

SPECIAL-CAA MEETING

Name of Organization: Tribal Business Council
Three Affiliated Tribes

Place of Meeting : Conference Room
Fort Berthold Agency
New Town, North Dakota
15 January 1970

Chairman Vincent Malnourie called the meeting to order. Roll Call: Vincent Malnourie, Rose C. F. High, Nathan L. Soldier, Adam Mandan, Gerald Nagel and Ralph Wells, Jr. No quorum. Tardy: Adrian Foote, Alfred Driver, Sr., and Ted Bolman, Jr. Quorum present. Absent: Philip Ross, Sr. Others present: Mr. Steve Quitta, ICAP Project Director, Paul Ewald, Acting Administrative Arm, Mr. R. Spaulding and Mr. Robert Wiedman, Accountants from Weber, Spaulding & Co., Minot, North Dakota, and Reba Walker, ICAP from Vermillion.

Vincent Malnourie turned the floor over to Mr. Quitta. Mr. Ewald requested to present the purpose of the meeting. Mr. Ewald stated the purpose of the meeting and everything transpiring today happened because you the Council at the meeting of 2 January 1970 by motion appointed me as the Administrative Arm of the CAA Board to over-see the CAP Program until such time as a Director is appointed. To date, I have related everything to you since I was made an Arm of CAP. At the CAA meeting of 30 December 1969 by motion, the Council requested an audit be made on CAP. I also asked the Council if they wanted me in attendance and you said I should.

Mr. Quitta stated he would brief the Council on the actions taken while at the CAP Office on January 6 and 7, 1970 along with Reba Walker. Mr. Quitta explained the repayment of \$15,000 bank note of CAP. Mr. Quitta presented a large package which contains words and figures stating each Council member received one. These are the things to be discussed. This concerns you and the CAP Program. The first thing I have is a letter which you should have because Mr. Ewald gave each of you a copy of that letter. Basically, Mr. Klores letter of 9 December 1969 stated the OEO Program was not revitalizing and gave you 30 days to indicate what you were going to do and what steps you were going to take to hire a CAP Director. So far, the action taken by you are the CAP Director's position was terminated at a Special meeting of December 30, 1969. You have requested an audit be made of the CAP records to cover the period of September 1, 1969 through December 31, 1969. You have advertised hiring of a CAP Director. All administrative personnel were placed on leave with pay, each individual expected to be on constant call. You designated Paul Ewald to act as CAA's Administrative Arm during the period of transition. We will be here throughout this week. We will be going over the audit with members of the Administrative Staff, CAA and the Auditors.

The audit comes from Kansas City to the Indian desk. You will get a letter within 30 days, rather than wait, you have to began thinking how you will answer the questions contained in that letter.

Mr. Quitta stated he listed a number of things to be discussed. Discussion followed on personnel costs, salaries and wages, fringe benefits, consultants and contract services, consumable supplies, rental and travel. It was stated CAP over expended in salaries and travel. You will have to show why you exceeded

in these categories. You can justify these over expenditures as it is possible that you can use Headstart money. This was just allowed this year to shift funds from one component to another. I do not know how much pressure they will put on it. Bond discussion followed. Consumable supplies are office supplies, classroom supplies etc. It was stated the administrative review submitted on July 8, 1969, that everything was in good shape. The CAP Director answered the questions by merely going by the manual guide. These are the things they said was done but was not done.

Mr. Spaulding and Mr. Wiedman are here to go over the audit to discuss such and make suggestions. Mr. Spaulding stated he would go over the deficiencies of the audit which was not completed because the books were in such a mess.

He stated the accounting system and internal controls are considered inadequate. The primary deficiencies were: (1) a general ledger was not maintained, (2) checks were signed in advance, (3) earnings records and reports were inaccurate and (4) documentation to support Federal and non-Federal costs was inadequate. They were paying every two weeks. Two people received more money than they should have received. The individual earnings records were not recorded properly which resulted in inaccurate quarterly Federal Forms 941 and State Unemployment reports. The quarter payroll reports were not timely filed, which results in assessed penalties. On the second quarter Form 941 there was no computation for Social Security taxes. Property records are not set up as recommended in the Guide for Grantee Accounting manual. The majority of the travel vouchers in regard to the administrative component have not been signed for approval by the Director. In many instances there are approved cashiers vouchers which have no supporting documentary evidence such as an invoice or receipt.

Mr. Spaulding stated the Finance Manager was capable and intelligent enough and did not see any reason for said irregularities. The bookkeeping system is easy and the OEO manual is there to follow. Illustration on the board of John Fox, Jr's salary followed. \$7200 was divided by 24 months and that is the reason for overpayment. He should have divided by 26 months. Mr. Quitta stated everybody received extra checks.

The roster of CAP employees was shown. The roster showed the overpayment on salaries. Nathan L. Soldier stated they should be some justification on overpayment of salaries and not just ignore it. Adam Mandan asked why the teachers were not overpaid. Mr. Quitta stated they were on contract basis.

Mr. Quitta stated that on HIP, 23 people could be hired but only 13 were hired. If the money allocated for the amount of 23 people to be hired and the full 23 are not hired, it will just go back or be used for something else other than what it was intended for.

Mr. Spaulding stated on the federal and state reports all were filed late. They stated they would meet with Internal Revenue. It was the Finance Officer's responsibility and should be aware of these filing dates. It was stated that Mr. Fox said that he was doing most of the CAP Directors work and had to give a lot of his work to the clerk.

Travel was discussed. Travel vouchers were in the darnest mess. Travel to Phoenix and Albuquerque by CAP Director was by car. It is much cheaper to take a plane than a car at 10¢ a mile. Mr. LeBeau's trip to Albuquerque was approved but he should be authorized by Tribe and CAP. Vincent Malnourie stated sometimes we cannot get a quorum and would not be able to authorize travel if someone was notified shortly to make a trip. A travel form was prepared by Reba Walker and was presented. We re-done the second page and made changes. You are notified in advance if you

you will be traveling out of State. Travel takes in (1) out of State; (2) off reservation and (3) on the reservation. For out of State travel, authorization is obtained from OEO.

Rose C. F. High stated she was sick and tired of having again to attend this sort of a meeting on CAP. She stated the Council have not been interested in the CAP Program. The CAP personnel did not come here and the Council never go over there to see what is going on. If more interest was shown by the Council, we would not have to be meeting here today. Let us correct our mistakes and began working with them.

Adrian Foote stated he was inaccord with Rose C. F. High's statement. He stated he did not like to go over to the CAP Office because of the atmosphere of the administrative personnel.

Back to travel, the auditor stated Larry Burr was reimbursed for a trip and had no authority of the trip for out of State travel. If OEO doesn't want him to go than the Tribe has to pay for it. Food bills had no supporting invoices. Every document should have supporting invoices. These food payments were for groceries presumably for Headstart. These invoices should be established and attached to the voucher for good internal control.

Adam Mandan moved in authorizing travel by OEO personnel be by the CAP Director, Chairman or Vice Chairman, seconded by Rose C. F. High. Motion carried.

Rose C. F. High stated she felt this OEO program was for the poor people and when hired some of them do not have the qualifications. PSC discussed regarding hiring and selecting. Meeting recessed.

Meeting was called to order at 1:20 p.m. The auditor stated we would have to get a pretty sharp man in the office. Adrian Foote stated we have such personnel right here on the Reservation. It was stated that it would be awful to lose the Headstart program just because the administration program is fouled up.

Consultant fees were discussed. Mr. Quitta went over the CAP Management Recommendations which were as follows: (1) recommending that regular monthly CAA Board meetings be held; (2) you should have CAP Director's report, make copies and pass on to you; PSC, PAC, Program Account Director's reports, financial report and authorization of expenditures, travel etc. It was stated that since it was difficult to get a quorum, appoint one or two persons to watchdog the program.

Adam Mandan stated a special day should be set aside and each Council member make it a point to be present. Mr. Quitta stated against closing it down and that Reba Walker can stay here for a week. Reba will stay here until the 26th and will get everything up to date.

Mr. Quitta stated he prepared a time and attendance report and beginning Monday, January 12, 1970, they had to sign in when they come to work. Charles did not come Monday but called stating his car was stuck. Newton was on leave and Sharol Hall was excused because she was getting married. Charles had compt time and on the 14th he came at 10:00. Mr. Quitta also related what was received in the CAP mail to date.

Adam Mandan moved to have Larry Burr come in and reevaluate his salary and relate to us his qualifications because of OEO policy, seconded by Rose C. F. High. Motion carried.

Nathan L. Soldier moved to have the Administrative Arm sent out a letter for employers salary verification to all employers, on administrative CAP employees, seconded by Adrian Foote. Motion carried.

Each Council member presented brief statements relative to the CAP Program.

Judy Lyons explained her purpose of being at the meeting. She explained the inventory deadline. Nathan L. Soldier moved we set the date for February 13, 1970 to have the property inventory submitted, seconded by Adrian Foote. Motion carried. Judy Lyons stated all CAP inventory must be marked. This takes in desks and all equipment.

It was stated ICAP to monitor management effectiveness at the end of February and March. Mr. Quitta stated that the CAA Board will be responsible for orientation of the new CAP Director.

No. 4 was explained. This was relating to OEO Grant Actions-Program Year E, 1969-1970.

No. 5 related to a letter from James J. Wilson dated 23 October 1969 which outlined four special recommendations: (1) that each CAA make a complete survey of every existing job within the service area; (2) a career development plan for every non-professional employee and their family; (3) every CAA should develop a plan for self-evaluation on a continuing basis and (4) every CAA should develop a detailed file of specific accomplishments during the past four years. This to cover community projects, individuals, families, CAA employees etc.

It was suggested that Mr. Ewald start on No. 5.

Interruption of CAP meeting. CAP meeting recessed for a few minutes. Regular Council meeting called. The purpose of calling a brief regular council meeting was to take action on resolutions that were pending.

Motion made by Nathan L. Soldier to approve Resolution No. 70-13 pertaining to \$15,000 from Judgement Funds to be used for enrollment purposes, seconded by Adam Mandan. Motion carried.

Motion by Adrian Foote to approve Resolution authorizing Chairman and Treasurer to take whatever steps needed to work out a loan with the Lakeside Bank for the amount of \$5,000, seconded by Nathan L. Soldier. Motion carried.

Motion by Nathan L. Soldier to adjourn regular council meeting, seconded by Adrian Foote. Motion carried.

CAP meeting resumed. It was stated that there would be a meeting tomorrow to follow up on recommendations.

No. 7 was discussed. This pertained to contracts and non-federal share. Under contract being with the Church of God Indian Mission etc. Needed from the Three Affiliated Tribes is a contract or letter of understanding on Mandaree, New Town and Twin Buttes. It was stated it was a matter for the Tribe to say what they are contributing. Cost, utilities were all discussed.

No. 8 related to CAA Reporting Schedule for Program Year E. This was a chart when various CAP forms are to be submitted to the Indian Section in Washington. CAP forms to be submitted were listed in the various months on the calendar chart.

No. 6 related to breakdown of all budget items. Mr. Quitta stated shifting of funds can be done without having to go to Washington, however, a copy of shifting of funds must be sent to Washington.

Motion made to adjourn, seconded and carried.

For Ralph Wells, Jr., Secretary
Tribal Business Council
Three Affiliated Tribes