

BILL NUMBER NCA 19-152

TO BE INTRODUCED INTO THE MUSCOGEE (CREEK) NATIONAL COUNCIL

November 21, 2019
(DATE OF INTRODUCTION)

INTRODUCED BY: Office of the Principal Chief

SPONSOR(S): Adam Jones III

COMMITTEE ON: Business, Finance & Justice

CLASSIFICATION: 37-Tribal Government

1 **A LAW OF THE MUSCOGEE (CREEK) NATION APPROVING THE**
2 **COMPREHENSIVE ANNUAL BUDGET FOR FISCAL YEAR 2020 AND PROVIDING**
3 **FOR APPROPRIATIONS**

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5 **Be it enacted by the National Council of the Muscogee (Creek) Nation:**

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7 **SECTION ONE. NEW LAW. The following new Law is hereby enacted:**

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9 **Section 1-101. Findings. The National Council finds that:**

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11 A. Article V Section 3 of The Constitution of the Muscogee (Creek) Nation
12 states: "The Principal Chief shall prepare the annual budget requests and supplements
13 thereto. Budget requests, other appropriations, and amendments thereto shall be
14 considered by the National Council with the same limitations and rules as any other bill.
15 The Principal Chief shall administer appropriated funds with the advice and consent of
16 the National Council."

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18 B. The National Council has conducted budget hearings for Fiscal Year 2020
19 Comprehensive Annual Budget and has approved all the Executive, Legislative and
20 Judicial budgets.

21
22 **SECTION TWO. PURPOSE. The purpose of this Law is to approve the Muscogee**
23 **(Creek) Nation Comprehensive Annual Budget for the remainder of Fiscal Year 2020**
24 **and to appropriate funds accordingly.**

25
26 **SECTION THREE. FUNDING. Funding provided by this Law shall be in agreement**
27 **with funding sources identified by the Office of the Controller, as identified in the FY**
28 **2020 proposed budget. Funding levels shall be as provided in the following sections.**

29
30 **Section 3-101. Special Revenue Funds. Special Revenue Funds are funds provided**
31 **by external federal agencies, and are based on negotiated proposals and funding levels**

1 which can be changed only by the approval of the funding agency or agencies. The
2 actual appropriation will be based on the final federal, state or agency approved
3 contract, grant, or funding agreement. Amendments, modifications and supplements to
4 budgets from Special Revenue funds will be prepared by the appropriate management
5 staff and submitted to the Office of the Treasury for approval by the Controller and
6 implementation by the Budget office.

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<u>ESTIMATED SPECIAL REVENUES</u>	<u>AMOUNT</u>
Self Governance	5,562,920
BIA Grants & Contracts	13,917,469
HHS/DOE Grants & Contracts	88,841,662
DOI/DOJ Grants & Contracts	2,085,928
USDA/State Grants & Contracts	3,695,198
HUD/NAHASDA Grants & Contracts	17,933,636
Total Special Revenues	132,036,813

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20 When amendments and/or supplements require additional matching funds, a legislative
21 request for the required supplemental matching funds will be prepared by the
22 appropriate management staff and submitted through the Office of the Principal Chief to
23 the National Council for approval.

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25 Multiple year funds agreements are hereby appropriated for the full term of the
26 grant/contract period as specified within the terms of the awarding document and will be
27 expended within approved budget limitations.

28
29 If after the enactment of this Law, the Nation, or agency of the Nation, is the recipient of
30 any new federal, state or agency contract, grant, or funding agreement, such awards
31 shall be submitted to the National Council for appropriation.

32
33 **Section 3-102. Tribal Funds.** Certain Tribal Funds and Expendable Trust Funds are
34 estimated based on annualized year-to-date revenues and any known carry forward
35 from prior years. Operating Funds, such as Enterprise and Internal Service funds are
36 based on estimated levels of expenditure and the revenue level necessary to cover
37 such expenditures. Enterprise and Internal Service funds are "flexible".
38

<u>ESTIMATED TRIBAL FUNDS</u>	<u>AMOUNT</u>
Expendable Trust Funds	245,000
Debt Retirement Fund	23,409,205
Capital Improvement	4,808,257
Land Acq/Econ. Development	4,131,230
Motor Fuel Tax	3,895,784
Administrative Cost Pool	15,235,777
Motor Vehicle Registration	3,465,663
Taxes & Licenses	8,098,083
Gaming Revenues	77,698,371
Health Services	6,811,285
Operating Funds	<u>92,112,055</u>
Total Tribal Funds	239,910,710

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2 Expendable Trust funds and Proprietary funds will be fixed while operating type fund
3 budgets may increase or decrease subject to revenue collected. All Operating Fund
4 budgets will be established at 100% of the total estimated expenses for the fiscal year;
5 however, expenses are limited by the availability of funds. Increases in budgets which
6 are funded either by Tribal funds or Expendable Trust Funds must be appropriated by
7 the National Council. Any unobligated Tribal funds at September 30, 2020 will be
8 returned to the funding source for appropriations in future year budgets.

9
10 **Section 3-103. Total Funds Appropriated.** Total funds appropriated by this act are
11 inclusive of all requests of funding for FY 2020, in the amount of:

Federal Funds	132,036,813
Tribal Funds	<u>218,794,581</u>
Total Funds Appropriated	350,831,394

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1 **SECTION FOUR. EXPENDITURE APPROPRIATIONS.** The following appropriations
2 of the Muscogee (Creek) Nation are hereby approved to be expended in accordance
3 with the Comprehensive Annual Budget for Fiscal Year 2020, and any applicable
4 funding agreement rules and regulations.
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<u>DEPARTMENT</u>	<u>AMOUNT</u>
Executive Branch	11,769,665
Office of the Treasury	3,893,816
Office of the Administration	10,669,445
Education, Employment & Training	26,354,897
Community and Human Services	39,013,301
Interior Affairs	25,063,084
Department of Justice	5,307,238
Legislative Branch	2,372,622
Judicial Branch	1,974,618
Special Appropriations	16,884,220
Independent Agencies	23,506,773
Department of Health	165,755,626
Department of Housing	<u>18,266,089</u>
Total Expenditure Appropriations	350,831,394

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7 **Section 4-101. Budget Modification Authorization and Limitations.** Total
8 Appropriations in this Law may not be modified or changed except as approved by the
9 National Council or within the following limitations:
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11 **A. Fixed Budgets.** Special Revenue Fund budgets, Tribal Fund Budgets,
12 and Expendable Trust Fund budgets appropriated under this ordinance for programs
13 established by law, will be fixed with respect to dollar amounts appropriated and
14 authorized for expenditure by this legislation.
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1 **1. Minor Modifications.** Minor modifications for Fixed Budget type
2 funds are defined as line item adjustments which do not exceed a
3 cumulative annual total of 10% of the total approved budget per
4 fund within a given program, and do not increase the approved
5 amount of the approved program budget. Minor modifications for
6 tribally funded fixed budgets will be prepared by the appropriate
7 Management Staff and submitted to the Office of the Treasury for
8 approval by the Controller and implementation by the Budget
9 Office.

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11 **2. Major Modifications.** Major modifications for the Fixed Budget
12 type are defined as line item adjustments where such cumulative
13 adjustments exceed 10% of the total approved program budget per
14 fund, or increases in the amount of the total approved program
15 budget per fund. Major modifications shall require approval of the
16 appropriate funding agency, and will further require that the
17 adjusted budget be prepared by the appropriate Management Staff
18 and submitted through the Office of the Principal Chief to the
19 National Council for approval.

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21 **B. Flexible Budgets.** Program Income budgets and Internal Service Fund
22 budgets are based on estimates only and will be flexible with respect to availability of
23 funds and modified as required for the generation of income. Such modifications shall
24 be restricted to ensure that no deficit is incurred as a result of expenditures exceeding
25 any such generated revenues.

26
27 **C. Proprietary Budget.** Proprietary budgets contained within this legislation
28 are of enterprise/economic resources and shall be modified based upon the needs
29 and/or demands of the respective enterprise/economic entity, and by Resolution of the
30 appropriate board or governing body.

31
32 **Section 4-102. Limitations.** Budget modifications do not authorize movement of
33 resources from one program to another.

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35 **SECTION FIVE. BUDGETING EXECUTION AND MANAGEMENT.** The Controller is
36 authorized and required to classify and maintain fund accounts in accordance with
37 Generally Accepted Accounting Principles. The Controller will prescribe the manner of
38 issuance of payment against each class of funds to accomplish the purpose for which
39 each such fund was created, and to establish a procedure to expedite payment for a
40 proper invoice for goods and services. For the purpose of this Law, a "proper invoice"
41 means one which is original and complete in all requirements for processing for
42 payment in accordance with the purchasing policies and procedures of the tribe, and is
43 supported by an approved budget and appropriations.

1 The Controller, or his/her delegate, will settle all legal claims and obligations payable by
2 this Tribe; supervise the collection and recovery of all funds and debts due to the
3 Tribe, including recovery of funds resulting from mismanagement or misappropriation;
4 keep the central budget and proprietary accounts of all Tribal agencies; prepare and
5 issue financial and accounting reports, at least quarterly; and prescribe all forms,
6 systems, and procedures for administering accounting functions in conformance with
7 Generally Accepted Accounting Principles (GAAP).

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9 **Section 5-101. Cost Principles.** All federal, state, and tribal funds will apply cost
10 principles in accordance with 2 CFR 225 (Office of Management and Budget Circular A-
11 87) Cost Principles for State, Local, and Indian Tribal Governments in determining
12 allowable costs. However, The Office of the Principal Chief, The Office of the Second
13 Chief, Public Relations Department, Tourism and Recreation, The National Council, and
14 the Judicial Branch may designate "Nonparticipating costs", by inclusion in their
15 respective Tribally Funded program budgets only, which do not conform to the cost
16 principles of OMB A-87. Such non-participating costs shall include donations,
17 contributions, advertising, public relations and costs associated with hosting officials
18 and dignitaries of other recognized governments of federal, state or tribal nature.
19 "Nonparticipating costs" are not allowable costs of federally funded or indirect cost
20 programs.

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22 Proprietary type funds may charge advertising, depreciation, and other costs related to
23 proprietary type activities.

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25 **Section 5-102. Audit.** All budgets authorized under this Law will be audited in
26 accordance with OMB Circular A-133 (Audits of States, Local Governments, and Non-
27 Profit Organizations) and Tribal Audit Law.