

An Act

LEGISLATIVE ACT 27-17

AN ACT AMENDING LEGISLATIVE ACT #23-16 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2017 – Mod. 11; 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 #23-16 Authorizing the Comprehensive Operating Budget for FY 2017 – Mod. 11”.

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 2017” or subsequent amendment. The cumulative total of the budget is increased by \$ 5,272,755 for a total budget authority of \$ 710,519,810. The following items are identified as components of such change:

Grants Received & Authorized per LA-23-16 (detail attached)	\$ 428,344
Modification Request (see Section 4 below)	<u>4,844,411</u>
Cumulative change in budget authority	<u>\$ 5,272,755</u>

SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #23-16 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 \$ 4,844,411 to wit:

- A. An increase in the **General Fund** budget authority of \$ 34,906.
- B. A decrease in the **Indirect Cost Pool** budget authority of \$(1,176,444).
- C. An increase in the **Enterprise** budget authority of \$ 973,719.
- D. An increase in the **DOI Self Governance** budget authority of \$ 615,000.

E. An increase in the **IHS Self Governance TEH** budget authority of **\$ 1,106,000.**

F. An increase in the **Federal Other** budget authority of **\$ 3,291,230.**

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.

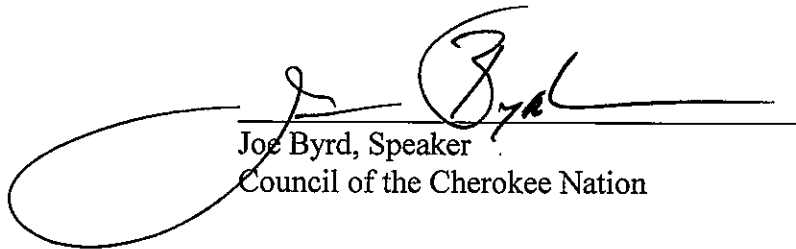
SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

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

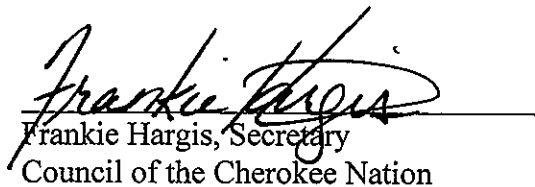
To the extent that this Act involves programs or services to citizens of the Nation or others, self-help contributions shall be required, unless specifically prohibited by the funding agency, or a waiver is granted due to physical or mental incapacity of the participant to contribute.

Enacted by the Council of the Cherokee Nation on the 11th day of September, 2017



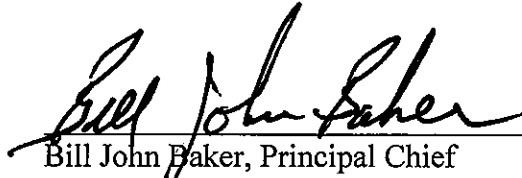
Joe Byrd, Speaker
Council of the Cherokee Nation

ATTEST:



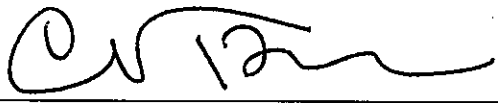
Frankie Hargis, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 13 day of September, 2017



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 2017 AMENDMENT
Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2017 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010315 Cash Match for Grants	June Grants	-	-	\$ -
01-Cherokee Nation Total				\$ -	\$ -	\$ -
40-DHHS-General	2	3402600 Diabetes Grant	June Grants	(1,230,844)	(1,230,844)	\$ -
	3	3402630 Diabetes Program - Stillwell	June Grants	200,000	200,000	\$ -
	4	3402640 Diabetes Program - Sallisaw	June Grants	200,000	200,000	\$ -
	5	3402650 Diabetes Program - Jay	June Grants	200,000	200,000	\$ -
	6	3402660 Diabetes Program - Salina	June Grants	200,000	200,000	\$ -
	7	3402665 Diabetes Grant - Wings	June Grants	55,844	55,844	\$ -
	8	3402670 Diabetes Program - Nowata	June Grants	50,000	50,000	\$ -
	9	3402680 Diabetes Program - Muskogee	June Grants	200,000	200,000	\$ -
	10	3402685 Diabetes Program - Vinita	June Grants	100,000	100,000	\$ -
	11	3402695 Diabetes Program - Ochelata	June Grants	25,000	25,000	\$ -
40-DHHS-General Total				\$ -	\$ -	\$ -
45-USDA	12	3453451 Food Distribution Other	LA 23-16	133,334	133,334	\$ -
45-USDA Total				\$ 133,334	\$ 133,334	\$ -
50-US Department of Education	13	3504000 SHS Cultural Enrichment	LA 23-16	68,713	68,713	\$ -
50-US Department of Education Total				\$ 68,713	\$ 68,713	\$ -
55-HUD	14	3551100 Congregate Housing	LA 23-16	(6,103)	(6,103)	\$ -
55-HUD Total				\$ (6,103)	\$ (6,103)	\$ -
80-Oklahoma	15	3802800 TSET	New	230,400	230,400	\$ -
80-Oklahoma Total				\$ 230,400	\$ 230,400	\$ -
85-Private	16	3855700 SHS Youth Services America	New	2,000	2,000	\$ -
85-Private Total				\$ 2,000	\$ 2,000	\$ -
Grand Total				\$ 428,344	\$ 428,344	\$ -

August Operating Grants - Reporting Only

CHEROKEE NATION
PROPOSED FY 2017 AMENDMENT
Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2017 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010045 Registration General Fund	New	-	1,329,620	#####
	2	1010296 Unappropriated Reserves	LA 16-17	-	(1,329,620)	\$ 1,329,620
	3	1010432 Community Water & Sewer	LA 23-16	-	-	\$ -
	4	1010533 Tribal Summer Youth	LA 23-16	-	274,002	\$ (274,002)
	5	1010555 Cherokee Day Training Program	LA 23-16	-	(274,002)	\$ 274,002
	6	1011070 Cherokee Publications GF	LA 21-17	16,947	16,947	\$ -
	7	1011071 CN Publications Sub Donations	LA 23-16	8,350	8,350	\$ -
	8	1012350 Land Development	LA 21-17	9,609	9,609	\$ -
01-Cherokee Nation Total				\$ 34,906	\$ 34,906	\$ -
04-Indirect Cost Pool	9	2040000 Indirect Cost Pool Recovery	LA 21-17	(1,188,102)	-	#####
	10	2041030 Cherokee Publications IDC	LA 21-17	11,658	11,658	\$ -
	11	2041090 Registration IDC	LA 23-16	-	(1,188,102)	\$ 1,188,102
04-Indirect Cost Pool Total				\$ (1,176,444)	\$ (1,176,444)	\$ -
10-Enterprise	12	4109030 Commercial Loan Fund	LA 23-16	973,719	973,719	\$ -
10-Enterprise Total				\$ 973,719	\$ 973,719	\$ -
20-DOI - General	13	3200000 SHS Education Admin	LA 23-16	615,000	615,000	\$ -
20-DOI - General Total				\$ 615,000	\$ 615,000	\$ -
33-IHS-Self Governance-T E H	14	3332000 EHS Projects	LA 16-17	1,106,000	1,106,000	\$ -
33-IHS-Self Governance-T E H Total				\$ 1,106,000	\$ 1,106,000	\$ -
75-Federal Other	15	3753207 CDFI	LA 23-16	961,589	961,589	\$ -
	16	3756100 Tribal Historic Preservation Office	Feb Grants	2,329,641	2,329,641	\$ -
75-Federal Other Total				\$ 3,291,230	\$ 3,291,230	\$ -
Grand Total				\$ 4,844,411	\$ 4,844,411	\$ -

Operating Mod #11 Request

**COMPREHENSIVE BUDGET
FOR FISCAL YEAR 2017**

Funding Source	Revenues	Transfers In	Total	Direct Exp.	Indir. Exp.	Transfers Out	Total	NET
Tribally Funded Funding Source	113,169,624	1,491,430	114,661,054	92,711,983	4,327,089	17,621,982	114,661,054	0
Motor Fuels Tax Funding Srce	9,094,402	18,549,025	27,643,427	19,609,419	92,497	7,941,511	27,643,427	0
Motor Vehicle Tax Funding Srce	27,731,218	1,126,604	28,857,822	26,368,075	453,570	2,036,177	28,857,822	0
Permanent Fund Funding Source	10,100	0	10,100	10,100	0	0	10,100	0
DOI General Funding Source	10,521,301	0	10,521,301	9,634,778	886,523	0	10,521,301	0
DOI Self Gov Funding Source	14,392,564	79,600	14,472,164	13,395,590	1,026,133	50,441	14,472,164	0
DOI Self Gov Roads Funding Srce	9,386,614	0	9,386,614	9,253,572	112,841	20,201	9,386,614	0
Dept of Transportation Fnd Srce	72,048,214	0	72,048,214	71,750,077	198,294	99,843	72,048,214	0
DOI PL102-477 Funding Source	30,540,887	0	30,540,887	29,557,193	983,694	0	30,540,887	0
IHS Self Gov Health Funding Sr	283,675,766	1,297,511	284,973,277	266,474,503	18,405,550	93,224	284,973,277	0
IHS Self Gov TEH Funding Srce	8,799,960	0	8,799,960	8,535,264	264,696	0	8,799,960	0
IHS Self Gov Office Funding Srce	322,788	0	322,788	291,326	31,462	0	322,788	0
IHS Discretionary Funding Srce	40,000	0	40,000	35,000	0	5,000	40,000	0
DHHS General Funding Source	46,900,567	564,771	47,465,338	43,244,552	2,957,312	1,263,474	47,465,338	0
USDA Funding Source	19,877,316	851,419	20,728,735	20,061,875	666,860	0	20,728,735	0
Dept of Education Funding Srce	1,211,547	63,957	1,275,504	1,224,297	51,207	0	1,275,504	0
HUD Funding Source	41,912,464	1,199,190	43,111,654	41,296,690	715,225	1,099,739	43,111,654	0
Housing Proceeds Funding Srce	0	0	0	0	0	0	0	0
EPA Funding Source	2,031,199	0	2,031,199	1,841,970	189,229	0	2,031,199	0
Dept of Labor Funding Source	11,479,087	0	11,479,087	10,571,336	907,751	0	11,479,087	0
Federal Other Funding Source	4,613,631	82,670	4,696,301	4,228,081	218,220	250,000	4,696,301	0
State of Oklahoma Funding Srce	1,533,642	0	1,533,642	1,419,540	114,102	0	1,533,642	0
Private Funding Source	750,872	152,987	903,859	854,610	49,249	0	903,859	0
Indirect Cost Pool Funding Srce	47,587,788	27,900	47,615,688	47,615,688	0	0	47,615,688	0
Fringe Pool Funding Source	0	0	0	0	0	0	0	0
Internal Lease Pool Funding Sr	4,945,222	0	4,945,222	4,945,222	0	0	4,945,222	0
Enterprise Funding Source	3,222,404	934,739	4,157,143	3,977,979	179,164	0	4,157,143	0
Other Funding Source	276,590	17,000	293,590	277,000	16,590	0	293,590	0
Debt Service Funding Source	186,456	12,253,224	12,439,680	12,439,680	0	0	12,439,680	0
Capital Projects Funding Source	174,753,675	4,612,155	179,365,830	166,538,760	4,480	12,822,590	179,365,830	0
Total	\$ 941,015,898	\$ 43,304,182	\$ 984,320,080	\$ 908,164,160	\$ 32,851,738	\$ 43,304,182	\$ 984,320,080	\$ -

Non Grant Requests

CAPITAL RECONCILIATION	
LA-22-16	\$ 277,754,636
Mod # 1	76,837
Mod #2	1,819,222
Mod #3	(102,733)
Mod #4	375,000
Mod #5	(857,848)
Mod #6	79,956
Total Capital	\$ 279,145,070

Oper Mod #11 Req	\$ 4,844,411	08/31 E&F
Oper Mod#10a Req	420,433	08/15 Council
Cap Mod #6 Req	79,956	08/15 Council

Total after pending Mod's \$ 989,664,880

Operating (LA-23-16)	710,519,810	Cumulative Oper
Capital (LA-22-16)	279,145,070	Cumulative Cap
Grand Total	\$ 989,664,880	



CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight

M e m o

To: Janees Taylor, Chairman, Executive & Finance Committee
From: Jody S. Reece
CC: Executive & Finance Committee
Date: 08/17/2017
Re: Review of Operating Budget Modification #11 – **Total \$ 5,272,755**

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 - Reason</u>	<u>Amount</u>
40 – DHHS General	10 – Award reallocations	\$ 0
45 – USDA	1 – Carryover reconciliation / new award	133,334
50 – U.S. Dept of Educ	1 – Carryover reconciliation / new award	68,713
55 – HUD	1 – Carryover reconciliation	(6,103)
80 – Oklahoma	1 – New award	230,400
85 – Private	1 – New award	2,000
TOTAL GRANTS		\$ 428,344

General Fund Cash Match for Grants (1010315) – The original budget of \$2,686,072 included \$2,033,774 in Cash Out: Grant Required and \$652,298 in Appropriated for Cash Match (future grants).

Original Appropriated for Cash Match (future grants)	\$ 652,298	
Used: 3753300 – Federal Transit Program	(35,729)	February reporting
3401210 – Model Tribal System	(6,967)	April reporting
3852500 – Community Action Project (reduce match)	6,751	June reporting
3453451 – Food Distribution	(33,334)	August reporting
1010176 – Cherokee Promise GF Sunset	(214,633)	Mod #10a
Balance Available For Future Grant Matching	<u>\$ 368,386</u>	

B. MOD #11 Request - (16 budgets) Increase in budget authority - \$ 4,844,411

1. Registration General Fund – 1010045 – General Fund: New budget requesting expenditure authorization of \$1,329,620. The Interior Business Center (IBC) within the Department of Interior (DOI) and other agencies have always allowed a portion of Registration to be included in the Indirect Cost (IDC) pool. They have reversed their position and will no longer allow Registration costs in the IDC pool. Therefore, a change of funding is required and in 2017 will come from the General Fund Unappropriated Reserves in item 2. Fiscal year 2018 is already addressed in the comprehensive budget with General Fund funding and reorganization to move a few positions to allowable IDC budgets.

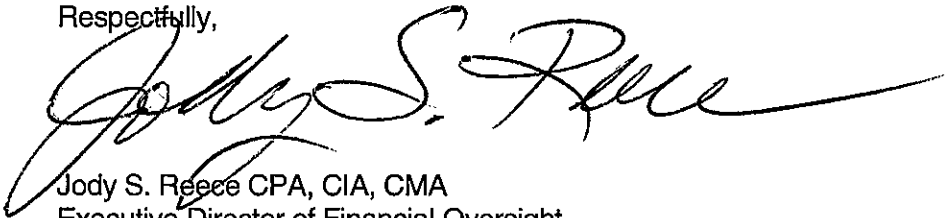
2. Unappropriated Reserves – 1010296 – General Fund: Modification requesting a decrease in the reserved by appropriation of \$1,944,620 to fund the budgets in items 1 and 12. The remaining reserve balance is at \$12 million with \$11.67 already committed as carryover into the 2018 budget.
3. Community Water & Sewer – 1010432 – General Fund: Modification requesting a change in expenditure authorization of \$110,900 reducing the contract services budget and allowing \$110,900 as a transfer out to the EHS budget in item 13. The total expenditure/transfer total remains at \$1,329,105.
4. Tribal Summer Youth – 1010533 – General Fund: Modification requesting and increase in expenditure authorization of \$274,002 that is funded by a reduction in the Day Training budget in item 5. The new expenditure total is \$1,316,927.
5. Cherokee Day Training Program – 1010555 – General Fund: Modification requesting a decrease in expenditure authorization of \$274,002 to free up the funding for Summer Youth in item 4. The new expenditure total is \$1,462,062, the \$1,025,000 budgeted other income from CNB remains the same, and the new net expenditure total is \$437,062.
6. Cherokee Publications GF – 1011070 – General Fund: Modification requesting an increase in expenditure authorization of \$16,947 from additional income and a \$4,592 transfer from Donations in item 7. The new expenditure total is \$626,664 with a net expenditure total remaining at \$488,832.
7. CN Publications Sub Donations – 1011071 – General Fund: Modification requesting an increase in expenditure authorization of \$8,350 to transfer out additional donation income. The transfer out is split 55/45 with \$4,592 going to the budget in item 6 and \$3,758 going to the budget in item 10. The new total for both donation income and transfer out is \$10,350.
8. Land Development – 1012350 – General Fund: Modification requesting an increase in expenditure authorization of \$9,609 for equipment repair that is funded from additional other income received. The new expenditure total is \$1,183,501 with the net expenditure remaining at \$497,302.
9. Indirect Cost Pool Recovery – 2040000 – Indirect Cost Pool: Modification requesting a decrease in IDC recovery of \$1,188,102 to offset the elimination of the Registration IDC budget in item 11.
10. Cherokee Publication IDC – 2041030 – Indirect Cost Pool: Modification requesting an increase in expenditure authorization of \$11,658 from additional income and a \$3,758 transfer from Donations in item 7. The new expenditure total is \$457,431 with a net expenditure total remaining at \$347,358.
11. Registration IDC – 2041090 – Indirect Cost Pool: Modification requesting a decrease in expenditure authorization of \$1,188,102 to eliminate this budget. See the related budgets in items 1 and 9.
12. SHS Education Admin – 3200000 – DOI General: Modification requesting an increase in expenditure authorization of \$615,000 to cover over expenditures for the 2017 school year. The funding is provided by a transfer in from reserves in item 2.
13. EHS Projects – 3332000 – IHS Self Governance TEH: Modification requesting an increase in expenditure authorization of \$1,106,000. Funding is provided by an increase in grant revenue of \$995,100 and grant required cash match of \$110,900 from a transfer in from item 3. The expenditure total is \$7,433,339.
14. CDFI (Community Development Financial Institutions) – 3753207 – Federal Other: Modification requesting an increase in expenditure authorization of \$961,589 to transfer the full amount out to the Commercial Loan Fund in item 16.

15. Tribal Historic Preservation Office – 3756100 – Federal Other: Modification requesting an increase in expenditure authorization (all reserved by appropriation) of \$2,329,641 from current year other income of \$1.65 million and carryover of \$951,791.
16. Commercial Loan Fund – 4109030 – Enterprise: Modification requesting an increase in expenditure authorization of \$961,589 funded by a transfer in from item 14.

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,

A handwritten signature in black ink, appearing to read "Jody S. Reece", with a long horizontal flourish extending to the right.

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