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### Today's Presentation

- Leadership at OST
- Budget Update
- Special Trustee's Priorities
- Progress Update on Priorities:
  - Probate Reform
  - Investment Review
  - Financial Education
- Debit Vouchers and IIM Distributions



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### OST Leadership

- Vince Logan – Special Trustee
- Deb Dumontier - Deputy Special Trustee, located in Albuquerque, NM.
- Travis Trueblood - Chief of Staff, located in Washington, DC.
- Michele Singer – Acting Director for office of Collaborative Action and Dispute Resolution (CADR).



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### Special Trustee Priorities

- Investment Review
  - Comprehensive review of current policies.
- Facilitating Probate Reform
  - Work with BIA, Office of Hearings and Appeals, and others to provide:
    - Approaches to reduce burden of probate.
    - Useful estate planning opportunities and tools for beneficiaries.




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### Special Trustee Priorities

- Financial Education
  - Develop comprehensive lifecycle approach to delivery of educational activities.
  - Develop educational and experiential learning formats designed specifically for children.
  - Provide life-cycle education and skills training from preparation for post-secondary education and first time home purchase to retirement and estate planning.




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### Investment Review Update

- Investment Review Team (IRT) established to perform comprehensive audit, review, and analysis of OST's investment policies, practices, and procedures.
- Goals of IRT:
  - To have an independent contractor to research, investigate and review investment, compliance, and risk management activities.
  - Conduct strategic risk assessment.
  - Assess operational processes.
  - Submit a final report of findings.




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### Investment Review Update

- Work divided into three phases:
  - Phase I – Research.
  - Phase II – Analysis and evaluation of findings during Phase I; submission of Final Report.
  - Phase III – Special Trustee will review findings and make a determination of next steps.




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### Probate Reform Update

- Testimony on FY2016 budget request for estate planning services generated interest from Chairman of Subcommittee on Indian, Insular, and Alaska Native Affairs.
- OST is working to address challenges of probate, including:
  - Non-Probate Transfers on Death
  - Gift Deeds
  - Revocable Trusts/Family Limited Partnerships/LLC's
  - Small Estate Affidavit




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### Probate Reform Update

- OST anticipates working with Congress to support legislation that will provide beneficiaries access to these estate planning options.
- Field Operations has initial contract vehicle in place to begin providing legal services to beneficiaries for the development of wills, pending receipt of requested funding in FY2016.




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### Financial Education Update

- In FY15 Field Operations has presented 100+ financial education workshops in various locations across the country to over 2,000 internal and external stakeholders.
  - Participants to date include compacted tribal employees; United South & Eastern Tribes (USET) employees; in addition to staff from BIA, IHS, and OST.
  - Topics included strategies for eliminating debt, reducing taxes, implementing budgets, increasing savings for retirement, and reducing stress and conflict over money.




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### Financial Education Update

- Workshops
  - Overwhelmingly positive feedback from participants with requests for future workshops.
  - Ongoing webinars and newsletters to support financial education in the workplace.
- Working with the FDIC and FINRA to coordinate a national event to coincide with the Administration's Generation Indigenous or "Gen I" initiative.




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### Financial Education Update

- Coordinating with OST Field Staff to identify and develop financial education content and materials for outreach purposes.
- Engaged in network building at the local and national levels to leverage resources and build partnerships to advance personal financial literacy and capabilities throughout Indian Country.




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### Impact of Debit Vouchers

- Generally, OST distributes lessee remittances to IIM accounts within 24-48 hours of receipt.
- Some lessee remittances are not honored by lessee's bank; when this occurs:
  - Treasury issues "debit voucher" deducting the funds from OST.
  - Results in a deficiency as OST has already distributed funds to IIM account.
  - 55 debit vouchers with a total value exceeding \$586,000 incurred between Oct 2013 and June 2014.




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### Impact of Debit Vouchers

- If repayment is unlikely, OST must fund the deficiency to balance liabilities (IIM accounts) with assets.
  - Reduces funding for OST's daily operations
- Recoupment from IIM accounts of funds previously disbursed is time consuming and costly.
- Significant manpower required to research and track disbursement as a single lessee payment may be disbursed to multiple IIM accounts.




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### Debit Vouchers

- Commercial banking institutions utilize a check clearing period during which time funds are not available to the account holder.
- OST is looking to implement a check clearing waiting period of 5 days before distributing to IIM accounts.
- A five day clearance period should eliminate approximately 90% of occurrences triggering issue of a debit voucher.




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## Debit Vouchers

- OST will notify beneficiaries by letter prior to implementation of policy change.
- Anticipate change will be effective in early FY 2016.




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## Questions?

For More Information Please  
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*Thank you!*




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