

SQUAXIN ISLAND TRIBE

RESOLUTION NO. 94 - 16

OF THE

SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Indian Reservation by authority of the Constitution and By-Laws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, under the Constitution and By-laws of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members; and


WHEREAS, the Tribal Council has determined the need for a Budget Ordinance to control the use and expenditures of Tribal funds and to increase opportunities for Tribal members to participate in the budget process and setting of Tribal priorities by way of public hearings, and

WHEREAS, a Budget Ordinance has been developed, reviewed and formalized which will serve the needs of the Squaxin Island Tribe.


NOW, THEREFORE BE IT RESOLVED, that the Squaxin Island Tribal Council does hereby authorize and approve the attached Budget Ordinance dated February 10, 1994 as the official Squaxin Island Budget Ordinance.

C E R T I F I C A T I O N

The Squaxin Island Tribal Council does hereby certify that the foregoing Resolution was adopted at a meeting of the Squaxin Island Tribal Council, held on this 11th day of February, 1994, at which a quorum was present and was passed by a vote of 4 for, and 0 against with 1 abstentions.



David Lopeman, Chairman



David Johns, Vice-Chairman

Attested by:



David Whitener, Sr., Secretary

SQUAXIN ISLAND BUDGET ORDINANCE

section 1 - PURPOSE

The purpose of this ordinance is twofold. *First, it is to control the use and expenditure of any and all Squaxin Island Tribal funds, including but not limited to: funds generated from Tribal ventures, utilities, and assets, and funds received through contracts, grants, and gifts from other governments and entities, whether public or private.* Thus the Tribal Council and its officers and employees and all Tribal programs and entities and their officers and employees are prohibited from expending funds except as authorized under the provisions of this ordinance. The Tribal Council Chairman shall be obligated to oversee the preparation of an annual budget for the Squaxin Island Tribe. after first hearing the concerns and suggestions of the Squaxin Island community, and shall be obligated to approve a balanced budget authorizing all Tribal expenditures for the coming year.

The second purpose of this ordinance is to increase the opportunities for members of the Squaxin Island Tribe to participate in the budgeting process and to help set the Tribal priorities for the coming year. The Tribal Council recognizes the importance of the involvement and desires to improve the opportunities for Tribal members to effectively participate in the most crucial of government processes, the fiscal budget.

section 2 - OVERVIEW OF THE BUDGET PROCESS

The annual budgeting process shall require approximately six months to prepare and adopt a budget for the coming fiscal year (see Attachment 1 - Squaxin Island Tribe - Budget Process Timeline). The budget cycle shall begin in April in which the Budget Committee shall develop a Budget Authority which shall include a draft revenue budget and budget instructions for the coming fiscal year. The Budget Committee shall send the Budget Authority to the Council for approval. In May, the Tribal departments shall begin to develop needs and priorities plans. That same month, the first Budget Public Hearing shall be held to discuss the departmental needs and priorities plans. In June, the Council shall review and set Tribal priorities and the departments shall then begin draft budgets. Once the Self-Governance Funding Agreement is signed on June 30th, the Budget Committee shall establish the revenue budget in early July. By the end of July, each Tribal department shall have completed a draft budget. In August, the Budget Committee shall consolidate the draft budgets to the revenue budget and post the final draft budget for public display. By the end of August, the Council shall hold the second Budget Public Hearing to discuss the final draft budget. Each department shall be expected to provide justifications for their budget requests. In addition, any community member shall be allowed to comment or make budget requests. In September, the Budget Committee shall make any budget adjustments and shall propose a final budget to the Council. Prior to October 1, the Council shall approve and announce the final budget. The approved final budget shall not obligate more funds than are reasonably expected to become available for expenditure in the coming year. A "balanced budget" is required and will guide all Tribal spending throughout the coming fiscal year.

The approved final budget shall be reviewed by the Budget Committee on a quarterly basis in the months of November, February, May and August to monitor budget compliance and to measure actual revenues with the forecasts. The Budget Committee shall recommend modifications to the Council when needed to

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avoid expending more money than is actually available. The Council will be required to take appropriate action when necessary to maintain a balanced budget.

In addition, during the General Body Meeting in January, each department shall present prior year financial and program reports along with projections for the current year.

section 3 - DEFINITIONS

3.1 FISCAL YEAR - The fiscal year of the Tribe shall be from October 1 to September 30.

3.2 BUDGET COMMITTEE - The Budget Committee shall consist of the Tribal Council Treasurer or other designated Council member, the Executive Director, the Comptroller and Enterprises Manager, the Director of Administrative Services, and two at-large representatives of the Tribal membership whose selection shall be made by the Tribal Council for a three year term. The Tribal Council Treasurer or Council designee shall serve as chair.

3.3 UNRESTRICTED TRIBAL REVENUES - Unrestricted Tribal revenues are those monies received or reasonably expected to be received by the Council or any of its subsidiary entities that are not encumbered by any legal requirements for their expenditure by the Tribe, or have only extremely broad expenditure guidelines associated with their use such as a requirement to report to the general Council or other party the manner and purpose for which the funds were expended.

3.4 RESTRICTED TRIBAL REVENUES - Restricted Tribal revenues are those monies received or reasonably expected to be received by the Council or any of its subsidiary entities that by law, the terms of the grant or contract award, or other binding commitment made by the Council must be expended, obligated, or reserved for specific programs, services, or goods, or for identifiable functional purposes. The term "restricted" applies to limitations on the use of funds, not to the source of the funds. For example, tax dollars are "restricted" if the Council is required by resolution or ordinance to commit the revenues to a specific purpose. Revenues from the same measure are "unrestricted" if they are not formally committed to a specific use.

3.5 CHAIRMAN - the chairperson of the Squaxin Island Tribal Council, unless otherwise stated.

3.6 EXECUTIVE DIRECTOR - the Tribal employee responsible for the day-to-day operations of every department within the Tribe, also responsible for carrying out policy directives of the Council. The Executive Director reports to the Council.

3.7 DEPARTMENT DIRECTOR - the Tribal employee responsible for the day-to-day operations of all programs within a Tribal department. The Department Director reports to the Executive Director.

3.8 ENTERPRISE MANAGER the Tribal employee responsible for the day to day operations of all enterprises entities and programs under the Enterprise Division of the Tribe. The Enterprise Manager reports to the Council (For purposes of this Ordinance, where Executive Director is referenced, it refers to the Executive Director of the Tribe.

3.9 PROGRAM MANAGER - the Tribal employee responsible for the day-to-day operations for specific programs within a department. The Program Manager reports to a Department Director.

section 4 - REVIEW OF PRIOR AND CURRENT FISCAL YEAR

4.1 DEPARTMENT REPORTS - Not later than January 1st, each Department Director of every Tribal entity utilizing any funds requiring the approval or authority of the Tribal Council shall submit a report to

the Executive Director. These reports shall summarize the department's goals and objectives for the previous fiscal year and cite its achievements. Department revenues and expenditures from all sources will be included. The Executive Director shall take necessary actions to ensure that these reports are reviewed on time and complete and accurate. In addition to annual reports, quarterly performance reports shall be submitted for review 30 days after each quarter of the current fiscal year.

4.2 ANNUAL REPORTS FROM TRIBAL ADMINISTRATION TO COMMUNITY - The Executive Director shall review, summarize, and compile individual department reports into an Annual Report Summary for the community. This Summary shall be published and made available to the community during the General Body Meeting held in January.

4.3 COMMUNITY REVIEW OF PRIOR FISCAL YEAR - A public hearing shall be held on the second Sunday of January, or as near to that day as possible to discuss the performance of the Tribe and its programs during the previous fiscal year. This hearing shall be held in conjunction with the annual general body meeting. The Department Directors, the Budget Committee, and the Tribal Council are each required to attend this meeting to present their reports and to address questions posed by the community. The focus of this meeting shall be to examine the past year's activities.

section 5 - ESTABLISHMENT OF BUDGET AUTHORITY

5.1 IDENTIFICATION OF EXPECTED AVAILABLE FUNDS - No later than April 1st, the Executive Director shall provide a report to the Budget Committee describing the extent and nature of all Tribal revenues anticipated to be received in the following fiscal year from every source, including but not limited to: grants and contracts from governmental or private sources; Tribal taxes and fees; income from the lease of Tribal assets; earned interest; collection of court judgments in favor of the Tribe; tuition and other education related fees; Tribal utility revenues; Tribal enterprise sales; and all other Tribal revenues.

5.2 IDENTIFICATION OF OBLIGATIONS ON THESE FUNDS - The Executive Director shall also identify known obligations or restrictions on the use of each of the revenues identified in Section 5.1 and include this information with the report required in that section.

5.3 COOPERATION OF ALL TRIBAL EMPLOYEES REQUIRED - The Directors, Program Managers or other employees shall offer his or her complete cooperation in providing in a timely manner the revenue and obligations information needed by the Council and Executive Director to prepare the reports required in this Section.

5.4 IDENTIFICATION OF UNRESTRICTED FUNDS - No later than April 15th, the Budget Committee shall prepare a report to the Tribal Council identifying the source and extent of funds anticipated to be available for unrestricted obligation by the Tribal Council in the following fiscal year.

5.5 RESERVE REQUIREMENT FOR PRIOR OBLIGATIONS - The Budget Committee shall by April 15th also provide a report to the Council identifying the extent of any funds that are recommended to be held in reserve to meet obligations previously incurred by the Tribe that will or are likely to come due during the coming fiscal year. This report shall also identify all expected revenues or existing funds that would ordinarily be unrestricted but the use of which are likely to be restricted for one reason or another and therefore not available for unrestricted appropriation by the Tribal Council. The Budget Committee shall report to the Council the need for reserving unrestricted Tribal funds to meet these obligations and the Council shall not budget these funds for any other purpose.

In order to decrease the financial impacts of emergency over expenditures and emergency budget amendments the comprehensive budget shall include a reserve account for contingencies of at least 5% of the total budget.

5.6 ESTABLISHMENT BY TRIBAL RESOLUTION - No later than May 1st, the Tribal Council shall review all materials submitted under this Section, and formally adopt a resolution setting out the total authorized expenditure of Tribal funds. This resolution shall specifically identify the source of all funds included in the budget authorization and shall also identify whether or not there are restrictions on their use and, if they are restricted, the resolution shall identify those restrictions. Authority for the actual expenditure of the budgeted funds shall not become valid, however, until the projected revenues have been, or are reasonably certain to be realized and the final budget approved. The resolution enacted under this section shall be called the Budget Authority Resolution.

5.7 ALLOWANCE FOR PRIOR OBLIGATIONS - The amount and nature of otherwise unrestricted Tribal funds required to meet previous Tribal obligations or requirements that are expected to come due during the coming fiscal year shall be noted in the Budget Authority Resolution and reserved from appropriation for any other purpose.

5.8 PERMANENT FISCAL YEAR BUDGET PACKAGE; EXCEEDING THIS AUTHORITY PROHIBITED - Once enacted, the Budget Authority Resolution shall become a permanent part of the Tribe's budget and the Tribal Council, its officers, staff, and all other persons authorized to budget, spend, or otherwise obligate Tribal funds are prohibited from budgeting, obligating, or disbursing any funds not authorized under this Budget Authority or any duly approved amendments to this Authority.

5.9 PUBLICATION OF THE BUDGET AUTHORITY - Within seven days of its approval by the Tribal Council, the Chairman shall publish the Budget Authority Resolution and make it available to members of the Squaxin Island Tribal community. The Chairman is authorized to include a summary of the Budget Authority Resolution if he feels it would help explain to members of the community the implications of the Budget Authority on the current budgeting process.

Section 6 - COLLECTION AND PRIORITIZATION OF BUDGET REQUESTS

6.1 DEPARTMENTS DEVELOP NEEDS/PRIORITIES PLANS - Each Tribal Department Director shall prior to May 15th, develop a department plan which outlines the needs and priorities of their department for the next fiscal year.

6.2 COMMUNITY INPUT TO THE NEEDS/PRIORITIES PLANS - The Tribal Council shall hold the first Budget Public Hearing prior to the end of May to hear community concerns related to the approved Budget Authority, requests for additional or different services from the Tribal government, Tribal policies that might require funds to implement and/or enforce, or other matters having an affect on the use of Tribal monies or the need to increase Tribal revenues.

6.3 PRIORITIZATION OF COMMUNITY NEEDS - The Tribal Council shall convene a special meeting or meetings to discuss problems or issues facing the Tribal community and shall, prior to June 15th, rank these issues and the proposed actions to resolve the issues. This ranking of issues and actions shall be used by the Tribal Council and its Budget Committee to prioritize the budgeting of financial, human, and other Tribal resources for the coming fiscal year.

6.4 EXECUTIVE LEVEL FUNDING NEEDS - The Executive Director shall also prepare budgets, work plans, justifications of these plans, and proposed sources of funding for needs that have not been addressed by existing programs. These executive level funding proposals shall be included with the budget proposal package required in section 7.1.

Section 7 PREPARATION AND CONSIDERATION OF A DRAFT BUDGET

7.1 DRAFT BUDGETS PREPARED BY TRIBAL DEPARTMENTS - The Director of each current Tribal program, department, venture, utility, or other Tribal entity shall prior to July 15th, prepare a work plan, dollar budget, budget narrative and cost justification, list of anticipated sources and amounts of restricted use funds (e.g. grants, utility user fees, etc.), all anticipated venture or program revenues, and, if needed, a request for unrestricted Tribal funds to support the proposed level of activity for that entity. These proposed budgets shall be presented to the Executive Director. The Executive Director shall review these budget requests for completeness and accuracy, prepare their recommendations to the Budget Committee concerning these budget requests, and submit their budget proposal package to the Budget Committee by July 30th.

7.2 DRAFT BUDGET PREPARED BY THE BUDGET COMMITTEE - The Budget Committee shall by August 15th prepare and recommend for approval by the Tribal Council budgets for the expenditure or reserve of all restricted and unrestricted funds expected to become available to the Tribe in the coming fiscal year. The Budget Committee shall give full consideration to the priorities established by the Tribal Council and shall attempt to fully utilize all available grants and other non-Tribal resources to maximize the effectiveness of Tribal resources. The Draft Budget must not obligate more money than is reasonably expected to become available for obligation by the Tribe in the coming fiscal year and must identify the source of the revenue that will support each expenditure.

7.3 DRAFT BUDGET REVIEWED AND APPROVED BY TRIBAL COUNCIL - The Tribal Council shall review, amend, and approve the Budget Committee's recommendations as a Draft Budget at a duly called regular or special meeting. This meeting shall be held to allow sufficient notice prior to the 2nd Public Hearing, as described in the following paragraphs. The approved Draft Budget must not obligate more funds than are expected to become available and must identify the source of revenues that will support each budgeted expenditure.

7.4 DRAFT BUDGET PUBLISHED - The Chairman shall have the Draft Budget published and made available for review by the Tribal community within seven days of its approval by the Tribal Council.

7.5 PUBLIC HEARING REQUIRED - The Chairman shall schedule the second Budget Public Hearing prior to the end of August, to provide members of the Squaxin Island Tribe an opportunity to comment on the Tribal Council's Draft Budget.

Section 8 - PREPARATION AND APPROVAL OF A FINAL BUDGET

8.1 BUDGET COMMITTEE PREPARES FINAL BUDGET - The Budget Committee shall meet following the public hearing for the Draft Budget to incorporate public comments and adjustments where appropriate into a revised budget. The Budget Committee shall prepare a recommended Final Budget for presentation to the Tribal Council prior to September 15th.

8.2 APPROVAL OF FINAL BUDGET BY TRIBAL COUNCIL - The Tribal Council shall review the Budget Committee's recommended Final Budget and, if necessary, schedule a special meeting(s) with the Budget Committee to discuss desired changes, additions, or deletions to the recommended Final Budget. The Tribal Council shall approve a Final Budget prior to October 1st.

8.3 BALANCED BUDGET REQUIRED - The Budget Committee is prohibited from submitting and the Tribal Council is prohibited from approving a Tribal budget that proposes to spend more Tribal funds than are reasonably expected to become available to the Tribe during that fiscal year.



8.4 PERIODIC BUDGET REVIEWS AND ADJUSTMENTS REQUIRED - The Budget Committee shall review and, when necessary, make recommendations to the Tribal Council to maintain a balanced budget throughout the year. The Budget Committee shall meet as often as may be necessary, but shall in any case meet within 30 days from the end of each quarter in the fiscal year. The Budget Committee shall review an analysis of the budgeted Tribal revenues and expenses against the actual figures and re-forecasted end of year Tribal funds balance. In addition, the Budget Committee shall meet after the announcement of Congressional appropriations and within 15 days, propose any adjustments due to changes in the revenue budget. If it appears after any reviews that expenses will exceed revenues the Budget Committee shall report the cause of the revenue shortfall or expenditure over-run to the Tribal Council together with recommended actions needed to balance the budget. The Tribal Council shall within 30 days adopt an amendment to the budget to correct the budget shortfall and the Chairman shall be directed to implement the actions necessary to avoid the deficit.

8.5 EXPENDITURE OF UNREALIZED FUNDS PROHIBITED - No Tribal funds, including funds identified in an approved budget, may be obligated or expended until the funds have been actually received by the Tribe or for which a valid and enforceable contract for delivery of the funds has been made and the funds are reasonably expected to be received (e.g., a U.S. government cost reimbursement contract).

Section 9 - ASSIGNMENT OF AUTHORITY AND RESPONSIBILITY

9.1 AUTHORITY AND RESPONSIBILITY OF THE COUNCIL - Except as otherwise provided in this Ordinance, neither the Tribal Council, nor any individual member of the Tribal Council, has the authority to deviate from this Ordinance, its procedures or any budgets adopted, the authority of the Council is limited to budget oversight, except as otherwise provided herein. However, these limitations shall not prevent the Council from taking corrective action, when necessary, to ensure compliance with this Ordinance.

9.2 AUTHORITY AND RESPONSIBILITY OF THE CHAIRMAN - The Tribal Chairman shall be responsible for meeting the requirements of this Ordinance and any budgets adopted under it. The Chairman shall report to the Council on behalf of the Budget Committee all requested or proposed changes or modifications to the approved Budget as well as any matters which might justify such changes or modifications. The Chairman shall be responsible for assuring that the Executive Director is at all times in compliance with the approved Budget. The Chairman shall have overall authority to carry out the terms of this ordinance. The Chairman does not have the authority to amend or modify the approved budget and he shall not approve any expenditures not approved in the budget or amendments to the budget, except in the limited exercise of his emergency expenditure authority as described in section 10.2.

9.3 AUTHORITY AND RESPONSIBILITY OF TREASURER - Once the total budget is properly approved, the Treasurer of the Tribe, acting as Chairman of the Budget Committee, shall ensure that all authority and responsibility granted to the Budget Committee by this ordinance is fully executed.

9.4 AUTHORITY AND RESPONSIBILITY OF THE BUDGET COMMITTEE - The Budget Committee shall be authorized to request the Directors to provide historical, forecasted, and other fiscal data and reports as it deems necessary to develop the fiscal year budget and assure that each entity of the Tribal Government is fully complying with the adopted Budget. The Budget Committee may approve the reallocation of funds within a department, program, or other element of the approved budget as provided for in section 10 as long as the total budgeted amount is not changed for that department, program, or element. The Budget Committee shall be required to meet not less than four times per year to reevaluate the Tribal budget against updated forecasts of and the actual expenditures and revenues forecasts. The Budget Committee shall be responsible for recommending to the Tribal Council amendments or modifications to the approved budget when adjustments are warranted by changing conditions or improved information.

9.5 AUTHORITY AND RESPONSIBILITY OF THE EXECUTIVE DIRECTOR - The Executive Director shall be responsible for the full compliance of each department under their authority or responsibility with the approved Budget and shall take immediate corrective action necessary to bring a non-complying program back into compliance with this Ordinance and approved Budget. The Executive Director shall regularly review the fiscal and programmatic compliance of each program and activity of the Tribe. The Executive Director shall have the authority to take any or all disciplinary actions against the manager of any program, department, or entity or any other person obligating Tribal funds who has not, in the Executive Director's opinion, complied with this Ordinance. The Executive Director shall immediately report to the Budget Committee any information that indicates a Tribal program, department, or other entity may exceed its approved Budget and for which adequate corrective action cannot be taken to avoid the need for modification to the approved Budget. The Executive Director shall have the authority to approve reallocations of funds within a program, department, or other Tribal entity as provided for in Section 10 as long as the total amount budgeted for that entity does not increase. The Executive Director shall be responsible for developing and implementing policies and procedures to assure that every person authorized to spend or obligate Tribal Council funds is fully aware of the requirements of this Ordinance and the approved Budget and that these persons receive accurate and timely financial reports on not less than a quarterly basis.

9.6 AUTHORITY AND RESPONSIBILITY OF THE COMPTROLLER OR BUDGET MANAGER - The Comptroller shall regularly review the fiscal compliance of each department, program, enterprise, and entity of the Tribe. The Comptroller shall report to the Executive Director and the Budget Committee, when a manager of any program, department, or entity or any other person obligating Tribal funds who has not, in the Comptroller's opinion, complied with this ordinance. The Comptroller shall immediately report to the Budget Committee any information that indicates a Tribal program, department, enterprise, or other entity may exceed its approved budget and for which adequate corrective action cannot be taken to avoid the need for a modification to the approved budget.

9.7 AUTHORITY AND RESPONSIBILITY OF THE ACCOUNTING OFFICE - The Accounting Office is responsible for developing, maintaining, and adhering to policies and procedures that prevent the release of funds for unapproved obligations. The Accounting Office is authorized to pay only those obligations which have been included in the approved Budget unless directed in writing by the Chairman to pay additional obligations authorized in conjunction with emergency items described in Section 10. In addition, it shall be the responsibility of the Accounting Office to provide monthly financial (budget) statements to each department within 20 days of the end of the month.

9.8 AUTHORITY AND RESPONSIBILITY OF DIRECTORS/MANAGERS - All program managers have the direct day to day responsibility to assure that their programs are operated in compliance with the budgets approved under this Ordinance, as well as all other applicable laws and regulations. Program managers shall be directly responsible for obtaining monthly financial statements for their respective programs and projects and they are required to report immediately to the Executive Director, any deviations from their approved Budget. All managers are required to identify and report to the Executive Director, in writing, any matters that prevent compliance with their program's legally adopted budget. This information is to be reported before any steps are taken which are not in compliance with the program's approved budget. If a manager learns that an action has been or is about to be taken which is not in compliance with the program's approved budget, the manager becomes directly and immediately responsible for insuring that the problem is corrected, whether or not he or she is directed to do so by the Executive Director or other authority. For the purposes of this section, the term "manager" shall include any Director, Program Manager, Chief Executive, or interim official who has direct control of or responsibility for the budget of a program, project, utility, venture, or any other Tribal entity regardless of the time served in such position.

9.9 LIMITATIONS ON AUTHORITY - Unless specifically authorized in this Ordinance, no person, whether elected, appointed, or employed in any position, department, or entity of the Tribe, has the authority to deviate from this Ordinance. However, this Ordinance is not intended to, nor shall it be construed as preventing the Squaxin Island Tribal Council, if acting in accordance with its overriding responsibility to the Squaxin Island Tribe, from taking any necessary action to protect and safeguard the rights, resources, or welfare of the Tribe.

Section 10 - REGULAR AND EMERGENCY BUDGET AMENDMENTS AND OVER-EXPENDITURES

10.1 APPROVED BUDGET LINE ITEM OVER-EXPENDITURES - In no case shall the approved Budget be modified except as provided for below and as directed in Section 10.3. However, budgets are recognized as being plans to guide expenditures to meet stated and specific program objectives and that actual circumstances may make minor adjustments necessary to responsibly apply the budgeted funds to the program objectives. Adjustments to line items within the limits set out below are subject to the approval and oversight of the appropriate authority. In any case, no adjustments shall be made to restricted funds without following the regulations attached to those funds.

10.1.1 DEPARTMENT DIRECTOR AUTHORITY - The Director of a Tribal department or enterprise shall be authorized to overspend any line item, except line items requiring prior approval such as consulting, contractual services, and capitalized expenditures, within a program's budget by the greater of \$500.00 or 10% without prior approval as long as the total expenditures for that program do not exceed the total authorized Budget. No more than three modifications which do not exceed a cumulative total of thirty percent (30%) of the total approved line item budget for the program, project or enterprise can be approved during a fiscal year under this provision. Necessary line item over-expenditures exceeding five percent must be approved in advance as described below. All modifications must be justified and submitted to the Comptroller.

10.1.2 EXECUTIVE DIRECTOR AUTHORITY - The Executive Director shall be authorized to approve a Director's request to overspend any budgeted line item within a Tribal program by the greater of \$1,000.00 or twenty five percent (25%) as long as a written plan is presented demonstrating where sufficient savings will be realized in other line items within the same program to avoid exceeding the budgeted limit for the entire program.

The Executive Director shall be authorized to approve executive level requests from the contingency funds by not more than \$10,000.00 per year, provided that the total budget authority shall not be exceeded.

10.1.3 BUDGET COMMITTEE AUTHORITY - The Budget Committee shall be authorized to approve a Director's request made through the Executive Director to over-spend a budgeted line item within a Tribal program by not more than twenty five percent (25%) as long as a written plan is presented demonstrating where sufficient savings will be realized in other line items within the same program to avoid exceeding the budgeted limit for the entire program.

The Budget Committee shall be authorized to approve executive level requests from the contingency funds by not more than \$25,000.00 per year, provided that the total budget authority shall not be exceeded

10.2 EMERGENCY OVER-EXPENDITURES OR UNBUDGETED EXPENDITURES - The Chairman may approve a payment for budget over-expenditures or unbudgeted expenses only for the following provisions:

- 1) the obligation cannot be canceled by returning the goods purchased, lawfully canceling a contract for services, or by releasing the Tribe from the obligation in some other legal manner and nonpayment of the obligation would cause significant harm to either the reputation or credit rating of the Tribal Council or the Squaxin Island Tribe; or
- 2) at the Chairman's discretion, a threat exists to the health, welfare, and or security of the Tribe and its members that requires an expenditure of budgeted funds in excess of the approved budget amount or funds that have not been budgeted.

The Chairman's approval of such an over-expenditure or unbudgeted expenditure must be in writing and must include his rationale for approving the obligation or payment. The Chairman shall also convene a Budget Committee meeting within seven days of his approval of such an expenditure to prepare an amendment to the Budget incorporating the emergency expenditure and, if necessary, reducing other budgeted expenses to maintain a balanced budget. The Chairman shall also report the unbudgeted expenditure to the Tribal Council at the next Council meeting.

10.3 REGULAR BUDGET AMENDMENTS - Any proposed amendments or modifications to the approved Budget must either be initiated by the Budget Committee or be recommended to the Budget Committee by the Executive Director. If three or more members of the Budget Committee recommend that the Budget be modified the Chairman shall place the modification request on the Tribal Council agenda for final action. The Budget Committee shall prepare its written recommendation, or when all Committee members do not agree, the various recommendations of its members and present the recommendation(s) to the Tribal Council to facilitate discussion of the modification proposal. The Council may adopt an amendment to a duly authorized fiscal year Budget only after the issue has been noticed for at least two weeks on the Council's agenda and it has been voted on at a duly called Council meeting. An affirmative vote of a majority of the Tribal Council shall be required to modify the Budget.

10.4 EMERGENCY AMENDMENTS - The Tribal Council retains the emergency power to reprogram any Tribal funds if it is determined that a substantial threat exists to the Squaxin Island Tribe, its resources, or its rights. If the Council takes such emergency action, it shall within 30 days, call a special Council session for the purpose of formally recording their action and for amending the Budget and Budget Authority Resolution where necessary to accommodate their changes and to authorize an amended balanced Budget. Nothing in this Ordinance shall require the Chairman, the Council, or any other Tribal officials, acting during such an emergency, to publicly disclose any information that could adversely impact the legal and/or political standing of the Squaxin Island Tribe.

10.5 LIMITATIONS ON AMENDMENTS - No amendment to the Budget Authority Resolution, or to any authorized or proposed budget becomes valid until such funds are realized. In addition, funds which are not contained in an approved fiscal year budget may not be advanced nor expended, including grant matching fund obligations, unless and until an amendment to the budget is adopted in accordance with this Ordinance.

Section 11 ENFORCEMENT

11.1 PERSONNEL POLICY DISCIPLINARY ACTIONS - Any employee who exceeds his/her written spending authority as granted by the approved Budget or by his/her superior shall be subject to the disciplinary actions for misuse of Tribal funds as described in the Tribe's personnel policy manual. Disciplinary actions may include any or all of the following: written reprimand, probation, suspension without pay, termination, and/or payroll deductions to repay the unauthorized expenditure.

11.2 COURT ACTIONS - In addition to the disciplinary actions of section 11.1, the Tribal Council may also take civil and/or criminal actions against an employee or former employee if it believes the employee's unauthorized expenditure(s) were either made willfully or recklessly with wanton disregard for

the employee's responsibilities to protect the Tribe and its assets and the employee's actions have caused the Squaxin Island Tribal Council significant harm. Such civil and/or criminal suits shall be made under existing or future Tribal or federal laws prohibiting the misuse of Tribal funds.

11.3 COUNCIL SANCTIONS - Any member of the Tribal Council may call for the removal of the Treasurer, or its designee, or the at-large community representative from the Budget Committee if he/she feels that person has not properly performed their budgeting responsibilities or has exceeded or abused their authority granted under this Ordinance. A majority vote of the elected Council is required to remove the person from the Budget Committee and a majority vote shall also be required to replace that Budget Committee member with another member. The removed member's responsibilities under this Ordinance shall then be assumed by the replacement member. Such a removal need not affect that member's official standing as an officer of the Tribal Council.

11.4 LIMITATIONS - Nothing in this Ordinance is intended to place limitations on any lawful powers of the Tribal Council, Tribal officials, or Tribal staff other than those limitations specifically described in this Ordinance.

Section 12 - SEVERABILITY

If any part of this Ordinance is held to be invalid the remainder shall continue to be in full force and effect.

Section 13 - AMENDMENTS TO THIS ORDINANCE

This Ordinance may not be amended or repealed unless that action is approved by a three-fourths (3/4) affirmative vote of the Squaxin Island Tribal Council, taken at a regular duly called meeting of the Council, and only after the proposed action was publicly announced for at least 2 weeks prior to the meeting and the item was properly noted on the Council's agenda.