



CHEROKEE NATION™ **Businesses**

Executive and Finance Report
Consolidated Financial Information
July 2015

Cherokee Nation Businesses

Executive and Finance Report

July 2015

Budget Highlights

- July 2015 CNB consolidated net income of \$8.4 million was unfavorable to a budgeted \$9.2 million but consistent with prior year. Consolidated revenue was \$5.3 million above budget and exceeded the previous year by \$12.7 million.
- CNE EBITDA of \$15.7 million was favorable to budget by \$974,000. The favorable variance was primarily due to higher revenue from the newly opened Roland property as well as higher than anticipated revenue from the West Siloam Springs and Hard Rock properties. Total revenue for July 2015 was \$52.5 million and was \$5.3 million above a budget and \$5.3 million ahead of last year.
- Technology Portfolio EBITDA of \$1.2 million was \$292,000 below budget. July revenue was \$397,000 favorable to budget. The unfavorable variance in EBITDA was primarily due to a project estimate cost revision at CNTS.
- CNI EBITDA loss was \$356,000 unfavorable to budget due to a shortfall in revenue, as well as lower margins, and an increase in healthcare costs. Total revenue of \$6.2 million was \$124,000 below budget.
- The CNB Parent Company EBITDA was \$354,000 unfavorable to budget, primarily due to higher than anticipated employee costs as well as general and administrative expenses.
- Construction Services EBITDA was \$92,000 below budget. Total revenue of \$4.5 million was \$917,000 above budget. The favorable variance was driven by higher than anticipated activity on the CNCS Dover AFB projects.
- Combined, EBITDA at all other entities were \$150,000 below budget.

Capital Expenditures

July YTD capital expenditures were \$126.0 million for all entities.

- CNE: \$91.5 million
 - Expansion: \$74.1 million – Roland and South Coffeyville properties and road improvements
 - Strategic: \$11.1 million – Cherokee Tower Renovation, Bakery & Room Service Kitchen Renovation, Catoosa Hotel Lobby and Front Desk Renovation, Surveillance Infrastructure Upgrade & Casino Cash Trac Cage Management System
 - Maintenance - \$6.3 million – Art Procurement, Digital Radio Conversion, IT Asset Management Tool & Fleet Vehicles
- CPM: \$28.6 million – Health clinic construction, CN Housing Projects, 4th Street Property & Cherokee Springs Business Park
- CNCR: \$1.6 million – New Home Construction Program
- CNB: \$3.8 million – IT Maintenance & Upgrades & CN Economic Development Trust Authority Capital Grant

Financing

- CNB has no outstanding borrowings as of July 31, 2015.

Cherokee Nation Entertainment

Executive and Finance Report

July 2015

Budget Highlights

CNE

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• Revenue	Month -	\$52,503	\$47,227	\$5,276	11%
• Operating Expenses	Month -	\$36,843	\$32,541	(\$4,302)	13%
• EBITDA	Month -	\$15,661	\$14,686	\$974	7%

Operating Highlights

- CNE EBITDA of \$15.7 million in July was \$974,000 favorable to budget.
- Total revenue of \$52.5 million was \$5.3 million above budget. Higher than budgeted total revenue was primarily the result of the newly opened Roland facility and higher than anticipated revenue at all other properties, with the exception of Sallisaw. Food and beverage and retail revenue contributed \$484,000 and \$408,000, respectively.
- Total operating expense was \$4.3 million unfavorable to budget. The unfavorable variance primarily resulted from higher employee costs and expenses associated with higher revenue. Employee costs were \$2.5 million unfavorable to budget primarily caused by a \$1.6 million unfavorable variance in medical benefit expenses and an unfavorable variance of \$370,000 in workman's compensation insurance. Other general and administrative expenses were \$701,000 unfavorable to budget.
- The South Coffeyville Casino opened February 16th, 2015. The 17,000 square foot facility offers 300 games. The South Coffeyville casino opened ahead of the budgeted opening date of April 1st.
- CNB has agreed to lease property adjacent to the Hard Rock Casino to Woodmont Outlets, which plans to invest \$80 million into premium outlet shops to be called, "The Cherokee Outlets." The Outlets, along with a new Entertainment area, called "The District," is expected to be completed in 2016.
- CNB also announced plans for the Cherokee Springs Plaza, which will include retail, restaurants, auto sales lots, office space, convention space, two hotels, and a casino adjacent to the Cherokee Springs golf course in Tahlequah.
- Groundbreaking for the Roland property took place on April 29th, 2014 for a new casino and hotel. The Roland casino opened on May 19th, 2015, with the hotel scheduled to open the first quarter of FY16.
- 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 2016.

Capital Expenditure Highlights – Year to Date

- Expansion related costs for South Coffeyville and Roland – \$73.4 million
- Cherokee Tower Renovation - \$2.1 million
- Surveillance Infrastructure Upgrade - \$3.2 million
- Casino Cash Trac System - \$904,000

Cherokee Nation Industries

Executive and Finance Report

July 2015

Budget Highlights

CNI

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• Revenue	Month -	\$6,193	\$6,316	(\$124)	-2%
• Operating Expenses	Month -	\$6,903	\$6,671	(\$232)	3%
• EBITDA	Month -	(\$710)	(\$355)	(\$356)	-100%

Operating Highlights

- EBITDA loss was \$710,000, which was \$356,000 unfavorable to budget. The negative variance was due to a shortfall in revenue from the Manufacturing segment, lower Distribution margins and an increase in healthcare expenses
- Total revenue of \$6.2 million was \$124,000 below budget. The Distribution segment revenue was \$4.5 million, which was \$1.1 million over budget due to the SE Project. The Manufacturing segment revenue of \$1.6 million was \$1.2 million below budget primarily due to customer delays on the Sikorsky S300 contract as well as slower than anticipated government sales.
- Total operating expenses were \$6.9 million, which was \$232,000 unfavorable to budget. Cost of goods sold were \$214,000 higher than budget due to lower margins related to a change in product mix. Employee cost was favorable to budget by \$69,000 due to several open positions. Other operating expense was \$87,000 unfavorable to budget primarily due to healthcare costs, which was \$153,000 higher than budget partially offset by cost reductions.

Technology Portfolio

Executive and Finance Report

July 2015

Budget Highlights

Tech

thousands (000's)

	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• Revenue	Month -	\$14,859	\$14,462	\$397	3%
• Operating Expenses	Month -	\$13,658	\$12,969	(\$689)	5%
• EBITDA	Month -	\$1,201	\$1,493	(\$292)	-20%

Operating Highlights

- The IT Portfolio generated revenue of \$14.9 million which was higher than a budget of \$14.5 million and \$2.4 million ahead of prior year.
- July business for the Technology Portfolio resulted in an EBITDA of \$1.2 million compared to budgeted EBITDA of \$1.5 million. The July EBITDA margin of 8.1% was unfavorable to 10.3% budgeted. The variance from budget was primarily impacted by CNTS's true up of the US Air Force project estimated completion cost revision as well as a portfolio year to date shared support services expense.
- Revenue from CSG and CNT of \$5.6 million was favorable to budget by \$1.7 million. The favorable budget variance was due to increased activity on CNT's USDA NIFA and US EPA contracts. CNGS, CNTS and CNMC revenue of \$8.8 million was unfavorable to budget by \$1.4 million. The unfavorable variance was due to decreased revenue on both CNTS's US Geological Survey and SBA projects. CNA revenue of \$465,000 was unfavorable to budget by \$8,000. The variance was due to decreased revenue from US Coast Guard, EPA and CNE contracts.
- Total operating expenses for CSG and CNT of \$4.7 million were unfavorable to budget by \$1.2 million. The budget variance was due to staffing cost impacting operating expenses for the CNT USDA Aphis project. CNGS, CNTS, and CNMC operating expenses of \$8.5 million were favorable to budget by \$495,000. Timing differences for start-up projects resulted in labor cost impact to CNTS operating expenses for the month of July. CNA operating expenses were consistent with budget.

Other Diversified Businesses

Executive and Finance Report

July 2015

EBITDA Budget Highlights

Other Diversified

	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• CNSD	Month -	(\$213)	\$75	(\$288)	-386%
• Construction	Month -	\$162	\$253	(\$92)	-36%
• CMS / CNHS	Month -	\$278	\$88	\$190	216%
• Aerospace Products S.E.*	Month -	\$32	\$18	\$14	78%
• CCRC*	Month -	\$164	\$93	\$71	76%

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

Operating Highlights

- **CNSD** EBITDA loss was \$288,000 below budget. The negative EBITDA for the month of July was primarily attributable to the CNSD ACP project reduction in scope and close out. Additional impact to EBITDA was the reserve for bad debt in CNRL for the UML effort.
- **Construction** EBITDA of \$162,000 compared to a budgeted EBITDA of \$253,000. The unfavorable EBITDA variance was driven by several projects within CNCS that experienced higher than expected costs to complete.
- **Healthcare** Portfolio EBITDA of \$278,000 had a favorable variance of \$190,000 compared to the budgeted EBITDA of \$88,000. This is due to a lower than anticipated operating expense, as well as, a year to date correction in shared support services cost.
- **APSE** net income was \$32,000 in July 2015 resulting in a favorable variance to budget of \$14,000. Revenue was \$256,000 favorable to budget due to delivering kits that were previously unable to ship due to continued delinquent deliveries of parts by the suppliers.
- **CCRC** net income of \$164,000 in July compared to a budgeted net income of \$93,000. The positive variance was attributable to a favorable mix of projects that included more non-construction than what was budgeted.

COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT

Group: Financial Resources

Month/Year of Report: August 2015

Treasurer: Lacey Horn

Phone: 207-3902

E-mail: lacey-horn@cherokee.org

- I. Budget Highlights – through July
 - a.) Financial Resources – 79% spent
 - b.) Treasurer – 85% spent
 - c.) IIM – 91% spent
 - d.) Acquisition Management – 75% spent
 - e.) Records Management – 83% spent
 - f.) Support Services – 87% spent
 - g.) Grants Management - 75% spent
 - h.) Grant Development – 50%
 - i.) Fleet Management – 62%
 - j.) Employee Performance Incentive – 31% spent
- II. Program Highlights
 - a.) Balance Scorecard Measures
 - 1. Complete FY14 Audit – 100% Complete
 - 2. Obtain Unmodified Audit Opinion – 100% complete
 - 3. No Material Weaknesses on Single Audit – 100% complete
 - 4. Obtain GFOA Award for FY13 CAFR – 100% complete
 - 5. Reports completed & submitted by due dates – 100% complete for reports due by 8/31/2015
 - b.) Accomplishments
 - 1. FY16 Comprehensive budget delivered to Tribal Council
 - 2. Staff attended PL 102-477 training in Durant
 - 3. Staff attended Investing Public Funds training in Minneapolis
 - 4. Staff attended Indirect Cost Strategies training in Las Vegas
 - c.) Upcoming Events
 - 1. Fiscal year end close process begins

COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT

Cherokee Nation Acquisition Management Year-To- Date Report Over \$5,000 Transactions October 1, 2014 through September 30, 2015		% of sub- total - TERO vendor submitted Bid
Award to TERO Vendor	\$ 20,299,749.50	94.95%
Award to non-TERO Vendor	\$ 1,080,546.38	5.05%
Sub-total bids with a TERO vendor participating	\$ 21,380,295.88	100.0%
Bid - no bids submitted by TERO Vendors	\$ 1,763,370.54	
October 1, 2014 through July 31, 2015		

Group: Career Services-Executive and Finance Month/Year of Report: August, 2015

Executive Director: Diane Kelley Phone: 453-5628 Email: Diane-kelley@cherokee.org

I. Budget Highlights – Please refer to Monthly Financial Report

None

II. Program Highlights

a. Balanced Scorecard Measures

<i>Activity</i>	<i>July</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.	90	383	250	153.2%
<i>Training Completions</i> – includes individuals receiving a nationally-recognized certification, credential, or degree while enrolled in one of 11 different vocational training programs.	122	728	450	161.8%
<i>Employment Completions</i> – includes individuals who completed a Work Experience or TERO OJT assignment.	15	199	300	66.3%
<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.	166	1,206	500	241.2%
<i>Retention</i> – includes individuals who were retained in their unsubsidized employment through assistance from a Career Services Program.	35	303	200	151.5%
<i>Job Readiness Training</i> – includes individuals who completed the Life/Employment Skills Training.	34	386	250	154.4%
<i>WorkKey Credentialing</i> – includes individuals who received a bronze, silver, gold, or platinum WorkKeys credential.	8	118	500	23.6%
<i>Job Bank</i> – includes the number of new individuals entering the TERO Job Bank.	22	319	500	63.8%
<i>Indian Owned Businesses</i> – includes the number of businesses newly certified as an Indian Owned Business.	22	145	100	145.0%

<i>Job Fairs</i> – includes the number of Job Fairs held by Career Services.	0	26	15	173.3%
<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.	2	35	50	70.0%

b. Accomplishments

1. Career Services held a job fair August 25th for Macy's, with over 500 individuals in attendance. Macy's hired 231 of the attendees; 99 Cherokee, 63 Other Natives, and 69 Non-Natives.
2. Staff attended the 36th Annual National Indian and Native American Employment and Training/PL 102-477 Training Conference.
3. Cherokee Nation's PL 102-477 Program won the Chief's Award, the overall outstanding grantee award for the year.
4. A big *Thank You!* to Deputy Chief Joe Crittenden and Cherokee National Treasure Tommy Wildcat, who joined staff at the conference and provided a prayer and opening remarks at the General Session.
5. Kim Carroll, Director Grants and Compliance, was reelected as Secretary of the Conference Executive Committee.
6. We also had two program participants win Outstanding Participant Awards at the conference:

PL 102-477 Outstanding Participants:



Edward Nixon, Tahlequah, with only a GED, worked in several different jobs throughout his life. These included working as a mechanic, maintenance worker, cook/dishwasher, and as a welder's assistant. The only skills Edward claimed he had were very basic; just enough for him to perform the jobs he was hired to do. Edward learned as much as possible with every job opportunity along the way.

Edward had several barriers that kept him from really advancing in his various jobs. He is hearing impaired, which has kept him from going further in school and caused problems with communicating with people, limiting his employment opportunities. Edward was referred to the Cherokee Nation Vocational

Rehabilitation program. Voc Rehab conducted a hearing evaluation and assisted Edward with

the purchase of a hearing aid. The new hearing aid provided Edward with the confidence he needed to continue his education. Edward has always been interested in carpentry and decided to participate in the Cherokee Nation Building Trades Program to gain the knowledge and skills that were needed to do carpentry work.

Edward was placed in Building Trades through a partnership between TERO Training and PL 102-477 Classroom Training. Through the Building Trades Program, Edward was able to train with local building contractors. After successful completion of the program, Edward was able to start his own business – Ed’s Woodworking. He just received his TERO Certification as a Cherokee Owned Business. Edward states: “Without the help of the Cherokee Nation Career Services PL 102-477 Program, I would not have had the chance that I have now. I appreciate all the program has done for me.”

Kyle Dewayne Stick, Tahlequah, was going from job to job and his journey to fulltime employment was tough. Kyle had a tract record of alcoholism that he struggled with throughout his life. The choices he made in life resulted in consequences that would alter his path. He was charged with multiple felony counts and misdemeanors and his continued behavior eventually resulted in his being incarcerated for a felony DUI.

Upon his release from incarceration, Kyle returned to Cherokee Nation Career Services and participated in the Tribal Day Training Program.

He took advantage of the opportunity and excelled at his training site. He complied with all his drug court requirements and legal obligations. When his Tribal Day Training Program came to an end, he was placed on the PL 102-477 Work Experience Program. He was assigned to WW Hastings Hospital in the Dietary Department.

Kyle was quick to learn his new role in the department and made a great impression on his supervisors. He displayed a positive attitude, great work ethic, and willingness to do all that was asked of him and more. All the while Kyle was moving through his drug court program, he maintained exemplary attendance. While participating in the program, he was recommended for a position in the Dietary Department with countless recommendations from hospital staff, including his supervisor.

Kyle has proven that people can change and come full circle. He is aware that he was viewed in a negative light for several years. But, with the assistance and confidence of his tribe, Kyle is now a self-sufficient, taxpaying employee. In a time when others could have easily said that Kyle didn’t deserve another opportunity, the continued collaboration of tribal and federal funded programs show the hard work, dedication, and change one more opportunity can bring.



c. **Initiatives**

1. A job Fair is scheduled for September 2nd at Hard Rock Hotel and Casino in Tulsa.
2. TERO staff are planning the Annual TERO Banquet.
3. TERO will once again hold their annual Golf Tournament Fundraiser on Sept. 18th for the Angel Tree.

Executive Director's Remarks:

August has been a very busy month for all of the Vocational Training programs. Students start coming in for assistance to go to school for the fall semester. Talking Leaves Job Corps is back in full swing from the summer break, which was July 1 – 14, 2015.

Our new Vocational Director, George Roach, deferred going to the National Indian and Native American Employment and Training/PL 102-477 Training Conference held in Durant, Oklahoma last week due to all the vocational training applications he had to review and approve. He anticipates being able to provide services to around 500 individuals during the next year for vocational training.

The National Indian and Native American Employment and Training/PL 102-477 Training Conference was a real success – one of the largest turnouts in recent years, with just under 600 attendees, attributed in part to being held in Oklahoma. Jay Littlejohn, TLJC Center Director; Daryl Legg, Economic Development/Reentry Director; and Landra Alberty, Career Learning Center/Testing Manager all presented workshops at the conference. A big *Thank You!* to Cherokee Nation for sponsoring the Honoring Luncheon!



We are very proud of our two participants, Edward Nixon and Kyle Stick, for winning this year's Outstanding Participant Awards and very proud to be recognized by DOI BIA Office of Indian Services, Division of Self-Determination Chief, Terry Parks, with the Chief's Award at this year's conference. The staff has worked hard to be recognized for their contributions to training and getting people jobs.

The Conference Booklet acknowledged past Conference Presidents. I along with Norm DeWeaver, Center for Community Change; Evelyn Stephens, Oklahoma Tribal Assistance Program (OTAP) Tulsa; and Liz Bennett, Reno Indian Employment Program, met with the US Labor Department in 1980 to request special set-aside funds to begin the National Conference. They gave us \$20,000 and put it in our grant to begin the conference to bring Indian grantees together to share best practices. I served as the first President and on the board for several years following.

This year the Conference Committee presented staff with Years of Service Certificates. For Cherokee Nation:

Diane Kelley	Executive Director	35 years
Faye Vaughn	Program Specialist	35 years
Don Greenfeather	Jobs/Business Development Coordinator	30 years
Emma Gipson	Supervisor, Grants and Compliance	25 years
Willard Mounce	Compliance Officer	25 years
Michael Perryman	Construction Trades Instructor	20 years

We helped the Tribal Council last week with the New Council Orientation. Everything went well; went over a little, but all-in-all, good presentations. We will coordinate with them later on for tours.

Talking Leaves Job Corps graduated 160 students at the annual graduation last Friday, August 14, 2015. Congressman Mark Wayne Mullin was the keynote speaker and Principal Chief Bill John Baker made remarks. We kept it to one hour! The gym was packed with guests.

Kudo's to Ramona Holt, Academic and Vocational Manager; Glenda Anderson, Health & Wellness Manager; Johnna Lewis, Acting OACTS Manager; and Amy Adair, Records Manager. According to Center Director, Jay Littlejohn, they are to be commended in getting the center full. We received an acknowledgement from the Dallas Regional and National Offices for being one of the centers to make the mark on being full last week.

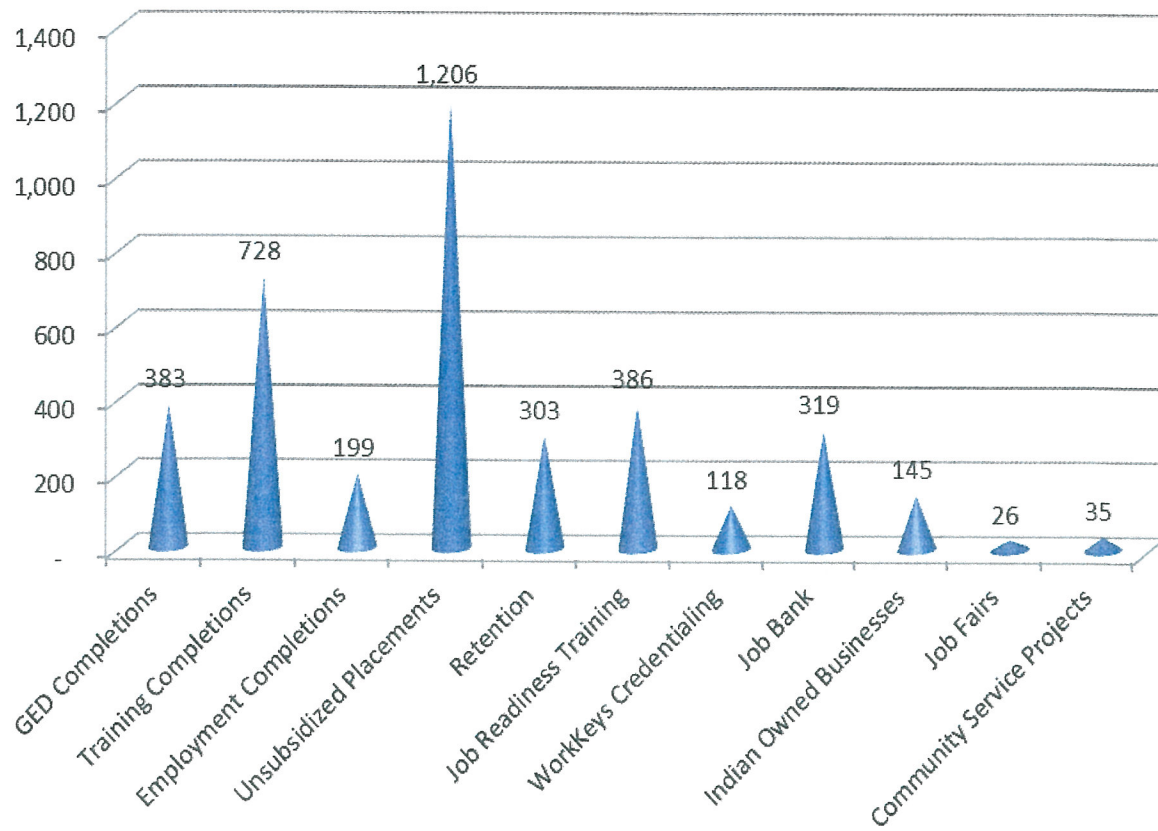
Brenda Fitzgerald, Vocational Rehabilitation Director, has battled cancer for the last two and a half years. She just received word she is 96% cancer free. We are so very thankful; she is quite an asset to our department.

Talking Leaves Job Corps received their state accreditation and kudo's to Don Lucas, Job Corps Academy Superintendent for the three Centers in the state and to Ramona Holt, Academic and Vocational Training Manager.

We have hired new staff for the Sector Partnership – National Dislocated Worker Grant (DOL): Marilyn Craig, Tahlequah; Travis Gully, Pryor and Tahlequah; Marsha White and Rick Ketcher, Pryor. Pryor has ended up being the hub for the new grant due to the Manufacturing Occupations associated with the grant. Hospitality and Health are the other two areas. Brenda Fitzgerald will oversee the grant, in addition to her duties with Vocational Rehabilitation.

Our office has been busy getting ready for the budget hearings and all the Job Fairs scheduled. We will have representation at the Workforce Meeting with Governor Mary Fallin on September 1, 2015 at NSU Tahlequah.

July Year-to-Date Totals



Commerce Group

Securing and enhancing the financial well-being of the Cherokee people, businesses and communities

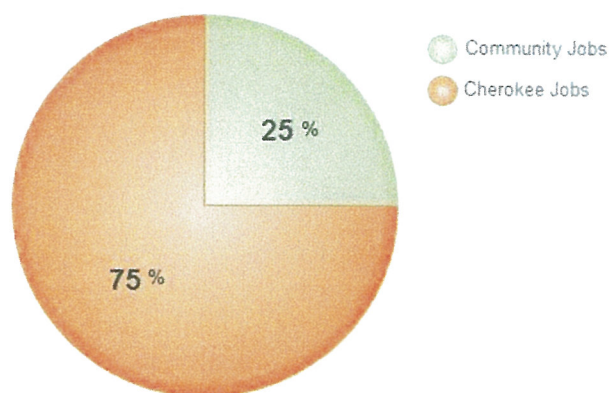
Anna Knight, Executive Director
918-453-5532
anna-knight@cherokee.org

Economic Impact

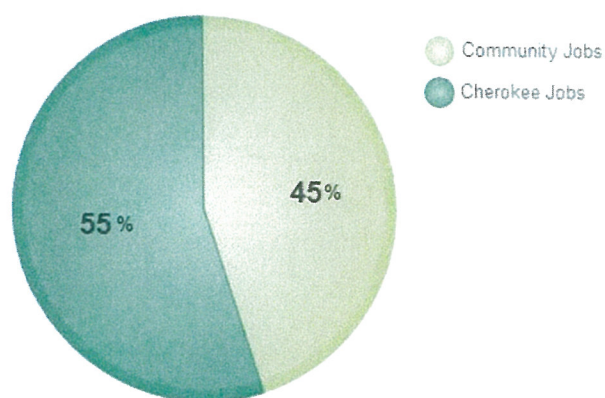
Jobs Created or Retained in Local Communities

Private sector jobs created or retained through small business lending

Community Jobs Created or Retained
Five Year Period 2010-2015 - 821 Total Jobs

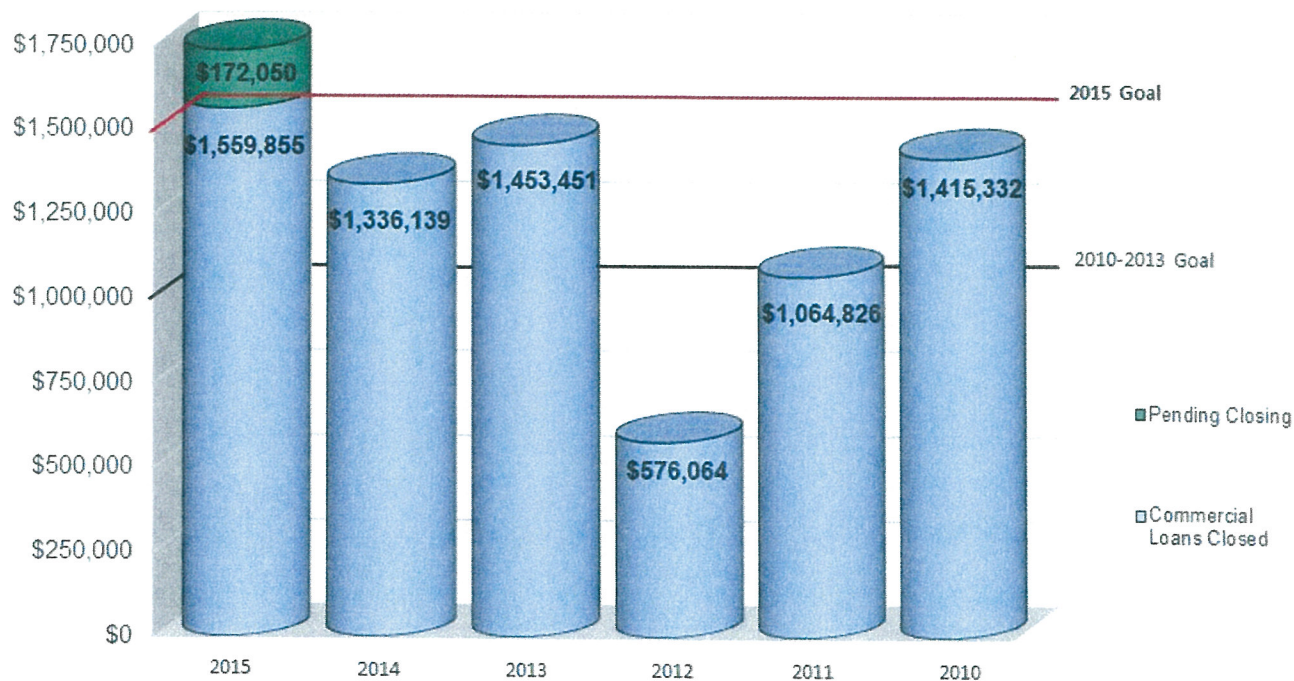


Community Jobs Created or Retained
Current Year To Date - 181 Total Jobs

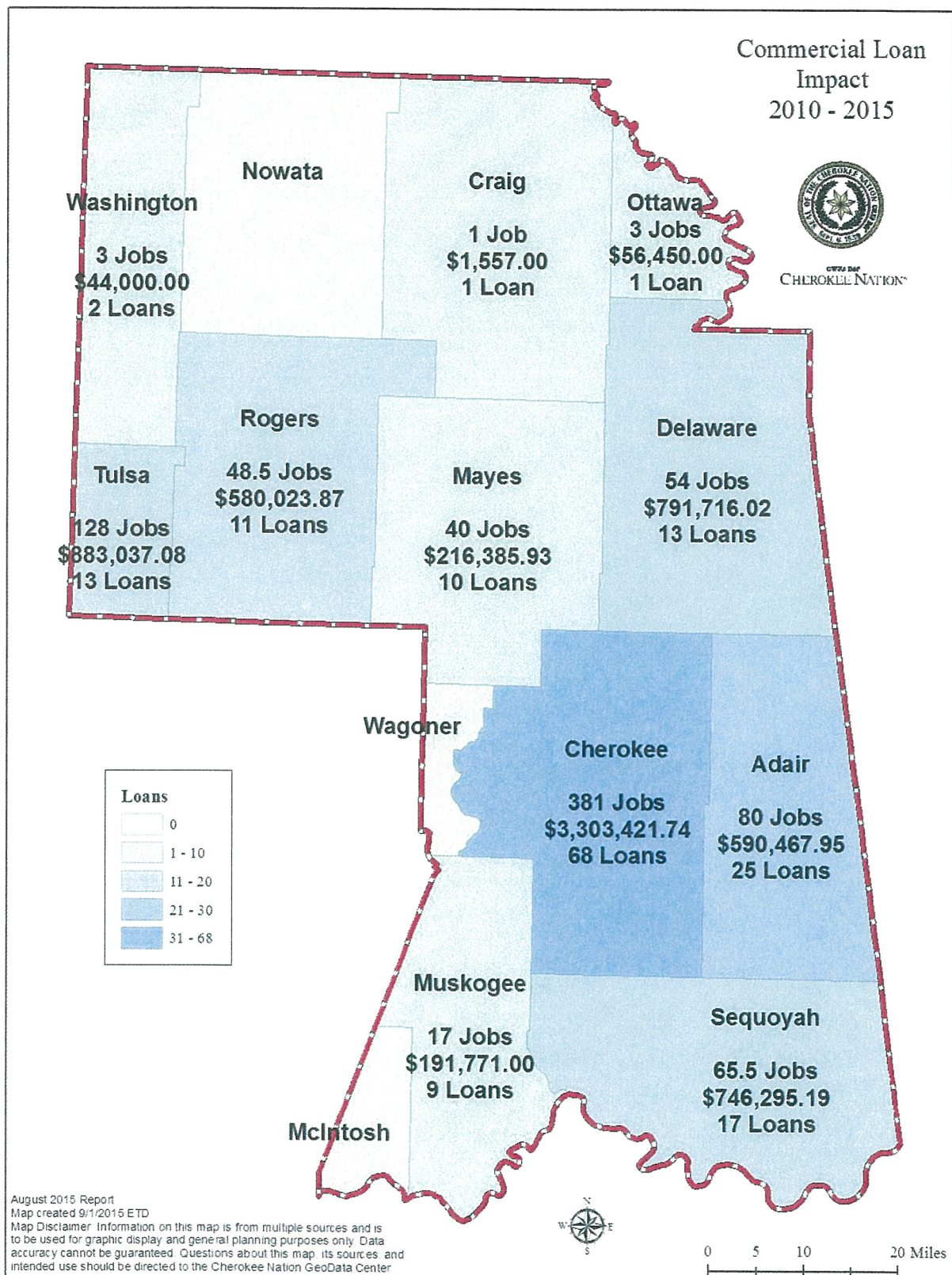


Economic Investment in Local Communities

Business loans made for startup or expanding businesses



Commercial Lending Impact, by County, 2010 through August 2015



Commercial Loans Closed August 2015

Community	Loan Purpose	Project Costs	Loan Amount	Collateral Discounted Value	Owner Equity	Jobs
Tahlequah	Buy Materials	\$5,303	\$2,000	Equipment and inventory=\$3,126	62%	1
Outside Funding for Cherokee owned Businesses wherein SBAC was Integral in Funding						
Tulsa	Expansion	\$58,000	\$0	Lien on food truck, equipment=\$49,950	17%	6
Gore	Purchase Trailer & "wet-line kit"	\$54,000	\$0	Lien on Trailer, UCC kit=\$30,900	-	1
Vian	Agriculture-cows	\$67,700	\$0	ESF-12 cows, 1 bull, 50 goats, lien 3 tractors/backhoe=\$53,500	-	1
Grove	Repairs to existing business	\$75,000	\$0	1 st Mortgage on property=\$240,000	90%	2

Commercial Lending Pipeline

(Commercial requests submitted; varying stages completion and/or processing)

Community	County	Business Type	Startup or Expansion
Westville	Adair	Trucking – Truck Stop	Start-up
Collinsville	Rogers	Background Checks	Expansion
Jay	Delaware	Agriculture – Purchase Livestock	Start-up
Pryor	Mayes	Service Business – Food	Start-up
Watts	Adair	Service Business – Food	Start-up
Westville	Adair	Agriculture – Farm	Expansion
Vian	Sequoyah	Service Business – Spincasting	Expansion

Available Lending Capital

▪ IRP:	\$432,138.70	▪ CDFI:	\$799,329.36
▪ Commercial:	\$348,500.42	▪ ICDBG:	\$356,487.00
▪ Consumer:	\$559,748.75		

*Based on Cash Flow Statements ending July 31, 2015.

Business/Entrepreneur Workshops

Date	Location	Time	Workshop
Sept 15	Tahlequah	6:00 pm – 8:00 pm	Advanced Photoshop
Sept 15, 22, 29	Tulsa	6:30 pm – 9:00 pm	Score, Simple Steps for Starting Your Business
October 13, 20, 27	Tulsa	6:30 pm – 9:00 pm	Score, Simple Steps for Growing Your Business
November 3, 10, 17	Tulsa	6:30 pm – 9:00 pm	Score, Simple Steps for Growing Your Business
November 10	Tahlequah	8:00 am – 5:00 pm	NORA Summit
November 19	Tulsa	10:00 am – 4:00 pm	Cherokee Nation TERO Vendor Fair

Entrepreneur Community Field Days		
Community	Address	Dates
Pryor	One American Way Building - 2945 Hwy 69A	1st Tuesday Each Month
Bartlesville	Rogers State University - 401 S Dewey - Room 808	2nd Thursday Each Month
Sallisaw	Cherokee Nation - 100 East Choctaw	3rd Tuesday Each Month
Collinsville	Cherokee Nation - 109 E Main Street	3rd Thursday Each Month
Claremore	HACN - 23205 S Hwy 66	4th Thursday Each Month

**Brian Wagnon is the Business Coach for field visits. Contact Brian-Wagnon@Cherokee.org and cell phone 918-506-9168

NOTEWORTHY

Year to date, over **entrepreneurial development and business workshops** have been attended by **6,671 people**; 100 percent of whom found the training useful to building the capacity of their businesses.

Working with TERO Contractors to revamp and revitalize our **contract lending program** to provide needed, early stage cash flow for contractors and subcontractors.

Kawi Café Entrepreneur Graduates	
Total Graduates	21
Food Industry Careers	13
Business Development Stage	2
Business Start Up	1
Regular Employment	2
Temporary Employment	1
Recent Graduates, not yet tracked	2

"It seems that I am daily learning ways to streamline my own business in ways that I had never thought of before. It's a nice safety net for trying new things with little risk."

Steve Hamby
Tahlequah, OK
Kawi Café Participant

Artists and Community Tourism – Economic Development

Increasing the business capacity of our Artists and tourism capacity of our communities

Cherokee Arts Center		
Registration is necessary and all classes are fee based, paid directly to artists		
Date	Time	Class
Every Thursday	6:30 pm	Silversmithing Class
Every Wednesday	6:00 pm	Loom Weaving
Every Saturday	1:00 pm	Loom Weaving
Every Thursday in September	9:00 am – 12:00 pm	Watercolor Workshop
Every Tuesday	11:00 am – 2:00 pm	GED Class
Saturday September 19	2:00 pm – 5:00 pm	Tahlequah Writers Group
Saturday September 19	4:00 pm – 4:30 pm	Oklahoma Playwriters
Tuesday, September 15		Financial Resources Staff Painting

Traditional Game Schedule		
Date	Community	Location
September 6	Cherokee National Holiday Tahlequah	Community Playoffs

All Traditional Cherokee Games are schedule for 10 a.m. and normally finish around 5 p.m., but there is no set time on finish. The following games are played: horseshoes, Cherokee marbles, corn stalk shoot, and blow guns. There are competitions for youth for corn stalk shoot, blow guns, Cherokee marbles and hatchet throwing. Hatchet Throwing is done mainly for fun and experience. Stickball is played if there is interest and the coordinators know in advance.

NOTEWORTHY

The Cherokee Arts Center provides teaching space and specialized equipment for artists to increase their revenues. Year to date, **976 people have attended 194 artist taught classes** and the equipment has been used 985 times by 1,297 artists.

Year to date, **6,395 people** have taken advantage of the **Cherokee Arts Center** this includes **3,439 visitors to the Spider Gallery**.

The **Spider Gallery currently represents 98 artists**. The Gallery has participated in 9 events giving Cherokee artists exposure to over 1,000. Total Spider Gallery Sales are \$46,709.01 for year to date.

Artists have earned \$94,540.55 through Cherokee Arts Center and Spider Gallery activities. Tourism related small business and artist loans total \$458,405 year to date.

"I very much appreciate having The Spider Gallery as a venue within Cherokee Nation to show, share, and sell my art work and as a connection to my home state and heritage since I am so far away right now."

**– Leslie Gates
Gourd Artist
Louisville, AL**

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

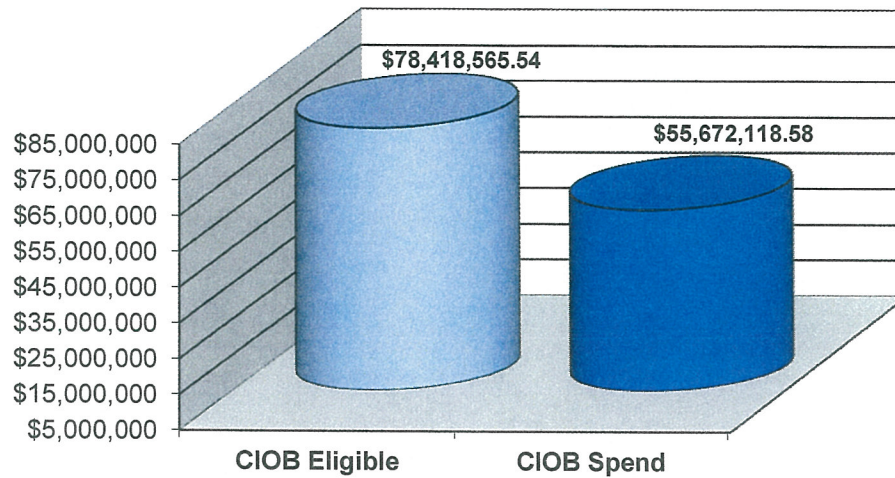
Month/Year of Report: September 2015 (Month Ending July – FY 2015)

Program Highlights

a. Balanced Scorecard Measures

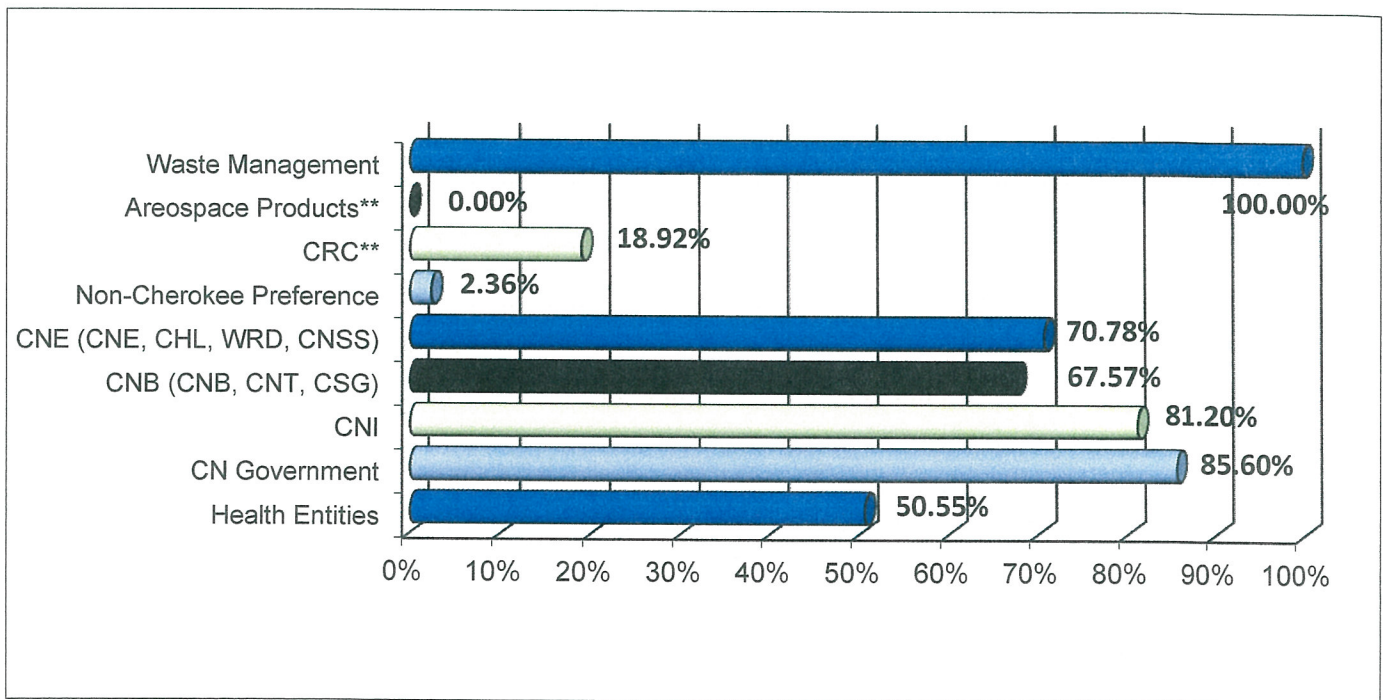
Objective	Metric	2014 Goal	Year to Date Achievement Notes/Comments
Effective Business Workshop Training	# Certified Indian-Owned Business Attendees and % indicating usefulness	300/100%	17 /100%
Increase Certified Indian-Owned Business Procurement Awards	% Certified Indian-Owned Business Procurement Awards	80%	70.99% Business Entities eligible procurement \$'s awarded to Certified Indian Owned vendors <ul style="list-style-type: none"> • CNE – 62.28% • CN Government - 94.95% • Health Entities – 100% • CNI –34.00% • Waste Management - 0%
Increase Cherokee Citizens employed	% Cherokee Citizens (verified)	Entity CNE – CNB - CN – 82.9% Health - CNI – CRC – Aerospace -	Business Entities - 64.10% <ul style="list-style-type: none"> • CNE (CNE, CHL, WRD, CNSS) 70.78% • CNB (CNB, CNT, CSG) 67.57% (does not include service contract employees) • CNI 81.20% (does not include service contract employees) • Non-Cherokee Preference 2.36% (CNB entities) • CN Government 85.60% (does not include IPA/MOA) • Health Entities 50.55% • CRC 18.92% (not wholly owned by CN) • Aerospace 0% (not wholly owned by CN) • Waste Management 100%
Increase Indian-Owned Business Certifications	# Newly Certified Indian-Owned Businesses	150	145
Effective One on One Training for Certified Indian Owned-Businesses	# of businesses receiving assistance/% finding useful	200/95%	35 /100%
Certified Indian-Owned Business Receiving Financial Assistance	% Certified Indian-Owned Business Loans in Portfolio	85%	23.21%- based on \$'s loaned 22.73%- 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% 1,682 sites monitored
Effective Monitor of Bid Openings	# and % Bid Openings Attended	100%	78% - 98 out of 127
Effective Resolution of Complaints – TERO and EEOC	% Complaints Resolved	100%	TERO: 1 complaints filed; 0 resolved, 3 pending EEOC: 0 complaint filed; 0 resolved, 0 pending

70.99% of CIOB Eligible Procurement Opportunities were awarded to CIOBs



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

64.10% of Employees are registered Cherokee Nation Citizens



**Companies majority, not wholly, owned

SGH 2015

August 2015

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Executive Director's Report

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Candessa Tehee

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Executive Director

Cherokee Heritage Center

918-453-5454 ext 6151

candessa-tehee@cherokee.org

July News/Accomplishments

- Book sale still continues with free shipping and discounts on purchases of 3 or more books applies to Moravian volumes 1 – 5.
- Archives providing research opportunities to scholars and noncommercial productions.
- Collections Manager Shannon Fisher is compiling a list of people who have perished on the property. Current research has provided 16 names. Once the list is complete Collections Manager recommends a memorial of some kind.
- Stickball game in Diligwa filmed by OsiyoTV.
- In sad news, Hawkeye, the horse that descended from Old Tassel's herd, expired Monday, August 10, 2015, from old age. Sadie, also a descendent, survives him.
- Interviews for the internal pool of applicants for the Skilled Laborer positions have concluded.
- Genealogy Assistant Benjamin Chasenah left his position to pursue his education full time and his position will be opened soon.
- Candessa Tehee was invited to present on the CHC as part of American Indian Resources for Teachers at the EngageOK event sponsored by the Oklahoma State Department of Education on July 9, 2015.
- Artist's Meeting was held on July 10, 2015 in the CHC Chapel and attended by 12 artists.
- Candessa Tehee continues to participate as a member of the Cherokee Art Market Advisory Committee.

Items of Concern

- Fundraising
- Planning for construction of Archives and Collection building – Dry fire suppression system exceeds construction budget by \$225,000 (approx.)
- Seven Star Gala sponsorships are much needed.

Upcoming Dates

August 17, 2015

Cherokee Humanities Course
First Session at NSU

August 28, 2015
6:00 PM

Cherokee Homecoming Art Show and Sale Opening
Reception – CHC Echota House

CHC 07/2015 Report

September 6, 2015
12:00PM

First Families of the Cherokee Nation Reunion Potluck
Owens Schoolhouse

September 12, 2015

Pottery Sculpture
CHC Chapel
For more information contact Tonia Weavel

September 26, 2015

Seven Star Gala
Hard Rock Hotel and Casino
Catoosa, OK

	Events and Offsite Services # of Attendees			
	Off site	Onsite	Visitors To Museum & Diligwa	Volunteer Hours
January	1045	12	493	357
February	495	8	928	276
March	786	979	3,790	784
April	2857	190	2872	247.5
May	2376	256	4817	162.5
June	1952	47	5727	125
July	1510	35	5545	79
August				
September				
October				
November				
December				
	11021	1527	24172	2031
		Total Number of Onsite Visitors		25,699

Visitors from: **48 Countries**
49 States