

LUMBEE TRIBE OF NORTH CAROLINA

P.O. Box 2709
Pembroke, NC 28372
910.521.7861
www.lumbeetribe.com

ORDINANCE NO. 2005-0005

DATE: May 26, 2005

WHEREAS, The Lumbee Tribe of North Carolina, a recognized Indian Tribe of the State of North Carolina, subject to the Constitution of the Lumbee Tribe of North Carolina and its inherent powers of self-government; and

WHEREAS, Article VII, Section 1 of the Constitution of the Lumbee Tribe of North Carolina delegates all legislative authority to the Tribal Council; and

WHEREAS, The Council has the authority to approve, adopt, and amend the annual fiscal year budget and budget process and,

WHEREAS, The Council is responsible for overseeing, reviewing, and approving actual expenditures and budget variances throughout the fiscal year and,

WHEREAS, The Council has the authority and the fiduciary responsibility to ensure compliance with all program funding and allocation,

THEREFORE, Be it enacted by the Tribal Council of the Lumbee Tribe of North Carolina the following ordinance that shall be cited as the "**BUDGET APPROVAL AND MONITORING PROCESS**" for the purpose of setting forth uniform procedures to be followed by the Tribal Council in carrying out the budget provision of the Constitution of the Lumbee Tribe.

SECTION 1: TRIBAL ADMINISTRATOR

The Tribal Administrator has the responsibility to match the most readily available sources of financial support with the highest priority projects as established by the Tribal Council. The Tribal Administrator is responsible for reviewing all department budget request and amendments including estimated revenue and expenditures to ensure compliance with overall budget guidelines and to provide this information to the Finance Committee.

SECTION 2: OFFICE OF FINANCE

It is the responsibility of the Office of Finance to maintain and adhere to all budget policies and procedures as adopted and approved by the Tribal Council. The chief officer or designee will provide monthly financial statements detailing all accounts receivables and actual line item expenditures versus budgeted amounts, and provided line item variances. The Tribal Administrator will monitor and analyze expenditures and

will review variances with Department Directors. The Office of Finance is authorized to pay only those obligations as outlined in the approved budget or documented modifications approved by the Tribal Council.

SECTION 3: FINANCE COMMITTEE MISSION AND PURPOSE

The Finance Committee of the Tribal Council shall assist in identifying a greater number of approaches to problem solving for the organization's financial infrastructure and attainment of Tribal goals. The Committee shall review and discuss funding sources, historical financial data, forecasted data, and other information deemed necessary to understand the Tribal Chairperson's proposed annual fiscal year budget in order to guide budget decisions of the Tribal Council.

The Committee shall provide information and/or make recommendations to the Tribal Council in the following areas:

- (a) Requested or proposed modifications to the approved budget and/or line items as well as justifications for these proposed changes
- (b) Tribal budget policies, procedures, and guidelines when appropriate
- (c) The matching of goals and priorities to available funding, and
- (d) Recommend specific, long-range program objectives

SECTION 4: THE BUDGET PROCESS

The Lumbee Tribe's fiscal year begins on October 1 and ends twelve months later on September 30. The budget process established herein is an ongoing and continuing process as outlined.

1. Assessment of Program Needs/Fiscal Year Preliminary Budget Planning
 - A. It is the responsibility of the Tribal Chairman, The Finance Committee, and Tribal Administrator to review and to keep informed regarding programs, grants, and revenues relevant to the Lumbee Tribe in preparation for the budget process.
 - B. The Tribal Chairperson shall deliver to the general membership a proposed budget for the upcoming fiscal year, according to Article VIII, 1(a) of the Constitution of the Lumbee Tribe.
2. Discussion of Proposed Budget by Tribal Council

The Treasurer and in the absence of the Treasurer, the Chairperson of the Finance Committee shall in accordance with Article VII, 4(D), of the Constitution of the Lumbee Tribe, shall schedule a Tribal Council Budget session within thirty (30) days of the Chairman's delivery to the tribal membership. The budget as it is presented to the tribal membership shall be the budget under discussion by the Tribal Council.

The Treasurer and Finance Committee shall compile the information and recommendations provided by the Tribal Council into a budget package for the distribution at tribal hearings.

3. Review of Proposed Budgets by Tribal Membership

The Treasurer, with input from the Finance Committee shall schedule a tribal membership hearing for input into the proposed budget, according to Article VII, 1(a) of the Lumbee Constitution.

- A. The proposed budget will include line item dollar amounts, budget justifications, identification of any restricted funds, key personnel, program functions, indirect cost, goals, and objectives.

4. Budget Modifications and Amendment

Budget modifications and amendments may be made throughout the fiscal year to the approved budget. Modifications may include, but are not limited to, the identification of increased or decreased funding, finalization of the indirect cost rate, carryover funds, administration, and/or unanticipated program expenditures. All line item budget modifications, additions and movement of funds will be considered formal budget amendments and must be approved by the Tribal Council. The process and procedures shall be as follows:

- A. Modifications will be done in coordination with the affected Program Director(s) to ensure budget and planning stability and program coordination.
- B. The Tribal Administrator shall be responsible for the information and documentation outlining requested modifications and amendments to the Committee.
- C. The Finance Committee and Treasurer will meet to discuss requested changes and modifications to the overall budget. If the Finance Committee finds that the request is allowable, it shall schedule the budget modification request for consideration by the Tribal Council at a scheduled Council meeting. The Tribal Council shall be provided with detailed information regarding the request. If the Finance Committee finds that a request is unallowable, the request dies in Committee. The request cannot be brought to the full Tribal Council for a vote.

5. Budgets Monitoring and Reporting

The chief officer of the Office of Finance and the Tribal Administrator have the responsibility for maintaining and monitoring the budget and expenditures including the recording of all approved modifications. Except for the authority as stated in this ordinance, these persons do not have legislative authority in the budget process.

The Office of Finance will prepare monthly financial reports within 30 days of the end of the reported month. The chief officer or designee will provide monthly financial statements detailing all accounts receivables and actual line item expenditures versus budgeted amounts, and line item variances. All budget modifications shall follow the guidelines as established in this Ordinance.

Monthly, the Finance Committee, the Tribal Administrator, and the chief officer of the Office of Finance will review current year-to-date expenditures, and discuss any under-expenditures, unbudgeted expenditures, and other deviations from the originally approved budget and program summary. If necessary, recommendations for budget modifications will be made to the Tribal Council.

Since no funds may be expended for any line item in excess of the budget amount, the Finance Committee shall report all deviations from the approved budget to the Tribal Council for action.

- A. The authorizing official may reimburse inadvertent expenditures in excess of a budgeted line item amount unless the Tribal Council approves the expenditure and amends the appropriate line item.
- B. Intentional or flagrant expenditures in excess of a budgeted amount may constitute an unlawful offense by the authorizing official against the Tribe. Punishment for violation of this section may result in the dismissal of the official and reimbursement of the excess amount spent to the Office of Finance.
- C. The Office of Finance shall not knowingly issue payments in excess of a budgeted amount.

SECTION 5: LIMITATIONS AND AMENDMENT PROCESS

Nothing contained in the Budget Process section of the Lumbee Tribe's Budgeting Ordinance is intended to limit the authority of the Tribal Council and is restricted to the specific procedures described herein.

Any changes or amendments to the above process must be presented in writing to the Tribal Council for review and consideration. It is the responsibility of the Finance Committee and Tribal Council to review this process on a continuing basis and in response to the changing needs and conditions of the Tribal organization.

CERTIFICATION

THIS ORDINANCE ADOPTED THIS THE 26 DAY OF May, 2005
AT A MEETING OF TRIBAL COUNCIL OF THE LUMBEE TRIBE OF NORTH
CAROLINA BY A VOTE OF 19 FOR, 1 AGAINST. Abstain

Frances Chavis

Secretary of the Tribal Council of the Lumbee Tribe of North Carolina

Tribal Chairman of the Lumbee Tribe of North Carolina

POSTING

This Ordinance duly posted in the Office of the Lumbee Tribe of North Carolina on this the 22 day of June, 2005.

Ruth B. Locklear

Ruth B. Locklear, Tribal Clerk

Chairman Lewis' Veto: Over-ridden
by Tribal Council on September 15, 2005

Ruth B. Locklear