

An Act

LEGISLATIVE ACT 09-14

AN ACT AMENDING LEGISLATIVE ACT #21-13 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2014 – Mod. 7a; 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 #21-13 Authorizing the Comprehensive Operating Budget for FY 2014 – Mod. 7a**”.

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 2014” or subsequent amendment. The cumulative total of the budget is increased by **\$ 9,741,725** for a total budget authority of **\$ 596,875,551**. The following items are identified as components of such change:

Grants Received & Authorized per LA-21-13 (detail attached)	\$ 321,337
Modification Request (see Section 4 below)	<u>9,420,388</u>
Cumulative change in budget authority	<u>\$ 9,741,725</u>

SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #21-13 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 **\$ 9,420,388** to wit:

- A. An increase in the **General Fund** budget authority of **\$ 1,050,000**.
- B. An increase in the **Motor Fuel Tax** budget authority of **\$ 2,558,000**.
- C. An increase in the **DOI – Self Governance** budget authority of **\$ 310,000**.
- D. An increase in the **IHS-Self Governance-TEH** budget authority of **\$ 2,652,351**.

E. An increase in the **NAHASDA** budget authority of **\$ 2,850,037.**

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.

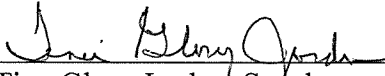
SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

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

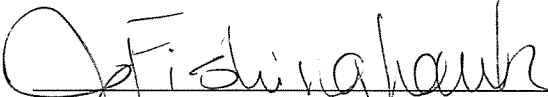
To the extent that this Act involves programs or services to citizens of the Nation or others, self-help contributions shall be required, unless specifically prohibited by the funding agency, or a waiver is granted due to physical or mental incapacity of the participant to contribute.

Enacted by the Council of the Cherokee Nation on the 14th day of April, 2014



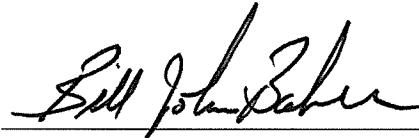
Tina Glory Jordan, Speaker
Council of the Cherokee Nation

ATTEST:



Jodie Fishinghawk, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 24th day of April, 2014



Bill John Baker, Principal Chief
Cherokee Nation

ATTEST:



Chuck Hoskin, Jr., Secretary of State
Cherokee Nation

YEAS AND NAYS AS RECORDED:

Tina Glory 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>
Don Garvin	<u>Yea</u>	Cara Cowan Watts	<u>Yea</u>
David W. Thornton, Sr.	<u>Yea</u>	Lee Keener	<u>Yea</u>
Janelle Fullbright	<u>Yea</u>	Janees Taylor	<u>Yea</u>
Frankie Hargis	<u>Yea</u>	Jack Baker	<u>Yea</u>
Jodie Fishinghawk	<u>Yea</u>	Julia Coates	<u>Yea</u>
Curtis Snell	<u>Yea</u>		

CHEROKEE NATION
 PROPOSED FY 2014 AMENDMENT
 Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2014 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
20-DOI - General	1	3200120 Title I 84 358	New	4,100	4,100	\$ -
	2	3200130 Title I 86 336	New	18,600	18,600	\$ -
20-DOI - General Total				\$ 22,700	\$ 22,700	\$ -
40-DHHS-General	3	3401700 LIHEAP	LA 21-13	60,147	60,147	\$ -
	4	3401710 LIHEAP Administration	LA 21-13	6,568	6,568	\$ -
	5	3406700 Tribal Tobacco Control Program	LA 21-13	10,600	10,600	\$ -
40-DHHS-General Total				\$ 77,315	\$ 77,315	\$ -
45-USDA	6	3454000 TERO USDA Forestry	Jan. Grant	85,000	85,000	\$ -
45-USDA Total				\$ 85,000	\$ 85,000	\$ -
70-US Department of Labor	7	3701400 TLJC Operations	Nov. Grant	(95,801)	(95,801)	\$ -
	8	3701500 TLJC Capital Projects	Nov. Grant	197,123	197,123	\$ -
70-US Department of Labor Total				\$ 101,322	\$ 101,322	\$ -
85-Private	9	3853800 QIP for STD HIV Prevention	New	5,000	5,000	\$ -
	10	3854100 Date but Wait Project	New	30,000	30,000	\$ -
85-Private Total				\$ 35,000	\$ 35,000	\$ -
Grand Total				\$ 321,337	\$ 321,337	\$ -

Grants Reporting Only

CHEROKEE NATION
PROPOSED FY 2014 AMENDMENT
Sorted by Funding Source

Funding Source	Ref # by FS	Program/Purpose	FY 2014 Prior LA	Data		
				Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010110 Litigation	LA-21-13	-	400,000	\$ (400,000)
	2	1010204 Cherokee Immersion Program	LA-25-13	-	9,975	\$ (9,975)
	3	1010211 Cherokee Charter School	LA-21-13	-	390,025	\$ (390,025)
	4	1010277 Special Projects: Culture and History	New	-	49,456	\$ (49,456)
	5	1010280 General Fund Operations	LA-21-13	1,200,000	(829,456)	\$ 2,029,456
	6	1010360 Tribal Election Fund	LA-21-13	-	176,967	\$ (176,967)
	7	1010380 Office of Veterans Affairs	LA-21-13	-	35,000	\$ (35,000)
	8	1010480 Employee Performance Incentive	LA-21-13	-	3,033	\$ (3,033)
	9	1010555 Cherokee Day Training Program	LA-21-13	-	650,000	\$ (650,000)
	10	1010569 Vocational Assistance	LA-21-13	-	150,000	\$ (150,000)
	11	1010808 Bright Futures	LA-21-13	-	15,000	\$ (15,000)
01-Cherokee Nation Total				\$ 1,200,000	\$ 1,050,000	\$ 150,000
02-Motor Fuel Tax	12	1021000 Motor Fuels Tax	LA-21-13	719,000	719,000	\$ -
	13	1023030 Minor Emergency Repair	LA-21-13	200,000	200,000	\$ -
	14	1024001 MFT Higher Ed Scholarships	LA-21-13	1,639,000	1,639,000	\$ -
02-Motor Fuel Tax Total				\$ 2,558,000	\$ 2,558,000	\$ -
22-DOI - Self Governance	15	3223070 CN Water Plan	New	310,000	310,000	\$ -
22-DOI - Self Governance Total				\$ 310,000	\$ 310,000	\$ -
33-IHS-Self Governance-T E H	16	3331000 EHS Administration	LA-21-13	307,712	307,712	\$ -
	17	3332000 EHS Projects	LA-21-13	2,344,639	2,344,639	\$ -
33-IHS-Self Governance-T E H Total				\$ 2,652,351	\$ 2,652,351	\$ -
56-NAHASDA	18	3564021 Replacement Homes	LA-21-13	1,200,000	1,200,000	\$ -
	19	3564044 Housing Rehabilitation	New	1,650,037	1,650,037	\$ -
56-NAHASDA Total				\$ 2,850,037	\$ 2,850,037	\$ -
Grand Total				\$ 9,570,388	\$ 9,420,388	\$ 150,000

Operating Mod #7a Request

COMPREHENSIVE BUDGET FOR FISCAL YEAR 2014

Funding Source	Revenues	Transfers In	Total	Direct Exp.	Indir. Exp.	Transfers Out	Total	NET
Tribally Funded Funding Source	90,615,800	1,390,822	92,006,622	81,091,124	4,528,706	6,379,486	91,999,316	7,306
Motor Fuels Tax Funding Srce	10,103,938	13,357,108	23,461,046	14,086,920	146,850	9,227,276	23,461,046	0
Motor Vehicle Tax Funding Srce	20,457,224	450,000	20,907,224	19,163,790	465,009	1,278,425	20,907,224	0
Permanent Fund Funding Source	10,530	0	10,530	10,530	0	0	10,530	0
DOI General Funding Source	12,736,725	0	12,736,725	11,941,649	795,076	0	12,736,725	0
DOI Self Gov Funding Source	14,217,484	79,600	14,297,084	13,026,057	1,260,227	10,800	14,297,084	0
DOI Self Gov Roads Funding Src	23,844,432	0	23,844,432	23,616,471	141,088	86,873	23,844,432	0
Dept of Transportation Fnd Src	47,825,387	0	47,825,387	47,566,718	158,826	99,843	47,825,387	0
DOI PL102-477 Funding Source	15,980,768	0	15,980,768	15,222,177	758,591	0	15,980,768	0
IHS Self Gov Health Funding Sr	245,019,997	28,140	245,048,137	225,014,000	17,384,137	2,650,000	245,048,137	0
IHS Self Gov TEH Funding Src	5,690,386	0	5,690,386	5,311,703	378,683	0	5,690,386	0
IHS Self Gov Office Funding Src	322,788	0	322,788	284,719	38,069	0	322,788	0
IHS Discretionary Funding Src	68,400	0	68,400	30,000	0	38,400	68,400	0
DHHS General Funding Source	35,608,579	516,894	36,125,473	32,500,135	3,025,338	600,000	36,125,473	0
USDA Funding Source	16,883,848	743,192	17,627,040	16,907,218	719,822	0	17,627,040	0
Dept of Education Funding Srce	1,140,468	67,154	1,207,622	1,099,523	108,099	0	1,207,622	0
HUD Funding Source	44,980,473	247,211	45,227,684	43,068,507	1,709,177	450,000	45,227,684	0
Housing Proceeds Funding Src	0	0	0	0	0	0	0	0
EPA Funding Source	1,954,789	0	1,954,789	1,745,303	209,486	0	1,954,789	0
Dept of Labor Funding Source	6,505,128	0	6,505,128	5,869,884	635,244	0	6,505,128	0
Federal Other Funding Source	2,472,655	500	2,473,155	2,343,427	129,728	0	2,473,155	0
State of Oklahoma Funding Srce	1,423,804	0	1,423,804	1,298,103	125,701	0	1,423,804	0
Private Funding Source	713,614	183,222	896,836	834,930	61,906	0	896,836	0
Indirect Cost Pool Funding Src	40,912,737	68,400	40,981,137	40,712,130	0	0	40,712,130	269,007
Fringe Pool Funding Source	0	0	0	0	0	0	0	0
Internal Lease Pool Funding Sr	4,400,283	0	4,400,283	4,400,283	0	0	4,400,283	0
Enterprise Funding Source	1,247,473	450,000	1,697,473	1,237,276	0	0	1,237,276	460,197
Other Funding Source	199,471	17,000	216,471	204,836	11,635	0	216,471	0
Debt Service Funding Source	0	2,650,000	2,650,000	2,650,000	0	0	2,650,000	0
Capital Projects Funding Sourc	19,580,409	600,000	20,180,409	20,152,269	0	28,140	20,180,409	0
Total	\$ 664,917,590	\$ 20,849,243	\$ 685,766,833	\$ 631,389,682	\$ 32,791,398	\$ 20,849,243	\$ 685,030,323	\$ 736,510

CAPITAL RECONCILIATION		Non Grant Requests	
LA-22-13 CAP	\$ 92,360,612	Mod-6 Oper Req	1,339,920 03/10 Council
Mod-1 Capital	5,000,000 10/21 Council	Mod-3 Cap Req	521,902 03/10 Council
Mod-2 Capital	1,554,468 02/10 Council	Mod-7a Oper Req	9,420,388 3/27 E&F
Mod-3 Capital	521,902 03/10 Council	Mod-4b Cap Req	150,000 3/27 E&F
Mod-4b Capital	150,000 03/27 E&F	Total after pending Mod's	\$ 696,462,533
Total Capital	\$ 99,586,982	Operating (LA21-13)	\$ 596,875,551 Cumulative Oper
		Capital (LA-22-13)	99,586,982 Cumulative Cap
		Grand Total	\$ 696,462,533



CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight

Mem o

To: Jodie Fishinghawk, Chair, Executive & Finance Committee &
Janees Taylor, Co-Chair, Executive & Finance Committee

From: Jody S. Reece

CC: Executive & Finance Committee

Date: 03/27/2014

Re: Review of Operating Budget Modification #7a – **Total \$ 9,741,725**

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>Reason</u>	<u>Amount</u>
DOI-General	2 – new awards	\$ 22,700
DHHS-General	3 – carryover reconciliations & revised award	77,315
USDA	1 – carryover reconciliation & revised award	85,000
DOL	2 – carryover reconciliations & revised awards	101,322
Private	2 – carryover reconciliation & new award	35,000
TOTAL GRANTS		\$ 321,337

General Fund Cash Match for Grants (1010315) – In the original budget of \$2,300,072, there was \$1,550,072 in Cash Out: Grant Required and \$750,000 in Appropriated for Cash Match for future grants.

Original Appropriated for Cash Match	\$ 750,000	
Used: ICDBG Retail Incubator (3552600)	(208,101)	October reporting
Balance Available	<u>\$ 541,899</u>	

B. MOD #7a Request - (19 budgets) Increase in budget authority - \$ 9,420,388

1. Litigation – 1010110 - General Fund: Modification requesting an increase in expenditure authorization of \$400,000 for litigation responsibilities. This \$400,000 increase brings the total up to \$713,046; however, it is still \$400,000 less than the FY 2013 budget.
2. Cherokee Immersion Program – 1010204 – General Fund: Modification requesting an increase in expenditure authorization of \$9,975. The increase is for the cost of playground equipment ordered in FY 2013 but not received until December and adjusted space costs. Budgeted payroll expenses are also reduced to reflect current staffing.

3. Cherokee Charter School – 1010211 – General Fund: Modification requesting an increase in expenditure authorization of \$390,025 mainly due to notice of a reduction of funds received from the Oklahoma State Department of Education for AU 3802400 – Cherokee Charter School.
4. **Added After Original Mailing** Special Projects: Culture and History – 1010277 – General Fund: New budget requesting expenditure authorization of \$49,456 to cover the expenses of a “new hire, RFT” position tasked with conducting Tribal historic preservation and outreach activities. Additional details provided in the budget narrative.
5. **Revised After Original Mailing** General Fund Operations – 1010280 – General Fund: Modification requesting an increase in Carryover: “appropriated” PY of \$800,000, a Transfer In of \$400,000 from AU 7965200 – Veterans Center as discussed in the Capital Mod, and a reduction of Reserved by Appropriation of \$1,949,456. These three amounts are needed to balance budget increases for the General Fund AUs (items 1 - 4 above, 6 - 11 below, and the \$150,000 for the Facilities Improvement budget in the Capital Mod).
6. **Added After Original Mailing** Tribal Election Fund – 1010360 – General Fund: Modification requesting an increase in expenditure authorization of \$176,967 from General Fund Carryover for salary changes and additional contract services. Totals of the contracts are listed in the budget narrative.
7. **Added After Original Mailing** Office of Veterans Affairs – 1010380 – General Fund: Modification requesting an increase in expenditure authorization of \$35,000 from General Fund Carryover for revised staffing and related expenses to operate now that the building is complete. This will bring the total budget up to \$315,837.
8. **Added After Original Mailing** Employee Performance Incentive - 1010480 – General Fund: Modification requesting an increase in expenditure authorization of \$3,033 from General Fund Carryover to balance out the account for the Employee Appreciation Day, Employee Christmas Party gift cards and for employee performance incentives for programs that cannot fund from their own budget.
9. **Revised After Original Mailing** Cherokee Day Training Program – 1010555 – General Fund: Modification requesting an increase in expenditure authorization of \$650,000 from General Fund Carryover for client services. This will bring the total for client services up to \$1,886,225 and the total expenditures up to \$2,786,064. The net expenditures budgeted is \$1,761,064 after the \$1,025,000 reimbursement from CNB.
10. **Revised After Original Mailing** Vocational Assistance – 1010569 – General Fund: Modification requesting an increase in expenditure authorization of \$150,000 for client services bringing the total for client services up to \$397,890 and total expenditures up to \$500,000.
11. **Added After Original Mailing** Bright Futures – 1010808 – General Fund: Modification requesting and increase in expenditure authorization of \$15,000 from General Fund Carryover to cover staff merit increases and travel costs.
12. **Added After Original Mailing** Motor Fuels Tax – 1021000 – GF Motor Fuel Tax: Modification requesting an increase in expenditure authorization of \$719,000 from Motor Fuel Tax carryover to be Transferred Out to the budgets in items 13 and 14.
13. **Added After Original Mailing** Minor Emergency Repair – 1023030 – GF Motor Fuel Tax: Modification requesting an increase in expenditure authorization of \$200,000 for a new budget total of \$587,735. These tribal funds are used to provide assistance to protect, repair, and restore homes when conditions threaten the life, health or safety of the occupant and when timely action is required that is not feasible with NAHASDA requirements.
14. **Added After Original Mailing** MFT Higher Ed Scholarships – 1024001 – GF Motor Fuel Tax: Modification requesting an increase in expenditure authorization of \$1,639,000 to complete Fall 2014 scholarship

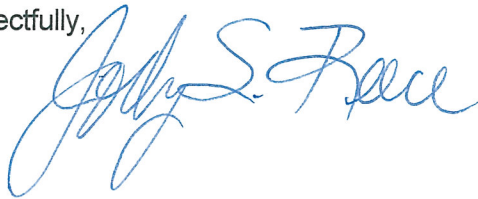
funding. Of this amount there is \$1,120,000 funded from General Fund carryover and \$519,000 from Motor Fuel Tax carryover.

15. **Added After Original Mailing Cherokee Nation Water Plan – 3223070 – DOI Self Governance:** New budget requesting expenditure authorization of \$310,000 to provide for Water Quality Assessment and Water Infrastructure Assessment. Details are provided in the budget narrative.
16. **EHS Administration – 3331000 – IHS SG TEH:** Modification requesting an increase in expenditure authorization of \$307,712 from an increase in grant funds of \$260,916 and prior year carryover reconciliation of \$46,796. The total budget is now \$2,265,353.
17. **EHS Projects – 3332000 – IHS SG TEH:** Modification requesting an increase in expenditure authorization of \$2,344,639 from an increase in grant funds of \$127,534 and prior year carryover reconciliation of \$2,217,105. The total budget is now \$5,973,957.
18. **Replacement Homes – 3564021 – NAHASDA:** Modification requesting an increase in expenditure authorization of \$1,200,000 from NAHASDA program income. The total budget is now \$2,567,645.
19. **Housing Rehabilitation – 3564044 – NAHASDA:** New budget requesting expenditure authorization of \$1,650,037 from NAHASDA program income. This will provide renovation for homes that are substandard and provide accessibility ramps, structural modifications, structural assistance devices, roofing, plumbing and electrical repairs.

Summary:

After reviewing the submission of Mod #7a by administration, I find no technical issues surrounding these requests, nor do I have any concerns related to their respective carryover estimates. **After the final audit numbers come in, the additional carryover from regular General Fund and GF Motor Fuel Tax is expected to be less than \$10,000. Of the original General Fund \$5M Reserved by Appropriation we have slightly over \$3M remaining and is anticipated to be used in the FY 2015 budget.** If I can provide any further information, please do not hesitate to contact me.

Respectfully,



Attachments