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Memorandum

To: Holders of 47 BIAM

From: Secretary of the Interior

Subject: 47 BIAM - Credit and Financing

The material transmitted herewith corrects a typographical error in 47 BIAM 1.3 B, and adds to 47 BIAM 1.3 D an amendment to the Act of November 4, 1963, as amended, which increased the appropriation authorization for the revolving fund for expert assistance loans to $2.7 million.

[Signature]

Deputy Assistant Secretary of the Interior

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(a) Remove superseded material:

   47 BIAM 1.3 A through E    (1 sheet)

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(c) Pen-and-ink changes:

   None

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ALBUQUERQUE INDIAN SCHOOL ADMINISTRATION
able to receive financing elsewhere if such approvals will not result in denial of loans, because of lack of funds, to members who are not able to receive financing elsewhere.

1.3 Authority.

A. **Revolving Fund for Loans (General).** Section 10 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 986; 25 U. S. C. 470), established the revolving fund for loans to Indian chartered corporations for the purpose of promoting the economic development of such tribes and of their members, and to defray the expense of administering such loans. An appropriation authorization of $10 million was provided for the fund.

The above Act was amended by the Act of September 15, 1961 (75 Stat. 520; 25 U. S. C. 470), increasing the appropriation authorization of the revolving fund from $10 million to $20 million.

B. **Revolving Fund for Loans (Oklahoma).** Section 3 of the Oklahoma Welfare Act of June 26, 1936 (49 Stat. 1967; 25 U. S. C. 503), provided that any corporation chartered may be given the right to participate in the revolving fund and to exercise all of the rights of other tribes organized under the Indian Reorganization Act.

Section 6 of the above Act (49 Stat. 1968; 25 U. S. C. 506), authorized the appropriation of $2 million for loans to individual Indians, associations, or corporate groups organized pursuant to the Act.

Section 7 of the above Act (49 Stat. 1968; 25 U. S. C. 507), provided that Oklahoma Indians shall be allocated a fair share of the funds appropriated pursuant to the Indian Reorganization Act.

C. **Revolving Fund for Loans (Navajo–Hopi).** Section 1 of the Navajo–Hopi Rehabilitation Act of April 19, 1950 (64 Stat. 44; 25 U. S. C. 631), authorized the appropriation of $5 million for the establishment of a revolving fund.

Section 4 of the above Act (64 Stat. 45; 25 U. S. C. 634), authorized loans from the revolving fund authorized by Section 1 to the Navajo and Hopi Tribes and their members.
D. **Revolving Fund for Loans (Expert Assistance).** The Act of November 4, 1963 (77 Stat. 301; 25 U.S.C. 70n-1), authorized the appropriation of $900,000 to be established as a revolving fund for loans to tribes, bands, and other identifiable Indian groups for use in obtaining expert assistance for preparation and trial of claims pending before the Indian Claims Commission.

The Act of September 19, 1966 (80 Stat. 814; 25 U.S.C. 70n-1), amended the above Act, increasing the appropriation authorization from $900,000 to $1.8 million.

The Act of May 24, 1973 (87 Stat. 73; 25 U.S.C. 70n-1) amended the Act of November 4, 1963, as amended, increasing the appropriation authorization from $1.8 million to $2.7 million.

E. **Other Acts Affecting the Revolving Funds for Loans.** The Act of May 1, 1936 (49 Stat. 1250; 25 U.S.C. 473a), authorized loans from the revolving fund pursuant to the Indian Reorganization Act of June 18, 1934, as amended, to groups of Indians in Alaska.


The Act of June 28, 1941 (55 Stat. 316; 25 U.S.C. 470a), provided that interest collections on loans made pursuant to the Acts of June 18, 1934, as amended, and June 26, 1936, be credited to the revolving funds.

The Act of May 7, 1948 (62 Stat. 211; 25 U.S.C. 482), authorized loans made from the revolving fund pursuant to the Acts of June 18, 1934, and June 26, 1936, to tribes, bands, groups and individual Indians, not otherwise eligible for loans under the said acts. No portion of the revolving fund is to be loaned to Indians of less than one-quarter Indian blood.

The Act of May 24, 1950 (64 Stat. 190; 25 U.S.C. 443), authorized the deposit in the revolving fund established pursuant to the Act of June 18, 1934, as amended, of moneys received in settlement of debts of livestock and from the sales of livestock.
UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Washington, D.C. 20240

Memorandum

To: Holders of 47 BIAM
   Deputy Assistant
From: Secretary of the Interior

Subject: 47 BIAM - Credit and Financing

The material transmitted herewith; (1) Amends the "Table of Contents" to 47 BIAM to show the proper titles of 47 BIAM Supplements; (2) amends the "Table of Contents" to 47 BIAM 1 to include changes made to 47 BIAM 1.3, "Authority"; (3) amends Chapters 7, 8, 9, and 10 to show the applicable 47 BIAM Supplements; (4) adds subsection 2, "Applicability", to Chapter 8; and (5) makes "pen-and-ink" changes correcting some minor discrepancies.

Deputy
Secretary of the Interior

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47 BIAM 0
47 BIAM 1.0
47 BIAM 1.3 - 1.4 F
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(c) Pen-and-ink changes:

- 47 BIAM 1-1, Objective. In line 1, correct spelling of "raise" by inserting "e".

- 47 BIAM 1-2A, Primary emphasis. In line 4, insert an "o" in "both".

- 47 BIAM 1-4 G, Cooperative Association. In line 7 and 8, change manual reference to "47 BIAM Supplement No. 1, 1-4C".

- 47 BIAM 1-4 N, Productive Loan. In line 7, change manual reference to "47 BIAM Supplement No. 2, 1-4A(1)".

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1 PROGRAM

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in denial of loans, because of lack of funds, to members who are not
able to receive financing elsewhere.

1.3 Authority.

A. Revolving Fund for Loans (General). Section 10 of the Indian Reorganiza-
the revolving fund for loans to Indian chartered corporations for the
purpose of promoting the economic development of such tribes and of
their members, and to defray the expense of administering such loans.
An appropriation authorization of $10 million was provided for the fund.

The above Act was amended by the Act of September 15, 1961 (75 Stat.
520; 25 U.S.C. 470), increasing the appropriation authorization of the
revolving fund from $10 million to $20 million.

B. Revolving Fund for Loans (Oklahoma). Section 3 of the Oklahoma
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tribes organized under the Indian Reorganization Act.

Section 6 of the above Act (49 Stat. 1968; 25 U.S.C. 506), authorized
the appropriation of $2 million for loans to individual Indians, associations,
or corporate groups organized pursuant to the Act.

Section 7 of the above Act (49 Stat. 1968; 25 U.S.C. 507), provided
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appropriated pursuant to the Indian Reorganization Act.

C. Revolving Fund for Loans (Navajo-Hopi). Section 1 of the Navajo-Hopi
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revolving fund.

Section 4 of the above Act (64 Stat. 45; 25 U.S.C. 634), authorized
loans from the revolving fund authorized by Section 1 to the Navajo
and Hopi Tribes and their members.
D. Revolving Fund for Loans (Expert Assistance). The Act of November 4, 1963 (77 Stat. 301; 25 U.S.C. 70n-1), authorized the appropriation of $900,000 to be established as a revolving fund for loans to tribes, bands, and other identifiable Indian groups for use in obtaining expert assistance for preparation and trial of claims pending before the Indian Claims Commission.

The Act of September 19, 1966 (80 Stat. 814; 25 U.S.C. 70n-1), amended the above Act, increasing the appropriation authorization from $900,000 to $1.8 million.


The Act of June 28, 1941 (55 Stat. 316; 25 U.S.C. 470a), provided that interest collections on loans made pursuant to the Acts of June 18, 1934, as amended, and June 26, 1936, be credited to the revolving funds.

The Act of May 7, 1948 (62 Stat. 211; 25 U.S.C. 482), authorized loans made from the revolving fund pursuant to the Acts of June 18, 1934, and June 26, 1936, to tribes, bands, groups and individual Indians, not otherwise eligible for loans under the said acts. No portion of the revolving fund is to be loaned to Indians of less than one-quarter Indian blood.

The Act of May 24, 1950 (64 Stat. 190; 25 U.S.C. 443), authorized the deposit in the revolving fund established pursuant to the Act of June 18, 1934, as amended, of moneys received in settlement of debts of livestock and from the sales of livestock.

1.4 Definitions. Whenever the following terms are used in 47 BIAM and the Supplements thereto, they will have the meanings indicated.

A. "Secretary" means the Secretary of the Interior.

B. "Commissioner" means the Commissioner of Indian Affairs.

C. "Area Director" means the officer in charge of the Area Office of the Bureau of Indian Affairs.

D. "Superintendent" means the Superintendent or other officer in charge of an agency of the Bureau of Indian Affairs.

E. "Agency Office" means the headquarters office of the agency having responsibility for local Bureau programs.

F. "Organization" means (1) an unincorporated tribe or band, including a Native village group in Alaska, or any band, pueblo, or group of Indians residing on one reservation having a form of organization recognized by the Commissioner; (2) an Indian corporation chartered under the Act of June 18, 1934 (25 U.S.C. 477), or the Act of June 26, 1936 (25 U.S.C. 503), or the Act of May 1, 1936 (25 U.S.C. 473a); (3) an Indian credit association organized pursuant to the Act of June 26, 1936 (25 U.S.C. 504), or whose articles of association and bylaws have been approved by the Commissioner; (4) a cooperative association chartered pursuant to the Act of June 26, 1936 (25 U.S.C. 504), or the laws of the State in which it operates, and whose articles of association and bylaws have been approved by the Commissioner; or (5) a group of Indians having a form of organization acceptable to the Commissioner (such groups shall be eligible for loans only pursuant to 25 C.F.R. 91.19)(see 47 BIAM Supplement No. 1, 1.20). Tribes organized under both sections 16 and 17 of the Act of June 18, 1934, as amended, have authority under their charters (sec. 17) to borrow money from the revolving fund for loans. Loans through the Bureau will be to the sec. 17 organizations, unless otherwise authorized by the Commissioner.
7.1 Purpose. The purpose of loans to Indian organizations and advances of tribal funds to tribes for credit operations and financing activities pursuant to 25 CFR 91 is to help raise economic and social conditions among Indian people. Details of loans, procedures, forms, etc., are given in 47 BIAM Supplement No. 1, Loans and Advances by the United States to Indian Organizations.

7.2 Applicability. The regulations and manual provisions governing operations by Indian organizations are a part of their loan agreement contracts. If a contract provides that operations will be governed by specific regulations and instructions, a formal modification will be necessary in order for the instructions in 47 BIAM to be applicable thereto. If a contract provides that amendments will be applicable thereto, copy of this Manual and 47 BIAM Supplement No. 1 should be transmitted to the borrowing organization by registered or certified mail, return receipt requested, with full explanation of differences between the provisions of the regulations and instructions applicable to the loan agreement contract and the provisions hereof.
8 LOANS TO INDIVIDUAL INDIANS, AND TO COOPERATIVE ASSOCIATIONS AND CORPORATIONS BY TRIBES

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8.1 Purpose
8.2 Applicability
8.1 Purpose. The purpose of loans by the United States and by Indian organizations to individual Indians, including partnerships, and loans by tribes to cooperative associations and corporations pursuant to 25 CFR 91 is to help raise economic and social conditions among Indian people, excluding loans for educational purposes. Instructions on educational loans are given in 47 BIAM 10. Details, procedures, forms, etc., are given in 47 BIAM Supplement No. 2, Loans to Individual Indians, Cooperative Associations and Corporations and Financing of Enterprises.

8.2 Applicability. The regulations and manual provisions governing operations by Indian organizations are a part of their loan agreement contracts. If a contract provides that operations will be governed by specific regulations and instructions, a formal modification will be necessary in order for the instructions in 47 BIAM to be applicable thereto. If a contract provides that amendments will be applicable thereto, copy of this Manual and 47 BIAM Supplement No. 2 should be transmitted to the borrowing organization by registered or certified mail, return receipt requested, with full explanation of differences between the provisions of the regulations and instructions applicable to the loan agreement contract and the provisions hereof.
9.1 Purpose. The purpose of the financing of enterprises operated by organizations pursuant to 25 CFR 91 is to help raise economic and social conditions among Indian people. All financing of enterprises must be in accordance with authority contained in the organization papers of the operator. "Enterprise" as used herein means a business operated by an organization to promote its economic development, i.e., organized, self-sustaining activities which it is anticipated will produce a net income for the organization. Details, forms, etc., are given in 47 BIAM Supplement No. 2, Loans to Individual Indians, Cooperative Associations and Corporations and Financing of Enterprises.

9.2 Applicability. The regulations and manual provisions applicable to the financing of enterprises are a part of the Enterprise Agreements. If an agreement provides that operations will be governed by specific regulations and instructions, a formal modification will be necessary in order for the instructions in 47 BIAM to be applicable thereto. If an agreement provides that amendments will be applicable thereto, copy of this manual and 47 BIAM Supplement No. 2 should be submitted to the organization operating the enterprise by registered or certified mail, return receipt requested, with full explanation of differences between the provisions of the regulations and instructions applicable to the agreement and the provisions hereof.
10.1 Policy. Loans to Indians for educational purposes may be made only if no other means of financing is available.

10.2 General Provisions. Loans may be made by the United States for higher education or special training to applicants of one-quarter or more degree of Indian blood who are not members of a corporation, tribe, or band that is making loans, and who are ineligible for loans from a credit association. The amount of the loan shall be restricted to the amount required in addition to personal and family resources. Details, procedures, forms, etc., are given in 47 BIAM Supplement No. 2, Loans to Individual Indians, Cooperative Associations and Corporations and Financing of Enterprises.
Memorandum

To: Holder of 47 IAM
From: Commissioner of Indian Affairs
Subject: Rescission of portions of 47 IAM 5 and 11

The annual report systems for Credit and Financing operations are hereby modernized, revised and unified under a single system. The reports required by 47 IAM 5 and 11 are discontinued and the applicable manual sections are rescinded. Until the new reporting system is issued as 47 BIAM Supplement, No. 4, the annual reporting instructions in Central Office memorandum of June 16, 1971, shall be followed.

John Crow
Deputy Commissioner

Filing Instructions:

(a) Remove superseded material:
   47 IAM 5 - Illustrations 1 through 4  
   47 IAM 11.2A (5) through 47 IAM 11.5B (15)(a) (8 sheets)  
   47 IAM 11.8A (7) through 47 IAM 11.10 (8 sheets)

(b) Insert new material transmitted:
   Not applicable

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   47 IAM 5.15 - Delete
   47 IAM 11.2 through 11.2A (4) - Delete
   47 IAM 11.5B (6) through 11.5C - Delete
   47 IAM 11.7 through 11.8A (6) - Delete
   47 IAM 11.10A through 11.10C - Delete

JAN 04 1972

Complete ✓
Memorandum

To: Holders of 47 BIAM

From: Commissioner of Indian Affairs

Subject: 47 BIAM - Credit and Financing

The material transmitted herewith releases under the BIAM System for Credit and Financing operations Chapter 1 through 3 and Chapters 5 through 12. Until supplements to the enclosed manual are issued, Chapters 47 BIAM 5 through 12 will be used.

[Signature]
Commissioner

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(c) Pen-and-ink changes:
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SUPPLEMENTS

1. Direct Loans by the United States
2. Relending by Indian Organizations
3. Financing by Customary Financial Institutions
4. Records, Accounts, Reports and Interest Tables

Release 47-2, 7-28-71
1.1 Objective. The objective of the program is to help raise economic and social conditions among Indian 1/ people by assisting both Indian organizations and individual Indians obtain funds for financing commercial, industrial, agricultural, and other developmental activities, including loans for educational purposes and for housing. Advice and guidance in financial and other business practices are furnished.

1.2 Policies.

A. Primary emphasis. The primary emphasis in the Bureau's credit and financing program is placed upon helping Indians (both groups and individuals) obtain justified financing needed to promote their economic development from the same institutions (both private and governmental) serving other citizens.

B. Secondary Emphasis. Loans made through the Bureau directly (by the United States) or indirectly (relending by tribes and other Indian organizations) receive secondary emphasis.

C. Tribal Funds. Tribes desiring to finance enterprises or to lend money to members or associations of members, and which have tribal funds available in the Treasury or elsewhere, or funds accruing from income, are required to use their own money before loans from the revolving fund by the United States will be approved.

D. Revolving Fund for Loans. Loans from the revolving fund may be approved only when, in the judgment of the approving officer, there is a reasonable prospect of repayment and only to applicants who are unable to obtain financing from other sources on reasonable terms and conditions. Loans for expert assistance for the preparation and trial of claims pending before the Indian Claims Commission are governed by the provisions of the Act of November 4, 1963 (25 U.S.C. 701-1), as amended.

E. Assistance. Tribes that have funds available which are not budgeted or programmed for other purposes are required to pay the salaries and expenses of Agency employees working on credit matters if they wish to conduct credit

1/ As used in 47 BIAM and Supplement, "Indians" also means Eskimos and Aleuts.

Release 47-2, 7-28-71
programs. Positions of Area and Agency Credit Officer must be Civil Service positions. Other employees assisting tribes in their credit operations may be tribal or Civil Service positions, depending upon whether they are paid from funds disbursed through Treasury Disbursing Offices or from income or funds which are advanced to the tribes and become subject to local control.

Where feasible, Indian credit associations that have sufficient retained earnings from credit operations shall assist in defraying the cost of administering their credit programs. Because credit associations do not have funds which are disbursed through Treasury Disbursing Offices, positions financed from the funds of the associations will not be under Civil Service and consequently will be limited to positions other than those of Credit Officer.

F. Loans by Indian Organizations. Financing operations are conducted through tribes and other Indian organizations wherever possible. Where organizations propose to make loans to members from revolving funds borrowed from the United States, they may do so only to members of one-quarter or more degree of Indian blood who cannot receive financing from the same credit institutions serving other citizens. Evidence that applicants cannot receive financing from such institutions is required. It is the responsibility of approving officials to make certain that loan docket contents evidence of the unavailability of loans from non-Bureau credit institutions. Where tribes propose to make loans to individual members from tribal funds, applicants should be urged and encouraged to obtain financing from the same institutions serving other citizens. Deviations from the general policy of financing through customary credit channels, however, are permissible. Evidence is not required that applicants cannot receive financing from the same institutions serving other citizens. Where credit operations are entirely financed by tribal funds loans may be approved to individuals of less than one-quarter degree of Indian blood, but the individuals must be members of the corporation, tribe or band to which the funds belong, and to members who are
G. "Cooperative Association" means an association of Indians organized pursuant to the laws of the State in which it operates, and whose articles of association and bylaws have been approved by the council or other governing body of the Tribe from which a loan is being sought, and by the Commissioner. Loans to cooperatives direct by the United States are discussed in 47 BIAM 7 and the Supplement thereto. Loans to cooperatives by credit associations are not authorized.

H. "Tribe" means a group of Indians residing on one reservation having a form of organization recognized by the Commissioner, and Native groups in Alaska recognized by the Commissioner.

I. "Tribal Council" means the governing body of a tribe, even though it may be designated by some term other than "Tribal Council".

J. "Committee" means the Credit Committee selected by the governing body of the Tribe to handle credit matters on behalf of the Tribes.

K. "Declaration" means a declaration of policies and plan of operation adopted by a Tribe and approved by the Commissioner for conduct of its credit program.

L. "Credit Purposes" means loans to individuals and cooperatives, and financing of enterprises by the Tribe and the United States.

M. "Enterprise" means a business operated by an organization to promote its economic development, i.e., organized, self-sustaining activities which it is anticipated will produce a net income for the organization.

N. "Productive Loan" means a loan for financing a self-liquidating enterprise, i.e., one that will produce income sufficient to cover necessary operating expenses and repay the loan within a reasonable period of time. Where complete rehabilitation is involved, the financed enterprise also must produce sufficient income to meet living expenses (see 47 BIAM Supplement 5.5 H).

O. "Rehabilitation Loan" means a loan to an individual to finance an enterprise of a size large enough to provide...
an income sufficient to cover operating and living expenses on a reasonable standard, and to repay the loan over a reasonable period of time.

P. "Revolving Fund" means the fund authorized by the Congress under the authorizations cited in 47 BIAM 1.3 above.
2 ORGANIZATION

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2.1 Central Office
2.2 Area Office
2.3 Agency Office
2.4 Superintendent
2.1 **Central Office.** Credit and financing functions of the Bureau are incorporated under the Division of Credit and Financing. The activities of the Division are administered by a Chief who reports to the Director, Office of Economic Development, and serves as technical advisor to the Commissioner and his staff in the field of credit and financing. The Chief is assisted by staff assistants vested with the responsibility for various phases of credit work.

2.2 **Area Office.** Credit and financing activities are generally incorporated under the Office of Economic Development. Usually the Division activities are administered by an Area Credit Officer who reports to either the Assistant Area Director (Economic Development) or to the Area Director, and serves as technical advisor to these officers, Superintendents, and to the Indians in the field of credit and financing. Day to day credit operations, including the financing of Indians by customary lenders, are handled by the Area Credit Officer with the help of a varying number of assistants.

2.3 **Agency Office.** Credit and financing activities are generally administered by a Credit Officer under the general supervision of the Superintendent. The Agency Credit Officer serves as technical advisor to the Superintendent, tribal and other officials of Indian organizations, Indians, and private and non-Bureau Governmental institutions financing Indians, on credit and financing matters involving Indians and Indian organizations. Even though an Agency Credit Officer may be paid from appropriated tribal funds, he is responsible to and works under the supervision of the Superintendent or officer in charge, and not under the tribe or other Indian organization, or officials of these organizations. At most Agencies the detailed work on financing through Indian organizations is done by tribal officials or officers and employees of the Indian organizations.

2.4 **Superintendent.** At Agencies without the services of a Credit Officer, the functions of the position of Credit Officer are exercised by the Superintendent, or an employee designated by the Superintendent, with such assistance as may be made available to him from the staff of the Superintendent.
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3.8 Authority of Superintendent

3.9 Customary Lenders

3.10 Department of Justice

Release 47-2, 7-28-71
3.1 General. The Division of Credit and Financing has staff responsibility for all matters brought before the Bureau or which require Bureau action, involving credit and financing matters. Included are loans to individual Indians and Indian organizations, regardless of the lender, and the organization and financing of cooperative associations and tribal enterprises. Dealings with officials of Indian organizations, individual Indians, and officials of customary financial institutions, both Governmental and non-Governmental, will be handled, in a staff capacity, by the staff of the Division of Credit and Financing.

3.2 Indian Organizations. Loans by an Indian organization require approval by the authorized body or officer of the organization before approving officers of the Bureau are authorized to take approval or disapproval action.

A. Evaluating Applications. Credit Officers will assist Indian lending organizations in analyzing applications, and in making a determination as to whether a particular proposed loan is sound or unsound. The authorized officers or committee of the organizations, however, will make the determination whether the application is to be approved or disapproved. Credit Officers will not make recommendations, either for approval or disapproval, to an Indian organization. Their recommendations will be directed to their line officers.

B. Enforcement Action. Collections on loans, liquidation of loans, and any other enforcement action on loans by Indian organizations will be taken by Credit Officers only under authorizations received from Indian lending organizations. Action on direct loans will be taken by Credit Officers pursuant to instructions of the appropriate line officer. Insofar as possible, any enforcement action on loans by Indian organizations should be taken by the authorized body or officer of the lending organization, rather than by the Credit Officer, in order to avoid damaging working relationships between employees of the Division of Credit and Financing and the Indian people. All enforcement action must be in accordance with approved loan agreements and appropriate regulations, manual instructions, laws, and authorizations of the lending organizations.

3.3 Restrictions. Credit employees will not recommend approval of applications or take any other action on loans and financing of tribal enterprises, where the activity financed or to be financed
involves the technical aspects of the work of any other Division of the Bureau, until the application or other action has been cleared through employees of the Division involved. Likewise, action will not be taken unless the loan docket contains evidence of the unavailability of the particular loan from non-Bureau credit institutions, unless tribal funds are involved (see 47 BIAM 1.2 F above).

3.4 Office of Economic Development

A. Division of Natural Resources. Credit employees will work closely with employees of Land Operations and look to them as the authority on all technical agricultural matters.

(1) Planning of Loans - Land Operations.
Agricultural planning is a means of increased farm income. The potentiality of the Indian and his land must be considered together. For example, a cow unit on a high forage-producing, well-managed range, is a much better credit risk than a cow unit on an over-stocked depleted range. An Indian who is increasing the productivity of his land is a much better credit risk than one who is mining his farm.

A distinction should be made between a Plan of Conservation Operations and a Plan of Farm and Home Management. The former covers the technical phases of land use, including cropping, tillage, and cultural practices, plus the necessary structural works. Plans of Conservation Operations for the farm or ranch of any prospective loan client should be arranged through the Superintendent by the Credit Officer.

The Plan of Farm and Home Management embraces a budget of estimated income and expenses, involving the financial aspects of the farm, home, and family operations. Such plans are required on all agricultural loans of $1,000 or more which are not fully secured, made directly or indirectly through the Bureau.
Applications. When an Indian applies for a loan to finance an agricultural enterprise, the Credit Officer will make sufficient investigation to determine whether a loan could be recommended for approval if a suitable Plan of Farm and Home Management were developed. The industry, managerial ability, assets, needs, credit record, security, and other factors pertaining to the particular applicant will be considered.

If the Credit Officer's preliminary investigation is favorable, he will then request the official in charge of Land Operations to provide a Plan of Conservation Operations, and if there are Bureau or State Extension personnel available, to make arrangements with them to provide a Plan of Farm and Home Management. If Extension personnel are not available, the official in charge of Land Operations will be responsible for preparation of a Plan of Farm Management. Credit personnel will not prepare Plans of Farm and Home Management, unless specifically directed in writing to do so by the Superintendent.

If the Credit Officer's preliminary investigation is not favorable, the Credit Officer will not request planning assistance from Land Operations nor will the applicant be referred to Land Operations employees. The requirement of a suitable Plan of Farm and Home Management on loans over $1,000 which are not fully secured shall not be used as a mechanism for shifting responsibility for disapproval action, or inability to consider particular applications, from the Credit Officer to employees of Land Operations.

Financing of Plans. In assisting an Indian plan an agricultural enterprise, either by a Plan of Conservation Operations or a Plan of Farm and Home Management, or both, employees of Land Operations may discover the need for the acquisition of certain additional assets, or the need for other financing to enable the
Indian to carry out the plan. As examples, the Indian might need to increase the size of his livestock herd; he might need additional farm machinery; he might need funds for land leveling; or funds might be needed for operating expenses. Before requesting assistance of the Credit Officer in preparing an application, employees of Land Operations will consider the industry and managerial ability of the Indian, whether a loan would be in his best interests, and other pertinent factors. If these factors are favorable, the Credit Officer should then be requested to assist in preparation of an application. If these factors are unfavorable, employees of Land Operations will not request the Credit Officer to prepare an application, nor will the Indian be referred to the Credit Officer.

The procedures in this section have been developed to separate, insofar as possible, the planning features from the financial features, and to limit referrals by the Credit Officer to Land Operations and by Land Operations employees to the Credit Officer, to those cases where there are reasonable indications that financing could be recommended. Close working relationships between Credit Officers and employees of Land Operations are essential with full recognition that the former is responsible for financial phases, and the latter for the planning phases of agricultural loans.

(4) Restriction on Recommendations. Employees of Land Operations and Extension workers, both State and Bureau, will not recommend applications either for approval or disapproval.

(5) Action of Credit Officer. Credit Officers will use every reasonable measure not to give any Indian applicant the impression, in the event it is not possible to consider an application, or in the event the application is disapproved, that this was in any way connected with either a Plan of Conservation Operations or a Plan of Farm and Home Management.
(6) **Performance Inventory.** Employees of Land Operations will make periodic performance checks of all farms and ranches for which a Plan of Conservation Operations or a Plan of Farm and Home Management has been prepared, to see whether the operator has been complying therewith. If non-compliance with any part of the plans is observed, it will be reported to the Superintendent and Credit Officer. The Credit Officer, however, will make his own visit to the farm or ranch before taking any action.

(7) **Conformance to Plans.** The Credit Officer, acting in conjunction with authorized representatives of Indian lending organizations, is responsible for such action as may be necessary to see that borrowers carry out the provisions of approved plans. Employees of Land Operations will not take any part in enforcement action in connection with violations of, or non-conformance to, provisions of approved plans, nor in loan liquidation proceedings. This procedure is devised to avoid damaging working relationships of employees of Land Operations with the Indian people, and to assure actions consistent with the loan agreement and appropriate laws, regulations, manual instructions, and authorizations of Indian lending organizations, with which the Credit Officer is familiar.

(8) **Real Property Management - Land Purchase Mortgages.** Applications for loans for the purchase of land will clear through Real Property Management employees before the Credit Officer makes any recommendations thereon. This procedure is devised to make certain that the loans are in conformance with established policy for the acquisition of land by Indians.

All mortgages of trust or restricted individually-owned land offered as security for loans pursuant to 25 C.F.R. 121.6 will clear through Real Property Management employees before any recommendations are made by the Credit Officer.
B. Division of Industrial and Tourism Development. All applications for loans pursuant to 25 C.F.R. 91.19 or modifications thereof, will clear through the Division of Industrial and Tourism Development.

3.5 Office of Education Programs. Employees of the Division of Credit and Financing will work closely with employees of the Office of Education Programs on applications, modifications, etc. of loans for educational purposes. Credit Officers will not recommend educational loans or modifications either for approval or disapproval. Such recommendations will be by an authorized representative of the Office of Education Programs. Credit employees are, however, responsible to see that all educational loans conform to the regulations of the Secretary and instructions of the Commissioner, and that appropriate accounting records are maintained. Credit employees will see that Superintendents and Education employees are kept fully informed regarding the status of educational loans. Staff work for the Superintendents in connection with the follow-up, supervision, and collection of educational loans will be the responsibility of Education employees located at the Area Office and Agency levels.

3.6 Office of Community Services.

A. Division of Tribal Operations. Employees of the Division of Credit and Financing will maintain close working relationships with the Division of Tribal Operations. All resolutions of Indian lending organizations involving credit matters, and advances of tribal funds for credit purposes pursuant to 25 C.F.R. 91.12, will be cleared through Tribal Operations.

The Division of Tribal Operations will clear all tribal budgets involving any of the functions of the Division of Credit and Financing (see 3.1 above), all authorizations for per capita payments or other distributions of tribal assets, and any organization papers of Indian lending organizations, or amendments thereof, through the Division of Credit and Financing.

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3.7 **Legal Assistance.** Credit Officers will work closely with Field Solicitors on all matters connected with credit operations where legal interpretations or actions may be involved. Interpretations of organization papers of Indian lending organizations, management and employment contracts, mortgages, assignments of income, and other securing documents where legal action or interpretations are involved, will be cleared by Field Solicitors before recommendations are made by Credit Officers.

3.8 **Authority of Superintendents.** On reservations without the services of Credit Officers or employees as set forth in this Chapter, the Superintendents will exercise their functions or assign them to a member of their staffs.

3.9 **Customary Lenders.** Credit Officers will maintain close working relationships with financial institutions operating in the area (see 47 BIAM 5.1). Working relationships with these lenders should be facilitated and documented in the tribal or association Declaration of Policy and Plan of Operation. The activities of the following will be given particular attention:

- Banks (both National and State)
- Credit Unions
- Economic Development Administration
- Farm Credit Administration
- Federal Land Banks
- Production Credit Associations
- Farmers Home Administration
- Federal Housing Administration
- Housing Assistance Administration
- Housing and Urban Development
- Insurance companies making loans
- Office of Economic Opportunity
- Public Housing Administration
- Rural Electrification Administration
- Savings and Loan Associations
- Small Business Administration
- Veterans Administration

3.10 **Department of Justice.** The Assistant Attorneys General for the Civil Division and the Lands Division of the Department of Justice have authorized the United States attorneys to accept by direct reference certain cases under the jurisdiction of those Divisions. Such authority includes the compromising and closing of such
cases. The delegations of authority to the United States Attorneys are published in the Federal Registers of June 9, 1964 (29 F.R. 7422), and November 20, 1964 (29 F. R. 15572). Authority in line with that delegated to United States Attorneys was delegated to Regional and Field Solicitors by the Solicitor's Regulation 8 dated April 29, 1965. The Regulation informs, in part, that United States Attorneys are authorized in response to a direct request in writing to act in the following-described matters:

Actions to collect loans of money or livestock made by the United States to individual Indians without limitation on amount, including loans made by Indian tribal organizations to individual Indians of the loan agreements, notes and securities have been assigned by the tribal organizations to the United States.

Advice shall be obtained from the Commissioner on the manner of referral of matters other than those quoted above.

Loans shall not be submitted for referral to the Department of Justice unless it appears that there is a reasonable chance that some recovery can be made if legal action against the borrower is successful. Assistance of the Department of Justice shall be requested promptly, if all other efforts have failed, when collection action is necessary against borrowers from either the United States or from Indian organizations to protect their respective interests where there has been default or unauthorized disposals of mortgaged property given as security for such loans. Assistance by tribal attorneys shall first be sought when available.

Requests for referrals of claims to the Department of Justice shall be made through the Area Director in consultation with the Regional or Field Solicitor. Such requests should include certified copies, in quadruplicate, of loan agreements and all papers pertaining thereto, together with a summary of documented actions taken to effect collections including a final demand letter, and a statement of all advances and repayments to show the exact status of delinquency of the credit transaction. Interest shall be computed to the date of referral and the daily accrual thereafter. Information shall be furnished on the present financial status and economic activities of the borrower and co-signers, if any, and such other information as may be of assistance in taking the desired legal action. Copies of the loan agreements, supporting documents and correspondence
shall be certified at the end of the document or longitudinally in the margin in the following form by the Superintendent or Area Director who has custody of the file containing the Bureau's official copy of such document:

I, __________________________ , am the duly constituted and acting __________________________,
Bureau of Indian Affairs, Department of the Interior, and as such officer I certify that the foregoing is a true and complete copy of a document in my legal and official care and custody.

________________________       __________________________
(Date)                      (Signature of Certifying Officer)
5 FINANCING BY CUSTOMARY FINANCIAL INSTITUTIONS

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5.1 Program
5.1 Program. In accordance with the policy described in 47 BIAM 1.2, the primary emphasis in the Bureau's credit and financing operations is to encourage and help Indians and Indian organizations obtain justified financing needed to promote their economic development from the same institutions making loans to and financing other citizens.

Bureau personnel will assist Indians in dealing with:

- Banks (both National and State)
- Credit Unions
- Economic Development Administration
- Farm Credit Administration
- Federal Land Banks
- Production Credit Associations
- Farmers Home Administration
- Federal Housing Administration
- Housing Assistance Administration
- Housing and Urban Development
- Insurance companies making loans
- Office of Economic Opportunity
- Public Housing Administration
- Rural Electrification Administration
- Savings and Loan Associations
- Small Business Administration
- Veterans Administration

The trust status of some Indian-owned property; unfamiliarity of some non-Bureau lenders with Indians; and unfamiliarity of some Indians with standard procedures followed by customary lenders, make it necessary that "special assistance be given in some cases. Likewise, "outside" lenders sometimes require special assistance in dealing with Indians. Everything possible should be done by Bureau employees to encourage justified "outside" financing.

Credit Officers will keep themselves informed regarding the activities of lenders in the area that are making loans to other citizens, including procedures and standards, and maintain close working relationships with them. (See 47 BIAM 3). Credit employees shall keep themselves in a position to advise Indians where they may apply in the area for justified loans. Likewise, they shall keep such lenders informed of the needs of the Indians for financing. Details, procedures, forms, etc., are given in 47 BIAM Supplement 3, Financing by Customary Financial Institutions.
6 LOANS TO VETERANS

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6.1 Program
6.1 Program. In accordance with the policy in 47 BIAM 1.2 the primary emphasis in the Bureau's credit operations is to encourage and help Indians obtain justified financing from the same institutions serving other citizens. Financing of Indian veterans, insofar as possible, should be by the same institutions financing other veterans. Loans to Indian veterans should conform to the same standards as loans to other veterans. Indian veterans are entitled to the same rights and privileges as other veterans. They should be encouraged to deal with the Veterans Administration on the same basis as other veterans. However, Bureau employees will give them all possible assistance in dealing with the Veterans Administration, and likewise will assist the Veterans Administration in dealing with Indian veterans. Special assistance may be necessary in connection with some loans because of the trust status of some Indian-owned property, unfamiliarity of some non-Bureau lenders with Indians; and unfamiliarity of some Indians with standard procedures followed by customary lenders. Insofar as possible, however, Indian veterans should be encouraged to deal with lenders in the area, and with local offices of the Veterans Administration. Credit officers shall keep themselves informed regarding the lenders in the area making loans to veterans, and maintain close working relationships with local offices of the Veterans Administration in order that they may be in a position to advise Indian veterans. Details, procedures, forms, etc., are given in 47 BIAM Supplement 3, Financing by Customary Financial Institutions.
7.1 Purpose

7.2 Applicability
7.1 Purpose. The purpose of loans to Indian organizations and advances of tribal funds to tribes for credit operations and financing activities pursuant to 25 C.F.R. §1 is to help raise economic and social conditions among Indian people. Details of loans, procedures, forms, etc., are given in 47 BIAM Supplement 1, Direct Loans by United States.

7.2 Applicability. The regulations and manual provisions governing operations by Indian organizations are a part of their loan agreement contracts. If a contract provides that operations will be governed by specific regulations and instructions, a formal modification will be necessary in order for the instructions herein and in 47 BIAM Supplement to be applicable thereto. If a contract provides that amendments will be applicable thereto, copy of this Manual and 47 BIAM Supplement 1 should be transmitted to the borrowing organization by registered or certified mail, return receipt requested, with full explanation of differences between the provisions of the regulations and instructions applicable to the loan agreement contract and the provisions hereof.
9 FINANCING OF ENTERPRISES

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9.1 Purpose

9.2 Applicability
9.1 Purpose. The purpose of the financing of enterprises operated by organizations pursuant to 25 C.F.R. 91 is to help raise economic and social conditions among Indian people. All financing of enterprises must be in accordance with authority contained in the organization papers of the operator. "Enterprise" as used herein means a business operated by an organization to promote its economic development, i.e., organized, self-sustaining activities which it is anticipated will produce a net income for the organization. Details, forms, etc., are given in 47 BIAM Supplement 2, Relending by Indian Organizations.

9.2 Applicability. The regulations and manual provisions applicable to the financing of enterprises are a part of the Enterprise Agreements. If an agreement provides that operations will be governed by specific regulations and instructions, a formal modification will be necessary in order for the instructions herein and in 47 BIAM Supplement 2 to be applicable thereto. If an agreement provides that amendments will be applicable thereto, copy of this manual and 47 BIAM Supplement 2 should be submitted to the organization operating the enterprise by registered or certified mail, return receipt requested, with full explanation of differences between the provisions of the regulations and instructions applicable to the agreement and the provisions hereof.
10 EDUCATIONAL LOANS

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10.1 Policy
10.2 General Provisions
10.1 Policy. Loans to Indians for educational purposes may be made only if no other means of financing is available.

10.2 General Provisions. Loans may be made by the United States for higher education or special training to applicants of one-quarter or more degree of Indian blood who are not members of a corporation, tribe, or band that is making loans, and who are ineligible for loans from a credit association. The amount of the loan shall be restricted to the amount required in addition to personal and family resources. Details, procedures, forms, etc., are given in 47 BIAM Supplement 1, Direct Loans by the United States, and Supplement 2, Refunding by Indian Organizations.
12 INTEREST TABLES AND MISCELLANEOUS INFORMATION

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12.1 Purpose

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12.1 Purpose. The purpose of this chapter is to provide interest and miscellaneous other information governing loans made pursuant to 25 C.F.R. 91. Details, procedures, forms, etc., are given in 47 BIAM Supplement 4, Records, Accounts, Reports and Interest Tables.
Memorandum

To:       Holders of 47 BIAM

From:    Commissioner of Indian Affairs

Subject: Revision of 47 BIAM 4, Functions

This is the first release under the BIAM system pertaining to the Credit and Financing program. 47 IAM 4, Functions, has been revised to include the functions of an Examining Division of the Central Office staff and is issued as 47 BIAM 4.

[Signature]
Commissioner

Filing instructions for material transmitted:

(a) Remove superseded material:
47 IAM 4.0 through 47 IAM 4.3  (4 sheets)

(b) Insert new material transmitted:
47 BIAM 4.0 through 47 BIAM 4.3  (5 sheets)

(c) Pen-and-ink changes:
None

[Signature]
Complete

[Stamp]
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        d. Review and Classify Substandard and Important Maturing Loans
        e. Relationships

4.2 Functions of Area Office Staff
   A. Listing of Functions

4.3 Functions of Agency Staff
   A. Listing of Functions
Functions

4.1 Functions of Central Office Staff. The overall function is to provide administrative and technical direction on a National basis, of the Bureau's program for financing of Indian organizations and of individual Indians and group enterprises of all kinds.

A. Listing of Functions.

(1) Develop general plans for a comprehensive program to obtain or furnish justified financing required to develop Indian resources both physical and human.

(2) Formulate general policies concerning the program.

(3) Formulate general methods, procedures, regulations, and instructions for conduct and execution of program.

(4) Develop standards for program, including employee qualifications.

(5) Advise on budget and personnel needed in program.

(6) Recommend and prepare legislation necessary for program.

(7) Appraise execution of program, analyze results, and recommend changes necessary, including corrective action.

(8) Supply Commissioner with information on status and progress of credit program, as needed, for reports to Congress, for budget use, and for general public use.

(9) Maintain cooperative relationships with other Federal departments and bureaus and with commercial and non-Governmental financial institutions for financing of Indians.

(10) Develop training program for Indians and Indian organizations in the sound use of credit, and effective business practices.
Functions

(11) Develop Indian organizations for credit administration through Bureau approved programs, or programs subject to supervision by some regulatory body.

(12) Collaborate with other Branches in the development of economic business organizations utilizing Indian resources.

(13) Collaborate with the other Branches in making studies to determine types of enterprises susceptible of development.

(14) Analyze proposed enterprises to determine their feasibility from the standpoint of financing.

(15) Analyze reports on operations of tribal enterprises in conjunction with other Branches, where necessary, and recommend changes or corrective action.

(16) Recommend approval or disapproval of applications for loans above field approving authority, and requests for tribal funds to be used for loans and for investment in enterprises.

(17) Serve as technical advisor to the Superintendents of the Choctaw, Cherokee, Seminole and Miccosukee Agencies, members of their staffs, and individual Indians and tribal groups under their jurisdictions, on problems relative to credit and economic development of enterprises.

B. Functions of Examining Staff.

(1) General. The fiduciary responsibility for the protection of tribal funds and plenary responsibility for protecting Government funds used in credit programs necessitate inspection, supervision and controls. Periodic examination of credit programs will be made by members of the Central Office staff to assure execution of these responsibilities. Examinations will be scheduled by the Central Office. Special examinations may be requested by the Area or Agency Office at any time.

(2) Purpose. The purpose of an examination is to develop an indepth analysis of each credit program regarding loan policies, responsibilities and supervision by credit committees, Area and Agency credit officers, checking for technical defects and the application
Functions

of customary credit principles in the making, servicing and liquidation of loans. Reports will be made to Superintendents, Area Directors and the Commissioner. Examinations will not replace required annual audits.

(3) Duties of Examiners.


(1) Indicate the extent of diversification and to what general lines of industry, agriculture and business loans are chiefly made and to what extent the loan program supplies the credit needs.

(2) Comment upon procedure and the degree to which the responsibilities of the credit committee and credit officer are being accomplished in connection with establishing lines of credit and the making and servicing of loans.

(3) Describe and comment upon procedure followed by the credit committee in reviewing overdue and important maturing loans; also the procedure followed by the Area and Agency credit office in reviewing overdue and important maturing loans.

(4) Comment upon the status of credit information as to being (a) adequate; (b) current; (c) in sufficient detail and (d) properly filed.

(5) Comment regarding credit committee's periodic review and appraisal of collateral.

(6) Comment regarding the establishment and follow-through of liquidation policies.

(7) Comment upon the disposition of acquired property, if any.
Functions

(8) Describe the interest rates on loans:
Maximum ___%; minimum ___%; average ___%. Comment if necessary on other charges on loans.

(9) Express conclusions and recommendations where necessary.

b. Review of Supervision.

(1) If the number and qualifications of credit committee members are not in accord with the Declaration of Policy and Plan of Operation, comment upon the situation and the action being taken.

(2) Comment upon whether satisfactory records are kept of all meetings. Comment upon minutes of meetings as to (a) showing both approvals and disapprovals of loans; (b) sufficient detail; (c) timely; (d) available; (e) proper distribution; (f) signed; and (g) properly recorded or filed.

(3) State dates designated for regular meetings and number held, and indicate members whose attendance has been irregular or infrequent and the reasons therefor.

(4) Comment whether annual audits are satisfactory and are reviewed by the credit committee and Area Office with corrective actions recommended by each.

(5) Comment as to whether expense and income accounts of the organization are examined by the credit committee and if the minutes indicate such action.

(6) Comment whether all loans are reviewed periodically by the credit committee and whether the minutes indicate such action.

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c. List Technical Exceptions.

(1) List loans with technical defects not corrected during examination including compliance with or adequacy of insurance, appraisals, titles, loan authorizations, notes, mortgages, credit information and non-Bureau loan eligibility criteria; and adherence to plans of operation, loan agreements, the Uniform Commercial Code, and Truth in Lending Regulation Z.

(2) In each case the examiner will advise the credit officer of the particular corrections necessary.

d. Review and Classify Substandard and Important Maturing Loans.

(1) List and comment on each overdue loan as to amount overdue, approximate amount doubtful, amount of probable loss, renewals without principal reduction and planned corrective action by management, if any.

(2) List and comment on current loans subject to classification because of minus net worth, renewals without principal reductions, lack of progress by borrowers and planned corrective action by management, if any.

e. Relationships. Examiners will not advise credit committees or borrowers. Area and Agency credit officers will cooperate with examiners and furnish pertinent information when requested. Examiners will not enter into interminable discussions concerning review of loan policies, technical defects, review of supervision or classification of loans with Area or Agency credit officers. Instructions when necessary will be issued by the Commissioner.

f. Visits to Borrowers.

Examiners will interview borrowers when deemed appropriate.

g. Exit Interview.

At the conclusion of the examination, the examiners will conduct an exit interview with the Agency Superintendent, Agency Credit Officer, a member of the tribal credit committee, or the Area Staff (if office is under examination) to ascertain the findings of the examination.
Functions

4.2 Functions of Area Office Staff.

A. Listing of Functions.

(1) Under the general direction and supervision of either the Assistant Area Director (Economic Development) or the Area Director, give advice and interpretation with regard to financing and credit matters in the area, checking for conformance to general policies, plans, standards, rules, and regulations, and procedures established by the Secretary of the Interior and the Commissioner.

(2) Make periodic and special inspection of agency credit programs in order to review and appraise both personnel performance and the adequacy of the program and its execution.

(3) Make continuing investigation and appraisal of new developments along financial and business development lines in the area to determine their value and applicability to the financing program for Indians.

(4) Serve as technical advisor to the Area Director, members of his staff, Agency Superintendents, Agency personnel, individual Indians and tribal groups, on commercial problems relating to credit and business development.

(5) Review economic studies made by Agency and Area Office personnel, and by private business development firms, in order to determine types of enterprises susceptible to development and operation by Indians and Indian organizations, and through recommendations made to the Area Director, Agency Superintendent, individual Indians and Indian groups, promote the development, operation, and financing of sound business enterprises.

(6) Furnish advice to commercial lenders and investment firms in connection with the extension of credit to and financing of Indians and Indian groups, and maintain cooperative relationships with Area representatives of other Federal and State agencies, Bureau and private firms engaged in financing and related business activities.
Functions

(7) Develop and conduct training programs for the benefit of Indians and Indian groups in the field of credit.

(8) Recommend to Area Director approval or disapproval of applications for loans and on other credit matters within Area approving authority; recommend corrective measures and enforcement action where necessary; and prepare correspondence for the Area Director recommending approval or disapproval by the Commissioner of applications and other credit matters requiring action by the Central Office.

(9) Formulate and review systems for accounting, record keeping and reporting of Indian organizations and individual Indian-owned enterprises financed with loans, and through inspection, report on proper maintenance and operation.

(10) Recommend staffing needs and the selection, promotion, transfer, etc., of Agency and Area personnel engaged in credit work.

(11) Make periodic spot checks of Agency loan files to assure that securing documents are being filed or recorded in accordance with State laws.

4.3 Functions of Agency Staff.

A. Listing of Functions.

(1) Under the general direction and supervision of the Superintendent, plan, develop, and prosecute the Agency credit and financing programs in accordance with general policies, plans, standards, rules, regulations, and procedures established by the Secretary of the Interior, the Commissioner, and the Area Director.

(2) Collaborate with other Branches in conducting studies and investigations of Indian resources (both individual and tribal) and, based on such studies, or those made by private research organizations, develop, plan, and recommend the establishment and financing of such enterprises as will permanently improve the economic status of Indians and Indian groups.

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(3) Conduct a continuing educational program among the Indians to advise them of the value of (a) using sound business practices and procedures; (b) the making of and adhering to economic development programs; (c) sound credit usage; and (d) assumption by Indians of responsibility for their own economic welfare.

(4) Serve as liaison on credit and financing matters between Indians and Indian groups and the tribal governing body, or with private lenders, and assist in consummating desired loans by giving all necessary details regarding the enterprise for which the loan is needed.

(5) Review the accounting records maintained by tribes or other Indian organizations covering activities financed by the United States, or with tribal funds used under Secretarial regulations, in order to observe and report on their adherence to accepted business practices, procedures, sound credit policies and practices, and regulations and instructions.

(6) Appraise and report the effectiveness of credit-financed enterprises in improving the economic status of Indians.

(7) Make bulletins, pamphlets, and information available to Indians regarding financing by non-Indian Service lenders.

(8) Make recommendations on budget, personnel, and equipment needs of the credit staff, in order to administer the credit program effectively.

(9) Make recommendations on approval or disapproval of applications for loans by a Superintendent within Agency approving authority, and for approval or disapproval by the Area Director or Commissioner, applications requiring action either by the Area Office or the Central Office.

(10) Make recommendations regarding corrective measures and enforcement action necessary in connection with credit matters.

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Functions

(11) Make certain that securing documents are filed or recorded in the appropriate County or State offices and kept effective in accordance with the laws of the State.