

338848

Ottawa, 4th May, 1909,

Sir,-

I beg to acknowledge receipt of your communication of March 29th, dealing with certain charges which were made against you by your late clerk, Mr. T. P. Gelfrey.

It is thought that the fullest information with reference to the produce of the Indians and of the Home Farm should be shown in the Agency books, and the payment do. in connection therewith.

In dealing with the purchase of oats from Indians for use upon your "private farm", you do not make it clear who paid for the oats; and the price is not given, nor the current rates at Abernethy. You will remember that on December 5th, 1897, you informed the Department that this farm was rented, so that it is taken for granted that the purchase was made by your tenant, you would have no interest in the supply of oats for use upon a rented property. Would you kindly explain this matter more fully, and state in what month this transaction appears in the cash book.

You have not made it clear in your letter whether your private cash in Banks is kept quite separate from your official deposits. This should be done and bank account should be kept for official funds. All

withdrew

W. H. Graham, Esq.,

Inspector of Indian Agencies,

Balcarres, Sask.

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withdrawals from this should be made by a special cheque marked "Trust Account", and if it is necessary to keep a small amount of cash as a sub-account, this may be easily accounted for and checked. Funds sent you for a special purpose should never be diverted for other uses, but should only be applied to the purposes for which they are specially designated.

As regards the matter of the payments to Hasmee, it is thought well to point out that if there had been an entire separation between your private and official cash, probably there would have been no ground for criticism.

The cheque issued by the Department, \$736.00, in favor of Hasmee, is brought to account on Page 20 of your Ledger on September 8th, 1907. This account was closed by a credit entry upon the same day. The individual accounts in the names of the five members of the Hasmee family show record of payments upon the same date. The receipts forwarded by you in support of the disbursements made under this cheque show that you made a payment of \$147.20 on October 20th, 1907, to the married daughter Irene, and that you made a second payment to Hasmee himself of \$588.80 on the 13th of April, 1908. Thus a period of over a month elapsed between the date of closing the account and the first payment made; and over seven months between that date and the date of the second payment. Would you kindly explain how these accounts came to be balanced before the payments were actually made, and where the cash was deposited in the interval.

You

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You do not touch upon the details of Mr. Geffrey's allegation. He stated that the first cheques to be issued against the \$5000.00 sent you to pay interest to Pasquah's Band were "two payable to Pasquah of the value of \$250.00". If Mr. Geffrey is correct in the statement that these two cheques amounted to \$500.00, there must have been a previous payment of \$500.00. Would you kindly deal more fully with Mr. Geffrey's statement, and it is thought well to ask you to forward to the Department all the paid cheques in connection with this transaction.

Your explanation as to the transaction at the Qu'Appelle Industrial School between that Institution and the Imperial Elevator Company is not clear. It was by no means necessary to cash this cheque to bring the matter to account. It should simply have been cancelled and a reverse entry made in the books. It is observed that although you say that you omitted to make the entry while on hurried visits to the School, you do not say whether the refund and the entry have actually been made. This fact should be definitely stated.

I shall be glad if you would report further on the matters dealt with in this communication.

Your obedient servant,

L. H. L.
Secretary.