3.6 million reduction from 2007 because of one-time program needs that were completed by outside contractors, such as data input into new systems and the initial implementation of the new lockbox funds receivable system.

Fiscal year 2008 funding will allow OST to continue to make management of the trust more efficient. This work will culminate in dramatic improvements to the management of the fiduciary trust to better serve individual Indian and tribal trust beneficiaries. Key to these improvements in the last two years has been the replacement of software systems that are more than 30 years old with modern technology, and the validation, verification and conversion of trust data to the improved systems. The new title, leasing, and accounting systems are comparable to the trust systems used in the private sector and allow Indian Affairs employees to perform business practices more efficiently. The improved systems help beneficiaries receive their funds in a timely manner and get more information about their assets on their account statements.

"This past fiscal year was a watershed year for trust reform," said Ross Swimmer, the Special Trustee for American Indians. "Many of our efforts—such as the integration of new trust systems, the implementation of a commercial lockbox, the expansion of the Trust Beneficiary Call Center, and the funds receivable system—have been carried out. For the first time, Indian trust beneficiaries have new services and information available to them. I am hopeful that by the end of 2009 the transformation of fiduciary business processes will bring trust management into the 21st century. We can then focus our efforts on continual improvements to the trust for even better services for beneficiaries."

The FY 2008 request includes a total of \$32.9 million to support OST field operation activities, including funding for Fiduciary Trust Officers to work directly with trust beneficiaries on their account needs. Funds will also continue to support the toll-free Trust Beneficiary Call Center. OST's budget also includes \$18.3 million for trust records administration and management, and to meet document production and related litigation costs. This funding also supports the American Indian Records Repository, in Lenexa, Kansas—a modern storage facility for all inactive Indian records from BIA and OST offices—as well as a records management and archival certificate-training program at Haskell Indian Nations University, in Lawrence, Kansas.

By the Numbers—OST is Responsible for:

- ❖ Issuing more than **513,000 checks** for Indian trust beneficiaries per year.
- ❖ Approximately **32,400** trust transactions per day (**675,000** per month; **8.1** million per year).
- ❖ Approximately **\$330 million** in annual receipts from leases, use permits, land sales, and interest earned on deposited funds for over **300,000** open Individual Indian Money accounts each year.
- ❖ Approximately **\$460 million** in annual receipts from sources including judgment awards, settlements and use of tribal resources and interest earned in more than **1,400 tribal accounts** for over **250 tribes**.
- ❖ Managing approximately **\$2.9 billion** in tribal funds and more than **\$400 million** in individual Indian funds.

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