

Oneida Nation

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BC Resolution # 09-25-19-E Triennial Goals – Trending – Budget Guidance Resolution

- WHEREAS,** the Oneida Nation is a federally recognized Indian government and a treaty tribe recognized by the laws of the United States of America; and
- WHEREAS,** the Oneida General Tribal Council is the governing body of the Oneida Nation; and
- WHEREAS,** the Oneida Business Committee has been delegated the authority of Article IV, Section 1, of the Oneida Tribal Constitution by the Oneida General Tribal Council; and
- WHEREAS,** in 1982, with the beginning stages of the growth of the Oneida Nation, the General Tribal Council adopted resolution # GTC-02-25-82 which, in part, directed the Oneida Business Committee to “become actively involved in the legislative areas such as...Fiscal Plan,” *Resolve #1*; and
- WHEREAS,** in 1990, the General Tribal Council adopted position descriptions for each officer of the Oneida Business Committee and Council member, specifically regarding the Treasurer, “review annual budgets and make recommendations to the Business Committee, who shall submit an annual budget to the Oneida General Tribal Council,” *section 9*; and
- WHEREAS,** the Oneida Business Committee and Treasurers have used the budget and the budgeting process to identify programming activities (*BC-04-25-18-I, Creation of the Business Unit ‘Tribal Action Plan – Office’ in the FY2018 Budget and Approving Allocation of Funding for that Purpose*), resolutions adopting the budgets that set specific goals or limitations (*BC-09-23-09-C, Emergency Resolution Implementing Spending Restrictions and Cost Containment For the First Six Months of FY 2010 (FY 2010-2012 Budget Cycle)*), resolutions that set cost containment or cash flow management in times of financial distress or expense stress (*BC-10-09-13-D, Emergency Cost Containment and Spending Restrictions Due to Federal Government Shut Down; and BC-09-24-14-A, Continuing Resolution for Fiscal Year 2015*), three-year budgeting to develop the goal of trending and projections (*BC-02-11-15-A, Budget Initiative for Fiscal Years 2016, 2017, and 2018; and, BC-10-25-17-E, Fiscal Years 2019 to 2022 Triennial Strategic Fiscal Planning*), resolutions that identified goals and strategies by Oneida Business Committee for their term of office (*BC-09-27-17-B, Setting the Strategic Plan for the 2017-2020 Term of the Oneida Business Committee*), and guidance resolutions on expenditures, employment and goal setting (*BC-09-27-17-I, Strategic Workforce Planning – Budget – Implementation as amended by BC-03-14-18-D*); and
- WHEREAS,** these resolutions are intended to provide guidance in budgeting and expending budget which coincide with the increased delegation of authority and responsibility to director reports, Division Directors, Area Managers, and supervisors throughout the organization; and
- WHEREAS,** the Oneida Business Committee recently adopted resolution # BC-09-25-19-D, *Guidance to Implement Good Governance Principles for Conducting Public Affairs and Managing*

Public Resources, as guidance to all employees and those with supervisory responsibilities; and

WHEREAS, the Oneida Business Committee and Treasurer believe that with authority to build and present budgets, to hire individuals, and to operate programs, services and enterprises, comes the corresponding ability to be responsible not only to the programming needs, but to the Oneida Nation as a whole in utilizing all resources of the Nation and resolution # BC-09-25-19-D is intended to outline those responsibilities; and

WHEREAS, the Oneida Business Committee and Treasurer have received financial guidance and advice through the Chief Financial Officer regarding world economic impacts, the Assistant Chief Financial Officer regarding budget trending, the Gaming General Manager and Retail Manager regarding enterprise revenue trending, the Direct Reports regarding programming, grants, and current client needs, as well as the Inter-Governmental Communications and Affairs office regarding trending in federal and state legislation impacts and funding impacts, and the Self-Governance Coordinator regarding the Nation's self-governance contracts and trending; and

WHEREAS, the Oneida Business Committee believes that business-as-usual no longer remains an option in light of the changing and increasing challenging financial conditions, business needs, and programming needs regarding the community; and

WHEREAS, the Oneida Business Committee adopted resolution # BC-09-27-17-I, *Strategic Workforce Planning – Budget – Implementation* as amended by resolution # BC-03-14-18-D, to:

1. identify standard terms regarding the employment base (full-time equivalent or FTE) as a method of standardizing and defining the employment levels of the Nation across the organization;
2. require short term (employment caps), mid-term (workforce level assessments) and long-term (strategic workforce planning) activities and reporting by each business unit of the Nation; and
3. direct all levels of the organization to know the budget strategies and goals, and work cooperatively to evaluate current needs and resources to most effectively utilize the Nation's limited resources; and

WHEREAS, when the Oneida Business Committee adopted the September 2017 resolution regarding strategic workforce planning it acknowledged that it was not possible to look at any action from a purely financial perspective (labor as a percentage of the total budget is 42%, exceeds gaming and retail net profit at 142%, grants at 314%, and mandates at 400%¹), or a Human Resources Perspective (wage studies, programming needs studies, hiring limits), or priority (such as health care, housing, employment) as all are interrelated and must be addressed in that fashion; and

WHEREAS, the Oneida Business Committee understands that the United States and the Oneida Nation have moved from the 2008 financial crash and through fiscal recovery, such that the current indicators identify the potential of an economic downturn through a slowing economy, lower consumer confidence levels and financial indicators such as inverted yield curves on bonds; and

WHEREAS, from FY2016 through FY2018 the budget initiative was: "The end in mind is 'Sustainability.' Assessment guidelines will be the path for the Tribal organization to develop a Fiscal Year

¹ When labor costs exceed gaming and retail net profit, grants, and mandates by significant margins such as these, there is a concern that if a dip occurs in one of the revenue sources or an increase in mandates occurs, there will be an impact on labor and a required response to reduce labor costs in order to meet balanced budget demands.

2016 budget so that we may begin to implement strategies for growth in Fiscal Year 2017 and Fiscal Year 2018 to support the Oneida Tribe overall”; and

WHEREAS, for FY2019 through FY2022 the budget initiative is: “The goal of Sustainability is identified through measures of all activities in enterprises, programs, and services to ensure that the resources of the Oneida Nation are being utilized in a manner that creates the most effective and efficient use of those revenues or expenditures”; and

WHEREAS, prior to FY2016 and more intensely since FY2016, knowledge of the Nation, the economy, federal actions, grant changes, and our own changing community needs have demanded a more integrated response and requires the Oneida Business Committee to clarify budget, business, and programming decisions; and

WHEREAS, in the FY2018 and FY2019 budgeting processes it became clear that trending of expenses and accurately identifying business needs over the course of a calendar year was not consistently used, may have been utilizing erroneous information, or simply ignored; and

WHEREAS, the Oneida Business Committee identified situations in which a full salary for an employment position or group of similar positions were budgeted, but there had never been full employment in any one or several of the positions resulting a personnel line being overbudgeted reducing funds available for other programming needs; and

WHEREAS, the Oneida Business Committee identified situations in which trending was based on prior year budgets and not prior year expenditures such that over a 4-year period the following lines have resulted in positive variances because they are not based on actual expenditures:

- Supplies and Materials – 28% positive variance or over \$1 million,
- Travel – 35% or over \$500,000,
- Training and Education – 54% or almost \$350,000, and
- Mileage – 31% or over \$88,000; and

WHEREAS, the Oneida Business Committee believes that continuous improvement in our budgeting process results in the best use of our limited resources; and

NOW THEREFORE BE IT RESOLVED, the Oneida Business Committee adopts this Budget Guidance resolution regarding the use of trending in budgeting and reaffirming the delegation of authority and responsibility to direct reports, division directors and all employees of the Nation.

BE IT FURTHER RESOLVED, authority and responsibility are defined as:

Authority and responsibility require employees to use good judgement in the use and expenditure of the Nation’s funds in carrying out the programming activities, including obtaining the most effective and efficient use of those funds to allow the greatest possible provisions of quality services. Authority and responsibility regarding grant or third-party funds require employees to exercise even greater responsibility regarding the use the grant or third-party funds in a manner that furthers the goals of the grant and to provide quality services related to the grant.

BE IT FURTHER RESOLVED, trending, as used in the Nation’s budgeting process is defined as:

Trending is utilizing the past three to five years of expenditures to develop budgets and to inform programming regarding the provision of services or business decisions to be predictive rather than reactive.

BE IT FURTHER RESOLVED, employees are required to review and monitor programming and community changes to focus programming services on an identified need that should be provided by the Oneida Nation government.

BE IT FURTHER RESOLVED, that the Oneida Business Committee reaffirms the ongoing need to manage the employment levels of the Nation to meet the conflicting restrictions regarding financial constraints, programming priorities, and community needs. Business units should begin with the expectation that no new positions will be added in the budget. To meet this goal, direct reports, Division Directors, and all employees that manage budgets or development of budgets should:

1. expect that no new positions will be added in the FY2020 and onward budgets;
2. review, reflect and appropriately amend employment philosophies that may be in place to address this employment constraint;
3. review, correct and work cooperatively with like services regarding workforce levels, developing strategic workforce plans, Triennial Goals, and improving programming to best use limited funds; and
4. recognize that a general cap does not recognize the specialized needs of different programs and that employees should use their responsibility to the Nation, its funds, and the community, when requesting additional employees.

BE IT FURTHER RESOLVED, that the Treasurer shall be required to present, for approval by the Oneida Business, an annual memorandum defining what “no new employees” means for the budget development each fiscal year.

BE IT FURTHER RESOLVED, that all direct reports, Division Directors, and all employees that manage budgets or development of budgets shall review wages and benefit lines and budget:


1. all employment lines at actual costs;
2. all high turnover positions shall be budgeted at 80% of the actual budget line; and
3. all positions estimated to be vacant at the beginning of each fiscal year shall be budgeted at 80% of the actual budget.

In all cases, the reduction to 80% of actual costs recognizes that our employment processes take approximately 10 weeks to fill a position from notice of vacancy to first day on the job.

BE IT FINALLY RESOLVED, that all non-personnel line items shall be based on trending. The Chief Financial Officer is directed to identify a five-year expenditure report that report in the Nation’s accounting systems that can be accessed by, and utilized by, employees in budget development, timing of expenditures, and identifying programming changes.

CERTIFICATION

I, the undersigned, as Secretary of the Oneida Business Committee, hereby certify that the Oneida Business Committee is composed of 9 members of whom 5 members constitute a quorum; 8 members were present at a meeting duly called, noticed and held on the 25th day of September, 2019; that the forgoing resolution was duly adopted at such meeting by a vote of 6 members for, 1 members against, and 0 members not voting*; and that said resolution has not been rescinded or amended in any way.



Lisa Summers, Secretary
Oneida Business Committee

*According to the By-Laws, Article I, Section 1, the Chair votes "only in the case of a tie."