# OMAHA TRIBE OF NEBRASKA

P. O. Box 368
Macy, Nebraska 68039

**EXECUTIVE OFFICER**
Ansley Griffin, Chairman
Barry D. Webster, Vice-Chairman
Amen Sheridan., Treasurer
Rodney Morris, Secretary

TRIBAL ADMINISTRATION

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**MEMBERS**
Mitch Parker
Tim Grant
Sterling Walker

# RESOLUTION

## OMAHA TRIBAL COUNCIL

## No. 08- 21

## *TO APPROVE A CORRECTIVE ACTION PLAN AND ASSOCIATED PURCHASING AND PAYROLL MANAGEMENT POLICIES AND PROCEDURES*

WHEREAS, the Omaha Tribe of Nebraska is a federally recognized Indian tribe organized under a constitution and bylaws approved by the Secretary of Interior on April 30, 1936, pursuant to Section 16 of the Indian Reorganization Act of June 18, 1934; and,

WHEREAS, pursuant to Article III, Section 1 of the Constitution of the Omaha Tribe of Nebraska, the governing body of the Omaha Tribe shall be known as the Tribal Council; and,

WHEREAS, pursuant to Article IV, Section 1 (a) of the Constitution of the Omaha Tribe of Nebraska, the Tribal Council has the authority to negotiate with the Federal, State, and local governments on behalf of the Tribe, and to advise and consult with the representatives of the Department of the Interior on all activities of the Department that may affect the Omaha Tribe; and,

WHEREAS, pursuant to Article IV, Section 1(m) of the Constitution of the Omaha Tribe of Nebraska, the Tribal Council has the authority to adopt resolutions regulating the procedure of the Tribal Council itself and of other Tribal agencies and Tribal officials; and,

WHEREAS, the Tribal Council finds that on March 6, 2006, the Tribe and Aberdeen Area Health Services entered into an Alternative Dispute Resolution Agreement; and,

WHEREAS, the Tribal Council finds that the purpose of the Agreement is to identify and resolve the issues that are the "root cause" leading to the Tribe's questioned and/ or disallowed cost and other bookkeeping problems which lead to the Tribe's "high risk" designation and the imposition of sanctions covering fiscal years 1993 through 2006; and,

WHERAS, pursuant to the Agreement, the Tribe agreed to prepare a Corrective Action Plan and to maintain internal controls over Federal programs that provide reasonable assurances that the Tribe is managing Federal awards in compliance with laws, regulations, and the provisions of the P.L. 93-638 contract that has a material effect on each of its Federal programs; and,

WHEREAS, the purpose of this Resolution is to approve the attached Corrective Action Plan, and the associated Payroll and Purchasing Management Policies and Procedures; and,

WHEREAS, the purpose of the Corrective Action Plan is to remedy repetitive audit findings involving Financial Management Processes and Procedures, and the accountability of the Tribal Council, Finance Staff and Program Directors and their staff to understand and follow those procedures; and,

WHEREAS, the purpose of the payroll policy and procedure manual is to define the process of compensating workers for work performed; and,

WHEREAS, the purpose of the purchasing management policy and procedure manual is to define the process of obtaining services, supplies and equipment and how to do so in conformance with applicable law and regulations; and,

WHEREAS, the Tribal Council has determined that it is in the best interest of the Omaha Tribe of Nebraska to approve the attached Corrective Action Plan, and the associated Payroll and Purchasing Management Policies and Procedures.

NOW THEREFORE BE IT RESOLVED:
That the Omaha Tribal Council hereby approves and shall implement the Corrective Action Plan, and the associated Payroll and Purchasing Management Policies and Procedures.

## CERTIFICATION

This will certify that the foregoing resolution was considered at a meeting of the Tribal Council of the Omaha Tribe of Nebraska, duly called and held on 2-12-08, and was adopted by a vote of 4 FOR, 0 AGAINST and 2 NOT VOTING OR ABSENT with the Chairperson not voting. A quorum of 5 was present.

INTRODUCED BY: Amen Sheridan
MOTION: Tim Grant
SECOND: Sterling Walker
QUESTION:

Dated: 2-12-08.

Signed:

Chairperson, Omaha Tribal Council

Secretary, Omaha Tribal Council

Omaha Tribe of Nebraska

Corrective Action Plan

1.0 Purpose

The purpose of this Corrective Action Plan is to remedy repetitive audit findings involving Financial Management Processes and Procedures, and the accountability of the Tribal Council, Finance Staff, and Program Directors and their staff, to understand and follow those processes and procedures. The Tribe has developed this Corrective Action Plan to improve our business processes and internal controls, providing an increased reliability on compliance, and thereby reducing audit findings, facilitating timely reporting and audits, and removal from sanctioned status.

Financial Management refers to all employees paid by Indirect Cost funding. This includes the Chief Tribal Officer and the Human Resources and Administrative staff that report up through the CTO, and the Chief Financial Officer and all Finance staff that report up through the CFO.

This Corrective Action Plan has been developed in consultation with the Aberdeen Area Indian Health Service. It is the understanding of the Omaha Tribal Council that implementation of this plan shall result in the closure of audit findings related to the operation of IHS contracted programs from 1993-2006. It is also the intent of this Corrective Action Plan to improve the performance of all Tribal Programs.

2.0 Overview

The Plan addresses the following areas:

2.1 Financial Management Policies and Procedures

2.2 Financial Management Software

2.3 Management Structure

2.4 Resolution of Findings

2.5 Removal of Sanctions

2.6 Amendments (to be added in the future).

3.0 Financial Management Policies and Procedures

The Financial Management Policy and Procedure manuals have been identified as being outdated, incomplete and an inaccurate presentation of Tribal Operations thereby resulting in audit findings.

The methodology we are following in the revision and development of our policies and procedures is to initially document processes as they are today, so as not to continue to be audited to processes that we do not follow. Current processes will then be re-engineered to provide improved internal controls, enhanced program services, as well as compliance with the Single Audit Act and OMB circulars A-87 and A-133.

Training of Program Directors and staff will be ongoing in this process. The revised policies and procedures will be presented in a simple and concise manner and maintained as living documents. Concern must be used to ensure that the revised procedures are achievable under the constraints of Indirect Cost funding and staffing of qualified personnel in both Finance and our Programs.

3.1 Current Process Documentation Timeline:

| | |
|---|---|
| Human Resources | Completed |
| Purchasing | August 31, 2007 |
| Payroll | August 31, 2007 |
| Indirect Cost | February 28, 2008 |
| Matching | February 28, 2008 |
| General Journal Entries | March 31, 2008 |
| Accounts Receivable | May 30, 2008 |
| Accounts Payable | June 30, 2008 |
| Travel | July 31, 2008 |
| Fixed Assets | July 31, 2008 |
| Record Retention | August 31, 2008 |
| Finance Disaster Recovery | September 30, 2009 |

Each Policy and Procedure will be passed by resolution of the Tribal Council. Revisions to Policies and Procedures will be presented to the Council for approval during January of each year. Program Director training will follow the approval of each Policy and Procedure and updates.

3.2 Responsibility for Compliance with Policies and Procedures:

- Tribal Council Officers
- Tribal Council
- Program Directors and their staff
- Chief Tribal Officer
- Human Resource Director
- Chief Financial Officer and Finance Staff

3.21 The Tribal Council and its officers have the ultimate responsibility for enforcement of Policies and Procedures according to the Constitution and Bylaws of the Omaha Tribe of Nebraska:

Constitution Article IV – Powers Section 1. Enumerated powers – the Tribal Council shall exercise the following powers, subject to any limitations imposed by the Constitution or statutes of the United States, and subject further to all express restrictions upon such powers contained in this constitution and the attached bylaws.

(a) To negotiate with the Federal, State, and local governments on behalf of the Tribe, and to advise and consult with the representatives of the Interior Department on all activities of the Department that may affect the Omaha Tribe.

(f) To manage all economic affairs and enterprises of the Tribe in accordance with the terms of a charter which may be issued to the Tribe by the Secretary of the Interior.

(j) To safeguard. Promote, and enforce the peace, economy, safety, law and order, and general welfare of the Tribe and the Omaha Indian Reservation; to regulate all manner of trade and commerce; to regulate all manner of criminal and non-criminal conduct, subject to any limitation of federal law.

(m) To adopt resolutions regulating the procedure of the Tribal Council itself and of other Tribal Agencies and Tribal officials.

Bylaws Article I – Duties of the officers of the Tribal Council shall be as follows:

The Chairman of the Tribal Council shall at all times have general supervision of the affairs of the Tribal Council and such matters as naturally pertain to the general welfare of the community. It shall also be the duty of the chairman to countersign all checks drawn against funds of the organization by the Treasurer.

The Secretary shall keep an accurate record of all proceedings of the Tribal Council and furnish copies thereof to the Superintendent and the Commissioner of Indian Affairs. He shall be responsible for the prompt and efficient handling of all correspondence pertaining to the business of the Tribal Council and the Tribal Corporation. All official records of the Tribal Secretary shall be open to inspection of the Tribe at all times.

The Treasurer shall be the custodian of all funds in possession from any source. He shall be under bond to a surety company of recognized standing in an amount to be determined by the Tribal Council, such surety company and bond to be approved by the Commissioner of Indian Affairs. He shall keep an accurate record of all such funds and shall disburse the same in accordance with the vote of the Tribal Council and as designated by this constitution and bylaws. The books of the Treasurer shall be open to audit and examination by the duly authorized officers of the

Secretary of Interior at all times and shall be open to inspection by members of the Tribal Council and its officers.

The subordinate officers, boards, and committees of the Tribal Council shall perform such duties as the Tribal Council shall, by resolution from time to time provide.

Bylaws Article V – Cooperation, Section 1:

The Tribal Council shall work in very close cooperation with the Indian Service Bureau and various departments of the State of Nebraska in matters of charity, education, recreation, social work, and public health.

3.22 Tribal Council Members shall participate in an annual review of this Corrective Action Plan completed between the November election date and January 31 of the next year. It is recommended that each Tribal Council member complete 638 contract training.

3.23 Contract Approval Authorization: the Chairman of the Tribal Council shall sign approval to all contracts in conjunction with the Program Director (except where a contract is being accepted and a Program Director has not yet been assigned). Both signatures are required for an initial or renewal contract or grant. Modifications to the Indian Health Services contract shall be signed by any of the seven Tribal Council members, as well as the Program Director. If a Program Director is assigned after the acceptance of a contract, the new Director shall read the contract, then sign and date the Finance copy of the contract accepting the responsibility of the program.

3.24 Program Directors are responsible for understanding and complying with Tribal Policies and Procedures as well as their individual contract and grant rules and regulations.

3.25 The Chief Financial Officer and the Finance staff are responsible for overseeing adherence to Policies and Procedures and for communicating infractions to the Tribal Council, the Program Director, the CTO, and to the Director of Human Resources.

3.24 The CTO and the Human Resources Director are jointly responsible under the direction of the Tribal Council for disciplinary action for non-adherence to Tribal Policies and Procedures.

## 4.0 Financial Management Software

FUTEX is the general ledger software used by the Tribe. The software system is unstable and is the cause of some of our audit findings. Neither the Tribe nor the Indirect Cost Funding is financially capable of purchasing and implementing a new software package. We are applying for the IHS Management Grant and will replace our software system if we receive this funding. If the grant is not received, we will continue to apply for grants and will appeal to other Tribal Governments for help in obtaining and implementing a new software package.

4.1 Software Implementation Timeline

FUTEX is unable to provide a stable data download necessary to map a data conversion to another software system. We will implement new software at the beginning of a fiscal year, on October 1. Programs that do not operate on our fiscal year will require manual entry of summarized data. The FUTEX system will need to be utilized for detail inquiry of those programs, and for the 90 day close out of the prior fiscal year of fiscal year programs.

Due to the complexity of implementing a new system, and to running two systems simultaneously, we will require additional qualified staff. Software consultants will be needed for a successful software implementation. Audit cost may also increase for the audit year we are on two systems.

The Tribal Council may need to prioritize and budget additional Tribal funding to supplement grant money received, or a shortfall in Indirect Cost funding.

5.0 Management Structure

The Tribal Chief Financial Officer (CFO) shall be supervised by the Tribal Council, but shall report to the Treasurer. The hiring and the removal of the CFO must be by majority vote of the Tribal Council.

Numerous audit findings relate to the lack of qualified, knowledgeable staff within the Finance and Human Resources Departments, therefore, if funding is available, the Tribe shall commit to hiring the most qualified individual for the relative position. Non-Indian or non-enrolled Native American personnel will be hired where there are no qualified Omaha enrolled applicants.

5.1 The Human Resource Director shall hire or develop an individual from within its current staffing that will be delegated management authority to make management decisions and perform ADP entry in the Director's absence.

5.2 The CFO shall hire an additional management level accountant to supervise staff and perform financial accounting and reporting duties.

5.3 Low funding is an obstacle to hiring staff at this time. We intend to hire or develop these positions by April 1, 2008.

6.0 Resolution of Findings:

The resolution of findings have and will occur as the Corrective Action Plan is carried out.

6.1 Training and Technical Assistance

The Finance Department shall make a serious effort to upgrade the quality of its accounting, through on-going training. This shall include technical assistance for the finance staff from the Aberdeen Area Indian Health Service, technical assistance from other funding agencies, and other training when funding is available.

As part of the Corrective Action Plan for the Omaha Tribe of Nebraska, the IHS shall provide technical assistance to the Tribe. Training is needed in the areas of allowable cost, travel, records management and GASB 34. Appropriations Law training (allowable cost) will include Council members and Directors of all programs.

6.2 It will be the policy of the Tribe to respond to all inquiries from funding agencies in a timely manner. Communication to funding agencies must be on-going. When questions arise pertaining to the operations of our Programs, the Finance staff, the Council and Program Directors will communicate with funding agencies to provide clarification and direction of program operations.

6.3 The Tribe shall be committed to obtaining expert assistance outside the Tribe when it is needed. An example of this is the current contracting of Falmouth Institute to complete Indirect Cost proposals.

7.0 Removal of Sanctions:

The Omaha Tribe was placed on sanctions on October 1, 1999, while at the Aberdeen Area Office for contract negotiations. At that time no one at the Area Office could answer any questions or give any direction to the Tribe concerning the sanctions. Since that time both parties have been educated through participation in the Alternative Dispute Resolution (ADR) process. This has resulted in many positive changes for the Tribe in the areas of financial management, policy and procedures and has opened communication at many different levels. The Corrective Action Plan addresses deficiencies found and a timeline for action. The ADR minutes reflect our efforts and identify benchmarking for each item. The 2005 audit is being finalized now. Our intent is to complete the 2006 audit within 3 months of the completion of the 2005 audit, or by March 31, 2008.

As a Treaty Tribe the Omaha's feel that the sanctions are only an additional burden we carry to provide healthcare to the population we serve. To begin with the Health Center is only funded at 70%. The loss of the lump sum payment means that the interest earned (approximately $300,000 a year) is no longer available to supplement program shortfalls. With all the efforts toward correction and the audits nearly current the Omaha Tribe requests the removal of the sanctions. If not removal, then an agreement where the lump sum will be placed in a restricted bank account monitored and released by the Indian Health Service. This would allow the Tribe to earn interest on the funds, and reduce the financial damage caused by the sanction.

The removal or reduction in sanctions is being requested for FY08.

OMAHA TRIBE OF NEBRASKA

PAYROLL MANAGEMENT POLICY AND PROCEDURE

This Payroll policy and procedure manual defines the process of compensating workers for work performed.

All federal, state, and privately funded programs that are processed through Omaha Tribe Finance Department must comply with this policy and procedure manual.

# INTRODUCTION

The procedure for an employee to receive payroll will be pursuant to the hiring practices of the Omaha Tribe of Nebraska's Personnel Manual.

The Human Resources Personnel Action form is the source document for employee or consultant entry to the ADP payroll system. Human Resources staff is responsible for entering all Personnel Actions to the payroll system. Payroll personnel are responsible for processing the payroll.

Personnel Action Form:

- Administered by and entered to the ADP system by the Human Resources Department.
- Source document for approval signatures.
- Required for all changes in pay and status.
- Program Directors are responsible for completing the program accounting code for payroll charges.
- Primary copy of the Personnel Action form is retained in the Human Resources employee file.
- Copies of each completed Personnel Action form will be forwarded to the Payroll Department and to the Program Director.
- New employees will not be paid until a Personnel Action Form is completed and entered to ADP.
- Personnel Action forms are available from the Human Resources staff in the Tribal Administration office, and by the Human Resources Specialist located at the Carl T. Curtis Health and Education Center.
- Program Directors are responsible for obtaining and completing Personnel Action forms for their employees.

Please see the Human Resources procedure manual for more information on the Personnel Action Form, or call the Human Resources Department at 402-837-5391.

or pension. These employees who are terminated or resign will be paid their final check minus deductions on their last day of employment.

Payroll Filing System:

- The Payroll staff will be responsible for payroll preparation and payroll recordkeeping.
- Payroll files will be maintained by individual, by program.
- When an employee moves to another program, the employees file will be moved to the appropriate program file area in payroll.
- Any subsequent changes applied to the a Personnel Action form will be forwarded from HR and filed by the payroll department after being properly reviewed by each HR Manager.
- Payroll staff shall maintain individual earnings records and safeguard these records in their department.

Tax Filing

Due to the fact that the Omaha Tribe of Nebraska uses ADP they file the tribe's federal and state taxes and withholdings.

- A.D.P. will insure compliance with IRS and state regulations concerning filing of forms 941, W-2, 1099.
- ADP then forwards all transactions that are completed by the payroll clerk to the Omaha Tribe of Nebraska via mail.
- The mail includes a CD-ROM for review of each payroll transaction. This is given to the accounting supervisor for filing.
- Should there be a concern or issue it will easily accessible for reviewing.
- ADP forwards on a quarterly basis a copy of our 941 worksheets. The accounting specialist has set up an excel spreadsheet per payroll of all totals.
- It will be the duty of the accounting specialist to review and reconcile the worksheet.
- If any issues do arise we will contact ADP and inform them of the issue and make the corrections they will amend our reports.

Payroll Preparation

- The Payroll staff will prepare payroll checks
- The Payroll checks when printed are already pre-signed by designated officials of the Omaha Tribe of Nebraska.
- These officials include the Chairperson, Vice-Chairperson, Tribal Secretary, Treasurer and other Tribal Council members. These individuals are the elected officials of the Omaha Tribe of Nebraska and have sole signature authority for approval
- Payroll transfers must be completed before distribution of payroll checks.
- Each employee is required to personally obtain his or her check and a sign out sheet is there to verify they obtained their own check.
- All Payroll information is confidential and can only be given out by either a signed release by the employee or by a court order.

Procedure:

## POLICY / PROCEDURE
## PAYROLL

Description: This procedure ensures that all employees of the Omaha Tribe of Nebraska have worked at any time during the previous two weeks receive payment for their services. Also, that all necessary reports, including payroll taxes and deposits are filed accurately and timely.

| Responsible Party | Action |
|---|---|
| Human Resources: | Process all P.A.'s (Personnel Action forms) and any changes to be made to employee maintenance records on the payroll system. Signs them and enters them in the Automatic Data Processing system, (ADP). |
| Payroll Clerk: | Reviews all P.A.'s and changes on the payroll system to make sure all necessary entries have been made. Documentation is filed in individual payroll file. |
| Director of Program: | Reviews and signs all punch detail reports, (timesheets), from employees under his/her supervision. Any questionable entries on timesheets should be reviewed with employee. Also when an employee is working for multiple programs they are requested to provide a valid timesheet corresponding with each program. The director then forwards completed timesheets to the payroll department by Monday morning the week of payroll. (This deadline is changed according to Holiday pay weeks). The Omaha Tribe of Nebraska does recognize that various funding agencies may require payroll procedures be in compliance with their funding regulations, such as, E.P.A. |

Payroll Clerk: Brings all timesheets together prior to entering information. Next, checks all vacation hours and sick hours that are listed on timesheets against the leave report from last pay period. If employee does not have enough time available that they entered on their timesheet, it is necessary to alter their hours to be paid accordingly. This will also require a phone call and e-mail to the supervisor and or employee to notify them of the change.

Payroll Clerk: Opens file that contains all vacation and sick hours from last pay period and enter the hours off current timesheets per employee. At this time also enter any withholdings to be included for this pay period that are not done every pay period, (travel etc.). (NOTE: Salary employees are not required to turn in a timesheet unless they have taken vacation or sick hours. Reviews the hours and updates file before entering the hours into ADP.

Payroll Clerk: Input Timesheets: Using the E-time go into ADP under pay your employees and open hour and earnings. Enter Processing Group – Biweekly, Timesheets for regular, pay date will automatically come up (does not do this for supplemental) Enter employee info for any employee who had taken vacation or sick or did not work 80 hours or if they have OT hours approved, (all overtime MUST be approved by director of the program in order for OT hours to be paid). If they worked a full 80 hours and did not take any time off you need to do nothing, their default timesheet will kick in. It will be necessary to adjust deductions that are different from their default timesheet like travel deductions, pay advances, one time deductions etc. After all hours and adjustments are entered and saved.

Payroll Clerk: Calculating Payroll: Enter Regular or Supplemental, pay date and click available item to select item, then calculate. Transmit data to ADP. When transmittal is complete a message will come up when calculations are complete and it will inform you when something is wrong so you can check it out and correct it if necessary. Click OK and it will close.

Payroll Clerk:

After calculations are completed go into review/modify calculated payroll and delete any employee timesheet that should not get paid, (these are the FMLA, LOA or no timesheet turned in employees). Also, this is where any adjustments that need to be made are entered. If you find it necessary to recalculate for any reason these will have to be checked and deleted again.

Payroll Clerk:

Complete a Calculated Check Register: Print this out and then check the report against the payroll summary report to make sure that correct hours are being paid per employee and that sick and vacation hours are used. Also, make sure that no check is being issued to someone that should not be getting one or being charged to a different department. After reviewing forward payroll summary to accounting specialist for to complete payroll transfers. Utilizing the payroll summary the accounting specialist will review all deductions at the request per employee.

Accounting Specialist:

Review the calculated check register that is forwarded from the Payroll Clerk to make sure all is correct. It will be necessary to transfer money into payroll account to cover payroll. After reports are run, calculate the total amount needed to cover payroll. This is the Check Register total plus the total for the employer share, (social security and Medicare), payment. Forward information to accounting supervisor for approval to cut payroll transfers, deductions and payroll checks or question any entry that seems incorrect.

Payroll Clerk:

ADP prints & stuffs envelopes.

Printing Payroll Checks: After approval from accounting supervisor the payroll clerk will proceed to print payroll checks. After printed checks are complete the payroll clerk will group the employee checks into departments. At this time the payroll clerk will attach a summary of hours worked to each employee check and to be

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|---|---|
| | put into envelopes for either delivery or pickup. Also a summary report will be attached to the department for director's review. Should there be any concerns the director can contact the accounting supervisor for any solutions. |
| Accounting Supervisor: | Forward correct amount of payroll transfers and deductions to accounts payable to use in cutting payroll transfers. After payroll transfer checks are complete a designee will be authorized to transfer deposits to bank prior to release of payroll. Accounts payable will mail all deduction checks. |
| Authorized Signer: | Individuals who have been given authority signs the payroll transfer checks before returning it to the accounting specialist. |
| Council: | Signs the payroll transfer checks before returning it to the accounting specialist. |
| Accounting Specialist: | Take the signed transfer check to the bank and wait while a teller does the transfer. The teller will give you the transfer slips and a copy of the payroll transfer sheet for our records. Keep a running total of these transactions on a Columnar Pad sheet, (just for our records). |
| Payroll Clerk: | Record the name and address of any checks that are mailed to employees on the form "Check Sign out". A list of the employees that have requested their check be mailed is posted in the work area of the payroll administrator close to the computer. |
| Payroll Clerk: | Oversees the pickup of the checks and will request the signature of the party picking up the checks for a department. Any checks that are not picked up by the Monday after payday will be sent to the accounting receptionist for mailing. |
| Payroll Clerk: | Reports need to be completed for the following, and filed.<br><br>Check Register – Summary check/transaction register, edit summary, benefit summary |

Deductions: A report will be forwarded to the accounting specialist from payroll clerk for review and forward to accounts payable for checks to be completed. After completion the accounting receptionist will mail all deduction checks and will file accordingly. Deductions are a voluntary service completed by the Omaha Tribe of Nebraska.

## POLICY / PROCEDURE
## END OF MONTH

Description: This procedure ensures that necessary reports are completed on a monthly
basis.

| Responsible Party | Action |
|---|---|
| Payroll Clerk: | Reports that need to be completed at end of month include:<br><br>Leave Liability: Print out a report for each individual program. Send these reports to the program directors. This enables the director to keep track of the available hours each employee of the program has to use and the total liability to their program. Print out a summary report of the leave liability for the Accounting Supervisor. The Accounting Supervisor will forward the information to the HR Director, Chief Financial Officer, and Chief Tribal Officer. |
| Contract Specialist Clerk: | Financial Report: Finance department will send monthly reports to each program director to reconcile the wage and fringe benefits. If any questions or concerns the director will contact either the Accounting Supervisor and or Contract Specialist to resolve issue. |
| Accounting Supervisor | Staff Report: This is completed at the end of the month. It is a summary of the activities that were completed by the payroll clerks during the month. The Accounting Supervisor will report to the Chief Financial Officer. |

## POLICY / PROCEDURE
## END OF QUARTER

Description: This procedure ensures that necessary quarterly reports are completed and
Processed in a timely manner.

| Responsible Party | Action |
|---|---|
| Accounting Specialist: | Total the payroll reports for the quarter. Total and print the quarterly summary for the quarter. Reconcile quarterly 941 reports sent from ADP for the Tribal Organization. These figures must all match and in case they do not it will be necessary to investigate and find out why. |
| Accounting Supervisor: | Files all quarterly report copies from ADP. Also forward copies to accounting specialist for reconciliation. |
| Accounting Supervisor: | Should any discrepancies arise it will be the duty of the accounting supervisor to work with the accounting specialist and contact ADP for possible solutions and or amendments. |
| Accounting Supervisor: | In ADP: Reports, History, Earnings, open the earnings-miscellaneous report. Make sure that the correct dates for the quarter are entered by reviewing the mailed CD-ROM provided by ADP. Print this report out. |

**Addendum A to OTN PAYROLL MANAGEMENT POLICY AND PROCEDURE**
**Resolution 08-21, 2/12/2008**

Omaha Tribe Environmental Protection Department
Time Accounting Form

EPA Assistance Number: ____________________

| Sunday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Monday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Tuesday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Discription: | | | | | | | | | |

| Wednesday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Thursday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Friday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Saturday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Sunday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

| Monday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
|---|---|---|---|---|---|---|---|---|---|
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |
| Tuesday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |
| Wednesday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |
| Thursday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |
| Friday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |
| Saturday | 8-9 | 9-10 | 10-11 | 11-12 | 12-12:30 | 12:30-1:30 | 1:30-2:30 | 2:30-3:30 | 3:30-4:30 |
| Task Code | | | | | | | | | |
| Activity Description: | | | | | | | | | |

I hereby certify that this is a true accounting of hours worked for work week beginning on _________________, 2007 and ending on _________________, 2007.

____________________________
**Executive Director**
**Omaha Tribe of Nebraska and Iowa**
**Environmental Protection Department**

____________________________
**Employee Signature**

____________________________
**Chief of Tribal Operations (Exec. Dir. Only)**
**Omaha Tribe of Nebraska and Iowa**

Addendum A to OTN PAYROLL MANAGEMENT POLICY AND PROCEDURE
Resolution 08-21, 2/12/2008

Omaha Tribe of Nebraska and Iowa
Environmental Protection Department
Task Code Listing
FY 2007

| Task Code | Description |
|---|---|
| 101 | Management/Oversight |
| 102 | Financial Management |
| 103 | Quality Assurance/Quality Control |
| 104 | Workplan Development |
| 105 | Workplan Negotiation |
| 106 | Workplan Finalization |
| 107 | Workplan Task Activity |
| 108 | Workplan Task Completion |
| 109 | Data Collection Activity |
| 110 | Community Meeting |
| 111 | Staff Meeting |
| 112 | Stated Meeting |
| 113 | RTOC Business/Teleconference |
| 114 | RTOC Meeting |
| 115 | Tribal Council Meeting |
| 116 | Travel |
| 117 | Training |
| 118 | Communication with Project Officer (Federal Agency) |
| 119 | Communication with Colleagues (other Tribal Departments, etc...) |
| 120 | Communication with other Federal, State, and/or Local Agencies |
| 121 | Review of applicable program (Federal) regulations |
| 122 | Program Review |
| 123 | Staff Evaluations |
| 124 | Project Closure |
| 125 | Inter-Office Meeting with Federal Agency |
| 126 | Workplan Reporting |
| 127 | Travel Reporting |
| 128 | Presentation Development |
| 129 | Communication with Tribal Consultant |
| 130 | Annual Leave |
| 131 | Sick Leave |
| 132 | Federal/National Holiday |
| 133 | Birthday Leave |
| 134 | Other Business |

Addendum A to OTN PAYROLL MANAGEMENT POLICY AND PROCEDURE
Resolution 08-21, 2/12/2008

The following time sheet shall be used by the Omaha Tribe Environmental Protection Agency programs.

- The time sheet will be completed daily.
- The EPA time sheets will be reviewed, signed, and appropriately approved, then forwarded to the Finance Payroll office by noon on Monday morning following the end of a payroll period.
- The time sheet will be the Payroll source document for EPA employee time documentation.
- Payroll staff will enter time from the EPA time sheet.
- If an EPA employee records time on more than one program, the Payroll Department will provide the Payroll Supervisor a copy of the timesheet(s).
- The Payroll Supervisor will oversee that payroll charges are charged to the correct EPA program through the payroll reimbursement process.
- A copy of all time sheets shall be retained in the EPA office.

# OMAHA TRIBE OF NEBRASKA

## PURCHASING MANAGEMENT POLICY AND PROCEDURE

This purchasing policy and procedure manual defines the process of obtaining services, supplies and equipment in conformance with applicable laws and regulations.

All federal, state, and privately funded programs that are processed through Omaha Tribe Finance Department must comply with this policy and procedure manual.

The procurement of human resources, both contract and regular employees, is the responsibility of the Human Resource Department and is addressed under the Human Resources Policy and Procedure Manual.

## RESPONSIBILITY FOR COMPLIANCE

- Tribal Council.
- Program Directors and their staff.
- Chief Tribal Officer.
- Chief Financial Officer and Finance staff.

## STATEMENT OF RESPONSIBILITIES

The following is a summary of the major responsibilities of the various individuals and groups involved in the Procurement and Disbursement activities. These are presented in order to clearly emphasize the importance of the various roles that must be performed to make the procedures which follow work well.

## TRIBAL CHAIRMAN

Along with the Chief Financial Officer and the Chief Tribal Officer, the Tribal Chairman plays a key role in controlling Tribal expenditures and the use of Tribal assets. As the Chief Executive Officer of the Tribe, the Chairman may make exceptions to procedures within the constraints of Tribal policy. This authority should be used sparingly, because deviation from established procedures will cause the whole financial control of the Tribe to weaken and these procedures to be meaningless. If procedures outlined are followed, the Chairman's workload will be minimized and the system which has been established will support proper administration of the Tribe.

## TRIBAL COUNCIL

The final authority for the management of Tribal resource sets with Tribal Council. The key responsibility of the Council is in establishing and insisting upon standard practices for running the Tribe's financial affairs (policies and procedures). Within these procedures, Council approval and review is also reserved for authorization of contracts. Beyond this each Council member is responsible for personally complying with established policies and procedures and for overseeing that all programs are in compliance.

## PROGRAM DIRECTORS and PROGRAM STAFF

Program Directors and their staff members that complete purchase requisitions are responsible for knowing and understanding their program requirements. Before a requisition is completed, the requisitioner must ask themselves these questions:

1. Is this an Allowable Cost under OMB Circular A-87?
2. Is this a Reasonable Cost for this purchase?
3. Is this an Allocable Cost under my work plan?
4. Is this an Eligible Cost within my program?

## PROCUREMENT MANUALS

- The distribution of the Omaha Tribe of Nebraska Procurement and Property Management Polices and Procedures Manual will be coordinated by the Finance Office so that all manuals can be kept up-to-date.
- Policy changes will require review and approval by the Tribal Council. The Chief Financial Officer shall be responsible for the review and submission of any updates or revisions to the manual.
- Procedures revisions will be submitted by the Finance staff to the Chief Financial Officer. Once approved, updates or revisions to the policies and procedures will be distributed to all holders of the Omaha Tribe of Nebraska Purchasing and Property Management Policies and Procedures Manuals.
- Minor changes to the manual for the purpose of clarifying the intent of the procedure, or to correct language, spelling or format errors do not require approval by the Tribal Council.
- A file containing all superseded policies and procedures will be maintained by the Purchasing Manager.

# PURCHASING MANAGEMENT POLICIES AND PROCEDURES

## POLICY OBJECTIVES

- To control expenditures by obtaining services, supplies and equipment with the lowest cost and satisfactory quality.
- To make the purchasing process more efficient for Program Directors and Supervisors who have the ultimate responsibility to ensure that their program purchases are in compliance with federal, state, or local contract requirements as they apply to their program, and with Tribal policies.
- To include internal control elements necessary to properly account for purchasing transactions and the safeguard of Tribal assets.

## Purchasing of goods and equipment requires the completion of a REQUISITION FORM and the issuance of a PURCHASE ORDER:

Step 1: Complete the Requisition Form and Approval(s):

- Requisition forms are distributed by the Purchasing Manager in the Finance office, the Finance staff back ups to the Purchasing Manager, and by the Purchasing Specialist located at Carl T. Curtis Health and Education Center.
- Requisition forms are numbered and tracked by the Purchasing Staff.
- The requisition form includes a detail listing of all items to be purchased, cost of items, total requisition cost, and the purchase from vendor name.
- The Program Director will code the appropriate budget account number(s) on the requisition.
- The Program Director must approve the Purchase Requisition by signing the requisition form. The requisition form is the documented purchase approval of the program director.
- The Program Director is responsible for all expenditures of their program. The Director is required to know their programs requirements, and to prevent overspending of their approved budget.
- The approved and completed Requisition Form will be returned to Purchasing staff.

Step 2: Issuance of a Purchase Order:

- Upon receipt of an approved and completed purchase requisition, a purchase order will be prepared by the Purchasing staff. The purchase order will be completed within two business days after the receipt of the purchase requisition.
- The purchase order will be signed by the Purchasing Manager or the Purchasing Specialist. The CFO, the Senior Financial Reporting Analyst, or the Accounting Manager may sign the purchase order during the absence of Purchasing staff.

- The purchase order is intended to manage vendors. The Purchasing Manager is responsible for vendor negotiation and compliance. An exception to this is the Carl T. Curtis contract health vendors. Contract Health vendors will be managed by Carl T. Curtis management staff.
- No business will be done with vendors who do not accept purchase orders. The Finance Office will formally notify vendors of this policy.
- Purchase orders are numbered and entered to the Futex software system.
- Purchase orders are filed numerically and stored in the Finance Department.

3. Actual purchase transaction:

- Most of our program purchases are completed by program staff physically going to a retailer and making their purchase. The purchase receipt from the vendor must be attached to the applicable requisition and forwarded to Finance.
- If an item is delivered to a program, the Program Director must attach the receiving documentation to the invoice and the original purchase requisition and forward all to Finance for payment.
- Documentation for vendor payment must be received in Finance at least ten business days prior to the vendor payment due date.
- In some instances a requisition and purchase order will be completed for items that will be distributed at a program function. The Program Director is responsible for forwarding a list of actual recipients to Finance within five days of the program function.

4. Exceptions to the requirements for purchase requisitions and purchase orders:

- Property and liability insurance. The Purchasing Manager oversees bidding and negotiation of property and liability insurance. The Purchasing Manager approves program payments for each program's applicable insurance payment.
- Cellular telephones. The Purchasing Manager oversees bidding and negotiation of the cellular telephone contracts. The Purchasing Manager approves program payments for cell telephone usage. The Program Director is responsible for reviewing cell telephone use, and insuring that staff members are using cell phones appropriately.
- Long distance telephone service. The Purchasing Manager with the assistance of the Finance Computer Technical Analyst will oversee bidding and negotiation of long distance telephone service. The Purchasing Manager approves program payments for each program's applicable long distance telephone charges. The Program Director is responsible for reviewing long distance telephone usage and ensuring long distance is being used for program related activities.
- Utility payments (telephone, water, sewer, propane, electricity). Utilities are negotiated and overseen by the Purchasing Manager. All invoices and statements will be sent to the Purchasing Director, and charges will be allocated to the applicable program. Programs that are physically located outside of Macy may receive utility bills. These bills do not require a requisition or purchase order but should be approved by the program director.
- Travel payments. Travel does not require a requisition or a purchase order. There is a separate travel policy and procedure. Travel is not a part of the Purchasing policy and procedure.

- Legal bills. Legal bills do not require a requisition or purchase order. Programs are required to receive Council approval when requiring the assistance of the Tribal attorneys. Carl T. Curtis legal bills are approved by the CEO of Carl T. Curtis or her designated representative.
- Tribal assistance and donations. Payments of this type from Tribal funds do not require a requisition or a purchase order.
- Bank charges, fees, etc. do not require a requisition or a purchase order.
- Publications and other transactions similar in nature to those listed above will not require a purchase requisition and a purchase order.

5. A total purchase of any item (or group of items) of $5,000 or more require bids as follows, unless they are determined to be sole source items :

- The total cost of a purchase includes all costs of completing a purchase. If there are several vendors and invoices included in a purchase, the total cost is the consolidated cost.
- Three bids required. In the case of a sole source item, one bid is required. For a reference as to when an item can be considered a sole source item, see 25 CFR 276.12 (b) (3) (vi).
- Advertising for written bids is required.
- All planned purchases totaling $5,000 or more require the approval of the Tribal Council on the requisition, or by attaching Council meeting minutes to the requisition.
- The bids must be presented to the Tribal Council by the Program Director. The Purchasing Manager will assist the program director in the bid process if requested, but is not required to participate in the bid process.
- A purchase order will not be issued until the bids have been collected and the Council has approved the requisition form.
- If the lowest bid is not chosen, the Program Director must include a narrative explaining the purchase choice.
- Purchases of used equipment or fixtures with a value in excess of $5,000 will be supported by a documented appraisal or other evidence that the requested price is not excessive.
- Preference will be given to Indian-owned businesses so long as they are reasonably competitive in price and quantity of materials and workmanship.
- Omaha Tribe businesses and programs receive first preference. Bids will not be required when a Tribal business or program can complete work for an amount deemed reasonable by the Program Director and the Tribal Chairman.
- Payment documentation must be submitted stapled or bound together to Finance, including:
    - Requisition copy approved by Tribal Council and the Program Director (or Council meeting minutes).
    - Purchase order copy.
    - Three or more bids collected.
    - Invoice from vendor signed by the Program Director.
    - Additional documentation or narrative that may provide a better understanding of the purchase.

6. Copy machines, printers, computer equipment must be purchased and negotiated by the Purchasing Director.

- Program Directors DO NOT have the authority to sign a lease or a maintenance agreement for equipment.
- The Purchasing Manager will negotiate and/or approve any purchase or lease of equipment.
- The Computer Technical Analyst located at Carl T. Curtis will assist with all Carl T. Curtis purchases of computer equipment and printers, and the Purchasing Manager is not required to approve the purchase.

7. Contract provisions. You must ensure your contracts are sound and complete under applicable state and local law. Contract agreements must contain the provisions listed below:

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold) 1. Remedies – Contracts must include administrative, contractual, and legal remedies for use in cases in which contractors violate or breach contract terms. The contract must also make clear the remedial actions you may take.

(2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000) Termination – Contracts in excess of $10,000 must explain the conditions under which you may terminate them for cause or for your convenience, including the process for bringing about the termination and the basis for settlement.

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled ``Equal Employment Opportunity,'' as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or subgrantees)

(4) Compliance with the Copeland ``Anti-Kickback'' Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of $2000 awarded by grantees and subgrantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of $2000, and in excess of $2500 for other contracts which involve the employment of mechanics or

laborers)
(7) Notice of awarding agency requirements and regulations pertaining to reporting.
(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.
(10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
(11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)
(13) Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

If you have any questions regarding this process please contact the Purchasing Director at 402-837-5391.