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OFFICE OF
Indian Affairs
Rec. MAR 29
1907

INDIAN INDUSTRIAL SCHOOL,

Carlisle, Pa.,

March 28, 1907.

W.A.Mercer,

Major 11th Cavalry, Supt.

Answering Office letter Education, dated March 27, 1907, regarding plans for accounting for Individual Indian Moneys.

To Secy 4/4/07

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Special.

MAJOR W. A. MERCER, 11TH CAVALRY
SUPERINTENDENT

JOHN R. WISE
ASSISTANT SUPERINTENDENT

W. G. THOMPSON
SUPERINTENDENT OF INDUSTRIES

Special

DEPARTMENT OF THE INTERIOR

UNITED STATES INDIAN SERVICE
INDIAN INDUSTRIAL SCHOOL
CARLISLE, PA

March 28, 1907. J.R.W.

The Honorable,

The Commissioner of Indian Affairs,

Washington, D.C.

Sir:-

I am in receipt of your Office letter, Education 36/1907; 11826/1907; 21056/1907, dated the 27th instant, from the Acting Commissioner of Indian Affairs, submitting a plan for accounting for individual Indian money coming into my hands belonging to the pupils of this school, and asking me to consider whether or not there is any good reason against the adoption of such plan.

In reply, I have to state that while I believe the method for handling and accounting for the moneys of pupils heretofore proposed by me to your Office effectually safeguards the interests of all concerned, and entails a minimum of work upon this office, yet if your Office deems it very desirable to adopt the plan which you now suggest, I do not see any serious objection thereto, if the same is correctly understood here.

I take it that the plan contemplates simply that my Quarterly Returns shall show the amount received each quarter on account of each pupil and the amount deposited in the Merchants National Bank of Carlisle to the individual credit of each pupil during the same period. Of course, all moneys received will be so deposited during the quarter to the credit of the pupil in each case, so that at the close of the quarter all the individual Indian moneys belonging to pupils will have been passed out of my hands and accounted

for by receipt or receipts of the bank cashier.

If this is the plan and I am not required to furnish receipts of the individual pupils or supply data other than as above indicated, I believe the requirements can be satisfactorily met, and that there will be no serious objection to the adoption of such plan. However, the voucher form 5-284 will not, in my opinion, be at all suited for use under this plan, and I would strongly urge the adoption of a voucher blank of the form herewith enclosed. This would be preferable in every way as it will omit several useless columns contained in form 5-284, and will be adapted to preparation on the typewriter, thus facilitating the making up of the required returns.

If the proposed plan is to be adopted, and the blank form proposed will meet the requirements, the same can be printed in our own print shop, although we would prefer to have the Department supply the same, if it can be done within the next five or six days. Please advise me whether or not you will have them printed.

I would respectfully urge that early action be taken in this matter as the end of the present quarter is nearly at hand, and I would very much like to know not later than the 1st of April how the returns in connection with these individual Indian moneys, if any, are to be taken up.

In connection with rule No.2 of the plan you propose, your attention is invited to the fact that the Merchants National Bank has already given bond for $40,000 to me to secure the individ-

ual Indian moneys in question. If it be deemed desirable that this bond should be made to the United States, this can be arranged, I think, without difficulty. However, it is hoped the work of making up the Quarterly Returns will not be left pending the arrangement as to bond.

Very respectfully,

W. N. Mercer.
Major 11th Cavalry,
Superintendent.

JRW/W

1 Enc.

Mr. Dortch:

This appears to be all right with the exception of the proposed form of voucher, which I believe ought to be prepared as indicated by the sheet I have attached to the Septo. copy.

The bank should unconditionally be bonded to the United States, and the bond ought to be so worded as to cover the money already on deposit, as well as that to be deposited hereafter.

I see no reason why the blanks should not be printed at the school.

4/1/07 Dimick

Moneys coming in from the outing system into the hands of the outing agent should be entered in a book showing from whom received, name of the Indian to be credited with the amount, together with the amount received in the Indians' behalf. This fund should be turned over to the financial clerk, his receipt taken therefore, and at a given hour each day this financial clerk should be required to make up a list of all moneys received by him from a given hour the previous day up to the time of closing the account on the day on which he makes a report. He should give the name of the parties from whom the money was received, the name of the Indian in whose behalf received, and the amount due each Indian. This report should be handed to the superintendent or the assistant superintendent, together with deposit slips, accompanied by the pass books, to be taken to the bank for deposit to the individual credit of the Indians to whom this money belongs.

A schedule should be prepared containing the names of the Indians, together with the amount received, and a receipt taken for the money from the Indian, and the money then placed in the bank to the credit of the Indian subject to the Indian's draft.

Each boy and girl should be allowed to draw a reasonable amount once a month for his private use. A pay roll for the purpose should be prepared by the superintendent, showing the name of the Indian, and the amount he is willing for the Indian

to have, said roll to be certified to the bank by the superintendent. The boys and girls who go to the bank should be accompanied by some employee designated by the superintendent, in order to identify these Indians at the bank, and thus avoid an erroneous payment. This pay roll is to be retained by the bank as a voucher in lieu of checks drawn by the individual Indians.

The superintendent under the law will be compelled to account for all moneys received by him by taking the same up on his account current, and will be able to drop said moneys by reason of having taken receipts from the Indians for the several amounts which are deposited in the bank to their individual credit, and thus will be avoided this manner of passing money to Indians without first taking a receipt.

I would suggest that Miss Ely be required to give a bond in the penal sum of $10,000 to the superintendent, and I also recommend that Mr. McKay be required to bond, as he draws all checks for payments made in behalf of supplies purchased for the school. This will safeguard the moneys as well as protect the superintendent from loss.

A schedule should be prepared containing the names of the Indians, together with the amount received, a receipt to be taken for the money from the Indian, after which the money having been placed in the bank to the credit of the Indian subject to the Indian's draft.

5—284.

CASH.

Voucher No. .....

Schedule of Individual Moneys paid to Pupils and of all such Moneys belonging to Pupils held in trust

by Superintendent of .....

..... School,

..... Quarter, 190

.....

Superintendent, etc.

6—C35

SCHEDULE showing transactions in Individual Indian Moneys belonging to the Pupils at the ..... Indian School, ..., and held in trust by the Superintendent of said School.

6—835

NAMES OF PUPILS.	AMOUNT TO CREDIT OF PUPILS AT BEGINNING OF QUARTER.	RECEIVED DURING THE QUARTER.	TOTAL.	AMOUNT DRAWN DURING THE QUARTER.	SIGNATURES OF PUPILS.	WITNESSES.	WITNESSES.	DUE THE PUPILS AT THE END OF THE QUARTER.	REMARKS.
				10,00.					
TOTAL,									

I CERTIFY, on honor, that the foregoing return exhibits a true and correct statement of transactions in Individual Indian Moneys belonging to pupils at the ..... Indian School, ..., for the ..... quarter, 190

6—835

(Official title.)

RULES RELATING TO THE RECEIPT AND DISBURSEMENT OF INDIVIDUAL MONEYS OF INDIAN PUPILS AT CARLISLE SCHOOL.

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1. All moneys collected by the outing agent or other person connected with the Carlisle School receiving money for Indian pupils shall be paid to the financial clerk of the school at the close of each day, if possible.

2. A statement shall be made in triplicate by the outing agent or other person showing the name of the pupil entitled to the money, from whom received, on what account, date, and amount.

3. The financial clerk shall on this statement receipt to the outing agent in triplicate or other person for the amount of money so received. the original & duplicate copies to accompany the quarterly accounts of the Superintendent. The triplicate to be retained in the Superintendent's office as part of his accounts.

4. The outing agent shall retain one copy of the statement and deliver to the Superintendent of the school the other copies.

5. All checks, drafts, money orders, etc., coming in from the outing system, or from other sources belonging to the pupils, payable to the order of the Merchants National Bank of Carlisle, Pa., for deposit to the credit of students? need not be taken up in the Superintendent's cash accounts. But any cash, checks, drafts, money orders, etc., payable to any person other than the Merchants National Bank of Carlisle, Pa., shall be accounted for by the financial clerk, showing from whom received, name of the Indian to be credited, the amount so received, and on what account, and taken up in the cash accounts of the Superin-

tendent of Carlisle School.

6. The financial clerk shall deposit daily in the Merchants National Bank of Carlisle, Pa., all funds coming into his hands to the individual credit of the Indian to whom it belongs, taking deposit slips and having same entered in the individual pass book of the pupil.

7. At a given hour each day the financial clerk shall make up a list of all moneys received by him from a given hour the previous day, showing the name of the parties from whom the money was received, the name of the pupil to whom it belongs, on what account, and the amount credited each individual, the amount in the safe, and the total amount due the pupils. This statement need not embrace any checks, drafts, etc., received payable to the order of the Merchants National Bank of Carlisle,Pa.

8. All funds received from any source whatsoever belonging to the pupils, not payable to the order of the Merchants National Bank of Carlisle, Pa., must be taken up on the account current of the Superintendent of the Carlisle Indian School.

9. The Superintendent will be required to accompany his account current with a statement showing the amount of money received, from what source received, and to whom it belongs.

10. Each boy and girl may draw a reasonable amount once a month for private use, such funds to be drawn from the bank by

the pupil only on personal check, countersigned by the Superintendent. without license

11. The financial clerk will be required to take the receipt in triplicate of any pupil drawing money, one copy to be retained by him and the others to be turned over to the Superintendent, one of which must be attached to his account current as his authority for credit claimed.

12. The Superintendent will require the outing agent and the financial clerk each to give him an indemnity bond in the penal sum of $10,000 for the faithful accounting of all money coming into their possession by reason of their positions.

13. The Merchants National Bank of Carlisle, Pa., to be required to give the United States a corporate bond in the penal sum of $40,000 to indemnify the pupils against loss from any cause whatsoever. Said bond to be filed in the Office of Indian Affairs, Washington, D. C.

14. The Commissioner of Indian Affairs reserves the right to require the Merchants National Bank of Carlisle, Pa., to renew or strengthen its bond at any time it may be deemed advisable.

Dr. Marschalk.

Upon careful consideration of this matter I am convinced that the best and most satisfactory solution of the problem, as far as accounting for the pupils' money is concerned, is as follows, —

Require the Superintendent to take up all moneys received during the quarter in the regular way; deposit them to the individual credit of the various pupils in the Merchants' National Bank of Carlisle, which should be bonded to the United States in an amount sufficient to cover the

entire sum likely to be entrusted to its keeping; and take receipts from the Cashier of the bank, either on the voucher itself (form 5-284) or for attachment thereto, as evidence of proper disposition of the money.

This will relieve the Superintendent of a vast amount of detail work, such as taking receipts from pupils for partial payments and keeping track of balances due, which, as I understand it, is what he desires to get rid of. If the moneys are all deposited in the quarter in which they are

received, there will be no balances to be brought forward from one quarter to another, which will materially lessen the size of the roll and relieve the school employees, as well as the examiners in this office, of a great deal of unnecessary work. It would be better if the teachers receipts could be taken on the voucher, opposite each amount deposited, but if this is impracticable, loose receipts, or even one general certificate of deposit covering the entire sum, and attached to the roll would be acceptable.

I think the plan above

outlined is preferable to any other that has been suggested and do not see that any reasonable objection to it can be made by the Superintendent.

Finnick.

13. The Superintendent will require the outline sent and the financial clerk and to give him an inducement on bond in the penal sum of $10,000 for the faithful accounting of all money coming into their possession by reason of their position.

RULES RELATING TO THE RECEIPT AND DISBURSEMENT OF INDIVIDUAL MONEYS OF INDIAN PUPILS AT CARLISLE SCHOOL.

---

1. All moneys collected by the outing agent or other person connected with the Carlisle School receiving money for Indian pupils shall be paid to the financial clerk of the school at the close of each day, if possible.

2. A statement shall be made in triplicate by the outing agent or other person showing the name of the pupil entitled to the money, from whom received, on what account, date, and amount.

3. The financial clerk shall on this statement receipt to the outing agent or other person for the amount of money so received.

4. The outing agent shall retain one copy of the statement and deliver to the Superintendent of the school the other copies.

5. All ~~moneys~~ checks, drafts, money orders etc, coming in from the outing system, or from other sources belonging to the pupils, payable to the order of the Merchants National Bank of Carlisle Pa. need not be taken up in the Superintendent's cash accounts — if will deny each check, draft, money order etc payable to any person other than the Merchants National Bank of Carlisle Pa. shall be accounted for by the financial clerk, showing from whom received, name of the Indian to be credited, the amount so received, and on what account, and taken up in the cash accounts of the Superintendent of Carlisle School.

6. The financial clerk shall deposit daily in the Merchants National Bank of Carlisle Pa. ~~a bank to be designated by the Superintendent~~ all funds coming into his hands to the individual credit of the Indian to whom it belongs, taking deposit slips and having same entered in the individual pass book of the pupil.

Not practicable

7. At a given hour each day the financial clerk shall make up a list of all moneys received by him from a given hour the previous day, showing the name of the parties from whom the money was received, the name of the pupil to whom it belongs, on what account, and the amount credited each individual; ~~also, the amount in bank,~~ the amount in the safe, and the total amount due the pupils. This statement need not embrace any checks, drafts, etc. received payable to the order of the Merchants National Bank of Carlisle, Pa.

Not desirable and not practicable under present system

8. All funds received from any source whatsoever belonging to the pupils Not payable to the order of the Merchants National Bank of Carlisle Pa must be taken up on the account current of the Superintendent of the Carlisle Indian School.

O.K.

9. The Superintendent will be required to accompany his account current with a statement showing the amount of money received, from what source received, and to whom it belongs.

OK with the understanding

10. Each boy and girl may ~~xxxxxxxxxxxxxxxx~~ draw a reasonable amount once a month for private use, such funds to be drawn from the bank by the pupil only on personal check, countersigned by the Superintendent. without license

11. The financial clerk will be required to take the receipt in triplicate of any pupil drawing money, one copy to be retained by him and the others to be turned over to the Superintendent, one of which must be attached to his account current as his authority for credit claimed.

OK, copy to Indian Agent

12. The Superintendent will require the outing agent and the financial clerk each to give him an indemnity bond in the penal sum of $10,000 for the faithful accounting of all money coming into their possession by reason of their positions.

13.

The Merchants National Bank of Carlisle Penn. to be required to give the United States a corporate bond in the penal sum of $40 000. to indemnify the pupils against loss from any cause whatsoever. Said bond to be filed in the Office of Indian Affairs, Wash D.C.

14. The Commissioner of Indian Affairs reserves the right to require the Merchants National Bank of Carlisle Pa, to renew or strengthen its bond at any time it may be deemed advisable.