



OSNT Quarterly

Achieve with us.

IN THIS ISSUE:

- ~ From the Director
- ~ Deposit Rules
- ~ Investment Performance Report
- ~ Fees & Earnings Update
- ~ Q&A
- ~ Future Plans
- ~ Stop Payments

INSERT:

- ~ SURVEY RESULTS

FROM THE DIRECTOR

By Paula Boga



Hello again! I am very excited about this issue of our quarterly newsletter because we are including a special pull out section highlighting the results of our **Customer Service Survey**. Thank you to everyone who took the time to complete the survey and to let us know how we are doing. It is so much easier for us to offer better service if we know which areas are in need of improvement! Your feedback is essential to our future success and your future satisfaction, so thank you again for your participation.

In addition to the survey results, this issue is packed full of useful and important information about deposit rules, trust fees and earnings, shopping for the holidays, and online access.

This month, I will be attending the national Stetson Conference in Florida for trust administrators and attorneys. This year's conference will have a full day and a half just for pooled trust administrators. I am looking forward to being able to share all that I learn with you in the next newsletter, so stay tuned!

As always, please do not hesitate to contact us if you have any questions about your trust account. Cici and I are always happy to assist you in any way that we 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 and click the *Stay In Touch* box to register.



DEPOSITS AFTER AGE 65

Status Update

As many of you know, we are unable to accept deposits into 1st Party/Beneficiary Funded trust accounts after the beneficiary turns 65 years old. What you may not know is that this is not our choice, it is the law. OAR 461-145-0540(10)(a) states, "a trust that meets the requirements of subsection (b) of this section is not considered in determining eligibility for OSIPM and QMB, except that if the client is age 65 or older when the trust is funded or a transfer is made to the trust, the transfer may constitute a disqualifying transfer of assets under OAR 461-140-0210."



While we continue to monitor this rule, we do not have any reason to believe that it will be changed anytime in the near future, as it would require legislative action and/or a change in the Oregon Administrative Rules by the State.

Oregon is not alone in this situation. Even though the federal statute that establishes the authority for pooled trusts such as the OSNT does not impose any age restrictions, most states across the country have similar rules regarding deposits after age 65.

We certainly understand the frustration of those who are told that they must stop making deposits at age 65. We are equally as frustrated at having to enforce it! You may have our assurance that if there is any change in this rule, we will immediately report that change through every means possible. In the meantime, if this rule is causing a specific problem, you may want to consider consulting with an attorney to see if there may be other options available.

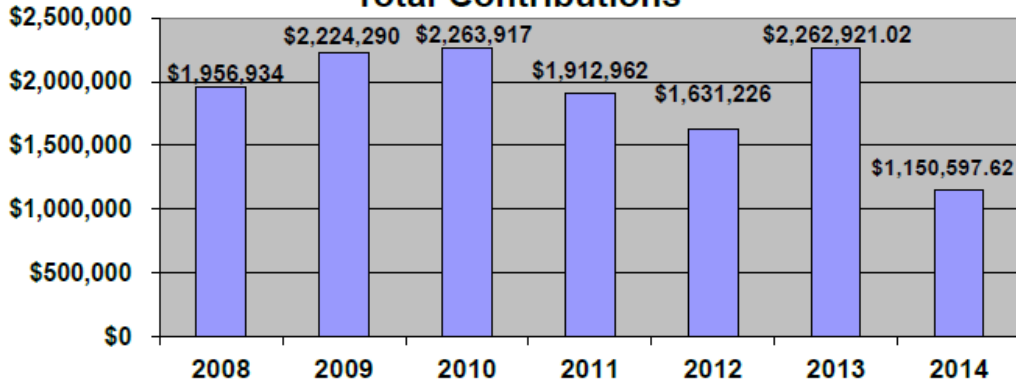
Investment Performance: 3rd Quarter - 2014

OREGON SPECIAL NEEDS TRUST

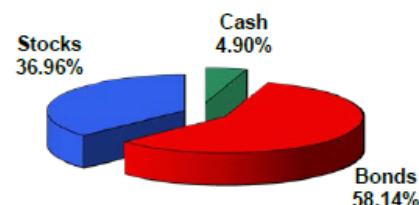
Performance Results for the Period Ending September 30, 2014

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

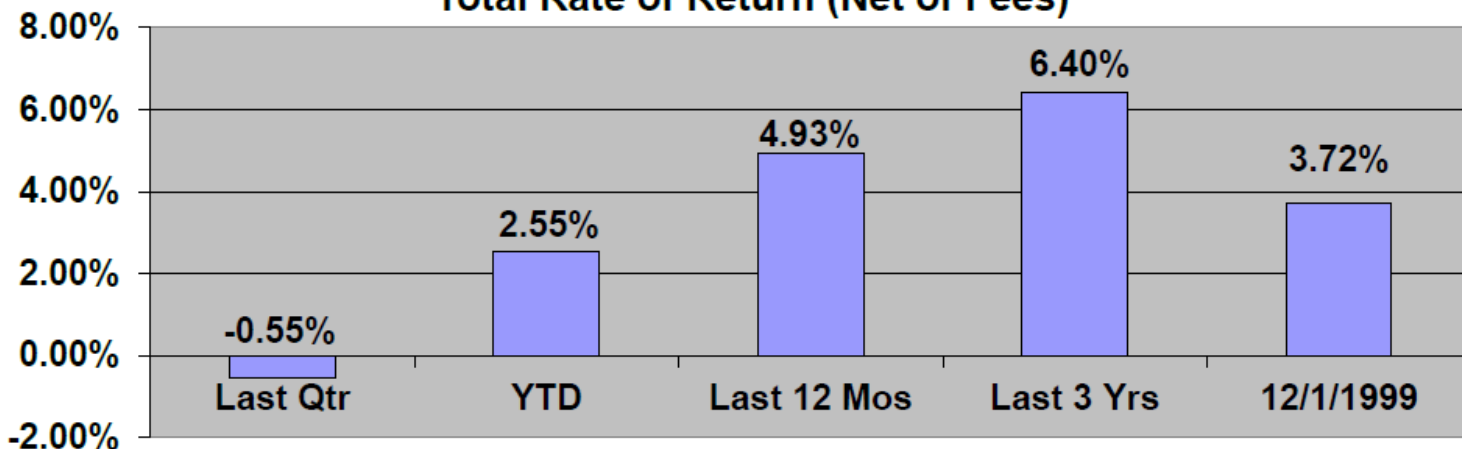
Total Contributions



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.

FEES & EARNINGS UPDATE

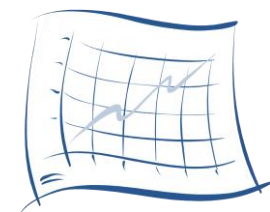
Important changes!

Great News! The long awaited fee reduction from Union Bank has finally arrived. On this statement you will see a **refund of fees** that is retroactive to January 1st.

In addition, our new database and accounting system has given us the tools needed to post fees and earnings on a monthly basis, instead of quarterly. So, beginning in July, both fees and earnings are being posted monthly. Since this is a new system, there was a little bit of a timing issue. As a result, you will see that the 2nd quarter fees and the monthly fees for July were both posted in August. Now that the change has been made, future statements will accurately reflect fees and earnings one month at a time.

We realize that the account statements can sometimes look confusing. Please do not hesitate to call our office if you need assistance in understanding your statement. Although our new system is wonderful in many ways, the new account statements leave much to be desired. Unfortunately, we currently do not have any way of changing the format. We will, however, continue to follow up with the software developer to see if anything can be done to make the statements a bit more user friendly.

In the meantime, we highly recommend that you utilize our online account access. The statements available in that system are much more pleasing to the eye and easier to understand! Please contact us to set up your online access.



QUESTIONS & ANSWERS

Q *I don't trust the security of **online account access**, is it safe?*

A Given the frequent reports of major stores and banks having their systems hacked, your concern is certainly warranted. Just to clarify, our online account system does not allow anything except VIEWING. By accessing your account online, you cannot make changes to your account (withdrawals, deposits, contact information, etc), you can only view the activity and print out statements. We strongly encourage all of our trust clients to sign up for the online access because you will then have the ability to see all of your activity as soon as it happens, rather than waiting for quarterly statements.

Q *The holidays are coming! May I buy **gifts for my family and friends** with trust account funds?*

A Unfortunately, the answer is NO. Special Needs Trust accounts may only be used for the SOLE benefit of the beneficiary. Even though you may benefit in many ways from giving to others, the people you give to will also benefit and this disqualifies the purchase according to Social Security rules. The definition of Sole Benefit trust as described in the Social Security Administration's Program Operations Manual System (POMS) is, "if the trust benefits no one but that individual, whether at the time the trust is established or at any time for the remainder of the individual's life."

Q *Why can't I buy or receive **gift cards** with trust funds?*

A The Social Security Administration defines unearned income as "any item an individual receives in cash or in-kind that can be used to meet his or her need for food or shelter." Under current SSI regulations, any gift card that can be used to purchase food or shelter, or that can be resold, counts as income for purposes of SSI. The SSA automatically assumes that a gift card can be sold. Also, if you (the beneficiary) do not spend the entire card in the month in which it is received, the remaining balance of the card will count as a resource in the following months. So as not to potentially jeopardize any public benefits, the OSNT will not approve the purchase of ANY giftcard, regardless of what it can or might be used for.

Q *I **lost the check** that you sent me, what do I do?*

A If you lose a disbursement check that you received, you should call our office immediately and report it lost. A stop payment will be placed on the check before we can issue a replacement. Also, a \$30.00 fee will be applied to your trust account for the stop payment fee charged by the bank. So, hold on to your check!

Q
&
A

FUTURE PLANS

IN THE WORKS

As many of you may know, we have experienced some big challenges when it comes to getting big box stores such as Walmart, Target, Fred Meyer, etc, to accept trust checks as payment for purchases in the store. We are very hopeful that a solution may be available in the future!

Although things are moving slowly, The Arc US has initiated talks with national representatives of Walmart and Telechex (the company that many stores use to authorize checks) to work out a solution, not only for the Oregon Special Needs Trust, but for pooled trusts across the country that are having similar issues.

Don't count on anything happening in time for holiday shopping because these things take time; but, we will certainly keep you updated as this plan develops.





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IN THE NEXT ISSUE:

News from the Stetson
National Conference

Watch for the next issue in
January!

THANK YOU!

The Arc Oregon established the Oregon Special Needs Trust as a way to provide a desperately needed service to the disability community. We are continuously striving to improve the program, and your feedback is essential to that process. When we receive constructive criticism, we evaluate that information and try to develop viable solutions for any shortcomings in the administration of the OSNT program.

We are also thrilled when we receive examples of how the OSNT program has positively impacted the life of one of our beneficiaries, as well as expressions of gratitude from those who have had positive experiences with the program. We would like to thank all of you for your comments, critiques and kudos, and would like to share with all of you some of the feedback that we have received:

“When I call, The Arc staff is friendly & helpful. I receive timely answers to my questions and I appreciate their professionalism.”

“We have been in the trust for 10 years, wanted to leave ... things seem to be improving, starting to regain faith.”

“Thank you for all of your advice and assistance... You are a knowledgeable professional. I will highly recommend you to other attorneys and future clients.”

“My brother has schizophrenia and can be inappropriate at times. The people at The Arc always treat him with respect and kindness. Per my request they let me know when he requests disbursements and we discuss it. I appreciate The Arc.”

“You are a Godsend and I want to thank you so much for your assistance and professionalism. You are amazing and I appreciate your efforts so much ... God has blessed me with an avenue to not lose my benefits, and you have already gone out of your way to help me. Thank you so much.”

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.