

An Act

LEGISLATIVE ACT 12-13

AN ACT AMENDING LEGISLATIVE ACT #37-12 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2013 – 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 #37-12 Authorizing the Comprehensive Operating Budget for FY 2013 – 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 2013” or subsequent amendment. The cumulative total of the budget is increased by **\$18,998,971** for a total budget authority of **\$560,549,044**. The following items are identified as selective General Fund sources in excess of appropriated uses to wit:

	Previous Balance	Estimated Sources	Estimated <Uses>	Adjusted Balance
A. Tribally Funded	\$0	\$0	\$0	\$0
B. Motor Fuels Tax	\$0	\$0	\$0	\$0

Grants Received & Authorized per LA-37-12 (detail attached)	\$ 309,885
Modification Request #7 (see Section 4 below)	<u>18,689,086</u>
Cumulative change in budget authority	<u>\$ 18,998,971</u>

SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #37-12 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 **\$18,689,086** to wit:

A. An increase in the **General Fund** budget authority of **\$ 18,475,018**.

- B. An increase in the **Indirect Cost Pool** budget authority of **\$ 21,600.**
- C. An increase in the **Internal Leases** budget authority of **\$ 3,000.**
- D. An increase in the **DOI – Self Governance** budget authority of **\$ 189,468.**

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.

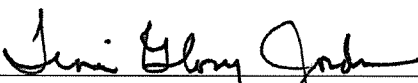
SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

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

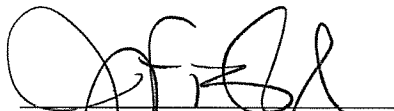
To the extent that this Act involves programs or services to citizens of the Nation or others, self-help contributions shall be required, unless specifically prohibited by the funding agency, or a waiver is granted due to physical or mental incapacity of the participant to contribute.

Enacted by the Council of the Cherokee Nation on the 22nd day of April, 2013



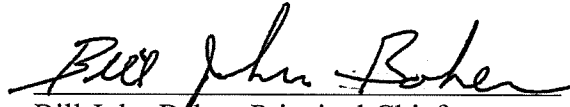
Tina Glory Jordan, Speaker
Council of the Cherokee Nation

ATTEST:



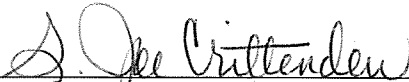
Jodie Fishlinghawk, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 26th day of April, 2013



Bill John Baker, Principal Chief
Cherokee Nation

ATTEST:


S. Joe Crittenden, Deputy Principal Chief
Cherokee Nation

YEAS AND NAYS AS RECORDED:

Tina Glory Jordan	<u>Yea</u>	Lee Keener	<u>Nay</u>
David Walkingstick	<u>Yea</u>	Cara Cowan Watts	<u>Yea</u>
Joe Byrd	<u>Yea</u>	Buel Anglen	<u>Yea</u>
Jodie Fishinghawk	<u>Yea</u>	Dick Lay	<u>Yea</u>
Curtis Snell	<u>Yea</u>	Chuck Hoskin, Jr.	<u>Yea</u>
Frankie Hargis	<u>Yea</u>	Meredith Frailey	<u>Yea</u>
David W. Thornton, Sr.	<u>Yea</u>	Jack Baker	<u>Yea</u>
Janelle Lattimore Fullbright	<u>Yea</u>	Julia Coates	<u>Nay</u>
Don Garvin	<u>Yea</u>		



CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight

M e m o

To: Jodie Fishinghawk, Chair, Executive & Finance Committee &
Chuck Hoskin Jr., Co-Chair, Executive & Finance Committee

From: Jody S. Reece

CC: Executive & Finance Committee

Date: 04/03/2013

Re: Review of Operating Budget Modification #7a

Per your request, I have reviewed the budget modification request for changes made during the March 28th Executive & Finance Committee Meeting. Below is a summary of my review:

MOD – 7a (6 budgets) Increase in budget authority - \$944,500 bringing the total increase for the mod to \$18,689,086:

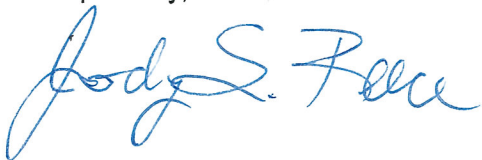
1. Charitable Contributions – 1010042 – General Fund: Modification requesting an increase in expenditure authorization of \$7,500 for the Pocahontas Club. Original submission increased expenditure authorization \$30,000 for a donation to the Shriners to purchase a van.
2. ICW Child Protection – 1010147 – General Fund: Modification requesting an increase in expenditure authorization of \$300,000.
3. General Fund Operations – 1010280 – General Fund: Modification required for \$150,000 Transfer Out to DOI-Real Estate Services in item 6 and \$87,000 reduction in carryover show on Tribal Council budget in item 5. Estimated carryover and the \$5,000,000 in Reserved by Appropriation are shown as in the original submission. Estimated unappropriated carryover shown in this mod is \$2,419,806; however, based on final numbers after the audit the unappropriated carryover is \$4,604,806.
4. Vocational Assistance – 1010569 – General Fund: Modification requesting an increase in expenditure authorization of \$250,000 in addition to the request in the original submission of \$94,396. Total revised request is \$344,396 for continued vocational training for tribal members.
5. Tribal Council – 1010700 -- General Fund: Modification requesting an increase in expenditure authorization of \$87,000 from carryover funds. \$67,000 is for elective travel carryover to community assistance per LP 01-09 and \$20,000 for additional Tri-Council expenses.
6. SG Real Estate Services – 3221000 – DOI Self Governance: Modification requesting an increase in expenditure authorization of \$150,000 and offsetting Transfer In from General Fund shown in item 3.

Summary:

After reviewing the submission of Mod-7a by administration per revisions made at the Executive and Finance Committee, I find no technical issues surrounding these requests, nor do I have any concerns related to their respective carryover estimates. If I can provide any further information, please do not hesitate to contact me.

Note: There were \$794,500 in General Fund appropriation revisions approved in the Executive and Finance Committee; however, for budget purposes there is \$944,500. This is due to the fact that the \$150,000 has to be approved as a Transfer From General Fund to DOI-Real Estate Services and the actual expenditure is appropriated in DOI-Real Estate Services budget so the \$150,000 is actually appropriated twice.

Respectfully,

A handwritten signature in blue ink that reads "Jody S. Felce". The signature is written in a cursive style with a large initial "J" and "F".

Attachments



CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight

Mem o

To: Jodie Fishinghawk, Chair, Executive & Finance Committee &
Chuck Hoskin Jr., Co-Chair, Executive & Finance Committee

From: Jody S. Reece

CC: Executive & Finance Committee

Date: 03/14/2013

Re: Review of Operating Budget Modification #7

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. February Grants Received (REPORTING ONLY):

<u>Funding Source</u>	<u>Reason</u>	<u>Amount</u>
EPA	6 carryover and award reconciliations	\$ (88,008)
Private	Citizens Program Corporation (CITGO) heating assistance	397,893
	TOTAL GRANTS	\$ 309,885

B. MOD – 7 (22 budgets) Increase in budget authority - \$17,744,586:

1. Roads Transit Program – 1010039 - General Fund: New budget requesting expenditure authorization of \$75,000 to avoid any potential lapse in services while a couple other funding avenues are pursued.
2. Charitable Contributions – 1010042 – General Fund: Modification requesting an increase in expenditure authorization of \$30,000 for a donation to the Shriners to purchase a van.
3. Litigation – 1010110 – General Fund: Modification requesting an increase in expenditure authorization of \$800,000 due to increased litigation responsibilities mostly related to the issue related to the Indian Child Welfare Act.
4. Advocacy Initiative – 1010115 – General Fund: Modification requesting an increase in expenditure authorization of \$800,000 due to increased litigation responsibilities mostly related to the Freedman cases.
5. CN Water Plan – 1010116 – General Fund: Modification requesting an increase in expenditure authorization of \$315,000 to secure a contract extension for Natural Resources Consultant Engineers to perform the groundwater quantification in Phase 2.1 and water supply apportionment in Phase 2.2.
6. Concurrent Enrollment – 1010177 – General Fund: Modification requesting an increase in expenditure authorization of \$50,000 for additional tuition for juniors per recent legislation.

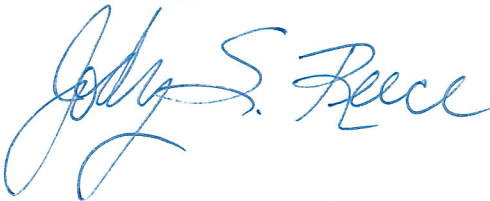
7. Community Recreation Center – 1010249 – General Fund: Modification requesting an increase in expenditure authorization of \$440,000. This replaces the reduction made during the FY2013 budget hearings and \$40,000 of increased revenue from customer fees. The original budget only provided funding for half a year. See related item 8.
8. Contract Health GF – 1010264 – General Fund: Modification requesting an increase in expenditure authorization of \$400,000 to replace the reduction during the FY2013 budget hearings to fund half a year of the Rec Center in item 7.
9. General Fund Operations – 1010280 – General Fund: Modification requesting recognition of the \$14,371,000 estimated carryover and placing \$5,000,000 in Reserved by Appropriation. After the reserve in this budget and increases for items 1 to 16 here, there is still \$3,214,306 estimated General Fund Carryover remaining.
10. Indirect Cost Shortfall – 1010310 – General Fund: Modification requesting an increase in expenditure authorization of \$200,000. Based on the actual FY 2012 shortfall of \$588,641 this budget modification is requesting an increase to \$600,000 to more accurately reflect the anticipated shortfall.
11. Cash Match for Grants – 1010315 – General Fund: Modification requesting an increase in expenditure authorization of \$1,500,000 to replenish the Reserved by Appropriation account for a recent reduction to fund an increase to the Election Commission and for additional anticipated cash match requirements.
12. Office of Veterans Affairs – 1010380 – General Fund: Modification requesting an increase in expenditure authorization of \$21,917 to furnish the new Veterans Center.
13. Elders In Need – 1010452 – General Fund: Modification requesting an increase in expenditure authorization of \$100,000 to cover the additional cost of adding 250 clients at \$400 each bringing the estimated elders served to 1,500.
14. Employee Performance Incentive – 1010480 – General Fund: Modification requesting an increase in expenditure authorization of \$206,000. \$250k of the \$291k current budget has already been spent to cover the raises not allowed by funding agencies and for the Christmas program. The increase will be used to cover the Employee Appreciation Day to be scheduled.
15. Cherokee Day Training Program – 1010555 – General Fund: Modification requesting an increase in expenditure authorization of \$1,100,000. As a comparison the net amount spent on this AU last year was \$1,872,420 and the net amount budgeted this year is \$2,211,064. The net amount excludes reimbursements from CNB.
16. Vocational Assistance – 1010569 – General Fund: Modification requesting an increase in expenditure authorization of \$94,396 for continued vocational training for tribal members. The client services portion of this budget is 98% spent with more commitments waiting.
17. Contract Health Service Dividend (5%) – 1010900 – General Fund: Modification requesting an increase in expenditure authorization of \$6,483,824 funded by reserved carryover from FY 2012.
18. Cherokee Publications GF – 1011070 – General Fund: Modification requesting an increase in expenditure authorization of \$64,381 as detailed in a lengthy narrative submitted within the budget. Also see item 19 for IDC portion.
19. Cherokee Publications IDC – 2041030 – Indirect Costs: Modification requesting an increase in expenditure authorization of \$21,600 as detailed in a lengthy narrative submitted with the budget. Also see item 18 for the General Fund portion.

20. Internal Lease – 2131000 – Internal Service Leases: Modification requesting a change in expenditure authorization of \$128,536 for additional recovered space cost relating to building being added to the Lease Pool: WPA Building, Patrick House, Immersion III, SIP House, Southgate G, and the Recycle Center. See offset in item 21.
21. Facilities Operations – 2132000 – Internal Service Leases: Modification requesting an increase in expenditure authorization of \$128,536 for the addition of the buildings listed in item 20.
22. BIA Competitive Projects – 3221900 – DOI Self Governance: Modification requesting an increase in expenditure authorization of \$39,468 for the balance of carryover grant funds available for the Tar Creek and National Zinc projects.

Summary:

After reviewing the submission of Mod-7 by administration, I find no technical issues surrounding these requests, nor do I have any concerns related to their respective carryover estimates. If I can provide any further information, please do not hesitate to contact me.

Respectfully,

A handwritten signature in blue ink that reads "Jody S. Fleece". The signature is written in a cursive style with a large, looping initial "J".

Attachments

CHEROKEE NATION
 PROPOSED FY 2013 AMENDMENT
 Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2013 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
62-EPA	1	3622265 Clean Water 106	LA 37-12	(13,789)	(13,789)	\$ -
	2	3622370 SUPERFUND	LA 37-12	(120,807)	(120,807)	\$ -
	3	3622415 General Assistance Program	LA 37-12	101,712	101,712	\$ -
	4	3622435 Lead Certification	LA 37-12	17,338	17,338	\$ -
	5	3622440 Pesticides	LA 37-12	(55,000)	(55,000)	\$ -
	6	3622445 INFO Exchange	LA 37-12	(17,462)	(17,462)	\$ -
62-EPA Total				\$ (88,008)	\$ (88,008)	\$ -
85-Private	7	3852900 Citizens Citgo Assist. Program	New	373,102	373,102	\$ -
	8	3852910 Citizens Citgo Assist. Admin.	New	24,791	24,791	\$ -
85-Private Total				\$ 397,893	\$ 397,893	\$ -
Grand Total				\$ 309,885	\$ 309,885	\$ -

GRANTS REPORTING ONLY

CHEROKEE NATION
PROPOSED FY 2013 AMENDMENT
Sorted by Funding Source

Funding Source	Ref # by FS	Program/Purpose	FY 2013 Prior LA	Data		
				Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010039 Roads Transit Program	New	-	75,000	\$ (75,000)
	2	1010042 Charitable Contributions	LA 37-12	-	37,500	\$ (37,500)
	3	1010110 Litigation	LA 37-12	-	800,000	\$ (800,000)
	4	1010115 Advocacy Initiative	LA 37-12	-	800,000	\$ (800,000)
	5	1010116 CW Water Plan	LA 41-12	-	315,000	\$ (315,000)
	5a	1010147 ICW Child Protection	LA 47-12	-	300,000	\$ (300,000)
	6	1010177 Concurrent Enrollment	LA 37-12	-	50,000	\$ (50,000)
	7	1010249 Community Recreation Center	LA 37-12	40,000	440,000	\$ (400,000)
	8	1010264 Contract Health GF	LA 37-12	-	400,000	\$ (400,000)
	9	1010280 General Fund Operations	LA 41-12	14,284,000	5,150,000	\$ 9,134,000
	10	1010310 Indirect Cost Shortfall	LA 37-12	-	200,000	\$ (200,000)
	11	1010315 Cash Match for Grants	LA 06-13	-	1,500,000	\$ (1,500,000)
	12	1010380 Office of Veterans Affairs	LA 37-12	-	21,917	\$ (21,917)
	13	1010452 Elders In Need	LA 37-12	-	100,000	\$ (100,000)
	14	1010480 Employee Performance Incentive	LA 37-12	-	206,000	\$ (206,000)
	15	1010555 Cherokee Day Training Program	LA 06-13	-	1,100,000	\$ (1,100,000)
	16	1010569 Vocational Assistance	LA 37-12	-	344,396	\$ (344,396)
	16a	1010700 Tribal Council	LA 47-12	87,000	87,000	\$ -
17	1010900 Contract Health Servi Dividend	LA 37-12	6,483,824	6,483,824	\$ -	
18	1011070 Cherokee Publications GF	LA 47-12	-	64,381	\$ (64,381)	
01-Cherokee Nation Total				\$ 20,894,824	\$ 18,475,018	\$ 2,419,806
04-Indirect Cost Pool	19	2041030 Cherokee Publications IDC	LA 47-12	-	21,600	\$ (21,600)
04-Indirect Cost Pool Total				\$ -	\$ 21,600	\$ (21,600)
13-Leases-Internal	20	2131000 Internal Lease	LA 37-12	3,000	(125,536)	\$ 128,536
	21	2132000 Facilities Operations	LA 37-12	-	128,536	\$ (128,536)
13-Leases-Internal Total				\$ 3,000	\$ 3,000	\$ -
22-DOI - Self Governance	21a	3221000 SG Real Estate Services	LA 37-12	150,000	150,000	\$ -
	22	3221900 BIA Competitive Projects	LA 37-12	39,468	39,468	\$ -
22-DOI - Self Governance Total				\$ 189,468	\$ 189,468	\$ -
Grand Total				\$ 21,087,292	\$ 18,689,086	\$ 2,398,206

OPERATING MOD # 7a REQUEST

**COMPREHENSIVE BUDGET
FOR FISCAL YEAR 2013**

Funding Source	Revenues	Transfers In	Total	Direct Exp.	Indir. Exp.	Transfers Out	Total	NET
Tribally Funded Funding Source	77,735,788	1,838,091	79,573,879	67,650,897	4,324,438	7,598,544	79,573,879	0
Motor Fuels Tax Funding Srce	8,801,819	12,895,819	21,697,638	13,927,490	141,110	7,629,038	21,697,638	0
Motor Vehicle Tax Funding Srce	15,988,418	225,000	16,213,418	14,946,895	394,984	871,539	16,213,418	0
Permanent Fund Funding Source	10,000	0	10,000	10,000	0	0	10,000	0
DOI General Funding Source	11,234,026	0	11,234,026	10,376,349	857,677	0	11,234,026	0
DOI Self Gov Funding Source	13,801,610	79,600	13,881,210	12,697,651	1,168,559	15,000	13,881,210	0
DOI Self Gov Roads Funding Src	29,555,077	0	29,555,077	29,319,213	177,056	58,808	29,555,077	0
Dept of Transportation Fnd Src	39,109,995	0	39,109,995	38,895,421	114,731	99,843	39,109,995	0
DOI PL102-477 Funding Source	15,828,906	0	15,828,906	15,150,556	678,350	0	15,828,906	0
IHS Self Gov Health Funding Sr	259,523,559	0	259,523,559	237,765,860	17,561,190	4,196,509	259,523,559	0
IHS Self Gov TEH Funding Src	5,803,801	0	5,803,801	5,394,953	408,848	0	5,803,801	0
IHS Self Gov Offic Funding Src	322,788	0	322,788	291,397	31,391	0	322,788	0
IHS Discretionary Funding Srce	800,000	0	800,000	30,000	0	770,000	800,000	0
DHHS General Funding Source	35,052,850	524,159	35,577,009	31,914,958	2,896,425	765,626	35,577,009	0
USDA Funding Source	18,320,308	743,192	19,063,500	18,351,980	711,520	0	19,063,500	0
Dept of Education Funding Srce	1,251,231	65,875	1,317,106	1,201,961	115,145	0	1,317,106	0
HUD Funding Source	47,692,547	85,061	47,777,608	46,121,591	1,656,017	0	47,777,608	0
Housing Proceeds Funding Src	0	0	0	0	0	0	0	0
EPA Funding Source	2,044,483	0	2,044,483	1,824,073	220,410	0	2,044,483	0
Dept of Labor Funding Source	7,234,825	0	7,234,825	6,500,336	734,489	0	7,234,825	0
Federal Other Funding Source	3,976,055	500	3,976,555	3,641,099	140,154	195,302	3,976,555	0
State of Oklahoma Funding Srce	1,445,015	0	1,445,015	1,318,780	126,235	0	1,445,015	0
Private Funding Source	688,593	172,575	861,168	801,409	59,759	0	861,168	0
Indirect Cost Pool Funding Src	165,065	900	165,965	35,543,771	(32,404,009)	0	3,139,762	(2,973,797)
Fringe Pool Funding Source	0	0	0	0	0	0	0	0
Internal Lease Pool Funding Sr	86,000	0	86,000	86,000	0	0	86,000	0
Enterprise Funding Source	1,261,199	195,302	1,456,501	1,451,056	0	0	1,451,056	5,445
Other Funding Source	180,099	12,000	192,099	181,373	10,726	0	192,099	0
Debt Service Funding Source	0	2,650,000	2,650,000	2,650,000	0	0	2,650,000	0
Capital Projects Funding Source	21,322,050	2,712,135	24,034,185	24,026,918	7,267	0	24,034,185	0
Total	\$ 619,236,107	\$ 22,200,209	\$ 641,436,316	\$ 622,071,987	\$ 132,472	\$ 22,200,209	\$ 644,404,668	\$ (2,968,352)

Non Grant Requests

Mod-6 Oper Req	4,589,240	03/11 Council
Mod-7 Oper Reg	18,689,086	03/28 E&F

Total after pending Mod's **\$ 667,682,994**

CAPITAL RECONCILIATION

LA-38-12 CAB	\$ 103,547,975	
Mod-2 Capital	2,246,329	01/14 Council
Mod-3 Capital	1,339,646	02/11 Council

Total Capital **\$ 107,133,950**

Operating (LA37-12)	\$ 560,549,044	(thru Mod-7 oper)
Capital (LA-38-12)	107,133,950	(thru Mod-3 cap)
Recap	\$ 667,682,994	