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Description
The Bureau of Indian Affairs has misplaced 3 billion dollars in savings that was supposed to be held for 54,000 individual Indians. Sloppy record keeping appears to be the cause.

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"Records of Money Owed to Indians Disappearing from BIA." Roger O'Neil, correspondent. *NBC Nightly*
Records of Money Owed to Indians Disappearing from BIA

TOM BROKAW, anchor:

It's time for THE FLEECING OF AMERICA, one of our continuing series of reports on how the government mismanages your money. Tonight, government bookkeeping that would embarrass even a college freshman with a checkbook for the first time. But this is no laughing matter. NBC's Roger O'Neil with THE FLEECING OF AMERICA.

ROGER O'NEIL reporting:

Angela Butterfly, a Blackfeet Indian, wants to buy new clothes for her twin boys. She was supposed to inherit $5,000 from her grandfather, but the Bureau of Indian Affairs, which was holding granddad's money, gave it to someone else. Darryl Kip worries about his money, too. He's a Harvard grad who runs a school on the reservation. His land earns money from oil wells, but the Bureau of Indian Affairs, which holds that money too, hasn't been able to tell Kip how much is in his account. The government has an account for Eloise Cobell. She's a Blackfeet, and a banker who decided to fight for Indians across the country. She's filed a class-action lawsuit, demanding to know what has happened to at least $3 billion of Indian money which she claims appears to be lost.

Ms. ELOISE COBELL: This is our own money. It belongs to the Native Americans. And what the government has done as far as mismanagement of these funds is just, there's no excuse.

O'NEIL: For more than 100 years, the Bureau of Indian Affairs has been the Indian's banker. The trustee who collects and holds money from logging, grazing, coal mining, oil, and gas wells. But by its own admission, the government's bookkeeping is terrible. It doesn't even have an accounts receivable system to know exactly how much money is supposed to be coming in. The bookkeeping is so outdated that the BIA is holding money for 54,000 Indians, even though it has no idea how to get in touch with any of them.

After studying the nation's tribal accounts, independent auditors said government records were so sloppy they couldn't figure out what happened to $2.4 billion. And in 300,000 other individual Indian accounts, the auditors said the bookkeeping was an even bigger mess.
Mr. ED COHEN: This is a problem which I readily would admit has been shuffled under the rug.
O'NEIL: By both Republicans and Democrats. Ed Cohen of the Clinton administration is the latest to promise no Indians will be cheated.
Mr. COHEN: We're going to repay it and we're gonna repay it with interest.
O'NEIL: But if you can't find it, if you can't track it, how can you repay it?
Mr. COHEN: I think an overstatement for someone to say hundreds of millions of dollars are missing. I don't think that's the case.
O'NEIL: But Indians say the uncertainty of their finances and decades of broken government promises makes this a FLEECING OF AMERICA which keeps Native Americans impoverished, despite the bounty of their own land. Roger O'Neil, NBC News, Denver.