

REFER IN REPLY TO THE FOLLOWING:

Finance Accounts
10144-14
J W P

DEPARTMENT OF THE INTERIOR

OFFICE OF INDIAN AFFAIRS

Evidence, Exhibits, etc,
Investigation of
Administration of
Moses Friedman.

WASHINGTON November 13, 1917.

My dear Mr. Auditor:

In response to your informal request for
the exhibits, etc., pertaining to the investigation
by E. B. Linnen, Chief Inspector, of the administra-
tion of Moses Friedman as Superintendent of the
Carlisle Indian School, the following papers are
inclosed herewith:

Parts, 1, 2, 3, 7, 8, and 9 of File 154
Serial 10144-14 and file 150 Serial 29816-14.

Very truly yours,

EP Merrill

Assistant Commissioner,

Per *AS*

The Honorable,

The Auditor for the Interior Department.

11-HMB-13

ADDRESS REPLY TO
"THE ATTORNEY GENERAL"
AND REFER TO
INITIALS AND NUMBER

Worrell
Sells

CW-HCC

DEPARTMENT OF JUSTICE,
WASHINGTON, D. C.

131199
DEC - 9 1914
RECEIVED
OFFICE OF INDIAN AFFAIRS

November 13, 1914.

Hon. Cato Sells,
Commissioner of Indian Affairs,
Department of the Interior.

My dear Sir:

After a further conference with the Attorney General he desires me to say that this Department in overruling the judgment of the United States Attorney in the Friedman and Nori cases, as to prosecution, has departed from the usual practice of the Department, and has done so entirely in order to comply with the wishes of your Department. The Attorney General feels that in appointing special counsel, he should appoint some one from your Department, if practicable. He does not feel justified in appointing Mr. Rush, who lives at such a distance from Washington.

Unless there is some one in your Department, therefore, whom you will suggest for appointment as special assistant in this case, he must instruct the United States Attorney to proceed without additional assistance.

Respectfully,

For the Attorney General,

Charles Warner
Assistant Attorney General.

Mr. Warner

NOV -5 1914

Hon. Charles Warren,
Assistant Attorney General,
Washington, D. C.

Dear Sir:

FOR FILE

I am in receipt of your letter of the 5th inst., relative to your conference with the Attorney General on the matters concerning Moses Friedman and S. J. Nori, formerly of the Carlisle School, and in answer to your request for a definite statement from the Department of the Interior, setting forth exactly what action it is desired your Department shall take in these cases, I am of opinion that if your Department is satisfied that a crime has been committed by these parties, an indictment should be requested from the Federal grand jury, and if found, that they be impartially and actively prosecuted in the Federal Court.

If the Nori case is to be prosecuted in the Federal Court, action must be taken at once as the case against him is set for trial in the State Court at the term commencing November 9, 1914.

It is my understanding that the State Court officials stand ready to dismiss at your request.

Very truly yours,
(Signed) Cato Sells

Commissioner.

NOV -5 1914

Hon. Charles Warren,
Assistant Attorney General,
Washington, D. C.

Dear Sir:

I am in receipt of your letter of the 5th inst., relative to your conference with the Attorney General on the matters concerning Moses Friedman and S. J. Nori, formerly of the Carlisle School, and in answer to your request for a definite statement from the Department of the Interior, setting forth exactly what action it is desired your Department shall take in these cases, I am of opinion that if your Department is satisfied that a crime has been committed by these parties, an indictment should be requested from the Federal grand jury, and if found, that they be impartially and actively prosecuted in the Federal Court.

If the Nori case is to be prosecuted in the Federal Court, action must be taken at once as the case against him is set for trial in the State Court at the term commencing November 9, 1914.

It is my understanding that the State Court officials stand ready to dismiss at your request.

Very truly yours,

(Signed) Cato Sells
Commissioner.

ADDRESS REPLY TO
"THE ATTORNEY GENERAL"
AND REFER TO
INITIALS AND NUMBER

DEPARTMENT OF JUSTICE,
WASHINGTON, D. C.

November 5, 1914.

Hon. Cato Sells,

Indian Commissioner, Department of the Interior,
Washington, D. C.

Dear Sir:

Referring to the matters of Moses Friedman and S. J. Nori, and the Carlisle School for Indians. After my interview yesterday with Chief Inspector Linnen, in accordance with my statement to him I had a conference with the Attorney General, relative to the opinion expressed by the United States Attorney for the Middle District of Pennsylvania, as to the inadvisability of prosecution of Friedman and Nori in the Federal courts.

The Attorney General instructs me to say that as a rule it is the policy of this Department to leave all matters regarding the advisability of obtaining indictments, and the sufficiency of evidence therefor to the judgment and discretion of the United States Attorney, and to place upon him the responsibility which the functions of his office require. There may, however, arise cases where it is desirable to make an

exception, and after careful consideration of the present case the Attorney General has decided to follow the wishes of your Department rather than to follow the opinion of the United States Attorney as expressed in his recent letters to this Department.

Before taking any action, however, the Attorney General would like to have a definite statement from the Department of the Interior setting forth exactly what action it is desired that this Department should take, that is to say whether it is desired that indictments should be sought in the Federal courts against both Friedman and Nori, and also whether in case such indictments should be found it is the desire of the Department of the Interior that the cases against both men shall be actively prosecuted. It is, of course, true that a large number of the actions of the two men, if criminal, had been barred by the statute of limitation prior to the time the matters were placed before this Department, but so far as the statute of limitation has not run this Department will use every effort to comply with such request as you may make, after receipt of the above statement from you.

Respectfully,

For the Attorney General,

Charles Warren
Assistant Attorney General.

Law
C R W

OCT 14 1914

My dear Mr. Rupley:

In the absence of the Commissioner in the field, I beg to acknowledge receipt of your letter of October 2, regarding the Nori case, together with the inclosure. I am quite certain that a conclusion will be reached shortly by the Department of Justice as to whether or not action in the matter should be taken by the Federal authorities.

Very truly yours,

(Signed) E. B. Meritt

Assistant Commissioner.

10-ESM-13

Hon. Arthur R. Rupley,

House of Representatives.

NORI IS JAILED FOR LACK OF SECURITY

UNABLE TO COMPLY
WITH COURT SENTENCE

Former Indian Clerk, Sued By His
Wife For Non-Maintenance, Unable
To Give Bond For Recognizance

Because he was unable to furnish sufficient security to comply with a sentence passed upon him by the court this morning, Sceni J. Nori, former chief clerk of the Carlisle Indian School, who was suspended by the government following charges of embezzlement of students funds preferred against him by former Superintendent Friedman, was taken to jail to remain until such time as he can comply with the terms of the order.

Nori was charged with non-maintenance by his wife, Ida V. Nori, and the case came up before Judge Sadler this morning. The order finally passed by the court was that Nori should pay his wife the sum of \$6 a week until further order of court and furnish security for a recognizance in the sum of \$300. This he was unable to do and was taken in custody by the sheriff.

The other case in which Nori is the defendant and which was continued from the September sessions because of the request of Cato Sells, United States Commissioner of Indian Affairs, will doubtless come up at the September session. Divorce proceedings were recently begun against Nori by his wife.

DUDLEY HUGHES, GA., CHAIRMAN.
 WILLIAM W. RUCKER, MO.
 ROBERT L. DOUGHTON, N. C.
 JOHN W. ABERGROMBIE, ALA.
 J. THOMPSON BAKER, N. J.
 JOHN R. CLANCY, N. Y.
 THOMAS C. THACHER, MASS.
 STEPHEN A. HOXWORTH, ILL.

JAMES F. BURKE, PA.
 GALEB POWERS, KY.
 HORACE M. TOWNER, IOWA.
 EDMUND PLATT, N. Y.
 ALLEN T. TREADWAY, MASS.
 SIMEON D. FESS, OHIO.
 ARTHUR R. RUPLEY, PA.

JAMES L. FORT, CLERK.

HOUSE OF REPRESENTATIVES.
 COMMITTEE ON EDUCATION,
 WASHINGTON.

October 2, 1914.

Hon. Cato Sells,
 Commissioner of Indian Affairs,
 Washington, D. C.

My dear Sir:

I beg to acknowledge receipt of your letter of recent date advising me that the Nori case is still in the hands of the Assistant Attorney of the Department of Justice and has been continued until the November term.

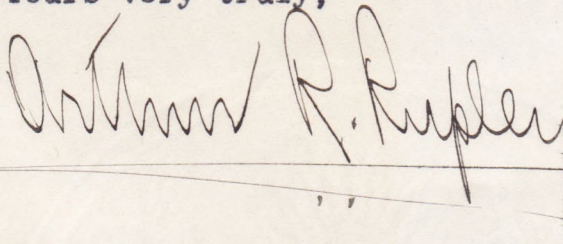
The Nori matter is a real live cancerous sore in Carlisle, my home town, and rises to haunt me at every turn. Nori is is absolute disgrace in Carlisle, as well as in Central Pennsylvania and Moses Friedman has secured considerable sympathy and support by reason of the people failing to understand why he, now a confessed criminal, has not been prosecuted. Many are commencing to believe and comment "that the charges against the Superintendent were not well founded". Mr. Friedman has continuously stated and called the attention of the people to the fact that he is the prosecutor of Nori and that he is anxious to prosecute him and that the Department of Indian Affairs is allowing the Nori case to drag on indefinitely.

DUDLEY W. HUGHES, GA., CHAIRMAN.
WILLIAM W. RUCKER, MO. JAMES F. BURKE, PA.
ROBERT L. DOUGHTON, N. C. CALEB POWERS, KY.
JOHN W. ABERCROMBIE, ALA. HORACE M. TOWNER, IOWA.
J. THOMPSON BAKER, N. J. EDMUND PLATT, N. Y.
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STEPHEN A. HOXWORTH, ILL. ARTHUR R. RUPLEY, PA.
JAMES L. FORT, CLERK.

HOUSE OF REPRESENTATIVES.
COMMITTEE ON EDUCATION,
WASHINGTON.

Just recently, Nori's wife, Ida B. Nori, entered a prosecution for maintenance for herself and two children and secured the court's order for \$6.00, and in default of same Nori was committed to the county jail. I enclose clipping from the leading newspaper in this county. The statement that "you requested that the Nori case come up at the September session" is a mistake, and should be the "November" session.

Yours very truly,


A horizontal line is drawn across the page below the signature.

CLERK NORI IN JAIL

Carlisle Indian School Official Committed on Non-support Charge.

CARLISLE, Pa., Sept. 29. — Ex-Chief Clerk Sicent H. Nori, of the Carlisle Indian School, has been placed in jail at Carlisle under an order of court upon his failure to furnish bond for compliance with a court order directing him to pay \$6 a week toward the support of his wife and children.

Nori is also under charge of embezzlement of student moneys at the Carlisle Indian School and this trial has been held over two terms at the request of Federal officials.

PLANT DYNAMITED IS BELIEF

4385
11/15

LUCE'S PRESS CLIPPING BUREAU

NEW YORK

88 PARK PLACE

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CABLE ADDRESS

CLIPBURO

CLIPPING FROM

Philadelphia, (Pa.) Public Ledger

Date 30 12 1911



Law
CRW

DEPARTMENT OF THE INTERIOR
UNITED STATES INDIAN SCHOOL
CARLISLE, PA.

OFFICE OF INDIAN AFFAIRS
RECEIVED
OCT - 5 1914
107004

October 3, 1914.

The Honorable
Commissioner of Indian Affairs,
Washington, D. C.

Sir:

Replying to your letter of October second, I
have to advise that the Clerk of the Courts at Carlisle
informs me that the next session of the Court of Quarter
Sessions will convene on November 9, 1914.

Very respectfully,

OHL:SR

O. H. Lipps
Supervisor in Charge.

Law

Law
C R W

W

October 2, 1914.

Mr. O. H. Lipps,

Supervisor in Charge,
Carlisle Indian School,

Carlisle, Pa.

My dear Mr. Lipps:

Please advise me of the date of
the next session of the Court of Quarter
Sessions to which the Nori case has been
postponed.

Very truly yours,

(Signed) E. B. Meritt

Assistant Commissioner.

These Men Will Fight for Protection

"We, the undersigned manufacturers of Cumberland County, believing in the efficiency of protective tariff and convinced, by practical demonstration, of the evils of a tariff-for-less-than-revenue-only, hereby affiliate ourselves with the Pennsylvania Protective Union in its campaign for the rehabilitation of protection at Washington and the election of United States Senator Penrose and other protectionist candidates."

Following is a list of the manufacturers of Carlisle and Cumberland county who signed the above statement given out at the meeting held in the Court House Saturday afternoon to organize for a Protective Tariff, and to war against the destructive policies of the Democratic administration. The list includes the most employers of labor in the county:

Lindner, Pres., The Lindner Shoe Co., Carlisle
 Van Bosler, Pres., Carlisle Shoe Co., Carlisle.
 Vice Pres., The Frog, Switch and Mfg., Co., Carlisle
 Lockman, Sec'y and Treas., E. J. Gardner Axle and
 Carlisle.
 Standard Chain Co., Carlisle.
 Acting Pres., Cooper Heater Co., Carlisle.
 Lockman, Treas., Lockman Bros., Silk Co., Carlisle.
 Stone Quarry, Carlisle
 Odd Carpet Mfg., Co., Carlisle.
 man, Pres., New Cumberland Knitting Co., New
 Treas., Susquehanna Woolen Co., New Cumberland.
 Sec'y. and Treas., Penna. Dye and Bleach
 Cumberland.
 New Cumberland Box Co., New Cumberland.
 O. C. Herman and Co., New Cumberland
 y and Flurie, New Cumberland.
 moyne Brass Foundry, Lemoyne
 ng Mill, Lemoyne.
 Capital Wall Cement Co., Lemoyne.
 Shore Bakery, Lemoyne.
 Hinkel, Mfg., Co., Mechanicsburg.
 rt Mfg., Mechanicsburg.
 and Treas., Potts Mfg., Co., Mechanicsburg.
 The D. Wilcox Mfg. Co., Mechanicsburg
 Son, Mechanicsburg.
 es., Penna. Milk Products Co. plant is in
 2112 Atlas Ave., Harrisburg.
 Phila. Clay Co. Works, Carlisle Pa.,
 Bldg., Philadelphia.

H. AMES IN REMARKABLE
 MEMORY WORK

Clerk, Sued By His n-Maintenance, Unable To For Recognizance

Because he was unable to furnish sufficient security to comply with a sentence passed upon him by the court this morning, Sceni J. Nori, former chief clerk of the Carlisle Indian School, who was suspended by the government following charges of embezzlement of students funds preferred against him by former Superintendent Friedman, was taken to jail to remain until such time as he can comply with the terms of the order.

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DEPARTMENT OF THE INTERIOR

UNITED STATES INDIAN SERVICE
NORTHERN CHEYENNE AGENCY
Lame Deer, Montana.

September Fifth
Nineteen
Fourteen

Honorable Cato Sells,
Commissioner of Indian Affairs,
Washington, D. C.

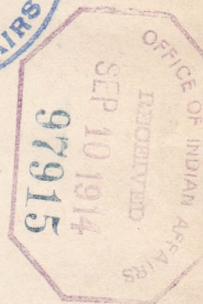
My dear Mr. Commissioner:

I have the honor to transmit
herewith a letter from Mr. S. J. Ncri,
former Chief Clerk at Carlisle, Pennsyl-
vania, addressed to me, which letter
fully explains itself.

I have requested Mr. Keating
of the Joint Commission to mail Mr.
Ncri a printed copy of the investiga-
tion which he requests.

The other matter about which he
makes inquiry as to whether the Department
of Justice is going to take any hand in

Wm Wanner



Ccmmissioner--2

this matter, I respectfully refer to you
for such answer as you may see fit to
give him.

Very respectfully,

E. B. Linnen
Chief Inspector.

EBL-CBG

1 Enc.

Mr. E.B.Linen, Chief Inspector,
U.S.Indian Service,
Washington, D.C.



Dear Sir;

I have to respectfully request a copy of the inquiry relative to the Friedman and my case. I am advised that this has been put in book form, and I shall appreciate a copy of it for use in connection with my trial which comes up in the Setpmpber term of court.

I desire also to know if the Department of Justice will again take the matter in hand, or is this to be a matter between Friedman and myself.

I will thank you for any information which you can furnish, and for which you will greatly oblige,

Very respectfully,

A handwritten signature in dark ink, appearing to be "J. M. ...", written over a horizontal line.

584 West Louthier Street,
Carlisle, Pa.

Law
C R W

Telegram 3

92505/114

August 28, 1914

McCourt,

Assistant U. S. Attorney,

Scranton, Penna.

Have received another communication from Carlisle
making very early conference with you exceedingly important.
Please wire when you will be here.

Postal

JHC

Cal Filby

W

Emm



DEPARTMENT OF THE INTERIOR
UNITED STATES INDIAN SCHOOL
CARLISLE, PA.

August 26, 1914.



Hon. Cato Sells,
Commissioner of Indian Affairs,
Washington, D. C.

My dear Mr. Sells:

I enclose herewith for your information subpoena in the Nori case, which has just been served on me. You will note that the case is set for Monday, September 14, 1914, at ten o'clock. Your attention is called to the command typewritten on the reverse side of the enclosed subpoena. I presume your written order dated April 23, 1914 directing me not to divulge any information or produce any books, records, or official papers of any character whatever from this office, unless under specific direction by you, still holds good. Unless otherwise ordered, I shall obey your previous instructions in this matter.

Please return to me the enclosed subpoena.

Very respectfully,

O. H. Hipps
Supervisor in Charge.

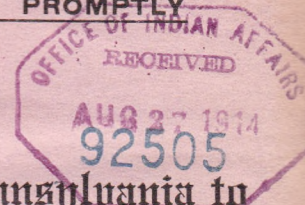
OHL:SR

COMMONWEALTH SUBPOENA

RETURN PROMPTLY

Cumberland County, ss:

The Commonwealth of Pennsylvania to



W. H. Miller

Harry R. Meyer

O. H. Ripps.

GREETING:

We command you and each of you, that, setting aside all manner of business and excuses, you be and appear in your person before our Judge at Carlisle, at our County Court of General Quarter Sessions of the Peace there to be held, in the County of Cumberland on Monday — the 14th — day of September 1914 at 10 — o'clock in the forenoon of that day, to testify all and singular those things which you shall know in a certain indictment for Embezzlement.

now pending and undetermined between the Commonwealth of Pennsylvania and S. J. Nori.

on the part of the Commonwealth. And this you are not to omit under penalty of One Hundred Pounds.

(SEAL)

WITNESS the Honorable W. F. SADLER, President Judge, at Carlisle, the 24th day of August A. D., One Thousand Nine Hundred fourteen.

J. E. Crothers
Clerk Court Quarter Sessions, Etc.

TO

O. H. LIPPS, Supervisor in charge of Carlisle Indian School.

You are also commanded to produce on the trial of this case, all correspondence, vouchers, receipts or other memoranda relating to and concerning the disposition of monies remitted to the School for the purpose of securing transportation of divers students at said School, which monies were deposited with W. H. Miller and subsequently by him turned over to S. J. Nori, while acting as Chief Clerk of said School within the past three years.

WITNESS the Honorable W. F. Sadler, President Judge, at Carlisle the 24th day of August, A. D. One Thousand Nine Hundred Fourteen.

J. E. Carothers
Clerk Court Quarter Sessions, Etc.

Served by
H. J. Bentley
Deputy

No. 27, May Sess., 1914

COMMONWEALTH

vs.

S. J. Nori

Charges:

Embezzlement

Prosecutor:

M. Friedman

JASPER ALEXANDER

District Attorney

ADDRESS REPLY TO
"THE ATTORNEY GENERAL"
AND REFER TO
INITIALS AND NUMBER

C. H. J. S. H.

171178-

DEPARTMENT OF JUSTICE,
WASHINGTON, D. C.

JSW



August 27, 1914.

The Honorable,

The Secretary of the Interior.

S i r :

I am in receipt of letter from the Commissioner of Indian Affairs, dated the 26th instant, in the matter of prosecution of Nori and Friedman for alleged embezzlement and presenting false claims and accounts, and have to-day wired the United States Attorney at Scranton, Pennsylvania, relative thereto, as follows:

Commissioner of Indian Affairs desires conference with you here this week, reference Friedman and Nori cases. Wire him when you can arrive.

The Assistant United States Attorney responded to this telegram by asking that he be granted permission to come to Washington in the matter, instead of Mr. Burnett, to which this Department to-day replied as follows:

Authority granted you come to Washington in Friedman Nori matter.

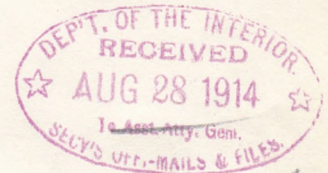
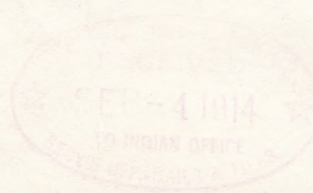
You will no doubt hear directly from the Assistant United States Attorney, as to when to expect him, in the course of the day.

Respectfully,

For the Attorney General,

William Hubbard
Assistant Attorney General.

In Warren
253
340



20

Office of United States Attorney,

MIDDLE DISTRICT OF PENNSYLVANIA,

SCRANTON. August 26th, 1914.

WILLIAMSPORT, SECOND MONDAY IN JANUARY.
SCRANTON, FOURTH MONDAY IN FEBRUARY.
HARRISBURG, FIRST MONDAY IN MAY.
WILLIAMSPORT, SECOND MONDAY IN JUNE.
SCRANTON, THIRD MONDAY IN OCTOBER.
HARRISBURG, FIRST MONDAY IN DECEMBER.

171178

The Attorney General,
Department of Justice,
Washington, D. C.

Sir:-

There arrived at this office this afternoon a telegram from the Attorney General to Rogers L. Burnett, United States Attorney, directing him to proceed to Washington to confer with the Commissioner of Indian affairs in reference to the Friedman and Nori cases. I got in touch with Mr. Burnett by telephone at his home in Stroudsburg, and inasmuch as I attended both of the Nori hearings in April and May of this year and had the Carlisle Indian School cases under my personal supervision, Mr. Burnett directed that I telegraph the Attorney General asking permission for me to proceed to Washington in his place and stead to confer with the Commissioner of Indian Affairs as directed.

In anticipation of such permission being possibly granted to me, I desire to express the views of Mr. Burnett in reference to the bringing of prosecution against either Moses Friedman, former

DEPARTMENT OF JUSTICE
AUG 28 P.M. 1914
MAIL AND FILES DIVISION

WAB:EM

AG #2.

Superintendent, or S. J. Nori, Clerk at the Indian School.

This letter is in answer to the letter of Hon. Charles Warren, Assistant Attorney General, under date of August 20th, 1914, and the expression of opinion in the first person by me is in fact the opinion of Mr. Burnett, the United States Attorney, and constitutes his views in the premises.

I desire to state that I have carefully reviewed the papers received at this office on August 22nd in reference to certain alleged violations of the Federal law, and as a result of my review of these papers and my investigation into the charges preferred against Friedman, I am of the opinion that while Friedman was a most undesirable man to have at the head of the Carlisle Indian School and responsible for many gross irregularities, nevertheless it would be most ill-advised to present an indictment against him before a Federal Grand Jury.

Aside from the law in the matter what evidence can we offer that will bring home to a jury, or to ourselves, a firm conviction that Friedman has embezzled money or falsified accounts?

AG #3.

It is alleged that Friedman's embezzlements and misappropriations of money are of two types; first, money falsely alleged to have been expended in the transportation of Indian children; and second, charging the Government with transportation expenditures incurred by Moses Friedman in various journeys from the Carlisle Indian School when said transportation had already been paid by the Athletic Association.

The first charge against Friedman is based almost exclusively upon the testimony of S. J. Nori, a confessed embezzler and criminal, who admits he misappropriated the money in question, but says Friedman told him to do it. His testimony in a Federal court tending to place the blame on Friedman would, in my opinion, be discredited by a Miss Herman, the stenographer in the School who, if permitted to testify, would swear that the day that the investigation of the School commenced Nori told her that he (Nori) was on his way to prison, and her further testimony that he carried books and papers out of the office and that he sent his wife away on her vacation on \$100.00 that he had misappropriated out

AG #4.

of Indian private funds. I believe that Miss Herman's testimony when given in its entirety, would be sufficient to raise a reasonable doubt in the minds of the trial jury.

The charge that Friedman rendered false accounts in reference to the above Indian private funds would be met by the defense with the assertion that Clerk Nori made out those accounts and Friedman, having no reason to suspect any of the office force, assumed that all accounts submitted to him for approval were correct and signed them. Friedman's answer to Nori's charges was to promptly arrest him for embezzling the moneys in question and destroying books and papers.

I have rather vague and indefinite information that this is not the first time that Nori has laid the blame of his misdeeds at another's door. I am informed that Friedman's predecessor, as Superintendent of the Indian School, was removed for irregularities and that Nori on that occasion also admitted certain financial misdeeds, but placed the blame upon the then Superintendent.

The second charge against Friedman, while in

AG #5.

strict morality convicting him of indulging in grafting could not, in my opinion, support a criminal indictment. The journeys referred to in the vouchers were actually taken and on Government business, and the Government was fairly chargeable with the transportation and per diem allowance. The fact that the Athletic Association contributed the purchase price of several mileage books used on the same trips might be evidence going to the question of Friedman's fitness to be Superintendent of the School, but I do not believe it is sufficient to convict him of embezzling from the United States Government. The funds of the Athletic Association were not Government moneys, but under the supervision of the Executive Committee who had unlimited discretion as to how those moneys were to be expended, and if they saw fit to amplify the per diem allowance to which Friedman was entitled from the Government I do not think that evidence of such a fact would convince twelve jurymen beyond any reasonable doubt that he was guilty of a felony in accepting it or a violation of a Federal statute in presenting vouchers to the Government for the same transportation.

The Athletic Association funds have been

AG #6.

for a long period of time loosely handled. The money came easy and went easy. As an instance thereof I was informed during one of my visits to Carlisle that a field camera, costing more than \$100.00, was purchased for one of the local newspapers out of Athletic funds, in order that the newspaper in question might take larger and more satisfactory pictures of Carlisle athletic events for publication in their columns. This is an example of the loose administration of these particular funds, each irregularity having been a precedent for the next extending over a large number of years. No intimation was ever given to the participants in these irregularities that the exercise of their very arbitrary discretion in the expenditure of athletic funds would ever be questioned. Mr. Friedman ought not to be made responsible in a criminal court for a system which he did not establish.

I am informed that Friedman on many of the trips which he took as Superintendent of the Carlisle Indian School was accompanied by his wife or other members of his family, and since his per diem Government allowance was not sufficient to meet the traveling

AG #7.

expenses of himself and wife, his attorneys contend that the Executive Committee of the Athletic Association purchased the mileage books for him out of Athletic Funds for the purpose of augmenting the Government per diem allowance by this additional amount. Friedman salved his conscience for accepting the same by contending that since he was constantly performing extra and arduous labor on behalf of school athletics, he had a right to accept out of the very large Athletic Treasury part of the expenditure which he incurred in travel, which travel was frequently in the interest of school athletics as well as other departments of the School. I believe that this defense would make considerable impression on the average juror.

I am further informed that the Athletic Fund in question is or was an immense sum and that being the case, I am inclined to think that a very strong argument could be made in favor of Mr. Friedman's innocence by pointing out that a man in his position and with his opportunity, who started out to plunder the Treasury of the Athletic Association would not have confined his peculations to a sum less than thirty dollars.

AG #8.

I am opposed to the prosecution of Friedman because of the probability of his being acquitted and our office left open to the charge of having lightly hailed a citizen into criminal court to answer charges of no legal weight nor worth. An examination of the charges of a criminal character made against Friedman and a consideration of his answers thereto has raised a doubt in my mind as to his guilt and after he has put in his defense, a defense which would be very complete and vigorously urged I am sure, I feel there would be enough reasonable doubts floating around in the jury box to prevent a verdict of "guilty".

I believe it would be bad policy from a Departmental standpoint to bring criminal prosecutions against Friedman. The Department of the Interior after much consideration, dismissed Friedman from the service. This action followed a very vigorous defense and despite much pressure brought upon the Department by Carlisle citizens, the local press and men prominent in political life. In the face of his dismissal what a "roar-back" it would be for a United States Jury to bring in a verdict of "not guilty", or worse still for a United States Judge to take the case from the jury's consider-

ation on the grounds that the Government had failed to make out a case against Friedman?

No doubt Friedman was properly dismissed as a man unfit for the Indian service, being out of harmony and sympathy with its aim and purpose and as one who viewed the Indian School as a good thing for Friedman rather than a good thing for the students within its close. This however does not constitute a crime and were a United States Jury to acquit him of the criminal charges under contemplation, the public would not differentiate between the reasons for his dismissal from the Superintendency and the reasons for his prosecution in a criminal court, but would blend them into one and reach the conclusion that one Governmental Department had negated the findings of another.

I am opposed to the prosecution of Friedman because he has been punished already. He had been for many years in the United States School Service and I am told was very ambitious to advance to the highest office therein. He has apparently expended much labor and money in waging a vigorous fight against his removal. He has been dismissed from the service; has been compelled to abandon his fine home at the Indian School and, according to the press, has gone to a

AG #10.

distant city to seek employment. Surely to a normal person such an experience, coming as a result of improprieties or even criminal offences, constitutes a punishment by no means light.

From a purely legal standpoint I am opposed to the prosecution of Friedman because in my opinion the evidence against him is not of such a character as to warrant a verdict of guilty. The embezzlement of Indian private transportation funds can only be brought home to Friedman by Nori and his testimony bears the stigma that the law has always placed upon the testimony of an accomplice. I believe that the evidence of Friedman having presented vouchers to the Government for transportation expenses, after having already been paid by mileage books furnished him by the Carlisle Athletic Association, does not necessarily raise up a presumption of his having presented false vouchers. The jury is entitled to pass upon the criminal intent of this charge which could be fully met by an explanation such as Friedman has already given that the additional books were given to him by the Executive Committee of the Association for the use of his wife traveling with him. Under the free

and easy system of administering the funds of the Athletic Association, a system which Friedman did not inaugurate, the Association had the right to give Friedman mileage books for the use of his wife or even money to augment his per diem allowance if it so desired. If the business on which Friedman traveled was approved by the Department, then the Government should pay for that travel and should not attempt to escape that obligation by taking advantage of the fact that the Athletic Association, under discretionary powers vested in its Executive Board, had likewise partly financed the said travel.

I disapprove of the prosecution of Nori under any circumstances. He is an Indian. He came to the Carlisle Indian School as a little boy and has lived there all his life. Whatever he has developed into for good or bad, he nevertheless has remained a product of the School which has been his only home. He has been dismissed and compelled to give up his house on the reservation and seek employment elsewhere. He threw himself on the mercy of the Government early in the investigation and has been very zealous in aiding the Government officials in the disentangling

of the intricate mass and mess in which the investigators found the Carlisle Indian School affairs. He stood ready as a witness against Friedman in case the Government indicted him and is entitled to the consideration ordinarily given to accused persons who present themselves as willing to aid the administration of law.

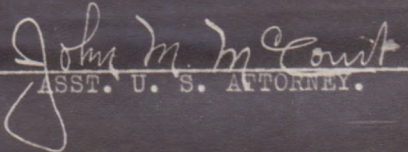
I have never seen the indictment which the Grand Jury of Cumberland County has presented against Nori, but if it be of the same tenor as the complaint under which he was bound over by the Justice I see no reason why he cannot be arraigned and tried in the State court. The aforesaid complaint charges him with the embezzlement of certain moneys from certain people which is surely a crime cognizable in the Courts of Pennsylvania, and on the face of the complaint is not cognizable exclusively in the United States Courts. Nori got himself into his present trouble, and I know of no obligation on the part of the Government to get him out of it. I do not see how the United States Government can transfer the case of Nori into the Federal Courts. If the Department of Justice sees fit so to do, it can, of course, impose a silence upon the lips of all Government employees

AG #13.

called as witnesses against Nori to testify in Governmental affairs. In case such a silence is imposed, the probabilities are that the witnesses refusing to testify will be remanded for contempt.

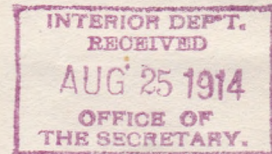
Inspector E. B. Linnen of the Department of Indian Affairs has done remarkable work in pruning out irregularities and worse at the Carlisle Indian School. Now that the Department of Indian Affairs and its Inspector has been supremely successful in their efforts to clean house at Carlisle, any prosecution of Friedman would be most unwise because his highly probable acquittal would constitute a boomerang to the Department of Indian Affairs.

Yours very respectfully,


ASST. U. S. ATTORNEY.

JMMC/P

JASPER ALEXANDER
ATTORNEY AT LAW
CARLISLE, PA.
DISTRICT ATTORNEY

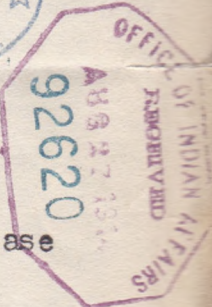
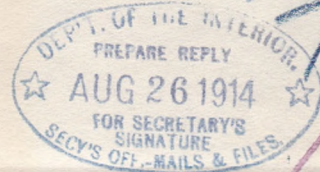
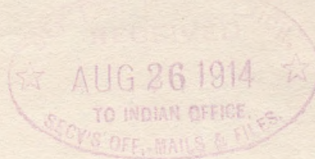


Carlisle, Pa., August 22, 1914.

Hon. Franklin K. Lane,
Secretary of the Interior,
Washington, D. C.

My dear Sir:-

A few months ago, one, S. J. Nori, late Chief Clerk at the Carlisle Indian School, was arrested for embezzlement of monies belonging to students, (not United States money) and the case is now in my office, and will come before the Court of Quarter Sessions at the term commencing 14th September, 1914. It is absolutely essential for the proper preparation of this case, and its presentment to the Grand Jury that I be put into possession of certain papers, and the statement of facts by witnesses now at the School in order to establish the guilt of the defendant. I am impelled to write you to ask that directions be given the Indian Office to give me access to the proper papers and witnesses to properly prosecute the case. I do this for the reason, that, at the preliminary hearing before the Justice, at which hearing the defendant was held for Court on simple prima facie testimony, an assistant District Attorney for the Middle District of Pennsylvania appeared and advised the witnesses subpoenaed at the School not to testify, and refused the production of necessary documentary matters to aid in the prosecution of the case.



*Law
New District*

11 30

12

F.K.L. 8/22/'14.

This was done on the alleged ground of want of jurisdiction in the State Court. We are confidently of the opinion that our State Court has concurrent jurisdiction with the United States District Court, and that we can compel observance of our process. However this may be, the place to raise this question is before a court of law, and not before a layman magistrate, as was attempted.

At every stage of the case we have offered to transfer it to the United States Court if desired, but this has not been accepted. I therefore am compelled to prepare the case for presentation to our Grand Jury and feeling that the Indian School people here will not aid me without directions from your Department I write to request that the superintendent in charge of the School be directed to have the persons subpoenaed, obey process from my office and this court, and accord me interviews, and examination of papers relating to the defalcation of Nori. I sincerely regret to address you upon this matter, but am compelled to do so in the proper discharge of my duties as the Prosecuting Officer of this county.

Respectfully yours,

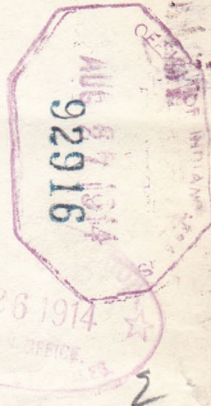
Jasper Alexander.

ADDRESS REPLY TO
"THE ATTORNEY GENERAL"
AND REFER TO
INITIALS AND NUMBER

CW-jsw

DEPARTMENT OF JUSTICE,
WASHINGTON, D. C.

August 21, 1914.



The Honorable,

The Secretary of the Interior.

S i r :

I return, herewith, the copy of the Indian Office Regulations lent me by Mr. Warner.

I desire to say that I have to-day transmitted all the papers sent to me by your Department with reference to Messrs. Friedman and Nori, to the United States Attorney at Scranton, Pa. I append, herewith, a list of the same. *Not Recd. N.T.W.*

I have instructed him to confer at once with the State authorities with reference to the pending State prosecution of Nori, and to take such further action with reference to prosecution of Friedman and Nori in the Federal courts as, in his view, the facts and law warrant. I have stated to him that it is

my view that there is sufficient evidence to warrant the indictment of Friedman on charges of embezzlement, and of filing false reports and claims, and the indictment of Nori on charges of embezzlement and aiding and abetting in the filing of false claims, but I have made it clear to the United States Attorney that the final decisions on these matters rest with him.

Respectfully,

Enclosure.94615.

For the Attorney General,
Charles Warner
Assistant Attorney General.

*Comptroller's
of.
Citizens cases*

Washington, D. C.,

August 19, 1914.

Hon. C. E. Warren,
Assistant Attorney General,
Washington, D. C.

My dear Mr. Warren:

I am sending you herewith copy
of the Indian Office Regulations of 1904,
of which I spoke to you yesterday over the
'phone. Please note particularly Sections
1 and 348. The accompanying Comptroller's
decisions regarding Individual Indian
Money may be of use to you in connection
with this case.

I will be pleased to have you
return the Regulations to me at your con-
venience, as they are now out of print and
I have no extra copies.

Very truly yours,

C. E. Warren

(SEAL OF)
COMPTROLLER)
OF THE TREASURY)

TREASURY DEPARTMENT

Washington

June 30, 1908.

The Honorable,

The Secretary of the Interior.

Sir:

I have received your letter of the 4th instant as follows:

"In accordance with a communication addressed to the Secretary of the Interior on November 21, 1907, the Secretary on November 22 of that year designated the First National Bank and the Commercial National Bank, both of Muskogee, Indian Territory, as 'special depositaries' to receive on deposit moneys belonging to individual Indians or derived from oil and gas royalties and the sale of inherited Indian lands. These banks have been required to give bond for the faithful accounting of any money deposited in them. The funds referred to are deposited to the official credit of the United States Indian Agent, Union Agency, Muskogee, Oklahoma, are taken up in his official accounts, and when he desires to disburse any of them he draws his official check on the bank or banks in which they are deposited. The banks are required to transmit to the Auditor of the Treasury for the Interior Department all checks drawn by the Agent for the disbursement of these Indian funds in order that these checks may be examined and compared with the Agent's accounts. The bonds furnished by the banks run to the United States, and when the Indian Agent was in Washington recently he took up in an informal way the question of issuing duplicate checks in the event checks drawn by him in favor of any payee were lost after going into the possession of such payee. It is assumed by this Department that the holder will be required to furnish bond to protect any person against loss who may lawfully hold the original check, and the question is whether the bond should run to the United States or to the Indian Agent, and also whether it should be in double the amount for which the check was drawn or for an amount equal to that called for by the check.

"There is another class of deposits at other points on which the same question arises. The proceeds arising from the sale of inherited lands everywhere except in that part of Oklahoma which was formerly the Indian Territory are deposited to the credit of the heirs of the deceased allottee, who are allowed to draw specified sums per month without securing the consent of the Commissioner of Indian Affairs. As a rule they are permitted to withdraw but \$10 per month. The check is issued on the bank where these funds are deposited, signed by the Indian to whose credit the money is deposited, and approved by the United States Indian Agent. The check is of no validity until approved by the Indian Agent or other officer in charge of the reservation occupied by the tribe of which the depositor is a member.

"There is also another class of deposits to which this same question applies, and that is the proceeds from the sale of timber or Indian allotments. These funds are collected by the United States Indian Agent or other officer in charge and deposited to the credit of the allottee or his heirs, and can not be withdrawn, without the consent of the Commissioner of Indian Affairs, in sums in excess of \$10 per month. The check is drawn on the place of deposit by the

Indian to whose credit the money is, and the check has no standing until countersigned by the United States Indian Agent or other officer in charge. The banks where the moneys are deposited are bonded, the bonds running to the United States. The same question arises with reference to the issuance of duplicate checks in the two cases last mentioned as occurs with reference to the issuance of a duplicate check in the former case. If the bond in each case is to run to the United States, the Department will be glad to be advised whether you believe the form prescribed by the Treasury Department, bearing the notation, 'Office of the Secretary of the Treasury, Division of Public Moneys, Form 1334-Ed. D. C. 12-06-10000' is sufficient for this purpose, and also whether the requirements of section 3646 of the Revised Statutes of the United States that six months expire before the issuance of a duplicate check, in the event the amount is in excess of \$50, should be invoked.

"The funds in the two cases last mentioned are also taken up in the Agent's accounts and the checks drawn by the Indians and approved or countersigned by Indian Agents are forwarded to the Auditor for consideration in connection with the settlement of the accounts of the respective Agents.

"You are requested to advise this Department whether, in your opinion, under the circumstances, the bond should in each instance run to the United States or to the Agent or other officer in charge of the reservation."

The Act of July 1, 1898 (30 Stat., 595) provides:

"That hereafter Indian agents shall account for all funds coming into their hands as custodians from any source whatever, and be responsible therefor under their official bonds."

Section 5153 of the Revised Statutes provides that -

"All national banking associations designated for that purpose by the Secretary of the Treasury, shall be depositaries of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary; and they may also be employed as financial agents of the Government; and they shall perform all such reasonable duties, as depositaries of public moneys and financial agents of the Government, as may be required of them. The Secretary of the Treasury shall require the associations thus designated to give satisfactory security, by the deposit of United States bonds and

otherwise, for the safe-keeping and prompt payment of the public money deposited with them, and for the faithful performance of their duties as financial agents of the Government."

The act of June 19, 1906 (34 Stat., 301), provides:

"That section thirty-six hundred and forty-six Revised Statutes of the United States, as amended by Act of February sixteen-th, eighteen hundred and eighty-five, as amended by Act of March twenty-third, nineteen hundred and six, be amended by striking out the words 'check or warrant' wherever said words appear in said amended Act, and by substituting in lieu thereof the words 'disbursing officer's check,' so as to make the section read as follows:

"'Sec. 3646. Whenever any original disbursing officer's check is lost, stolen, or destroyed, the Secretary of the Treasury may authorize the officer issuing the same, after the expiration of six months and within three years from the date of such disbursing officer's check, to issue a duplicate thereof upon the execution of such bond to indemnify the United States as the Secretary of the Treasury may prescribe: Provided, That when such original disbursing officer's check does not exceed in amount the sum of fifty dollars the Secretary of the Treasury may authorize the issuance of a duplicate at any time after the expiration of thirty days and within three years from the date of such disbursing officer's check.'"

The act of May 27, 1908 (Public No. 147) provides:

"Amend section thirty-six hundred and forty-six and thirty-six hundred and forty-seven of the Revised Statutes of the United States (as amended by the Act of June nineteenth, nineteen hundred and six) to read as follows:

"'Whenever any original check or warrant of the Post-Office Department has been lost, stolen or destroyed, the Postmaster-General may authorize the issuance of a duplicate thereof within three years from the date of such original check or warrant, upon the execution by the owner thereof of such bond of indemnity as the Postmaster-General may prescribe: Provided, That when such original check or warrant does not exceed in amount the sum of fifty dollars, and the payee is, at the date of the application, an officer or employee in the service of the Post-Office Department, whether by contract, designation or appointment, the Postmaster-General may, in lieu of an indemnity bond, authorize the issuance of a duplicate check or warrant upon such an affidavit as he may prescribe, to be made before any postmaster by the payee of an original check or warrant."

Treating the act of June 19, 1906, supra, as repealed by the act of May 27, 1908, the Secretary of the Treasury has, under his

general authority, promulgated regulations for the issuance of duplicate check in accordance with the provision of the act of June 19, 1906.

All the funds in question come into the hands of Indian agents as custodians, and they are made responsible therefor under their official bonds by the act of July 1, 1898. They are also required to include them in their regular accounts. (7 Comp. Dec., 281)

The moneys in question are trust funds belonging to the Indians but the legal title to them is in the United States (Seymour v. Freer 8 Wall, 202, 213) and they are public moneys that may properly be placed in the depositaries designated. As such they are to be administered and controlled, so far as affects the right to withdraw them from such depositaries, as other public moneys.

The Indian agent disburses such moneys and accounts for them as the agent of the United States. He is, therefore, in my opinion a disbursing agent as to them, within the meaning of the regulations promulgated in accordance with the provisions contained in the act of June 19, 1906.

The checks on which withdrawals are made are all required to be either issued or approved by the Indian agent. It is his act that gives them validity and I am of the opinion that they should be considered as his checks and that the bond in each case should run in the name of the United States.

The form prescribed by the Treasury Department, designated in your letter, would be sufficient.

The regulations promulgated in accordance with the provisions of the act of June 19, 1906, supra, prohibits the issue of duplicate checks for amounts in excess of fifty dollars before the expiration of six months. Duplicate checks for amounts in excess of fifty dollars would not therefore be authorized until after the expiration of six months.

Respectfully,

R. J. Tracwell

comptroller

C O P Y

Office of
Comptroller
of the
Treasury

TREASURY DEPARTMENT

WASHINGTON, October 22, 1908

The Honorable,

The Secretary of the Treasury.

Sir:

By your reference of the 25th ultimo I have received from the Secretary of the Interior, with accompanying papers, a letter as follows:

"The Indian agent at Kiowa Indian Agency, Oklahoma, has informed the Indian Office, that acting under instructions issued from that office relative to replacing lost checks by duplicates, he had obtained an indemnity bond in order to issue a duplicate check against the account of an Indian in an amount less than \$50, and that he transmitted this bond which was executed on the form prescribed by the Treasury Department, bearing the notation "Office of the Secretary of the Treasury, Division of Public Moneys, Form 1343," to you with the request that he be instructed to issue the duplicate check. He further reports that you returned the bond and duplicate check to him with the note that your Department has no jurisdiction in the matter of a lost check not drawn by a United States Disbursing Officer.

"Relative to this matter the Department desires to invite your attention to a decision of the Comptroller of the Treasury rendered June 30, last, a copy of which is inclosed. You will note on page 6 of this decision that the Comptroller says:

"The Indian agent disburses such moneys and accounts for them as the agent of the United States. He is, therefore, in my opinion a disbursing agent as to them, within the meaning of the regulations promulgated in accordance with the provisions contained in the Act of June 19, 1906.

"The checks on which withdrawals are made are all required to be either issued or approved by the

Indian agent. It is his act that gives them validity and I am of the opinion that they should be considered as his checks and that the bond in each case should run in the name of the United States.

"The form prescribed by the Treasury Department, designated in your letter, would be sufficient."

"In section 3646 of the Revised Statutes printed at the top of Treasury form 1343, there appears this statement:

"Whenever any original disbursing officer's check is lost, stolen or destroyed, the Secretary of the Treasury may authorize the officer issuing the same, after the expiration of six months and within three years from the date of such disbursing officer's check to issue a duplicate thereof upon the execution of such bond to indemnify the United States as the Secretary of the Treasury might prescribe."

"In view of the decision of the Comptroller above referred to and the requirement, of the statute quoted, it seems that agents have no authority to issue duplicate checks on these Individual Indian bank accounts without your approval. If, however, the Department is wrong in this assumption I would like to have you take the matter up with the Comptroller again with a view to a reconsideration of his decision. As the decision now stands the Department does not feel justified in having any of its agents issue duplicate checks without your approval.

"In case you do bring this matter to the attention of the Comptroller, I would like to suggest that he be asked whether or not it will be necessary for an Indian to give a bond of indemnity to the United States in order to obtain a duplicate of a lost check drawn by himself in favor of himself and against his own account. This seems to be a logical conclusion if the Comptroller's reasoning is correct, but it hardly seems necessary. The Department is very desirous of obtaining the opinion of the Comptroller on this particular point.

"Besides the copy of the decision rendered by the Comptroller, the bond executed in the case which occurred at the Kiowa Agency, the duplicate check and all other papers accompanying the bond are herewith inclosed.

"After deciding the action which will be proper in

this matter I will appreciate it if you will kindly notify me of the results of your decision."

You state that the First National Bank of Chickasaw, Oklahoma, upon which the check is drawn, has not been designated by the Department as depositary for funds of United States Disbursing Officers, and request my decision of the questions stated in said letter.

The decision of this office of June 30, 1908 (45 MS Comp.Dec. 2553), to which the Secretary of the Interior refers, was rendered upon the theory that the banks upon which the checks were drawn had been designated as depositaries of public funds. The banks referred to therein had in fact been designated as such depositaries. You would clearly have no jurisdiction or authority to approve the issuing of a duplicate check on a bank not a depositary of public funds for the reason that you could have no control over the funds in said bank whether deposited in said bank as the moneys of the United States or not. The decision cited does not apply to or govern the issuing of a duplicate check in the case submitted by the Secretary of the Interior.

I see no reason, however, in the specific case

presented, why the United States Indian agent who now controls the money deposited to the credit of the individual Indian in said bank as agent of the United States as trustee may not approve the issuance of a duplicate check to be delivered to the owner of the check at the time it was lost. The Secretary of the Interior could authorize this to be done. This is an entirely different proposition however, from paying a check out of moneys within the control and custody of the United States in a designated depository of United States funds.

The act of July 1, 1898, (30 Stat. 595), provides:

"That hereafter Indian agents shall account for all funds coming into their hands as custodians from any source whatever, and be responsible therefor under their official bonds."

This act clearly makes the Indian agent the agent of the United States for the receipt and disbursement of such moneys and he is required to include them in his regular accounts as Indian agent (6 Com. Dec. 281.)

As to such funds he is made by this act a re-

ceiving and disbursing agent for the United States. Through him the United States holds the moneys as trustee and has the legal title to them. (Seymour v. Freer, 8 Wall., 202.)

In this case the court said (p. 213):

"A trust is where there are rights, titles, and interest in property distinct from the legal ownership. In such cases, the legal title, in the eye of the law, carries with it, to the holder, absolute dominion; but behind it lie beneficial rights and interest in the same property belonging to another."

This legal title and dominion carries with it authority for their deposit in the depositaries of the United States to be made in such manner as the United States as trustee, deems best adapted to the execution of the trust assumed and when they are so deposited they would, in my opinion, so far as is consistent with said trust, be subject to the same control by the Treasury Department as is exercised over public moneys in said depositaries. This would under the regulations referred to in my decision of June 30, 1908, include the power to issue a duplicate check drawn against said moneys in place of one that had been lost before payment out of said funds. This was the effect of my decision of June 30, 1908,

which is reaffirmed herein. The Secretary of the Interior requests ^a specific ruling by this Office as follows:

"In view of the decision of the Comptroller above referred to and the requirement of the Statute quoted, it seems that agents have no authority to issue duplicate checks on these individual Indian bank accounts without your approval. If, However, the Department is wrong in this assumption, I would like to have you take the matter up with the Comptroller again with a view to a reconsideration of his decision. As the decision now stands the Department does not feel justified in having any of its agents issue duplicate checks without your approval.

"In case you do bring this matter to the attention of the Comptroller, I would like to suggest that he be asked whether it will be necessary for an Indian to give a bond of indemnity to the United States in order to obtain a duplicate of a lost check drawn by himself in favor of himself and against his own account. This seems to be the logical conclusion if the Comptroller's reasoning is correct, but it hardly seems necessary. The Department is very desirous of obtaining the opinion of the Comptroller on this particular point."

The facts in the case on which my decision was rendered showed that all checks by which withdrawals are made have to be approved by the Indian agent. On this fact I held that the checks must be considered as the checks of said Indian agent.

His act is the act of the United States as to these funds and binds it in dealing with them. So

far as affects the right of the Government to control said funds as trustee the manner in which they are deposited and the checks drawn on them appears to have been adopted for convenience. While the moneys remain subject to the control of the United States, as trustee, they can, since the passage of the act of July 1, 1898, rendering the Indian agent accountable therefor, be placed in a United States depository subject to the orders of the proper administrative officer as to payments to be made therefrom. To the extent at least of the accountability for such moneys they are public moneys to be accounted for by the depository as such.

Valid checks against said moneys must therefore be considered as checks authorized by the United States and when drawn by one having authority are to be considered as disbursing officers checks.

The check signed by the individual Indian when drawn in favor of himself or another "against his own account" are not checks drawn by such Indian. The paper that is signed by said Indian, denominated a check by the Secretary of the Interior, is not in fact a check but, in substance, amounts to nothing

more than ^a/request upon the Indian agent to authorise a payment of a stated amount to a definite person out of the account in the public depository standing to the credit of the individual Indian which account has been created and is controled by the Indian agent. When the Indian agent approves the payment he adopts the check and it becomes his check and is a payment by him for which he must account (6 Com. Dec. 281). When the check is approved by the Indian agent and delivered to the individual Indian he then becomes the owner of it and if it is lost and a duplicate is issued, he must give the bond of indemnity required before a duplicate check can be issued.

The inclosures are returned herewith.

Respectfully,

(signed) R. J. Tracewell,

Comptroller.