

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES

Chapter TP 4-320

Tribal Self-Determination Fund Authorization



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SECTION 1: PURPOSE

To provide for a Tribal Self-Determination Fund, for the purpose of ensuring the effective management of Federal resources made available through Self-Determination instruments to provide services authorized under various acts.

SECTION 2: BACKGROUND AND INTENT

It is the intent of the Tribal Council that the Tribal Self-Determination Fund shall be a permanent special revenue fund of the Tribe. The intent is to ensure that funds made available for such purposes from the Federal government are properly segregated, managed and accounted for in accordance with their intended use and appropriate Tribal and federal policies.

Pursuant to Federal law, the government of the United States authorizes and appropriates funds each year to carry out unique services to Indians, due to their unique status as Indians, in response to the ongoing federal obligation to Indian Tribes. The Indian Self-Determination Act, as amended to date, requires agencies which administer such services, at the option of the Tribal government of each Tribe, to enter into agreements with such Tribes to transfer the resources made available to the Tribe.

Agencies must also transfer the responsibility and authority to design and conduct such services for the benefit of the Tribe. Tribes are afforded the ability, within limitations provided by the U.S. Congress, to redesign programs, reprogram budget funds between programs and establish priorities over the use of such funds. In addition, Tribes are authorized to carry-over and use any savings in such programs in subsequent years. Pursuant to Public Law 100-472, the 1988 amendments to the Act, the Tribe is not accountable for interest earned on investment of the funds while awaiting disbursements for the authorized services under such agreements. Pursuant to Public Law 103-413, the 1994 amendments to the Act, the Tribe is authorized to receive the funds available under the agreements as a lump sum payment at the beginning of each year. This opportunity provides the Tribal Council with an additional source of revenue with which to carry out programs and services to the Tribal community in accordance with the priorities established through the Tribe's strategic planning and budget process. The opportunities regarding the use and application of funds are also enhanced within recent changes in the Act, and are much more flexible as to use, operating under different rules than other federal grants and contracts which the Tribe operates.

The Tribal Council has determined that it is in the best interest of the Redding Rancheria to enter into government-to-government agreements with the Department of Interior and the Department of Indian Health Services. Accordingly, the Tribal Council expects to receive in excess of \$4,500,000 each year representing the recurring and non-recurring funds available under such agreements.

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The Tribal Council and key members of Tribal staff have participated actively in supporting legislative changes to enhance Tribal control and decision making with regard to these programs, including the opportunities regarding the lump sum payment of funds and use of interest earnings.

The Tribal Council recognizes that the Congress has fully vested the responsibility to prudently manage and safeguard the funds in the hands of Tribal governments and that the continued authority for such lump sum payments will depend on the responsible management by tribal governments of the resources made available. Accordingly, the Tribal Council is concerned that the Tribe establish and maintain prudent and effective management over all Self-Determination funds. In recent actions, Congress has seen fit to constrain the investment of BIA Funds and has established uses for earnings on Indian Health Service Funds. The Tribal Council has made provisions for these constraints within this policy.

SECTION 3: DEFINITIONS (Reserved)

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

SECTION 6: GENERAL POLICY

(a) Fund Authorization

The Tribal Council hereby authorizes the Redding Rancheria "Self-Determination Fund" (Fund). The Fund shall be utilized to account for all resources contributed to it and expenditures made from it in accordance with this policy. The Fund is established for the purpose of accounting for all proceeds of Self-Determination government-to-government agreements with the United States Government. The Fund shall be accounted for as a special revenue fund.

(b) Contributions to the Fund

Primary contributions to the Fund shall be by transfer from the United States Treasury pursuant to Self-Determination agreements.

(c) Custody

Contributions, assets and earnings of the Fund shall be custodied in a bank account, brokerage account, or trust account of either an institutional trust company or any combination thereof, approved by the Tribal Council.

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(d) Management of Fund Assets

Receipts deposited to the Fund shall be deposited directly to Tribal commercial bank accounts or to custody or brokerage accounts for investment while pending disbursement as directed by the Chief Executive Officer. The assets of the Fund not needed for immediate disbursement shall be invested pursuant to an Investment Policy Statement adopted by the Tribal Council for Working Capital. Earnings on assets held in the Fund shall be credited to the Tribe's General Fund.

(e) Authorized Uses of Fund Assets

The only authorized uses of the Fund shall be for expenditures for services authorized, pursuant to Self-Determination government-to-government agreements, for programs and services authorized in accordance with budgets established by the Tribal Council. However, the Chief Executive Officer shall have authority to amend the expenditure budget for the Fund at any time to ensure that uses of funds are coordinated with all other resources in order to achieve the highest and best use by the Tribe. The Chief Executive Officer shall inform the Tribal Council within 15 days of any such action. Amounts credited to the Fund shall be expended on a first in, first out basis within two years of deposit, except for funds received which are earmarked for a specific purpose within the Fund.

(f) Authorization of Use of Fund Revenues

"Fund revenues" are the earnings on Fund principal invested while awaiting disbursement. Except as otherwise required by Self-Determination Agreements, earnings on amounts appropriated to the Fund, while awaiting deposit, or after deposit while awaiting expenditures, shall be credited to the General Fund, to be appropriated for use pursuant to the budget. Earnings on Indian Self-Determination Funds shall be directed to governmental or health related budget expenditures, as shall be defined by the Tribal Council.

(g) Margin Borrowing and Leveraging of Fund Assets

(1) Margin Borrowing: provided the Fund custodied in a brokerage account governed by Regulation T limits on margin borrowing, The Chief Executive Officer may authorize margin to minimize and avoid uncollateralized and/or uninsured cash balances in portfolios, while providing for authorized trading, transfers and wires to and from investment portfolios.

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(2) The Tribal Council shall not assign or pledge fund assets to secure borrowing.

(h) Emergency Use of Fund

The Fund may be utilized for emergency purposes to protect life and property to the extent that any such use is consistent with authorized uses as provided by the Self-Determination agreements.

(i) Restrictions on Use of the Fund

Use of the Fund is not authorized for any purpose specifically prohibited by Federal law or not otherwise authorized by Self-Determination agreements entered into between the Tribe and the Federal government. The purpose of this restriction is to ensure that the Tribe only uses the funds in accordance with the intent of the United States Government.

(j) Desired Fund Balance

The desired Fund balance shall be set forth in each annual budget. It is the intent of the Tribal Council that reasonable fund balances be carried from year to year from savings in authorized programs and that first priority for savings will be to finance unfunded contract support requirements.

(k) Implementation

This policy is to be implemented immediately upon its adoption. The Chief Executive Officer shall provide for all necessary procedures to carry out the provisions of this policy.

(l) Review

The Chief Executive Officer shall review this policy not less than once each year and shall recommend to the Tribal Council any necessary changes which are consistent with the intent of the Fund, including the recommended "desired Fund balance" as provided above.

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Legislative History:

Adopted by Tribal Council as of 1995.

Amended pursuant to Res. No. 04-29-98-B, dated April 29, 1998.

Amended pursuant to Res. No. 022-09-10-02, dated September 10, 2002.

Amended pursuant to Res. No. 083-11-30-04, dated November 30, 2004.

Amended by Tribal Council Res. No. 014-02-12-19, dated February 12, 2019.