



CHEROKEE NATION™
Businesses

Executive and Finance Report
Consolidated Financial Information
July 2016

Cherokee Nation Businesses

Executive and Finance Report

July 2016

Budget Highlights

- July 2016 CNB consolidated net income of \$12.3 million was \$2.2 million favorable to budget and \$3.9 million higher than prior year. Consolidated revenue was \$89.2 million, which was \$6.0 million favorable to budget and exceeded the previous year by \$7.3 million.
- CNE EBITDA of \$19.6 million was favorable to budget by \$2.8 million. The favorable variance was mainly associated with higher gaming revenue and lower employee costs. Total revenue for July 2016 was \$2.0 million over budget and \$2.5 million higher than last year.
- Consulting Sector EBITDA of \$1.2 million was \$427,000 favorable to budget. The favorable variance was due to higher than expected gross margins on two of CNTS's projects. Total revenue of \$8.0 million was \$891,000 below budget.
- Health Sciences Sector EBITDA of \$577,000 was \$305,000 favorable to budget. The favorable variance was due to two CNHS projects and one CNA project. Total revenue of \$4.8 million was \$1.2 million over budget and \$2.6 million higher than prior year.
- Logistics & Distribution Sector EBITDA was \$209,000 favorable to budget primarily due to increased deliveries on the Telecom SE project and lower operating expenses. Total revenue was \$5.6 million over budget and \$5.2 million higher than prior year.
- CNB Parent, Engineering & Manufacturing and Technology Sectors EBITDA were \$748,000, \$467,000 and \$118,000 unfavorable to budget. The CNB Parent unfavorable variance was primarily due to higher than expected employee costs and other general and administrative costs. The Engineering & Manufacturing and Technology Sectors unfavorable variances were due to lower revenue.
- Combined, EBITDA at all other entities were \$81,000 below budget.

Capital Expenditures

July YTD capital expenditures were \$68.3 million for all entities.

- CNE: \$49.2 million
 - Expansion: \$38.6 million – Roland property improvements, Catoosa Hotel Lobby, Front Desk, Spa, Pool Renovation, Cherokee Springs Business Park, WRD renovation, Grove Casino, Tahlequah OP1 Rebuild, Tahlequah Casino
 - Strategic: \$6.1 million – IGT Advantage NexGen Kits, Surveillance Infrastructure Upgrade, Cisco switches, Cherokee Tower Renovation, Cenium Property Management System, WSS Pylon Sign, Drop/Count Intelligent Cash Box, Egame Equipment Purchases, WRD Waste Water System, Surveillance Nexsan Upgrade, Catoosa Video Distribution Upgrade
 - Maintenance - \$4.6 million – Casino 2 Improvements, Fleet Vehicles, Passenger Shuttle, IT Equipment, Poker and Table Games equipment, Signage, Buffet repairs, Art Procurement, Fork Lift, Fairway Mowers, Chemical spray unit, Document shredder, Guest room phones, Transformer
- CPM: \$9.7 million – Health clinic construction, Housing & 4th Street Property
- CNCR: \$4.6 million – New Home Construction Program
- CNB: \$4.3 million – IT Maintenance & Upgrades, Smithsonian Institution – 5 Year Capital Grant, CN Veteran's Memorial, Deltek ERP System, PeopleSoft HCM Bundle, Cherokee National Treasures Book

Financing

- CNB had no outstanding borrowings as of July 31, 2016.

Cherokee Nation Entertainment

Executive and Finance Report

July 2016

Budget Highlights

CNE

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• Revenue	Month -	\$54,868	\$52,827	\$2,041	4%
• Operating Expenses	Month -	\$35,242	\$35,956	\$714	2%
• EBITDA	Month -	\$19,626	\$16,871	\$2,755	16%

Operating Highlights

- CNE EBITDA of \$19.6 million in July was \$2.8 million favorable to budget.
- Total revenue of \$54.9 million was \$2.0 million favorable to budget. This was the result of a favorable variance in gaming revenue at most CNE properties.
- Total operating expense of \$35.2 million was \$714,000 favorable to budget. The favorable variance was due to lower employee costs of \$710,000 resulting from lower than anticipated medical benefit expense of \$362,000. Additionally, lower cost of goods sold associated with the discontinuation of fuel sales at Outpost I offset the unfavorable variance in other general and administrative operating expenses.
- CNE is building a new 39,000 square foot casino in Grove, Oklahoma. The destination will feature 400 electronic games, restaurant, full-service bar, live music venue, dance floor and complimentary non-alcoholic drinks.
- 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."
- 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.
- 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 late 2016.

Capital Expenditure Highlights – Year to Date

- Expansion related costs for Roland, Cherokee Springs Business Park, OP1 Rebuild, Grove and Tahlequah, Catoosa Hotel Lobby, Front Desk, Spa and Pool Renovations, WRD Renovations – \$38.4 million
- IGT Advantage NexGen Kits - \$1.4 million
- Surveillance Nexsan Upgrade - \$645,000
- Surveillance Infrastructure Upgrade - \$990,000
- Casino 2 Renovations - \$274,000
- WSS Pylon Sign Upgrade - \$247,000

Diversified Businesses

Executive and Finance Report

July 2016

EBITDA Budget Highlights

Diversified Businesses EBITDA

<i>thousands (000's)</i>	<u>Period</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
• Engineering & Manufacturing	Month -	(\$684)	(\$217)	(\$467)	-215%
• Logistics & Distribution	Month -	\$284	\$75	\$209	278%
• Technology	Month -	\$329	\$447	(\$118)	-26%
• Consulting	Month -	\$1,210	\$783	\$427	55%
• Construction	Month -	\$142	\$187	(\$45)	-24%
• Health Sciences	Month -	\$577	\$273	\$305	112%
• Aerospace Products S.E.*	Month -	\$166	\$573	(\$407)	-71%
• CCRC*	Month -	\$177	\$137	\$40	29%

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

Operating Highlights

- Beginning in FY16, the former portfolios were re-organized into the following six sectors.
- Engineering & Manufacturing** Sector EBITDA loss was \$684,000 and \$467,000 unfavorable to budget. The gross profit margin of 12.3% was 7.9 percentage points lower than budget and 7.5 percentage points lower than prior year. Lower than budgeted gross margin was due to lower revenues on fixed labor costs and a change in product mix.
- Logistics & Distribution** Sector EBITDA of \$284,000 was \$209,000 favorable to budget. The favorable EBITDA variance was primarily due to increased deliveries on the Telecom SE Project and lower operating expenses. The gross profit margin of 4.2% was 1.7 percentage points lower than budget and consistent with the prior year due to a change in product mix.
- Technology** Sector EBITDA was \$329,000 compared to a budget of \$447,000, resulting in an unfavorable variance of \$118,000. The unfavorable EBITDA for the month of July was primarily attributable to less than expected activity on CNSD's IRS and CND's MCIOC projects.
- Consulting** Sector EBITDA was \$1.2 million compared to a budget of \$783,000, resulting in a favorable variance of \$427,000. The 15.1% EBITDA margin was favorable to a budgeted EBITDA margin of 8.8%. The EBITDA margin was favorable compared to budget primarily due to higher than expected gross margins realized on CNTS's GEITA and AFHSC projects.
- Construction** Sector EBITDA of \$142,000 was \$45,000 unfavorable to a budget of \$187,000. The unfavorable EBITDA variance was primarily due to a loss incurred on CNES's Federal Bureau of Prisons project.

Diversified Businesses (con't)

Executive and Finance Report

July 2016

- **Health Sciences** Sector EBITDA of \$577,000 was \$305,000 favorable compared to a budget of \$273,000. The favorable variance was due CNHS's Ft. Carson USAF, California ANG events and CNA's HA/DHA projects.
- **APSE** net income was \$166,000 in July 2016 resulting in an unfavorable variance to budget of \$407,000. Revenue was \$1.3 million unfavorable to budget due to delayed bids for budgeted kit orders, lower general sales and Boeing's Cecil Filed program implementation delay.
- **CCRC** net income of \$177,000 was \$40,000 favorable to budget. EBITDA and gross margins were higher than budget due to favorable profitability on three Picatinny projects.

COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT

Group: Financial Resources

Month/Year of Report: August 2016

Treasurer: Lacey Horn

Phone: 207-3902

E-mail: lacey-horn@cherokee.org

- I. Budget Highlights – through July
 - a.) Financial Resources – 82% spent
 - b.) Treasurer – 58% spent
 - c.) IIM – 84% spent
 - d.) Acquisition Management – 79% spent
 - e.) Records Management – 77% spent
 - f.) Support Services – 90% spent
 - g.) Grants Management - 68% spent
 - h.) Grant Development – 81%
 - i.) Fleet Management – 59%
 - j.) Employee Performance Incentive – 33% spent
- II. Program Highlights
 - a.) Balance Scorecard Measures
 - 1. Complete FY15 Audit – 100% Complete
 - 2. Obtain Unmodified Audit Opinion – 100% complete
 - 3. No Material Weaknesses on Single Audit – 100% complete
 - 4. Obtain GFOA Award for FY14 CAFR – 100% complete
 - 5. Reports completed & submitted by due dates – 100% complete for reports due 08/31/2016
 - b.) Accomplishments
 - 1. Staff attended FY 2017 Budget Hearings – August 22nd
 - 2. Staff attended BIA Contract Support Cost Workgroup Meeting - OKC
 - 3. Staff attended IHS Negotiation for Direct/Indirect Contract Support Cost - OKC
 - c.) Upcoming Events
 - 1. Year end processing begins soon

COUNCIL OF THE CHEROKEE NATION
EXECUTIVE & FINANCE COMMITTEE REPORT

Cherokee Nation Acquisition Management Year-To- Date Report Over \$5,000 Transactions October 1, 2015 through September 30, 2016		% of sub- total - TERO vendor submitted Bid
Award to TERO Vendor	\$ 23,525,516.12	96.97%
Award to non-TERO Vendor	\$ 735,582.52	3.03%
Sub-total bids with a TERO vendor participating	\$ 24,261,098.64	100.0%
Bid - no bids submitted by TERO Vendors	\$ 3,829,249.86	
October 1, 2015 through July 31, 2016		

Group: Career Services-Executive and Finance Month/Year of Report: August, 2016

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>HSE Completions</i> – includes individuals completing and receiving a High School Equivalency or High School Diploma from Talking Leaves Job Corps and Career Literacy.	21	183	175	104.6%
<i>Training Completions</i> – includes individuals receiving a nationally-recognized certification, credential, or degree while enrolled in one of 11 different vocational training programs.	35	544	550	98.9%
<i>Employment Completions</i> – includes individuals who completed a Work Experience or TERO OJT assignment.	25	220	500	44.0%
<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.	152	1,067	750	142.3%
<i>Retention</i> – includes individuals who were retained in their unsubsidized employment through assistance from a Career Services Program.	59	365	300	121.7%
<i>Career Skills Training</i> – includes individuals who completed the Life/Employment Skills Training.	0	161	400	40.3%
<i>WorkKey Credentialing</i> – includes individuals who received a bronze, silver, gold, or platinum WorkKeys credential.	0	61	250	24.4%
<i>Job Bank</i> – includes the number of new individuals entering the TERO Job Bank.	51	412	400	103.0%

<i>Indian Owned Businesses</i> – includes the number of businesses newly certified as an Indian Owned Business.	9	122	200	61.0%
<i>Job Fairs</i> – includes the number of Job Fairs held by Career Services.	3	11	25	44.0%
<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.	3	25	50	50.0%

b. Accomplishments

1. Career Services staff attended the 37th annual National Indian and Native American Employment and Training/477 Conference.
2. Career Services held the Summer Youth Career Day – A committee that was led by Ben Barnett oversaw the day. There were 241 students who took part in the day's activities.
3. Staff participated in four Job Fairs with local businesses. Over 300 job seekers were in attendance.
4. Sector Partnership Staff attended three of NORA's asset mapping sector strategies meetings.
5. The Tribal Economic Development Program (TED) recruited ten new businesses for OJT contracts.

Talking Leaves Job Corps Participant Success:

Cherokee Nation citizen Blakelee Lehnick, of Gore, recently started the advanced culinary arts program at Treasure Island Job Corps in San Francisco.

Lehnick worked in the food service industry for about four years before entering the culinary arts program at Talking Leaves Job Corps in Tahlequah, which he completed in July.

Lehnick hopes to be an executive chef someday.

"I am beyond grateful for the opportunities that have been given to me through the Job Corps program," Lehnick said. "Not only has Talking Leaves Job Corps given me the skills necessary to advance in culinary arts, but also the knowledge of how to live independently as well as the confidence to dream big. I cannot wait to complete this next chapter of my life at Treasure



Island Job Corps and be one step closer to a full time career in what I love doing.”

The advanced culinary arts program lasts about 14 months and includes completing courses in food and beverage, pantry chef, casual dining, baking, advanced pastry and fine dining.

To be accepted into the program, Lehnick had to have a GED or high school diploma, recommendations from instructors and staff, completed a basic culinary career technical training program and a good disciplinary record.

“We could not be prouder of Blakelee and his accomplishments,” said Talking Leaves Job Corps Center Director Jay Littlejohn. “This is a perfect example of how the Job Corps program is a stepping stone to launching careers for today’s young adults. Blakelee was a great student representative of Talking Leaves and will continue to be an exceptional advocate for Job Corps.”

Job Driven-National Emergency Grant Participant Success:



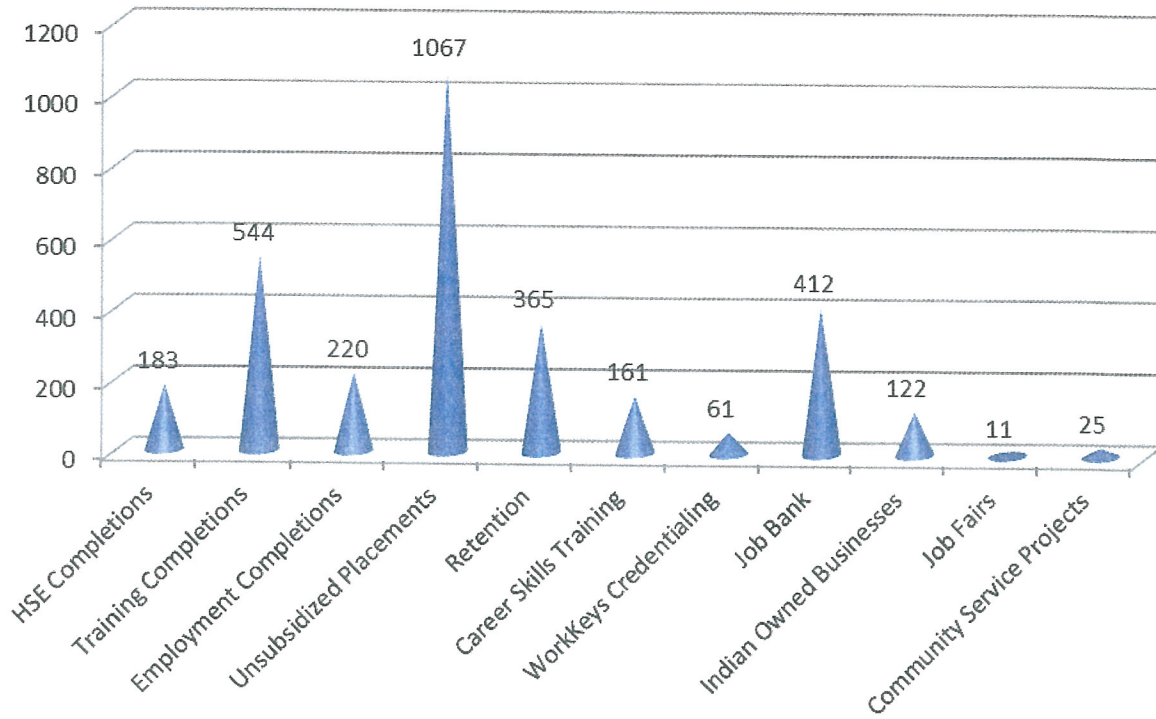
Joshua Crittenden was laid off from AXH Air-Coolers, LLC due to the economy and lack of work. Josh was making \$12.00 dollars an hour with no room for advancement and a very limited skill set. Because Joshua qualified for the Job Driven-National Emergency Grant program RAE Corporation took a chance and hired Joshua.

Joshua lacked the skills needed for the job position that was available but because this program was able to reimburse this business a partial amount of his wages they were able to offset the cost of training him. Joshua is still employed with RAE Corporation making \$15.75 an hour.

c. Initiatives

1. Staff development is scheduled in September to deal with Time Management and Stress Management, while incorporating Team Building activities in the training workshop by Leadership Vision LLC.
2. SP-NDWG staff will attend four scheduled sector strategies SWOT with NORA next month (SWOT analysis to identify and develop programs to address the needs of employers and businesses for future labor market planning).
3. Swann’s Job Fair is set for September 7th at ICTC from 8-5.

Year-To-Date July 2016



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

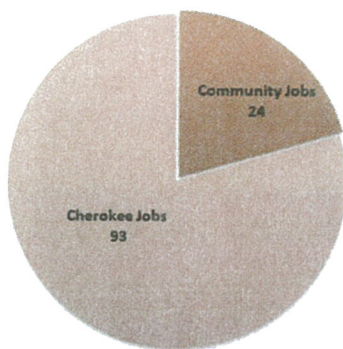
Economic Impact

**Invested \$9,113,084.47 in 205 Small Businesses
Since 2010**

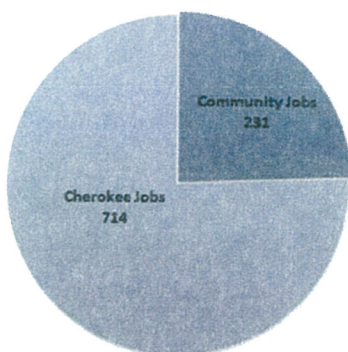
Community Jobs Impacted

*Private sector jobs created or retained by
small business lending*

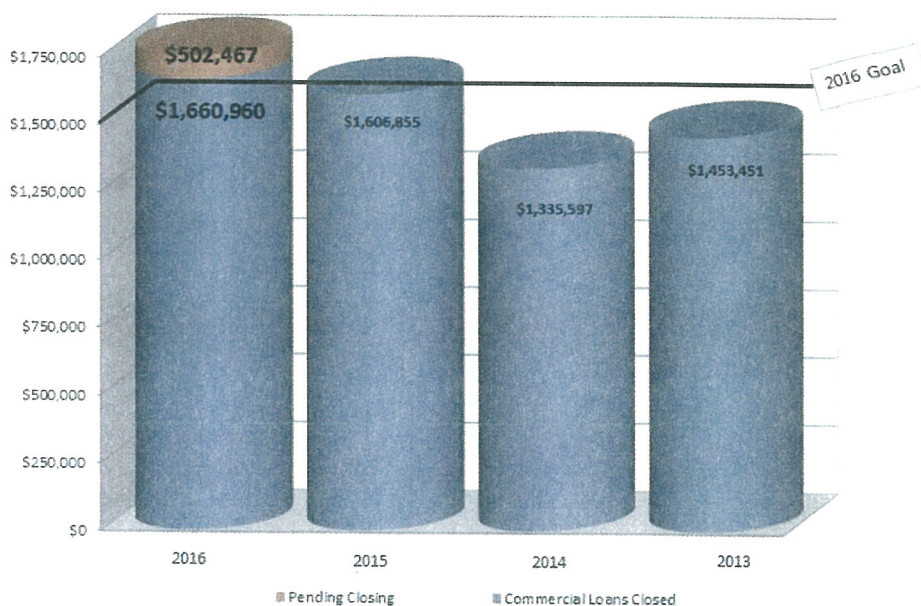
Jobs Created FY 2016



Jobs Created FY10-16



Dollars Invested in the Local Economy Through Small Business Lending



Lending Assets

Available Commercial Capital	\$1,048,353
Available Consumer Capital	\$1,253,963
Approved Grants Pending Receipt	\$462,159
Total Available Capital	\$2,764,475
Outstanding Commercial Loans	\$6,260,329
Outstanding Consumer Loans	\$1,426,429
Total Outstanding Loans	\$7,686,759

**Commencement Loan Impact
2010 - 2016**

Legend:

- 0-10
- 11-20
- 21-30
- 31-40
- 41-50
- 51-60
- 61-70
- 71-80
- 81-90
- 91-100

County Data:

County	Jobs	Loans
Washington	3	6
Nowata	1	1
Craig	1	1
Ottawa	3	1
Delaware	57	16
Tulsa	66	20
Rogers	58.5	13
Mayes	51	14
Wagoner	413	75
Cherokee	413	75
Adair	91	30
Muskogee	25	12
Sequoyah	70.5	19
McIntosh	6	1

Summary:

- Washington:** 3 Jobs, \$44,000.00, 2 Loans
- Nowata:** 1 Job, \$3,086.00, 1 Loan
- Craig:** 1 Job, \$1,557.00, 1 Loan
- Ottawa:** 3 Jobs, \$56,450.00, 1 Loan
- Delaware:** 57 Jobs, \$943,716.02, 16 Loans
- Tulsa:** 66 Jobs, \$1,166,607.33, 20 Loans
- Rogers:** 58.5 Jobs, \$851,035.90, 13 Loans
- Mayes:** 51 Jobs, \$304,318.28, 14 Loans
- Wagoner:** 413 Jobs, \$3,664,697.15, 75 Loans
- Cherokee:** 413 Jobs, \$3,664,697.15, 75 Loans
- Adair:** 91 Jobs, \$929,958.47, 30 Loans
- Muskogee:** 25 Jobs, \$356,603.00, 12 Loans
- Sequoyah:** 70.5 Jobs, \$873,703.19, 19 Loans
- McIntosh:** 6 Jobs, \$17,450.00, 1 Loan

Source: Report Number: 10-11-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740

Community	Loan Purpose	Project Costs	Owner Equity	Jobs
Westville	Purchase land and equipment Agriculture	\$162,975	33%	2

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

Community	County	Business Type	Startup or Expansion
Tahlequah	Cherokee	Construction – Roofing	New Business Start-up
Watts	Adair	Retail – Service	New Business Start-up
Owasso	Tulsa	Restaurant – Service	New Business Start-up
Tahlequah	Cherokee	Restaurant – Service	New Business Start-up
Muskogee	Muskogee	Manufacturing	New Business Start-up
Oaks	Adair	Agriculture – Farms	Expansion
Tulsa	Tulsa	Auto Repair – Service	Consolidation
Muldrow	Sequoyah	Retail – Service	Expansion
Broken Arrow	Tulsa	Retail – Service	Expansion
Tahlequah	Cherokee	Transportation – Service	Consolidation
Hulbert	Cherokee	Agriculture – Farms	New Business Start-up
Claremore	Rogers	Retail – Service	New Business Start-up

The NORA Regional Summit is set for October 25, 2016. The theme this year is Leadership and the Summit will kick off NORA's new Regional Leadership Academy. The regional collaboration awards will be replaced with scholarship awards for current NSU and RSU students with the most innovative approaches for engaging the business community into public education. Please contact Anna Knight if you'd like to register for the summit. Regional attendance at this event averages 300.

The **Cherokee Nation Youth Entrepreneur Competition** was held in Tahlequah and in Claremore. 138 students presented 86 business plans. Of note this year was that most plans were for businesses students were already operating and were for handmade products and services. Congratulations to all our category winners! Prize money was sponsored by CN TERO.

2016 Youth Entrepreneur Winners

Standingwater's PC Arcade - David Standingwater and Jae Chastain	Pryor Public Schools/NTC	Grand Prize \$900
Lab Grade Salsa - Kalen Griffin	Roland High School	Grand Prize \$900
The Nu-Na - Cambria Bird	Sequoyah High School	First Place \$400
Zoe and Rylee's Helping Hands - Zoe Treat and Rylee Rosamond	Chouteau Middle School	First Place \$400
Sleepy Pawz - Winter Guinn	Bartlesville High School	First Place \$400
Up Takers - MacKenzie O'Kelley and McKenzie Gladney	Roland High School	Second Place \$300
J&K Goat Services and More - Kody Carlton and James Bane	Vian Middle School	Second Place \$300
Refinishing Girl - Bethannie Ragains	Pryor High School/NTC	Second Place \$300
Wake and Bake Cheesecake - Brooklynn Bruner	Sequoyah High School	Third Place \$200
Tennie Buddies - Katie Hallum and Sinihele Rhoades	Cherokee Immersion School	Third Place \$200
Elementa - Lucia Montiel	Bartlesville High School	Third Place \$200
Blue Daydream - Aspen Ford and Indy Hicks	Sequoyah High School	Fourth Place \$100
A&C Super Soda Pop Art - Autumn Standingwater and Cay-Lynn Williams	Cherokee Immersion School	Fourth Place \$100
Cute as a Button - Shaley Scallorn	Kansas High School/NTC	Fourth Place \$100
The Lounge - Starr Beaver and Peyton Soap	Stilwell High School	Fifth Place \$50
Cruz's Cane Poles - William Cruz Partain	Vian Middle School	Fifth Place \$50
Eternity Styles: Custom Hair Bows & Accessories - Megan McAlister	Kansas High School/NTC	Fifth Place \$50

Kawi Café Entrepreneur Program

Total Participants	48
Food Industry Careers	11
Business Start Up	4
Regular Employment	10
Recent Graduates, not yet tracked	9

Commerce Business Coach Brian Wagon makes **field visits to meet with clients and entrepreneurs**. He can travel to entrepreneurs and farmers; he can be reached at brian-wagon@cherokee.org or 918-506-9168. He also holds regular community field days, see schedule below:

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
Tulsa	Cherokee Nation Career Services 10837 E Marshall St., Ste. 101	3rd Thursday Each Month
Claremore	HACN 23205 S Hwy 66	4th Thursday Each Month

The Small Business Assistance Center partners with several groups in our region to provide entrepreneurial training opportunities, which leverages everyone's resources and targets a larger market. Year to date, **entrepreneurial development and business workshops have been attended by 6,573 people**, 100 percent of whom found the training useful to building the capacity of their businesses. SBAC will begin offering additional classes using the Growth Wheel model, which focuses on business specific segments to target strategic growth.

Business/Entrepreneur Workshops			
Date	Location	Time	Workshop
September 6	Pryor	6:00 pm	NTC, Designing Products Customers Want, Growth Wheel
September 7	Catoosa	9:00 am	NTC, A Culture of Appreciating Diversity
September 16	Muskogee	7:30 am	ICTC, Building a Winning Workforce!
September 20	OKC	11:00 am	BBB, Building Your Brand
October 4	Pryor	6:00 pm	NTC, Hire Your Next Employee With Profit, Growth Wheel
October 5	Catoosa	9:00 am	NTC, A Culture of Developing Talent
October 18	OKC	11:00 am	BBB, Adjusting in a 21 st Century Market
November 1	Pryor	6:00 pm	NTC, Getting New Clients Through Networking, Growth Wheel
November 2	Catoosa	9:00 am	NTC, A Culture of Healthy Communication
December 6	Pryor	6:00 pm	NTC, Convincing Lenders That Your Investment, Growth Wheel
December 7	Catoosa	9:00 am	NTC, A Culture of Productivity

Artists and Community Tourism – Economic Development

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

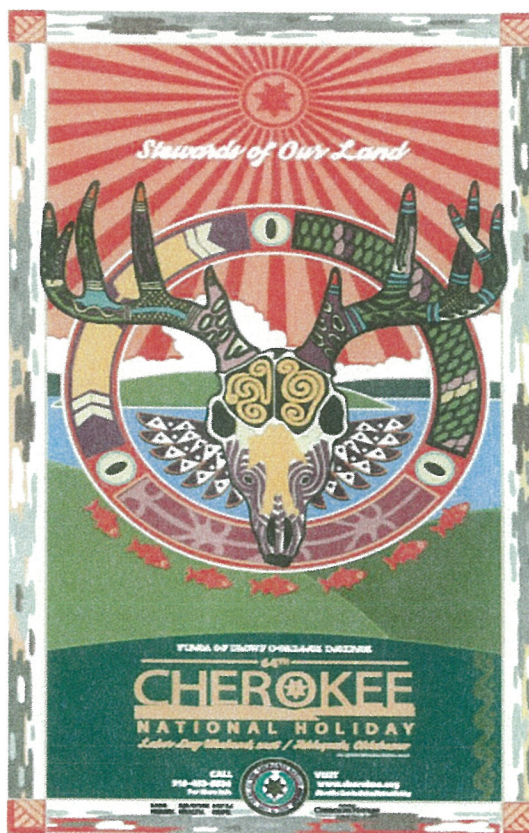
The Cherokee Arts Center provides teaching space and specialized equipment for artists to increase their revenues. Year to date, **1,326 people have attended 260 artist taught classes** and the equipment has been used 1,010 times by 869 artists.

Cherokee Arts Center		
Registration is necessary and all classes are fee based, paid directly to artists		
Date	Time	Class
Every Tuesday & Thursday	6:30 pm	Silversmithing Class
Every Wednesday	6:00 pm	Loom Weaving
Every Saturday	1:00 pm	Loom Weaving
Every Saturday	10:00-1:00 pm	Watercolor Workshop
Every Friday	7:00-9:00 pm	Life Drawing
Every Monday & Wednesday	6:30-8:30 pm	Shell Carving
August 4	11:00 am-2:00 pm	Twining/Finger Weaving Class
August 9	6:30 pm-9:00 pm	SEIAA Meeting
August 20	2:00 pm	Tahlequah Writers Group
August 20	4:00 pm	Oklahoma Playwrights
September	TBD	CNH Art Show - Armory

Year to date, **6,076 people** have taken advantage of the **Cherokee Arts Center** this includes **3,705 visitors to the Spider Gallery**.

The **Spider Gallery** currently represents **118 artists**. Year to date sales for the Spider Gallery are \$48,099.52. **Artists have earned \$117,453.88** through Cherokee Arts Center and Spider Gallery activities.

The **Cherokee National Holiday** was held Labor Day Weekend with record attendance. Over 1,500 individuals volunteered to make the event a success!



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

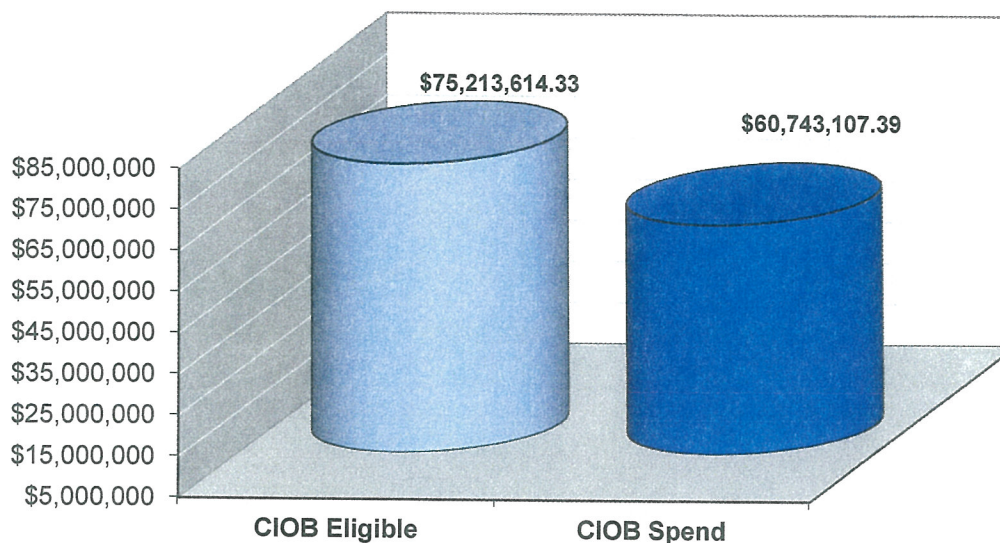
Month/Year of Report: September 2016 (Month Ending July – FY 2016)

Program Highlights

a. Balanced Scorecard Measures

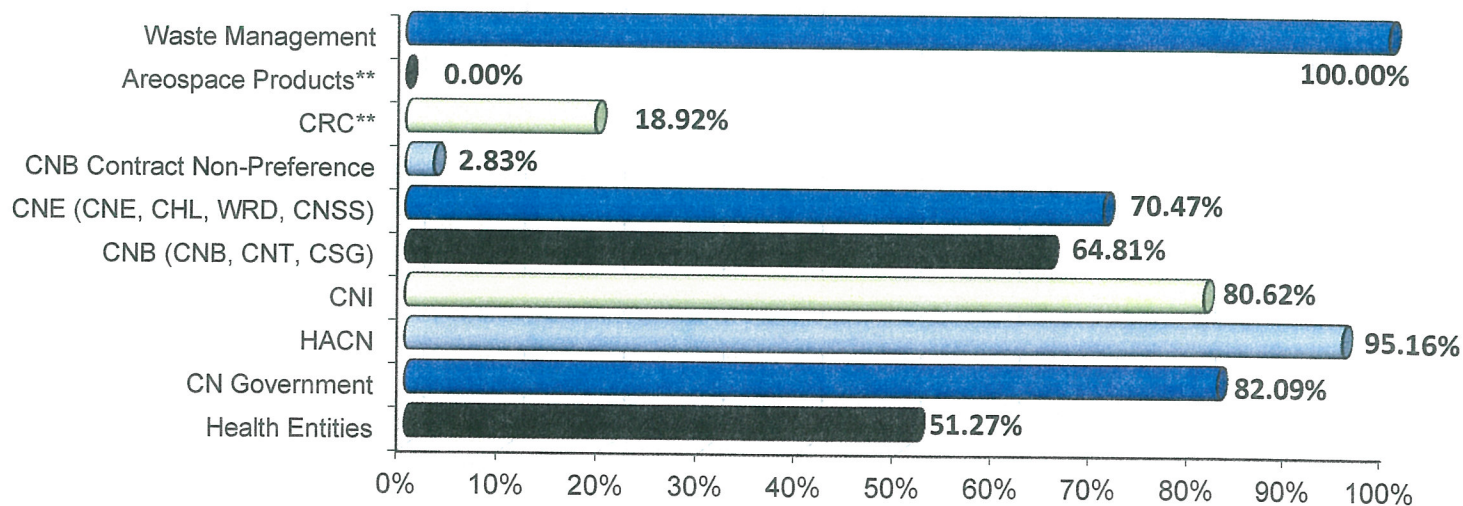
Objective	Metric	2016 Goal	Year to Date Achievement Notes/Comments
Effective Business Workshop Training	# Certified Indian-Owned Business Attendees and % indicating usefulness	300/100%	8 /100% 3,352 attending events – TERO Vendor Fair 350 and Entrepreneurship Days 165
Increase Certified Indian-Owned Business Procurement Awards	% Certified Indian-Owned Business Procurement Awards	80%	80.76% Business Entities eligible procurement \$'s awarded to Certified Indian Owned vendors <ul style="list-style-type: none"> • CNE – 73.73% • CN Government - 96.97 % • Health Entities – 100% • CNI – 50.01% • Waste Management - 0%
Increase Cherokee Citizens employed	% Cherokee Citizens (verified)	Entity CNE – CNB - HACN - CN – 82.9% Health - CNI – CRC – Aerospace -	Business Entities - 62.85% <ul style="list-style-type: none"> • CNE (CNE, CHL, WRD, CNSS) 70.47% • CNB (CNB, CNT, CSG) 64.81% (does not include service contract employees) • CNI 80.62% (does not include service contract employees) • Service Contract Employees (NP) 2.83% (CNB entities) • HACN 95.16% • CN Government 82.09% (does not include IPA/MOA) • Health Entities 51.27% • 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	122
Effective One on One Training for Certified Indian Owned-Businesses	# of businesses receiving assistance/% finding useful	200/95%	2 /100%
Certified Indian-Owned Business Receiving Financial Assistance	% Certified Indian-Owned Business Loans in Portfolio	85%	20.57% - based on \$'s loaned 15.15%- 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% - 1,656 sites monitored
Effective Monitor of Bid Openings	# and % Bid Openings Attended	100%	100% - 93 out of 93
Effective Resolution of Complaints – TERO and EEOC	% Complaints Resolved	100%	TERO: 1 complaints filed; 1 resolved, 1 pending EEOC: 3 complaints filed; 0 resolved, 3 pending

80.76% of CIOB Eligible Procurement Opportunities were awarded to CIOBs



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

62.85% of Employees are registered Cherokee Nation Citizens



**Companies majority, not wholly, owned