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**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 I, 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.
- 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 the Tribal Council to serve in that capacity.

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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

The Finance Director is responsible for ensuring internal controls are in place and adhered to for all purchasing of supplies, expendable property, real property and other services.

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c) Duty to Develop and implement written procurement procedures

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

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

¶ Authority to Deny Expenditures¶

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

¶ 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.¶

¶ 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.

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. To the extent possible, the timeline will also list other dates outside of this ordinance that are important for Council and Directors to be aware of for the year.

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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 4.01.05(b).
- 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.

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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 to the Federal Clearinghouse or other appropriate location identified by the Federal Government 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).

04.01.06 Quarterly Review of Budget

a) Requirement to Meet Quarterly

Members of the Finance Committee, Finance Director, and Tribal Attorney shall meet three times each year in order to review the budget. If necessary, the committee may make recommendations for amendments to the budget for Tribal Council approval. Members of the Finance Committee, Finance Director 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 60 days following the close of the quarter. If set dates for Finance Committee are in place, the finance department will ensure they bring forward the financials at one of the regularly scheduled meetings that are in compliance with the above timing requirement.

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 compact or enterprise budgets at the next regularly scheduled Tribal Council meeting following the quarterly review.

04.01.08 Authorization to Sign Self-Governance Compact

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

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¶ 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.¶

¶ December Retreat.¶

¶ During the December Retreat, the Tribal Council will complete the following.¶

¶ End of the year review of Department one-year implementation plans, and a presentation of proposed implementation plans for the next year.¶

¶ End of the year review of Tribal Council one-year implementation plan and development of an implementation plan for the next year.¶

¶ 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.¶

¶ 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.¶

¶ Designate Council to serve on the various STA Committees, Board and Commissions. ¶

¶ Hold elections to determine the Vice-Chair, Secretary and Treasurer for the upcoming year.¶

¶ June Retreat¶

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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) Department budgets

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1) Budget Proposals

By September 15 of each year, Department Directors shall submit a proposed budget for their compact Department(s), grants, and enterprise funds to the General Manager for the subsequent year. The compact budget submitted shall be for 95% of the current year's budget unless the General Manager directs the Department Directors otherwise. The Director will work with finance on the grant budgets and be an estimate for the upcoming year.

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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 comprehensive budget for Tribal Council consideration at the October Tribal Council Meeting.

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3) Budget Approval

Prior to approval of the annual compact budget, the Finance Director and Self-Governance Coordinator shall submit a written statement to the Tribal Council 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, federal agencies and unrestricted revenue to be earned by the Enterprises 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 October, or later if negotiations with the Bureau of Indian Affairs have not been completed.

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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.¶
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Budget Approval¶
The finance Director and the General Manager shall review and approve all grant budgets for the subsequent fiscal year by November 15.¶
¶
Budget Review by Finance Committee¶
The Finance Committee shall review all grant budgets for the subsequent fiscal year by December 1.¶
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04.01.11 Indirect Cost Proposal Development

a) Responsibility to Develop Indirect Cost Proposal

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Each year, the Finance Director shall develop an indirect cost proposal for the subsequent fiscal year after the Tribal Council has ~~authorized submittal of the prior years audit and~~ approved the subsequent year's comprehensive budget. The proposal shall be reviewed and signed by the General Manager.

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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 Interior Business Center or cognizant agency.

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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, Interior 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 \$100,000 or more and make a recommendation of action to the Tribal Council. ~~If the expenditure was approved by the Council (with approval of the budget) it will not need to be brought through the full review process.~~

- a) All budgeted contracts valued at \$100,000 or more ~~that are approved by the Tribal Council~~ must be signed by the Tribal Chairman, or in his/her absence, the Vice-Chairman.
- b) All contracts valued at less than \$100,000 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 to the extent it is consistent with the Tribal Constitution. Where this provision conflicts with any element of Tribal Constitution, the Tribal Constitution 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

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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.