

COUNCIL OF THE CHEROKEE NATION  
EXECUTIVE & FINANCE COMMITTEE REPORT

**Group:** Financial Resources

**Month/Year of Report:** December 2013

**Treasurer:** Lacey Horn

**Phone:** 207-3902

**E-mail:** [lacey-horn@cherokee.org](mailto:lacey-horn@cherokee.org)

- I. Budget Highlights – through November
  - a.) Financial Resources – 15% spent
  - b.) Treasurer – 13% spent
  - c.) IIM – 17% spent
  - d.) Acquisition Management – 20% spent
  - e.) Records Management – 17% spent
  - f.) Support Services – 19% spent
  - g.) Employee Performance Incentive – 29% spent
- II. Program Highlights
  - a.) Balance Scorecard Measures
    - 1. Complete FY13 Audit – 10% complete
    - 2. Obtain Unqualified Audit Opinion – 0% complete
    - 3. No Material Weaknesses on Single Audit – 0% complete
    - 4. Obtain GFOA Award for FY12 CAFR – 100% complete
    - 5. Reports completed & submitted by due dates – 100% complete for reports due by 11/30/13
  - b.) Accomplishments
    - 1. FY 13 Closing continues
    - 2. Two day eCivis training held with approximately 60 participants in attendance
  - c.) Future Plans/New Initiatives
    - 1. FY 13 closing continues

COUNCIL OF THE CHEROKEE NATION  
EXECUTIVE & FINANCE COMMITTEE REPORT

<b>Cherokee Nation Acquisition Management Year-To-Date Report Over \$5,000 Transactions October 1, 2013 through September 30, 2014</b>		<b>% of sub-total TERO vendor submitted Bid</b>
Award to TERO Vendor	\$ 6,394,106.98	88.22%
Award to non-TERO Vendor	\$ 853,894.73	11.78%
<b>Sub-total bids with a TERO vendor participating</b>	<b>\$ 7,248,001.71</b>	<b>100.0%</b>
Bid - no bids submitted by TERO Vendors	\$ 237,460.93	
October 1, 2013 through November 30, 2013		



**CHEROKEE NATION™**  
*Businesses*

**Executive and Finance Report**  
**Consolidated Financial Information**  
**November 2013**

# Cherokee Nation Businesses

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## Executive and Finance Report

November 2013

### Budget Highlights

- November 2013 CNB consolidated net income of \$9.3 million was 23.7% favorable to a budget of \$7.6 million.
- CNE EBITDA of \$15.3 million was \$766,000 favorable to budget. While revenue was consistent with budget, several operating expense categories including employee expense, marketing, and maintenance costs were below budget.
- CNI EBITDA loss of \$535,000 was \$334,000 favorable to budget due to higher than budgeted profitability in the Manufacturing Division as well as lower than budgeted consulting expense.
- The CNB parent company EBITDA was \$450,000 favorable to budget. This was driven by lower than anticipated operating expense and higher than budgeted profitability from partially owned subsidiaries.
- Construction Services EBITDA of \$204,000 was \$130,000 favorable to budget. The budget variance was generated from increased activity from the Mechanical Division and new contract wins.
- Mobility Plus experienced an EBITDA loss of \$107,000 compared to budgeted EBITDA loss of \$69,000. While revenue was \$81,000 favorable to budget, higher than budgeted COGS was the primary contributor to the EBITDA loss.
- The Technology Portfolio EBITDA of \$697,000 was consistent with budget.
- Healthcare Services EBITDA loss of \$2,000 was slightly favorable to budget.
- Security and Defense EBITDA of \$44,000 was \$23,000 unfavorable to budget. The budget included profit on a contract that has been delayed to begin until December 21<sup>st</sup>, 2013.

### Capital Expenditures

November YTD capital expenditures were \$7.1 million for all entities.

- CNE: \$4.5 million – Expansion related costs for Catoosa Casino III rebuild, Cherokee Springs, South Coffeyville and Roland. LED light conversions. Cage Remodel at Catoosa. Install of Micros Symphony (F&B System).
- CPM: \$1.5 million – Health clinic construction / expansion.
- CNB: \$989,000 – IGT Advantage Enterprise upgrade.
- CNCS: \$87,000 – Purchase new vehicles.
- CNI: \$104,000 – Relocate Mazak laser from Kellyville to Pryor and maintenance costs.

### Financing

- CNB has no outstanding borrowings as of November 30, 2013.

# Cherokee Nation Entertainment

## Executive and Finance Report

November 2013

### Budget Highlights

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• <b>Revenue</b>	Month -	\$46,661	\$46,721	(\$60)	0%
• <b>Operating Expenses</b>	Month -	\$31,373	\$32,199	(\$827)	-3%
• <b>EBITDA</b>	Month -	\$15,289	\$14,522	\$766	5%

### Operating Highlights

- CNE EBITDA of \$15.3 million in November was \$766,000 favorable to budget.
- Total revenue of \$46.7 million was consistent with budget.
- Total operating expense of \$31.4 million was \$827,000 favorable to budget due to lower employee expense, IT maintenance expense, and marketing related expense.
- The Choctaw casino in Pocola expanded its gaming floor from 1,400 to 2,500 games and added a 130 room hotel tower.
- The Osage Nation has started construction on a replacement casino in Skiatook that will house 300 games, an entertainment venue, and a 33 room hotel. It is expected to open in late December 2013.
- The Creek Casino in Tulsa is planning a \$335 million expansion including a 500 room hotel tower, new casino and restaurant, pool bar, theater and event center, with an expected completion date of early 2015.
- The United Keetoowah Band of Cherokees (UKB) casino has been ordered to cease operations as of August 31, 2013.

### Capital Expenditure Highlights

- Expansion related costs for Tahlequah, South Coffeyville, and Catoosa – \$1.8 million
- Install of Micros Symphony (F&B System) - \$323,000
- LED light conversions - \$143,000
- eGame purchases - \$133,000
- Cage remodel at Catoosa - \$115,000

# Cherokee Nation Industries

## Executive and Finance Report

November 2013

### Budget Highlights

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• Revenue	Month -	\$3,942	\$4,171	(\$230)	-6%
• Operating Expenses	Month -	\$4,477	\$5,040	(\$564)	-11%
• EBITDA	Month -	(\$535)	(\$869)	\$334	62%

### Operating Highlights

- EBITDA loss was \$535,000 compared to a budgeted EBITDA loss of \$869,000.
- CNI's revenue totaled \$3.9 million, which was \$230,000 unfavorable to budget. This was driven by lower than anticipated demand in Distribution Services due to lower demand from AT&T.
- Total operating expenses of \$4.5 million were \$564,000 favorable to budget. The budget variance was driven by lower cost of goods sold related to lower revenue in Distribution Services. Additionally, lower than budgeted consultant expense (Maven Associates) drove the favorable budget variance as such services commenced earlier than anticipated.

# Technology Portfolio

## Executive and Finance Report

November 2013

### Budget Highlights

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• <b>Revenue</b>	Month -	\$9,559	\$8,819	\$740	8%
• <b>Operating Expenses</b>	Month -	\$8,862	\$8,115	\$746	9%
• <b>EBITDA</b>	Month -	\$697	\$704	(\$7)	-1%

### Operating Highlights

- The IT Portfolio generated revenue of \$9.6 million compared a budget of \$8.8 million.
- November EBITDA was \$697,000 compared to budgeted EBITDA of \$704,000.
- CSG and CNT revenue of \$2.5 million was unfavorable to prior year by \$2.5 million and below budget by \$478,000. The budget variance was due to contract opportunities not being awarded.
- CNGS, CNTS, and CNMC revenue of \$7.0 million was \$2.5 million favorable to prior year and \$1.1 million favorable to budget. The favorable budget variance was attributable to four new firm fixed price contracts beginning in October.

# Other Diversified Businesses

## Executive and Finance Report

November 2013

### EBITDA Budget Highlights

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• <b>CNSD</b>	Month -	\$44	\$67	(\$23)	-35%
• <b>Construction</b>	Month -	\$204	\$74	\$130	175%
• <b>Mobility Plus</b>	Month -	(\$108)	(\$68)	(\$40)	59%
• <b>CMS / CNHS</b>	Month -	(\$2)	(\$16)	\$14	-90%
• <b>Aerospace Products S.E.*</b>	Month -	(\$15)	\$10	(\$25)	-167%
• <b>CCRC*</b>	Month -	\$276	(\$1)	\$277	100%

*APSE and CCRC are reported on net income instead of EBITDA as they are partially owned subsidiaries*

### Operating Highlights

- **CNSD** EBITDA of \$44,000 was \$23,000 unfavorable to budget. The budget includes profitability from a contract that has been delayed until December 21<sup>st</sup>, 2013.
- **Construction** EBITDA of \$204,000 was \$130,000 favorable to a budget of \$74,000. The favorable variance was the result of higher profitability in the Mechanical Division as well as new contract wins at CNCS.
- **Mobility Plus** resulted in an EBITDA loss of \$108,000 compared to budgeted EBITDA loss of \$68,000. The budget variance was primarily the result of higher COGS.
- **CMS / CNHS** resulted in an EBITDA loss of \$2,000 which was slightly favorable to budget due to the timing of some operating expense and overall attention to cost containment.
- **APSE** net loss of \$15,000 was \$25,000 unfavorable to budget due to lower than anticipated revenue.
- **CCRC** net income of \$276,000 was \$277,000 favorable to a budget. Higher than budgeted revenue from the BIA Riverside and Picatinny contracts coupled with a slight increase in professional services revenue drove the variance to budget.



Group: Career Services- Executive and Finance Month/Year of Report: December, 2013

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**

	<i>November</i>	<i>YTD</i>	<i>Goal</i>	<i>% of Goal</i>
<i>GED Completions</i> – includes individuals completing and receiving a GED or High School Diploma from Talking Leaves Job Corps and Career Literacy.	22	48	250	19.2%
<i>Training Completions</i> – includes individuals receiving a nationally-recognized certification, credential, or degree while enrolled in one of 11 different vocational training programs.	29	79	450	17.6%
<i>Employment Completions</i> – includes individuals who completed a Work Experience or TERO OJT assignment.	12	36	300	12%
<i>Unsubsidized Placement</i> – includes all individuals who entered unsubsidized employment (they got a job!) while enrolled in one of 15 different programs, both employment and vocational.	74	183	500	36.6%
<i>Retention</i> – includes individuals who were retained in their unsubsidized employment through assistance from a Career Services Program.	13	55	200	27.5%
<i>Job Readiness Training</i> – includes individuals who completed the Life/Employment Skills Training.	28	45	250	18%
<i>WorkKey Credentialing</i> – includes individuals who received a bronze, silver, gold, or platinum WorkKeys credential.	0	50	500	10%
<i>Job Bank</i> – includes the number of new individuals	14	43	500	8.6%

entering the TERO Job Bank.				
<i>Indian Owned Businesses</i> – includes the number of businesses newly certified as an Indian Owned Business.	8	16	100	16%
<i>Job Fairs</i> – includes the number of Job Fairs held by Career Services.	0	0	15	0%
<i>Community Service Projects</i> – this is the number of Community Service Projects completed by youth, both through the Summer Youth Employment Program and Talking Leaves Job Corps.	4	8	50	16%

**b. Accomplishments**

1. The Day Training Program had 15 individuals placed in unsubsidized employment. Of these, seven were hired by Cherokee Nation and seven were hired by CNB/CNI.
2. The Day Training Program had 26 participants obtained their Food Handler's card and assisted in serving at the Chief's Christmas Party.
3. To date, the new Re-Entry Program has assisted 16 ex-offenders with schooling, clothing, and housing.

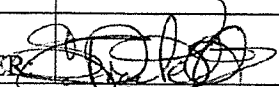
**c. Initiatives**

1. Staff will be busy planning for job fairs for the upcoming year.
2. Day Training will resume on Monday, January 6<sup>th</sup>.

**Attached:**

- ✓ Day Training Policies and Procedures
- ✓ CNB Economic Development Report
- ✓ Newspaper article on new business (Macy's)

## CHEROKEE NATION CAREER SERVICES GROUP

MANUAL:	<b>CAREER SERVICES</b>	CHAPTER:	
SUBJECT:	<b>DAY WORK TRAINING PROGRAM</b>	SECTION SUBSECTION	
FIRST EFFECTIVE DATE:	<b>10/01/2011</b>	SUPERCEDES MATERIAL DATED:	<b>5/27/2010</b>
APPROVED BY CAREER SERVICES GROUP LEADER:		DATE:	<b>9/28/11</b>

### POLICY

It is the policy of the Career Services Group to provide services to program participants to enable them to become self-sufficient. Day Work Training will be provided to unemployed tribal citizens as a temporary training assistance program to assist in addressing immediate financial need. Preference is given to a first time applicant.

Individuals will be assigned to various training sites within the Cherokee Nation entities and will be paid a daily stipend as established by the Career Services Day Work Training Program Administration.

Applicants must meet all eligibility requirements:

1. The applicant must not have any income. The target applicant for this program has no job, but is employable. This individual has also exhausted all unemployment benefits and other available resources. An exception concerning Child Support, Military Pay, and Financial Aid will be determined on a case-by-case basis.
2. The applicant must be at least 18 years of age.
3. The applicant must be a Citizen of the Cherokee Nation, or a member of another federally recognized Tribe, when applicable.
4. The applicant must live within the 14 county Jurisdictional Service Area.

Applicants will be prioritized according to need and suitability, in the following categories:

- **“JOB READY”**

Has no income, is recently unemployed (<= 6 mos.), has no barriers to employment, is a single parent/has dependents, is seeking employment, has found a job and needs assistance to buy equipment, gas, etc., is not a student (exceptions may be determined on a case-by-case basis for those who do or do not receive financial aid).

- **“EMPLOYMENT BARRIERS”**

Has no income with the exception of Child Support, Military Pay or Financial Aid (if a student see notation in category above), may have dependents, and/or has short-term barrier(s) to employment.

- **“INTENSIVE CASE MANAGEMENT”** (may be diverted to other programs)

May be chronically unemployed and/or have long-term barriers to employment.

- **“DIVERSION”** (referral to more appropriate programs and services)

May be unemployable and/or have very substantial barriers to employment. Individuals receiving Social Security and/or Disability Benefits will be referred to Vocational Rehabilitation for more suitable employment/training related services.

The Day Work Training Program will operate on a four day training week, Monday through Thursday (except the CNB Project which will operate five days per week – reference #2 under Procedures of this document). Fridays may be included if there is a holiday or inclement weather that hinders the regular training schedule. Day Work Training opportunities may not exist for all applicants on all days.

Day Work Training clients must perform regular job searches, in order to show they are actively seeking employment to attain self-sufficiency.

The Day Work Training Program will allow a participant to train up to five weeks, or 20 training days, or a total of \$1,000 in stipend. Special conditions may require an exception to this policy; an example would be a participant who is in the process of being hired or has shown positive progress while participating on the training program. Such situations will be considered for a possible extension of up to ten additional weeks of training. Approval/denial will be determined by the Career Services Case Review Team. The Case Review Team consists of the Director of the Day Work Training Program and other Program Managers and/or Supervisors in Career Services. *The Case Review Team’s approval will be required for any participant to receive more than \$3,000 in stipend on the Day Work Training Program in a program year.*

Exceptions for training may apply for work-related projects outside the scope of the ordinary training week (Example: special projects where groups are arranged to work such as Blue Ribbon Downs, Sequoyah County Park, etc.).

The applicant must follow through with referrals that Career Services Program Specialists assign to address any barriers and/or program requirements:

1. Must work with the Adult Literacy Center to attain General Education Diploma, if applicable;
2. Must work with the Life Skills Instructor to attain employability skills;
3. Must work with the Career Services Program Specialist to take program assessments (Work Keys, TABE, OKCIS, etc.); and/or
4. Must follow through with any job offerings/referrals while a participant on the program. Any participant who refuses fulltime employment or is terminated

after attaining unsubsidized employment, may be suspended from the Day Work Training Program, based on the Case Review Team's decision.

A Training Supervisor may request that a trainee not return to that training site due to lack of employability skills, work ethic, disciplinary problems, and/or similar counseling-type situation. The trainee is to return to the Career Services Program Specialist to address any client counseling needs.

Participants who are removed from two training sites as a result of inappropriate behavior will be suspended from the Day Work Training Program for the remainder of the program year.

Day Work Training participants will be subject to random Drug Screening at the discretion of the Program Director and/or training supervisor. Participants who fail the drug screening will be required to seek assistance through the Cherokee Nation Behavioral Health Department. Failure to take a drug screening or seek assistance upon testing positive for an illicit substance will result in the participant's suspension from the Day Work Training Program for the remainder of the program year.

Career Services has zero tolerance for use of alcohol and/or illegal substances and/or threatening, provoking or initiating physical violence; and it is expected that all Day Work Training participants will conduct themselves in a polite and courteous manner, with respect and consideration for Cherokee Nation, Career Services, the training site, and others. Failure to do so will result in immediate suspension from the Day Work Training Program for the remainder of the program year.

Applicants with an Outstanding Warrant (OSW) will not be placed on the Day Work Training Program until their legal matters are addressed and verified with the Program Director.

Any participant/applicant who has been suspended or disqualified from program participation will have to submit a written request for reconsideration to the Director of Employment Programs. The request to continue services on the Day Work Training Program will be presented to the Case Review Team for a determination as to whether or not the participant may return to the program.

## PROCEDURES

1. An individual approaches Career Services either directly or by referral to the Day Work Training Program. Applications are taken Monday through Friday to the greatest extent possible. The pre-application process is as follows:
  - a. Receptionist will give the applicant a Preliminary Intake Questionnaire to complete to determine program eligibility.
  - b. Receptionist refers applicant to a Career Services Program Specialist.
    - i. Program Specialists will see applicants in rotation/turns.
    - ii. Applicant will sign questionnaire in the presence of a Program Specialist to certify the information provided is true and correct.

- iii. Applicant will sign a release of information in the presence of a Program Specialist in order to verify if they are currently receiving any other Cherokee Nation Services.

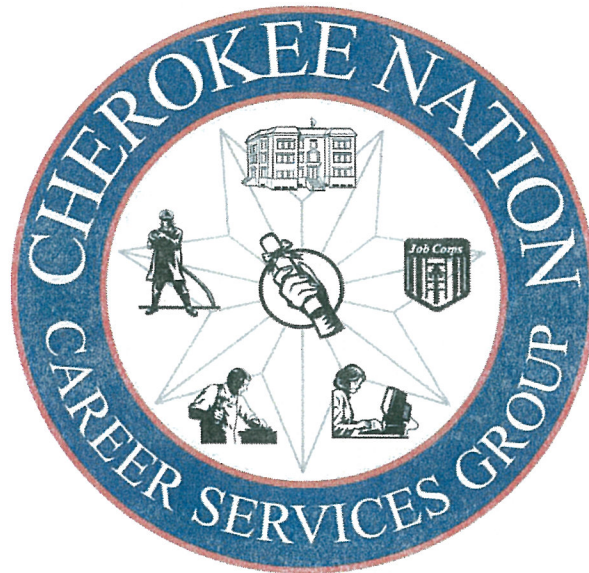
2. Application and Verification Process:

- a. When an individual applies for the Day Work Training program, the Program Specialist explains the Day Work Training Program and will assist the participant in accessing any other avenues available for self-sufficiency. Day Work Training applicants will be routed to the Tribal Funds Day Work Training Program or the Native American Housing Assistance and Self Determination Act (NAHASDA) Day Work Training Program or the Cherokee Nation Businesses (CNB) Project Day Work Training Program.
- b. Verification procedures are handled initially by the Program Specialist who will verify if an applicant is an eligible recipient who meets the “continuing obligation/assistance” provision, to determine if the applicant is eligible for NAHASDA.
- c. An eligible program applicant will see a Program Specialist who performs the intake interview.
  - i. Identification documents are collected and copied (Social Security, CDIB, Driver’s License, and Cherokee Nation Tribal Citizen Card).
  - ii. Two-page Central Intake/Referral Form is completed.
  - iii. Applicant/Participant Enhancement/Contact sheet is written up on applicant.
  - iv. Compliance Acknowledgement Statement is read by the applicant, then signed. The Program Specialist acts as a witness and also signs.
  - v. Statement of Unverifiable Income/Odd Jobs/Unemployment is explained to applicant and then signed by applicant. Program Specialist then seeks a department notary to notarize the statement.
  - vi. Tribal Employment Rights Office (T.E.R.O.) Job Bank card is filled out by applicant.
  - vii. Verification of Registration with the Oklahoma Employment Security Commission Form is given to applicant. Applicant must go to local Workforce/Unemployment office and register.
  - viii. Public Record Background Checks are completed using the following registries:
    1. On Demand Court Records
    2. Oklahoma State Courts Network
    3. Oklahoma Department of Corrections
    4. National Sex Offender Public Website
    5. Cherokee Nation Sex Offender Registry
    6. Oklahoma Sex and Violent Crime Registry

- ix. Selective Service Registration is verified online through the online Selective Service verification website (www.sss.gov), if applicable.
  - x. Tribal Citizenship is verified through the Cherokee Nation Registration Office.
- d. Once eligibility is determined and assessment results are reviewed, the Program Specialist will review applicant information with at least one other Program Specialist for approval of placement on one of the three aforementioned programs that fall under the auspices of the Day Work Training Program.
- e. Upon program approval, the application becomes a file and the applicant becomes a participant. The file must be set up and in the Tahlequah office prior to the participant's start date. The start date for program participation *cannot* begin until this process is complete.
- f. Program Specialist identifies the participants' barrier(s) and needs:
- i. Program Specialist assigns the participant to a training site and/or GED and/or Life Skills Training and/or assessments, as appropriate.
  - ii. Program Specialist can begin collaborating with the participant to develop an Employability Development Plan (EDP), if needed.
  - iii. If a referral is made, the Program Specialist must complete the following process:
    - 1. Referral/Follow-Up Form will be completed by the Program Specialist.
    - 2. Applicant will sign a client consent form.
    - 3. Applicant/Participant Enhancement/Contact sheet is written up on applicant referral.
    - 4. Program Specialist submits the referral in to the appropriate Career Services staff.
- g. Program Specialist will counsel with the participant as required. When a participant has been identified as needing vocational training, he/she will be referred to the appropriate Vocational Program Specialist.

# Tribal Economic Development Training Partnerships

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## Table of Contents

Program Report Pages 2 – 5

Projection & Budget Pages 6 – 8

Job Growth Act 37-05 Pages 9 – 11

Cherokee Phoenix Article Pages 12 – 13

Initial Memorandum of Understanding 14 – 16

Career Services Economic Development Policy Pages 17 – 22



## Narrative

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### **History:**

Previously, a very limited amount of economic development activities were supported by administrative funds from our federally funded programs and a small supplemental amount of \$25,000 in tribal funds. Career Services is often called upon to conduct many economic development type activities that require the presentation of the Cherokee Nation to the public, Inter-Tribal, and government agencies. These can range from meeting with potential employers, to hosting a job fair, to an all out presentation to a major business considering locating in our area. These types of activities require a great deal of preparation, utilizing large amounts of supplies for promotional materials, signs, banners, decorations, etc. Our federally funded program budgets are extremely limited in these areas. The funds requested for FY 13 will allow us to expand our work on economic development through a partnership with CNB.

### **Eligibility:**

Use of the funds will support economic development activities in conjunction with CNB economic development activities. Businesses involved will be those with which Cherokee Nation is working to provide employment opportunities to tribal citizens. Individuals assisted with these funds will be tribal citizens within the jurisdictional service area who are seeking employment.

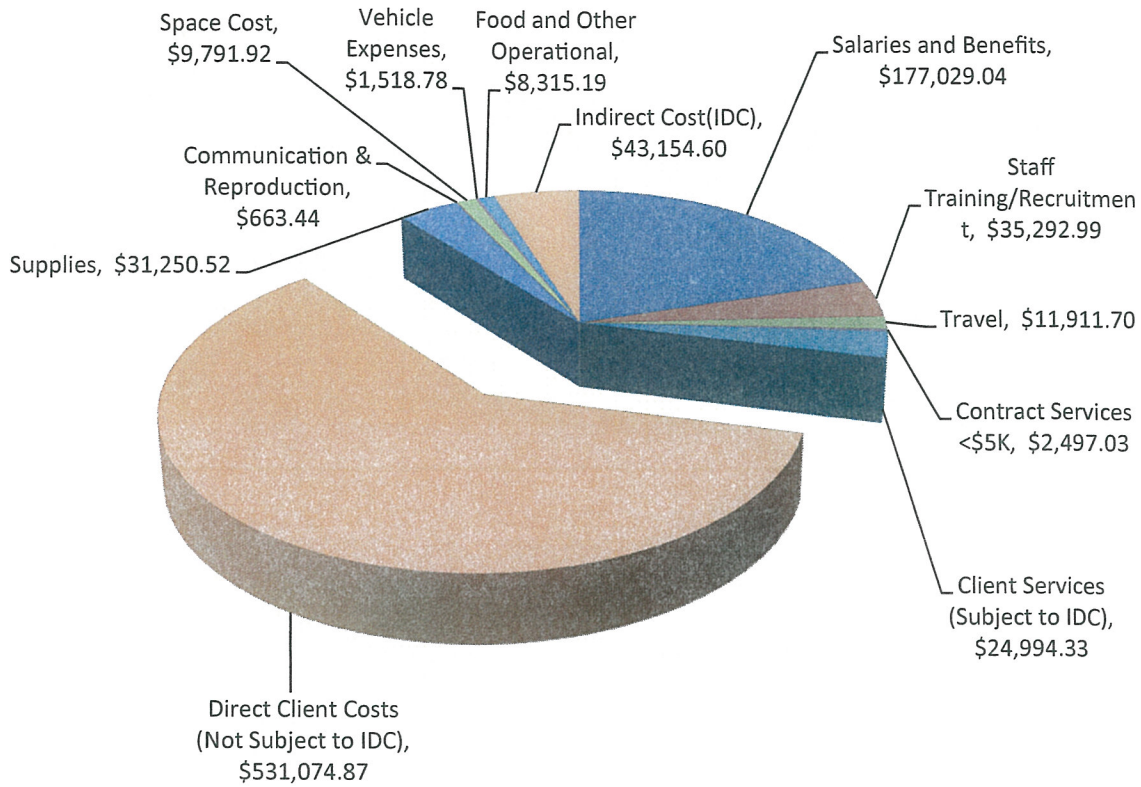
### **Services:**

On-the-Job Training – Trains individuals in occupational trades on the job in the public and private sector. Employers can negotiate an OJT contract with Career Services for reimbursement of one-half an individual's hourly wage during the initial training period. Client Services – Services provided to clients that includes tools, equipment, uniforms and other assistance as needed. Supportive services – Includes transportation, housing and clothing services. Training Issuance – Provides stipend while participant receives training. Specialized training - Training specially designed to the needs of a business and/or demand occupations, which will enable Cherokees to secure employment or advance in their current employment. Class Room Training provides assistance for an individual to attend vocational training courses that will lead to employment in industries that are targeted for growth, and supporting the employment of Cherokees within the Nation's jurisdiction. Job Fairs – Multiple job fairs will be held for new or expanding businesses to attract new employees.

In July 2012, funding was received for this initiative. From then until the end of September 2013, 231 individuals have participated in the program activities and 35 different businesses have benefited. We have provided 12 specialized trainings for 160 trainees. We have also co-hosted three major job fairs during the fiscal year and more are planned for the near future. The following report reflects activities and expenses as identified.

**Tribal Economic Development  
Training Partnerships Program Report**

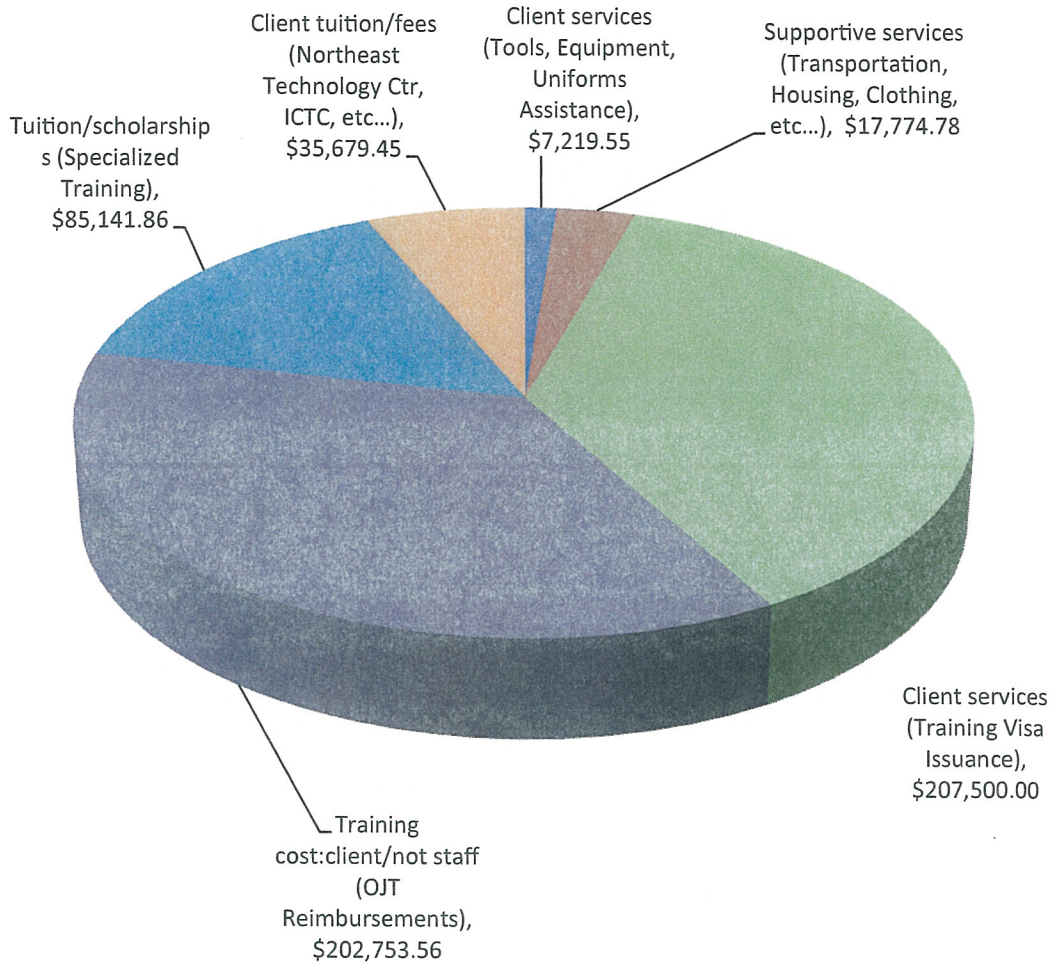
**ALL Expenses July 2012 thru September 30, 2013**



Description	Amount
Salaries and Benefits	\$ 177,029.04
Staff Training/Recruitment	\$ 35,292.99
Travel	\$ 11,911.70
Contract Services <\$5K	\$ 2,497.03
Client Services (Subject to IDC)	\$ 24,994.33
Direct Client Costs (Not Subject to IDC)	\$ 531,074.87
Supplies	\$ 31,250.52
Communication & Reproduction	\$ 663.44
Space Cost	\$ 9,791.92
Vehicle Expenses	\$ 1,518.78
Food and Other Operational	\$ 8,315.19
Indirect Cost(IDC)	\$ 43,154.60
<b>TOTAL</b>	<b>\$ 877,494.41</b>

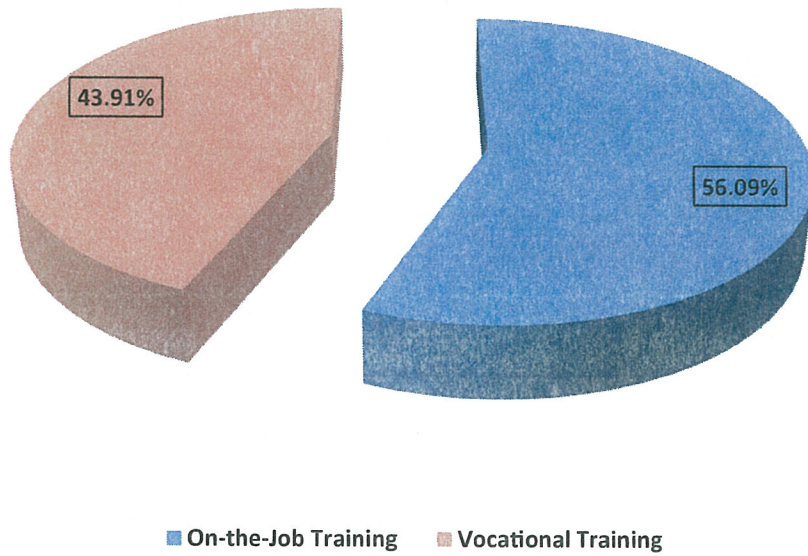
**Tribal Economic Development  
Training Partnerships Program Report**

**Client Service Expenses July 2012 thru September 30, 2013**

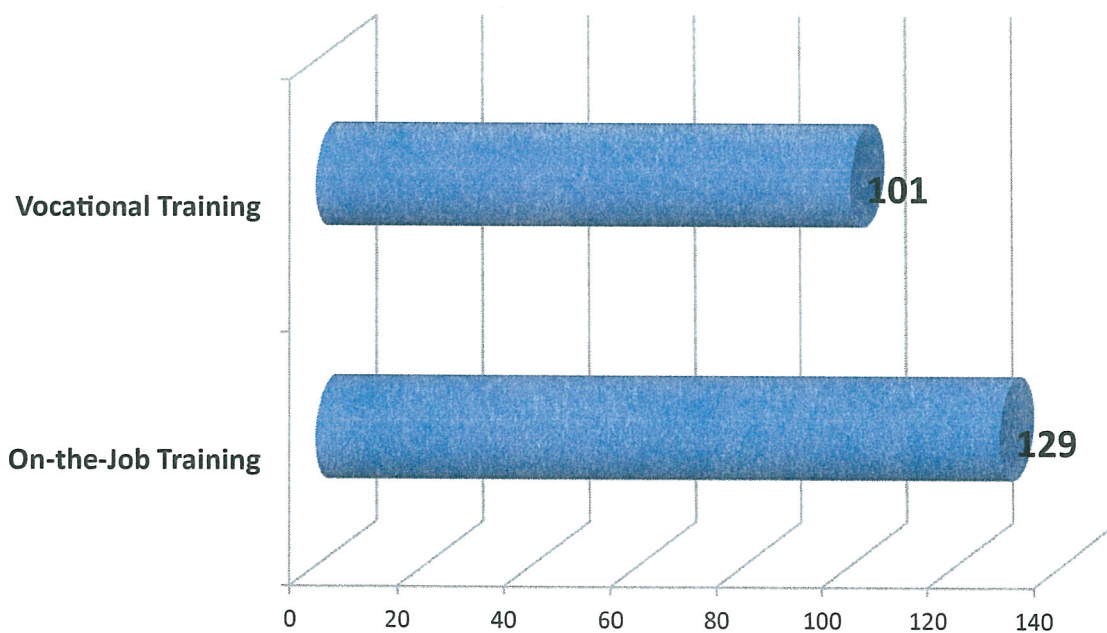


Description	Amount
Client services (Tools, Equipment, Uniforms Assistance)	\$ 7,219.55
Supportive services (Transportation, Housing, Clothing, etc...)	\$ 17,774.78
Client services (Training Visa Issuance)	\$ 207,500.00
Training cost:client/not staff (OJT Reimbursements)	\$ 202,753.56
Tuition/scholarships (Specialized Training)	\$ 85,141.86
Client tuition/fees (Northeast Technology Ctr, ICTC, etc...)	\$ 35,679.45
<b>Total</b>	<b>\$ 556,069.20</b>

### Percentage of Participants by Activity 2012-2013



### Number of Participants by Activity July 2012 - September 2013



## Projection

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Career Services is requesting \$1,110,073 to be used for various economic development activities. *The main differences in this budget compared to the previous one is an additional line item for contracts of \$113,070, an increase in client services of \$99,000, and a decrease of IDC of \$89,526.* This allows for an increase, improvement, and fostering of business relationships, government entities and tribal partnerships. Activities could include Inter-Tribal and governmental meetings, job fairs, potential new businesses in the 14 county area, and other economic development meetings.

Career Services is often called upon to conduct many economic development type activities that require the presentation of the Cherokee Nation to the public, inter-Tribal, and government agencies. These can range from meeting with potential employers, to hosting a job fair, to an all out presentation to a major business considering locating in our area. These types of activities require a great deal of preparation, utilizing large amounts of supplies for promotional materials, signs, banners, decorations, etc. Our federally funded program budgets are extremely limited in these areas. Occasionally, about four to six times a year, we have to setup meetings to bring all the workforce partners together to meet with the businesses. The requested funds will provide the resources needed to develop employment opportunities for tribal members. The funds will be used for:

Meetings and activities with Inter-Tribal and governmental agencies to promote and increase Cherokee Nation's partnerships and relationships. On occasion other tribes visit our programs and we provide technical assistance and presentations, i.e. Talking Leaves Job Corps Center, Tribal Employment Rights Office, Tribal Day Training Program, etc....

Meetings with potential employers, in which staff provides information on upcoming jobs, network, educate employers as to our programs and services, glean information on employer needs;

Conducting Job Fairs, in which staff recruits individuals for internal and external jobs, provide employment and program information to individuals, provide program information to businesses;

Conducting other economic development activities, such as meeting with area economic development agencies and groups, presentations to potential business and industry considering locating within our area, developing economic developing plans

Meetings with the workforce partnerships, the unit pulls staff resources internally and externally for purposes of developing and increase the employment availability within the 14 county area.

These funds would provide a much needed resource for the work of Career Services. Not funding this request will severely limit the work we will be able to do in these areas.

We are very fortunate to be able to partner on projects with CNB and feel this partnership has benefitted the various departments within CNB. It is with gratitude that we graciously request the 2014 allocation with the intent of continuing this partnership, and employing tribal members.

## Budget

	UNIT AMOUNT	NUMBER OF UNITS	TOTAL
<b>PERSONNEL</b>			
Job Developers	\$31,054	2	\$62,108
Customer Service Representative	\$19,760	1	\$19,760
Subtotal			<b>\$81,868</b>
<b>FRINGE BENEFITS</b>		34%	<b>\$27,835</b>
<b>TOTAL PERSONNEL</b>			<b>\$109,703</b>
<b>SUPPLIES</b>			
Office	\$500	12	\$6,000
Job Fair Materials/Fees	\$1,000	12	\$12,000
<b>TOTAL SUPPLIES</b>			<b>\$18,000</b>
<b>CONTRACTS &gt; \$5K</b>			
Contracts	\$11,307	10	<b>\$113,070</b>
<b>TOTAL CONTRACTS &gt; \$5K</b>			<b>\$113,070</b>
<b>OTHER</b>			
Office Space Rental	\$2,804	3	\$8,412
Phone	\$600	12	\$7,200
Reproduction	\$200	12	\$2,400
Postage	\$200	12	\$2,400
Local Travel	\$1,000	12	\$12,000
Food	\$500	12	\$6,000
Promotional Items	\$25,000	1	\$25,000
<b>TOTAL OTHER</b>			<b>\$63,412</b>
<b>PROGRAM COSTS</b>			
Training Costs On-the-Job Training	\$2,500	150	\$375,000
Client Services	\$150	100	\$15,000
Supportive Services	\$100	250	\$25,000
Client Tuition & Fees (Specialized Training)	\$1,580	100	\$158,000
Training Costs Issuance	\$2,000	100	\$200,000
<b>TOTAL PROGRAM COSTS</b>			<b>\$773,000</b>
<b>SUBTOTAL</b>			<b>\$1,077,185</b>
<b>INDIRECT COSTS</b>	\$231,115	14.23%	<b>\$32,888</b>
<b>TOTAL COSTS</b>			<b>\$1,110,073</b>

## Budget Narrative

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### **PERSONNEL:**

Two Job Developers at an annual rate of \$31,054 each to develop employment opportunities for Cherokee Citizens, including developing On-the-Job Training contracts with employers. One Customer Service Representative at an annual rate of \$19,760; support staff to assist with processing of OJT Reimbursement Vouchers and other clerical duties. Fringe benefits at the Cherokee Nation rate of 34% for a total personnel cost of \$109,703.

### **SUPPLIES:**

General office supplies at a rate of \$500 per month for items such as printer ink, paper, file folders, notebooks, filing cabinets, pens, etc. Job Fair Materials/Fees at a rate of \$1,000 per month for such things as signs, exhibit space, brochures, etc. for a total supplies cost of \$18,000.

### **CONTRACTS:**

Contracts include the consultant contract for the Administrator, Economic Development Project at an annual rate of \$113,070 for 10 months.

### **OTHER:**

Office Space at an annual rate of \$2,804 per office for the two Job Developers and the Customer Service Representative. Phone is figured at \$300 per month each for the two Job Developers for a total of \$600 per month. Reproduction is figured at \$200 per month, as is postage. Local Travel is for the two Job Developers to cover the 14-County Tribal Jurisdictional Area and is estimated at \$1,000 per month. Food is included for meetings, Job Fair refreshments, and other economic development functions at \$500 per month. Promotional items are included for Job Fairs and other promotional activities at a flat rate of \$25,000 for a total other cost of \$63,412.

### **PROGRAM COSTS:**

Training costs for On-the-Job Training is averaged at \$2,500 for 150 clients for a total of \$375,000. Client services and supportive services total annually \$40,000 combined to assist up to 250 clients. Client Tuition and fees which includes Specialized Training is estimated annually at \$158,000. Training Costs at an annual total of \$200,000. This gives a total program cost of \$773,000.

### **INDIRECT COSTS:**

\*Indirect costs are figured at the projected FY 2014 rate of 14.23% for a total indirect cost of \$32,888. (IDC only includes the following personnel, fringe, supplies, other, client services, supportive services and employer incentives.)

# An Act

Legislative Act 37-05

## AN ACT RELATING TO CREATION OF JOBS GROWTH

**BE IT ENACTED BY THE CHEROKEE NATION:**

### Section 1. Title and Codification

This act shall be known as the "Jobs Growth Act of 2005" and codified as \_\_\_\_\_  
(Title) \_\_\_\_\_ (Section) \_\_\_\_\_ of the Cherokee Nation Code Annotated (CNCA).

### Section 2. Purpose

This Act is to implement a more effective business structure and efficient process for:

- A. Maintaining and improving supervision and control over the Nation's business operations;
- B. Improving accountability and consolidated financial reporting to the Nation by the entities conducting business operations;
- C. Streamlining the business infrastructure and decision-making processes;
- D. Preserving and enhancing profits and cash flow available for redistribution and investment according to the Nation's priorities;
- E. Providing strategic planning, support for direction setting and coordination of business activities between the Nation and the businesses it owns, as well as among the business entities themselves;
- F. Serving as the primary point for guiding overall implementation of economic development and business development strategy for the Nation;
- G. Enhancing leveraging of resources and debt, and providing a disciplined process for funding expansion and diversification of the Nation's business interests;
- H. Providing a more transparent view of allocation of resources for business development;
- I. Increasing accountability to the Cherokee Nation, the shareholder of the business entities.

This Act constitutes a thoughtful, deliberate investment for the future of Cherokee Citizens by providing for sustainable jobs, and making future business investment in a comprehensive manner to economic development, health, community services, education, language and culture and infrastructure. In so doing, the Nation advances its long-term vision of responsible economic development, self-sufficiency for the government and its citizens, and a strong, tribal government.

### Section 3. Legislative History

Legislative Act 32-04, the Cherokee Nation Limited Liability Company Act, and Legislative Act 96-16, as amended, the Cherokee Nation General Corporation Act, provide the overall authority for the creation of business entities under Nation law.

### Section 4. Definitions

For the purposes of this Act:

"Parent Company" means a company that owns a majority of the shares in another company or companies.



“Subsidiary” means a company owned by another company. If a subsidiary is wholly owned, all its stock is held by the parent company.

## **Section 5. Substantive provisions**

### **A. Jobs Growth.**

- a. Assignment of Ownership. The Principal Chief, or designee, shall be authorized to execute the necessary documents to transfer ownership of Cherokee Nation Enterprises, Inc. (CNE), Cherokee Nation Industries, Inc. (CNI), Cherokee Nation Distributors (CND), and any subsidiaries of the listed entities to Cherokee Nation Businesses, Inc. (CNB), a corporation wholly owned by Cherokee Nation, as the parent company of the listed entities.
- b. Parent Company Ownership. The Nation shall be the sole owner of said parent company for all purposes, including all assets and goodwill, and no interest in CNB shall be held at any time by any other party.
- c. CNB Purpose. The purpose of CNB shall be to:
  - i. engage in all lawful activities, and to facilitate and promote the Nation’s economic development through strategic planning, self-sufficiency, and a strong tribal government;
  - ii. preserve and enhance profits and cash flow available for redistribution and investment, consistent with the policy direction of the Cherokee Nation;
  - iii. establish procedures to evaluate and approve allocation of capital to new business ventures and opportunities, and expansion of existing businesses;
  - iv. provide the necessary debt, subject to Council approval, or equity capital to pursue such business ventures and opportunities, and meet the long term capital requirements of new, as well as existing, businesses.
- d. CNB Board of Directors. The CNB Board of Directors shall be comprised of no more than eleven (11) members, which shall consist of two (2) or more members each from the Boards of Directors of CNE and CNI.
- e. Capital Investments. The CNB Board of Directors shall establish appropriate policies for capital maintenance and investments based upon individual subsidiary business needs. Provided, that Cherokee Nation Enterprises shall retain minimum capital for expansions from Net Income in the amounts equal to 40% of Net Income for fiscal years 2006 through 2008.
- f. Business Operations. All business operations shall be conducted directly by each subsidiary in its own name.
- g. Advisory Board Members. Legislative Act 35-02 establishing Advisory Board Members for each business entity in which the Nation is a majority shareholder is referenced and hereby reaffirmed. Advisory Board members provide oversight of the Council for ongoing advice and notice of business activities.
- h. Dividends not Affected. Dividends required or otherwise authorized by LA-96-16 as amended remain unchanged by this Act.
- i. Authority. CNB shall have all powers of corporations as provided by LA 16-96 as amended.

### **B. Acquisitions.**

- a. Real Estate Acquisitions. CNB shall be subject to Legislative Act 4-04, as amended, which requires that all real estate acquisitions by corporations in which the Nation is a majority shareholder, greater than \$6 million in the aggregate annually be approved by the Council of the Cherokee Nation.
- b. Notice to Council. Notice for business acquisitions shall be provided to the Council of the Cherokee Nation, prior to notification to the public or to members of the press. Such notification will include, but not be limited to, notice in writing or presentation to special and regular committee meetings.

## **Section 6. Provisions as cumulative**

The provisions of this act shall be cumulative to existing law.

**Section 7. Severability**

The provisions of this act are severable and if any part of 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.

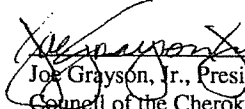
**Section 8. Effective Date**

In accordance with 25 CNCA § 23, this Act shall be effective thirty (30) days after approval by the Council if approved and signed by the Principal Chief or after approval pursuant to Article V Section 11 of the Constitution.

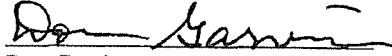
**Section 9. Self-Help Contributions**

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 14<sup>th</sup> day of November, 2005.

  
Joe Grayson, Jr., President  
Council of the Cherokee Nation


ATTEST:

  
Don Garvin, Secretary  
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 17<sup>th</sup> day of November, 2005.

  
Chad Smith, Principal Chief  
Cherokee Nation

ATTEST:

  
Callie Catcher, Secretary/Treasurer  
Cherokee Nation

**YEAS AND NAYS AS RECORDED:**

Audra Smoke-Conner	<u>Yea</u>	Melvina Shotpouch	<u>Yea</u>
Bill John Baker	<u>Yea</u>	Meredith A. Frailey	<u>Yea</u>
Joe Crittenden	<u>Yea</u>	John F. Keener	<u>Yea</u>
Jackie Bob Martin	<u>Yea</u>	Cara Cowan	<u>Yea</u>
Phyllis Yargee	<u>Yea</u>	Buel Anglen	<u>Yea</u>
David W. Thornton, Sr.	<u>Yea</u>	William G. Johnson	<u>Absent</u>
Don Garvin	<u>Yea</u>	Charles "Chuck" Hoskin	<u>Yea</u>
Linda Hughes-O'Leary	<u>Absent</u>		



## CN changes job-creation strategy

8/16/2012 8:24:45 AM



Randy Carlile, a machine tool instructor, left, shows student Jackie Drain how to operate an engine lathe at the Indian Capital Technical College in Muskogee, Okla. Cherokee Nation Career Services will soon partner with the ICTC to provide work training for CN citizens in the upcoming months.

BY JAMI CUSTER, Reporter

TAHLEQUAH, Okla. – Since the mid-1960s, the Cherokee Nation has created or attempted to create tribal employment opportunities for its citizens. And though CN and Cherokee Nation Businesses jobs are available, Principal Chief Bill John Baker’s administration has started looking at creating jobs by reaching out to non-tribal businesses that are interested in relocating to or expanding within the tribe’s 14-county jurisdiction.

In 2005, the Tribal Council enacted a Jobs Growth Act that states the CN would invest in the future of its citizens by providing sustainable jobs and making future business investments for economic development, health, community services, education, language, culture and infrastructure.

“That act had two primary purposes. One, we need to diversify our dependency off of gaming revenues. That’s why we’re seeing so many diversified business endeavors at CNB,” Tribal Council Speaker Tina Glory Jordan said. “The second is to create jobs for the people. For everyone that is actively looking for a job, we need to locate them, identify them, find out what their skill sets are and help them find a job.”

Glory Jordan added that CN officials have been under the impression the act focused on job creation by the tribe, but that is not the case.

“Well, it became obvious that we don’t have to create, sustain and pay for a salary, its related fringe benefits, its related indirect cost and do that every 12-month cycle to sustain a job for a Cherokee,” she said. “We can partner up with these companies in our areas, assist them with their training of their new hires as an incentive and a draw, communicate with them the state incentives they have for accelerated depreciation, the tax credit initiatives and help them understand that when you come into the Cherokee Nation and you either relocate here or expand your operations, we’re going to partner up with you and help you train those people to get them functioning and productive.”

To help the tribe accomplish this, CNB recently approved \$900,000 to fund a job-training program referred to as the CNB Project.

“It went to CNB, was pitched to their board. They adopted it. They agreed with it because the Jobs Growth Act primarily pertained to them, and that’s why it’s appropriate for them to fund the program,” Glory Jordan said.

Mike Bailey, a former CN consultant who worked to bring companies to the CN, said the great thing about the training program is that once a CN citizen gets a job, it would remove them from the tribe’s Day Work Program and social service programs, if they are using the programs.

“We don’t have to go spend \$20 million to bring in 100 jobs. We just provide the training and have our people ready and help them with the incentives and all and they’re (the outside businesses) going to move here,” Bailey said. “Training has been here a long time, but the way it’s being modeled now is different.”

CN Career Services Executive Director Diane Kelley said the CNB Project is a great opportunity for outside businesses to take advantage of.

“There is the tax incentive for (hiring) minorities. There’s tax incentives for low-poverty as well as incentives for hiring those who are on unemployment,” she said. “We’re basically facilitating everything necessary for a company to either relocate or expand into our jurisdiction, including finding available properties for businesses as well as what areas of the jurisdiction that would most benefit a certain business.”

Bailey said the efforts are not solely with CNB, the administration or the Tribal Council, but that there was a combined effort to help provide jobs for the Cherokee people.

“What you’re seeing first is a unity in the tribe. That everyone is pulling together to improve the quality of life for the Cherokee citizens,” he said. “While we can never be the size of Apple or Cisco or anyone like that, we can team with them and immediately have the availability of those jobs here...good paying jobs.”

However, Kelley said the job-training program is one of Baker’s visions to provide jobs.

“Without his support of this new program, we would not have the opportunity to look outside the box to find jobs for our Cherokees,” she said.

[jami-custer@cherokee.org](mailto:jami-custer@cherokee.org)

918-453-5560

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
CHEROKEE NATION and  
CHEROKEE NATION BUSINESSES, LLC**

This agreement, entered \_\_\_\_\_, is made between Cherokee Nation, a federally recognized Indian tribe (hereinafter "CN"), and Cherokee Nation Businesses, LLC, a limited liability company wholly owned by the Cherokee Nation, (hereinafter "CNB").

WHEREAS, CN and CNB share a common interest in encouraging the economic development within the 14 counties, specifically the need to bring companies into the area and create well-paying jobs. This requires trained employees who are prepared to accept these jobs when they become available.

WHEREAS, Cherokee Nation Career Services has the ability to facilitate economic development type activities.

WHEREAS, in exchange for third party companies offering Cherokee hiring preference, CN desires to subsidize worker training and development for third party companies bringing well-paying jobs to the 14 counties within the Cherokee Nation jurisdiction for the overall purpose of increasing employment of Cherokees.

WHEREAS, CNB is willing to provide funding to CN to facilitate the subsidizing of such programs as further described herein, as well as providing training for internal CN businesses, including CN Government, which may result in the hiring of Cherokees for new jobs.

WHEREAS, CN and CNB desire to enter this Memorandum of Understanding ("MOU") to delineate the parties' respective responsibilities.

NOW THEREFORE, in consideration of these desires, the parties agree as follows:

**I. Term:** the Term of this MOU shall be from July 1, 2012 through September 30, 2013, unless earlier terminated or extended in writing by both parties.

**II. Statement of Purpose**

A. The parties enter into this MOU to bolster economic development within the 14 counties by enticing businesses into the 14 county area and creating well-paying jobs for Cherokees.

B. The parties shall accomplish this through facilitation by Cherokee Nation Career Services of economic development type activities as further described herein.

**III. Cherokee Nation's Responsibilities**

A. CN, through Cherokee Nation Career Services within the purview, shall identify and facilitate economic development type activities.

B. These activities shall include, but are not limited to:

1. Meetings and activities with Inter-Tribal and governmental agencies to promote and increase CN's partnership and relationships, including, on occasion, other tribes' visitation and presentation of CN's programs;
2. Meetings with potential employers, in which Cherokee Nation Career Services' staff provide information on upcoming jobs, network, educate employers as to CN programs and services, and glean information on employer needs;
3. Conducting Job Fairs, in which Cherokee Nation Career Services' staff recruit individuals for internal and external jobs, provide employment and program information to individuals, and provide program information to businesses;
4. Conducting other economic development activities, such as meeting with area economic development agencies and groups, presentations to potential businesses and industries considering locating within our area, and developing economic development plans;
5. Meetings with the workforce partnerships, including pooling staff resources internally and externally for purposes of developing and increasing the employment availability of Tribal citizens.

C. The costs associated with these activities shall include, but are not limited to:

1. Salaries and wages for personnel conducting the above referenced activities;
2. Fringe benefits for personnel conducting the above referenced activities;
3. Staff development and training;
4. Travel expenses;
5. Client services;
6. Client training costs for demand occupations; including Specialized Training such as Class Room Training and/or On-the-Job Training;
7. Supplies;
8. Communication and reproduction;
9. Building rent/lease;
10. Vehicle lease;
11. Advertising;
12. Food;
13. Outreach and Network;
14. Administrative Costs;
15. Indirect where applicable.

#### **IV. Cherokee Nation Businesses, LLC's Responsibilities**

A. CNB shall provide funding to CN for the above referenced activities, up to \$987,529 during the Term of this MOU.

B. CNB shall obtain all necessary approval to fund this MOU.

C. No funding shall be provided above \$987,529 without CNB's prior written approval.

**V. Entire Agreement**


This MOU constitutes the entire agreement of the parties relative to the funding by CNB of the economic development activities of CN and supersedes all oral or written proposals or understandings concerning this subject matter.

**VI. Modification**

This agreement may be modified only pursuant to a writing executed by both parties.

Dated: 03/08/2013

S. Diane Kelley,  
Executive Director Career Services,  
Cherokee Nation,

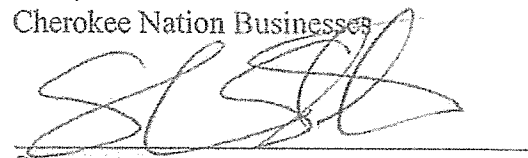
  
Signature

Name: S. Diane Kelley

Title: Executive Director  
Cherokee Nation Career Services

Dated: 3-6-13

Shawn Slaton,  
CEO,  
Cherokee Nation Businesses

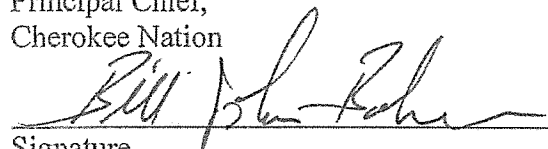
  
Signature

Name: Shawn Slaton

Title: CEO

Dated: 3/11/13


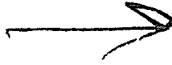
Bill John Baker,  
Principal Chief,  
Cherokee Nation

  
Signature

Name: Bill John Baker

Title: Principal Chief  
Cherokee Nation

**CAREER SERVICES  
TRIBAL ECONOMIC DEVELOPMENT**

MANUAL:	<b>CAREER SERVICES</b>	CHAPTER:	
SUBJECT:	<b>TRIBAL ECONOMIC DEVELOPMENT (TED)</b>	SECTION SUBSECTION	
FIRST EFFECTIVE DATE:	<b>07/01/2012</b>	SUPERCEDES MATERIAL DATED:	
APPROVED BY CAREER SERVICES EXECUTIVE DIRECTOR:		DATE: 	<b>07/01/2012</b>

**POLICY**

**SCOPE**

Tribal Economic Development (TED) funds are provided via Memorandum of Understanding, which supports the partnership between Cherokee Nation (CN) Career Services and CN Businesses (CNB) which ultimately results in **substantial employment for Cherokees.**

**ECONOMIC DEVELOPMENT TYPE ACTIVITIES** (shall include, but not limited to)

1. Meetings and activities with Inter-Tribal and governmental agencies to promote and increase Cherokee Nation's partnership and relationships, including, on occasion, other tribes' visitation and presentation of CN's programs;
2. Meetings with potential employers, in which Cherokee Nation Career Services' staff provide information on upcoming jobs, network, educate employers as to CN programs and services, and glean information on employer needs;
3. Conducting Job Fairs, in which Cherokee Nation Career Services' staff recruit individuals for internal and external jobs, provide employment and program information to individuals, and provide program information to businesses;
4. Conducting other economic development activities, such as meeting with area economic development agencies and groups, presentations to potential businesses and industries considering locating within our area, and developing economic development plans;
5. Meetings with the workforce partnerships, including pooling staff resources internally and externally for purposes of developing and increasing the employment availability of Cherokees.

**COSTS** (shall include, but are not limited to)

1. Salaries and wages for personnel conducting the above referenced activities;
2. Fringe benefits for personnel conducting the above referenced activities;
3. Staff development and training;
4. Travel expenses;
5. Client services;



6. Client training costs for demand occupations; including Specialized Training such as Class Room Training and/or On-the-Job Training;
7. Supplies;
8. Communication and reproduction;
9. Building rent/lease;
10. Vehicle lease;
11. Advertising;
12. Food;
13. Outreach and Networking;
14. Administrative costs;
15. Indirect where applicable.

**ELIGIBILITY**

*Businesses* involved will be those which Career Services is working to provide employment opportunities for Cherokees, and are available within the CN Tribal Jurisdictional Service Area (TJSA) and/or a contiguous county. Job creation will occur from third party companies offering Cherokee hiring preference; internal CN Businesses; and/or the Cherokee Nation Government. Priority will be given to businesses that are individually owned by Cherokees.

*Individuals* involved will be members of a federally recognized Cherokee tribe residing in the CN TJSA and/or a contiguous county; who do not have significant barriers to employment, and are seeking to attain employment. These individuals may have an existing skill set and/or have been identified as potentially successful candidates for employment.

**CLIENT SERVICES** (shall include, but not limited to)

*Job/Recruitment Fairs:* Multiple job fairs will be held for new or expanding businesses to attract new employees.

*Life/Employability Skills Training:* Training for job search and job placement assistance; and training on soft skills (job retention) such as learning how to effectively work at a job; learning to communicate with co-workers and supervisors, dealing with conflict, learning how to be on-time and work as part of a team, etc.

*Work Keys & OKCIS & TABE Assessments:* Comprehensive and specialized assessments of the skill levels and service needs of employer/businesses and/or the individual/applicant, including aptitude, interests and abilities.

*Job Match/Job Pool (Job Bank):* Bank of training descriptions and job postings, coupled with skilled and job-ready clients/applicants seeking employment which are pooled into a Database specific to Tribal Economic Development for efficient and effective job match(s) to meet the workforce demands of the business/company in which jobs are being created.

*Supportive Services:* Supportive Services are provided in support of program participation, as needed, to enable the participant to complete the program participation. Supportive Services will be provided only when the need cannot be addressed through other programs or agencies. Some Supportive Services may include but are not limited to: Transportation; Child Care; Tools,

Uniforms, Fees, Supplies; Health/Medical/Dental; Nutritional; Housing; and Direct Employment or Direct Placement, for example. Funds used for individuals who are participating in economic development activities are authorized on an *as-needed* individual *case-by-case* basis and approved by the Career Services Executive Director.

**JOB TRAINING PROGRAMS** (activities specific to workforce development)

1. VOCATIONAL TRAINING (VT) [aka Class Room Training]
  - A. *Specialized Class Room Training*      **OR**      B. *Occupational Skills Training*  
Training specially designed to the needs of a business and/or demand occupations, which will enable Cherokees to secure employment or advance in their current employment. Class Room Training provides assistance for an individual to attend vocational training courses that will lead to employment in industries that are targeted for growth, and supporting the employment of Cherokees within the Nation's jurisdiction. Assistance will be determined by the need of the individual and will be approved and authorized by Career Services' Administration. Individuals assigned to various training sites may be paid a stipend as established and approved by Career Services' Administration.
  
2. ON-THE-JOB TRAINING (OJT)
  - A. *Employment Preparation Training*      **OR**      B. *Employer Reimbursement*  
Trains individuals in occupational trades on the job in the public and/or private sector. Training is targeted to meet the need of a specific business which has made a commitment for employment upon successful completion of the training, which is conducted at the worksite. This may include a specialized training program that combines workplace training with related classroom instruction. Or, it can be utilized for the individual who may possess academic/vocational skills and/or experiences but can't enter employment in a particular job/position due to lack of defined work experience required to be hired for a specific job/position; or who are currently in the process of being hired. Employer Reimbursement requires an OJT contract whereby employers can negotiate for reimbursement of one-half an individual's hourly wage during the initial training period. The length of time an individual spends in training is based on the needs of the Employer/Business but cannot exceed a period of 16 weeks in length, without expressed written consent by the TED Program Director.

**PROCEDURES**

***OJT ROLL-OVER FROM the National Emergency Grant Program***

**PARTICIPANT (CLIENT) FILES**

1. Copy the existing NEG participant file.
2. Using the Tribal Economic Development Checklist, make a new participant file and place the copies into the TED light lime green file folders.
3. Write out a new contact sheet stating the participant file has been rolled over to the TED OJT and include the updated completion date and any additional plans for the client, PLUS any updated information deemed appropriate for the participant file, such as changes in the client's address or phone number, etc.
4. Complete a new Award Letter with the updated client information for TED OJT.

5. Complete a Status Change Notice form using the newly assigned 26 Activity Code.
6. Submit file for Authorized Official signature/approval.

#### EMPLOYER/BUSINESS (CONTRACT) FILES

7. Develop a new Contract. A new Contract will be drawn up for existing NEG/OJT Contractors moving the Contractor from NEG/OJT to TED/OJT. The contract will be signed by Contractor and authorized personnel.
8. Develop a new Contract Addendum.
9. Copy the EXISTING TRAINING SCHEDULE. Write out a new Training Schedule that reflects the start date and end date for the "roll-over"; the new Training Schedule will be signed and approved by the Supervisor.
10. The Contractor will need to fill out a new W-9 for contract records.
11. The Contractor will need to submit an up-to-date Workman's Comp Insurance verification.
12. A new Participant Tracking sheet will be made with the new reimbursement and hours for Tribal OJT.

#### **PROCEDURES JOB TRAINING PROGRAMS**

- Staff will collect and copy the identification documents required of the designated TED Checklist. Professional staff will perform the interview and complete a Central two-page Intake on the applicant.
- Staff assigns the client to Work Keys testing, if applicable.
- Staff assigns the client to OKCIS testing, if applicable.
- Staff assigns the client to TABE testing, if applicable.
- Staff assigns the client to Life/Employability Skills Training, as appropriate and/or if applicable.
- Staff completes a Job Bank application on the client and places applicant information in the Job Bank.
- Staff utilizes professional judgment to determine the need for Supportive Services and will follow the procedures set forth in the CS Supportive Services Agreement form and CS Finance for processing of payment. In those situations which are deemed as an emergency need, staff can issue pay cards and will complete/process payment on the purple Economic Development Vocational Training Program Individual Service Agreement form.
- Staff assigns client to the appropriate Job Training Program(s). Client's placement will be based on professional judgment, job demand, and strategic timing of TED workforce development activities. Applicant may be placed when their file is complete and approved

by the TED Approving Official or an emergency situation where a decision to place is made by the Executive Director. Additional processes are as follows:

1. VOCATIONAL TRAINING [aka Class Room Training]

A. *Specialized Class Room Training*

Specialized Class Room Training is contracted via the Career & Technology Centers and when training has been confirmed, the TED Approving Official will notify the appropriate Career Services staff of training availability. Using the TED Specialized Training/Employment Preparation Checklist, staff will copy all participant information from any existing Career Services program files (specific to the trainee selected to attend), and will build a participant file for TED with all documentation placed in the light lime green file folders designated for TED. Participants are paid a training stipend equivalent to the Career Services Day Training Program, i.e., all-day class = pay \$50/day + \$25/day gas stipend; evening class = \$25/day gas stipend only. Staff will complete and process payment on the purple Economic Development Vocational Training Program Individual Service Agreement form.

B. *Occupational Skills Training*

Using the Tribal Economic Development Vocational Training Application Checklist, staff is to follow the procedures set forth for Career Services' Vocational Programs, except staff will use the TED participant file folders that are light lime green in color. Students approved to attend this TED Vocational Training must be enrolled to attend training in which there is a demand for that occupation, and have a reasonable expectation of permanent, full-time employment upon completion of the training. The Career Services Director of Vocational Programs approves applicants for TED Vocational Training.

2. ON-THE-JOB TRAINING

A. *Employment Preparation*

Using the TED Job Training Programs Checklist, staff will copy all participant information from any existing Career Services program files (specific to the trainee selected to attend), and will build a participant file for TED with all documentation placed in the light lime green file folders designated for TED. Participants are paid a training stipend equivalent to the Career Services Day Training Program, i.e.: 8 hrs. = \$50; 4 hrs. = \$25. Staff will complete and process payment on the purple Economic Development Vocational Training Program Individual Service Agreement form.

B. *Employer Reimbursement*

Using the TED Job Training Programs Checklist, staff will:

- a. Negotiate the OJT contract, including training hours and number of trainees;
- b. Secure signatures;
- c. Ensure the employer provides documentation of a current Worker's Compensation insurance policy;
- d. Complete an OJT Training Schedule with all pertinent information;
- e. Prepare and submit the following documents to the TED Approving Official:

- Signed OJT Contract,
  - Proof of current Worker's Compensation Policy,
  - OJT Training Schedule, and
  - Completed participant program application with all documentation;
- f. Prepare an OJT packet for the Employer/Business consisting of:
- Participant Monthly Time and Attendance Reports,
  - Participant Evaluations,
  - Reimbursement Vouchers, and
  - Termination/Completion Reports;
- g. Submit approved contract and documentation to Career Services Finance; and
- h. Provide the Employer/Contractor with a copy of the contract and training schedule and re-emphasize the importance of following procedures for reimbursements.
- i. The TED Approving Official is responsible for ensuring that all OJT training sites are monitored on a quarterly basis for program compliance.
- j. Upon receipt of a Termination/Completion Report, staff will review the participant's file and terminate the participant from the program.

### ***INTERNAL PROCESSES***

***NOTE: ALL case files MUST channel through TED after supervisory approval but before CS Data Entry.***

1. Staff completes the aforementioned paperwork and processes the documents in the TED participant file folders that are light lime green in color. Once the file is completed, staff takes the case to the Tribal Economic Development Director for approval.
2. TED Approving Official (Director) reviews Contact Sheet/Case Notes and initials/dates form for approval.
3. TED Approving Official (Director) reviews and approves/signs the Training Schedule.
4. TED Approving Official (Director) reviews and approves/signs the TED Check List.
5. TED Approving Official (Director) reviews and approves/signs the Status Change Notice (yellow).
6. TED assigned staff inputs client information, etc. into the TED Internal Master List Report.
7. TED assigned staff then submits the case file to the Career Services Data Entry Clerk for input into the Career Services Data Entry Report.
8. Data Entry Clerk submits the file/case to be filed in the Career Services File Room.

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

**Month/Year of Report: December 2013**

**Program Highlights**

a. Balanced Scorecard Measures

Objective	Metric	2014 Goal	Year to Date Achievement Notes/Comments
Effective Business Workshop Training	# Certified Indian-Owned Business Attendees and % indicating usefulness	300/100%	53 /100%
Increase Certified Indian-Owned Business Procurement Awards	% Certified Indian-Owned Business Procurement Awards	80%	76.54% Business Entities eligible procurement \$'s awarded to Certified Indian Owned vendors <ul style="list-style-type: none"> <li>• CNE – 63.41%</li> <li>• CN Government - 88.22%</li> <li>• Health Entities – 100%</li> <li>• CNI – 21.94%</li> <li>• Waste Management - 0%</li> </ul>
Increase Cherokee Citizens employed	% Cherokee Citizens (verified)	Entity CNE – CNB - CN – 82.9% Health - CNI – CRC – Aerospace -	Business Entities - 74.16% <ul style="list-style-type: none"> <li>• CNE (CNE, CHL, WRD, CNSS) 74.49%</li> <li>• CNB (CNB, CNT, CSG) 70.63% (does not include service contract employees)</li> <li>• CN Government 81.75% (does not include IPA/MOA)</li> <li>• Health Entities 47.73%</li> <li>• CNI 45.97% (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	150	22
Effective One on One Training for Certified Indian Owned-Businesses	# of businesses receiving assistance/% finding useful	200/95%	65 /100%
Certified Indian-Owned Business Receiving Financial Assistance	% Certified Indian-Owned Business Loans in Portfolio	85%	22.76% - based on \$'s loaned 14.29% - based on number of loans made
Effective Usage of Fees Collected	# Trained	100	Information not available
Effective Monitor of Work Sites – Construction and Housing	# Monitoring Visits	90%	100% 391 sites monitored
Effective Monitor of Bid Openings	# and % Bid Openings Attended	100%	100% - 8
Effective Resolution of Complaints – TERO and EEOC	% Complaints Resolved	100%	TERO: 0 complaints filed; 0 resolved, 0 pending EEOC: 0 complaint filed; 0 resolved, 0 pending

b. Notable accomplishments:

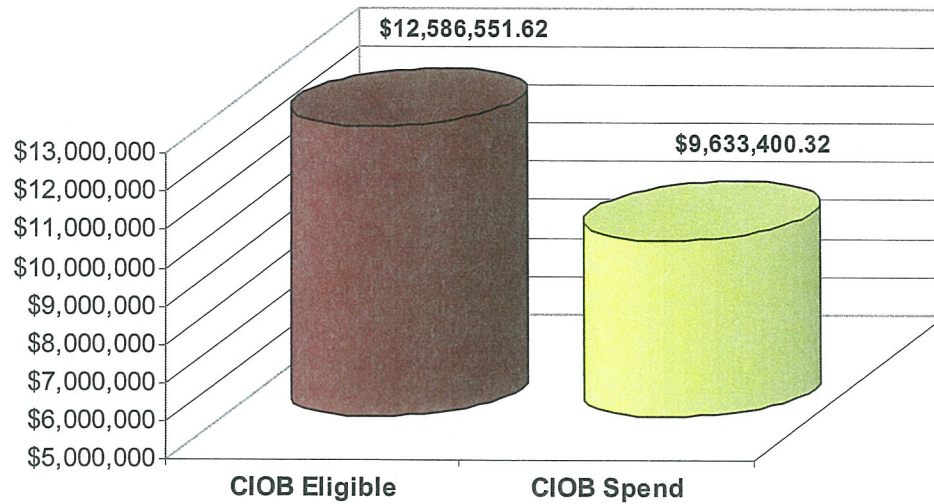
1. Cherokee Nation **Certified Indian Owned Business Fair** had **500 attendees** with over 130 vendors, resource partners, and outside procurement agencies.

c. Future plans/new initiatives:

1. Partner with Education Services and Rogers State University to hold **Youth Entrepreneurship Day in the northern counties** of the Cherokee Nation.
2. **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.

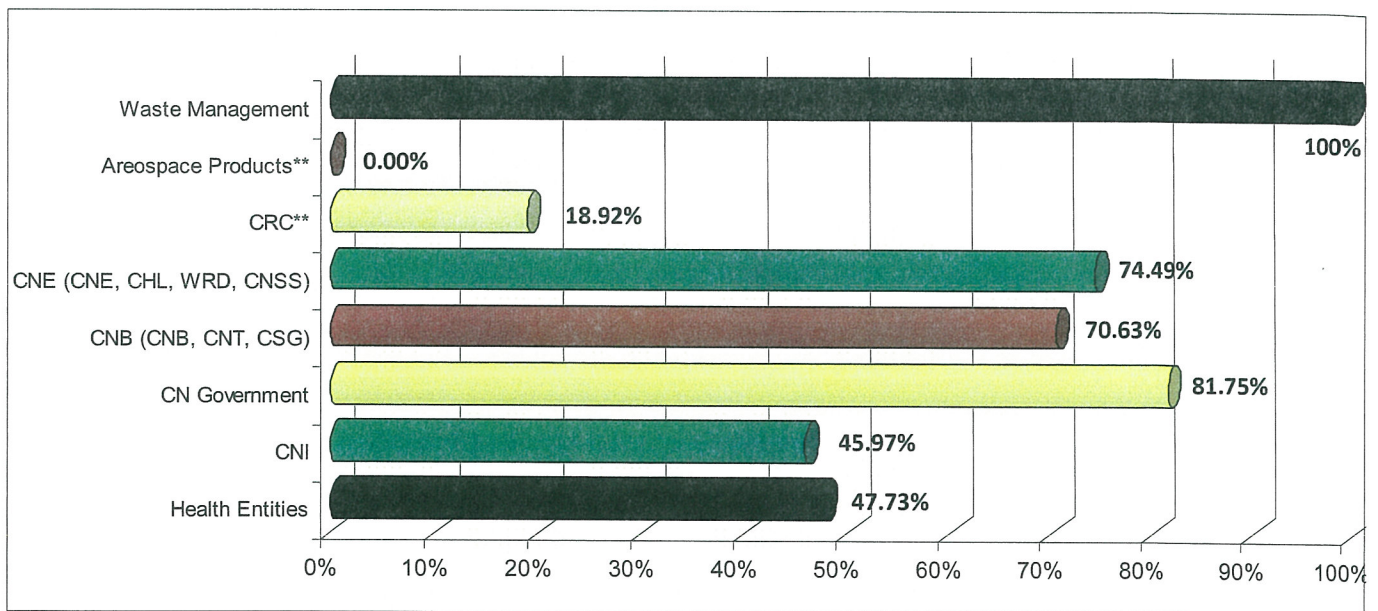
Business/Entrepreneur Workshops			
Date	Location	Time	Workshop
January 14	Claremore	6:00 pm	Free Internet Workshop
January 14	Lawton	8:00 am to 12:00 pm	ODOT Heavy Construction Workshop
February 13	Owasso	8:00 am	Networking Event
February 18	Oklahoma City	9:00 am	ODOT Davis-Bacon Act
February 20	Muskogee Port	11:30 am	Manufacturers Listening Labor Commission

**76.54% of CIOB Eligible Procurement Opportunities were awarded to CIOBs**



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

**74.16% of Employees are registered Cherokee Nation Citizens**



\*\*Companies majority, not wholly, owned



Group: Commerce

Month/Year of Report: December 2013

Director: Anna Knight

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

**Budget Highlights** None

**Program Highlights**

a. Balanced Scorecard Measures

Objective	Metric	2014 Goal	Year to Date Achievement Notes/Comments
Investment in Economy	Loan Dollars	\$1,500,000	<b>Commercial: \$530,154.63</b> <i>Approved Loans Pending Closing</i>  <b>Consumer: \$414,173.13 (383 loans)</b>
Investment in Economy	Tourism Dollars a) Community Tourism & Business Development b) Tourism Business Income	a) \$125,000 b) \$50,000	a) \$0.00 ( <i>all loans to artist &amp; tourism</i> ) b) \$15,975.00 ( <i>income to artists/communities</i> )
Job Creation	a) # Small Business Jobs Created/Maintained b) Percentage Cherokee (or Cherokee Family) Employed	a) 150 b) 100%	a) 41 (27 Cherokee) b) 66%
Effective Business Training	# Attendees and % Indicating usefulness	1,500/100%	856 / 100%
CN Holiday	a) % Increase Sponsorships b) % Increase in Community Games Participation/Holiday Cultural Events	a) 10% b) 5%	a) 13% b) 5%

b. Notable accomplishments

- Commercial Loans Closed –YTD – Commercial Loans Closed –YTD – *Sallisaw*-Manufacturing (8); *Vian*-Ag Loan (1) *Vian*-Ag Loan (1); *Tahlequah*-Cell Phones (1), *Catoosa*-Automotive Repair (3); *Collinsville*-Manufacturing (6); *Tahlequah*-Salon/Spa (21).**
- Collateral for Commercial Loans Closed in March 2013 –**

Community	Loan Purpose	Project Costs	Loan Amount	Collateral Discounted Value	Owner Equity	Jobs
Tahlequah	Expansion	\$302,348.55	\$302,348.55	Mortgage, 2 Blanket UCC=\$485,346.81	0%	21
Collinsville	Expansion	\$200,649.00	\$120,651.39	UCC/Accounts Receivable=\$222,996	60%	6

- Charged Off Loans – Commercial: YTD Total – \$0.00, Tribal: YTD Total – \$0.00, Employee: YTD Total - \$0.00.**
- Submitted a **CDFI grant request to capitalize the consumer loan programs** – including the employee loan program and foreclosure prevention loan program.

c. Future plans/new initiatives

- Working with the Bradford Exchange to test the market for a **Cherokee coin series**. Still in discussion stages. Anticipated outcomes of this project are a revenue stream for the Cherokee Arts Center and income for local Cherokee artists.
- Hired the Kawi Café manager and expect the Café to open by March. This will be an **experiential entrepreneurial training center** funded by ANA. This is a joint project between Commerce and Career Services.
- **Entrepreneurship Competitions:**
  - a. **Youth Entrepreneur Day** will be scheduled for Tahlequah and we are working with Rogers State University Innovation Center to coordinate a second day in the northern counties to encourage more widespread competition.
  - b. **Entrepreneurship Competition** for adults is being designed and will run from January through April 2014. We have engaged four area partners to sponsor the **cash award grand prize of \$5,000**, which will be used by the entrepreneur to start or expand their business.

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

▪ IRP:	\$577,965.82	▪ CDFI:	\$0.00
▪ Commercial:	\$259,760.73	▪ Consumer Lending:	\$110,761.42

Based on October bank statements

Note: we have received award notifications for \$400,000 in micro lending funds and \$1,250,000 in small business funds, which have not yet been deposited or drawn down from the funders.

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