



COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON

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The Honorable

The Secretary of the Treasury.

Sir:

In addition to large sums of individual Indian moneys which are deposited in interest-bearing accounts in various banks, under section 28 of the act of May 25, 1918, 40 Stat. 591, which provides -

"That the Secretary of the Interior be, and he is hereby, authorized, under such rules and regulations as he may prescribe, to withdraw from the United States Treasury and segregate the common, or community funds of any Indian tribe which are, or may hereafter be, held in trust by the United States, and which are susceptible of segregation, so as to credit an equal share to each and every recognized member of the tribe except those whose pro rata shares have already been withdrawn under existing law, and to deposit the funds so segregated in banks to be selected by him, in the State or States in which the tribe is located, subject to withdrawal for payment to the individual owners or expenditure for their benefit under the regulations governing the use of other individual Indian moneys. The said Secretary is also authorized, under such rules and regulations as he may prescribe, to withdraw from the Treasury and deposit in banks in the State or States in which the tribe is located to the credit of the respective tribes, such common, or community, trust funds as are not susceptible of segregation as aforesaid, and on which the United States is not obligated by law to pay interest at higher rates than can be procured from the banks: Provided, That no tribal or individual Indian moneys shall be deposited in any bank until the bank shall have agreed to pay interest thereon at a reasonable rate and shall have furnished an acceptable bond or collateral security therefor, and United States bonds may be furnished as collateral security for either tribal or individual funds so deposited, in lieu of surety bonds: Provided further, That the Secretary of the Interior, if he deems it advisable and for the best interests of the Indians, may invest the trust funds of any tribe or individual Indian in United States Government bonds: and provided further, That any part of tribal funds required for support of schools or pay of tribal officers shall be excepted

from segregation or deposit as herein authorized and the same shall be expended for the purposes aforesaid: Provided, however, That the funds of any tribe shall not be segregated until the final rolls of said tribe are complete: And provided further, That the foregoing shall not apply to the funds of the Five Civilized Tribes, or the Osage Tribe of Indians, in the State of Oklahoma, but the funds of such tribes and individual members thereof shall be deposited in the banks of Oklahoma or in the United States Treasury and may be secured by the deposit of United States bonds."

funds of the same classification, representing amounts which cannot be deposited in banks and amounts required to meet current disbursing needs, are deposited with the Treasurer of the United States, being carried in non-interest-bearing official checking accounts of the disbursing agents of the Indian Service.

These latter deposits are analogous to other trust funds received by accountable officers of the United States and carried in their official checking accounts with the Treasurer of the United States and under section 20 of the Permanent Appropriation Repeal Act, 1934, 48 Stat. 1233, which directs that -

"* * * Hereafter moneys received by the Government as trustee * * * shall likewise be deposited into the Treasury as trust funds with appropriate title, and all amounts credited to such trust-fund accounts are hereby appropriated and shall be disbursed in compliance with the terms of the trust: * * * Provided further, That on June 30 of each year there shall be transferred to the trust fund receipt account directed to be established in section 17 of this Act Unclaimed moneys of Individuals whose whereabouts are Unknown, such portion of the balances in any trust-fund account hereinbefore or hereafter listed or established, * * * which have been in any such fund for more than one year and represent moneys belonging to individuals whose whereabouts are unknown, and subsequent claims therefor shall be disbursed from the trust fund receipt account 'Unclaimed Moneys of Individuals whose whereabouts are Unknown', directed to be established in section 17 of this Act."

such funds should be deposited into the Treasury as trust funds with appropriate title, all amounts credited thereto being automatically appropriated and made available for disbursement in accordance with the terms of the trust, i. e., for the purposes for which individual Indian money may be expended.

Accordingly, the receipt account "8600 Deposits of Individual Indian Moneys, Trust Fund" has been prescribed for use in conjunction with the appropriation account "57010 Individual Indian Moneys, Trust Fund", heretofore established.

The Office of Indian Affairs and the General Accounting Office will maintain on their books under the trust-fund receipt and appropriation titles, supra, a segregation of such trust funds according to agencies (or schools or hospitals), while the said field activities will maintain in their accounts a segregation of such trust funds according to individuals (or tribes or purposes). It will therefore be necessary that there be shown on each certificate of deposit, Treasury Form No. 1 (revised), receipt covering warrant, appropriation warrant, requisition for funds, and disbursement voucher, in addition to the said trust-fund symbol and title, the sub-account thereunder.

In connection with the foregoing it has been suggested that the Indian Service adopt for use in conjunction with the sub-title a symbol number which, when separated by a decimal point from the

receipt and appropriation account, will identify the particular sub-account. As the sub-accounts will no doubt exceed one hundred the decimal suffix should comprise three numbers. For example, individual Indian money from the Colorado River Agency may be coded "8600.001", the receipts from the Fort Apache Agency "8600.002", while the requisitions and accounting for funds disbursed for these two activities would bear the code numbers "57010.001" and "57010.002", respectively.

Respectfully,

(Signed) J. R. McClari

Comptroller General
of the United States