

# TRUST MATTERS

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## Buy-Back Program Key Criteria Set

The U.S. Department of the Interior Assistant Secretary - Indian Affairs Kevin Washburn and former Deputy Secretary David J. Hayes provided an update via teleconference on June 18 to tribal leaders regarding steps underway for implementation of the Land Buy-Back Program for Tribal Nations (Buy-Back Program). The program was created to implement the land consolidation component of the *Cobell* Settlement, which provided a \$1.9 billion fund to purchase fractionated interests in trust or restricted land from willing sellers, at fair market value, within a ten year period.

Following its government-to-government consultations, the Department has identified key criteria that will determine the timing and process for acquiring fractionated interests from individuals for tribes. These criteria include severity of fractionation, degree of ownership overlap between tracts, geographic location to maximize efficiency and resources, appraisal complexity, and readiness or availability of resources. The Buy-Back Program is designed so that all tribal communities — including small tribes and tribes that do not have large numbers of fractionated land — have the opportunity to participate.

Based on these factors, the Department will launch pilot efforts with as many as ten reservations this year. Land research, valuation work, and outreach efforts are underway at several locations, including the Pine Ridge, Crow, Makah, and Sisseton-Wahpeton reservations.

The Department also has established purchase ceilings based on degree of fractionation to ensure that all qualifying tribes have the opportunity to participate in the Buy-Back Program. In addition, the Department announced a base payment of \$75 per offer for landowners, regardless of the value of the fractionated interest.

Look for more updates and resources this summer at [www.doi.gov/buybackprogram](http://www.doi.gov/buybackprogram).

**Calls Surge to TBCC and Field Operations** → People always have questions about their Indian trust accounts. But calls surged when the Garden City Group, claims administrator for the *Cobell* Settlement, sent out Trust Administration Class member eligibility letters for Stage II payments on May 1, 2013. The Office of the Special Trustee for American Indians (OST) Trust Beneficiary Call Center (TBCC) and Field Operation locations were besieged with requests for documentation by individuals whom Garden City determined were not eligible due to inadequate documentation.

Stage I payments to Historical Accounting Class members, sent in December 2012, had previously precipitated a large number of calls to OST. In response to that demand, and anticipating increased future demand, OST expanded its infrastructure and staffing levels over the winter.

If you need to reach OST, you may either call TBCC or contact an OST field office. TBCC is open Monday to Friday 7 a.m. to 6 p.m. and Saturday 8 a.m. to noon, Mountain time. The toll-free number is 1-888-678-6836. OST field office contact information is available on the OST website at [www.doi.gov/ost/fto/ftoRegions.cfm](http://www.doi.gov/ost/fto/ftoRegions.cfm).

## Saving Space = Saving Money

You've heard "time is money," but there is also a situation where space is money! And the Office of the Special Trustee for American Indians (OST) is saving money by downsizing office space that houses its operational functions in Albuquerque. The location is usually referred to as *Masthead* because the office building's address is on Masthead Street in Albuquerque, New Mexico.

The recently negotiated lease will reduce the OST footprint at Masthead to 67,500 square feet from about 160,000 square feet. Currently, OST is the sole office tenant of the three-story building. After the move, OST offices will reside on half of the first floor and all the second floor of the building. OST will relinquish its space on the third floor, as well as some space on the first floor. Less space means lowered leasing costs.

The space that OST is vacating will be leased by private sector tenants. When they move in, the building will be a mix of public and private offices, a pattern that is being realized in more office buildings around the country.

The move to lessen space is due to several factors. The Department of the Interior has established new guidelines for smaller workspaces. Also, improved technology support is allowing OST employees to embrace telework and achieve the same (some say increased) productivity. The Department's reduced space requirements, a workforce that has downsized over the last several years (due to reduced funding), and the focus on teleworking mean less space is required.

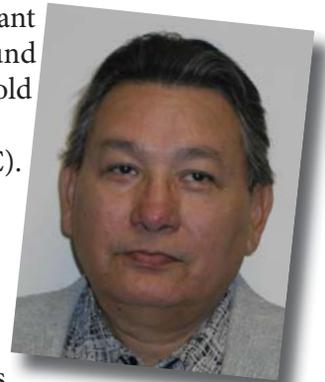
As evidenced by this move, OST is continually seeking administrative and operational savings to benefit both Indian trust beneficiaries and America's taxpayers. Learn more about OST's efforts to save money and operate efficiently. View OST's Fiscal Year 2012 Annual Report to Congress at [www.doi.gov/ost/press\\_room/Annual-Reports.cfm](http://www.doi.gov/ost/press_room/Annual-Reports.cfm).

Masthead Building ➤



## Founding Fort Berthold Community College

Where were you in 1974? Fiduciary Trust Officer Austin Gillette (pictured) was attending the University of North Dakota. At that time, Gillette became part of a committee that wrote a grant that helped found the Fort Berthold Community College (FBCC).



The school honored the actions of Gillette and other members of the committee on Founder's Day, May 3, 2013. In addition to Gillette, FBCC recognized the contributions of Vance Gillette, Leonard Bear King, Melvin Walker, and Carl Whitman as grant writers and contributors.

## Helpful Products?

Staff members with the Office of the Special Trustee for American Indians (OST) provide informational products at many outreach events and meetings throughout the year. At a minimum, each item always provides OST contact information.

Do you recall receiving a product that was especially helpful to you? Did a magnetic calendar come in handy when you wanted to call the Trust Beneficiary Call Center and the number was right there on your refrigerator? Was the easily folded welcome publication

readily available because it fit into your pocket? Which products made the best impression by giving you what you needed when you needed it?

OST is asking that you provide your opinion about the product or products that have been most helpful. Please give your personal evaluation of OST products(s) by contacting Debby Pafel by email ([ost\\_communications@ost.doi.gov](mailto:ost_communications@ost.doi.gov)) or by phone (202-208-4289). Please include subject line of "product feedback" in the email. Your frank comments are eagerly awaited!

## Buy-Back Valuation Program’s New Deputy Director

Iris Crisman has been selected as the Deputy Director for the Land Buy-Back Valuation Program, which supports the Land Buy-Back Program for Tribal Nations (Buy-Back Program). The Secretary of the Interior established the Buy-Back Program to implement land consolidation provisions of the Cobell Settlement. The settlement provides a \$1.9 billion Trust Land Consolidation Fund to consolidate fractional land interests across Indian Country.

Land valuation, a technical process that provides a baseline or benchmark, enables decisions to be made about fair market values. The requirement for fair market value prescribes the process for the Office of the Special Trustee for American Indians (OST) to ensure that impartial opinions of value are consistent with requirements identified in national appraisal standards. Mass appraisals that meet the fair market value requirement will be a critical aspect of land valuation for the Buy-Back Program. While individual appraisals are usually applied for timber, mineral, and commercial lands, mass appraisals can be used for lands with dry crops, pasture and/or grazing, which are typically homogenous in nature.

OST’s Office of Appraisal Services (OAS) has developed and implemented a Mass Appraisal Program System (MAPS) as an efficient and effective system of land valuation. MAPS conforms to nationally recognized appraisal standards, such as Uniform Standards for Professional Appraisal Practice (USPAP) and Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA). MAPS provides an automated process with a quick turnaround of appraisal requests once upfront research, market data collection, and data analysis have been completed.

Within MAPS is the mass appraisal methodology, which allows for a large number of subject properties to be valued together or mass appraised. Mass appraisal techniques increase production levels because the process involves valuing large numbers of homogenous real estate properties using standard valuation methodologies and common data. Crisman has expertise with mass appraisal work, including over ten years’

experience working with large land acquisition projects.

Considered a technical expert in the appraisal field, Crisman previously served as Deputy Director of OAS. Prime functions in that position, which are directly transferrable to her new position, include managing local and field appraisal staff, preparing and implementing budgets, assisting in the development of automated systems for appraisal work, leading risk analysis and project management, identifying staff technical training needs, and developing policies.

Crisman’s knowledge of current OAS appraisal staff will support her efforts to deploy and oversee teams of appraisers who will collaborate and partner with current OAS regional appraisers. She noted, “When teams are proficient and

well-matched, the work is exciting, challenging, and fun. But this program is also an historical effort undertaken for all Native Americans.”

Upon reflection and discussions with her family, Crisman decided she wanted to be part of the work of the historical *Cobell* Settlement. She feels privileged that her skills will be used to help assure success of the program.

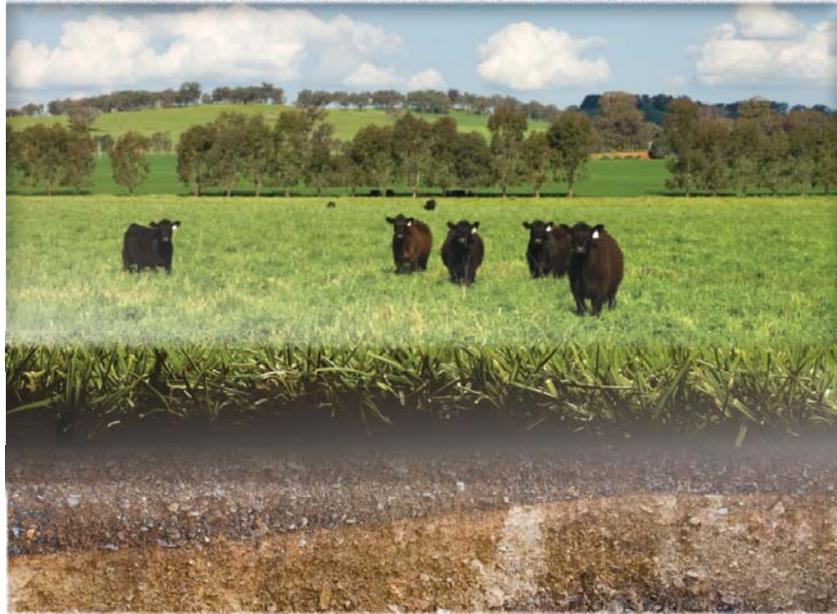
Content about the Buy-Back Program is available online at [www.doi.gov/buybackprogram/index.cfm](http://www.doi.gov/buybackprogram/index.cfm).



Pictured top to bottom: Pasture, Dry Crop, Timber

## Mineral Evaluations: Part of the Bigger Picture

Picture this: cattle are grazing in a field. But what lies, way down, under the surface of that field? And does whatever lies there add value to the land?



Questions like these are answered by the Department of the Interior's (DOI) Office of Minerals Evaluation (OME), which is part of the Office of Valuation Services.

OME personnel perform mineral assessments on federal and Indian lands for DOI bureaus and agencies. OME serves DOI's Bureau of Land Management, the National Park Service, the Bureau of Reclamation, the Fish and Wildlife Service, the Bureau of Indian Affairs, and the Office of Hearings and Appeals. It also provides mineral assessments on leases for the Five Civilized Tribes. Most recently, OME has added mineral assessment market analyses (MAMAs) for DOI's Land Buy-Back Program for Tribal Nations to the list of those it serves.

For the work with the Buy-Back Program, OME teams with the Office of the Special Trustee for American Indians (OST) Office of Appraisal Services (OAS) to consider three types of property estates. If a landowner holds rights only to a **surface estate**, OAS determines its *highest and best use* to determine the fair market value. If a landowner has **both surface and mineral estates** (combined), OME's analysis is used by OAS to determine how the mineral estate impacts the highest and best use value of the appraisal.

While there is a large amount of *geologic* data for every reservation, the presence of minerals in the ground is only part of OME's analysis. A MAMA also takes into consideration market demand in the current ecological and economic environment, and the viability of current technology. Advances in technology and shifts in economic demand impact results. With Indian lands, cultural perspectives also come into consideration. However, everything is current for only a point in time, which is why the validity of a MAMA can be limited in duration.

There are a lot of pieces to every evaluation picture. It is important to OME staff that they obtain and review as much data as they can in order to prepare legally defensible evaluations. They pride themselves on getting all data that are available, ensuring each evaluation picture is accurate. To learn more about the work of OME, call 303-969-5949.

