

**REPORT**

OF

**THE SECRETARY OF WAR,**

RELATIVE TO

**Disbursements for the Indian Department,**

MADE

In obedience to a resolution of the House of Representatives of 10th January, 1822.

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JANUARY 16, 1822.

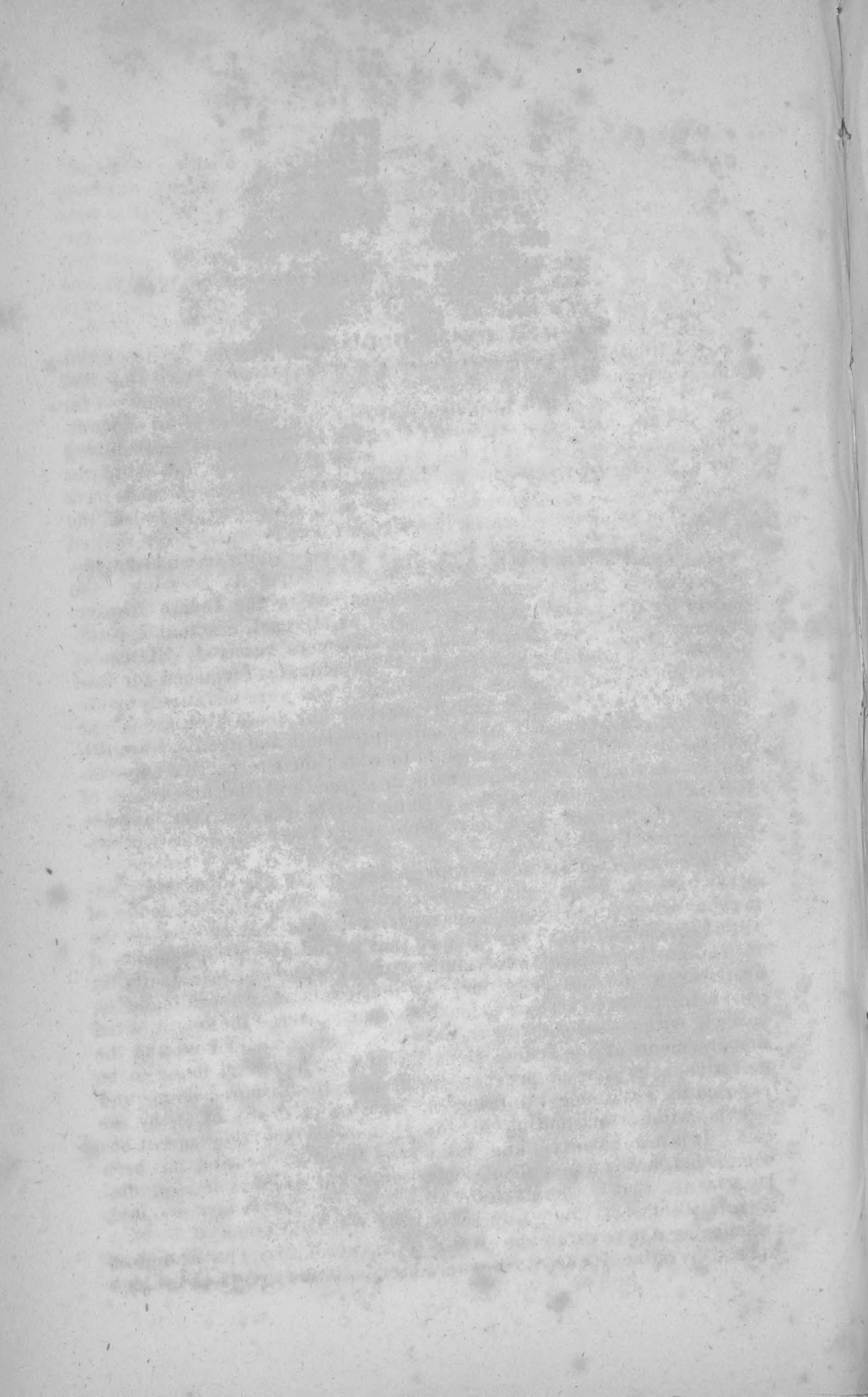
Read, and committed to that Committee of the whole to which is committed the bill making partial appropriations for the military service for the year 1822.

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WASHINGTON :

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1822.



## DEPARTMENT OF WAR,

*January 15, 1822.*

SIR: The Secretary of War, to whom was referred the resolution of the House of Representatives of the 10th instant, "directing that the Secretary of War communicate to that House a statement (so far as the same may be in his power to make) of the items of all expenditures made, and expenses incurred in the Indian Department during the years 1820 and 1821, together with abstracts of the estimates furnished for said years by the Indian agents, upon which funds have been advanced, or expenses incurred; and, also, a statement of the several amounts to which their respective expenditures were limited by the instructions of said Secretary," has the honor to enclose herewith a statement of the Second Auditor, marked A, showing "the expenditures made, and expenses incurred in the Indian Department, for the years 1820 and 1821," as far as the actual expenditures can be ascertained from the vouchers received. Statement marked B. containing "abstracts of the estimates furnished for said years by the Indian agents, upon which funds were advanced, or expenses incurred," and documents marked C., containing a circular of the 19th March, 1821, to the superintendents and agents, by which will be seen "the several amounts to which their respective expenditures were limited," together with an estimate of the arrearages of the Indian Department at the termination of the last year, and the general regulations which have been adopted to control the expenditures of that Department.

The estimates on which advances were made are necessarily imperfect for the year 1820, as the regulation changing the mode of making advances to agents and superintendents was adopted on the 19th February of that year. Before that period, the disbursements of the Indian Department were made without estimates, principally on drafts drawn on this Department by the agents and superintendents, care being taken in accepting the drafts not to exceed the sum allotted to each, without satisfactory explanation. This mode of covering the disbursements of the Indian Department was, however, found to be defective, as it gave no previous check over the disbursements, and exposed the government to fraud in disposing of drafts on it, by the agents, without accounting for the premium which they might obtain. It is not, however, known that any fraud of the kind has been committed, but it was a strong objection to the mode of making disbursements, that it was liable to abuse. Under the system adopted, if rigidly enforced, the possibility of such frauds is excluded.

Believing it to be within the intention of the resolution, I have annexed to the copy of the circular to the superintendents and agents, of the 19th

March last, which contains the amount to which their respective expenditures were limited, copies of various other circulars which had been at different times adopted in order to introduce economy and accountability, and thereby diminish the expenditure of the Indian Department. In addition to these, special instructions, applicable to the peculiar state of each agency, have, with the same view, at various times, been given to the different agents. On account of its amount, and liability to abuse, the expenditure which particularly claimed the attention of this Department was that on account of rations issued to Indians. Not long after the commencement of the present administration of this Department, the circulars in relation to issuing rations, copies of which accompany this report, were issued to the agents and superintendents. It is believed, that the regulations which they contain, have had a very happy effect in preventing impositions on the government and diminishing the disbursements of the Indian Department.

By referring to the accompanying documents, it will appear that the aggregate amount allotted to the agents and superintendents, under the circular of March last, is \$79,500, leaving \$20,500 to meet such general charges against the appropriation as belonged to no particular agency, such as the debits which might be brought against it in the settlement of former accounts of expenditures for the expenses of rations issued to the Indians through the commissary of provisions, of visits of Indians to the seat of government, general expense under the Indian intercourse act of 1802, transportation of annuities, &c. The sum allotted to these various objects has proved insufficient. Even with the addition of the balance of the appropriation of the last year, it has not been sufficient to meet the debits arising from the settlement of old accounts. It was believed, when the estimates of the last year were made, that the balance of the appropriation of the preceding year, with such credits as might be brought to the Indian appropriation from the settlement of old accounts, would be sufficient to cover the debits. Such, however, has not proved to be the fact, as will appear by reference to the statement of the Second Auditor of the Treasury, which accompanies this report. It is proper to remark that the debits which have been brought against the Indian appropriation in the last and preceding years, have risen principally out of the settlement of the accounts of army contractors, under contracts made before the establishment of the present system of supplying the army with provisions, which commenced on the 1st of June, 1819. The amount of rations issued to Indians could not, under the old system, be ascertained till the contractor rendered his accounts for settlement, on which the provisions issued to Indians were charged to the proper appropriation, and the appropriation for the Indian department for the year was thus liable to be affected by the disbursements of former years. As the accounts of the former army contractors have been all audited, and as the prompt settlement of accounts under the present system of supplying the army with provisions prevents the accumulation of outstanding claims, it is believed that the appropriations for

the Indian Department will not hereafter be affected materially by the settlement of outstanding accounts; but as balances remain due the United States, in several cases, on account of subsistence, for the recovery of which suits have been instituted against the contractors, it may occur that awards may be made in their favor on items chargeable to the Indian Department, which, on settlement by the accounting officers, have been decided to be inadmissible. In such cases the appropriation for the Indian Department will be charged, and the subsistence credited with the amount.

In conclusion, it may not be improper to state, that, although two hundred thousand dollars has been the amount of the annual current appropriations for the Indian Department, from the termination of the late war till last year, yet the disbursements considerably exceeded that sum previous to the year 1820, the difference being made up from time to time by appropriations for arrearages. The acting Secretary of War, Mr. Graham, estimated the disbursements of the Indian Department at two hundred and fifty thousand dollars, in the year 1817. In his letter to the chairman of the Committee of Ways and Means of the 4th of January of that year, he states: "The expenses of the Indian Department have been estimated at two hundred thousand dollars; it is, however, recommended that this estimate should be increased, so as to make a permanent annual appropriation for this object, of two hundred and fifty thousand dollars at least. The circumscribed limits of most of the Indian tribes east of the Mississippi and Illinois rivers, having rendered their dependance upon the chase for subsistence more precarious, has produced a more frequent intercourse between those Indians and the agents of the United States, and a consequent increase of the issue of rations and of presents to them." In addition to these causes, the number and importance of the treaties which have been held with the Indians since the late war, the great increase of the annuities, and extension of the frontier, have tended very much to increase the disbursements of the Indian Department. Believing it, however, to be the intention of Congress that the expenditure should not exceed two hundred thousand dollars per annum, efficient measures were adopted shortly after the commencement of the present administration of this Department, to reduce the amount of the expenditure within that sum.

Acting on the same principle after the reduction of the appropriation of the last session to one hundred thousand dollars for the expenses of the Department, every effort was made to reduce the disbursement within the amount appropriated, which could be made without deranging the system established under existing laws. The consequence has been a very considerable reduction in the disbursements, but it has not been practicable to bring the expenditure within the appropriation. Though measures were taken immediately after the passage of the act making the appropriation, yet at points so remote as those at which most of the agencies are fixed, nearly one half of the year had elapsed before any considerable diminution could be effected in the rate of expenditure authorized by previous appropriations, by which time (the previous expenditure being at the rate of



\$200,000 per annum) the appropriation was nearly exhausted, and the expenses of the Department have been accumulating against the Government, without the means of meeting them.

All which is respectfully submitted.

J. C. CALHOUN.

HON. PHILIP P. BARBOUR,

*Speaker of the House of Representatives.*

A.

TREASURY DEPARTMENT,

*Second Auditor's Office, January 15, 1822.*

SIR: In compliance with the resolution of the House of Representatives, under date of the 10th instant, calling for a statement of "the items of all expenditures made and expenses incurred in the Indian Department during the years 1820 and 1821," I have the honor to transmit you herewith a statement exhibiting the expenditures in each of those years.

Believing it would comply substantially with the intention of the House of Representatives, in their call for information, the statement which is furnished presents the amount of actual disbursements for the years 1820 and 1821, under general heads, instead of furnishing each item, which could not be done without causing a delay of several weeks, as those items are very numerous as well as various; the contingent disbursements, for the most part, being composed of small sums.

It is proper to observe that the expenditure for 1820, as ascertained from accounts which have been actually rendered, amount to the sum of \$ 142,385 27, while the amount of warrants issued that year amount to that of \$ 191,735 19, making a difference of \$ 49,349 92, which is to be accounted for in the following manner:

Amount appropriated for 1820	-	-	-	\$ 200,000 00
Balance of amount refunded by annuities, after deducting \$ 62,984 81 overdrawn by Indian Department on the 1st January, 1820,	-	-	-	15,448 16
Amount available for 1820	-			\$ 215,448 16
Disbursements made for 1820, exclusively, per statement A	-	-	-	142,385 27
Amount charged to the appropriation by transfer from 3d Auditor's office for rations issued in 1818,	-	-	-	9,667 23

This amount advanced by warrant to subsistence, on account of larger sums claimed by that department for rations issued in 1818, 1819, and 1820, - -		15,000 00
This amount arising out of disbursements made in 1819, and paid by warrants in 1820; also, of advances made in 1820, which have only been accounted for in the first quarter of the ensuing year -		34,349 92
Balance of appropriations on 1st January, 1821, - - - - -		14,045 74
		<hr/> \$215,448 16 <hr/> <hr/>

Thus accounting for the difference of \$ 49,349 92 by the \$ 15,000 advanced to subsistence, and \$ 34,349 92 arising out of disbursements, or advances, not immediately relating to the year 1820.

The accounts for 1821 have been rendered but partially for the third quarter, and none have yet been received for the fourth. The appropriation for that year has been charged on the settlement of a contract under date of 6th December, 1817, of Turk and Henderson, for supplies of provisions to the army, with the sum of \$ 43,604 27, and there remains to be brought to the debit of Indian Department, as soon as there is a sufficient fund, the sum of \$ 18,803 37, under the contract, dated 26th January, 1816, of James Thomas, for issues of provisions in 1816 and 1817, which account has been audited in the course of last year.

The sum of \$ 130,205 44, appropriated for arrearages in 1821, has been absorbed in the settlement of the contracts of Ward and Johnson, of 20th January, 1815, and William P. Rathbone, of the 1st November, 1816.

I have the honor to be,

Very respectfully, sir,

Your most obedient servant,

WILLIAM LEE.

Hon. J. C. CALHOUN,  
*Secretary of War.*

## A.

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**STATEMENT of the Expenditures of the Indian Department in the years 1820 and 1821, furnished in pursuance to a resolution of the House of Representatives of the 10th January, 1822.**

NATURE OF THE EXPENDITURES.	1820.	1821.
For compensation to Commissioners for running boundary lines, agents, sub-agents, interpreters, and blacksmiths - - - - -	59,517 66	45,310 74
For presents to, and for Indians - - - - -	22,349 71	14,451 58
For provisions for Indians - - - - -	17,589 93	3,235 38
For contingent expenses, as buildings and repairs, tools and general expenses of smith shops, expresses, transportation, laborers, removal of Indian emigrants, repairing agricultural implements, and expenses incident to executing the intercourse per act of March, 1802 - - - - -	43,027 97	34,985 26
Dollars -	142,385 27	97,982 96

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TREASURY DEPARTMENT,

Second Auditor's Office, 15th January, 1822.

WM. LEE, Second Auditor.



**ABSTRACT of the Estimates of the Superintendents and Agents for Indian Affairs, of the expenses of their several Superintendencies and Agencies, for the years 1820, and 1821.**

Superintendencies and Agencies.	Pay of agents, sub-agents, interpreters, & blacksmiths.	Contingent expenses, as buildings and repairs, tools, and general expenses of smith's shop, removal of Indian emigrants, presents, rations issued by the agents, and all contingent expenses incurred at the agency.	Amount of estimates.	Amount to which the estimates were reduced by the Department of War.
1820.*				
Superintendency of the Governor of Michigan territory - - - -	20,380 20	22,329 60	42,709 80	
Superintendency of the Governor of Missouri, (late territory) - - - -	15,532 00	28,591 29	42,123 29	
Superintendency of the Governor of Arkansas territory - - - -	5,600 00	900 00	6,500 00	
Creek agency - - - -	4,900 00	650 00	5,550 00	
Choctaw agency - - - -	5,536 00	3,000 00	8,536 00	
Cherokee agency, (Tennessee) - - - -	2,600 49	7,818 79	10,419 28	
Chickasaw agency - - - -	1,825 00	2,480 00	4,305 00	
Illinois agency - - - -	3,993 60	1,323 92	5,317 52	
Red river agency - - - -	1,620 00	4,380 00	6,000 00	
	59,987 29	71,473 60	131,460 89	
1821.				
Superintendency of the Governor of Michigan territory - - - -	21,755 00	22,635 00	44,390 00	31,410 00
Superintendency of the Governor of Missouri, (late territory) - - - -	15,196 00	19,778 64	34,974 64	25,677 50
Superintendency of the Governor of Arkansas territory - - - -	5,600 00	2,385 00	7,985 00	6,423 00
Creek agency - - - -	4,700 00	1,920 00	6,620 00	4,262 50
Choctaw agency - - - -	5,032 94	1,150 00	6,182 94	4,980 00
Cherokee agency, (Tennessee) - - - -	2,600 77	5,816 92	8,417 69	7,038 00
Chickasaw agency - - - -	2,200 00	1,200 00	3,400 00	
Red river agency - - - -	2,420 00	2,079 00	4,499 00	4,000 00
Illinois agency, for the first and second quarters, the agent being transferred to the Osages; and for the two last quarters of the year, is included in the estimate of Governor Clark	2,014 00	1,000 00	3,014 00	2,000 00
	61,518 71	57,964 56	119,483 27	

\* The estimates for 1820 are imperfect, the regulations requiring them having been adopted on the 19th of February, of that year. Believing that it would better effect the intention of the call for information, the estimates of the whole year have been made out principally by those of the two last quarters, on the supposition that the expenses of the two first quarters were similar to those of the two last; which, it is believed, would be found to correspond substantially with the fact.

A small amount of disbursements have been made without estimates, in Florida, and at the Agency at Vincennes, which was discontinued in July last; and to which there was no allotment of funds.

## C.

*Copy of a Circular to Superintendents and Agents for Indian Affairs.*

DEPARTMENT OF WAR,

September 5th, 1818.

SIR: The Fifth Auditor of the Treasury Department has been charged to adjust the claims which Indians may have, under existing treaties, or the 4th section of the act "to regulate trade and intercourse with the Indian tribes, and to preserve peace on the frontiers," passed 30th March, 1802; and similar claims on the part of our citizens, embraced by the 14th section of the same act, or any existing treaty with the Indian tribes.

In case of injury to our citizens, after making the demand for a redress of the injury, as pointed out by the act, you will, if it is not redressed in the time specified, forward the claim, properly testified; stating the time, place, and circumstance, of the injury complained of, to the Fifth Auditor, for his examination. Your opinion on the truth of the claim, and the amount of damage, will accompany your report.

In case of injury done to the Indians, you will make a similar report, accompanied with your opinion, to this department, and to the District Attorney where the person who has done the injury resides; so that proper legal steps may be taken against the wrong doer, in order to make the reparation at his expense, and not at the expense of the public, which should, if possible, be avoided. No payment, except through the order of this department, will be allowed.

I observe that, in most of the applications made for reparation of injury, no care is taken to comply with the requisitions of the act; but, it is hoped, that in future, they will be made more regular, as none will be admitted but such as the law or treaties provide for, and in which the provisions of the act have been complied with.

I have, &amp;c.

J. C. CALHOUN.

*A Circular to the Commissioners to hold Treaties.*

DEPARTMENT OF WAR,

11th September, 1818.

GENTLEMEN: The number and importance of the treaties to be held this year, and the great amount of rations which must necessarily be issued to the Indians while attending at the treaties, render it necessary that some system should be adopted to govern such large

disbursements. I have therefore to request, that you will designate the Indian agent, if he should be present, or in case he is not, some suitable person, who shall ascertain the number and component parts of rations daily issued. The manner of issuing and certifying, to conform, as near as may be, to the mode which prevails in issuing the rations to soldiers; and at the conclusion of the treaty, to be presented to you for your approval. Where the rations have not been issued by the contractor for the district, the contract or the condition on which the rations were furnished, must be certified to this department for settlement.

I have, &c.

J. C. CALHOUN.

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*A Circular to Indian Agents.*

DEPARTMENT OF WAR,

15th September, 1818.

SIR: The disbursements, on account of rations issued to the Indians have become so great as to require the most rigid rules and economy. If consistent with your other duties, you will in all cases attend treaties to be held with the Indians, among whom you are agent, and will cause an exact enumeration to be made of those present to be furnished with rations, and will make a daily requisition, accompanied with a certificate of the number to be furnished with rations. The contractor or deputy commissary, as the case may be, can obtain a credit at the office of the 5th Auditor on such requisition and certificate only.

You will avoid, as much as possible, the causing such an assemblage of Indians as will render it necessary to issue rations to them; but when it becomes necessary on account of distributing annuities, or any other sufficient cause, you will make your arrangements to do it with the greatest dispatch, and in the most economical manner. If the meeting should be held at, or near a place at which there may be a deputy commissary, (after the 1st of June next) due notice will be given him, of the time, place, and probable number of rations which may be required; in order that he may make his arrangements accordingly. The commissary will issue on your daily requisition, in which requisition you will state the number of Indians present who are to be furnished with rations. Should there be no deputy commissary at, or near the place, you will cause a written contract for the supply of the rations, to be made upon the most advantageous terms which you can for the government. A duplicate of which you will certify to the 5th Auditor, stating in your certificate particularly that



the contract was made on terms the most advantageous to the government which could be obtained.

In all cases where rations have been issued to an assemblage of Indians, except in holding a treaty, or for the purpose of distributing annuities, or presents, you will immediately notify this department of the cause; for neglect of which you will be liable to be charged with the rations issued.

Indiscriminate issues of rations to straggling Indians, who may visit the agency, having the most pernicious effect on them, by encouraging idleness, no allowance for such will be made.

I have, &c.

J. C. CALHOUN.

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*Circular to Indian Agents.*

DEPARTMENT OF WAR,

17th September, 1819.

SIR: The enclosed extract of a letter from the Second Auditor of the Treasury will show you the necessity of punctuality in rendering quarterly statements of your expenditures; and it is expected that every Indian agent, after the receipt of this circular, will prepare, and forward immediately, after the 31st December next, statements of all their expenditures up to that period, and thereafter regularly every quarter. The irregular manner in which they have heretofore been transmitted, renders it impossible to settle up the accounts of the Indian department, which is very desirable, and any omission to comply with this order will be viewed, by the department, as evidence of neglect of duty, and inattention to the public interest.

I am, &c.

J. C. CALHOUN.

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*Extract of a letter to the Secretary of War.*

TREASURY DEPARTMENT,

Second Auditor's Office, 10th Sept. 1819.

SIR: It appears, upon an examination of the accounts relating to Indian affairs, which have been transmitted to this office since the passage of the law of the 24th February, 1819, on that subject, that

Messrs. Henry Sherburne, John McKee, John Johnson, and N. Boilvin, have been regular in rendering statements of their expenditures; many of the agents have made no communication since the passage of the act aforesaid; and, as it frequently occurs that the transactions of one agency are connected with those of some other, it is very desirable that a uniformity in rendering their statements should be kept up, so that the examining clerk may be enabled to refer from one to the other, as circumstances may require.

I have, &c.

WILLIAM LEE.

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*Circular to Indian Agents.*

DEPARTMENT OF WAR,

19th February, 1820.

SIR: It is required that, in future, no drafts be drawn by Indian agents on receivers of public moneys, or on this department, for the current expenses of their agencies, but that quarterly estimates of the sums necessary for that purpose be furnished in advance, by each agent, in order that the money may be remitted from the Treasury. This estimate to include the expenses of the sub-agent, if any, under your control.

Punctuality in rendering such estimates, for one quarter in advance, will be rigidly exacted, in default of which no funds will be furnished.

I have, &c.

J. C. CALHOUN.

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*Circular to Indian Agents.*

DEPARTMENT OF WAR,

19th February, 1820.

SIR: The practice of the Indian chiefs in visiting the seat of government during the session of Congress, is attended with great inconvenience, as it is impossible to spare any time to devote to them or their affairs, from the more important and pressing business of the nation. In future, the chiefs of the several Indian tribes must not be permitted to visit the seat of government, unless the Department is



first notified, through their agent, of their desire to do so, and its sanction is obtained to the measure. You will inform the chiefs of the nation to which you are agent, of this order on the subject, and that, if they visit the seat of government without complying with it, they will have to bear their own expenses.

I have, &c.

J. C. CALHOUN.

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*Extract of a letter from the Secretary of War to Governor Cass, dated November 24, 1820.*

“Your letter of the 28th ult. enclosing an estimate of the expenses at the different Indian agencies under your superintendence, for the half-year ending the 31st December next, has been received.

“I am satisfied that the estimate has been formed from the best information in your possession, and is as low as the great expenditures in your superintendency, the past season, arising out of various treaties, would permit it to be made; but, it appears to me that, in the estimates for the next year a considerable reduction may be made in the items of “presents and contingencies;” which, I presume, from the circumstance abovementioned, have been put in the present estimate, at the highest probable amount. It is, in my opinion, formed from experience, the best policy to endeavor to make the Indians *feel* the necessity of laboring for themselves, by gradually withdrawing the supplies which they have usually received from the government. While they depend upon the government for such supplies, they can never be made to understand what is their true interest, and all our efforts to improve their condition will be unavailing.”

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*Circular to Indian Agents.*

DEPARTMENT OF WAR,

March 19, 1821.

SIR: Congress having, at the last session, reduced the appropriation for the Indian Department from \$200,000 to \$100,000, it necessarily follows that a proportionate reduction should be made in the expenses of the Department.

This cannot be done without confining the disbursements of the Department exclusively to objects which cannot be dispensed with,

to wit: pay of agents, sub-agents, interpreters, blacksmiths, transportation and distribution of annuities, farming and manufacturing utensils, &c. and avoiding all others, as far as it can be done without injury to the public interest, or violation of the laws or treaties; otherwise it will be impossible to make the appropriation adequate to meet even the positive and necessary expenditures of the Department, for the year.

The disbursements at your agency, in future, for the pay of yourself, sub-agent, and interpreter, and all other expenses, must not exceed — dollars; and you will endeavor, by rigid economy, to make it as much less as possible.

If the number of persons in the public employment at the agency can be reduced with propriety, it ought to be done immediately.

Funds will be remitted to you from the Treasury, upon your quarterly estimates, as heretofore.

I am, &c.

J. C. CALHOUN.

NOTE.—A similar letter with the above, was addressed to the superintendents.

*The following distribution of Funds was made under the appropriation for the Indian Department, for 1821.*

Governor Cass,	-	-	-	\$ 24,000
Governor Clark,	-	-	-	20,000
Governor Miller,	-	-	-	6,000
Creek agent,	-	-	-	6,000
Choctaw agent,	-	-	-	6,000
Chickasaw agent,	-	-	-	4,000
Cherokee agent, (Tennessee.)	-	-	-	4,000
Illinois agent,	-	-	-	4,000
Red River agent,	-	-	-	4,000
Sub-agent Six nations, New York,	-	-	-	1,500

*Estimate of arrearages in the Indian Department, at the end of the year 1821.*

Governor Clark	- - - -	\$6,726 00	Sums authorized to be drawn for, to be paid upon the passage of the appropriation bill.
Robert Crittenden, (acting governor Arkansas Territory)	- - - -	1,500 00	
Colonel Meigs	- - - -	4,903 00	
Mr. Graham	- - - -	5,487 50	
P. Menard	- - - -	4,000 00	
George Gray	- - - -	1,000 00	
William Ward	- - - -	3,330 00	
Captain Bell, (act'g Indian agent, Florida)	- - - -	1,000 00	
Governor Miller	- - - -	3,973 00	
Colonel Nicholas	- - - -	2,000 00	
Colonel Crowell	- - - -	1,262 50	
Governor Cass	- - - -	19,000 00	
On account of this amount due to the Stockbridge and Munsee Indians	- - - -	2,000 00	
Major O'Fallon	- - - -	4,318 53	
Thomas Forsyth	- - - -	909 00	
L. Taliaferro	- - - -	555 00	
		62,000 00	
Due for issues to Indians, under Colonel James Thomas, contractor for supplying the army, under date of the 26th January, 1816, and which remained unsettled for want of an appropriation,	- - - -	18,863 37	
		<u>\$80,863 37</u>	

In the settlement of accounts for Indian annuities, the foregoing estimate of arrearages in the Indian Department, at the close of the year 1821, will be reduced to about \$74,000, making \$4,000 more than was estimated at the time the letter of the 17th ult. was written to the Chairman of the Committee of Ways and Means.

DEPARTMENT OF WAR,  
14th January, 1822.

