

UNEXPENDED BALANCES OF APPROPRIATIONS FOR INDIAN
SERVICE.

LETTER

FROM

THE SECRETARY OF THE INTERIOR,

RECOMMENDING

Certain unexpended balances for Indian service to be otherwise applied.

JANUARY 22, 1863.—Referred to the Committee on Indian Affairs, and ordered to be printed.

DEPARTMENT OF THE INTERIOR,

January 21, 1863.

SIR: I have the honor to enclose herewith a copy of a communication from the Commissioner of Indian Affairs of the 16th instant, together with an extract of his late annual report, calling the attention of this department to the condition of the outstanding liabilities for the Indian service in Oregon and the Territory of Washington, which were created chiefly during the fiscal years 1860, '61, and '62, for which period there is, as I am informed, an unexpended balance of appropriations due the various agencies in Oregon and Washington of \$280,933 56.

As recommended by the Commissioner, and with a view to the relief of a large and deserving class of citizens, I submit the subject to the consideration of Congress, and recommend that the Secretary of the Interior be authorized to divert so much of the funds under the various heads of appropriation which make up the unexpended balance herein referred to as may be necessary to meet the payment of the outstanding liabilities aforesaid.

Very respectfully, your obedient servant,

J. P. USHER, *Secretary.*

HON. GALUSHA A. GROW,

Speaker of the House of Representatives.

DEPARTMENT OF THE INTERIOR,
Office of Indian Affairs, January 16, 1863.

SIR: I have the honor respectfully to call your attention to the condition of the outstanding liabilities for the Indian service in Oregon and Washington, and in this connexion, would refer to that portion of my late annual report, a

copy of which is herewith, that briefly but distinctly sets forth the causes creating the necessity for this indebtedness, and the delay in payment.

Since that report was submitted, the office has been supplied with additional, though not complete, information touching the liabilities of those superintendencies.

A careful analysis of the unpaid vouchers forwarded to this office, up to date, and the abstracts of liabilities so far as they have been rendered by Indian agents, discloses an indebtedness of \$254,503 47. Of this amount, \$68,246 38 was created under heads or sub-heads of appropriations already exhausted.

Against this gross indebtedness there is an unexpended balance for the fiscal years 1860, '61, '62, and due the various agencies, amounting to the sum of \$280,933 56, an amount, in my judgment, after all the claims now before the office shall have been audited, amply sufficient for the discharge of the existing indebtedness for the Indian service in those superintendencies.

The indebtedness referred to has been chiefly created during the fiscal years 1860, '61, '62, and the propriety of its early settlement cannot be doubted.

A very large proportion, it is represented, of the claimants are of limited means, and at the time the services were rendered had every assurance of an early payment. The very long credit they have thus been compelled to give the United States has been the occasion to them of much suffering and pecuniary embarrassment, and has correspondingly diminished the credit of the government in that region, and their confidence in its integrity.

In order to afford relief to this large and deserving class of our citizens, I would respectfully suggest the propriety of the passage of an act of Congress authorizing the Secretary of the Interior to change or divert so much of the funds under the various heads of appropriation, belonging to the unexpended balance aforesaid, as may be necessary for the payment of indebtedness created under heads or sub-heads of appropriation already exhausted.

The propriety of this course, aside from all other considerations, appears to me to be fully justified by the precedent established during the 2d session of the present Congress, and approved February 22, 1862, entitled, "An act to authorize a change of appropriations for the payment of necessary expenditures in the service of the United States for Indian affairs."—(See Statutes at Large, for 1861-'62, page 344.)

I have the honor to be, very respectfully, your obedient servant,

WM. P. DOLE,
Commissioner.

Hon. JOHN P. USHER,
Secretary of the Interior.

Extract from the report of the Commissioner of Indian Affairs.

"The outstanding liabilities for the Indian service in Oregon and Washington, so far as can be determined from the very imperfect returns furnished this office, amount to \$201,186 57, of which nearly four-fifths accrued during the last administration.

"The delay in the settlement of these liabilities may be attributed to various causes, aside from the important fact that less than one-half of the above amount has been forwarded to this office for examination and settlement.

"The changes consequent upon the going out of the late administration induced many holders of certified vouchers to forward them to the department for settlement. In many instances but one of a triplicate or quadruplicate set of vouchers is forwarded, and papers, such as bills of lading, contracts, &c.,

referred to on the face of the voucher, are withheld. An error of this kind involves delay, it being the rule of the office that all papers belonging to or relating to claims or accounts should be submitted before settlement can be had.

"The neglect on the part of some of the agents to transmit a statement of their liabilities for the information of the department contributes to the delay in their settlement. In many instances the first intimation that the office receives of the indebtedness is the appearance of the agent's certified voucher for the amount, without explanation of any kind touching the transaction creating the liability.

"Many vouchers were and are transmitted to this office in advance of the agent's accounts for the quarter in which they were issued.

"The delay on the part of some and the neglect of other agents to render and forward their final accounts, together with the fact that much of this indebtedness has been incurred in disregard of the instructions of this office, and with a knowledge on the part of the agents that the funds under many of the sub-heads of appropriation were already exhausted, has been and still is an element of delay.

"The outstanding liabilities of the Indian service for Oregon and Washington, created during the present administration, have been in a great measure unavoidable. The necessary changes in the superintendency of Washington Territory, and amongst the agents in Oregon and Washington, have contributed largely to this result.

"The appointment of a superintendent, and the filing of his bond, consumes from sixty to ninety days. Until the bond is filed the office cannot place any funds to the credit of the superintendent. Pending the filing of the bond, a removal, and consequent appointment of another superintendent, as was the case in Washington Territory, involves a repetition of the delay. The funds being thus withheld, the agents are obliged to create an indebtedness in order to carry on the business of their agencies."