

## WAGANAKISING ODAWAK STATUTE 2007-002

### INVESTMENT STATUTE

#### SECTION I PURPOSE

It is the policy of the Little Traverse Bay Bands of Odawa Indians (LTBB) to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Tribe and comply with any applicable federal laws or regulations regarding federal program monies received and administered by the Tribe. This statute repeals and replaces WOS 2000-13, dated October 22, 2000.

#### SECTION II FUNDS TO WHICH THIS POLICY APPLIES

The policy applies to all financial assets of LTBB including, but not limited to, funds derived through federally funded contracts and programs, such as Public Law 93-638 contract monies and Native American Housing Assistance Self Determination Act grants, and funds derived from LTBB enterprises. These assets are accounted for in various bank accounts held in the name of LTBB.

#### SECTION III INVESTMENTS

A. GENERAL GUIDELINES. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Any fees incurred in making investments shall be paid with income from such investments.

B. INVESTMENT OF CONTRACT AND GRANT MONIES AND PROHIBITION OF CO-MINGLING. When making and administering investments under the authority of this Statute, funds received under a specific federal contract or grant, or from any other government or private funding source for specific purposes, must be individually invested and accounted for, and shall not be co-mingled with any other funds. Such funds must be invested in a manner that ensures their availability for expenditure as set out in the contract or grant documents or as determined by the Executive. Short term guaranteed preservation of principal is essential for such funds. The funds will be invested in a manner that maximizes return within the absolute safety and time constraints, such as in money market and certificates of deposit.

C. GENERAL FUNDS. General Funds, including those derived from the enterprises and any other federal fund revenue sources shall be invested in a diversified manner designed to meet both the short and long term financial needs of LTBB. The Executive shall review the annual budget approved by the Tribal Council to determine the time frames in which LTBB will need to

access such funds and prepare an appropriate portfolio to meet cash flow needs and provide for long-term growth.

D. INVESTMENT GUIDELINES. The Executive shall only invest LTBB funds in the following:

1. FDIC or FSLIC insured savings accounts, money market accounts and certificates of deposit with major depositories possessing capital and surplus of two billion or more, or one of the top 200 banks.
2. Commercial paper having a rating of A2/P1
3. Fixed income securities that are classified as investment grade by Standard & Poor's; (BBB or better) and by Moody's (BAA or better).
4. Publicly traded stocks, bonds and mutual funds that are properly registered with the Securities and Exchange Commission, and given the highest ratings by Moody's and Standard & Poor's.

E. PROHIBITED INVESTMENTS. The Executive shall not invest any Little Traverse Bay Bands of Odawa Indians funds in commodities, private placements, letter stock or real estate or engage in short sales or margin transactions.

#### SECTION IV REPORTING

The Executive shall meet with the Appropriations and Finance Committee annually or at such time as requested by the Appropriations and Finance Committee to review the prior year's investment performance.

#### SECTION V SEVERABILITY

If any section, subsection, paragraph, sentence, phrase or portion of this Statute is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

#### SECTION VI EFFECTIVE DATE

Effective upon the signature of the Executive, or 30 days from submission to the Executive Branch, or if the Executive vetoes the legislation, then upon Tribal Council override of the veto.

CERTIFICATION

As the Tribal Council Legislative Leader and Tribal Council Secretary, we certify that this Statute was duly passed by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on February 25, 2007 at which a quorum was present, by a vote of 9 in favor, 0 opposed, 0 abstentions, and 0 absent as recorded by this roll call:

	In Favor	Opposed	Abstained	Absent
Regina Gasco Bentley	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Fred Harrington, Jr.	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Dexter McNamara	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Mary Roberts	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Rita Shananaquet	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Alice Yellowbank	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Shirley Oldman	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Melvin L. Kiogima	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>
Beatrice A. Law	<u>X</u>	<u>          </u>	<u>          </u>	<u>          </u>

Date: \_\_\_\_\_

\_\_\_\_\_  
Beatrice A. Law, Legislative Leader

Date: \_\_\_\_\_

\_\_\_\_\_  
Melvin L. Kiogima, Secretary

Received by the Executive Office on \_\_\_\_\_ by \_\_\_\_\_

Pursuant to Article VII, Section D, Subsection 1 of the Little Traverse Bay Bands of Odawa Indians Constitution adopted on February 1, 2005 the Executive concurs in this action of the Tribal Council.

Date: \_\_\_\_\_

\_\_\_\_\_  
Frank Ettawageshik, Tribal Chairperson