
INTEROFFICE MEMORANDUM

TO: WHOM IT MAY CONCERN

FROM: FINANCE DEPARTMENT

SUBJECT: AMENDMENTS TO PER CAPITA POLICY AND PER CAPITA ADVANCE APPLICATION FORM

DATE: WEDNESDAY, OCTOBER 7, 2020

1) Modification of Per Capita Advance Payments if Per Capita is less than \$1,025

Scheduled per capita advance payments are amended by policy if the per capita payment is less than \$1,025.00 per quarter.

If any quarterly per capita payment is less than \$1,025, then the per capita advance repayment amount is ratably reduced to the following amount by the following formula:

Scheduled Per Capita Advance Repayment Amount x (Actual Per Capita/\$1,025) = New Payment

Examples.

Assumes per capita advance of \$1,000 and three scheduled per capita advance payments of \$342, \$342, & \$341.

a) 12/15/2020 Per Capita

Assume \$625 actual per capita payment and \$342 scheduled per capita advance payment.

New per capita advance payment amount = $\$342 \times (\$625/\$1,025) = \208.54 .

Net per capita received: $\$625$ per capita - $\$208.54$ per capita advance repayment = $\$416.46^*$.

*Excludes other withholdings and taxes, if any.

Deferred per capita payment amount = $\$342 - \$208.54 = \$133.46^*$

*To be withheld from sequential per capita amount after last scheduled payment.

b) 3/15/2021 Per Capita

Assume \$1,250 per capita payment and \$342 scheduled per capita advance payment.

Since per capita is not less than \$1,025, then there is no per capita advance deferral. The per capita advance payment is \$342, the next scheduled per capita advance payment.

Net per capita received: $\$1,250$ per capita - $\$342$ per capita advance repayment = $\$908^*$.

*Excludes other withholdings and taxes, if any.

No repayment of deferred per capita payment amount of \$133.46 since this is not scheduled to be paid until after the last scheduled payment.

c) 6/15/2021 Per Capita

Assume \$500 per capita payment and \$341 scheduled per capita advance payment.

New per capita advance payment amount = $\$341 \times (\$500/\$1,025) = \166.34 .

Net per capita received: $\$500$ per capita - $\$166.34$ per capita advance repayment = $\$333.66$.*

*Excludes other withholdings and taxes, if any.

Deferred per capita payment amount = $\$341 - 166.34 = \174.66 .*

*To be withheld from sequential per capita amount after last scheduled payment.

Total net deferred per capita payment amount is now $\$308.12$ ($\$133.46 + \174.66).

d) 9/15/2021 Per Capita

This is the first sequential per capita payment after the last scheduled per capita advance payment. There are no regular per capita advance payments scheduled. However, $\$308.12$ of per capita advance payments have been deferred ($\$133.46 + \174.66) as stated above and still need to be paid.

Assume \$500 per capita. No new per capita advances have been taken since there is currently an amount of $\$308.12$ outstanding on the per capita advance.

The deferred per capita advance payment amount is $\$308.12$ but is limited to 34% of per capita.

Per capita advance payment = $\$500 \times 34\% = \170 .

Net per capita received = $\$500 - \$170 = \$330$.*

*Excludes other withholdings and taxes, if any.

Deferred per capita payment amount = $\$308.12 - \$170 = \$138.12$.*

*To be withheld from sequential per capita amounts after last scheduled payment.

e) 12/15/2021 Per Capita

If the per capita amount is $\$406.24$ or more, the per capita advance payment would be $\$138.12$ and the per capita advance would be fully collected. If less than $\$406.24$, the per capita advance payment is no more than 34% of the per capita amount and the new computed net deferred per capita advance payment would be collected on the next sequential per capita until paid in full.

Eventually, the per capita advance is repaid. The tribal member may not take out a new per capita advance until the per capita advance is paid in full.

2) Modification of the Per Capita Advance Amount to a Fixed Amount (\$1,000) with three (3) fixed quarterly payments of \$342, \$342, & \$341.

Because of the new complexities involved in the deferral of per capita advance payments and the need for uniformity and simplicity, the per capita loan amount is fixed at $\$1000$ and the payments are fixed at $\$342$, $\$342$, & $\$341$, no exceptions.

3) Elimination of \$10 FedEx option.

The FedEx option does not enhance the speed of delivery of per capita advance if paid by check. Individuals can select the direct deposit option to receive immediate payment.

4) Elimination of check pick-up.

We no longer allow in-person pick-up of any check. Checks must be mailed.

5) Elimination of option to pay administrative fee up front.

Because of the need for uniformity and because members rarely elected this option, the format has changed to automatically include the \$25 processing fee in the loan repayment.

6) Only One Per Capita Advance Outstanding at a Time.

A clause was added expressly stating that a tribal member may not receive a Per Capita Advance if s/he has an amount outstanding on an existing Per Capita Advance. This was previously implied and is now being expressly stated to avoid confusion.

Please let us know if you have any questions.

Finance Department