

COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT

Group: Financial Resources **Month/Year of Report:** May 2010
Group Leader: Callie Catcher **Phone:** 207-3902 **E-mail:** callie-catcher@cherokee.org

I. Budget Highlights – through April

- a.) Financial Resources – 50% spent
- b.) Treasurer – 40% spent
- c.) IIM – 55% spent
- d.) Acquisition Management – 42% spent
- e.) Support Services – 41% spent

II. Program Highlights

a.) Balanced Scorecard Measures

- 1. Complete 09 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 – 100% complete
- 5. Obtain GFOA Award for FY08 CAFR – 100% complete
- 6. Reports Completed & Submitted by Due Dates – 98% Complete for reports due by 04/30/10.

b.) Accomplishments

- 1. FY11 Budget Training conducted April 14, 16 & 20
- 2. Attended Lawson Conference & User Exchange April 25-29
- 3. Lawson 9.0 Applications Upgrade continues
- 4. 2009 Single Audit underway

c.) Future Plans/New Initiatives

- 1. Lawson 9.0 Applications Upgrade continues
- 2. 2009 Single Audit underway
- 3. 2011 Budget Cycle budgets due to Budgets Office by May 14th
- 4. Emergency Management Funding Conference May 24-27
- 5. Office of the Special Trustee Review May 25-27
- 6. Lawson 9.0 Applications Upgrade Go-Live June 1

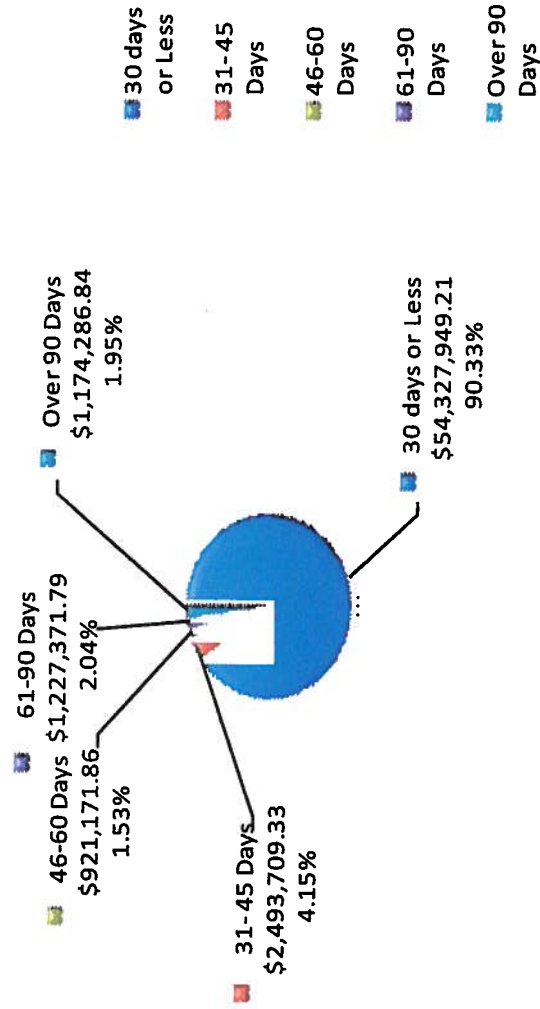
COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT

Cherokee Nation Acquisition Management Year-To-Date Report Over \$5,000 Transactions October 1, 2009 through March 31, 2010		% of sub-total - TERO vendor submitted Bid
Award to TERO Vendor	\$ 16,695,911.78	87.85%
Award to non-TERO Vendor	\$ 2,308,269.27	12.15%
Sub-total bids with a TERO vendor participating	\$ 19,004,181.05	100.0%
Bid - no bids submitted by TERO Vendors	\$ 4,170,897.22	

COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCIAL COMMITTEE REPORT

Jan 10 - Mar 10 QTR		
Number of Invoices in Category	Total Amount Of Invoice	Category
48,106	\$ 54,327,949.21	30 days or Less
2,180	\$ 2,493,709.33	31- 45 Days
710	\$ 921,171.86	46-60 Days
606	\$ 1,227,371.79	61-90 Days
818	\$ 1,174,286.84	Over 90 Days
52420	\$60,144,489.03	Grand Totals

Invoice to Amount Comparison



Group: CNE

Month/Year of Report: May 2010, based on March 2010 results

Group Leader: David Stewart Phone: 384-7878 E-mail: david.stewart@cnet.com

I. Budget Highlights

- a. Total March revenue of \$41.7 Million was comparable to prior year, but was 11.7% below budget.
 - i. 3rd highest monthly revenue in company's history
 - ii. West Siloam Springs set a new record for monthly revenue
 - iii. Roland had its 2nd best revenue month on record
 - iv. Highway construction continues to impact revenue at Catoosa
- b. Operating expense for the month of \$28.5 million was favorable to budget by \$3.9 million, or 12.1%. CNE continues to focus on reducing operating costs throughout the company in order to improve profitability.
- c. CNE March net income totaled \$10.1 million, compared to \$9.7 million in March FY09. Net income was 15.6% below CNE's budget of \$12.0 million

II. Operating Highlights

- a. Expansions
 - i. Catoosa – Construction continues on the Hard Rock event center. CNE expects to have the event center in operation by September 2010.
 - ii. West Siloam Springs - The hotel is expected to be complete by June 2010.
 - iii. Ramona – Site preparation under way. The property is expected to open summer 2010.
- b. Accomplishments
 - i. 46.4% Cherokee citizen employment
 - ii. 68.4% Native American employment
- c. Future Plans/New Initiatives
 - i. Continue to manage expansion progress.

- ii. Continue to enforce tighter hiring controls and expense reduction measures to gain efficiencies.

**COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT**

Group: CNB

Month/Year of Report: May 2010 based on March 2010 results

I. Budget Highlights

- a. Consolidated Monthly Net Income for all entities of \$10.3M compared to budget of \$11.9M. Consolidated Net Income was below last month by \$1.2M or 10% decrease.
- b. Utilizing \$33M of BOA Loan Facility for all entities as of March 31, 2010 and \$33M as of April 28, 2010.
- c. FY10 Year-to-date Consolidated Capex is \$49.1M for all entities.

II. Operating Highlights

a. Operating Subsidiaries

- i. CSG won two new contracts with the National Oceanic and Atmospheric Administration (NOAA) in the amount totaling \$6.5M. These contracts commenced in March 2010.
- ii. CCRC received clarification to complete the design-build contract for Dover AFB. The bid proposal is due May 5, 2010. This project has potential to generate \$12M-\$13M in revenue over a 2 yr performance period. This project is not included in CCRC's current budget.

b. Future Plans/New Initiatives

- i. Board Consolidation
- ii. Capital Allocation
- iii. Ensuring that the Chief's Mandates are in place
- iv. Shared Service Delivery
- v. Economic Development and Diversification ongoing

Group: Career Services-
Employment Month/Year of Report: April, 2010

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
Training Completions	31	264	650	41%
Employment Completions	16	355	400	89%
Unsubsidized Placement	14	222	400	56%
Retention	3	252	200	127%
WorkKey Credentialing	N/A	178	450	40%
Job Bank	65	582	2000	29%
Community Service	N/A	53	60	88%

Balanced Scorecard measures for the previous month will be available the 15th of each month.

b. Accomplishments

1. Job Fairs were held in Pryor and at the Muskogee ICTC.
2. Employments surveys were completed at one hospital and five clinics. A total of 1,004 surveys were completed.
3. Information and statistics were gathered on unemployment and plant closures/layoffs for the NEG.
4. Three employment program participants acquired permanent employment.
5. TERO assisted in acquiring employment for fifteen unemployed individuals.
6. 80% of Stimulus Contracts were awarded to TERO vendors.

Initiatives

1. A Career Services Special Projects staff member will be attending the Southern Plains Indian Housing Quarterly Meeting.

2. A Webinar is scheduled for 1:00pm on April 29, 2010, for the NEG On-the-job Training.
3. Reverse Job Fairs are tentatively scheduled for May, June, and July, 2010.

CERTIFIED INDIAN OWNED BUSINESS REPORT

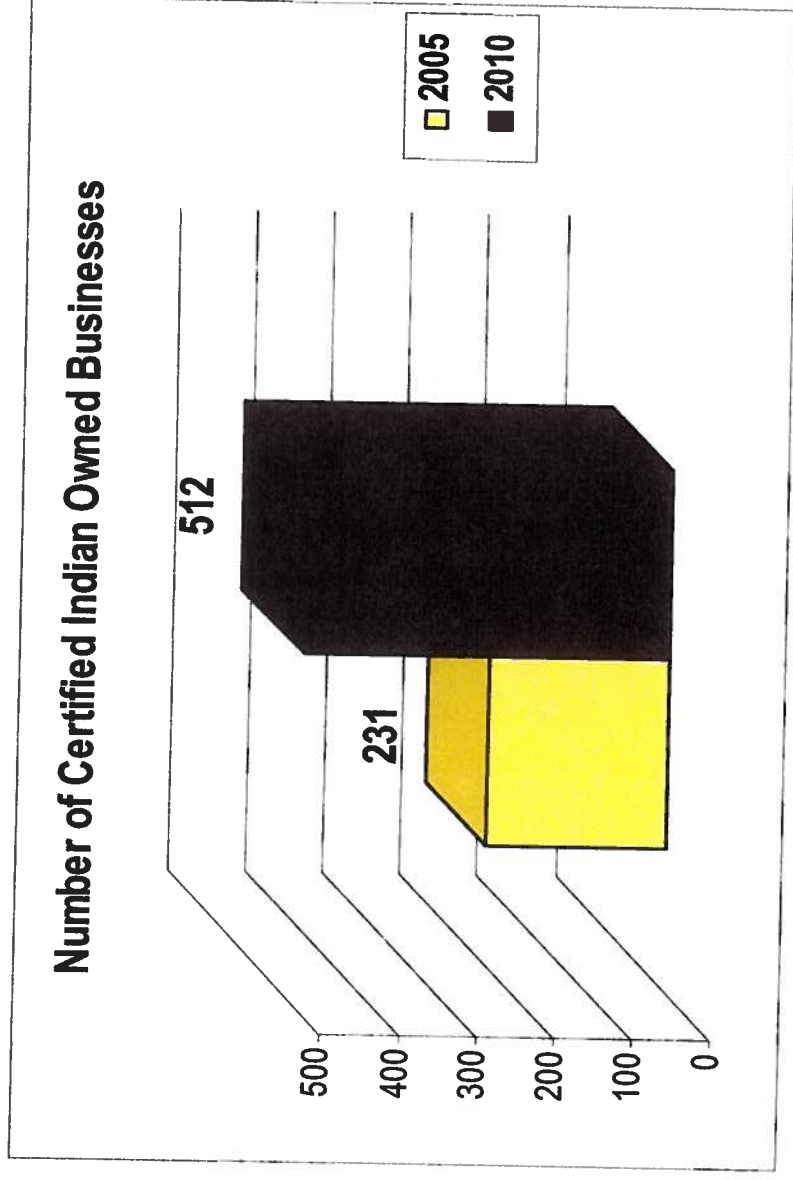
2nd Quarter 2010

March 2010 Quarterly Report

1

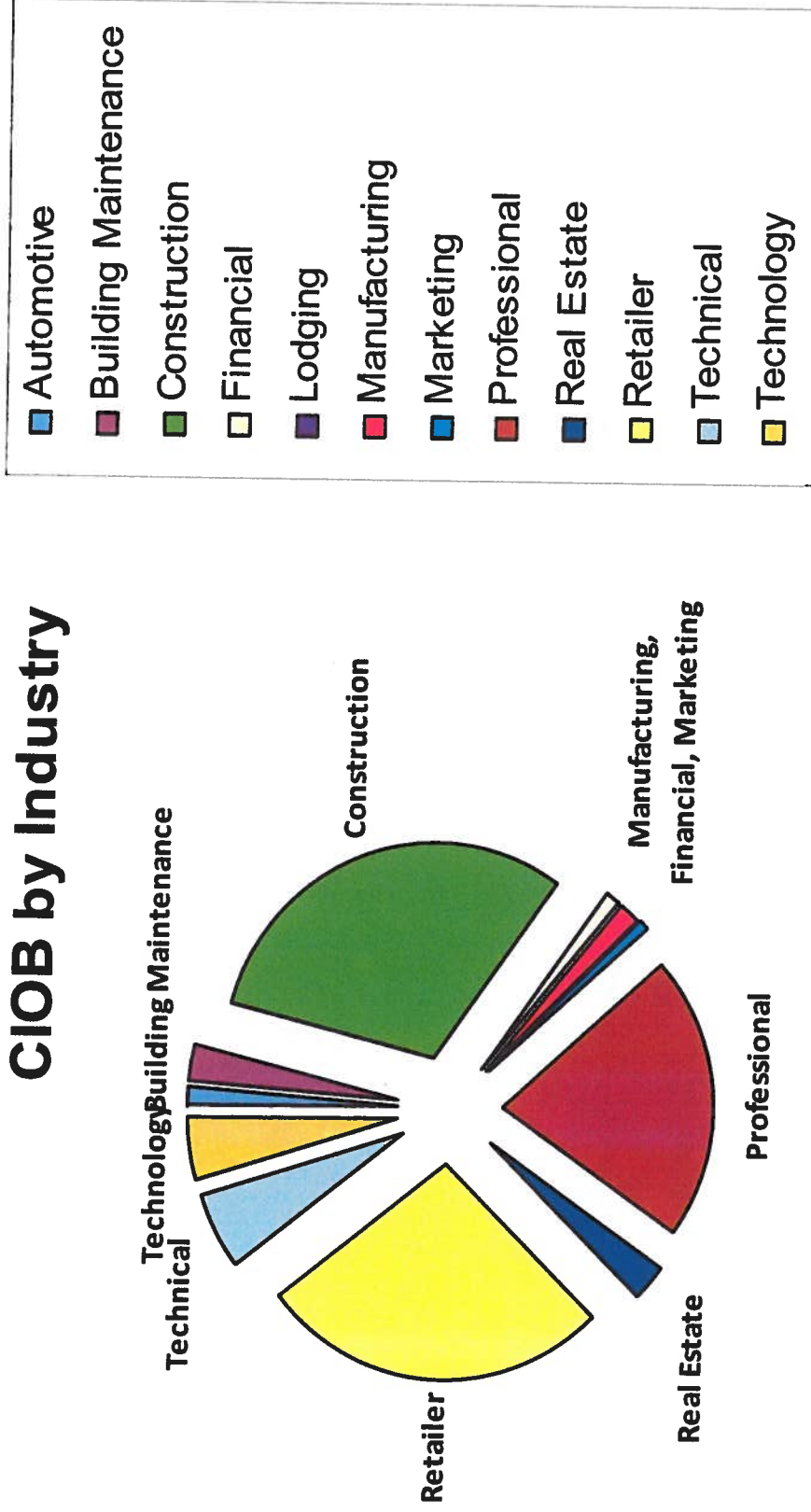
Increased Number of Certified Indian Owned Businesses

Aggressive marketing and Indian business recruitment has more than doubled the number of certified businesses



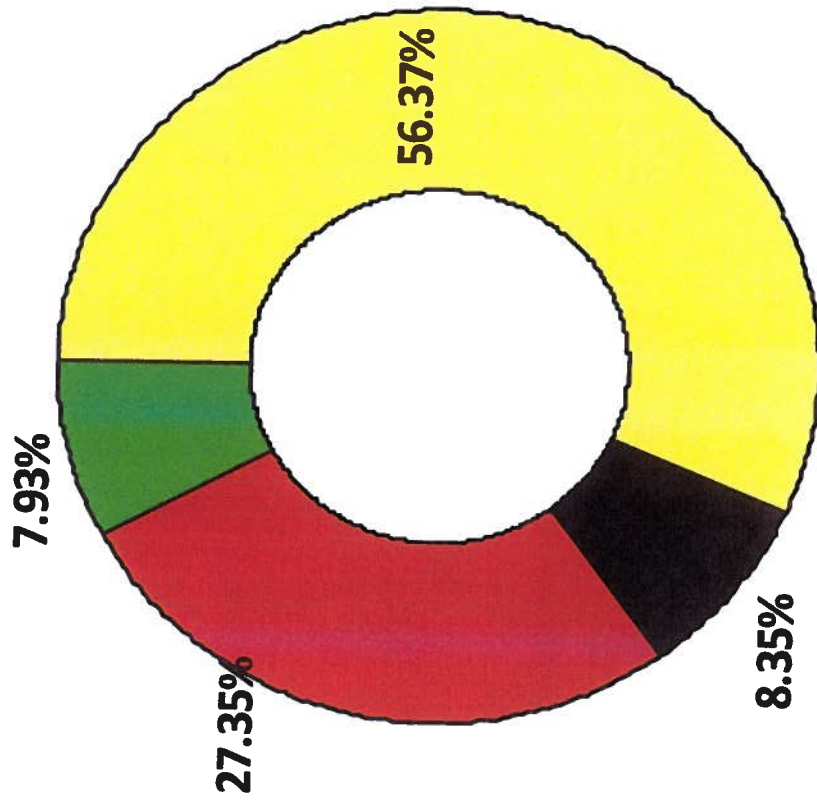
CIOB by Industry

CIOB by Industry



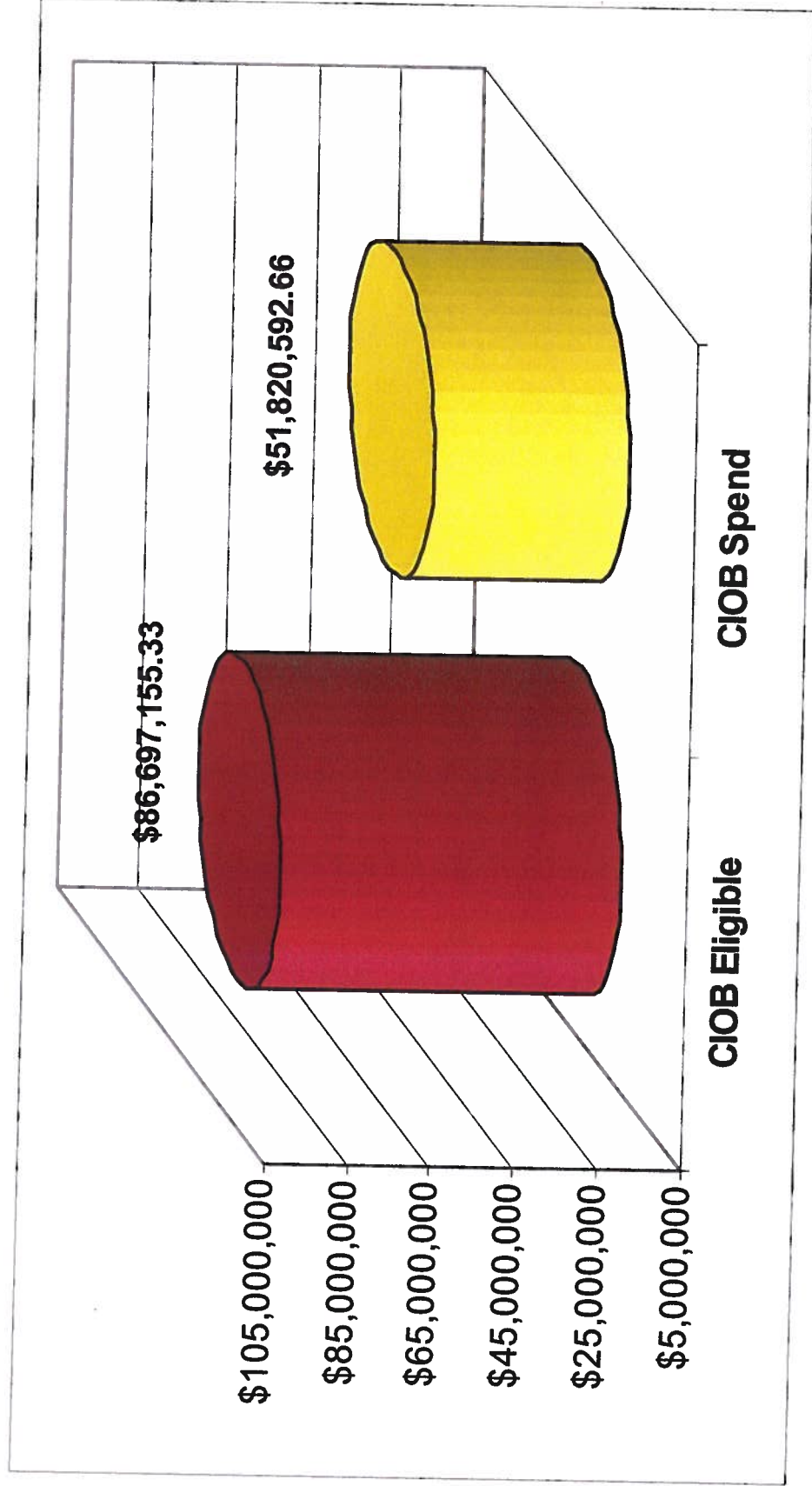
Certified businesses exist in many areas. This information, when compared to CN purchasing by industry, will help identify areas to target for Indian business ownership

CIOB Ownership



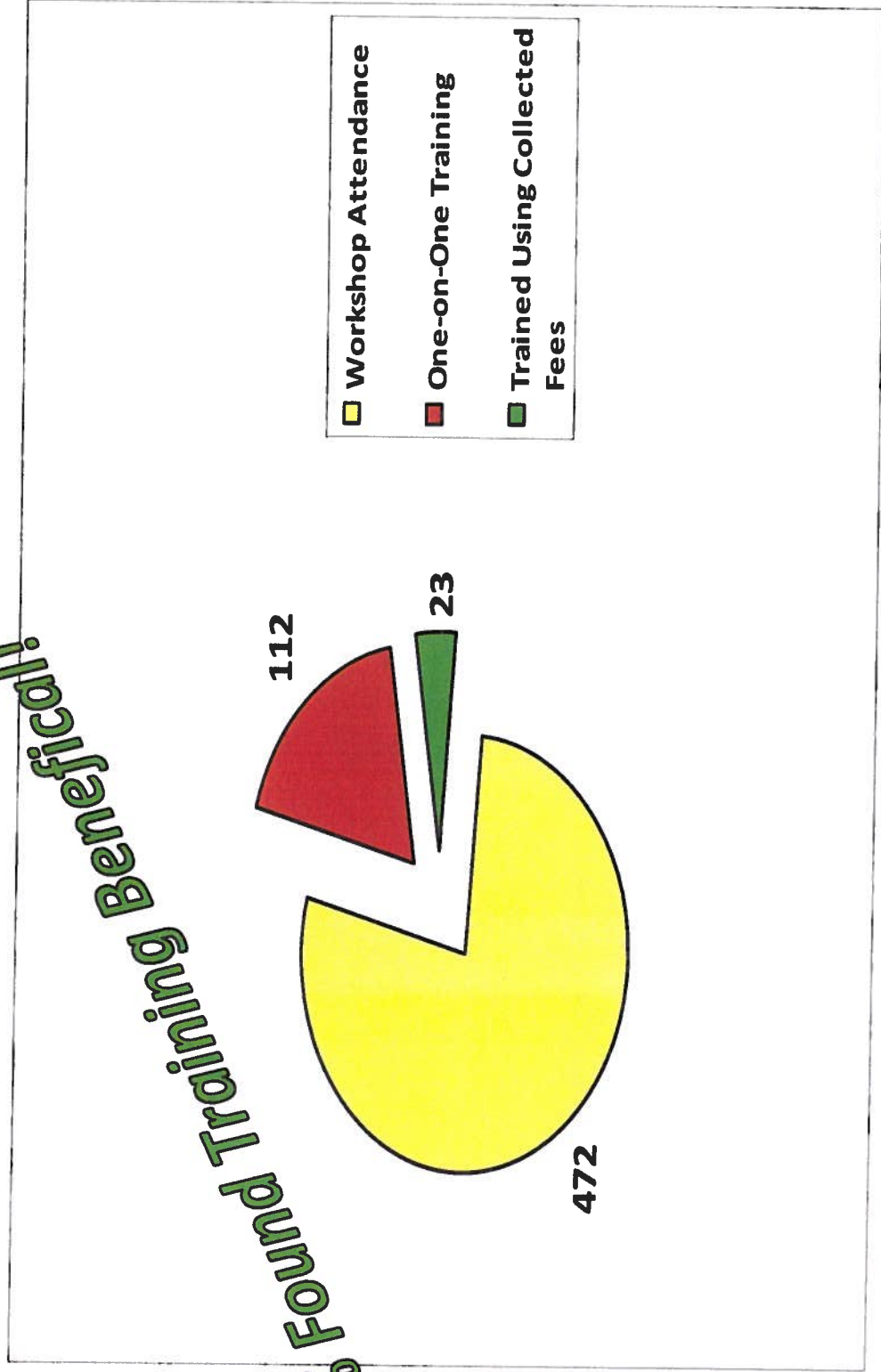
- 100% Cherokee Ownership
- 100% Inidan Ownership, not Cherokee
- Majority (51%+) Cherokee Ownership
- Majority (51%+) Indian Ownership, not Cherokee

59.77 Percent of Eligible Purchases were Awarded to CIOB

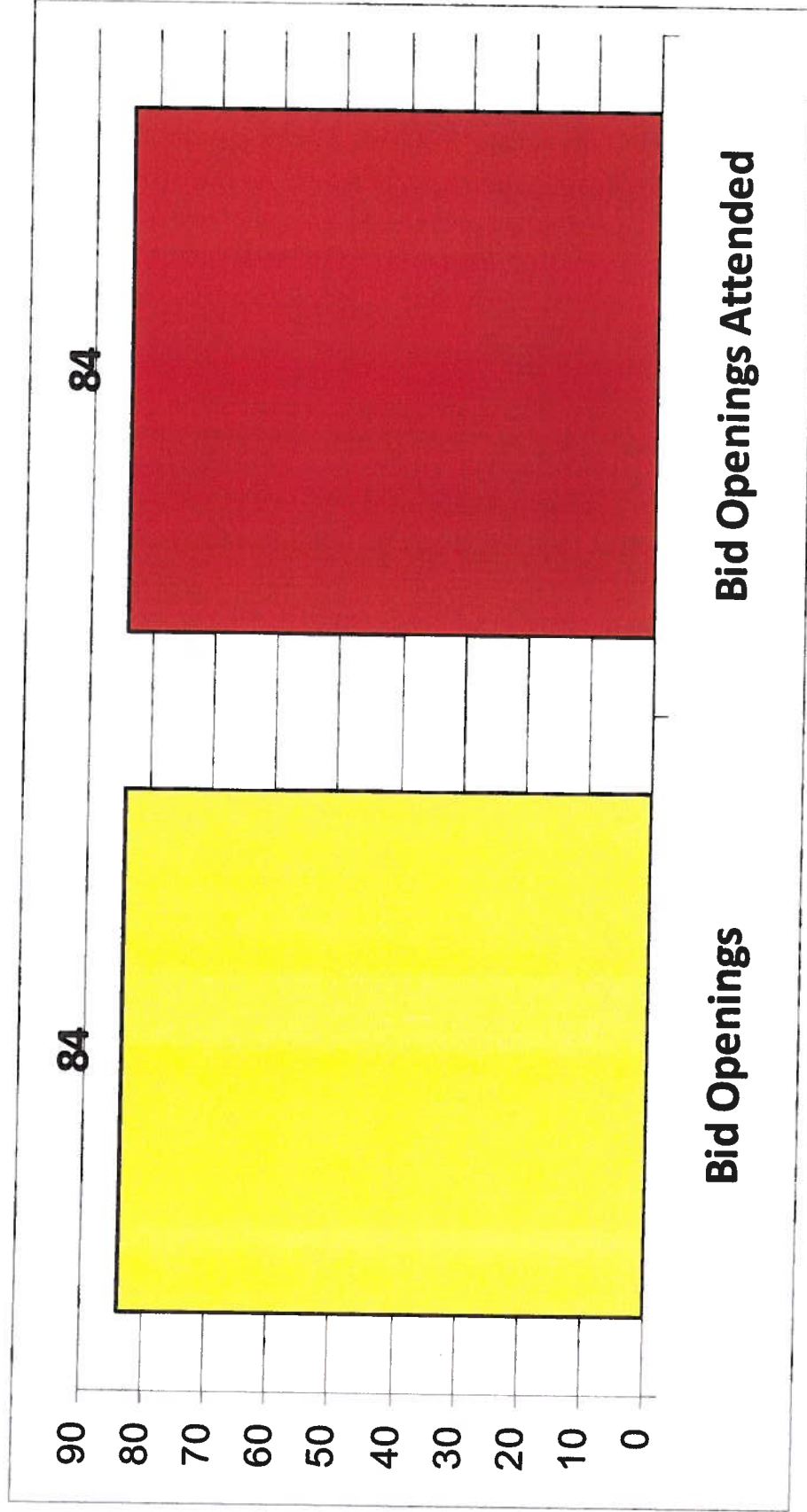


607 Indian Business Owners have Received Business Training

100% Found Training Beneficial!



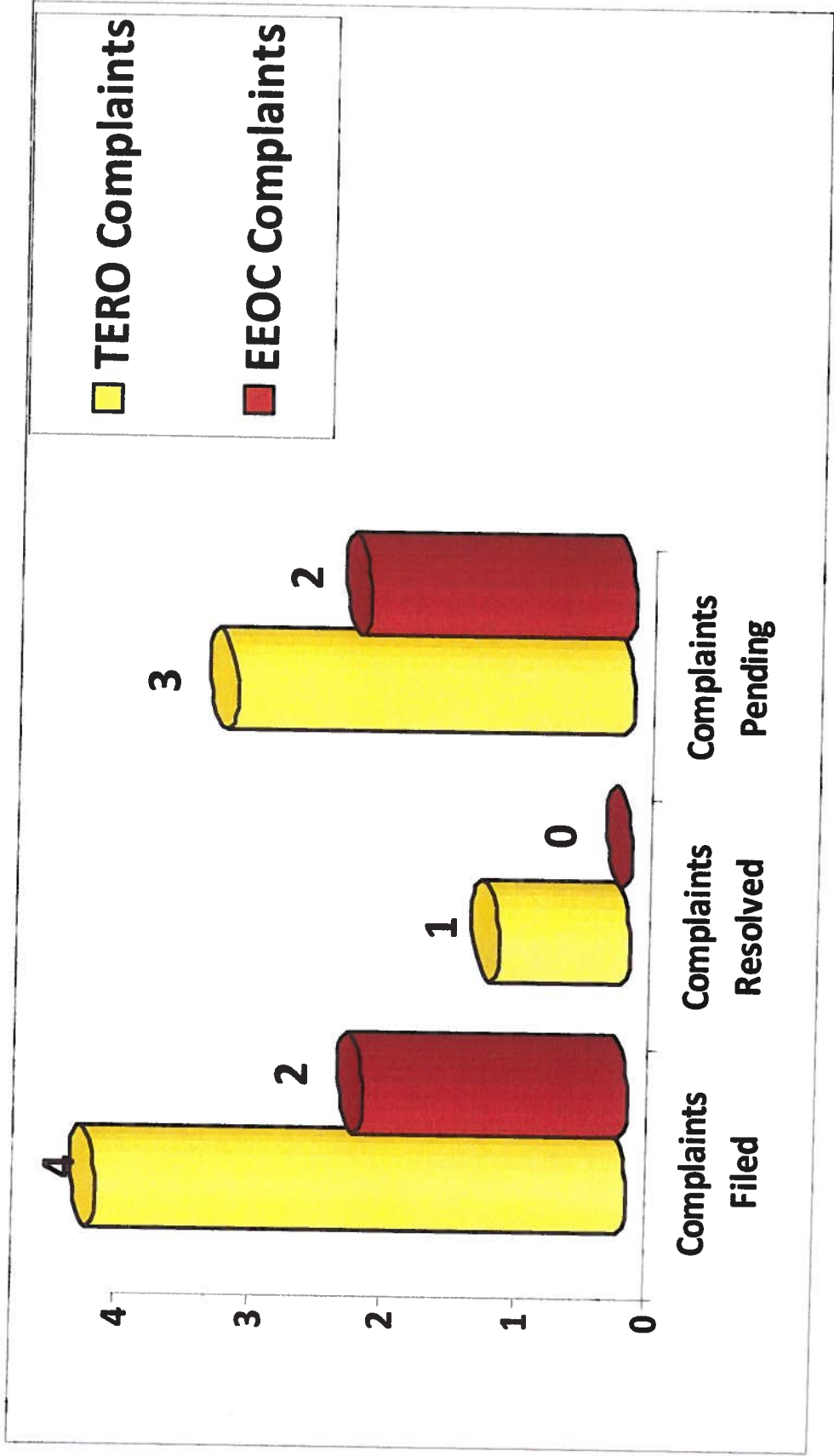
100% of Bid Openings Were Monitored by TERO Staff



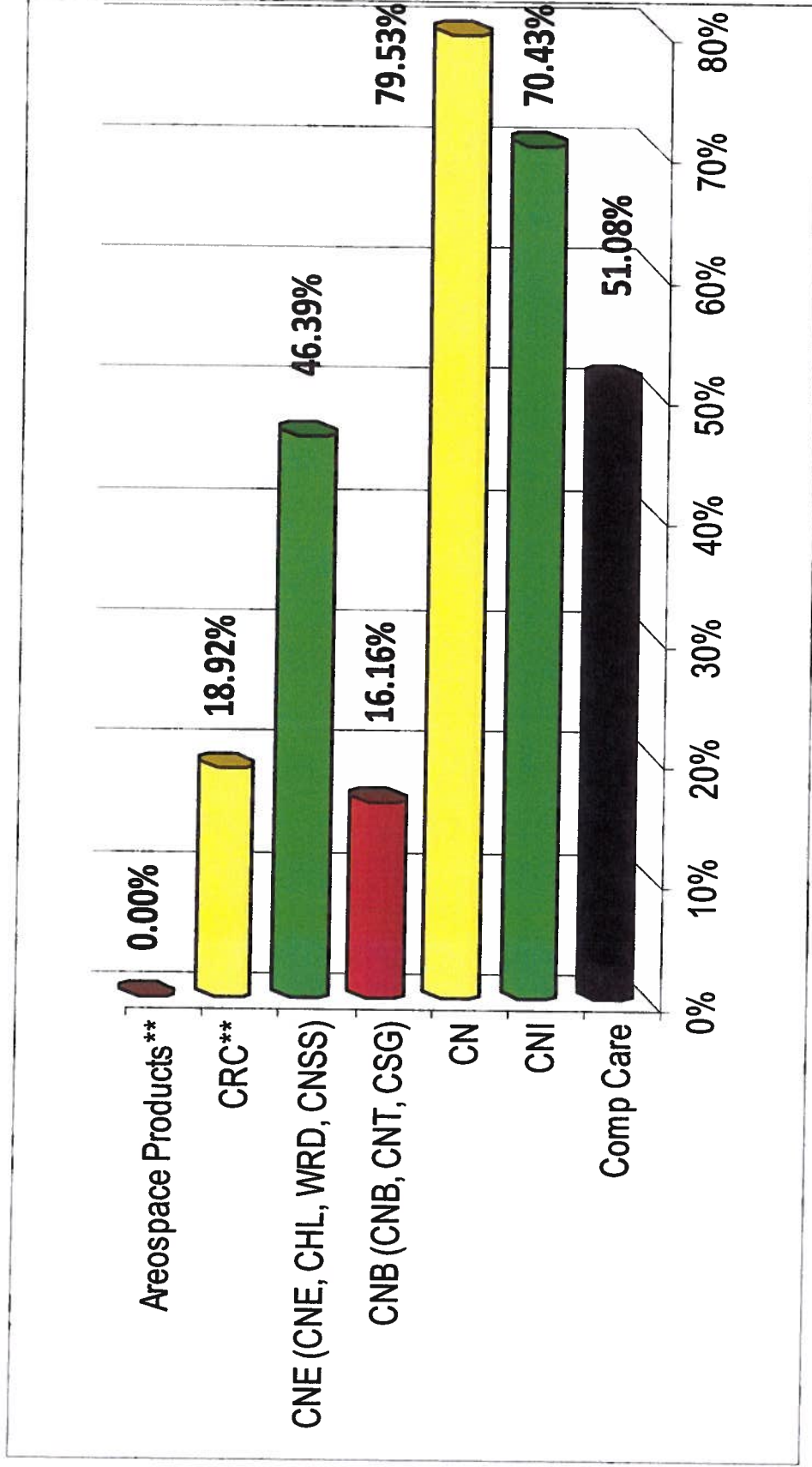
100% of Work Sites Were Monitored



Complaint Resolution



60.14 Percent of all Cherokee Nation Employees are Cherokee Nation Citizens



Initiatives

- **Comprehensive TERO compliance and www.cherokeebids.org training for all CN, CNE, CNI, and Comprehensive Care staff – including all procurement and program decision makers - *underway***
- **Referral system development – if CIOB not meeting program or bid expectations, program managers will contact the One Stop Business Center or TERO for one-on-one business coaching - *underway***
- **Inclusion of procurement opportunities under \$5,000 in reporting - *future***

Initiatives

- **Electronic Notification of Procurement Opportunities to CIOB** – *processes underway and implementation future*
- **www.cherokeetero.com website** – this site lists Certified Indian Owned Businesses for public reference, markets CIOB through internet searches, and provides CIOB opportunity for webpage development - *implemented*
- **CIOB Vendor Fairs** – vendor fair in Muskogee in July, date to be determined, and annual vendor fair and awards dinner November 9

Save the Date

**2010 Certified
Indian Awards
Dinner and
Vendor Fair**

**Hard Rock
Casino**

November 9, 2010

**More External Businesses
Seeking Minority Suppliers**

**Networking Sessions for
CIOB interested in
Partnering**

Awards Presentations

Community Leadership Award
Customer Service Award
Consultant Business
Construction Company
Retail Business
Woman Owned Business
Small Business
Large Business

One Stop Business Center Calendar

Date	Location	Time	Workshop
3-May-10	Claremore	5:30 p.m.	CORE Four – Session 1
10-May-10	Claremore	5:30 p.m.	CORE Four – Session 2
17-May-10	Claremore	5:30 p.m.	CORE Four – Session 3
14-May-10	Muskogee	6:00 p.m.	Oklahoma Tax Commission
24-May-10	Claremore	5:30 p.m.	CORE Four – Session 4
3-Jun-10	Tahlequah	5:30 p.m.	CORE Four – Session 1
4-Jun-10	Tahlequah	9 - noon	Business Taxes (OTC)
8-Jun-10	Claremore	6:00 – 7:30	How to do Business w/CN (Procurement)
10-Jun-10	Tahlequah	5:30 p.m.	CORE Four – Session 2
12-Jun-10	Tahlequah	ALL DAY	Art of Living
15-Jun-10	Tahlequah	6:00 – 7:30	How to do Business w/CN (Procurement)
17-Jun-10	Tahlequah	5:30 p.m.	CORE Four – Session 3
24-Jun-10	Tahlequah	5:30 p.m.	CORE Four – Session 4

March 2010 Quarterly Report

One Stop Business Center Calendar

Date	Location	Time	Workshop
July (TBD)	Muskogee	4-Oct-10	TERO Vendor Fair
14-Sep-10	Claremore	6:00 – 7:30	How to do Business w/CN (Procurement)
21-Sep-10	Tahlequah	6:00 – 7:30	How to do Business w/CN (Procurement)
5-Oct-10	Claremore	TBD	CORE Four – Session 1
12-Oct-10	Claremore	TBD	CORE Four – Session 2
19-Oct-10	Claremore	TBD	CORE Four – Session 3
19-Oct-10	Tahlequah	TBD	Oklahoma Tax Commission
26-Oct-10	Claremore	5:30 p.m.	CORE Four – Session 4
9-Nov-10	Hard Rock - Catoosa	10:00-4:00	Certified Indian-Owned Business Fair

Group: Commerce

Month/Year of Report: May 2010

Group Leader: Anna Knight

Phone: 453-5532

Email: aknight@cherokee.org

Budget Highlights

None

Program Highlights

a. Balanced Scorecard Measures

Objective	Metric	2010 Goal	Year to Date Achievement Notes/Comments
Investment in Economy	Loan Dollars	\$1,000,000	Commercial: \$978,824. <i>Approved Loans Pending Closing</i> <ul style="list-style-type: none">Lawn Care, Chouteau, \$25,000 4 ft <i>Pending approval</i> Consumer: \$212,093
Investment in Economy	Tourism Dollars		
	a) Community Tourism	a) \$50,000	a) \$16,690 (income to artists/communities through tourism activities)
	b) Tourism Business Development	b) \$100,000	b) \$145,000 (financing tourism related businesses)
Job Creation	# Small Business Jobs Created/Maintained	100	64
	Percentage Cherokee (or Cherokee Family) Employed	90%	75%
Effective Business Training	# Attendees and % Indicating usefulness	500/95%	472/100%
CN Holiday	1. % Increase Sponsorships	a) 5%	Report Due in Summer/Fall 2010
	2. % Increase in Community Games Participation/Holiday Cultural Events	b) 5%	

b. Notable accomplishments

- Commercial Loans Closed –YTD – Tahlequah** - Outdoor Gear Retail (1 job), Flower Shop (4 jobs), Tanning Salon (6 jobs), Ag Operation (2 jobs), Artist (5 job); Oologah – Retail (1 job); Muldrow – Diner (3 jobs); Collinsville – Manufacturing (5 jobs); Claremore – Lawn Care (4 jobs), Landscape/nursery (20 jobs); Stilwell – Ag Operation (2 jobs), Retail (2 jobs); Briggs – Salvage (6 jobs); Hulbert – Ag Operation (2 jobs); Rose – Ag Operation (1 job);
- Charged Off Loans** – Commercial: Monthly Total – 0/\$0, Year to Date Total – 0/\$0 Consumer: Monthly Total – 0/\$0, Year to Date Total –4/\$1,822.69
- “Tahlequah - The Art of Living”** will be held in downtown Tahlequah June 12th. This year’s event will include more activities by NSU on the North end of Main Street and additional entertainment, including music, on the Cherokee Capitol Square.
- 2010 Northeast Oklahoma Regional Summit** will be held in Tahlequah October 26 and 27. The summit region has been expanded to include all rural counties in the Cherokee Nation and Okmulgee County. At this year’s summit the goal is for **regional adoption of an economic growth plan.**
- Collaborating with local partners to complete an **ODOC Work Ready Community certification** process for CN rural counties – anticipated completion date 2011. The area has met the high school graduation rates, which is the hurdle we were most concerned about.

6. **Four trainers**, including three artists, are certified to teach the **Artists as Entrepreneurs curriculum**. This curriculum focuses on building artists' capacity to manage their finances, build their markets, and market their products.
7. **Seventy youth submitted 38 business plans for the Adair County Youth Entrepreneurship Day** that was held April 28, 2010. Youth Adair, Delaware, Sequoyah, and Cherokee Counties participated. Cherokee County Youth Entrepreneur Day was held last fall with 40 youth attending and 20 business plans entered in the competition.

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. **Bridge to Success Business Mentorship Program** will kick off later this summer. We expect to train mentors in June and begin matching successful business mentors with struggling or new businesses in July and August.
3. **Certified Indian-owned Business Vendor Fair set for November 9, 2010 at Hard Rock Casino.**

Lending \$'s Available (pending and approved/pending applications not considered)

▪ IRP:	\$235,366.97	▪ ICDBG Adult:	\$503,397.81
▪ Commercial:	\$131,298.51	▪ ICDBG Youth:	\$156,342.66
▪ CDFI:	\$731,548.68	▪ Consumer Lending:	\$260,703.75

Business/Entrepreneur Workshops			
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Traditional Native Games – Cherokee National Holiday		
Date	Location	Time
24-Apr-10	Dripping Springs	Starts at 10:00 AM
22-May-10	Kenwood School	Starts at 10:00 AM
12-Jun-10	Muskogee, 3 Rivers Clinic	Starts at 10:00 AM
17-Jul-10	Sallisaw City Park	Starts at 10:00 AM
7-Aug-10	Bell Powwow	Starts at 10:00 AM
5-Sept-10	Play-offs, Tahlequah, West of Complex	Starts at 10:00 AM