

COUNCIL OF THE CHEROKEE NATION  
EXECUTIVE & FINANCE COMMITTEE REPORT

**Group:** Financial Resources      **Month/Year of Report:** April 2011

**Group Leader:** Callie Catcher      **Phone:** 207-3902      **E-mail:** [callie-catcher@cherokee.org](mailto:callie-catcher@cherokee.org)

**I. Budget Highlights – through March**

- a.) Financial Resources – 46% spent
- b.) Treasurer – 63% spent
- c.) IIM – 54% spent
- d.) Acquisition Management – 41% spent
- e.) Records Management – 34% spent
- f.) Support Services – 50% spent
- g.) Office of Historical Records – 41% spent

**II. Program Highlights**

**a.) Balanced Scorecard Measures**

- 1. Complete FY10 Audit - 100% complete
- 2. Obtain Unqualified Audit Opinion – 100% complete
- 3. No Reportable Conditions on Single Audit –0% complete
- 4. Implementation of SAS 112 audit requirements – 25% complete
- 5. Obtain GFOA Award for FY09 CAFR – 100% complete
- 6. Reports Completed & Submitted by Due Dates – 100% Complete for reports due by 04/30/11

**b.) Accomplishments**

- 1. April 3-6 – Attended Lawson Conference & User Exchange to identify new processes, procedures and training on Lawson applications
- 2. April 26-29 – Attended InterTribal Monitoring Association’s mid-year meeting to be updated on the Tribal/Individual Trust Settlements by DOI
- 3. Continue Lawson Budgeting & Planning Implementation process
- 4. Continue FY10 Single Audit process – to be completed June 30, 2011
- 5. Continue Lawson Mobile Supply Chain Implementation process

**c.) Future Plans/New Initiatives**

- 1. May 17 & 24 – Lawson Navigation, GL & Activities Training to be held in the Tsa-La-Gi Training Room
- 2. Continue Lawson Budgeting & Planning Implementation process
- 3. Continue FY10 Single Audit process – to be completed June 30, 2011
- 4. Continue Lawson Mobile Supply Chain Implementation process

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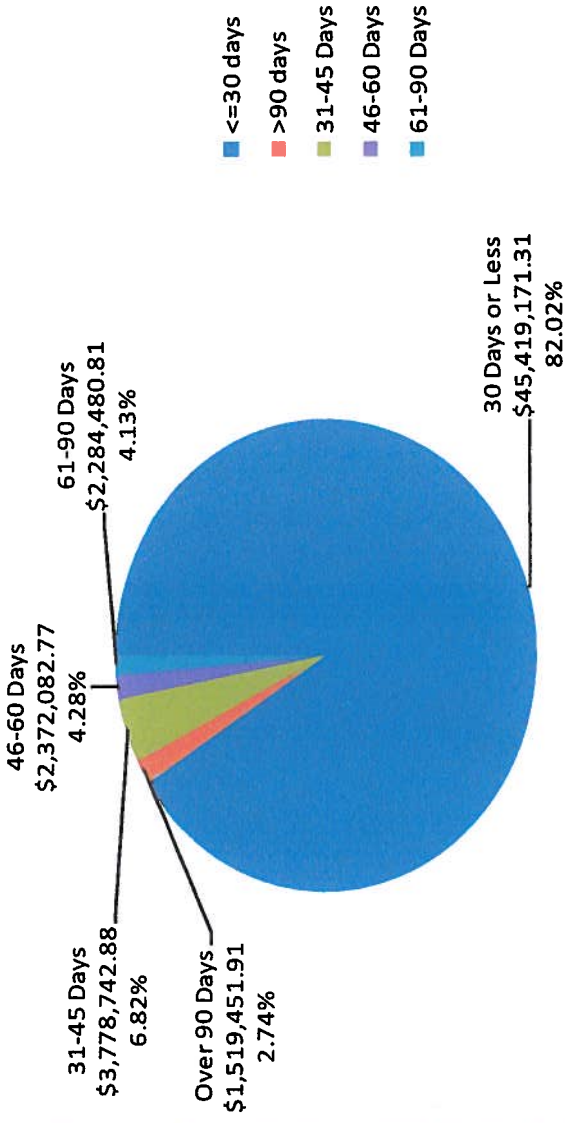
<b>Cherokee Nation Acquisition Management Year-To-Date Report Over \$5,000 Transactions October 1, 2010 through March 31, 2011</b>		<b>% of sub-total - TERO vendor submitted Bid</b>
Award to TERO Vendor	\$ 21,973,736.53	82.96%
Award to non-TERO Vendor	\$ 4,513,199.17	17.04%
<b>Sub-total bids with a TERO vendor participating</b>	<b>\$ 26,486,935.70</b>	<b>100.0%</b>
Bid - no bids submitted by TERO Vendors	\$ 4,392,392.75	

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Values

Row Labels	APP-INVOICE-2	APP-TRAN-PMT-AMT-5
<=30 days	41,085	45,419,171.31
>90 days	748	1,519,451.91
31-45 Days	2,006	3,778,742.88
46-60 Days	745	2,372,082.77
61-90 Days	599	2,284,480.81
<b>Grand Total</b>	<b>45,183</b>	<b>55,373,929.68</b>

### Invoice to Amount Comparison



**I. Budget Highlights**

- a. March consolidated monthly net income was \$11.0 million compared to budget of \$9.7 million.
  - i. A positive variance of \$1.3 million compared to budget was primarily driven by CNE which was 16.1% above budget for March. Also, attributing to the positive variance was additional revenue from ETI which resulted in \$182,000 of net income. Below are the variances to budget for each entity:
    - 1. CNB: -\$336,000
    - 2. CNE: +\$1.5 million
    - 3. CNI: -\$133,000
    - 4. Technology: +\$335,000
    - 5. Others: -\$132,000
- b. FY11 Year-to-date Consolidated Cap ex (actual expenditures) is \$17.8 million for all entities.
  - i. CNE: \$16.4 million
  - ii. CNB: \$741,000
  - iii. CNI: \$390,000
  - iv. CPM: \$231,000

**II. Operating Highlights**

- a. The draws on the BoA credit facility totaled \$16.0 million as of March 31, 2011. This includes \$2.5 million outstanding at CNI for working capital. The remaining \$13.5 million has been used for the purchase of real estate, Mobility Plus, ITX, and ETI Professionals.

**Month/Year of Report: March 2011**

**Group: CNE**

**Group Leader: David Stewart**

**Phone: 918-384-7878**

**I. Budget Highlights**

- a. Total CNE revenue of \$44.3 million in March increased 9.3%, compared to prior year and was slightly below budget.
  - i. The revenue increase from March 2011 compared to March 2010 was primarily attributable to West Siloam Springs as well as additional revenue from Ramona:
    1. West Siloam Springs: +12.3%
    2. Tahlequah/Fort Gibson: +18.7%
    3. Roland/Sallisaw: -1.2%
    4. Catoosa: -1.1%
    5. Will Rogers Downs: +18.8%
    6. Ramona (Not open until May 2010)
- b. Operating expense for the month was \$30.3 million, which was favorable to budget by \$1.4 million. CNE continues to focus on reducing operating costs throughout the company in order to improve profitability.
- c. CNE March net income totaled \$11.2 million, compared to \$10.1 million in March 2010. Net income was 16.1% above CNE's budget of \$9.6 million

**II. Operating Highlights – As of April 22, 2011**

- a. Properties
  - i. Catoosa – The indoor air quality project has been completed. Catoosa was able to rebound from February with an increase in revenue of \$2.2 million. The property has 400 less games on the floor as compared to the same period last year. While there has been a decline in the number of machines available revenue for the property was consistent with March 2010. The Joint continues to provide quality entertainers in an effort to bring additional revenue to the property. Scheduled to perform over the next few weeks are The Oak Ridge Boys and Blake Shelton. Also, scheduled at the Joint is Xtreme Fight Night which will include a special appearance by Roy Jones Jr. During April the CNE board members approved a plan to build an improved structure, which will include a 6 story hotel tower, to replace the recently demolished Casino III.
  - ii. West Siloam Springs – The hotel has been full on recent weekends and drove an overall occupancy of 72.8% during March and trending at 64.6% for April. West Siloam Springs continues to perform above budget on a year to date basis.
  - iii. Roland – Construction on I-40 from Roland to the Arkansas state line began in late November and is anticipated to be complete at the end of 2011.
  - iv. Ft. Gibson – The CNE board of directors have approved a plan to build a permanent facility in Ft. Gibson. The new facility will consist of 500 electronic gaming machines, a new F&B venue and a bar. Also, included in the plan is the removal of the retail store and replacing it with a stand-alone smoke shop.
  - v. Ramona – The property continues to outperform initial forecasts.
- b. Future Plans/New Initiatives
  - i. Continue to manage expansion progress.  
Continue to enforce tighter hiring controls and expense reduction measures to gain efficiencies

**I. Actual Results**

a. **Net Income**

- i. Net income for March 2011 was \$366,000, which is \$133,000 unfavorable to budget. The unfavorable budget variance is mainly due to an unfavorable variance in Manufacturing of \$119,000 which is mainly due to an obsolete inventory expense of \$157,000, and unfavorable variances in Distribution Services of \$82,000, Professional Services of \$47,000, and Military Logistics of \$40,000 which are mainly due to reduced revenues. Corporate Overhead was favorable to budget by \$156,000 as all expense categories were favorable.
- ii. March's net income was favorable to prior year by \$269,000 as prior year's result included a retroactive increase in CNB Shared Services expense of \$208,000 and an increase in March 2011 operations net profit margin vs. March 2010 (9.4% vs. 7.6%) before Corporate Overhead.

b. **Revenue**

- i. CNI's revenue totaled \$9.1 million in March 2011, which was \$3.6 million below budget. The variance is primarily due to decreased revenue of \$1.8 million in Distribution Services associated with not receiving the Verizon contract for \$1.3 million and lower AT&T demand of \$500,000. A \$1.0 million decline in Manufacturing revenue is mostly due to decreased demand, while a decrease in Professional Services revenue of \$595,000 is primarily due to projected new contracts not yet being secured. A decrease in Military Logistics revenue of \$249,000 is primarily due to timing.
- ii. The unfavorable variance of \$1.7 million compared to prior year is due to a reduction in Professional Services of \$505,000 due to the expiration of some contracts not replaced, a decrease in Construction of \$1.0 million as this business segment is no longer consolidated as part of CNI, a decline in Distribution Services revenue of \$182,000, as well as a decrease in manufacturing of \$374,000 due to demand were partially offset by an increase of \$416,000 in Military Logistics.

c. **Operating Expenses**

- i. Total operating expenses for March 2011 were \$8.6 million compared to a budget of \$12.1 million. The favorable variance in expense is mainly due to decreased expenses associated with lower revenues.
- ii. Operating expenses compared to prior year were lower by \$1.9 million due to reduced revenues, increased COGS efficiencies and a decrease in Corporate Overhead expense as discussed above.

**Month/Year of Report: March 2011**

**Group: IT Portfolio**

**Group Leader: Steven Bilby**

**Phone: 918-384-7897**

**I. Budget Highlights - March 2011 results**

- a. March revenue of \$7.5 million was a record for the Technology Portfolio, exceeding prior month by \$2.7 million and prior year by \$4.9 million
  - i. Business from the recently acquired ETI Professionals contributed \$2.4 million in revenue during March, its second month of operations within the Portfolio
  - ii. The Oklahoma-based Cisco networking equipment and services company within the Portfolio was recently awarded a \$1.8 million contract with the National Archives and Records Administration (NARA) and executed \$1.6 million of the contract during March
  - iii. Most existing contracts performed above average due to having a greater number of billable days in March (23) compared to a typical month (average of 21)
- b. March net income totaled \$513,000, compared to \$181,000 in the prior month and ahead of a budgeted \$178,000. The favorable budget variance is driven by the recent ETI acquisition, previously mentioned NARA contract and ongoing growth in federal contracts revenue. The March increase in net income compared to prior month is a result of increased revenue related to having more billable days in March
- c. YTD IT portfolio revenue of \$25.8 million through March is 57.5% ahead of budget and 88.4% ahead of FY10.

**II. Operating Highlights**

- a. Current Month
  - i. NARA contract contributed \$150,000 in profit during March and will be fully executed in late April or early May
  - ii. Continued work on all other existing contracts
- b. Future Plans/New Initiatives
  - i. Continue to strategically grow revenue by leveraging:
    1. Strengths of ETI and ITX
    2. Advantages of the SBA 8(a) programs
    3. Cherokee Nation's reputation, network/affiliates, financial strength and current IT infrastructure
    4. New PeopleSoft accounting system for government contracts
    5. New federal contracts
    6. Strategic acquisition opportunities

**Month/Year of Report: March 2011**

**Group: Other Companies**

**Group Leader: Philip Reedy**

**Phone: 918-384-5907**

**I. Budget Highlights**

- a. CNSS had revenue of \$85,000 due to the shared service agreement with CNE. Operating expenses exceeded budget primarily due to employee costs.
- b. APSE net income was \$10,000 in March 2011. This is lower than prior year net income of \$58,000 and remains lower than the March 2011 budget of \$99,000. Parts sales continue to remain lower than expected and margins remain tight. Operating expenses remained lower than budget. EBITDA for March 2011 was \$47,000, which was lower than budget of \$200,000.
- c. CCRC net income was \$28,000 in March 2011. This was \$6,000 less than a budget of \$34,000. Lower than budgeted revenue in the environmental area resulted in a negative budget variance to net income.
- d. MOB net loss was \$179,000 compared to a budget of \$51,000.
- e. CNCS had net income of \$47,000 in March compared to a net income of \$12,000 in February. A contract with the Dover AFB as well as a project at the Tahlequah City Hospital, initiated by CNI, resulted in higher revenue compared to the previous month.

**II. Operating Highlights**

- a. Three separate companies are currently being evaluated for acquisition, and a teaming agreement is being pursued with a fourth company that will be formed into a mentor protégé. In preparation of the first acquisition, CNSS has been sending out sources sought for opportunities in the security integration market. Currently we have nine sources sought that have been sent out over the past two months for government market surveys.
- b. APSE's revenue remains lower than budget primarily due to a slower than expected parts sales to Boeing under the San Antonio contract and lower general sales than budgeted. Boeing remains significantly behind schedule at its facility in San Antonio and this has negatively impacted APSE.
- c. CCRC is currently marketing environmental and professional services capabilities in an effort to make up for the loss of the Gulf work which was included in this year's budget. These efforts combined with the expected economic recovery will help close the gap to budget during the remainder of the year. In addition, construction work for the remainder of the year is expected to exceed budget.
- d. CNCS currently has 9 task orders issued under the Dover AFB contract with an additional 4 task orders waiting for government funding to become available. With the continuing resolution issue now behind CNCS believes the funding will begin to flow. As is always the case for this time of year, CNCS is currently putting a great deal of effort into marketing our construction capabilities to numerous armed services bases.
- e. While the current results of Mobility Plus are below budget, the remainder of the fiscal year should recover the reported deficit. This will occur due to installation of the new billing and inventory software (allowing for better reporting of true costs and billed revenues) as well as a more focused sales and marketing effort on those products that provide the greatest amount of margin. Process improvements will also assist in reducing the total days outstanding of receivables associated with equipment in the field. Also, there has been six month postponement of the required Medicare competitive bidding program, which could have a negative affect on the company's price structure.



**MARCH 2011 OUT OF PREFERENCE HIRES**  
**CHEROKEE NATION ENTERTAINMENT**

Below is information regarding the out of preference hires at Cherokee Nation Entertainment for March, 2011.

**EVS Entry Casino Attendant: Requisition 109178 – 6 open positions**

Was the position posted? Yes

Advertised externally? Yes

How many Cherokee Citizens applied? 33

How many Cherokee Citizens qualified for position? All of them

How many Cherokee Citizens interviewed by hiring manager? 12 – The remaining Cherokee applicants could not be reached for an interview

How many Cherokee Citizens offered he position? 11

How many Cherokee Citizens rejected the offer? 6

1 - Not interested in EVS

1 - Not recommend for hire

1 - Found another job

1 - Offered position preferred WRD

1 - Not interested in EVS

1 - Withdraw from hire due to death in family

**Golf Maintenance Associate: Requisition 300263 – 1 open position**

Was the position posted? Yes

Advertised externally? Yes

How many Cherokee Citizens applied? 2

How many Cherokee Citizens qualified for position? All of them

How many Cherokee Citizens interviewed by hiring manager? 2

How many Cherokee Citizens offered he position? 2

How many Cherokee Citizens rejected the offer? 2

1 - Never showed up for new paperwork. I called the applicant several time and he never returned calls.

1 - His schedule was restricted due to college

**Golf Maintenance Associate: Requisition 300162 – 1 open position**

Was the position posted? Yes

Advertised externally? Yes

How many Cherokee Citizens applied? 2

How many Cherokee Citizens qualified for position? All of them

How many Cherokee Citizens interviewed by hiring manager? 2

How many Cherokee Citizens offered he position? 2

How many Cherokee Citizens rejected the offer? 2

The two pools were submitted to the hiring manager together for both requisitions 300263 and 300162.

**Production Cook: Requisition 300388 -1 open position**

Cherokee with a blue and white card, however she was a no call no show for NEO twice. Selected applicant was a rehire. It appears her information was not changed upon entry to correctly reflect her ethnicity.

**Armed Security: Requisition 300152 – 2 open positions**

Was the position posted internally/externally? Posted internally and externally (22 total applicants)

How many Cherokees applied? 4 Cherokee citizens applied

How many Cherokee Citizens qualified for the position? Zero qualified for armed position

How many Cherokee Citizens routed to the hiring manager? Zero were routed as they didn't meet criteria for armed position

How many Cherokee Citizens offered the position? Zero Cherokees were offered position

How many Cherokee Citizens rejected the offer? Zero rejected position

**Armed Security: Requisition 300151 – 1 open position**

Was the position posted internally/externally? Posted internally and externally (12 total applicants)

How many Cherokees applied? 1 Cherokee applied

How many Cherokee Citizens qualified for the position? Zero qualified for armed position

How many Cherokee Citizens routed to the hiring manager? Zero were routed as they didn't meet criteria for armed position

How many Cherokee Citizens offered the position? Zero Cherokees were offered position

How many Cherokee Citizens rejected the offer? Zero rejected position

**Seasonal Cocktail: Requisition 300193 – 4 open positions**

Was the position posted internally/externally? Posted internally and externally (54 total applicants)

How many Cherokees applied? 21 Cherokees applied

How many Cherokee Citizens qualified for the position? 21 applicants forwarded 4 met criteria and 2 other were ineligible for rehire

How many Cherokee Citizens routed to the hiring manager? 21 applicants were routed, (2 were hired into different positions)

How many Cherokee Citizens routed to the hiring manager? 19 interviewed by hiring manager

How many Cherokee Citizens offered the position? A Cherokee was selected for position but rescheduled her new hire paperwork 3 times and did not show or call the last time scheduled.

Due to the seasonal/temporary status of the position, applicants remove themselves from the process.

Due to the seasonal status of position and the need to get this position filled for race season a non native was selected and filled position as second choice.

**Seasonal Culinary I: Requisition 300010 – 2 open positions**

Was the position posted internally/externally? Was the position posted internally? Posted internally and externally (16 total applicants)

How many Cherokees applied? 10 Cherokees applied

How many Cherokee Citizens qualified for the position? 10 qualified for position  
How many Cherokee Citizens routed to the hiring manager? 10 were routed (3 were hired into different positions, 1 can't be reached, 1 is not eligible for rehire and 1 Cherokee was selected for second position in the same requisition) 4 Cherokees were interviewed.  
How many Cherokee Citizens offered the position? 1  
How many Cherokee Citizens offered the position? 1 Cherokee accepted other available position  
Zero rejected position

**Seasonal Assistant Starter: Requisition 300069 – 1 open position**

Was the position posted internally/externally? Posted internally and externally  
How many Cherokees applied? Zero Cherokee applied  
How many Cherokees were qualified? Zero Cherokees qualified  
How many Cherokees were routed to the hiring manager? Zero Cherokees were routed  
How many Cherokees were offered the position? Zero Cherokees were offered position  
How many Cherokees rejected the offer? Zero Cherokees rejected position

**Hotel Detective: Requisition 300013 – 3 open positions**

Was the position posted internally? Yes  
Advertised externally? Yes  
How many Cherokee Citizens applied? 5  
How many Cherokee citizens routed to hiring manager? 5 candidates  
How many Cherokee citizens were offered the positions? 3 open positions, 2 were filled with Cherokee Citizens.  
How many Cherokee Citizens rejected the offer? None

**Cocktail Server: Requisition - 109190 – 4 open positions**

Was the position posted internally/externally? Posted internally and externally  
How many Cherokees applied? Ten Cherokee applied – three applied after the pool sent  
How many Cherokees were qualified? Five Cherokees qualified  
How many Cherokees were routed to the hiring manager? Five Cherokees were routed  
How many Cherokees were offered the position? Three – One other was offered a part time position  
How many Cherokee Citizens rejected the offer? Four

**Retail Cashier: Requisition – 300270 – 1 open position**

Was the position posted internally/externally? Posted internally and externally  
How many Cherokees applied? Thirteen Cherokee applied  
How many Cherokees were qualified? Thirteen Cherokees qualified  
How many Cherokees were routed to the hiring manager? Seven Cherokees were routed – five applied after the pool was routed, one had a felony background  
How many Cherokees were offered the position? none  
How many Cherokees rejected the offer? none

**Buffet Associate: Requisition 300089 – 1 open position**

Was the position posted internally/externally? Posted internally and externally

How many Cherokees applied? Five Cherokee applied

How many Cherokees were qualified? Five Cherokees qualified – 3 applied after the applicants were routed

How many Cherokees were routed to the hiring manager? Two Cherokees were routed

How many Cherokees were offered the position? None

**Cocktail Server - Requisition 300212 – 2 open positions**

Was the position posted internally/externally? Posted internally and externally

How many Cherokees applied? Two Cherokee applied

How many Cherokees were qualified? Two Cherokees qualified

How many Cherokees were routed to the hiring manager? Two Cherokees were routed

How many Cherokees were offered the position? Cherokee Citizen was hired in a different position – this position was a temp position and she didn't want a temp position

**Players Club Rep - Requisition 300178 - 1 open position**

Was the position posted internally/externally? Posted internally and externally

How many Cherokees applied? Six Cherokee applied

How many Cherokees were qualified? Six Cherokees qualified

How many Cherokees were routed to the hiring manager? Six Cherokees were routed

How many Cherokees were offered the position? One Cherokees were offered position

How many Cherokees rejected the offer? One Cherokees rejected position 2 (2 no shows & 2 didn't answer)

Group: Career Services-  
Employment Month/Year of Report: April, 2011

Group Leader: Diane Kelley Phone: 453-5628 Email: dkelley@cherokee.org

**I. Budget Highlights – Please refer to Monthly Financial Report**

None

**II. Program Highlights**

**a. Balanced Scorecard Measures**

Activity	March	YTD	Goal	% of Goal
GED Completions	31	171	250	68%
Training Completions	64	238	450	53%
Employment Completions	3	45	300	15%
Unsubsidized Placement	96	489	500	98%
Retention	39	172	200	86%
Job Readiness Training	99	157	500	31%
WorkKey Credentialing	68	254	500	51%
Job Bank	30	498	1,000	50%
Indian Owned Businesses	8	127	100	127%
Major Cherokee Employers	0	0	50	0%
Job Fairs	0	3	15	20%
Community Service	22	67	50	134%

Balanced Scorecard measures for the previous month will be available the 15<sup>th</sup> of each month.

**b. Accomplishments**

1. Sixteen Tribal Day Training participants attained employment, ten with the Cherokee Nation.
2. Six NAHASDA Day Training participants entered unsubsidized employment, two of these within Cherokee Nation.

3. Seven applicants passed the Fire Dancer pack test.
4. Kim Carroll, Director Grants & Compliance presented the Day Training Program in a Best Practices Workshop at the National Indian and Native American Employment and Training Conference in Scottsdale, Arizona.

**Initiatives**

1. Refresher training for Fire Dancers is scheduled for May.

**Group: Certified Indian Owned Businesses (Career and Commerce Services)**

**Month/Year of Report: May 2011**

**Program Highlights**

**a. Balanced Scorecard Measures**

<b>Objective</b>	<b>Metric</b>	<b>2011 Goal</b>	<b>Year to Date Achievement Notes/Comments</b>
Effective Business Workshop Training	# Certified Indian-Owned Business Attendees and % indicating usefulness	500/100%	131/100%
Increase Certified Indian-Owned Business Procurement Awards	% Certified Indian-Owned Business Procurement Awards	75%	82.15% Business Entities eligible procurement \$'s awarded to Certified Indian Owned vendors <ul style="list-style-type: none"> <li>• CNE - Unavailable (report available 5-11)</li> <li>• CN Government 82.96%</li> <li>• Health Entities 93.48%</li> <li>• CNI 56.39%</li> </ul>
Increase Cherokee Citizens employed	% Cherokee Citizens (verified)	Entity CNE – CNB - CN – 82.9% Health - CNI – CRC – Aerospace -	Business Entities <ul style="list-style-type: none"> <li>• CNE (CNE, CHL, WRD, CNSS) 57.29%</li> <li>• CNB (CNB, CNT, CSG) 30.74%</li> <li>• CN Government 72.40% (does not include IPA/MOA)</li> <li>• Health Entities 49.19%</li> <li>• CNI 68.47% (does not include service contract employees)</li> <li>• CRC 18.92% (not wholly owned by CN)</li> <li>• Aerospace 0% (not wholly owned by CN)</li> <li>• Waste Management 100%</li> </ul>
Increase Indian-Owned Business Certifications	# Newly Certified Indian-Owned Businesses	80	61
Effective One on One Training for Certified Indian Owned-Businesses	# of businesses receiving assistance/% finding useful	300/95%	112/100%
Certified Indian-Owned Business Receiving Financial Assistance	% Certified Indian-Owned Business Loans in Portfolio	75%	15.30%
Effective Usage of Fees Collected	# Trained	100	21
Effective Monitor of Work Sites – Construction and Housing	# Monitoring Visits	90%	100% - 974 sites monitored
Effective Monitor of Bid Openings	# and % Bid Openings Attended	100%	100% - 27
Effective Resolution of Complaints – TERO and EEOC	% Complaints Resolved	100%	TERO: 9 complaints filed; 9 resolved EEOC: 3 complaint filed; 3 resolved

**b. Notable accomplishments:**

1. Four SBAC mentors are TERO certified businesses and have **agreed to mentor 2 to 3 smaller, younger Indian-owned businesses.**
2. **Certified Indian-owned Business Vendor Fair scheduled for October 20, 2011 at Hard Rock Casino.** Last year over 120 vendors and 400 participants attended the Vendor Fair. **Success stories from 2010 Certified Indian-owned Business Vendor Fair** include TGI obtaining a contract with DFW Airport and an invitation to bid for Gallant Background Checks for a DFW

contract. TGI is a promotional and advertising specialist company in Tulsa and Gallant Background Checks is located in Owasso and provides online background checks.

3. **SBA Oklahoma Innovator of the Year was a TERO Certified Indian-owned Business!** Congratulations to Mark Masters, Chloeta Fire, in Jay Oklahoma. Chloeta Fire provides emergency management services for natural resource protection.
4. **Record number of TERO Certified Indian-owned Businesses – over 656**, as compared to 251 in 2005. Additionally, 561 are wholly or partially owned by Cherokee Nation citizens.
5. **Certification program workshops** are scheduled in May and June to aid CIOB in obtaining minority certification outside of the Cherokee Nation’s certification process. This includes both the Small Business Administration (8a and HUBZone) and the Minority Development Advisory Council. This workshop will form the basis for our certification assistance program, whereby SBAC staff will assist businesses to identify certification opportunities and help complete certification applications.

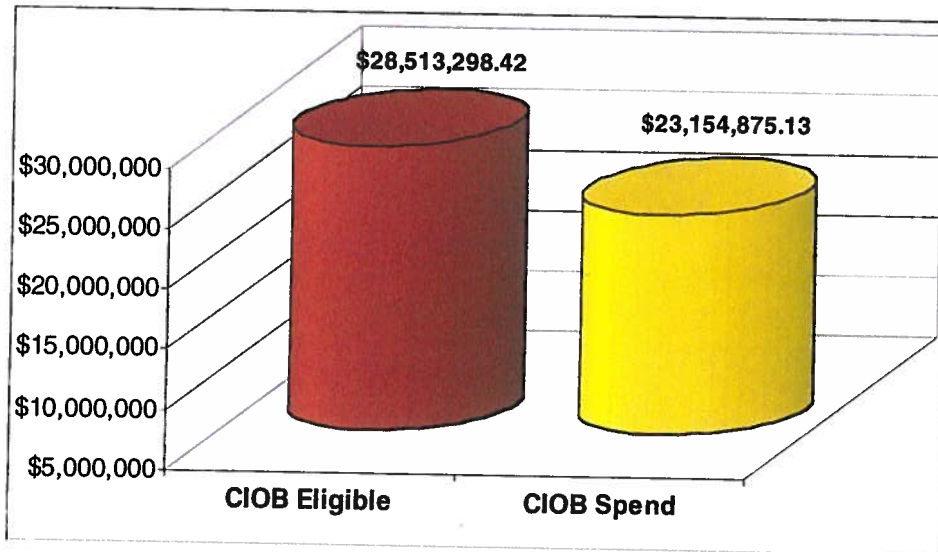
c. Future plans/new initiatives:

1. Cherokee **citizen employment goals** set by business entities.
2. **TERO certified CIOB Marketing Plan** to engage other state and tribal entities in accepting CN certification as a minority certification, thereby adding more value to CN certification.
3. **Electronic notification to TERO certified Indian-owned businesses** when a procurement opportunity they qualify for posts on [www.cherokeebids.org](http://www.cherokeebids.org). Notification will be through email and text messaging. The first step in coding vendors has been complete and Information Systems is working on the notification. Training for departments and testing should be completed this summer with full implementation before the end of the fiscal year.
4. **CIOB Teaming Program** to increase competitiveness of CIOB on larger contracting opportunities. This program will aid smaller CIOB to find potential teaming partners and work together to jointly bid on projects or subcontract for each other.

Business/Entrepreneur Workshops			
Date	Location	Time	Workshop
May 15	Tahlequah	All Day	Indianpreneurship Class
May 19	Claremore	6 pm to 8 pm	Indianpreneurship Class
May 22	Claremore	6 pm to 8 pm	Indianpreneurship Class
May 24	Tahlequah	6 pm to 8 pm	Minority Certification 8a, HUBZone, Minority Development Council
May 26	Claremore	6 pm to 8 pm	Indianpreneurship Class
June 2	Claremore	6 pm to 8 pm	Indianpreneurship Class
June 9	Tulsa – Native American Business Development Center	10 am to Noon	Minority Certification 8a, HUBZone, Minority Development Council

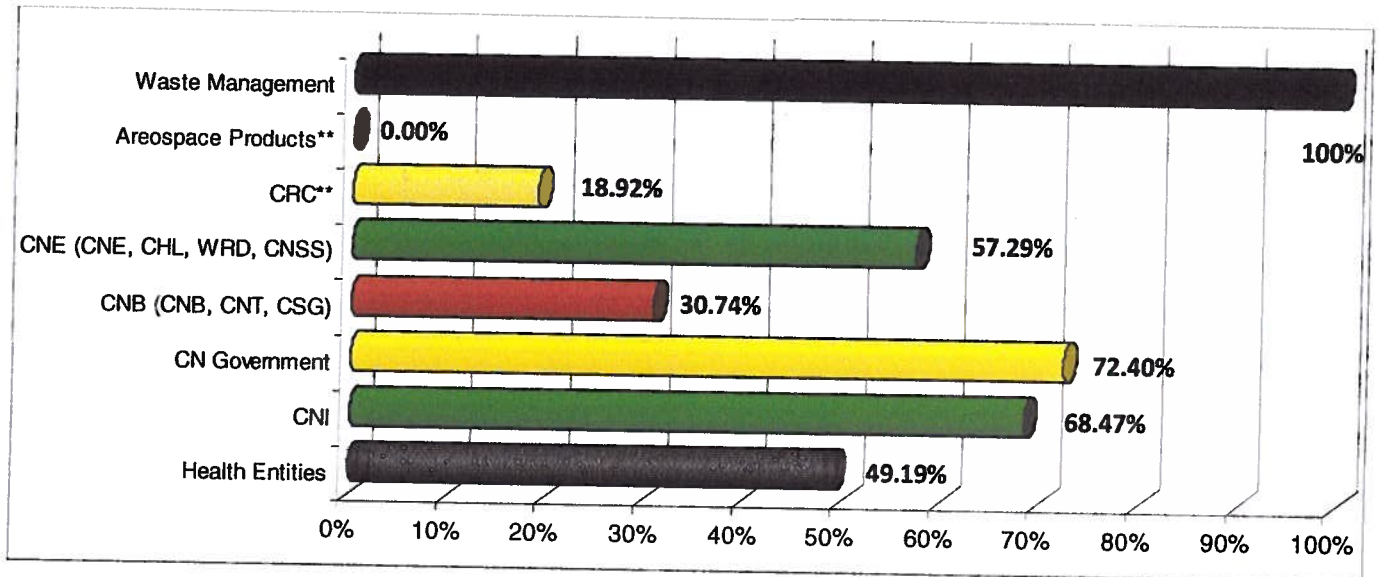


**82.21% of CIOB Eligible Procurement Opportunities were awarded to CIOBs**



\*\*Includes CN Government, CNE, CNI, and Health Entities

**62.42% of Employees are registered Cherokee Nation Citizens**



\*\*Companies majority, not wholly, owned

Group: Commerce

Month/Year of Report: May 2011

Group Leader: Anna Knight

Phone: 453-5532 Email: aknight@cherokee.org

**Budget Highlights** None

**Program Highlights**

a. Balanced Scorecard Measures

Objective	Metric	2011 Goal	Year to Date Achievement
			Notes/Comments
Investment in Economy	Loan Dollars	\$1,000,000	<b>Commercial: \$464,084.90</b> <i>Approved Loans Pending Closing</i> <ul style="list-style-type: none"> <li>• Restaurant – Tahlequah \$25,000</li> <li>• Artist – Park Hill \$25,000</li> <li>• Auto Body – Tahlequah \$142,850</li> <li>• Artist – Proctor \$3,500</li> </ul> <i>Pending approval</i> <ul style="list-style-type: none"> <li>• None Pending</li> </ul>
Investment in Economy	Tourism Dollars		<b>Consumer: \$243,550.93</b>
	a) Community Tourism	a) \$50,000	a) \$6,500 (income to artists/communities through tourism activities)
	b) Tourism Business Development	b) \$100,000	b) \$30,615 (financing tourism related businesses)
Job Creation	# Small Business Jobs Created/Maintained	100	90
	Percentage Cherokee (or Cherokee Family) Employed	100%	83%
Effective Business Training	# Attendees and % Indicating usefulness	500/95%	542/100%
CN Holiday	1. % Increase Sponsorships	a) 5%	a) TBD
	2. % Increase in Community Games Participation/Holiday Cultural Events	b) 5%	b) TBD

b. Notable accomplishments

2. **Commercial Loans Closed – Tahlequah** - Restaurant (2 jobs), Artist (4 jobs), Construction (4 jobs) Construction (15 jobs); Vian – Construction (1 job) Dog Kennel (2 jobs); Kansas – Construction (2 jobs); Jay- Beauty Salon (3 jobs) Sallisaw - Salon (10 jobs); Stillwell- logging (14 jobs); Okay- retail (2 jobs); Oolagah-retail (2); Peggs - Construction (4 jobs); Collinsville- Service (2 jobs) Muskogee- Scrap metal (2 jobs); Heavy equipment (3 jobs);

3. **Collateral for Commercial Loans Closed -**

Community	Loan Purpose	Project Costs	Loan Amount	Collateral Discounted Value	Owners Equity	Jobs
Vian	Retail Expansion	\$38,000	\$10,000	Inventory & Equipment \$15,800	380%	2
Muskogee	Startup Retail	\$30,000	\$21,915	Vehicles \$13,800 UCC \$14,783	27%	2
Tahlequah	Startup Retail	\$40,000	\$30,615	UCC \$41,450	23%	4
Ft. Gibson	New Equipment	\$60,000	\$51,020	Vehicles \$23,450 Heavy Equipment \$40,258	15%	3

4. **Charged Off Loans** – Commercial: Monthly Total – 0/\$0.00, Year to Date Total – 0/\$0.00 Consumer: Monthly Total – 0/\$0.00, Year to Date Total –0/\$0.00
5. Collaborating with local partners to complete an **ODOC Work Ready Community certification** process for CN rural counties – anticipated completion date Summer 2011. Upon certification this will be the largest combined region in the State and communities within this region will be able to use the Certification as a business recruitment and/or business retention/expansion tool.
6. **Bridge to Success Business Mentorship Program** 5 mentors have been selected. Each has committed to spend 15 hours over a three month period with each mentee, providing mentees with guidance on mentee business issues. Each mentor will have 2 to 3 mentees, who have been selected from very small loan clients. Mentor/Mentee matches will be made and interaction began in by mid-June.
7. **Arts on the Avenue will be held June 11** in downtown Tahlequah. Artists will have booths up and down Main Street selling their art; hands on art demonstrations will be held at the Capitol Square; and live music/entertainment will play on the Square. This is a Tahlequah Community event focusing on Cherokee Art and Culture.

c. Future plans/new initiatives

1. **Market Place Entrepreneur Program** to increase competitiveness of Cherokee owned market place businesses and create strategy to increase market place opportunities (including e-commerce)
2. Second **Silversmith** class began April 4 with four students. Community Silversmith classes will be held on Saturdays during the month of May. The community classes will produce one piece of jewelry and class participants will pay a small fee to cover the cost of supplies/metal. The complete **Cherokee Creativity Center should be open** by the Cherokee National Holiday 2011 – we have been awarded ICDBG funding for this project.
3. The third annual **Northeast Oklahoma Regional Summit will be held October 13 at Rogers State University in Claremore**. This year’s summit will focus on successes from the Northeast Oklahoma Regional Plan.

**Lending \$’s Available – March 2011** (pending and approved/pending applications not considered)

▪ IRP:	\$251,368.31	▪ ICDBG Adult:	\$351,742.83
▪ Commercial:	\$200,633.48	▪ ICDBG Youth:	\$151,905.36
▪ CDFI:	\$676,333.92	▪ Consumer Lending:	\$296,159.03

Business/Entrepreneur Workshops			
Date	Location	Time	Workshop
May 15	Tahlequah	All Day	Indianpreneurship Class
May 19	Claremore	6 pm to 8 pm	Indianpreneurship Class
May 22	Claremore	6 pm to 8 pm	Indianpreneurship Class
May 24	Tahlequah	6 pm to 8 pm	SBA Workshop – Section 8a Hub Zone
May 26	Claremore	6 pm to 8 pm	Indianpreneurship Class
June 2	Claremore	6 pm to 8 pm	Indianpreneurship Class
June 11	Downtown Tahlequah	All Day	Arts on the Avenue
June 20 -24	Maryetta Schools	All Day	Entrepreneurship Camp

# COUNCIL OF THE CHEROKEE NATION EXECUTIVE & FINANCE COMMITTEE REPORT

**Group:** Cherokee Nation Foundation      **Month/Year of Report:** May , 2011

**Executive Director/Group Leader:** Kimberlie A. Gilliland    **Phone:** 207 0950    **Email:**  
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## **I Budget Highlights**

1. Restated 2008 and 2009 Audit
2. Launched \$1,000,000.00 endowment at OSU (Oklahoma State University) T.Boone Pickens Legacy scholarship Match. Outright gift category with a 2:1 match.
3. Received second installment SCF grant-First Nations
4. Closed the pilot program of 0% loans
5. Started business plan for 3% to 4% loan program
6. Closed the scholarship application April 15<sup>th</sup>, Awards will be announced May 15,2011

## **II. Program Highlights**

### **Balanced Scorecard Measures**

1. Completed the Cherokee Lullaby project *Songs of the Nightingale* (II).
2. Completed digital version of Historical sites of the Cherokee Nation

### **Accomplishments**

1. Established new online fund management accounting system.
2. Completed Beta version of online scholarship and loan application- Hard launch August 2011 (ahead of schedule)
3. Electronic Newsletter to be launched June 1<sup>st</sup>
4. Started Planned giving campaign
5. Launched new branding campaign

### **Future Plans/New Initiatives**

1. Counsel the Counselor (directed at helping the high school and middle school counselors guide college bound students, persuasive essay, outside resources etc. ) November 2011 at the Hard Rock.
2. Hard Launch of the Cherokee electronic language Dictionary with implementation of the Educational Services tone grant.
3. Fundraising event Fall 2011