

INTERTRIBAL MONITORING ASSOCIATION on Indian Trust Funds

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Resolution #01-ITMA-10

RE: Authorization for the Intertribal Monitoring Association on Indian Trust Funds in their Efforts to Preclude the Use of the Arthur Andersen Reconciliation Report as Evidence of the Tribes Trust Fund Balance

WHEREAS, in 1996, Tribes received from the United States and Arthur Andersen LLP a report which purported to reconcile the Tribes trust fund balance but which failed to adhere to standard and accepted audit standards; and

WHEREAS, pursuant to the American Indian Trust Fund Management Reform Act of 1994, 25 U.S.C., 4044, tribes had to either accept the purported balance or state its reasons for disagreeing with the report's conclusions; and

WHEREAS, the agreed-upon procedures used by Arthur Andersen in preparing the reconciliation report undermine the validity of that report and constitute an admission by Arthur Andersen and the United States that the report is not an accurate or complete accounting of Tribes trust funds; and

WHEREAS, by way of example, the report acknowledges that thirty-one percent of non-investment transactions and sixty-nine percent of investment transactions could not be reconciled; and

WHEREAS, the shortcomings of the Arthur Andersen report would prevent its admissions as evidence under the Federal Rules of Evidence; and

WHEREAS, tribes should not have to expend the resources necessary to prevent the use of the report and similar reports regarding other tribes by the United States as evidence of tribal trust fund balances in any forum or circumstance;

NOW, THEREFORE, BE IT RESOLVED, by the Intertribal Monitoring Association on Indian Trust Funds, that the Association supports tribes in their efforts to preclude the use of Arthur Andersen reconciliation reports as evidence of tribal fund account balances.

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CERTIFICATION

The foregoing ITMA Resolution #01-ITMA-10 was adopted by the ITMA Board of Directors by means of a duly sanctioned Board Telephone/Fax Poll conducted on July 6, 2001. The official action was constituted by means of _____ voting for, _____ opposed, _____ absent, and _____ abstaining.

a t t e s t

SECRETARY
(Governor) Harry D. Early

CHAIRMAN
(Chief) Charles O. Tillman

