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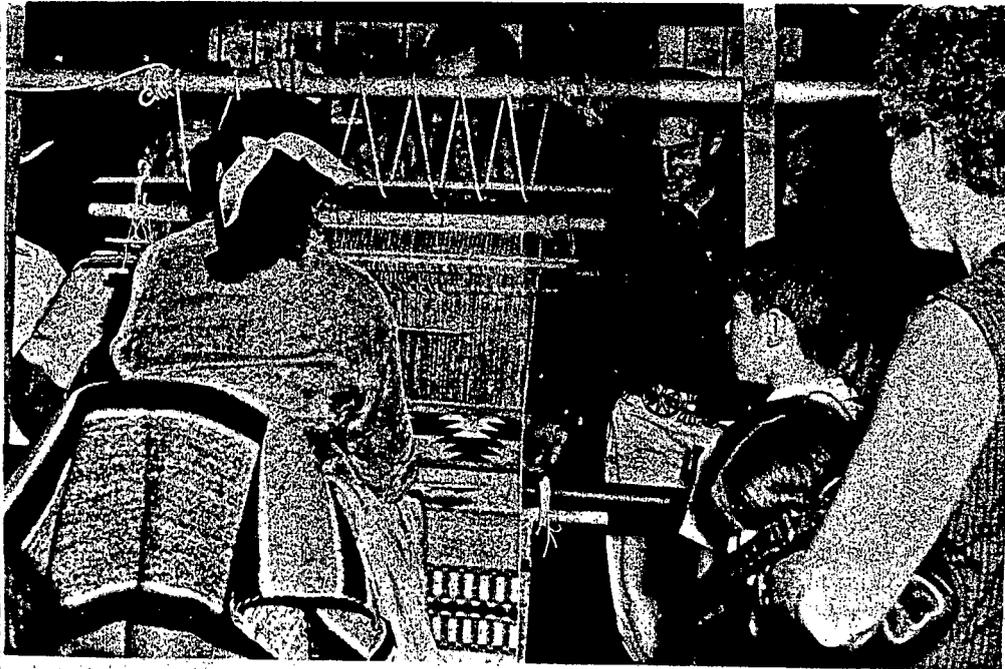
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1960 ANNUAL REPORT  
of the COMMISSIONER  
BUREAU OF INDIAN AFFAIRS,  
to the  
SECRETARY OF THE INTERIOR

Reprinted from the  
ANNUAL REPORT OF THE SECRETARY  
OF THE INTERIOR  
For the Fiscal Year Ended June 30, 1960.



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Actor Vincent Price, a member of the Indian Arts and Crafts Board, inspects the work of a Navajo rug weaver at the annual Inter-Tribal Indian Ceremonial in Gallup, N. Mex.

an agreement with the State of Wisconsin in which the State agreed to accept the transfer of all Federal public roads on the Menominee Reservation and to designate them as State, county, or township roads if the Bureau provided the rights-of-way and constructed certain roads. The estimated cost of construction was \$700,000. Funds were made available and the necessary work started and progressed on schedule for completion prior to termination of Bureau activities.

### *Arts and Crafts*

The Indian Arts and Crafts Board continued to provide technical advice and assistance in production and marketing to Indian crafts groups and to individual Indian artists and craftsmen.

During the past year a significant change was made in the operation of the Seminole crafts program in Florida. The Seminole Crafts Guild, organized in 1940 on the Brighton Reservation with membership restricted to crafts workers of that reservation, has been purchased by the Seminole tribe and become a part of the tribal enterprise system. An Indian village and arts and crafts center was built at Dania, Fla., and opened for business early in March. Upon the request of the tribe, the Indian Arts and Crafts Board through its

arts and crafts specialist continues to give advice and assistance in the operation of the crafts program just as was done with the Seminole Crafts Guild.

Early in the spring of 1960 work was begun on a new \$50,000 highway sales center building for Qualla Arts and Crafts Mutual at Cherokee, N.C. The building was scheduled for completion in July, well before the end of the tourist season. This craft organization has for some time looked forward to having its own building where all its activities could be housed. Previously, the craft shop was in one building while the business offices were in another some distance away. Having both activities in one building will make for more efficient operation and, because of the strategic and desirable location of the new building, prospects are bright for an increase in business.

In other areas where there are active arts and crafts projects—South Dakota, Oklahoma, and Alaska—there has been progress, particularly in the strengthening of the craft organizations. There was also a slight increase in sales over the past year.

### *Plant Design and Construction*

Primary consideration in the Bureau's construction program for fiscal 1960 was given to school facilities in order to provide classroom seats for those children not able to attend school because facilities did not exist. Additional work also involved alleviating the overcrowding at certain schools and the correction of some safety and sanitary hazards.

The Bureau architectural and engineering staff designed 46 individual projects and supervised the construction of 45 projects involving schools, dormitories, quarters, municipal centers, utilities, and other similar facilities.

Projects involving the construction of schools and related facilities providing for approximately 4,400 Indian pupils were under way during the year. Twenty-six of these projects were completed providing space for more than 2,000 pupils.

The Bureau assisted the United States Public Health Service in the Indian Health Program by completing 7 construction projects, including 3 hospitals and by supervising the continuing construction of 11 projects, which include 8 hospital facilities.

### *Credit Activities*

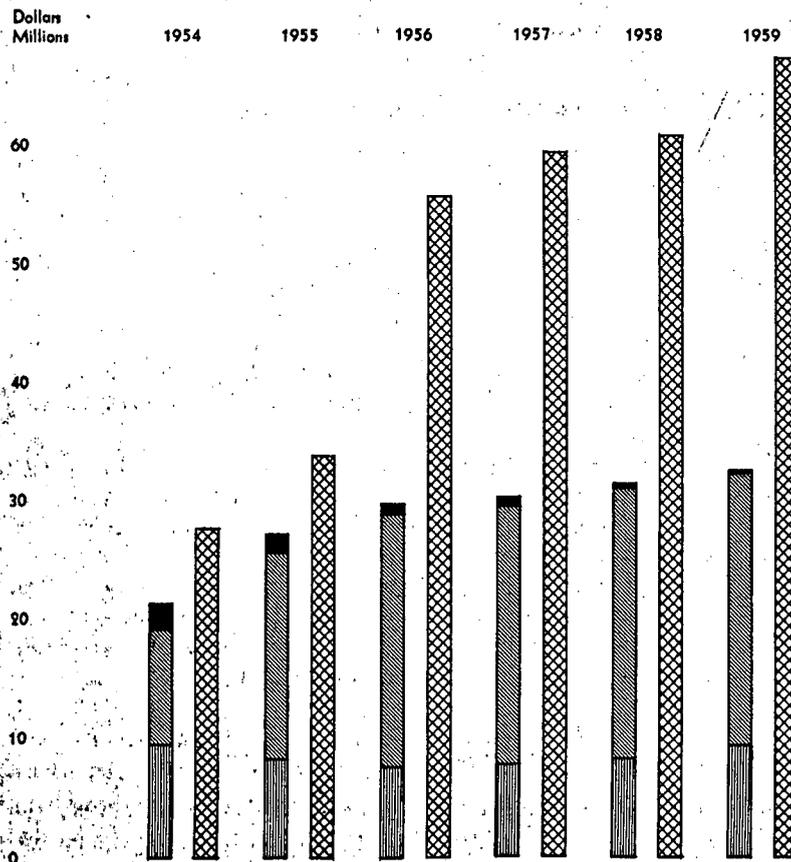
The activities of Indians have been financed more adequately the past few years than probably at any time in their history. The following table shows the progress made:

Report at June 30	Financing by customary institutions †	Financing through Bureau	Total
1954.....	\$27,665,135	\$21,448,504	\$49,114,939
1955.....	33,959,558	37,143,006	61,109,254
1956.....	55,725,811	29,961,399	85,687,110
1957.....	59,424,956	30,344,083	89,769,039
1958.....	60,998,783	31,441,536	92,440,319
1959.....	67,870,018	32,890,234	100,260,252

† Figures are as of December 31 of preceding calendar year.  
‡ Adjusted figures.

### COMPARATIVE SUMMARY OF FINANCING RECEIVED BY INDIANS AND THEIR ORGANIZATIONS

Key:  Customary Credit Channels (Non-Bureau)  
 Through Bureau Programs:  
 Revolving Credit Fund  
 Tribal Funds  
 Programs in Process of Liquidation



### Financing by Customary Financial Institutions

During 1959, the Bureau continued to place primary emphasis upon helping Indians and Indian organizations obtain needed financing from the same institutions that serve other citizens. Many Indians now deal with lenders on the same basis as other people. Consequently, complete information is not available on the amount of financing they receive. The estimated financing received by Indians from customary lenders during the current report year increased by more than \$6 million, or 11 percent over the amount received the preceding year.

The act of March 29, 1956 (25 U.S.C. 483a), authorizing the execution and approval of mortgages and deeds of trust on individually owned trust or restricted land, is proving of assistance to Indians in obtaining justified financing. They are now able to use their chief asset, land, as security. Thirty additional loans, amounting to \$256,363 were obtained by Indians during the current reporting year through the use of mortgages of their land as security.

An agreement was entered into during the year between the Valley National Bank of Phoenix, Ariz., and the Hualapai tribe under which the bank will make loans to members of the tribe on the basis of a guaranty fund furnished by the tribal organization. This should prove of value in encouraging these Indians to look to the same channels as other citizens for financing.

### Financing Through Bureau

Financing through the Bureau receives secondary emphasis in the Bureau's program. At June 30, 1959, the following funds were involved:

Funds of Indian organizations.....	\$22,972,052
Loans, revolving fund.....	9,515,749
Reimbursable loans.....	123,968
Livestock loans.....	78,465
<b>Total.....</b>	<b>32,690,234</b>

Tribes with funds of their own available are required to use their own moneys to make loans and finance tribal enterprises before applying for loans from the United States. At the close of 1959, a total of \$22,972,052 was in use, compared with \$22,778,045 at the close of 1958.

The United States makes loans to tribes, other Indian organizations, and individual Indians. Loans totaling \$9,515,749 were outstanding at the end of the year. A total of \$2,526,705 was loaned during 1959. This amount has been exceeded in only 3 years since establishment of the revolving fund was authorized in 1934.

Repayments totaled \$1,302,310 during 1959, compared with \$1,946,951 the prior year. Loan delinquencies were \$574,764, which is \$194,937 less than at the close of 1958. A reserve of \$1,437,847 was established for potential losses or slightly over 15 percent of the loans receivable. At the close of the year, there was a cash balance of \$3,115,005 available for general use. Against this sum were unadvanced commitments of \$3,724,510 including an estimated \$1,418,850 required to make loans to withdrawing members of the Klamath tribe during 1960, pursuant to the act of June 11, 1959 (73 Stat. 70). This cash balance is inadequate to take care of the credit needs of those Indians unable to receive financing elsewhere. A recommendation was made to the Congress that the revolving fund authorization be increased by \$15 million.

### Use Made of Funds Loaned and Advances

Indian organizations use their own funds and moneys borrowed from the United States to make loans to members and associations of members, and to finance business enterprises. The total financing through the Bureau was being used as follows at the close of the year:

Loans to individuals:			
Cash	-----	\$7,113,851	
Livestock	-----	771,833	
			\$7,885,484
Loans to Cooperatives	-----		191,554
Loans to and invested in enterprises	-----		19,442,772
Loans to attract industries	-----		129,830
Other:			
Reimbursable loans	-----	\$123,968	
Repayment in transit	-----	2,179	
Cash on hand:			
For relending	-----	2,879,433	
For livestock operations	-----	268,459	
Other net assets	-----	1,766,555	
			5,040,594
Total	-----		32,690,234

### Loans to Individuals

A total of 1,853 loans for \$2,969,073 were made during 1959. This is the largest number of loans and amount in 6 years, and is an increase of 850 loans for \$425,797 over 1958.

Repayments on individual loans were \$1,899,971, which was \$739,781 less than in 1958. Of the loans receivable amounting to \$7,113,651, a

total of \$1,988,136 was owing on loans which were either delinquent or in process of liquidation. Interest payments of \$130,898 also were delinquent.

### Loans to Cooperatives

The outstanding balance includes \$44,386 owed by two cooperative associations in Oklahoma which has been uncollectible for a long time, but which there is no authority to write off or cancel. These two uncollectible debts originated in loans made in 1943 and 1950. Cooperatives were carrying cash on hand of \$623,071 to continue operations at the close of the year.

### Financing of Enterprises

Payments of \$344,907 were delinquent. Enterprises were carrying as cash on hand at the close of the year \$2,586,323 with which to continue operations.

### Loans to Attract Industries

In fiscal 1960 the Bureau made its first loan to a tribal organization for the purpose of attracting industrial development. This was to the Eastern Band of Cherokee in North Carolina and was in the amount of \$150,000. The tribe used the proceeds of the loan, together with a matching amount of tribal funds, for the construction of a building with 75,000 square feet of floor space which was leased to a manufacturing establishment. Initially, the industry will employ about 150 workers, with preference given to Indians.