

What a Difference a Day Makes: Finding Trust Beneficiaries Whose Whereabouts Are Unknown

Last year, Interior staff found an Indian beneficiary with a trust account who was on the Whereabouts Unknown List. The man was working two jobs and struggling to pay his bills. After his identity was confirmed, Interior was able to distribute his trust funds to him. The man was then able to buy a new house, a new car, and quit one of his jobs.

In the fall of 2003, there were more than 67,000 Individual Indian Money (IIM) account holders on the Office of the Special Trustee for American Indians' Whereabouts Unknown (WAU) list. Interior had more than \$88 million to distribute to these people. The list and total amount of funds were steadily growing.

By the end of 2005, the number of IIM account holders on the Whereabouts Unknown list had dropped by 23,024 people to 44,692, and more than \$24 million had been distributed.

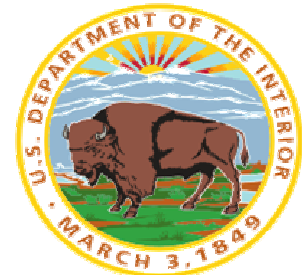
In those two years, as part of its Indian trust reform efforts, Interior devoted new resources to finding these people in order to disburse their funds to them. At the end of 2003, OST dedicated a staff member whose primary responsibility was to oversee efforts to find WAU beneficiaries. OST also began hiring Fiduciary Trust Officers to serve as the primary point of contact with beneficiaries on a variety of issues, including locating WAUs. Interior entered into contracts with two search agencies to find people with the largest accounts. Interior staff, and these

contractors, are conducting data searches and using returned mail with forwarding addresses and tribal enrollment lists to identify people on the list. Trust officers also are reaching out to beneficiaries at community events, and the list is posted online at www.doi.gov/ost. Many of the people on the list are not even aware they have an IIM account. Some of the accounts were established as early as 1906. In some cases, Interior lost

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To help with the search for WAU beneficiaries, Interior hired an investigation contracting company. In the first three and a half months on the job, staff at this company located individuals associated with **140 accounts, who had a total of more than \$3.5 million in Indian trust funds.**



Trust Beneficiary Call Center
Toll-free:
1-888-678-6836
Monday to Friday, 7 am to 6 pm
Saturday, 8 am to 12 noon
Mountain Time

Call Center Extends Hours of Operation

In March 2006, OST extended the hours of the toll-free Trust Beneficiary Call Center. In addition to regular hours, staff is now available to respond to Indian trust beneficiary calls on Saturday mornings from 8 am to 12 noon, Mountain Time.

Since opening, December 3, 2004, the Trust Beneficiary Call Center has:

- Responded to more than 125,000 calls.
- Resolved 89% of all inquiries without having to escalate the call to another department.



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Finding Whereabouts Unknown Beneficiaries: Progress Report

(from page 1) contact with the individual through relocation, adoption or other events. Most new WAU now occur as a result of the probate process when heirs' addresses are not known. Assets held in WAU accounts range from a penny to over \$400,000.

Staff and contractors follow all leads to find people on the list. Recently, a contractor who is a fluent Navajo speaker—and understands the cultural ways of the Navajo—learned that a Navajo man who had in excess of \$230,000 in a WAU account was tragically killed in an auto pedestrian accident. The contractor gathered the necessary records and death certificate and is working to get the funds distributed to the heirs. Just before Christmas, contractors found another WAU account holder who had been "praying her heart out" that somehow she would have enough money to take care of her children and grandchildren. Numerous data searches revealed that this woman had used at least 11 different names. There were more than 300 pages of reports to analyze, but ultimately, staff was able to tell this woman she had more than \$175,000 in an account. The beneficiary tearfully thanked the contractor for "not giving up the search."

Mitchell Stephens and his team at the Horton, Kansas office found more than 111 people on the Whereabouts Unknown list in 2005. Staff members were able to disburse more than \$260,775 to these beneficiaries. According to Stephens, "We are a small agency here in Horton, but it feels like we can make a positive impact on people's lives."



OST's Fiduciary Trust Officers Continue To Help Beneficiaries with Trust Issues

The Office of the Special Trustee for American Indians has a workforce of Fiduciary Trust Officers (FTOs) working in Indian Country. These FTOs serve as the primary point of contact with Indian trust beneficiaries. Here are a few recent examples of the many ways FTOs help beneficiaries.



Selman Roach, in the Ute Mountain area, was told by a social worker that there was a beneficiary in great need of a new mobile home. Roach researched the case, and found that the beneficiary was classified as non compos mentis, or in need of supervision, and was therefore unable to access her Indian trust funds without certain permissions. Roach worked to obtain the proper forms and necessary court papers, and was able to make IIM funds available for the purchase of a new mobile home for the beneficiary.



Henry Ware and the team in Western Oklahoma worked into the late hours before Christmas last year to help get some tribal trust leases approved just before the holidays. Members of local tribes were able to receive a per-capita payment increase of about \$180 to \$200 each. According to Ware, "Unemployment rates in the region are astronomical and every cent is important to our beneficiaries who live from check to check. This money allowed our beneficiaries to enjoy their holidays with a few more dollars for food and gifts."



Robert Craff, in Arizona, was able to help a beneficiary who had sold her land through the Indian Land Consolidation Office. It turns out that after the sale, the Veterans Administration (VA) told the beneficiary's family that the sale would negatively affect the family's Veteran's benefits. Craff worked with the VA and the family to reverse this decision, and ensure that the family still received all its benefits. Craff has recently been selected as the Regional Trust Administrator for the Navajo and Western regions, based in Albuquerque, NM.



Glenda Miller, in Alaska, worked with local BIA staff and Tribal Realty Service Providers to help an elderly beneficiary who wanted to sell a portion of her allotment. The beneficiary had received an offer for the land, but Miller counseled her to take extra time and advertise the property for sale. In the end, the beneficiary received \$150,000 more than the initial offer for her property. Miller adds, "The beneficiary has a limited income. This additional income will have a dramatic impact on the quality of her life."

In the Field: Northwest Appraisers and Appraisals

Rena Sanford has been caught in a snow storm with a flat tire in the middle of nowhere. Ken Carmack has driven across fields and streams to get to a parcel of land. Tom McCorquodale got his vehicle stuck in a mud hole and had to be rescued by a local beneficiary. All of these things happened in the course of a day's work as an Indian trust appraiser in the Northwest Region Office of Appraisal Services (OAS). Each of these appraisers tells their story with a smile on their face. No matter what challenges OAS employees face in meeting their goals to support the Fiduciary Trust Model—tackling a backlog of appraisals, dealing with inclement weather and driving cross-country—they are proud of their work.

Sanford, the Northwest Regional Supervisory Appraiser and an enrolled member of the Blackfoot tribe, explains, "Our territory—covering Oregon, Washington, Western Montana, Idaho, and one location in Alaska—has it all: desert, mountains, waterfront, agriculture, urban landscapes. In any given month we can be appraising a lake shore home, a right of way through a wheat field, property on the side of a mountain, or an island in the Pacific Ocean."

Where Appraisals Fit in Indian Trust Management

Appraisals are a critical element to the management of trust land. They are used to determine the fair market value of the use of an Indian trust asset. If someone wants to set up a grazing permit or build a communications tower on Indian trust land, an appraisal is required to provide the beneficiary with information on the fair market value of that activity. An appraisal request with land and title documents is submitted to OAS from the realty office. The appraisal is then completed for the Indian beneficiary to support transactions on trust land.



Thomas McCorquodale

Guidelines Governing Appraisals

Like all OAS appraisers, Sanford's staff follows strict Uniform Standards of Professional Appraisal Practice (USPAP) and Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) guidelines. Her appraisers have many decades of combined experience. Some have spent a number of years doing appraisal work in the pri-



Left to right. Standing: Ken Carmack (enrolled Colville); Thomas McCorquodale, Anson Baker (enrolled Mandan Hidatsa), Larry Zumwalt, Front Row: Carmen Holt (enrolled member Oglala Sioux), Dawn Cordts-Buendia (enrolled Siletz), Rena R. Sanford (enrolled Blackfeet). Not Pictured: Emie Flechsig, Phil Graf.

vate sector. Each has a Certified General Appraiser state license. As well as their field work, Sanford and her staff are tackling ongoing appraisal program changes.

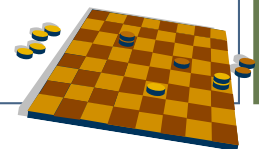
Changes in Appraisal Services

As part of Interior's trust reform efforts, the Office of Appraisal Services is now operating under a Memorandum of Understanding between the National Business Center and OST. Interior has hired experienced top-level management across the country to establish a streamlined nationwide process that meets the highest fiduciary standards.

The main focus these days, across the nation, is to address a backlog of appraisal requests to support trust transactions. Sanford's staff is working with area contractors to reduce and prioritize backlogged requests. Her staff also spends time carefully reviewing the contractors' appraisal work. Sanford also is fine-tuning day-to-day processes and—like all appraisal offices around the country—working to make them more efficient for beneficiaries.

McCorquodale adds, "This is important. My favorite appraisal work is trust land. I've been able to make friends on every reservation I work on. One member of the Quinault Reservation showed me where his grandfather taught him how to canoe, and told me where he watched Mt. St. Helens erupt. He became a tribal spiritual leader after that. There are many good hearted people throughout this territory."

Quick Definitions: Checkerboard Effect. Land within reservation boundaries may be in a variety of types of ownership—tribal, individual Indian, and non-Indian, as well as a mix of trust and fee lands. The pattern of mixed ownership resembles a checkerboard. —From the Indian Land Tenure Foundation





Staff inputs public comments into a database at an Indian Affairs regulations consultation meeting in Portland, OR (left), and helps register attendees at the consultation meeting in Albuquerque, NM (right).



Department of the Interior
Office of the Special Trustee
for American Indians
1-888-678-6836

Interior's Initiative to Update Indian Affairs Trust-Related Regulations

Reforming the Indian trust and improving the way Indian Affairs' business is managed at the Department of the Interior is paramount to this administration. For many years, Interior staff has been working—with the help of Congress and tribal leaders—to enact reforms for the management of the Indian trust. Now, to implement many of the remaining reforms and procedure changes, Interior is working on a regulatory initiative to update trust-related regulations.

The goal of the initiative is to allow the Secretary of the Interior to further fulfill the Department's fiduciary responsibility to Indian tribes and individuals; provide tribes and individuals with greater control over their interests; allow Interior to better meet beneficiaries' needs; and meet the trust management goals in the Indian Land Consolidation Act, as amended by the American Indian Probate Reform Act (AIPRA).

One of the most pressing of these regulatory changes involves AIPRA. This legislation creates a uniform federal Indian probate code to replace the multiple state and tribal laws that now govern probates of Indian trust assets. AIPRA allows small "fractionated" interests in land to pass exclusively to single heirs when there is no will involved, and allows greater flexibility for individuals and tribes to consolidate and acquire interests during the probate process. Most of the provisions of AIPRA are scheduled to take effect this June, but to fully implement the new law, Interior must update regulations to: ensure that the information necessary for land con-

solidation tools is included in the probate file; modernize valuation methods; and clarify procedures for Secretarial approval of tribal probate codes. Interior also expects to streamline the process of probating Indian trust estates.

For many months, experts—from the Bureau of Indian Affairs, Office of the Solicitor, Office of Hearings and Appeals, Office of the Special Trustee for American Indians, and more—took a thorough look at Title 25 of the *Code of Federal Regulations (Indians)* and identified possible improvements. In addition to the probate-related changes, the experts offered preliminary recommendations for changes on land records and title documents, land acquisitions and conveyances, leasing, and grazing. They also introduced new sections covering whereabouts unknown account holders, administrative accounting and appeals processes, and fees.

At the end of 2005, Interior sent copies of the preliminary draft regulations to tribal leaders and representatives of Indian organizations. Staff then held meetings with organizations such as the National Congress of American Indians, the Inter Tribal Monitoring Association, and others. Interior has held tribal consultation meetings in Albuquerque, NM and Portland, OR. At press time, staff was compiling comments and preparing to publish the draft regulations in the Federal Register for public comment. More consultation meetings are being planned with tribes after publication.

Quick Definitions: Undivided Interest. A share of the ownership interest in a parcel of trust land is referred to as an undivided interest. The number of interests grows with the division among heirs of these interests according to probate laws. The income derived from the parcel is divided according to the interest held by an individual.—*Indian Land Tenure Foundation.*



A Brief Look—The Office of the Special Trustee is responsible for:

- ⇒ Processing about **34,000 trust transactions** per day (**8.5 million transactions** for the year).
- ⇒ Issuing more than **500,000 checks** for Indian trust beneficiaries per year.
- ⇒ Processing approximately **\$300 million** in annual receipts from leases, use permits, land sales, and interest earned on deposited funds for some **277,000** open Individual Indian Money accounts each year.
- ⇒ Processing approximately **\$500 million** in annual receipts from sources including judgment awards, settlements, and use of tribal resources in **1,450 tribal accounts** for over **300 tribes**.
- ⇒ Managing and investing approximately **\$2.9 billion** in tribal funds and **\$400 million** in individual Indian funds.