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TO: ITMA
FROM: Association Liason to OST
DATE: June 5, 2005
RE: May 4, 2005 Meeting with Donna Irwin

Attendees: Donna Erwin, Marcella Giles, Angela Luhan, John Driskoll

I prepared 5 questions to review with the OST. (See attached) Ms. Irwin and Mr. Driskoll were prepared to give a briefing on the financial system now in place.

Ms. Erwin explained the module out of the TAAMS 2.0 now in place that provides the following functions: (1) Loads and converts data, (2) shows an encumbrance (3) houses a lockbox, (4) validates data, (5) shows interest monthly and the overnight rate. TFAS is located in Philadelphia, Pa. utilizing SEI's pricing security and makes dealer trades. This accounting module provides for distribution (taking the money in and putting the money in the IIM account) and dispersement (taking the money from the IIM account to the beneficiary).

When OST reviewed the systems they found that the systems have not been reconciled to titles. The systems are IRMS, REMS, MADS, and PCLease. A "trust data validation/correction" project piloted at Concho and Anadarko agencies is in place. OST expects TSRs to be available on a more timely basis. Payments will be made from the current title data and a more comprehensive beneficiary statement of performance will be generated. A data quality and intergrity (DQ&I) process to get certified title involves CNI (Chickasaw entity), BIA, and TFAS.

PROBATES

A new system called Protrac is being installed. There will be a tracking of the time in probate from the beginning to the actual placement of money in a new account. There are currently approximately 23,000 probates backlogged and an estimated 5% of the probates generate two or more in addition.

A copy of the draft Instructor guide for training on the American Indian Probate Reform Act of 2004, P.L. 108-374 was given to ITMA. The seven lessons may be summarized as:

1. Learning the purpose of the course; use and purpose of student materials; location of the training facility.

2. Learning the major elements of the American Indian Probate Reform Act's history.
3. Learning the major provisions of the American Indian Probate Reform Act (AIPRA) and describing the important terms, and the existing processes and procedures that the Act will impact.
4. Learning the probate provisions of AIPRA and being able to explain provisions regarding trust or restricted property distribution and being able to provide basic estate planning information to trust or restricted landowners and their eligible heirs.
5. Learning to describe the non-probate provisions of AIPRA and provide basic information on land consolidation, land management and land sale/transfer options available to individual Indians and Tribal Governments under the provisions of the new law.
6. Learning the impacts of AIPRA on individual owners, tribes, and BIA, OHA, and OST staff.
7. Learning to ask others to clarify or expand on a point of interest and provide feedback on the content and conduct of the course and evaluate professional growth.

A schedule has been developed under which to conduct the training sessions. Probate is located within the Office of Hearings and Appeals with BIA providing title and lease distribution documentation and OST providing financial documentation and estate distribution.

LIAISON QUESTIONS

1. A letter was disseminated on April 21, 2005 revising BIA and OST's policy on wills and estate planning services. Several tribal representatives and allottees have raised question to ITMA on the change in policy. How is OST communicating to tribes and individuals on this policy?

Answer: OST and BIA reviewed the situation with will writing assistance. BIA personnel assisting with will writing were not lawyers and were not trained. If the agency did assist in writing a will there were no inventories of wills. Often there would be a probate conducted only to find near the end a will had been written and considerable time invested to try to find it and a new probate was started over. It is being suggested that associations or legal services be surveyed to consider their availability to provide assistance.

*The web site trust.fix still states that a will must be filed with the agency to be valid as of 6-01-05.

2. The two top topics in all Listening Conferences held by ITMA were appraisals and probate issues. What is OST's responsibility to appraisals and probate in relation to funds management?

Answer: The Special Trustee has a contract with a contractor and plans to separate the appraisals from OST. OST is looking to ProTract as a system to help keep information and status of probates.

3. Is there a record of feedback to allottees who presented questions at the Listening Conferences?

Answer: Yes. There has been contact with the people whose name and issue was taken at the Conference.

4. Is there a plan to impose fees on accountholders for OST to manage their account? Are penalty fees collected? Is interest on interest collected?

Answer: There is no plan to impose fees on accountholders. There was a discussion at some point last year but there has been no further discussion.

5. What is the status of the 8 major initiatives?

Answer: The Fiduciary Trust Model (FTM) has been approved and is being implemented. A call center has been installed and is working to receive beneficiary's calls and is responding to their concerns. The initial testing phase began December 3, 2004.

Regional Fiduciary Trust Administrators and Fiduciary Trust Officers have been hired and put in place.

Future questions:

1. How can a financial account be reconciled if source documents are missing?
2. How does the OST calculate interest due on past interest and penalties?
3. If probate has not been done, or is incomplete or in error, how do you correct it?
4. If land is missing and producing, how do you correct the account?
5. If the IIM was not properly closed by the ancestor, what rights do heirs or descendants have to make their claim?
6. Is "clean up" complete when the right owners are matched with the right revenue and all leases and easements are identified and recorded and corrected?

