

White Earth Reservation Business Committee

Public Relations

PO Box 418, White Earth, MN 56591

News Release

POC: Gary W. Padrta

218-983-3285 Ext. 5903

Monday, Oct. 1, 2018

#18-10-01

White Earth Secretary-Treasurer comments on budget cuts

WHITE EARTH, MINN. – The following speech was given by White Earth Secretary-Treasurer Alan Roy at a press conference held Monday, Oct. 1 at the White Earth Administration Building.

My fellow Anishinaabeg,

We are moving forward. As a practice, sustainability in all things has protected our resources, People, and sovereignty. Our budget is no different, and this is why the Tribal Council passed Resolution Number 064-18-013. It is also known as the Healthy Homes Resolution.

Healthy Homes was passed the same day as the 2019 budget. The Resolution approves each of the following programs to be funded through White Earth Health or Behavioral Health supplemental income dollars received by the Tribe through 3rd party reimbursements: the Cultural Program, the Elder Advocacy Program, the Elderly Nutrition Program, the Constituent Services Program, the Boys and Girls Clubs, each Tribal government sponsored pow wow, and the Drug Court. Any additions to the list of Tribal Programs will be formally documented through official action. White Earth has a Title I contract with the Indian Health Service (IHS) to plan, conduct, and administer programs and services that IHS would otherwise provide for the Tribe. The White Earth Behavioral Health Division provides various mental health, substance abuse, and related services to tribal members in an effort to combat the opioid crisis and to meet other crucial health needs at White Earth. The Tribe collects third-party revenue under its Title I contract with IHS in providing these services through the direct billing authority.

How would the Healthy Homes Resolution look in action? If the RBC were to determine that the drug and alcohol prevention activities and the structured learning activities taught through the White Earth Boys and Girls Club served the Tribe's health-related goals, as well as furthered the goals of the Tribe's Title I contract, third-party reimbursement revenue received by the White Earth Behavioral Health Division could appropriately be used to fund the operations of the White Earth Boys and Girls Club. Through the Health Homes Resolution, the Tribal Council has determined this to be true. Clearly, the structured learning activities and drug and alcohol prevention activities offered through the White Earth Boys and Girls Club further the Tribe's overall goal of improving the health and welfare of the community. Because the programs and

services carried out by the White Earth Boys and Girls Club are consistent with the general purpose of White Earth's Title I contract with IHS; and because the activities of the Boys and Girls Club "further a health-related purpose," it is permissible for the Tribe to use its third-party reimbursement revenue to fund services at the White Earth Boys and Girls Club.

In order to make clear that the governing body determines a particular tribal program satisfies the health-related purposes required for the use of third party reimbursements, the RBC should enact by resolution (Healthy Homes) a finding that the particular program includes programs, functions, services, and activities that further the Tribe's health-related goals; and a determination that the particular program may appropriately be funded through the third party reimbursements received through the White Earth Behavioral Health and Health Divisions. These specific findings and conclusions will document the specific White Earth RBC determination that the expenditures satisfy the requirements of the Indian Health Care Improvement Act, and the Indian Self-Determination and Education Assistance Act. Such documented findings and conclusions will verify that the proper tribal consideration, on a case by case basis, is made with respect to the allocation of third party reimbursements.

The Healthy Homes Resolution supports elder programs and youth programs among other areas. The use of other government funds supports specific activities within these programs, which draws fewer resources from the general fund. This ensures the sustainability of each program as White Earth continues to address the deficit spending under past Tribal Council in prior years.

It is important to note that not a single budget was ever published for the past four years. In fact, a misreport occurred with tribal reserves leading up to the General Election (June) when it was claimed the Tribe had \$12.1 million but only had \$1.4 million at the end of Quarter 2. Instead of thinking about youth, elders, and families, the past Tribal Council focused on building casinos and buying properties. For example, the cost of the Bagley Casino was supposed to be \$6 million but the Tribe spent closer to \$18 million on the project. The past Tribal Council spent \$7 million on studies for the proposed Star Lake Casino, which wasn't located on the Reservation. Looking into these matters has become a priority for the current Tribal Council.

Some of our current Tribal Council members have claimed to not have known about the layoffs. They knew. Instead of taking responsibility for their decisions they have attempted to shift that burden onto others. The decision was unanimous, just look at the vote. We must secure our collective future by being frugal.

Unfortunately, deficit spending prior to fiscal year 2019 has negatively affected our members. However, the Healthy Homes Resolution supports these programs through other government funds, which should have been addressed in years prior.

The 2019 deficit will be addressed through increased funding transfers from gaming and the use of other government funds. Essentially, the Healthy Homes Resolution brings sustainability to our budget process. Healthy Homes strengthens and promotes tribal sovereignty in an era that finds tribal sovereignty under attack.

Fortune favors the bold, and Healthy Homes is a bold decision by this Administration that will lead us to sustainability and prosperity.

Providing quality programs and services to our members will always remain a priority. Without these changes, the Tribe would need to go into serious debt. This is not an option.

While these numbers are subject to change, a report came out last week that needs to be updated. The correct lay-off number was 37. For these layoffs, according to Human Resources as of October 1 at noon, of the 37 employees scheduled for layoff or reduction of hours, 20 employees have been successfully transferred into other positions, six are considering other positions, eight have chosen lay-off and three have had hours reduced. To my understanding there have been resignations within the White Earth Police Department after an independent investigation was authorized on the same day the budget was passed. Tribal Council has authorized an outside tribal law enforcement agency to investigate allegations of several policy violations within the department. At this time, the cause of these resignations remains undetermined.

The impact of 2014-2018 decisions will affect the Tribe next year that may lead to additional cuts. To avoid this outcome, tribal leadership will propose policy changes in government and gaming operations over the next six months. The goal of these policy changes is to significantly reduce unnecessary and exorbitant spending.

The RBC may consider policy changes in gaming operations that could result in \$1.2 million in savings. Government operations will be reviewed for savings as well. “To re-balance tribal needs and the general fund, two additional grant writers will be hired. The Tribal Council will engage heavily at the Federal and State levels, as well as with non-profits and foundations to secure funding and free-up general fund resources” (RBC, 2018).

As I said at Inauguration, “General Government expenditures have grown at an unsustainable rate. This includes capital expenditures. Without change in the coming fiscal year—2018 to 2019—we will need to go into debt. This is why we have frozen capital expenditures that have not begun. However, projects in progress will be honored until complete. As a result of this unsustainable growth, strategic decisions, otherwise known as cuts, will be made. The priority of this Administration is to protect and preserve our members rights, the Tribe, and our interests... So while our government has grown, our ability to meet unrestricted needs has been compromised.”

“We need to invest more time, money, and effort into developing our small businesses and local employers. We must create a more sustainable government. This is the path forward: do more with less, smaller government, and building our future by the sweat of our brow. Hard work. The age of unfettered gaming revenue has come to an end. We need to be competitive and grow our businesses across the board. We are now entering the age of self-sufficiency. We will be accountable for our People’s resources. I believe we can build a better future. And these actions will help this progress. We will build our future. Change is built on hope. I ask our nation to choose hope.”

As soon as next week, I will request authorization from Tribal Council to enact the Other Government Project to investigate tribal corruption. Our Tribe must move forward and hold folks accountable for our resources at the same time.

May Gichi-Manidoo bless you, the Anishinaabeg, and our Nation.

**WHITE EARTH RESERVATION BUSINESS COMMITTEE
WHITE EARTH BAND OF CHIPPEWA INDIANS**

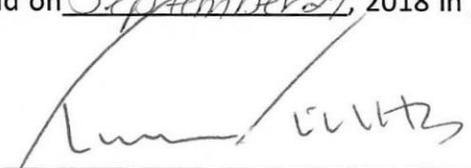
Resolution No. 064-18-013

- WHEREAS,** the White Earth Reservation Business Committee is the duly elected governing body of the White Earth Reservation pursuant to Article VI, Section 1, of the Revised Constitution and Bylaws of the Minnesota Chippewa Tribe, as amended, and organized under Section 16, of the Act of June 18, 1934 (48 Stat. 984), and
- WHEREAS,** the White Earth Public Health and Behavioral Health Divisions currently provide health and human services to tribal members, and these Divisions have a direct billing agreement with Medicare and Medicaid from which they are paid third party reimbursements for the services provided, and
- WHEREAS,** the Indian Health Care Improvement Act requires that the third party reimbursements be used for any of the following purposes: health care services; improvements in health facilities or health programs; any "health-related purpose;" or to achieve the highest possible health status for Indian people, and
- WHEREAS,** the Indian Health Care Improvement Act permits the use of third party reimbursements for a wide variety of health-related activities that "foster social, economic, environmental, and personal factors conducive to health;" "programs that promote education and work in accordance with physical and mental capacity;" and "programs that improve the physical, economic, cultural, psychological, and social environment;" among others, and
- WHEREAS,** the White Earth Band currently has in effect a Title I Self-Determination contract with the Indian Health Service through which the Tribe provides health services to tribal members and such contract does not dictate the specific uses of the third party reimbursements, but instead gives the Tribe discretion in identifying the specific programs, functions, services, and activities that will enable White Earth to fulfill the general purposes of the Title I contract, and which the governing body determines will best serve its membership, and
- WHEREAS,** based on the foregoing, the Reservation Business Committee hereby finds that consistent with the White Earth's Title I Self-Determination contract with the Indian Health Service, and consistent with the purposes of the Indian Health Care Improvement Act, that the following White Earth Tribal Programs fulfill White Earth's overall health-related goals: the Cultural Program; the Elder Advocacy Program; the Elder Nutrition Program; the Constituent Services Program; the Boys and Girls Clubs; each tribal government sponsored Pow Wow; and the Drug Court.

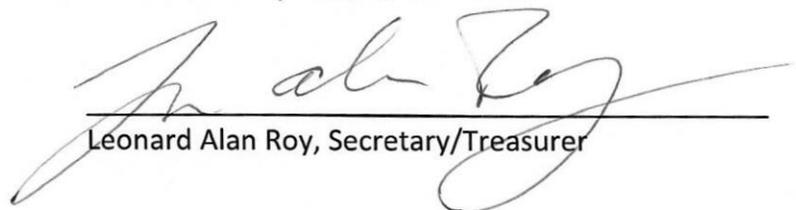
NOW THEREFORE BE IT RESOLVED, that the White Earth Reservation Business Committee hereby approves each of the following programs to be funded through White Earth Health or Behavioral Health supplemental income dollars received by the Tribe through third party reimbursements: the Cultural Program; the Elder Advocacy Program; the Elder Nutrition Program; the Constituent Services Program; the Boys and Girls Clubs; each tribal government sponsored Pow Wow; and the Drug Court; and

BE IT FURTHER RESOLVED, the White Earth Reservation Business Committee will from time to time consider additional tribal programs that may be eligible to be funded through White Earth Health or Behavioral Health supplemental income dollars received by the Tribe from third party reimbursements; and that any additions to the list of tribal programs will be formally documented through official action.

We do hereby certify that the foregoing resolution was adopted by a vote of 4 for, 0 against, 0 silent, a quorum being present at a special meeting of the White Earth Reservation Business Committee held on September 27, 2018 in White Earth, Minnesota.



Terrence "Terry" Tibbetts, Chairman



Leonard Alan Roy, Secretary/Treasurer