

An Act

LEGISLATIVE ACT 20-18

AN ACT AMENDING LEGISLATIVE ACT #26-17 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2018 – Mod. 12; AND DECLARING AN EMERGENCY

BE IT ENACTED BY THE CHEROKEE NATION:

SECTION 1. TITLE AND CODIFICATION

This legislative act shall be titled and codified as “An Act Amending Legislative Act #26-17 Authorizing the Comprehensive Operating Budget for FY 2018 – Mod. 12”.

SECTION 2. PURPOSE

The purpose of this amendment is to authorize and approve the use of funds, subject to the availability of such funds, in accordance with Section 4, changing the amounts of certain cost centers approved in the “Comprehensive Budget Act for Fiscal Year 2018” or subsequent amendment. The cumulative total of the budget is increased by **\$ 5,893,203** for a total budget authority of **\$ 732,344,420**. The following items are identified as components of such change:

Grants Received & Authorized per LA-26-17 (detail attached)	\$ 2,079,894
Modification Request (see Section 4 below)	<u>3,813,309</u>
Cumulative change in budget authority	<u>\$ 5,893,203</u>

SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #26-17 are applicable to this amendment.

SECTION 4. FUNDING AUTHORIZATIONS

The changes reflect increases to cost centers set forth in the program budget justifications incorporated herein. This modification request changes the total amount of the comprehensive budget authorization by an increase of **\$ 3,813,309** to wit:

- A. An increase in the **General Fund** budget authority of **\$ 2,421,814**.
- B. An increase in the **DOI – General** budget authority of **\$ 659,561**.
- C. An increase in the **DOI – Self Governance** budget authority of **\$ 61,934**.
- D. An increase in the **IHS - Discretionary** budget authority of **\$ 400,000**.

E. An increase in the NAHASDA budget authority of \$ 270,000.

SECTION 5. PROVISIONS AS CUMULATIVE

The provisions of this Act shall be cumulative to existing law.

SECTION 6. SEVERABILITY

The provisions of this Act are severable and if any part or provision hereof shall be held void the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of this Act.

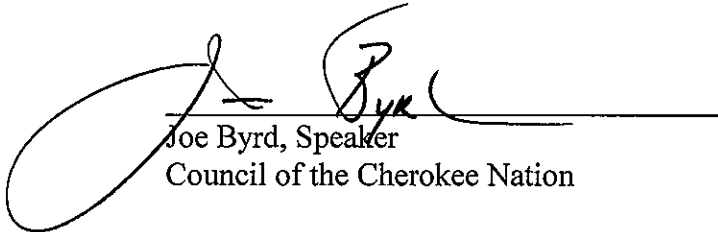
SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

It being immediately necessary for the welfare of the Cherokee Nation, the Council hereby declares that an emergency exists, by reason whereof this Act shall take effect immediately upon its approval and signatures.

SECTION 8. SELF-HELP CONTRIBUTIONS

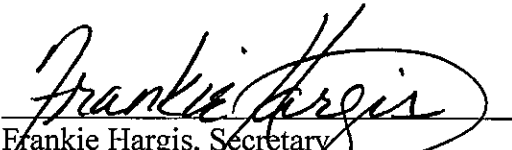
To the extent that this Act involves programs or services to citizens of the Nation or others, self-help contributions shall be required, unless specifically prohibited by the funding agency, or a waiver is granted due to physical or mental incapacity of the participant to contribute.

Enacted by the Council of the Cherokee Nation on the 10th day of September, 2018



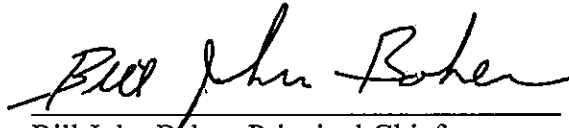
Joe Byrd, Speaker
Council of the Cherokee Nation

ATTEST:



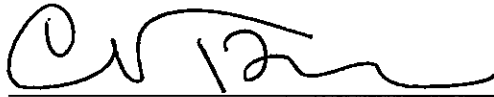
Frankie Hargis, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 13th day of September, 2018



Bill John Baker, Principal Chief
Cherokee Nation

ATTEST:



Chuck Hoskin, Jr., Secretary of State
Cherokee Nation

YEAS AND NAYS AS RECORDED:

Rex Jordan	<u>Yea</u>	Harley Buzzard	<u>Yea</u>
Joe Byrd	<u>Yea</u>	Victoria Vazquez	<u>Yea</u>
David Walkingstick	<u>Yea</u>	Dick Lay	<u>Yea</u>
Dr. Mike Dobbins	<u>Yea</u>	Buel Anglen	<u>Yea</u>
E.O. "Jr" Smith	<u>Yea</u>	Keith Austin	<u>Yea</u>
Bryan Warner	<u>Yea</u>	Janees Taylor	<u>Yea</u>
Frankie Hargis	<u>Yea</u>	Mary Baker Shaw	<u>Yea</u>
Shawn Crittenden	<u>Yea</u>	Wanda Hatfield	<u>Yea</u>
Mike Shambaugh	<u>Yea</u>		

CHEROKEE NATION
PROPOSED FY 2018 AMENDMENT
Sorted by Funding Source

Funding Source	Ref # by FS	Program/Purpose	FY 2018 Prior LA	Data		
				Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010315 Cash Match for Grants	LA 17-18	-	-	\$ -
01-Cherokee Nation Total				\$ -	\$ -	\$ -
20-DOI - General	2	3200020 SHS 21 CCLC TTI IVB	LA 26-17	23,696	23,696	\$ -
	3	3209000 CS Tero Fire	LA 26-17	53,000	53,000	\$ -
20-DOI - General Total				\$ 76,696	\$ 76,696	\$ -
40-DHHS-General	4	3401160 Cherokee Language Curriculum	June Grants	561,253	561,253	\$ -
	5	3401270 Tribal Drinking Water Improv Project	NEW	10,000	10,000	\$ -
	6	3401280 Youth Risk Behavior Survey	NEW	12,000	12,000	\$ -
	7	3401800 Elderly Care Giver	LA 26-17	(3,634)	(3,634)	\$ -
8	3402110 Comprehensive Cancer Control	April Grants	204,600	204,600	\$ -	
40-DHHS-General Total				\$ 784,219	\$ 784,219	\$ -
45-USDA	9	3453451 Food Distribution Other	April Grants	547,730	547,730	\$ -
	10	3453460 SHS Farm to School	NEW	49,318	49,318	\$ -
45-USDA Total				\$ 597,048	\$ 597,048	\$ -
50-US Department of Education	11	3509020 Charter School Special Education	LA 26-17	250	250	\$ -
50-US Department of Education Total				\$ 250	\$ 250	\$ -
62-EPA	12	3622475 E Enterprise Tribal Support	NEW	150,000	150,000	\$ -
62-EPA Total				\$ 150,000	\$ 150,000	\$ -
75-Federal Other	13	3756500 COPS 2015	LA 04-18	55,523	55,523	\$ -
	14	3758000 LASO	NEW	59,800	59,800	\$ -
	15	3758100 Knowing the Land	NEW	10,868	10,868	\$ -
75-Federal Other Total				\$ 126,191	\$ 126,191	\$ -
80-Oklahoma	16	3802300 MPOWER OSDH	LA 26-17	115,090	115,090	\$ -
	17	3802800 TSET	LA 26-17	230,400	230,400	\$ -
80-Oklahoma Total				\$ 345,490	\$ 345,490	\$ -
Grand Total				\$ 2,079,894	\$ 2,079,894	\$ -

August Grants - Reporting Only

CHEROKEE NATION
 PROPOSED FY 2018 AMENDMENT
 Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2018 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010151 CNE Contract	LA 26-17	100,000	100,000	\$ -
	2	1010211 Cherokee Charter School	LA 17-18	-	50,000	\$ (50,000)
	3	1010249 Community Recreation Center	LA 26-17	-	80,000	\$ (80,000)
	4	1010274 Secretary of Natural Resources	LA 26-17	-	800,000	\$ (800,000)
	5	1010280 General Fund Operations	LA 26-17	700,000	-	\$ 700,000
	6	1010296 Unappropriated Reserve	LA 11-18	-	(130,000)	\$ 130,000
	7	1010310 Indirect Cost Shortfall	LA 26-17	-	(100,000)	\$ 100,000
	8	1010555 Cherokee Day Training Program	LA 26-17	150,000	150,000	\$ -
	9	1010900 Contract Health Servi Dividend	LA 26-17	1,473,678	1,473,678	\$ -
	10	1011015 Substance Abuse Treatment	LA 26-17	40,826	40,826	\$ -
	11	1011063 NRD Ethnobiology	LA 11-18	(2,890)	(2,890)	\$ -
	12	1012350 Land Development	LA 17-18	20,000	20,000	\$ -
	13	1016000 One Fire Helping Victims	LA 26-17	(59,800)	(59,800)	\$ -
01-Cherokee Nation Total				\$ 2,421,814	\$ 2,421,814	\$ -
20-DOI - General	14	3200000 SHS Education Administration	LA 06-18	659,561	659,561	\$ -
20-DOI - General Total				\$ 659,561	\$ 659,561	\$ -
22-DOI - Self Governance	15	3221105 BIA Preparedness	LA 26-17	36,934	36,934	\$ -
	16	3222540 DOI SG Interest	LA 26-17	25,000	25,000	\$ -
22-DOI - Self Governance Total				\$ 61,934	\$ 61,934	\$ -
30-IHS - Discretionary	17	3301000 IHS SG Interest Balance Sheet	LA 26-17	400,000	400,000	\$ -
30-IHS - Discretionary Total				\$ 400,000	\$ 400,000	\$ -
56-NAHASDA	18	3564029 MAP Program Income	NEW	270,000	270,000	\$ -
56-NAHASDA Total				\$ 270,000	\$ 270,000	\$ -
Grand Total				\$ 3,813,309	\$ 3,813,309	\$ -

Operating Mod #12 Request

**COMPREHENSIVE BUDGET
FOR FISCAL YEAR 2018**

Funding Source	Revenues	Transfers In	Total	Direct Exp.	Indir. Exp.	Transfers Out	Total	NET
Tribally Funded Funding Source	109,082,640	714,873	109,797,513	89,366,344	5,116,862	15,314,307	109,797,513	0
Motor Fuels Tax Funding Srce	9,288,815	19,302,644	28,591,459	20,512,868	107,899	7,970,692	28,591,459	0
Motor Vehicle Tax Funding Srce	28,532,141	1,126,604	29,658,745	27,817,879	550,508	1,290,358	29,658,745	0
Permanent Fund Funding Source	10,100	0	10,100	10,100	0	0	10,100	0
DOI General Funding Source	11,574,914	371,591	11,946,505	10,290,720	1,655,785	0	11,946,505	0
DOI Self Gov Funding Source	14,111,785	79,600	14,191,385	12,969,151	1,176,320	45,914	14,191,385	0
DOI Self Gov Roads Funding Srce	8,312,217	0	8,312,217	8,162,149	129,867	20,201	8,312,217	0
Dept of Transportation Fnd Srce	72,048,214	0	72,048,214	71,786,009	162,362	99,843	72,048,214	0
DOI PL102-477 Funding Source	28,358,096	0	28,358,096	27,187,180	1,170,916	0	28,358,096	0
IHS Self Gov Health Funding Sr	321,372,809	206,647	321,579,456	290,647,929	22,931,527	8,000,000	321,579,456	0
IHS Self Gov TEH Funding Srce	14,348,133	296,000	14,644,133	14,348,768	295,365	0	14,644,133	0
IHS Self Gov Offic Funding Srce	322,788	0	322,788	287,611	35,177	0	322,788	0
IHS Discretionary Funding Srce	75,000	0	75,000	35,000	0	40,000	75,000	0
DHHS General Funding Source	44,157,732	557,804	44,715,536	41,579,760	3,135,776	0	44,715,536	0
USDA Funding Source	20,948,453	1,004,453	21,952,906	20,633,180	819,726	500,000	21,952,906	0
Dept of Education Funding Srce	1,208,451	67,222	1,275,673	1,216,603	59,070	0	1,275,673	0
HUD Funding Source	33,142,745	630,073	33,772,818	32,963,946	524,892	283,980	33,772,818	0
Housing Proceeds Funding Srce	0	0	0	0	0	0	0	0
EPA Funding Source	2,133,637	0	2,133,637	1,894,920	238,717	0	2,133,637	0
Dept of Labor Funding Source	10,509,976	0	10,509,976	9,545,468	964,508	0	10,509,976	0
Federal Other Funding Source	10,252,605	129,488	10,382,093	6,030,799	353,591	3,997,703	10,382,093	0
State of Oklahoma Funding Srce	1,454,087	0	1,454,087	1,349,536	104,551	0	1,454,087	0
Private Funding Source	1,550,442	200,550	1,750,992	1,693,775	57,217	0	1,750,992	0
Indirect Cost Pool Funding Srce	47,540,049	4,500	47,544,549	47,544,549	0	0	47,544,549	0
Fringe Pool Funding Source	0	0	0	0	0	0	0	0
Internal Lease Pool Funding Sr	5,554,424	0	5,554,424	5,554,424	0	0	5,554,424	0
Enterprise Funding Source	3,488,600	2,165,016	5,653,616	5,433,926	219,690	0	5,653,616	0
Other Funding Source	255,000	17,000	272,000	261,525	10,475	0	272,000	0
Debt Service Funding Source	0	0	0	0	0	0	0	0
Capital Projects Funding Source	149,783,839	11,000,000	160,783,839	160,577,192	0	206,647	160,783,839	0
Total	\$ 949,417,592	\$ 37,874,065	\$ 987,291,757	\$ 909,701,311	\$ 39,820,801	\$ 37,769,645	\$ 987,291,757	\$ -

CAPITAL RECONCILIATION

LA 25-17	\$ 246,713,097
Cap Mod #1	2,000,000
Cap Mod #2	2,359,828
Cap Mod #3	1,000,000
Cap Mod #4	156,541
Cap Mod #5	8,000,000
Cap Mod #6A	22,688
Total Capital	\$ 260,252,154

Non Grant Requests

Cap Mod #6	22,688	08/13 Council
Oper Mod #11A	1,468,820	08/13 Council
Oper Mod #12	3,813,309	08/30 E&F
Total after pending Mod's	\$ 992,596,574	
Operating (LA 26-17)	732,344,420	Cumulative Oper
Capital (LA 25-17)	260,252,154	Cumulative Cap
Grand Total	\$ 992,596,574	



CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight

Mem o

To: Janees Taylor, Chairman, Executive & Finance Committee
From: Jody S. Reece
CC: Executive & Finance Committee
Date: 08/16/2018
Re: Review of Operating Budget Modification #12 – **Total \$ 5,893,203**

Per your request, I have reviewed the administration's budget modification request for this month's Executive & Finance Committee Meeting. Below is a summary of my review:

A. Grant Reporting:

<u>Funding Source</u>	<u># of Budgets</u>	<u>Amount</u>
20 – DOI General	2	\$ 76,696
40 – DHHS General	5	784,219
45 – U.S.D.A.	2	597,048
50 – US Dept of Educ	1	250
62 – EPA	1	150,000
75 – Federal Other	3	126,191
80 – Oklahoma	2	345,490
Total Grant Reporting		\$ 2,079,894

General Fund Cash Match for Grants (1010315) – Start of Year

Cash Out: Grant Required	\$ 1,977,583
Appropriated for Cash Match (future grants)	708,489
Original Total Budget	<u>\$ 2,686,072</u>

Original Appropriated for Cash Match (future grants)	\$ 708,489	
Used: 3453458 – Nutrition Education Grant	(16,102)	November reporting
3552600 – ICDBG Retail Incubator	(50,984)	December mod
3852500 – Community Action Project	(47,563)	May reporting
Reduced to provide funding for Human Svcs Emergency Asst	(75,000)	June mod
3453451 – Food Distribution Other	(136,932)	August reporting

Balance Available For Future Grant Matching	<u>\$ 381,908</u>
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B. MOD #12 Request - (18 budgets) Increase in budget authority - \$ 3,813,309

1. CNE Contract – 1010151 – General Fund: Modification requesting an increase in expenditure authorization of \$100,000. Funding is provided by increasing the Marshal contract with CNE from \$1,500,000 to \$1,600,000. The new expenditure total is \$2,200,000; therefore, the general fund portion of funding remains at \$600,000.

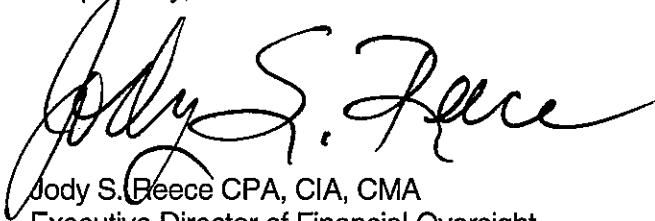
2. Cherokee Charter School – 1010211 – General Fund: Modification requesting an increase in expenditure authorization of \$50,000 for additional space costs to have the 7th and 8th grade on Charter School Campus. The funding is provided from unappropriated reserves (item 6). The new expenditure total is \$2,366,779.
3. Community Recreation Center - 1010249 – General Fund: Modification requesting an increase in expenditure authorization of \$80,000 budgeted mainly in space costs and a partial FTE increase. The funding is provided from unappropriated reserves (item 6). The new expenditure total is \$960,000 with a net of \$880,000 after fees.
4. Secretary of Natural Resources – 1010274 – General Fund: Modification requesting an increase in expenditure authorization of \$800,000 for Sequoyah Fuels cleanup. Funding is provided by additional interest income of \$700,000 (item 5) and a \$100,000 reduction in funding for the Indirect Cost Shortfall budget (item 7). The new expenditure total is \$1,130,136.
5. General Fund Operations – 1010280 – General Fund: Modification requesting an increase in interest income of \$275,000 and an increase in transfer in of \$425,000. The transfer in includes \$25,000 interest income from DOI (item 16) and \$400,000 from IHS (item 17). This \$700,000 is used as the main funding for the increase in Secretary of Natural Resources (item 4).
6. Unappropriated Reserve – 1010296 – Unappropriated Reserve: Modification requesting a decrease in expenditure authorization of \$130,000 to fund the increases in Charter School (item 2) and Community Recreation Center (item 3). There is also a change in expenditure authorization to remove and additional \$659,561 from the reserved by appropriation account and transfer the funds to Sequoyah High School (item 14). This leaves an unappropriated reserve of \$6,856,158. Incidentally, the estimated unappropriated reserve carried into the 2019 comprehensive budget is \$6,691,611; therefore, the estimate is good as it is slightly below the actual.
7. Indirect Cost Shortfall – 1010310 – General Fund: Modification requesting a decrease in expenditure authorization of \$100,000 to provide the balance of the funding for the Secretary of Natural Resources (item 4). The new expenditure total is \$500,000.
8. Cherokee Day Training Program – 1010555 – General Fund: Modification requesting an increase in expenditure authorization of \$150,000. The funding is provided by an increase in the MOU with CNB for a new total of \$1,175,000. The new expenditure total is \$1,886,064 with the general fund funding remaining at \$711,064.
9. Contract Health Service Dividend – 1010900 – General Fund: Modification requesting an increase in expenditure authorization of \$1,473,678. The funding is provided by fund balance carryover. The new expenditure total is \$7,973,678.
10. Substance Abuse Treatment – 1011015 – General Fund: Modification requesting an increase in expenditure authorization of \$40,826. The funding is provided by \$62,333 fund balance carryover less a \$21,508 adjustment where too much was transferred in a prior year. Funding for this budget is from alcohol tax collections. The new expenditure total is \$364,826.
11. NRD Ethnobiology – 1011063 – General Fund: Modification requesting a decrease in expenditure authorization of \$2,890. This revision removes other income received for reimbursement from the University of Colorado and creating a new special revenue (grant) budget that will fund .03% of an FTE. Other income will now be \$187 received from book sales. The new expenditure total is \$94,699.

12. Land Development Land Ops – 1012350 – General Fund: Modification requesting an increase in expenditure authorization of \$20,000. The funding is provided by an increase in estimated hay sales. The new expenditure total is \$1,183,582. The net funding provided by the general fund remains at \$471,278.
13. One Fire Helping Victims – 1016000 – General Fund: Modification requesting a decrease in expenditure authorization of \$59,800. This change reflects removing the LASO sub grant from this budget and moving it to its' own special revenue (grant) budget along with the staffing. This change also accounts for the actuals from the ONE Fire Golf tournament. The new expenditure total is \$18,000.
14. SHS Education Administration – 3200000 – DOI General: Modification requesting an increase in expenditure authorization of \$659,561. The funding is provided by a transfer from unappropriated reserves (item 6). This supplemental general fund funding is in addition to the \$371,591 received for the teacher pay raises. The new expenditure total is \$5,730,864.
15. BIA Preparedness – 3221105 –DOI Self Governance: Modification requesting an increase in expenditure authorization of \$36,934. The funding is provided by special one-time BIA funding allocations specifically for this purpose. The new expenditure total is \$111,631.
16. DOI SG Interest – 3222540 – DOI Self Governance: Modification requesting an increase in expenditure authorization of \$25,000 to transfer out additional interest income to the General Fund Operations budget (item 5). The new transfer total is \$32,500.
17. IHS SG Interest Balance Sheet – 3301000 – IHS Discretionary: Modification requesting an increase in expenditure authorization of \$400,000 to transfer out additional interest income to the General Fund Operations budget (item 5). The new transfer total is \$475,000.
18. MAP Program Income – 3564029 – General Fund: New budget requesting expenditure authorization of \$270,000. The funding is provided by NAHASDA program income received from families who paid off the balance of the mortgage assistance they previously received. This budget will fund those families who were eligible at the time of application, but are no longer below 80% NMI at the time of home purchase.

Summary:

After reviewing the submission of the operating modification by administration, I find no technical issues surrounding these requests, nor do I have any unmentioned concerns related to their respective carryover estimates. If I can provide any additional information, please do not hesitate to contact me.

Respectfully,



Jody S. Reece CPA, CIA, CMA
Executive Director of Financial Oversight
Office: 918-453-5573
Cell: 918-525-2017
Email: jody-reece@cherokee.org