

Sitka Tribal Code
04.01 Budget Ordinance

04.01.01 Purpose and Scope

This ordinance provides definitive rules and procedures to govern the budgeting process for Sitka Tribe of Alaska. This Ordinance applies to all questions of budgeting rules, procedures, and spending. Together with the Constitution, this Ordinance is the final authority on all such questions.

04.01.02 Authority

This ordinance is adopted pursuant to Article VII, Section 1, of the Sitka Tribal Constitution, which provides that the Tribal Council has the power to administer any funds within the control of the Tribe.

04.01.03 Definitions

For purposes of this Ordinance, the terms listed below shall have the following meanings:

- (a) Auditor - the Certified Public Accountant responsible for providing audit services to the Sitka Tribe of Alaska. Audit services must be in conformance with Generally Accepted Auditing Standards (GAAS) and all authoritative pronouncements, statements, and standards including, but not limited to The Single Audit Act and OMB Revised Circular A-133. The Auditor is a non-voting, non-member of the Finance Committee.
- (b) Department Director - the tribal employee who is responsible for all matters pertaining to a specific department and all employees within that department.
- (c) Finance Director: - the Department Director of the Finance Department who meets the qualifications required to manage the finances of the Tribe and has the responsibility and authority described in this ordinance, or if the Finance Director is absent or unavailable, his or her designee.
- (d) Fiscal year - the time period from January 1 through December 31 of each year.
- (e) General Manager - the individual selected by the Tribal Council to serve in that capacity, or if the General Manager is absent, the individual whom the General Manager has designated as acting General Manager.
- (f) Self-Governance Coordinator - the Tribal employee who negotiates the annual funding agreement with the federal government on behalf of the Tribe.
- (g) Tribal Attorney - the lawyer selected by Tribal Council to serve in that capacity.

04.01.04 Finance Director

(a) Duty to Employ

The General Manager shall employ a Finance Director that meets the professional qualifications and carries out the responsibilities required to oversee the finances of the Tribe.

(b) Internal Controls - Purchase Orders

(1) Authority to Issue Purchase Orders

The Finance Director and the General Manager have authority to issue purchase orders.

(2) Authority to Deny Expenditures

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(A) The Finance Director has broad power to deny any expenditure if the Finance Director determines that there are inadequate amounts remaining in the budget for that expenditure.

(B) A denial on these grounds by the Finance Director regarding an expenditure request by a Department Director or Tribal Council member may only be reversed with written authorization of the General Manager. The written authorization by the General Manager shall include detailed information as to where the additional funding will come from.

(C) A denial on these grounds by the Finance Director regarding an expenditure request by the General Manager may only be reversed by written authorization of the Chairperson of the Tribal Council. The written authorization by the Chairperson of the Tribal Council shall include detailed information as to where the additional funding will come from.

(c) Duty to develop and implement written procurement procedures

The Finance Director is responsible to develop and implement written procurement procedures which comply with applicable laws, regulations, and other rules regarding the purchasing of supplies, expendable property, real property and other services.

(d) Duty to develop Fiscal Timeline

Each year, the Finance Director shall develop a fiscal timeline which details the required actions of this ordinance and that can be utilized to track important dates.

04.01.05 Annual Audit Requirements

(a) Responsibility for Preparing and Submitting Annual Audits

- (1) It shall be the responsibility of the Finance Director to oversee the annual audit preparation no later than the dates provided below in section 3.02.
- (2) It shall be the responsibility of the Auditor to complete the necessary reports and paperwork for a Single Audit for the fiscal year in a timely manner that meets the requirements of federal law.
- (3) It shall be the responsibility of the Finance Director to ensure that the Tribe submits an annual audit to the Federal Clearinghouse, Office of Inspector General and Secretary of Interior no later than the date specified by the Office of Self-Governance.

(b) Annual Audit Deadlines

For each year's annual audit, the Finance Director shall complete and deliver the necessary financial information to the Auditor no later than May 1 of the subsequent year. The Auditor shall submit the annual audit by September 15 to the Federal Clearinghouse so the audit is received no later than September 30 of that year (within 9 months after the end of the period to be audited).

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04.01.06 Quarterly Review of Budget

(a) Requirement to Meet Quarterly

Members of the Finance Committee and the Tribal Attorney shall meet three times each year in order to review the budget, and if necessary make recommendations for amendments to the budget for Tribal Council approval. Members of the Finance Committee and the Tribal Attorney shall also meet once during the first quarter of the subsequent year to review the previous year's budget, but no recommendations for amendments to the budget are to be made at that meeting. A quorum of the Finance Committee must be present at these meetings.

(b) Meeting Dates

The meetings held each year to review the budget and make recommendations for amendments to the Tribal Council shall be held no later than 45 days following the close of the quarter.

(c) Tribal Council Approval of Amendments to Budget

The Tribal Council shall consider and vote on whether to approve the recommendations of the Finance Committee for amendments to the budget at the next regularly scheduled Tribal Council meeting following the quarterly review.

04.01.07 Tribal Council Retreats

(a) Requirement to Meet

The Tribal Council, General Manager, Finance Director, Self-Governance Coordinator and Tribal Attorney shall be required to have and attend two retreats per year in order to discuss priorities for Self-Governance Compact negotiations and to set priorities. These retreats shall take place in June and the first half of December of each year.

(b) December Retreat

During the December Retreat, the Tribal Council will complete the following:

- (1) End of the year review of Department one-year implementation plans and a presentation of proposed implementation plans for the next year.
- (2) End of the year review of Tribal Council one-year implementation plan and development of an implementation plan for the next year.
- (3) Orientation for new Tribal Council members that includes at a minimum a review of STA Codes and Ordinances, policies and procedures, departmental structure, financial structure, an overview of the STA budget, and an overview of the STA Tribal Council long-term strategic plan.
- (4) Fiscal timeline that lists the dates for complying with the requirements of this ordinance and other important fiscal matters for the subsequent fiscal year, including but not limited to dates required to submit the annual audit, financial matters involving Sitka Tribal Enterprises, and grants.

(c) June Retreat

During the June retreat, the Tribal Council will complete the following:

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- (1) Mid-year review of the Tribal Council's one-year implementation plan.
- (2) Mid-year review of Department one-year implementation plans.
- (3) Review of the most current STA Needs Assessment and discussion of Department and program funding priorities for the next year.
- (4) Review a written report submitted by the Tribal Attorney and Self-Governance Coordinator that lists any changes in federal compacting requirements or allowable expenses for the next year, and any federal budget cuts or constraints that may effect compact funding for the next year.

(d) Tribal Council Long-Term Strategic Plan

Beginning in 2004, the Tribal Council will meet every five (5) years to revise the long-term strategic plan for STA. This meeting will be held in September and is in addition to the regular June and December retreats outlined above. This is the only meeting where the Tribal Council may revise the long-term strategic plan for STA.

04.01.08 Authorization to Sign Self-Governance Compact

No later than the regularly scheduled Tribal Council meeting for July, the Tribal Council shall adopt a resolution authorizing the Tribal Chairman to sign the Self-Governance Compact for the subsequent fiscal year.

04.01.09 Self-Governance Negotiations

The Self-Governance Coordinator shall ensure that Self-Governance negotiations for the subsequent year's budget are finalized in the Annual Funding Agreement and Spreadsheet according to deadlines provided by the Office of Self-Governance.

04.01.10 Budget Development and Approval

(a) Compact Budgets

(1) Budget Proposals

By August 15 of each year, Department Directors shall submit a proposed budget for their compact Department(s) to the General Manager for the subsequent year. The budget submitted shall be for 95% of the current year's budget unless the General Manager directs the Department Directors otherwise.

If a Department Director has overspent its compact budget from the previous year, the provisions contained in paragraph one of this subsection will not apply to that Department and the General Manager will direct the appropriate department director to formulate a budget accordingly.

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(2) Budget Development

The Finance Director, in collaboration with the General Manager, shall have the primary responsibility for developing a draft compact budget for Tribal Council consideration at the September Tribal Council meeting.

(3) Budget Approval

Prior to approval of the annual compact budget, the Finance Director and Self-Governance Coordinator shall submit to the Tribal Council a written statement confirming that the amount of revenue in the proposed budget has been accurately calculated and that the proposed budget matches the Tribe's allocation for the subsequent year from the Office of Self-Governance to the best of their knowledge.

By majority vote, the Tribal Council shall adopt the budget for the subsequent fiscal year by the third Wednesday in September, or later if negotiations with the Bureau of Indian Affairs have not been completed.

(b) Grant Budgets

(1) Budget Proposals

By October 15 of each year, Department Directors shall submit a proposed budget for all grants that will be active during the subsequent fiscal year within their Department to the General Manager for the subsequent fiscal year.

(2) Budget Approval

The Finance Director and the General Manager shall review and approve all grant budgets for the subsequent fiscal year by November 15.

(3) Budget Review by Finance Committee

The Finance Committee shall review all grant budgets for the subsequent fiscal year by December 1.

04.01.11 Indirect Cost Proposal Development

(a) Responsibility to Develop Indirect Cost Proposal

Each year, the Finance Director shall develop an indirect cost proposal for the subsequent fiscal year after the Tribal Council has approved the subsequent year's compact budget and the Finance Committee has reviewed the subsequent year's grant budgets. The proposal shall be reviewed and signed by the General Manager.

(b) Finance Committee Review of Indirect Cost Rate

The Finance Committee shall be notified of the current indirect rate once negotiated and approved by the National Business Center or cognizant agency.

(c) Deadline to submit Indirect Cost Proposal

The Finance Director and General Manager shall ensure that the indirect cost proposal is submitted to the United States Department of Interior, National Business Center, or other cognizant agency as soon as possible but no later than December 31.

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04.01.12 Expenditures and Contracting

The Finance Committee will review any expenditure of tribal funds, contract, and/or commitment of tribal resources, valued at \$10,000.00 or more and make a recommendation of action to the Tribal Council.

- a) All contracts valued at \$10,000.00 or more must be signed by the Tribal Chairman, or in his/her absence, the Vice-Chairman.
- b) All contracts valued at less than \$10,000.00 may be signed by the General Manager.
- c) All contracts shall be submitted to the Tribal Attorney for legal review prior to the contract being signed.
- d) Where this provision conflicts with any other Sitka Tribe of Alaska Code or Ordinance or policy, this provision shall govern.

04.01.13 Modification of Dates

Dates listed in the fiscal timeline may be modified by a majority vote of the Finance Committee.

04.01.14 Date of Enactment and Amendment

This ordinance was originally enacted on December 27, 1999. Amendments to this ordinance were made by the Tribal Council December 25, 2000; August 21, 2002; August 4, 2004; January 7, 2005; November 2, 2005; November 16, 2006; and October 1, 2008 after three readings by the Tribal Council.