

1 **WAGANAKISING ODAWAK STATUTE #**
2 **TRIBAL GOVERNMENT BUDGET FORMULATION and MODIFICATION**
3 **STATUTE**
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6 **SECTION I. PURPOSE AND SHORT TITLE**
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8 The purpose of this Statute is to mandate a process and deadlines for the Tribal
9 Government to follow in the formulation and implementation of the annual Tribal
10 governmental budget. It may be cited as the “Budget Act.” This Statute repeals and replaces
11 Waganakising Odawak Statute 2005-11, 2007-003 and 2007-004 and WOS 2008-004
12 Process for Appropriation of Supplemental Funding Statute.
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15 **SECTION II. DEFINITIONS**
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18 **A.** “Chief Financial Officer” or “CFO” is the Little Traverse Bay Bands of Odawa
19 Indians tribal government Chief Financial Officer.
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21 **B.** “Committee” means the Tribal Council standing Appropriation and Finance
22 Committee consisting of the Treasurer and two Councilors.
23

24 **C.** “Fringe Benefits” means the non-wage expenses for the benefit of employees that
25 includes, but is not limited to, Health, Dental and Vision Insurance, Disability Insurance,
26 Unemployment Benefits, Worker’s Compensation Insurance and Employer-Portion of FICA
27 Insurance.
28

29 **D.** “Fund” means a segregated, self-balancing account used to record revenues,
30 expenditures, assets, liabilities and other financial transactions for a specific purpose, activity
31 or objective.
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- 1 **E.** “Fund type” for the purposes of this statute means funds distinguished by the monies
2 or revenue source, i.e. Grant/Federal Contract Funds, Cost recovery, and General Fund.
3
- 4 **F.** “Governmental Branches” mean the Legislative, Executive and Judiciary branches of
5 government and for the purposes of this statute shall also include the Election Board and
6 Prosecutor; and sub-entities including tribally chartered corporations.
7
- 8 **G.** “Indirect Costs” means the expenses that are incurred in joint usage of internally
9 servicing a government program and are not directly assign or identify with a direct program
10 or function, such as Accounting, Human Resources, and Administration.
11
- 12 **H.** “Indirect Cost Rate” means the formula used by United States Department of the
13 Interior that pools all of the indirect costs on an annual basis through an allocable, approved
14 plan.
15
- 16 **I.** “Maintenance or Space Costs” means the costs of all the government office building
17 upkeep, allocated on a square foot basis. Costs include the wages and fringe of maintenance
18 staff, cleaning and maintenance supplies and equipment, repairs made for regular upkeep,
19 snow removal and lawn care, and utilities, including telephone and internet service.
20
- 21 **J.** “LTBB” or “Tribe” or “Tribal” means the Little Traverse Bay Bands of Odawa
22 Indians.
23
- 24 **K.** “Tribal-wide Budget Worksheet” means the worksheet that lists governmental
25 departments and individual programs, i.e. Emergency funds, Burial Assistance funds, that is
26 attached to the Resolution and it becomes the approved budget for that fiscal year
27
- 28 **L.** “Tribal Council” means the elected body created under Article VII of the Little
29 Traverse Bay Bands of Odawa Indians Tribal Constitution.
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- 31 **M.** “Treasurer” means the Little Traverse Bay Bands of Odawa Indians Treasurer as
32 provided for in the Constitution.

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SECTION III. FISCAL YEAR

The fiscal year shall be from January 1 to December 31.

SECTION IV. APPROPRIATION AND FINANCE COMMITTEE

- A. In accordance with the Tribal Treasurer Responsibility Statute, the Committee has the authority to request documents and information and shall report to the full Tribal Council through the Treasurer’s report.
- B. Tribal Council shall request a recommendation by the Committee prior to approving any action required by this Statute.

SECTION V. ANNUAL BUDGET CALENDAR

- A. By January 21st of the year prior to the Annual Budget Fiscal year, a budget calendar will be approved by Tribal Council and posted on the Tribal website.
- B. The budget calendar shall include the dates for the following:
 - 1. The Annual Meeting
 - 2. Accounting Department distribution for Budget Procedures
 - 3. Report of the General Fund Balance to Tribal Council
 - 4. Allocation Amounts of General Funds for Branches of Government
 - 5. Deadline for Cost Recovery budget submissions to Tribal Council
 - 6. Deadlines for General Fund Budget submission to Tribal Council
 - 7. Deadline for Grant/Federal Contract Funds that are reoccurring or anticipated submission to Tribal Council

- 1 **8.** Department / Branch Hearings
- 2 **9.** Proposed final budget available to Tribal Citizens
- 3 **10.** Public Hearing
- 4 **11.** Final Annual Budget approved by Tribal Council

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SECTION VI. ANNUAL MEETING

In accordance with the Tribal Constitution, the Executive Branch is responsible to call an annual meeting of the Tribal Membership each spring. The date of the annual meeting will be provided to Tribal Council and included in the Annual Budget Calendar.

SECTION VII. BUDGET PROCEDURES

Each year, by February 1st, the CFO shall distribute to Department Managers, Department Directors, and the Branch Managers or other appropriate authorized staff, the Budget Procedures that includes any updates that may impact the budget or budget process including, but not limited to the following:

- A.** Budget templates
- B.** Budget Planning Rates for:
 - 1.** Indirect Cost Rate
 - 2.** Fringe Benefit Rate
 - 3.** Space Costs
 - 4.** Cost of Living (COLA)

SECTION VIII. GENERAL FUND REVENUES ANNUAL BUDGET

1 **A.** General Fund Revenues are the unrestricted monies received by the Tribal
2 Government from enterprises and other sources. For Budget purposes the General Fund
3 includes current year anticipated revenue, any remaining unrestricted funds from prior years
4 known as the General Fund Balance and any funds that have been restricted as Supplemental
5 Funding, but are unspent.

6
7 **B.** Each year, by February 1st, the Office of the Treasury, with information and
8 assistance from the Accounting Department, shall report to Tribal Council the General Fund
9 Amounts that include approximate amount of the “General Fund Balance” and the
10 anticipated amount of revenue that may be utilized to formulate the budget.

11
12 **C.** Each year, by February 15th, Tribal Council shall approve the Governmental
13 Branches allocation amounts of general funds that each branch of government may utilize for
14 their base budget for the following Fiscal Year.

15
16 **D.** The allocated amounts of general funds will be based on anticipated revenues,
17 anticipated outlays, available funds and historical numbers for the last three (3) years of
18 actual spending by Governmental Branches.

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21 **SECTION IX. COST RECOVERY FUND ANNUAL BUDGET**

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23 **A.** Cost Recovery Revenues include Fringe Benefits, Maintenance, Indirect Costs and
24 other restricted revenues.

25
26 **B.** The budget shall be based on anticipated Cost Recovery Revenues in the year being
27 planned, current fund balance for the Cost Recovery Pool, anticipated outlays, and historical
28 numbers for the last three (3) years of actual spending by Governmental Branches.

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31 **SECTION X. GRANT/FEDERAL CONTRACT BUDGET**

1 **A.** Grant/Federal Contract Revenues are recurring or anticipated monies that are received
2 by the Tribe that includes but not limited to Indian Health Services, IHS; Bureau of Indian
3 Affairs, BIA 638; Native American Housing Assistance and Self Determination Act,
4 NAHASDA; and any other reasonably anticipated funds.

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6 **B.** Tribal Council shall approve the Grant/Federal Contract Revenues budget as part of
7 the Tribal-wide budget by the annual meeting.

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10 **SECTION XI. BUDGET SUBMISSIONS**

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12 **A.** All proposed Governmental Branches budgets whether utilizing General Fund
13 Revenues, Grant/Federal Contract Revenues shall be submitted to Legislative Office by
14 March 15th of each year. Such budgets shall be made available to the Chief Financial
15 Officer.

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17 **1.** If there is a deletion of any program or service, a justification as to why the
18 program or service is no longer needed or not sustainable shall be provided
19 with the proposed budget.

20
21 **2.** If there are any additions to program or service, a justification as to why the
22 program or service is necessary shall be provided with the proposed budget.

23
24 **B.** If Tribal Council makes any deletions or additions to Governmental Branch budgets,
25 Tribal Council shall notify the appropriate entity by March 31st.

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28 **SECTION XII. BUDGET HEARINGS**

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30 **A.** Budget Hearings may be held by Tribal Council, the Committee or both.

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32 **B.** All hearings shall be posted, held in open session and shall not require a quorum of

1 Tribal Council and/or Committee.

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3 **C.** Governmental Branch hearings are held to gather information from one or more
4 Department Managers, Department Directors, Branch Managers or other appropriate
5 authorized staff.

6

7 **D.** Any Department Managers, Department Directors, and the Branch Managers or other
8 appropriate authorized staff may request a time for a Governmental Branch hearing.

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10 **E.** All Governmental Branch hearings shall be held during the first week of April.

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12 **F.** A Public hearing for Tribal Citizenship input shall be held during the second week of
13 April. At the Public hearing, copies of the draft budget will be provided to the Tribal
14 Citizens.

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16 **SECTION XIII. APPROVAL PROCESS**

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18 1. Tribal Council shall approve the annual budget by the annual meeting.

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20 2. The annual budget shall be approved by Tribal Resolution and shall include an
21 attached detailed worksheet of the tribal-wide budget.

22

23 3. The Tribal Council approved budget shall be available for Tribal Citizens at the
24 Annual Meeting, in accordance with the Constitution.

25

26 4. The budget shall be deemed enacted if not expressly vetoed by the Tribal Chair
27 within thirty (30) days of submission.

28

29 5. If the Chair vetoes the budget, then he or she must submit an Executive proposed
30 signed Tribal Resolution and new proposed budget along with the veto to Tribal Council
31 within the thirty (30) day time period allowed for the veto.

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1 6. The Chair’s veto and proposed budget must be made available to Tribal Citizens and
2 posted to the Tribe’s website.

3
4 7. Tribal Council may enact a budget by either overriding the veto by an affirmative
5 vote of seven (7) Councilors or alternatively enact the Chair’s submitted signed Tribal
6 Resolution with the proposed budget by an affirmative majority vote of Tribal Council. In
7 enacting the Chair’s proposed budget, Tribal Council shall approve it as presented and shall
8 not make any changes, additions or deletions to the proposed budget.

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10 8. If the veto is not overridden within the time period as set forth in the Administrative
11 Procedures Act, nor has Tribal Council approved the Chair’s proposed budget, the last
12 enacted budget will take effect at the beginning of the fiscal year.

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15 **SECTION IX. ALLOCATION OF GENERAL FUND BALANCE**

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17 **A.** Upon approval of the budget, Tribal Council may allocate and restrict any anticipated
18 revenue, any remaining unrestricted funds from prior years known as the General Fund
19 Balance and any funds that have been restricted as Supplemental Funding, but are unspent
20 from the prior year.

21
22 **B.** The funds will be restricted by Resolution and will identify a specific classification of
23 how the funds may be used, i.e. Supplemental Funding, Economic Development, Investment,
24 sinking fund, or other specific use.

25
26 **C.** Funds shall only be used for the restricted use as stated in the enacted Resolution.

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29 **SECTION XIV. SUPPLEMENTAL FUNDING PROCESS**

1 **A.** Supplemental funding shall be appropriated by Resolution from the monies that have
2 been designated and restricted for Supplemental Funding.

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4 **B.** A request for supplemental funding shall include the following information:

5
6 **1.** The reason for the requested supplemental funding:

7 **a.** Emergency

8 **b.** Specific additional service or program

9 **c.** Deficiency budget;

10
11 **2.** A brief narrative;

12
13 **3.** The amount requested;

14
15 **4.** Required signatures;

16
17 **5.** From where the funding is being requested, i.e. “prior year funds”.

18
19 **C.** All requests must be received in accordance with Tribal Council and/or Committee
20 Policy. Such policies shall include dates and deadlines for submissions, posting requirements
21 and the approval process.

22
23 **D.** Special Tribal Council or Committee meetings may be called for emergency funding
24 requests.

25
26 **E.** Any monies not expended during the fiscal year shall revert to General Fund Balance
27 funds.

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30 **SECTION XV. BUDGET MODIFICATIONS**

31
32 **A.** No monies can be moved between two different revenue sources. Revenue sources

1 are General Funds, Cost Recovery, and Grant/Federal Contract Funds.

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3 **B.** Within a fiscal year, no more than 4% of the total amount of either budget can be
4 moved between two different departments or individual program not within a specific
5 department as listed on the approved Tribal-wide Budget Worksheet, without Tribal Council
6 approval. Such requests shall be posted for comment on the Tribal website for at least seven
7 (7) days prior to Tribal Council approval. Tribal Council shall act on the request within
8 thirty (30) days of receipt of the request.

9
10 **C.** Operating Budget Modifications are the transfer of monies between line-items within
11 an individual fund within the same fiscal year are allowable, within the following criteria:

12
13 **1.** Prior to approving any budget modification involving space costs, the CFO
14 shall ensure that all space costs are adequately funded.

15
16 **D.** All budget modifications must be reviewed by the CFO to ensure that no material
17 change in an existing service or program is altered either in nature or scope. If there is a
18 material change in an existing service or program by either a change in the nature or scope of
19 the service or program, then the budget modification shall be submitted to Tribal Council for
20 approval.

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23 **SECTION XVI. ADDITIONAL REVENUES**

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25 If actual revenues during a fiscal period fall short of projected revenues, Tribal Council shall
26 take necessary actions to ensure that funding for approved budgets is available by adding
27 additional sources of revenue to the budget or shall declare a budget emergency.

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30 **SECTION XVII. EMERGENCY BUDGETS/RECISSIONS**

1 **A.** At any time during the fiscal year the Treasury Office, based on a revenue analysis
2 and other factors, may recommend to Tribal Council to declare a budget emergency.

3
4 **B.** If Tribal Council declares a budget emergency, Tribal Council shall provide guidance
5 and criteria for amended budgets that must be submitted by the Governmental Branches
6 within the timeframe provided by Tribal Council. All amended budgets must be passed by
7 Tribal Resolution.

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9 **C.** Upon the declaration of a budget emergency by Tribal Council, Tribal Council shall
10 take necessary steps to notify Tribal Citizens of the impact of the budget emergency.

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13 **SECTION XVIII. SYSTEMATIC REDUCTIONS OF BUDGETS**

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15 Only through an approved Resolution may any systematic cuts to budgets occur.

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18 **SECTION XIX. CHECK SIGNERS**

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20 The Tribal Chair shall have the authority to designate check signers and file the appropriate
21 authorized forms to carry out this function.

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24 **SECTION XVIII. SAVINGS CLAUSE**

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26 In the event that any phrase, provision, part, paragraph, subsection or section of this statute is
27 found by a court of competent jurisdiction to violate the Constitution, laws or ordinances of
28 the Little Traverse Bay Bands of Odawa Indians, such phrase, provision, part, paragraph,
29 subsection or section shall be considered to stand alone and to be deleted from this statute,
30 the entirety of the balance of the statute to remain in full and binding force and effect.

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SECTION XIX. EFFECTIVE DATE

Effective upon signature of the Executive or 30 days from Tribal Council approval whichever comes first or if the Executive vetoes the legislation, then upon Tribal Council override of the veto.

SECTION XX. IMPLEMENTATION DATE

This Statute shall be implemented for budgets starting in Fiscal Year 2017.

SECTION XXI. OTHER RELATED STATUTES

See Waganakising Odawak Statute (WOS) 2014-001 Tribal Treasurer Responsibility, WOS 2011-013 Treasury Statute, and WOS 2011-009 Accounting Statute, or as may be amended.

CERTIFICATION