

Trust Matters

Department of the Interior—Office of the Special Trustee for American Indians

New Advisory Board Convenes

On March 18-19, 2004, the first meeting of the 2004-2006 Special Trustee Advisory Board was held in Washington, D.C. Secretary of

the Interior Gale Norton was present at the meeting to congratulate the new members on their selection to the board, and to welcome

the members to their new positions within the federal Indian trust reform arena. At the meeting, the new board membership was provided an overview of the current status of trust

reform efforts underway within the Department. The members also had the opportunity to discuss and prioritize issues for consideration during this



Advisory Board Members, left to right: Helen Sanders, Chief Gray, Governor Anokatubby, Special Trustee Ross Swimmer, Chairman Milanovich, Secretary Norton, Ed Holland, Chairman Matt, Bobby Brooks, Bat Pourier. Photo by Rosa Wilson.

Board's term. The next meeting of the board is scheduled for June 2004 in Montana.

The new membership of the Board was announced on February 5, 2004. The diverse membership, as

directed by federal law, includes representatives of Tribal account holders, individual Indian money account holders and private management and

investment sectors. The nine members of the board and their affiliations are listed on the back of this newsletter.

The Advisory Board was created through the American Indian Trust

Fund Management Reform Act of 1994 to provide advice to the Special Trustee on all matters within his jurisdiction. Members serve a two year term.

New Policy for Address and Disbursement Changes

In order to provide better service to Individual Indian Money (IIM) account holders, OST no longer requires a signature to be notarized or witnessed by a Department of the Interior employee when making changes to an address or

disbursement instructions for unsupervised accounts. Now, account holders may either (1) notify OST in writing of the new address and include the signature of one other adult as a witness or (2) call OST toll free at 1-888-678-6836 ext. 888 (1-888-OST-OTFM) to make

a request. Changes made by telephone will be accepted once the identity of the account holder is verified.

This policy change is in response to beneficiary feedback to improve services to account holders.

Volume 3, Issue 2

April 2004

Special points of interest:

- *FY 2005 OST Budget and the 17th Quarterly Report are posted on the web at www.ost.doi.gov*
- *Contact the Intertribal Monitoring Association at (505) 247-1447 for information on future trust reform listening conferences*

Inside this issue:

Appraisal Consolidation Update 2

Indian Records Facility 2

"To-Be" Model Nears Completion 2

Regional Trust Administrators Named 2

FY 2005 OST Budget Request 3

Concho IIM Account holder Meetings 3

ITMA Conferences 3

Advisory Board Membership 4

OST Appraisals to be Managed by Department's National Business Center

On March 31, 2004, Special Trustee Ross Swimmer announced that OST will enter into an agreement with the Department's National Business Center (NBC) Appraisal Group for the management of Indian land appraisals performed by the OST Office of Appraisal Services (OAS). This important move will strengthen the Indian land appraisal program.

Under the agreement, the OAS Director will report to the Department's Chief Appraiser. OST will retain control of the appraisal budget, and tribes will still have the ability to contract and compact with OST for the appraisal function. Indian preference in hiring for appraiser positions will con-

tinue. This agreement accommodates concerns raised during tribal consultations held last fall on OST's participation in the Department's appraisal consolidation initiative and from comments submitted to OST.

The Special Trustee noted that this agreement will improve the management of the appraisal function, while addressing concerns voiced by tribal leaders on issues such as Indian preference and continued opportunities for tribes to contract and compact for the program. Allowing OAS to contract for management services from NBC should enhance the integrity of the appraisals performed on Indian lands.

Indian Records Facility Constructed

Construction in Lenexa, KS, for an archival-quality underground storage facility for the consolidation and storage of all inactive Indian affairs records has been completed, and records currently are being relocated to this new facility. To date, approximately 20,000 boxes of trust and non-trust Indian affairs records have been moved from the Lee's Summit Federal Records Center in Kansas City, MO, and the Office of Trust Records in Albu-

querque, NM, to the new American Indian Records Repository. This facility has the storage capacity to house up to 250,000 boxes of existing Indian affairs records in one central location, benefiting federal and tribal employees, beneficiaries, researchers, and the general public. Previously these records were stored in several federal records centers. Plans for a grand opening ceremony are under development.

"To-Be" Model Nearly Complete

From November 2003 to January 2004, the OST and BIA conducted a series of informational meetings to discuss the draft "To-Be" Trust Business Model with interested stakeholders. The meetings were attended by an average of 150 individuals representing tribal and DOI employees, tribal and individual account holders, subject matter experts and others. The meetings were intended to provide attendees with an opportunity to review and comment on the draft model.

A formal presentation of the draft model was made at each meeting. This

same information was sent to every Tribe on a CD-Rom and has been posted on the OST website at www.ost.doi.gov

In response to Tribal requests, the timeframe for the review and comment on the draft "To-Be" Model was extended to March 31, 2004. All comments received by that date are being considered for inclusion in or modification to the draft model.

After addressing all comments received, OST expects the final "To-Be" Model to be completed by May 31, 2004.

Regional Trust Administrators Named

Five of the six Regional Trust Administrator (RTA) positions have been permanently filled. The other positions are still under recruitment.

Centrally located in Albuquerque, NM, the RTAs will work closely with BIA Regional Directors. They will oversee the OST Fiduciary Trust Officers and their staff, and trust activities nationwide.

The current RTAs and the BIA regions they represent are:

Melvin Burch—Southern Plains/Southwest Regions

Jim James—Great Plains / Eastern Regions

Vacant—Navajo / Western Regions

Tom Reynolds—Northwest / Alaska Regions

Vicki McCoy—Eastern Oklahoma / Pacific Regions

Robert Upton—Rocky Mountain / Midwest Regions

The full implementation of the final "To-Be" model will take several years to complete and will require the development of new policies and procedures, training, staffing, and other support functions. The implementation plan for the final "To-Be" model is expected to be completed by June 30, 2004. When completed, these documents will be posted on the OST web site at www.ost.doi.gov

FY 2005 Budget Requests Additional Funds for Trust Initiatives

The President's FY 2005 request for OST is \$322.7 million, an increase of \$113.6 million, or 54 percent, above the FY 2004 budget level. The \$113.6 million increase is for use by BIA and other Interior offices to significantly expand Indian land consolidation efforts and to continue historical accounting activities for tribal and individual Indian accounts.

The OST budget request includes \$75 million for the BIA Indian land consolidation efforts, an increase of 245 percent over the FY 2004 level. This increase will be used to expand the localized Indian Land Consolidation effort to a nationwide program, restoring economic viability to trust assets and

reducing the administrative burden on the government of managing these small accounts.

The FY 2005 request for the Office of Historical Trust Accounting is \$109.4 million, an increase of \$65 million over the FY 2004 level. This increase will provide additional resources to conduct historical accounting activities in accordance with Interior's five-year historical accounting plan. These funds will provide for a reconciliation of judgment accounts, per capita accounts and per capita transactions in land-based accounts. It also will provide funding to conduct historical accountings for tribes, administer settlements and present tribal briefings, as requested.

The request includes a total of \$21.7 million, an increase of \$1.6 million, for BIA and OST records administration, management, storage and accessibility, and to meet document production and related litigation costs.

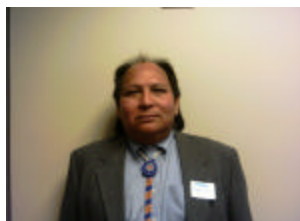
Without the inclusion of funds for BIA for land consolidation, OHTA for historical accounting, and funding provided to other offices, the budget request for OST programs and functions is \$108.3 million, a reduction from the FY 2004 enacted level of \$111.9 million.

Informational Meetings Held for Concho Trust Accountholders

During the month of March, the OST and BIA trust personnel at the Concho Agency (OK) held a series of community meetings to introduce themselves to IIM accountholders served by the Agency office. These meetings were an important opportunity for Indian trust beneficiaries to meet and become better acquainted with OST Trust Officer Henry Ware and BIA Deputy Agency Superintendent for Trust Scott McCorkle, who explained their roles and the services they provide to the beneficiaries. The OST Regional Trust Administrator Melvin Burch and Concho Agency Superintendent Galilia Johnson also attended to answer questions and meet the beneficiaries.

The meetings were the first in a succession of outreach meetings to provide beneficiaries with an opportunity to meet DOI trust personnel on a face-to-face basis. Attendees were provided with information about trust services, as well as the opportunity to have their financial and resource management questions answered and to get to know these trust employees. In the near future, similar meetings will be scheduled with the Tribes.

Mr. Ware informed beneficiaries that he would like to be the person that they



Concho Agency Trust Officer Henry Ware

call with their questions. As illustrated by these meetings, these questions

may range from account management inquiries, to probate, oil, and gas revenue, and trespass issues. Mr. Ware will work cooperatively with Mr. McCorkle to provide answers to beneficiary questions in a timely manner. These meetings demonstrate that providing beneficiaries with information on a face-to-face basis is an effective method for conveying the cooperative spirit and collective knowledge of the DOI staff.

Handouts including contact information for OST and BIA staff, general information on IIM accounts, explanations of the functions of the Trust Officer and Deputy Superintendent for Trust, and proposed distributions were provided to all attendees.

Mr. Ware is located at the Concho Agency Office in El Reno, OK, and may be reached, toll free, at 1-888-678-6836 (enter code 801) or at 1-405-262-4859

ITMA Schedules Listening Conferences

The first in a series of several "Listening Conferences" was held by the Intertribal Monitoring Association on Indian Trust Funds (ITMA) on April 2-3, 2004. The conference was hosted by the Muscogee (Creek) Nation in Okmulgee, OK, and was scheduled to discuss tribal and individual trust funds and assets issues.

The conference provided an opportunity for tribal leaders, council members, and individual and tribal landowners to raise concerns with the management of their trust assets, pose questions and develop recommendations for change.

Special Trustee Ross Swimmer and Principal Deputy Special Trustee Donna Erwin attended the first session and were available to answer questions and explore some of the concerns raised by those providing testimonials.

ITMA will schedule four more Listening Conferences at different locations across the nation to hear from as many interested parties as possible. For more information on future Listening Conferences, contact ITMA at 505-247-1447.

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OST Advisory Board Membership

The nine new members of the Special Trustee Advisory Board were selected for their geographic diversity, their experience and background, and for conformity with the requirements of the 1994 Reform Act. The 2004-2006 membership is:

Honorable Bill Anoatubby, Governor of the Chickasaw Nation of Oklahoma;

Mr. Bobby Brooks, Vice President and Trust Officer, Bank of Oklahoma;

Professor David English, Fratcher Missouri Endowed Professor of Law, University of Missouri-Columbia;

Honorable Jim Gray, Chief of the Osage Nation in Oklahoma;

Mr. Edward Holland, President and CEO, Chota Capital Company, LLC;

Honorable Fred Matt, Chairman of the Confederated Tribes of Salish-Kootenai

of the Flathead Reservation in Montana;

Honorable Richard Milanovich, Chairman of the Agua Caliente Band of Cahuilla Indians in California;

Mr. Loren "Bat" Pourier, Owner, Muddy Creek Oil and Gas, Inc.;

Ms. Helen Sanders, Chairman, Allottees Association and Affiliated Tribes of the Quinault Reservation.

If your tribe would like information on contracting or compacting opportunities or on how to withdraw its trust funds from federal management pursuant to the 1994 American Indian Trust Fund Management Reform Act, please call the Office of External Affairs at 505-816-1048

**OST is hiring Fiduciary
Trust Officers
nationwide. Check
www.ost.doi.gov or
www.usajobs.com for
current postings.**