

Resolution No. 86-346

RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION

WHEREAS, the Tribal Council has reviewed and discussed the written statement submitted by Tribal Chairman Reno Johnson, Sr., and Vice Chairman Alvino Hawkins regarding the proposed contracting by the Bureau of Indian Affairs of Financial Trust Services with the Mellon Bank of Pittsburg whereby the Indian Trust Funds in the amount of approximately \$1.7 Billion representing the total financial resources remaining to the American Indian people for the natural resources, water rights, land and other assistance taken away from them during the past 200 years would be administered by the Mellon Bank of Pittsburg without tribal government input; and

WHEREAS, the Tribal Council supports the concept of an Indian Advisory Committee to ensure representation by Indian tribes in respect to the administration of these funds; and

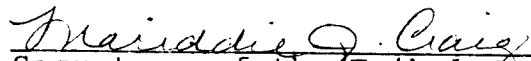
WHEREAS, the Tribal Council supports the contents of the statement contained in the record which is attached to this resolution and incorporated herein by reference in its entirety.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby endorses the statement contained in the record signed and submitted by Tribal Chairman Reno Johnson, Sr., and Vice Chairman Alvino Hawkins.

BE IT FURTHER RESOLVED by the Tribal Council that it hereby directs the Tribal Council Secretary to distribute this resolution and the attached statement regarding the contracting out of BIA Financial Trust Service obligations to the Arizona Congressional delegation and the Secretary of Interior.

The foregoing resolution was on November 7, 1986, duly adopted by a vote of 9 for and 0 against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (a,h,i,u) of the Amended Constitution and Bylaws of the Tribe, ratified by the Tribe June 27, 1958, and approved by the Secretary of the Interior on May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).


Chairman of the Tribal Council


Secretary of the Tribal Council

Resolution No. 86-346

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FORT APACHE INDIAN
AGENCY
WHITERIVER, ARIZ.

STATEMENT FOR THE RECORD

CONTRACTING THE BIA FINANCIAL TRUST SERVICES

The purpose of this Statement for the Record is to register with the Congress of the United States of America the very deep concern of the leadership of the White Mountain Apache Tribe in regard to the activities of the Bureau of Indian Affairs, under the direction of the Assistant Secretary of Indian Affairs, Mr. Ross Swimmer, to contract out the BIA's trust fund services to a single private financial institution.

The White Mountain Apache Tribe supports the basic philosophy that through the effective management and investment of the Trust Funds, Tribes can achieve far greater economic returns and better accomplish their governmental, economic and social goals. Trust fund management is a function of the BIA that is in desperate need of improvement. Through the better use of private sector expertise the BIA can improve the financial management of trust fund services and achieve increased earning potential for Tribes and individual members.

The Trust Funds (a total of approximately \$1.7 Billion) represents the total financial resources remaining to the American Indian people for the natural resources, water rights, land, and other assets taken away over the course of the past 200 years. The Trust Funds represent the lifeblood for the present and future operations of Tribal governments nationwide. Tribal governments depend on the income from the investment of the Trust Funds to operate Tribal programs, whereas individual tribal members rely on these funds to supplement meager personal incomes.

The Bureau of Indian Affairs' program to collect, centralize, and invest the total \$1.7 Billion Trust Funds with a single private financial institution jeopardizes the remaining financial resources of the American Indian Nations. Under the direction of Assistant Secretary for Indian Affairs, Mr. Ross Swimmer, the Bureau of Indian Affairs has neglected to provide for the participation of the Tribal governments in the decision to contract out the Trust Fund Services.

The leadership of the White Mountain Apache Tribe contends that the intentional disregard for tribal government input is in direct contradiction to President Reagan's American Indian Policy Statement as the following quotes indicate:

"This Administration recognizes the right of each Tribe to set its own priorities and goals. Our policy is to reaffirm dealing with Indian tribes on a government-to-government basis and to pursue the policy of self-government for Indian tribes without threatening termination. This Administration has sought suggestions from Indian Leaders in forming the policies we have announced. WE INTEND TO CONTINUE THIS DIALOGUE WITH THE TRIBES AS THESE POLICIES ARE IMPLEMENTED. The governmental and economic reforms proposed for the benefit of Tribes and their members cannot be achieved in a vacuum."

Does the Bureau of Indian Affairs have the authority to override a directive of the President of the United States? The leadership of the White Mountain Apache Tribe requests the Congress of the United States to investigate the Bureau of Indian Affairs' motives for ignoring Tribal government input and failure to consult with the Tribal governments regarding the contracting out of the Bureau of Indian Affairs' Financial Trust Services.

As a sovereign nation, the White Mountain Apache Tribal government demands that the Congress of the United States direct the Bureau of Indian Affairs to incorporate a mechanism to provide for Tribal government input and consultation including the Tribes, as owners of the \$1.7 billion Trust Funds, and the Interior Department's Bureau of Indian Affairs, trustee of the Indian monies, the U.S. Treasury Department's Financial Management Services, and the Mellon Bank of Pittsburg, to whom the contract for financial trust services has been awarded.

Since the trust funds are Indian monies, the Tribal governments must be allowed to participate in the investment decisions. The White Mountain Apache Tribal leadership proposes that the Congress of the United States direct the Bureau of Indian Affairs to establish an Investment Advisory Committee, comprised of tribal government representatives and the above mentioned parties, to oversee the overall investment process. The American Indian Tribes must be allowed to participate in the decisions relating to where, how, and with whom the trust funds are to be invested.

The broad purpose of the Investment Advisory Committee is threefold:

1. To insure tribal participation in the establishment of investment guidelines and objectives;
2. To protect and foster tribal control of investment decisions that directly affect the Tribal goals of economic self-sufficiency and self-determination; and
3. To coordinate tribal budgetary and investment strategy to insure that investments are made according to tribal needs and wants.

To summarize: The leadership of the White Mountain Apache Tribe is deeply concerned that the current actions by the Bureau of Indian Affairs to contract the financial trust services to the Mellon Bank of Pittsburg, without Tribal government consultation, sets a very dangerous precedent, one of contracting out trust responsibility without seeking tribal government input.

We are particularly concerned that this flagrant disregard for tribal government participation in the contracting of Tribal Trust Funds represents a subtle attempt by the Bureau of Indian Affairs to undermine tribal sovereignty by restricting the means to achieve financial and economic security.

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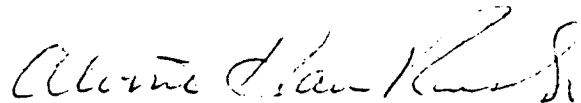
This action by the Bureau of Indian Affairs is directly contrary to the Federal objective of fostering the government-to-government relationship which recognizes and supports the tribal government's role in developing and managing tribal resources.

The White Mountain Apache Tribe must insist that the historic, documented commitment of the Federal government to American Indian nations be honored and that the Bureau of Indian Affairs be directed to provide a mechanism for tribal government participation and consultation in the management and administration of the Indian Trust funds.

Respectfully submitted,



Reno Johnson, Sr.
Tribal Chairman
White Mountain Apache Tribe



Alvino Hawkins, Sr.
Vice-Chairman
White Mountain Apache Tribe