

# An Act

## LEGISLATIVE ACT 15-16

### AN ACT AMENDING LEGISLATIVE ACT #17-15 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2016 – Mod. 8; 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 #17-15 Authorizing the Comprehensive Operating Budget for FY 2016 – Mod. 8**”.

#### 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 2016” or subsequent amendment. The cumulative total of the budget is increased by **\$ 11,443,565** for a total budget authority of **\$ 676,674,228**. The following items are identified as components of such change:

Grants Received & Authorized per LA-17-15 (detail attached)	\$ 1,725,779
Modification Request (see Section 4 below)	<u>9,717,786</u>
<b>Cumulative change in budget authority</b>	<b><u>\$ 11,443,565</u></b>

#### SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #17-15 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 a decrease of **\$ 9,717,786** to wit:

- A. An increase in the **General Fund** budget authority of **\$ 9,588,465**.
- B. An increase in the **Permanent Funds** budget authority of **\$ 129,321**.

**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.

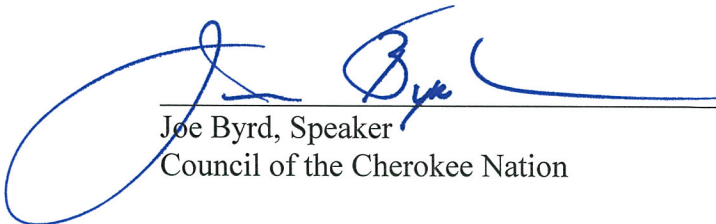
**SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED**

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.

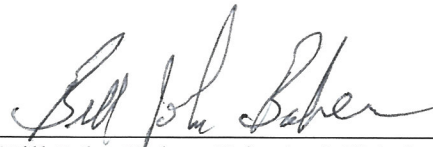
Enacted by the Council of the Cherokee Nation on the 13<sup>th</sup> day of June, 2016

  
\_\_\_\_\_  
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 14<sup>th</sup> day of June, 2016



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>
Don Garvin	<u>Yea</u>	Buel Anglen	<u>Yea</u>
David W. Thornton, Sr.	<u>Absent</u>	Keith Austin	<u>Yea</u>
Bryan Warner	<u>Yea</u>	Janees Taylor	<u>Absent</u>
Frankie Hargis	<u>Yea</u>	Jack Baker	<u>Yea</u>
Shawn Crittenden	<u>Yea</u>	Wanda Hatfield	<u>Absent</u>
Curtis Snell	<u>Yea</u>		

CHEROKEE NATION  
 PROPOSED FY 2016 AMENDMENT  
 Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2016 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
20-DOI - General	1	3205120 AML Projects Maintenance Grant	New	19,840	19,840	\$ -
<b>20-DOI - General Total</b>				<b>\$ 19,840</b>	<b>\$ 19,840</b>	<b>\$ -</b>
40-DHHS-General	2	3402600 Diabetes Grant	LA 17-15	747,117	747,117	\$ -
	3	3402610 Diabetes Grant Health Ed	LA 17-15	-	-	\$ -
	4	3402630 Diabetes Program - Stilwell	LA 17-15	30,220	30,220	\$ -
	5	3402640 Diabetes Program - Sallisaw	LA 17-15	13,207	13,207	\$ -
	6	3402650 Diabetes Program - Jay	LA 17-15	16,870	16,870	\$ -
	7	3402660 Diabetes Program - Salina	LA 17-15	27,748	27,748	\$ -
	8	3402670 Diabetes Program - Nowata	LA 17-15	6,515	6,515	\$ -
	9	3402680 Diabetes Program - Muskogee	LA 17-15	33,324	33,324	\$ -
	10	3402685 Diabetes Program - Vinita	LA 17-15	17,323	17,323	\$ -
	11	3402695 Diabetes Program - Ochelata	LA 17-15	3,293	3,293	\$ -
	12	3404100 Diabetes Special Grant	LA 17-15	38,302	38,302	\$ -
<b>40-DHHS-General Total</b>				<b>\$ 933,919</b>	<b>\$ 933,919</b>	<b>\$ -</b>
45-USDA	13	3453540 Summer EBT for Children	LA 17-15	(1,338)	(1,338)	\$ -
	14	3453550 Summer EBT Food	LA 17-15	213,300	213,300	\$ -
	15	3454000 TERO USDA Forestry	Dec. Grants	144,867	144,867	\$ -
	16	3454700 Safeguarding Natural Heritage	New	42,000	42,000	\$ -
<b>45-USDA Total</b>				<b>\$ 398,829</b>	<b>\$ 398,829</b>	<b>\$ -</b>
62-EPA	17	3622370 Superfund	LA 17-15	68,747	68,747	\$ -
<b>62-EPA Total</b>				<b>\$ 68,747</b>	<b>\$ 68,747</b>	<b>\$ -</b>
75-Federal Other	18	3756700 Sexual Assault Justice Initiative	New	151,382	151,382	\$ -
<b>75-Federal Other Total</b>				<b>\$ 151,382</b>	<b>\$ 151,382</b>	<b>\$ -</b>
80-Oklahoma	19	3801110 OAG VOCA	LA 17-15	118,062	118,062	\$ -
	20	3802300 MPOWER OSDH	LA 17-15	15,000	15,000	\$ -
<b>80-Oklahoma Total</b>				<b>\$ 133,062</b>	<b>\$ 133,062</b>	<b>\$ -</b>
85-Private	21	3855200 Red Star Target	New	20,000	20,000	\$ -
<b>85-Private Total</b>				<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>
<b>Grand Total</b>				<b>\$ 1,725,779</b>	<b>\$ 1,725,779</b>	<b>\$ -</b>

## Operating Grants - Reporting Only

CHEROKEE NATION  
 PROPOSED FY 2016 AMENDMENT  
 Sorted by Funding Source

Funding Source	Ref # by FS	Program/Purpose	FY 2016 Prior LA	Data		
				Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010080 Grant Development for CNB	New	100,000	100,000	\$ -
	2	1010296 Unappropriated Reserves	Mod 7	6,552,413	6,330,966	\$ 221,447
	3	1010390 Special Projects	LA 17-15	-	51,748	\$ (51,748)
	4	1010422 Jay Sewage System	New	25,000	92,800	\$ (67,800)
	5	1010431 Individual Water & Sewer	LA 17-15	15,551	15,551	\$ -
	6	1010577 Community Cultural Outreach	LA 17-15	-	105,494	\$ (105,494)
	7	1010900 Contract Health Servi Dividend	LA 17-15	2,601,676	2,601,676	\$ -
	8	1011015 Substance Abuse Treatment	LA 17-15	290,230	290,230	\$ -
<b>01-Cherokee Nation Total</b>				<b>\$ 9,584,870</b>	<b>\$ 9,588,465</b>	<b>\$ (3,595)</b>
95-Permanent Funds	9	5951210 Skinner Family Living Trust	New	129,321	129,321	\$ -
<b>95-Permanent Funds Total</b>				<b>\$ 129,321</b>	<b>\$ 129,321</b>	<b>\$ -</b>
<b>Grand Total</b>				<b>\$ 9,714,191</b>	<b>\$ 9,717,786</b>	<b>\$ (3,595)</b>

## Operating Mod #8 Request



**COMPREHENSIVE BUDGET  
FOR FISCAL YEAR 2016**

Funding Source	Revenues			Indir. Exp.	Expenditures			NET
	Revenues	Transfers In	Total		Direct Exp.	Transfers Out	Total	
Tribally Funded Funding Source	103,312,319	1,859,378	105,171,697	4,788,217	19,291,424	105,167,923	3,774	
Motor Fuels Tax Funding Srce	8,905,998	18,213,025	27,119,023	119,541	7,941,511	27,119,023	0	
Motor Vehicle Tax Funding Srce	24,502,408	975,182	25,477,590	550,531	1,884,755	25,477,590	0	
Permanent Fund Funding Source	10,300	0	10,300	0	0	10,300	0	
DOI General Funding Source	12,380,065	850,000	13,230,065	722,139	0	13,230,065	0	
DOI Self Gov Funding Source	14,868,409	79,600	14,948,009	1,312,441	41,589	14,948,009	0	
DOI Self Gov Roads Funding Srce	10,259,512	0	10,259,512	131,792	20,201	10,259,512	0	
Dept of Transportation Fnd Srce	65,259,966	0	65,259,966	208,029	99,843	65,259,966	0	
DOI PL102-477 Funding Source	19,313,281	0	19,313,281	819,857	0	19,313,281	0	
IHS Self Gov Health Funding Sr	298,824,479	0	298,824,479	21,755,698	2,650,000	298,824,479	0	
IHS Self Gov TEH Funding Srce	4,515,860	0	4,515,860	298,427	0	4,515,860	0	
IHS Self Gov Offic Funding Srce	322,788	0	322,788	37,298	0	322,788	0	
IHS Discretionary Funding Srce	40,000	0	40,000	0	5,000	40,000	0	
DHHS General Funding Source	38,482,551	510,739	38,993,290	3,189,564	0	38,993,290	0	
USDA Funding Source	19,400,295	818,085	20,218,380	778,171	0	20,218,380	0	
Dept of Education Funding Srce	1,046,036	63,957	1,109,993	91,208	0	1,109,993	0	
HUD Funding Source	42,973,370	1,229,757	44,203,127	1,149,393	1,176,154	44,203,127	0	
Housing Proceeds Funding Srce	0	0	0	0	0	0	0	
EPA Funding Source	2,113,570	0	2,113,570	240,335	0	2,113,570	0	
Dept of Labor Funding Source	12,522,959	0	12,522,959	929,585	0	12,522,959	0	
Federal Other Funding Source	5,962,314	38,089	6,000,403	178,718	1,633,312	6,000,403	0	
State of Oklahoma Funding Srce	1,442,994	0	1,442,994	111,279	0	1,442,994	0	
Private Funding Source	624,845	206,111	830,956	63,118	0	830,956	0	
Indirect Cost Pool Funding Srce	46,061,784	338,400	46,400,184	0	0	46,400,184	0	
Fringe Pool Funding Source	0	0	0	0	0	0	0	
Internal Lease Pool Funding Sr	4,552,390	0	4,552,390	0	0	4,552,390	0	
Enterprise Funding Source	1,280,086	2,044,466	3,324,552	35,836	0	3,324,552	0	
Other Funding Source	276,592	17,000	293,592	19,491	0	293,592	0	
Debt Service Funding Source	0	2,650,000	2,650,000	0	0	2,650,000	0	
Capital Projects Funding Source	10,751,536	178,742,062	189,493,598	185,601,536	3,892,062	189,493,598	0	
<b>Total</b>	<b>\$ 750,006,707</b>	<b>\$ 208,635,851</b>	<b>\$ 958,642,558</b>	<b>\$ 37,530,668</b>	<b>\$ 38,635,851</b>	<b>\$ 958,638,784</b>	<b>\$ 3,774</b>	

**Non Grant Requests**

Oper Mod #8 Req	9,717,786	05/26 E&F
Cap Mod #3 Req	129,500	05/26 E&F
Oper Mod #7 Req	10,000	05/16 Council

**Total after pending Mod's**      **\$ 968,496,070**

**CAPITAL RECONCILIATION**

LA-16-15	\$ 119,446,919
Capital Mod #1	2,245,423
Capital Mod #2	170,000,000
Capital Mod #3	129,500
	05/26 E&F

**Total Capital**      **\$ 291,821,842**

Operating (LA-17-15)	\$ 676,674,228	Cumulative Oper
Capital (LA-16-15)	291,821,842	Cumulative Cap
<b>Grand Total</b>	<b>\$ 968,496,070</b>	



**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:** 05/12/2016  
**Re:** Review of Operating Budget Modification #8 – **Total \$ 11,443,565**

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>
20 – DOI General	1 – New award	\$ 19,840
40 – DHHS General	11 – Carryover reconciliation / revised awards	933,919
45 – U.S.D.A.	4 – Carryover reconciliation / revised & new awards	398,829
62 – EPA	1 – Carryover reconciliation / revised award	68,747
75 – Federal Other	1 – New award	151,382
80 – Oklahoma	2 – Carryover reconciliation / revised awards	133,062
85 – Private	1 – New	20,000
<b>TOTAL GRANTS</b>		<b>\$ 1,725,779</b>

General Fund Cash Match for Grants (1010315) – The original budget of \$2,686,072 included \$1,760,388 in Cash Out: Grant Required and \$925,684 in Appropriated for Cash Match (future grants).

Original Appropriated for Cash Match (future grants)	\$ 925,684
Used: 3552700 – NAHASDA - Housing Rehab	(267,000) April Reporting
3453451 – U.S.D.A. – Food Distribution Other	( 36,261) April Reporting
Balance Available	<u><b>\$ 622,423</b></u>

## B. MOD #8 Request - (9 budgets) Increase in budget authority - \$ 9,717,786

1. Grant Development for CNB – 1010080 – General Fund: New budget requesting expenditure authorization of \$100,000 to provide grant development services for Cherokee Nation Businesses (CNB). Funding is provided from CNB through a memorandum of understanding (MOU).
2. Unappropriated Reserves – 1010296 – General Fund: Modification requesting an increase in expenditure authorization of \$6,330,966 that is placed in Reserved by Appropriation to bring the total in this very important account to \$8,415,962. There is additional \$6,552,413 carryover revenue brought in with the final audit number with \$221,447 flowing out to cover budgets in items 3, 4, and 6. We have been carrying



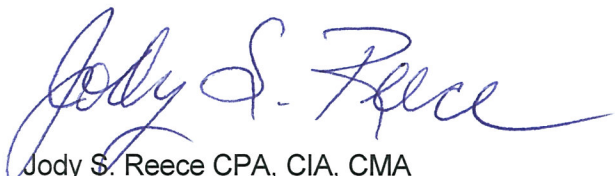
\$3,774 in unappropriated revenue since the original comprehensive budget. \$179 of this amount is used in this month's capital mod and \$3,595 is used to balance out the budgets for items 3, 4, and 6.

3. Special Projects – 1010390 – General Fund: Modification requesting an increase in expenditure authorization of \$51,748 to add a position for a customer service rep. The new budget expenditure total is \$233,620.
4. Jay Sewage System – 1010422 – General Fund: New budget requesting expenditure authorization of \$92,800 for a sewer extension project at the Jay Industrial Park. A grant has been applied for that will most likely be received; however, due to time constraints for a business opening the sewer project needs to be started immediately. Matching funds from the City of Jay and CNB total \$25,000 so the next expenditure is \$67,800. These funds will be reimbursed if the grant is received. See the attached budget narrative for additional details.
5. Individual Water & Sewer – 1010431 – General Fund: Modification requesting an increase in expenditure authorization of \$15,551 for contract services that is funded from the sale of equipment. The new budget expenditure total is \$555,397.
6. Community Cultural Outreach – 1010577 – General Fund: Modification requesting an increase in expenditure authorization of \$105,494 mainly for travel and printing costs. The new budget expenditure total is \$408,489.
7. Contract Health Service Dividend – 1010900 – General Fund: Modification requesting an increase in expenditure authorization of \$2,601,676 for fund balance reserved carryover from fiscal year 2015. The new budget expenditure total is \$8,851,676.
8. Substance Abuse Treatment – 1011015 – General Fund: Modification requesting an increase in expenditure authorization of \$290,230 for fund balance reserved carryover from fiscal year 2015. The new budget expenditure total is \$546,391.
9. Skinner Family Living Trust – 5951210 – Permanent Fund: New budget requesting expenditure authorization of \$129,321 for transfer to the capital budget John A. Ketcher Youth Shelter Repair. See the budget narrative attached to this budget as well as the capital mod budget and narrative for details.

**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 further 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



**CHEROKEE NATION - FY2016 BUDGET REQUEST FORM**

**PART-1**

Budget Period:	10/01/2015 - 09/30/2016	Budget Preparer	Phone: 918-453-5303
Contract Period:		Name:	Tanya Johnson
Contract Number:		Accounting Unit Director/Manager	Phone: 918-453-5303
Accounting Fund:	1-General Fund	Name:	Tanya Johnson
Funding Source:	01-Cherokee Nation	Executive Director	Phone: 918-207-3902
AU Description:	Grant Development For CNB	Name:	Lacey Horn
Accounting Unit:	1010080	1st Person Responsible	
Place IDC Rate in Part 4 Below		Employee #	108729
Date/Time Printed:	03-May-16 12:43 PM		
Notes: New Budget - CN/CNB MOU for Grant Development Services.			

**PART-2**

Staffing Summary:	FY 2016 ORIG REQUEST	FY 2015 BUDGET	Incr \ (Decr)
# of Regular Full-Time Employee Equivalents:	1.00	0.00	1.00
# of Regular Part-Time Employee Equivalents:			
# of Temp. Full-Time Employee Equivalents:			
# of Temp. Part-Time Employee Equivalents:			
# of Other Employee Equivalents:			
<b>TOTAL NUMBER OF EMPLOYEE-EQUIVALENTS</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>

**PART-3**

Revenues: (Show as positive #)	Account #		Incr \ (Decr)
Other Income	499000	\$100,000	\$ 100,000
Please enter a valid account number - >>>			\$ -
<b>DO NOT COPY TO, COPY BELOW, OR REMOVE THIS LINE!</b>			
<b>Total Revenues</b>		<b>\$ 100,000</b>	<b>\$ 100,000</b>

**PART-4**

Expenditures:	Account #	Subject to IDC ?		Subject to IDC ?		Incr \ (Decr)
		YES	NO	YES	NO	
<b>DO NOT COPY TO, COPY ABOVE, OR REMOVE THIS LINE!</b>						
Salaries & wages	600000	\$37,006				\$ 37,006
Fringe benefits	610000	\$12,212				\$ 12,212
Staff development & training	620000	\$4,500				\$ 4,500
Travel-staff	630000	\$3,500				\$ 3,500
Contract services >=\$5K	650000		\$15,000			\$ 15,000
Supplies	680000	\$5,785				\$ 5,785
Equipment < \$5K	680070	\$4,500				\$ 4,500
Direct billed: telephone expense	690080	\$750				\$ 750
Direct billed: printing/copying	690130	\$1,500				\$ 1,500
Direct billed: space cost	700080	\$4,500				\$ 4,500
Employee mileage reimbursement	720040	\$400				\$ 400
Please enter a valid account number - >>>						\$ -
Please enter a valid account number - >>>						\$ -
<b>DO NOT COPY TO, COPY BELOW, OR REMOVE THIS LINE!</b>						
Expenditures NOT Subject to IDC			\$ 15,000			\$ 15,000
Expenditures SUBJECT to IDC		\$ 74,653				\$ 74,653
Indirect Cost Rate (If blank or zero, must explain in Notes above)		13.86%		15.13%		
Indirect Cost Allocation	970000	\$ 10,347				\$ 10,347
<b>Total Expenditures</b>			<b>\$ 100,000</b>			<b>\$ 100,000</b>
<b>Revenues OVER \ (UNDER) Expenditures</b>						<b>\$ -</b>
<b>Transfers In/Out - (Show ALL as Positive Numbers)</b>						
<b>Operating Transfers IN</b>						
Other financing sources	900000					
Cash in: tribally required	900010					\$ -
Cash in: grant required	900020					\$ -
Cash in: motor fuel tax	900040					\$ -
Cash in: vehicle tax	900050					\$ -
Cash in: interprogram contract	900060					\$ -
Cash in: debt service	900070					\$ -
<b>Operating Transfers OUT</b>						
Other financing uses	900001					
Cash out: tribally required	900011					\$ -
Cash out: grant required	900021					\$ -
Cash out: motor fuel tax	900041					\$ -
Cash out: vehicle tax	900051					\$ -
Cash out: interprogram contract	900061					\$ -
Cash out: debt service	900071					\$ -
<b>Transfers In/Out - Net</b>						<b>\$ -</b>
Take to Narrative ==>			\$ 100,000			\$ -
<b>Excess\ (Deficit) of Revenues, Expenditures and Net Transfers</b>			<b>\$ -</b>			<b>\$ -</b>