



## **OST MONITORING REPORT**

February 2007

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The Intertribal Monitoring Association on Indian Trust Funds (ITMA) conducted a quarterly ITMA Tribal Membership Meeting in Albuquerque, New Mexico on February 8<sup>th</sup> & 9<sup>th</sup>, 2007. ITMA and the Office of the Special Trustee Principal Deputy Special Trustee Donna Erwin provided an update on the status and progress of OST trust reform efforts.

### **Trust Officers**

Donna Erwin, Principal Deputy Special Trustee, attended the Ms. Erwin started her presentation by reading “success story” letters from trust beneficiaries sent to the Regional Trust Officers. The letters were personal accounts from persons who were located by Agency Trust Officers and informed of having significant trust funds. The letters discussed the gratitude from the beneficiaries of the trust officer efforts to assist them. Ms. Erwin provided an overview of the types of services available from agency trust officers and encouraged beneficiaries to utilize them for all trust related questions. She indicated that all agency trust officer positions have now been filled.

### **Beneficiary Call Center**

Ms. Erwin then discussed on-going OST key trust administration reforms including use of the Beneficiary Call Center. She explained the purpose for the Beneficiary Call Center and provided statistics related to volume of calls, percentage of calls with issues resolved during the first call (89%) and process for questions that could not be addressed in the first call. Ms. Erwin stated that when the call center cannot provide the beneficiary with the requested information during the initial call, the issue is elevated to the Regional Trust Officer who has four hours to acknowledge receipt of the question to the beneficiary.

A member of the audience asked a question regarding safeguards to insure that persons calling the Beneficiary Call Center are entitled to personal trust account information. Ms. Erwin stated that they have developed a set of security questions to insure that the caller is entitled to the trust account information. Ms.

Erwin provided the audience with the toll-free number for the Beneficiary Call Center and indicated it was also included in the distributed materials.

### **Trust Asset and Accounting Management Systems**

Ms. Erwin provided a status update on the national title system, TAAMS. She reported that all Indian trust lands in all BIA regions are now on the TAAMS. Thus, it is now possible for a beneficiary to go to any BIA office and determine landholdings regardless of location. A member of the audience asked about how the “Youpee” interests were addressed in the entry of title information into the TAAMS. After an explanation of what “Youpee” interests were, Ms. Erwin stated that they had attempted to insure that the interests were restored to heirs prior to entry of title information into TAAMS. However, the process of restoring the “Youpee” interests would be an on-going effort with additional revisions to title due to probates.

Upon completion of the national title system, OST and BIA have been coordinating to complete the Accounts Receivable component of the system. This component will include encumbrances on trust lands and automatically generate invoices with coupons for payments. Most of the BIA Regions have been converted from the various other systems utilized to TAAMS Accounts Receivable for collection of lease payments. Ms. Erwin then presented examples, from three different BIA agencies, the Crow Agency, Fort Totten and Fort Hall agencies, on how the conversion to the Accounts Receivable system was working. The presentation included percentages of payments were received with a coupon sent with the invoice that allowed immediate processing.

### **Commercial Lock Box System**

The Accounts Receivable component of the TAAMS coordinates with the use of the commercial “Lock Box” system that has been utilized to receive trust land lease payments for the past 18 plus months. Ms. Erwin explained the “lock box” system was implemented to address the delay in processing lease payments. Previously, lease payments were received by the agency, logged into the central mail log, sent to collections, then to the realty office and finally forwarded to Albuquerque for deposit into the bank. All lease payments now must go to a single location, the lock box in Prescott, Arizona for same day recording and deposit. Ms. Erwin also explained that the lock box system coordinates daily with the BIA agency offices to provide information on payments received.

A question was raised regarding how “direct pay” to landowners by lessees was accommodated by the lock box system. Ms. Erwin explained that upon recording of the lease for the trust land at the BIA, an invoice would be sent to the lessee. The lessee must either send payment with the coupon or sign a declaration that

payment had been made directly to the landowner to the lock box. The statement is then recorded indicating that payment on the lease has been made.

**GAO Report, Independent Auditor's Report and OIG Investigative Report**

Ms. Erwin distributed the most recent GAO report and summarized key provisions. Basically the report indicates that while many reform efforts are completed, including the new title and accounts receivable system, oil and gas leases had not yet been incorporated. The report discussed timelines to complete all reform efforts.

Ms. Erwin also distributed the Independent Auditor's Report for FY 2005 and FY 2006 and indicated that of the initial seven issues raised with the Indian trust management, five of them have been addressed through the reform efforts.

Ms. Erwin also distributed the OIG Investigative Report concerning allegations against Senior OST officials.