

Conflicts run deep on tribe board

Four members also hold high-paying posts in the government they are elected to oversee

By Melvin Claxton and Mark Puls / *The Detroit News*

SAULT STE. MARIE — Fred Paquin is the Sault Chippewa chief of police. He also sits on the tribe's 13-member board of directors who hired him for the job, monitor his performance and approves his raises.

As chief of police, Paquin would lead any investigation into corruption or criminal charges against the board on which he sits and was once vice-chairman and treasurer.

Beside Paquin, who is paid as a board member and police chief, board members Paul Shagen, Mike Lumsden and Aaron Payment all hold top salaried positions with the tribe.

In every case, tribal chairman and chief executive officer Bernard Bouschor played a role in their hiring. As CEO he oversees all tribal employees.

Such conflicts of interest highlight the blurred lines between the Sault Chippewa branches of government and the incestuous relationships between board members and the government posts they oversee.

That lack of separation between government powers — seen in most of the nation's 560 federally recognized tribes — makes it difficult for members of the tribe to challenge the actions of their leaders.

Even the tribal court — one avenue of redress for the Sault Chippewas — is tied to the board. Not only are judges hired and fired by the board, at least one has held a top board position while on the bench.

Before his retirement from the board last year, George Nolan was chief tribal court judge, board vice-chairman and a member of the tribe's economic development committee.

Nolan, who never attended high school, held those positions for more than a decade. In his capacity as chief judge, Nolan had oversight over legal complaints against the board that paid his salary and on which he sat.

The near complete control of board members and their powerful chairman over the tribe allows them to place self-interest over voters' concerns with little fear of fallout.



Bernard Bouschor,
chairman of the board and
CEO
Term: fourth as chairman
Residence: Sault Ste.
Marie

“The thing that bothers me is the people sitting on the board and working for the tribe,” said Verna Lawrence, former tribal board member and mayor of Sault Ste. Marie from 1999-2001. “Bernard can fire them if they disagree with him. So they have to decide if they want to keep their job or not.”

Elected officials have created high-paying positions that they have filled with board colleagues, ignored tribal members’ mail and given themselves retroactive raises.

The most recent of the raises came in October 2000 when, with the tribe hundreds of millions of dollars in debt, board members increased their salaries 33 percent. They made the hike retroactive, going back five years.

At the same time, the board gave tribal employees a modest 6-percent raise. It wasn’t retroactive.

The annual salaries of board members jumped from \$48,000 to \$64,000. Those who had been on the board for five years pocketed \$80,000 in back pay.

The raises came at a time when the tribe was contemplating cutting services and staff at several of its businesses. Since the salary increases, the tribe has laid off 170 casino workers.

Because the board meets about six hours a week, the salary increase made board members — who get the equivalent of nearly \$200 an hour — among the highest paid legislators in the country.

Tribal spokesman John Hatch insists board members deserve the money because they have responsibilities beyond attending meetings.

But their duties haven’t kept them too busy to work elsewhere. At least eight of these elected officials have other full-time jobs, four with the tribe itself.

Ultra-secretive tribal laws bar Sault Chippewas from knowing how much they are paying these leaders for the second jobs, Hatch said.

In addition to his seat on the board, Shagen works as one of the tribe’s lawyers.

Lumsden was on the board when it created the position of executive director to oversee the tribe’s government programs and services. He applied for the position and was hired by chairman Bouschor.

Payment was also on the board when he was hired as deputy executive director.

As board vice-chairman, Payment helped create and set the salary scale for the position he now holds.

Hatch said the board members didn't use their influence to get the jobs but competed against other applicants. If Sault Chippewas don't like how the board is run, he said, they have the power to elect new members or lobby the board to change policies.

Neither is easy.

Restrictive election ordinances, which require candidates to have a certain blood quantum and live in the Upper Peninsula, block two-thirds of the tribe from running for a four-year term on the board.

Trying to get the attention of board members can prove difficult, as tribal member Robert Lambert discovered on two separate occasions.

When Lambert wrote to his representative and neighbor Ilene Moses complaining about the board's use of tribal funds, she wouldn't accept his letter. The certified letter was returned by the post office marked "Refused."

"Board members are just a rubber stamp for Bernard. We call them tail wagers because they just kind of sit there, and don't say anything," Lambert, who unsuccessfully ran for a seat on the board last year. "Every time I ask my representative something, all eyes turn towards Bernard to see what he will say."

Lambert led a 1995 petition drive asking the board to approve giving 25 percent of casino profits to the tribe's members or place the issue on the ballot for voters to decide.

Lambert needed 100 signatures, but collected 182. He submitted the petitions to the board, which never debated or acted on the petitions.

"It just died," Lambert said. "Nothing ever came of it. To me, it's unfinished business that's never been voted on."