

Respectfully referred
to the Sec. Gen. for his
instructions

Charles E. Mit,

Acty. Com.

Off. Ind. Affs.
October 14, '59

Read and returned to
Indian Office Oct 26/59

EB

Rec'd 17 Oct. '59
Mr. Bailey

Calypso 13/5
J. P. Brown
San Francisco, Cal
September 14 '59

Reports upon the dif-
ferences and con-
sistencies that surround
Supt. McOuffie in the
execution of instructions
to him from this office
in regard to the Indian
Service, submitting the
views recommended,
suggestions, &c, and also
ack. receipt of reply
letter of Aug 2. last

Rec'd October 14 '59

Mr
Com.

1
San Francisco, Cal.
Sept 19th 1859.

Hon. A. B. Greenwood
Commissioner of Indian Affairs.
Sir:

I have the honor to acknowledge the receipt of your letter of Aug. 2nd ult, requesting me to assist Mr. Mc Duffie in the performance of his duties as Superintendent of Indian Affairs for California, and, if convenient, accompany him in his visit to the Reservations.

I regret that these instructions failed to reach me until after Mr. Mc Duffie had completed his tour of inspection. During the past year, I deemed it my duty to address to the Department several communications in reference to the condition of the Indian Service, and requesting that instructions might be given either to myself or some other person to take charge of the public property on the Reservations, and prevent a continuance of the abuses detailed in the written testimony of the Agents and employes. No response reached me, and I was at a loss to know what course would be satisfactory to the Department. The affairs of the Service are now in a very confused condition. It will require much time and labor to present them in an intelligible form for your consideration.

A brief review of the causes which have led to

this result will enable you to form some idea of the present complication of affairs in this Superintendency.

In April 1858, I forwarded charges of fraud and malfeasance against the late Superintendent, J. S. Henley, and transmitted additional charges and proofs by nearly every succeeding mail during that year. An allegation of prejudice was made against me by the friends of Mr. Henley, and at their request Mr. G. Bailey, an Agent of the Interior Department, was sent out here especially to investigate this subject. The intrepes were carefully examined by him on each reservation, in the presence of Mr. Henley and myself, and the charges were fully sustained in his reports to the Department. Nevertheless Mr. Henley continued to act in his capacity of Superintendent up to June 3rd 1859, fourteen months after the original charges were preferred, and nearly a year after they were proved. The Agents, Sub Agents and employes, whose testimony presented the best evidence of their intrepes for the trusts reposed in them, continued to act in their respective capacities, and no change took place, except a limitation of the number of employes on the 31st of December 1858. No remittance to pay the current expenses of the reservations, or the wages of the discharged employes, was received from May 1858 till August 1859, during which period there appears to have been no check upon the expenditures beyond the discretion of the late Superintendent and the

Agents, and the power of final approval rested in the Department. The great evils, experienced from this condition of affairs were, the enhanced price of articles purchased on credit, arising from the uncertainty of payment; the discontent of the discharged employes, who had acquired some influence over the Indians, and the popular clamor throughout the State against what was regarded as unreasonable and unjustifiable neglect of the public interests.

Notwithstanding the reduced number of employes, since December 31st 1859, the Agents and Sub-Agents, have encumbered the Service with debts, of which they are either unable or unwilling to render a correct account, but which, from the approximate estimates in the hands of the new Superintendent, will probably exceed the entire appropriation for the fiscal year ending June 30th 1859, of which it was supposed a portion would be available for the present year. They have retained a greater number of employes than that allowed by the instructions of the Department; they have retained employes whose complicity in the frauds heretofore reported by me, is demonstrated by the testimony on file; they have kept running accounts at stores, and no books or accounts to show the articles purchased or the prices agreed upon; they can present no vouchers for these purchases to the correctness of which they can honestly make oath; they have suffered the reservations to fall into a state of neglect and decay

wholly at variance with the published reports of their prosperity. The property returns and abstracts of issues show that the amount of property accounted for is but a fraction of that which should be on hand according to Mr. Wenzel's vouchers. No adequate return of the large bands of cattle for which vouchers have been transmitted, has been made, and the Agents and Sub Agents have failed to show what became of them. The Independent Treasury Act has been violated, as shown by my reports, in the transmission of fraudulent vouchers; but no measures have been taken to enforce the law. Pending the abuses which have arisen from these causes, the rations have been diverted from their legitimate purpose, and in some cases the Indians have been slaughtered in consequence of alleged depredations upon private property belonging to officers of the Superintendency. Having already made explicit statements, covering many of these points, I deem it unnecessary to make a further recapitulation of the difficulties at present existing. I am confident nothing can be done by the new Superintendent under such a complication of affairs to promote the welfare of the Indians. Either an entirely new regime must be established or he will be hopelessly involved in trouble, and compelled by a sense of justice to himself and his surties, to resign.

By his original instructions, he was required to

5

ascertain the outstanding indebtedness, and forward all claims to the Department for settlement. While engaged in the prosecution of this inquiry, a remittance of \$80,000 was made to the Agents, the application of which he was directed to superintend, in case he had given bonds. Before this order could be complied with, the funds were drawn and in the hands of the Agents, who it is presumed applied them to the liquidation of outstanding liabilities. But they have failed to furnish him with an intelligible account of the particular disbursements made; and he is at a loss to know what bills have been paid and what remain to be paid. Out of the remittance of \$30,750 - made directly to him, he has turned over such portion as he could ascertain to be applicable to the payment of Agents, Sub Agents, incidental expenses, and pay of employees up to June 30th 1859, leaving a small balance applicable to the general liabilities of the Reservations. In San Francisco alone it is estimated that \$13,000 is due for purchases made by the late Superintendent. Some of the dealers to whom this money is due, are nearly ruined in consequence of the non-payment of their bills. But the Superintendent cannot ascertain whether the goods so purchased ever went to the Reservations, or what portion of them were for public or private purposes. He is exceedingly desirous of appeasing the claims of these creditors, but apprehends difficulty in assuming to pay them, without certificates of purchase from his predecessor and the certificates of the Agents that the goods were duly delivered.

To obtain these has been his constant effort for some time past, but without success.

Mr. Mc Duffie seems desirous of performing his duty with credit to the Government; but it will be conceded that his position is embarrassing. He is, in some respects, an auditor of disbursements, ^{to be made by others}. He has no knowledge, and can have none, of the propriety or disposition of the purchases made prior to his appointment, and can only object to purchases which may be made at any future time, by signifying his disapproval upon the vouchers after the transaction has taken place.

The Department has refused its assent to any recommendations which he has recommended, or may in future recommend, without a statement of reasons. He can give no reasons without incurring the personal hostility of men who have acquired a powerful influence over the Indians, which they can, if so inclined, exercise to the absolute destruction of the service. And yet to continue with the same officers, and under the same system which has heretofore obtained, and ~~the~~ ^{with} results so disastrous before him, is utterly impracticable. It is too much to require that a new and inexperienced officer shall bring order out of chaos, with these conflicting elements around him.

I have therefore to recommend as the only practical remedy, that all the Indian Agencies and Sub Agencies of California be abolished, that the Superintendent be authorized to ^{hire} a suitable person as

Oversee or Farmer, subject at all times to his orders, on each reservation and farm, whose duty it shall be to take care of the Indians, and show them how to work; and to procure such other aid, within the limits of the appropriation, as may be absolutely necessary. This will to some extent place the affairs of the Superintendency directly under his control, and preclude those conflicting influences, heretofore so disastrous in this branch of the public service.

In view of the probability that the appropriation for the ^{last} fiscal year, ~~is~~ will be exhausted in the payment of existing liabilities, I have advised Mr. McDuffie to make his estimates for the present fiscal year within the limit of \$50,000, which he has done, and instructions to limit the expenditures to that amount have been issued to the Agents. A portion of the year, however, from June to September, has expired, and during that period the expenses have been at the rate of more than \$100,000 per annum. Nor have I any confidence that after the receipt of the order they will be brought within the prescribed limit.

As my only object in this matter is, to present for your consideration a plain and truthful statement of facts, in order that you may ^{from} a correct estimate of the difficulties which exist, and exercise your judgment as to the most appropriate remedy, I trust you will excuse the frankness with which I have referred to every point, and accept the assurance that I shall render Mr.

Mr. Duffie, such aid as my limited time will permit and do all in my power to protect the interests of the firms committed to his charge.

Very respectfully,
Yours Obedtly

J. Ross Brown
Special Agent Treasury Dept.