

California #1301
Mr. J. Henley
San Francisco Dec 18. '58

Enc. Newspaper arti-
cle in the "Alta Califor-
nia" charging him with
the commission of frauds
and his reply thereto,
and alludes to the report
of G. Bailey - also to his
services while in Cali-
fornia

~~Rec'd Jan 13. '59~~

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Office Supt Ind affs
San Francisco
Dec 18th 58

J. W. Denver Esqr
Commissoner Ind affs }
Sir

I enclose herewith an article from the "Atta California" purporting to be from a Washington correspondent together with my reply thereto. I have no knowledge what the charges of fraud alluded to are, except the one made by Saml Youngs. That is false as I can very easily establish and knowing my transactions to have all been correct. I entertain no doubt I can do so with regard to all other accusations that may be made. As it is not customary to act upon in part statements, I have a right to expect that an opportunity will be given for explanation. As to Mr. G. Bailey upon whose report the Dept is now acting, I suppose you are acquainted with his conduct & deportment while here, if not it will be easy to obtain correct information on the subject by referring to Gov. Anderson and

9226

Mr. Whaling who leaves here on Monday next 20 inst
for Washington City

Very Respectfully Yours

Thos. P. Shuley

Supt Ind affs

Steamer Alta California.

MONDAY, DECEMBER 20, 20, 1858.

Superintendent of Indian Affairs in California.

Our Washington correspondent, in his letter of the 19th inst., published in yesternay's *Alta*, stated that in consequence of certain charges of fraud filed in Washington against the present Indian Agent, Col. Henley, that he would probably be dismissed from office.

Now, in regard to our correspondent's letter, we say that he states what he has learned in Washington in relation to these matters. There is no doubt in our mind but that the charges, as mentioned by our correspondent, have been preferred, and he only gives them as he finds them recorded.

As a matter of justice to Col. Henley we publish the following communications from him:

EDITORS ALTA CALIFORNIA:—I perceive in your paper of this morning a statement from your correspondent at Washington, to the effect that I had been accused with fraud in purchasing goods.

It does not become me to say much in reference to anonymous accusations, but it is no presumption to let facts speak for themselves.

You will oblige me by inserting the following affidavit of several respectable merchants in this city of whom I have purchased goods. I have also the affidavits, stating the same facts, of Goodwin & Co., R. Elliott, Haseltine & Co., and others, including all with whom I have ever dealt in this city, but as they were taken separately, and would occupy some space, I will not ask their publication at present.

In my communication to the Department in reference to the testimony here alluded to, I made this remark, "I do not say that every man with whom I have done business would take the same oath that has been taken by those gentlemen; but this I *will* say, that if those who assail me, can, with all their zeal to prove something against me, find any two men, of fair character, of the thousands to whom I have disbursed public money, who do not unhesitatingly swear that the transactions were in every respect correct, then I will admit that the vigilance of the prosecutors in this business have discovered and brought to light something which should properly awaken the suspicions of the Department. I include in this all those who have been dismissed by me from employment, as well as those with whom I have dealt, and who have been disappointed in not receiving a larger share of patronage." Among whom the men who make the six thousand dollar voucher stands most prominent.

Perhaps it is not out of place here to remark that the man making these charges has defrauded his creditors; is reputed to have swindled his partners; is now a bankrupt for the third or fourth time; has lived for several months past by borrowing from his old acquaintances, which he never pretends to pay. Six months ago he borrowed from a friend of mine, at my instance, four hundred dollars, which he made no effort to pay, and now owes me about one hundred dollars, borrowed in small sums, from time to time, to keep him from starving; and has, moreover, the promise of an official situation in case I am removed. This may throw some light upon his conduct towards me.

THOS. J. HENLEY.

SAN FRANCISCO, Dec. 16, 1858.

AFFIDAVITS.

The undersigned, merchants and traders in the city of San Francisco, California, having been duly sworn, depose and say, that Thomas J. Henley, Superintendent of Indian Affairs, has been during the last three years a regular purchaser of goods from us, for the use of the Indian Department, and that the prices paid were invariably at the lowest cash rates; and we further say that the prices inserted in the official vouchers, as signed by us, were the identical prices paid by Colonel Henley for the goods purchased, as an inspection of our books will show.

No such transaction as procuring goods at our price and obtaining receipts at another was ever attempted, or intimated, by the Superintendent of Indian Affairs during the whole period of our business transaction with him. All vouchers signed by us were carefully examined and compared with the entries in our books. We were never requested to sign blank vouchers. None of our customers have in our opinion been more careful or particular than Colonel Henley, in regard to the price and quality of the goods purchased by him.

THOS. J. SMILEY,

Of the firm of Smiley, Yerkes & Co.,
and Smiley Brothers.

JOSEPH DONAHUE,

For the firm of Eugene Kelley & Co.

W. F. BRYANT,

For the firm of Bryant & Co.

Sworn to and subscribed before me
{ L. S. } this 2d day of February, A. D. 1858.

W. F. SWABBY,
Notary Public.

The Interior Department

is one in which California is particularly interested, controlling, as it does, the land operations and Indian service of the country. Secretary Thompson's report will be very full and replete with important and interesting facts. But yet it is made up almost

entirely of "bureau" reports from his subordinate officers. The annual report from the

Indian Office

will be made by General Denver, and its leading feature will be the exposure of the present bad management of our Indian matters on the Pacific coast, and more particularly in California. The Government here is exceedingly dissatisfied at the way in which things have been managed on the California reservations. These reservations were designed

Indian Reservations a Failure

to be a self-supporting system, and so they were in their beginning; but now they have become vast alms establishments for the support of paupers and beggars. Even hunters, herdsmen, fishermen, and guides are employed for the Indians, and every imaginable expense incurred which could tend to swell the expense or degrade the service. Such being the state of the case, Secretary Thompson will go to the other extreme and apply the knife rather deeply for the good of the service. The reservations will not be immediately abandoned, but a very large proportion of the employes will be turned adrift, and among them

Superintendent Henley Dismissed.

The present Superintendent, Mr. Henley, will be required to walk the plank. This has been determined on for some time, even several weeks before General Denver returned from Kansas.

Charges of Fraud

of a very serious character have been made against Mr. Henley, supported by the affidavits of several respectable citizens. One man swears that he sold Henley eleven hundred dollars' worth of material, for which he was requested to sign a voucher in blank. This voucher was afterwards filled up for more than six thousand dollars, and presented here for settlement. This fact alone would render Henley's removal absolutely certain.

Who is to be the Successor?

The President seems determined to place his friend Mr. Nugent, of the *Herald*, in this official berth, though there appear to be some objections to the appointment. In the whole transaction the present Commissioner (General Denver) remains neutral and takes no part. It was all arranged before his return from the West, and he is unwilling now to mix himself up with it.