

the reviewing authority the delay is sometimes as much as nine months. Examples of this are: PSL 16. The original lease was submitted on May 19, 1959 for Bureau approval and was finally approved on September 11, 1950. The first Supplement to that lease was submitted July 11, 1960 and approved December 29, 1960. The second Supplement was submitted February 11, 1963 and was finally approved December 17th of the same year.

PSL 104 was submitted for approval on April 21, 1967 and finally approved on September 7th of that year.

PSL 105 was submitted on \_\_\_\_\_ and has not yet been returned, approved or dis-approved by the Bureau.

On the question of inadequacy of records the conclusions of the Report are just that. The Audit Reports themselves would reflect whether or not any of the estates had inadequate records.

These Audit Reports were not available to me, therefore, I can make no specific comment relative to the conclusions made by the Report except that in the 25 cases where there were allegedly inadequate supporting documentation, 13 of these estates involved deceased or resigned fiduciaries whose records over the past years have probably been handled by his widow, his executor, his successor fiduciary, the attorney for his executor and may very well have been intentionally destroyed by the fiduciary after holding the same for years and after having had his accounts approved.

It is common business and fiduciary practice to submit an Accounting based upon all of the Receipts and Expenditures made during the preceding accounting period. Once the Accounting has been submitted to the Court for its approval and to the Bureau, the records substantiating that Accounting are generally held for a period of three or four years and then destroyed. To do otherwise would necessitate the hiring of vast storage areas.

Of those cases in which the assets were allegedly overstated or under-stated, it was the practice of the Bureau in conducting these Audits to take an asset at its original cost and to continue it throughout all subsequent accounting periods at its original cost, whereas in practice, assets in some cases depreciate and others appreciate and the depreciation and appreciation are reflected in subsequent accountings. Accordingly, if an automobile was originally purchased for \$5,000.00 the fifth Accounting thereafter would indicate its depreciated value whereas the Bureau's Auditor maintains that it should be listed at \$5,000.00.

Other conclusions set forth under this heading cannot be commented upon other than the fact that three of the cases involving cash shortages involved an Indian Conservator whose shortages were brought to the attention of the Court by her attorney and through the Conservatorship Program reimbursed the Estate of the children involved.

Schedule 5 appended to the Report not only is a composite of conclusions it is factually incorrect because the Audits were for each estate by individual fiduciaries.

For example, Numbers 13 and 14 in Schedule 5 each had two fiduciaries die in office before the present fiduciary assumed his position of trust. The records of the current fiduciary were not only adequate but were commended, however. Schedule 5 indicates that the records were inadequate, supporting documentation was missing and there was a cash overage, none of which comments apply to the present fiduciary.

An examination by this Committee of each Audit is the only way in which these individual comments can be refuted.

*Development of Indian Estates.* No comment is required on the land status portion of this Report.

In reference to the impediments to development there should be additionally set forth the fact that Riverside County, as other Counties charge a Possessory Interest Tax which in Indian Leases is always passed on to the Lessee.

Additionally the fact that the minimum rental of 8% of the appraised valuation plus a rental bond plus payment of Possessory Interest Taxes and all taxes assessed against the property plus the deposit of one year's rent in advance, are factors which are non-negotiable concerning Indian Leases. In these days of tight money most landlords are willing to make concessions in order to obtain tenants. Such concessions are refused by the Bureau whose approach to the development of Indian Land is inflexible and impractical.

Many Indians insist that all costs of leasing their property be borne by the Lessee and despite the conclusion of the Report that this necessarily involves