



Little River Band of Ottawa Indians
2608 Government Center Drive
Manistee, MI 49660

Resolution # 22-0209-015

#1 Limited Scope Investigation One Time Hazard Pay 07/30/21

WHEREAS, the status of the *Gaá Čhíng Ziibi Daáwaa Aníshinaábek* (Little River Band of Ottawa Indians) as a sovereign and Treaty-making power is confirmed in numerous treaties, from agreements with the initial colonial powers on this land, to various treaties with the United States; and

WHEREAS, the Little River Band of Ottawa Indians (Tribe) is descended from, and is the political successor to, the Grand River Ottawa Bands, signatories of the 1836 Treaty of Washington (7 Stat. 491) with the United States, as reaffirmed by federal law in P.L. 103-324, enacted in 1994; and

WHEREAS, the Tribe adopted a new Constitution, pursuant to a vote of the membership on May 27, 1998, which Constitution became effective upon its approval by the Assistant Secretary-Indian Affairs on July 10, 1998; and

WHEREAS, the Tribe adopted amendments to the Constitution on April 26, 2004, which became effective upon approval by the Assistant Secretary-Indian Affairs on May 13, 2004; and

WHEREAS, the Tribe adopted amendments to the Constitution on July 11, 2016 which became effective upon approval by the Assistant Secretary-Indian Affairs on August 24, 2016; and

WHEREAS, the Tribal Council adopted, in accordance with Article IV, Section 7(a) of the Constitution, and the Government Business and Accounting Act of 2010 which identifies the need for internal investigations; and

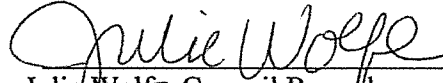
WHEREAS, the Comptroller General has performed Limited Scope Investigations as requested by Tribal Council.

WHEREAS, the Comptroller General has prepared and presented the Limited Scope Investigation and supporting documents to the Tribal Council on July 30th, 2021.

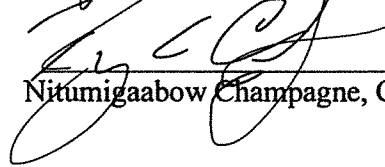
NOW THEREFORE IT IS RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby accepts #1 Limited Scope Investigation One Time Hazard Pay 07/30/21 dated July 30th, 2021 and authorizes their dissemination to individuals as deemed appropriate by the Tribal Council.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 5 FOR, 1 AGAINST, 1 ABSTAINING, and 2 ABSENT at a Regular Closed Session of the Little River Band of Ottawa Indians Tribal Council held on February 9, 2022, VIA ZOOM, Michigan, with a quorum being present for such vote.



Julie Wolfe, Council Recorder



Nitumigaabow Champagne, Council Speaker

Attest:

Distribution: Council Records
Tribal Ogema
Tribal Court



Office of Business and Accounting

2608 Governmental Center Drive

Manistee, MI. 49660

Phone: 906 398 6837

Little River Band of Ottawa Indians

Limited Scope investigation to determine compliance with 2021 Ogema authorizing a one-time hazard payment for employees who actively worked during 2020.

Objective/Description

Did Ogema work within LRBOI Regulations and Ordinance to authorize one time Hazard payment? What safeguards in place to protect the assets of the Tribe from such activities?

Investigation Scope

Auditor will examine the circumstance of the one-time hazard payment in question. Where were the funds allocated from? What is the authority criteria to allocate these funds? What are the Total expenses concerned for this hazard payment. What criteria was used to determine minimum eligibility for hazard pay? I will also review Tribal Budgetary and Accounting Ordinances and Regulations. Auditor will Interview/discuss with the Ogema, Accounting Department, Budgeting Departments and Payroll, as needed.

Findings

Responses in Blue where from Steve Wheeler Tribal CFO.

Where were the funds allocated from?

Funds were allocated from Fund #4995 – 2021 BIA Self Governance ARPA Grant, which allows for these type of payments.

Resolution 21-0714-178 approved a modification to the operating budget for Fiscal year 2021 for 2,199,732.

What authority criteria was used to allocate these funds?

The award document for the 2021 BIA Self Governance ARPA Grant specified that premium / hazard pay is an authorized use of these funds. Payment was made based on an approved policy authorized by the Ogema dated 7/21/2021.

What are the total cost for this hazard payment?

Total cost of the hazard pay was \$266,000 for salaries / wages, \$20,132.94 payroll taxes, \$3,841.95 Work comp, and \$7,859.73 for 401k. Grand total is \$297,834.62.

What criteria was used to determine minimum eligibility for hazard pay?

Currently employed regular and part time, employed prior to 12/31/2020, with hazard pay assigned as follows: \$2,000 for full time and \$1,000 for part time.

Review of LRBOI Ordinance and Regulations –Overviewed all Ordinance and Regulation, reviewed in detail the Budget and Appropriation Act of 2013.

Interviewed with Steve Wheeler and he reaffirmed the information above. Asked him to send me the “7/21POLICY” stated above.

Interview with Bill Willis and he informed me that no modification where done to individual budgets or line items and all expenses were paid out of the 4995 fund. He went on to tell me that ULD, advised and wrote the “7/21POLICY” for Hazard pay.

Safeguard in place include having several other people/department were involved in this hazard pay process, The ULD, CFO, Budget Coordinator, Grants and Account Payable all had some involvement in this process and in fact they did approve a “7/21 Policy” for this spend.

Recommendations

I have not found any information in the Regulations or Ordances that allows or disallows such activity. I do believe the ordnance was written with the intent to have all dollars spent through some sort of Council Approved budget!

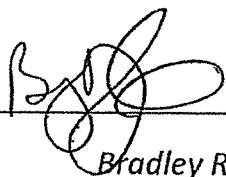
I have confirmed with Tribal CFO that there is no current plans to spend the remaining unallocated 1.9 million dollar remain in the 4995 Fund. I would urge council to meet with Ogema to begin discussion on best possible way to expend those unallocated funds.

I recommend a Council discussion at the 8/2 Round Table Meeting with ULD representative.

Corrective Action Plan (As Needed)

None at this time.

Auditor Signature: _____



Bradley R Pringle

Date: 7/30/21