

# TRUST MATTERS

Department of the Interior Office of the Special Trustee for American Indians Volume 11/Issue 4 Fall 2011

## Pay.gov is Here

OST now can accept electronic payments for Bureau of Indian Affairs (BIA) leases and permits through Pay.gov ([www.pay.gov](http://www.pay.gov)), a secure Internet based collection service provided at no cost by the U.S. Department of the Treasury. Pay.gov can accept both electronic check payments and those made by credit card. Payments made by check, money order or certified check will continue to be processed at the Indian trust fund lockbox.

Payments made electronically at Pay.gov are faster, safer, easier and more convenient than ones made by mailing a check to the lockbox. Faster payments mean faster disbursements to beneficiaries. This represents another step in the ongoing effort by the Office of the Special Trustee for American Indians (OST) to improve the delivery of trust services to individual Indian and tribal beneficiaries.

Electronic payments can't get lost or delayed in the mail and are significantly less likely to be dishonored. They are received at Treasury the same business day they are sent. To allow time for confirmation of transactions, payments made by electronic check generally take two business days to clear while payments made by credit card take just one business day to clear.

OST developed a process to enable electronic payments received through Pay.gov to be posted automatically to beneficiaries' accounts in a manner similar to payments received through the lockbox. This further reduces the risks of error and delay and enables beneficiaries to receive their lease and permit income promptly.

Pay.gov began to receive trust payments on August 29, 2011. During its first two months of operation, Pay.gov received 100 payments (39 credit card payments and 61 electronic check payments) totaling more than \$500,000.00 in trust income.

If you have questions about Pay.gov, contact Rien Heymering, with OST's Product Development Initiative, at 505-816-1323.



*Did you know? Three women have served on the Special Trustee's Advisory Board: Elouise Cobell (First Board's Chair), Sue Masten and Helen Sanders.*



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## Fiscal Year 2011 Audited Tribal and Other Trust Funds and Individual Indian Monies Trust Funds

The independent reports on *audited financial statements* for funds managed by the Department of the Interior Office of the Special Trustee for American Indians (OST) have been published on the OST website.

Visit [www.doi.gov/ost](http://www.doi.gov/ost) and access the **2011 AUDIT** link at the top of the page.

### \$3.3 Million FY2012 Administrative Savings

The Office of the Special Trustee for American Indians' (OST) budget for fiscal year 2012 reflects administrative savings of \$3.3 million. Employees are pitching in to achieve greater efficiencies at work while maintaining the current level of service. OST employees want their efforts to be transparent to beneficiaries.

Administrative savings in the budget include expenses associated with travel, training and awards, acquisitions and space. For example, holding virtual meetings helps minimize travel costs and strategic sourcing aims to reduce costs by aggregating purchases across the Department of the Interior.

Office space is being addressed from several perspectives. Space was recently reduced by closing three field offices of the Office of Historical Trust Accounting (OHTA). The Office of Trust Records and OHTA are combining, and thereby reducing, their office spaces at the American Indian Records Repository. Additional space savings are planned for the next couple fiscal years as well. As leases expire and employee workspaces are reduced in response to a government-wide effort to employ a standard utilization rate (square footage per person), OST will require less total office space.

The administrative savings target is part of the ongoing challenge to do more with less. OST employees are meeting that challenge now and will continue to work hard to achieve more savings in the coming fiscal years.

### Land Consolidation Tribal Consultations

What do July 15 and September 27 have in common? On each day, Office of the Special Trustee for American Indians Principal Deputy Special Trustee Ray Joseph attended land consolidation tribal consultation meetings. In July, he traveled to Billings, Mont., for the first meeting. The September meeting was in Albuquerque, N. M.; it was the fourth meeting. Joseph observed that as the consultations continued, tribal input became more focused and critical issues were emphasized.

The consultations are a component of the \$3.4 billion Cobell settlement. The Cobell settlement was approved by Congress on November 30, 2010 (Claims Resolution Act of 2010) and signed by President Obama on December 8, 2010. The settlement establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests. The land consolidation program will provide individual American Indians with an opportunity to obtain cash payments for divided land interests and free up the land for the benefit of tribal communities. On May 27, 2011, U.S. Senior District Judge Thomas F. Hogan granted communication between representatives of the United States and Cobell class members only in regard to the trust land consolidation component of the settlement.

Department of the Interior Secretary Salazar selected high level officials to attend the consultations, although representatives of the Department varied from meeting to meeting. In addition to Salazar and Joseph, attendees included Deputy Secretary David Hayes, Solicitor Hilary Tompkins, Associate Solicitor Division of Indian Affairs Michael Berrigan, Associate Deputy Secretary Meghan Conklin, Assistant Secretary Indian Affairs Larry Echo Hawk, Deputy Assistant Secretary Indian Affairs for Policy and Economic Development Jodi Gillette and Bureau of Indian Affairs Director Michael Black.

On September 29, the Department of the Interior announced a seventh date had been added to the six consultation dates that were previously scheduled. The final consultation was held in Rapid City, S. D., on October 26. For information about the consultations, visit the Department's Cobell website at [www.doi.gov/cobell](http://www.doi.gov/cobell).



## Financial Skills Training: Start Young!

Fiduciary Trust Officer Eileen McBride, Winnebago Agency, assisted Shawn Spruce, a trainer from First Nations Development Institute (FNDI), at a financial skills workshop on July 6, 2011. The half day workshop, Investing for the Future, was part of the investor project for Native youth and families. The training was created by FNDI.

The workshop, attended by 30 teenage members of the tribe's summer employment program, was held at the casino hotel. Three administrators from the tribal school who attended the training had very positive comments about the workshop.

The tribe pays per capita payments to tribal youth when they reach the age of eighteen. This workshop was designed to provide information that will enable those young tribal members to invest their per capita funds wisely in order to provide for their long-term financial security.



## Expanding Financial Skills Training

Financial training through the Office of the Special Trustee for American Indians (OST) offers an opportunity for tribes to provide their young people with information to help them handle their trust or per capita lump sum disbursements. OST Field Operations has been partnering with First Nations Development Institute (FNDI) since 2009 to provide financial skills training across Indian country to youth, adults and elders. This culturally sensitive training, developed by FNDI, emphasizes the circle of life and support of local communities. It covers budgeting, investing and planning for the future to grow and manage personal wealth. The training can be tailored for various age groups and interests.

FNDI has released two reports\* about tribal per capita payments to minors in conjunction with financial training. The reports were highlighted at the Native American Finance Officers Association (NAFOA) fall conference

in Connecticut, October 2011. The reports contain recommendations to help tribes ensure that minors, when given control of trust or per capita funds, have skills to make well-informed choices that support financial success. (NAFOA is a national not-for-profit organization that builds the financial strength of tribal governments and their enterprises by providing educational forums and resources and imparting finance and accounting best practices.)

Currently, OST is working with several tribes to provide financial skills training to youth, adults, and elders. For example, recently, the Agua Caliente Band of Cahuilla Indians and representatives from the First Nation Development Institute met with Jim James, OST's Regional Trust Administrator of the Navajo, Western and Pacific Region, and Theresa Glinski, Fiduciary Trust Officer at the Palm Springs Agency, to discuss potential online curricula for tribal members and

quarterly financial skills training that would earn high school or college credit. Along with Shawn Spruce, a trainer with FNDI, they also provided a two-day training session on basic investing to the Santa Rosa Band of Cahuilla Indians tribal council and investment committee to assist them with long range planning for the use of their trust and revenue sharing income.

OST would like to assist your tribe with financial skills training. Contact your FTO for information about training being offered in your area. To locate your FTO, visit [www.doi.gov/fto](http://www.doi.gov/fto).

\*See the FNDI reports *Big Money: Structuring Minor's Trust Programs For Native Communities*, published July 2011, and *Developing Innovations in Tribal Per Capita Distribution Payment Programs: Promoting Education, Savings, and Investments for the Future*, published July 2011

## New Era of Trust Reviews and Audits

The Office of Trust Review and Audit (OTRA) was created within the Office of the Special Trustee for American Indians (OST) in 2003. In 2004, OTRA conducted the first Indian Trust Examinations (ITE) using the Indian Trust Rating System (ITRS). ITRS provides a method for assessing and measuring the operational effectiveness and performance of Indian fiduciary trust activities and operations within the Department of the Interior (DOI), as well as external to DOI.

OTRA also performs annual tribal trust evaluations for all self-governance compacted tribes operating trust programs under annual funding agreements with DOI. Annual trust evaluations are congressionally mandated reviews pursuant to federal law and required by 25 CFR 1000.350.

Originally, OTRA was intended to implement a nationwide Indian trust risk management program aimed at providing guidance to Indian trust managers in OST; Bureau of Indian Affairs (BIA); Bureau of Land Management (BLM); Office of Natural Resources Revenue (ONRR), formerly Minerals Management Service; and to tribes. In 2004, the risk management function was moved to OST's Trust Accountability office and OTRA was realigned to report directly to the Special Trustee. In 2011, OTRA made the following changes: (1) risk management is being performed by OTRA to provide better service to customers and to streamline the reporting process for risk management activities, and (2) an office has been established in Washington, D.C., to conduct audits and reviews of BIA, BLM, ONRR and OST.

OTRA is working with the Department, BIA, and within OST to avoid duplication of site work to ensure efficient and effective management controls; compliance with applicable laws and regulations; protection of assets from waste, fraud and abuse; and reliability of financial information. These changes in operation are under the guidance of Director Sylvia Anderson, who came to OTRA in June 2011. If you would like to know more about OTRA's responsibilities, please call 202-254-2144.

## Qualifying as a Certified Indian Fiduciary Trust Specialist

Congratulations to Jennifer Jojola, an Associate Trust Administrator with the Office of the Special Trustee for American Indians (OST) Field Operations and, as of August 2011, OST's newest Certified Indian Fiduciary Trust Specialist (CIFTS). To obtain certification, over the period of several years Jennifer took all eight Cannon Financial Institute courses in this series, completed the CIFTS review and passed the exam.

Those who become CIFTSs are responsible for completing a designated number of hours of continuing education every three years. The continuing education requirements have been established to ensure that CIFTSs can document a high level of commitment to maintain the knowledge, skill and expertise that originally qualified them to be certified.

Along with Jennifer, seven BIA employees also passed the CIFTS exam in August. The BIA employees are LaDonna Carlisle, David Hopkins, Bonita Nipper, Felicia Sandoval, Sherri Tano, Wanita Walker, and Dorothy Wallner. To date, 137 Department of the Interior employees have earned the CIFTS designation.

Cannon Financial Institute is the leading trust trainer in the nation for the private sector fiduciary industry. Implementation of Cannon training marked the first training program developed specifically to focus on fiduciary Indian trust.

