

# OSNT Quarterly

Achieve with us.

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## FROM THE DIRECTOR

By Paula Boga

Spring is in the air! The leaves on the trees outside my office window are starting to come alive again, and the number of disbursement requests for upcoming travel plans has jumped as people start making summer plans.

The OSNT is running smoothly as we get settled into our new database software and our quarterly reporting routine. The year-end reconciliation and tax reporting process was difficult this year due to the problems that come with any data conversion process, but we have worked out the kinks and next year's year-end reporting will be a breeze as a result of the long hours devoted to this year's process.

I am excited to report great improvements on our disbursement turnaround time as we begin to issue most checks directly from our office. You can read more about our new checks below.

This issue is also packed full of useful information about future planning, online account access, and travel requests. I hope that you find the information valuable and welcome any suggestions for what you might like to see in future issues.

As always, please do not hesitate to contact me if you have any questions about your trust account. I am happy to assist you in any way that I can.



Paula

## Stay informed

Stay informed about all of the great things happening at the OSNT and at The Arc Oregon by signing up for our e-newsletter. Go to our website at [www.thearcoregon.org](http://www.thearcoregon.org) and click the *Stay In Touch* box to register.



## LOCAL CHECK PRINTING

It has finally arrived!



As you may or may not know, things in the non-profit world often happen at a slower rate than in the regular world of business and commerce. Nevertheless, we are thrilled to report that in March we began writing most disbursement checks from our Salem office. As a result, we certainly hope that you will see a reduction in the amount of time that it takes to receive a disbursement check. We also hope that beneficiaries will have less difficulty with some of their shopping excursions because the checks are now written from a local branch instead of from California.

Here are a few things to keep in mind about our new check writing abilities:

1. Disbursement requests are processed two times per week.
2. Local checks require two signatures from The Arc staff to be valid.
3. Large disbursement requests (over \$2500) may still be sent to Union Bank for check processing.
4. We still must follow our disbursement approval process, so beneficiaries and/or their support providers should still follow all of the same steps for submitting requests and allow time for the request and supporting documentation to be reviewed.

Thank you for your patience as we worked diligently over this past year to bring this new feature of the OSNT to reality! We look forward to working with you, and for you, in bringing additional program improvements in the future.

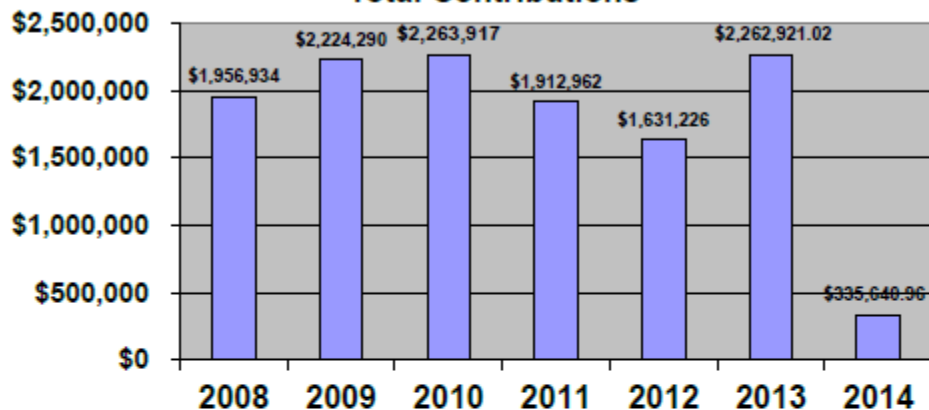
# Investment Performance: 1<sup>ST</sup> Quarter - 2014

## OREGON SPECIAL NEEDS TRUST

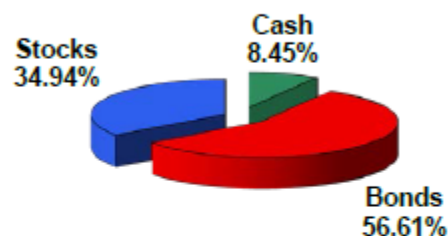
Performance Results for the Period Ending March 31, 2014

The Oregon Special Needs Trust seeks to achieve a rate of current income necessary to meet the needs of the Trust beneficiaries.

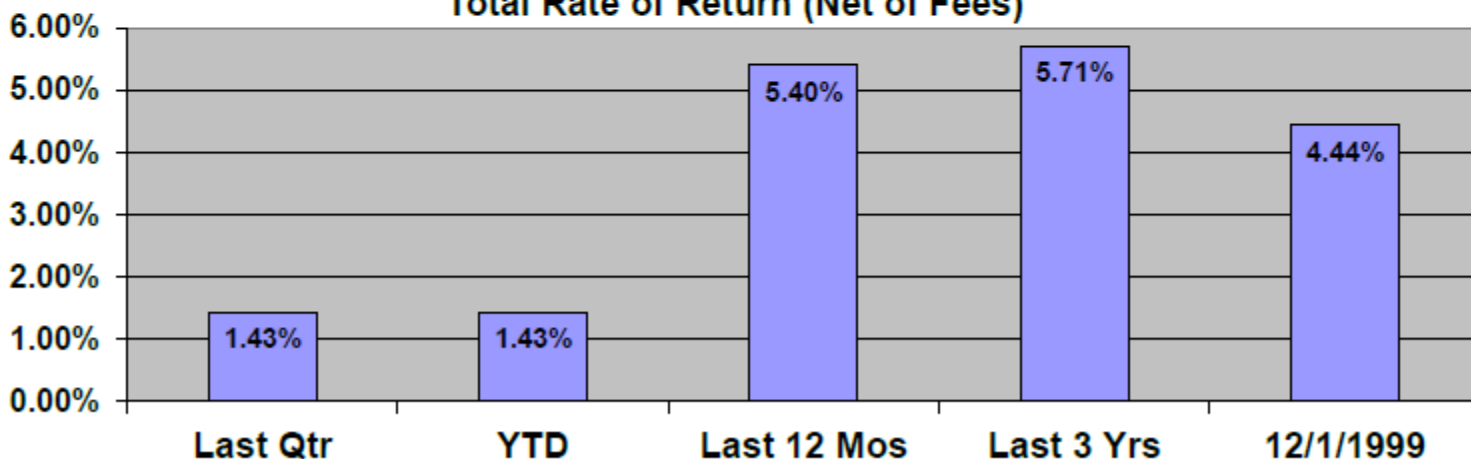
### Total Contributions



### Portfolio Composition



### Total Rate of Return (Net of Fees)



Disclaimer: Returns shown represent the results of the Oregon Special Needs Trust managed by HighMark Capital Management, a subsidiary of Union Bank, NA. Historic performance is no guarantee of future results. Proceeds upon redemption may be either less than or greater than the original investment. There is no guarantee that this or any investment strategy will achieve its investment objective. Investments are not guaranteed by Union Bank, NA and are not insured by the FDIC or any other government agency.

## TRAVEL PLANNING

Now is the time of year that many of our beneficiaries start planning trips. We are so happy to see everyone going to fun places and enjoying the company of family and friends. As you know, planning can sometimes be a challenging event, especially when you are trying to figure out how to use a trust account to pay for the trip! Here are some tips that we hope are helpful:



- 1 Plan your trip well in advance so that you can submit your disbursement request at least 60 DAYS prior to the planned departure date.
- 2 Use the Travel Disbursement Request Form (available online) to help plan the trip and determine what costs will be involved.
- 3 Call our office for assistance with travel arrangements or questions about what travel expenses are allowable BEFORE finalizing plans.

### REMEMBER . . .

- Cash cannot be disbursed for spending money.
- Friends, family or providers requesting reimbursement for expenses must provide ALL receipts.
- We may approve payment for companion expenses, but NOT necessarily for time.
- Detailed invoices must be submitted for all-inclusive and group trips.

## FUTURE PLANNING WITH RETIREMENT ACCOUNTS



Are you a trust fund donor thinking about naming the OSNT (for the benefit of an individual) as a beneficiary on a retirement account (IRA or 401k)?

### *Think again!*

Clearly, the goal of naming the trust as the beneficiary is to avoid the beneficiary suffering any adverse affects from receiving the inheritance. However, when the owner of a retirement account dies, the named beneficiary must pay taxes on the funds that are disbursed from the account. If you name a trust as the beneficiary, those retirement funds will be taxed at the much higher Trust tax rate (upwards of 40%) instead of the lower personal tax rate.

Before making this type of change to your retirement accounts, it is critical that you speak with a CPA and/or an estate planning or tax attorney before naming a trust as the beneficiary of your retirement account. This is especially important when dealing with Special Needs Trusts, either pooled or private.

## FUTURE PLANNING QUESTIONS

**Q** Upon my death, I would like to leave my home to my child. Can I leave the home in the name of the Oregon Special Needs Trust along with cash assets?

**A** The short answer is NO. At this time, the Oregon Special Needs Trust is not set up to accept anything other than cash assets into the trust. Because the OSNT is a pooled trust, all assets held in the trust must be shared by all of the members of the trust.

If you want to explore the option of leaving a home in trust for your child, then you may want to consider meeting with an attorney to discuss your options. A private special needs trust, rather than a pooled trust such as the OSNT, may be a better option for you and your family.

**Q** I don't have a will, but have named the OSNT for the benefit of my child/grandchild as a beneficiary of a life insurance policy; do I need to set up an account now?

**A** YES! If you do not have a will in place, but have already listed the beneficiary of a life insurance policy as the trust for your child, you should set up an "unfunded" or "zero-balance" account now. That way, when the time comes, the money will easily pass directly into the sub-account for your child or grandchild. Without that in place, there may be complications in trying to get the account established after your death.

**Q** Can I deposit money into an account for my child/grandchild now, even though I do not want him/her to have access to the funds yet?

**A** Yes, you can, but it is not necessarily the best course of action. The OSNT is not a vehicle for growing assets, it is to protect public benefits. So, if your goal is to save and grow your assets while you are alive so that you can leave those assets to your child/grandchild upon your death, you would be better served by investing the money outside of the trust and setting up your will or living trust to have the money deposited into the OSNT upon your death.

# FUTURE PLANNING



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**IN THE NEXT ISSUE:**

↪ Customer Service Survey

↪ Disbursement Appeal Process

*Watch for the next issue in July!*

## LOGGING INTO YOUR ONLINE ACCOUNT

We hope that as many people as possible will utilize our online account access. Using the online access allows us to save on paper, printing and postage costs; since you can access your account(s) any time you need, we do not need to send paper statements. It also allows you to see your account activity immediately instead of awaiting a quarterly.

Some people have reported difficulties with their **initial login** for online account access. It is a bit confusing so we hope this helps!

1. Navigate to the trust online access website using the link in the initial notification email you received, or:

- Go to [www.thearcoregon.org](http://www.thearcoregon.org).
- At the top of the screen, hover over Get Help until the drop down menu appears,
- Hover over OSNT - Oregon Special Needs Trust until the Trust Account Login option appears.
- Click on Trust Account Login.
- Save the page as a favorite in your browser for direct and easy access in the future!

2. Enter your email address and temporary password.

3. Click the **Login** button.

- **IMPORTANT:** Do **NOT** click the Change E-Mail or Password button the first time you log in.

4. When prompted, enter your new permanent password.

➔ These instructions are only for FIRST TIME logins.

➔ If you forget your password in the future, you may click the **Forgot Password** option to retrieve your password.

➔ If you have lost your initial notification email for online access, please contact us and we will be happy to resend your login information.

➔ Did not receive a notification email? Contact us at [osnt@thearcoregon.org](mailto:osnt@thearcoregon.org) to request online access.

Do you have a question or topic that you think should be featured in the next newsletter? Please send your question to [pboga@thearcoregon.org](mailto:pboga@thearcoregon.org).