

Oneida Nation

Post Office Box 365

Phone: (920) 869-2214



Oneida, WI 54155

BC Resolution # 02-27-19-B Creation of the Oneida Nation School System Endowment in Accordance with the Endowments Law

- WHEREAS,** the Oneida Nation is a federally recognized Indian government and a treaty tribe recognized by the laws of the United States of America; and
- WHEREAS,** the Oneida General Tribal Council is the governing body of the Oneida Nation; and
- WHEREAS,** the Oneida Business Committee has been delegated the authority of Article IV, Section 1, of the Oneida Tribal Constitution by the Oneida General Tribal Council; and
- WHEREAS,** the Oneida Nation School Board (ONSB) was created by the Oneida General Tribal Council, pursuant to Resolution No. 1-20-77, to coordinate existing and future education programs of the Oneida Nation; and
- WHEREAS,** the Oneida General Tribal Council, pursuant to Resolution on January 8, 1983, directed that an agreement be reached between the Oneida Business Committee and the Oneida Nation School Board providing for the autonomous administration of the Oneida Nation School System, and such Memorandum of Agreement between the parties was executed on March 21, 1988; and

Endowments Law

- WHEREAS,** the Oneida Business Committee adopted the Endowments law in February 2005 by resolution # BC-02-23-05-G, and amended on April 12, 2017, which sets forth how endowments are created and managed which "are intended as a perpetual source of funding for specific purposes, [and] endowment fund accounts could be used to provide funding for areas such as health, education and support for Tribal members for burial and housing" Whereas # 6 and 7; and
- WHEREAS,** the Trust Enrollment Committee, which has been delegated by the General Tribal Council to manage the trust funds of the Tribe and has been given specific responsibilities under tribal laws such as the Per Capita law and the Endowments law, has identified that it is now time to begin formally creating the endowments under the Endowments law and as has been previously directed by General Tribal Council by actions such as resolution # GTC-06-30-90-A and addendum; and

Settlement Funds for Bureau of Indian Education Contract Costs Litigation

- WHEREAS,** the Oneida Nation has contracted with the Bureau of Indian Education and the Bureau of Indian Affairs under P.L. 93-638 contracting processes to operate a tribal K-12 education system; and
- WHEREAS,** as a part of that contracting process to transfer programming responsibilities from the Bureau of Indian Education and Bureau of Indian Affairs, the contract support costs, or

administrative costs of providing those programming services, was not fully funded under the contract and tribal nations and in 1990 a series of claims were filed which resulted in the case generally referred to as the “Ramah Navajo Chapter Class Action” that was finally settled on April 25, 2016; and

WHEREAS, as a part of the settlement, the “Oneida Tribe of Wisconsin” or Oneida Nation was entitled to 0.08468% of the settlement funds and the “Tribal School System” or Oneida Nation School System was entitled to 0.14381% of the settlement funds; and

WHEREAS, the final settlement amount received by the Oneida Nation was \$722,398 and by the Oneida Nation School System was \$1,237,327.77; and

WHEREAS, the Oneida Nation School Board has identified that setting aside the funds in an endowment will protect the funds for specific educational purpose and allow the education system of the Oneida Nation to benefit from additional endowment investment funds in the future; and

WHEREAS, the Oneida Business Committee agrees that long term strategic stewardship of the funds would allow all educational goals of the Nation to be met and ultimately funding of the school system through the endowment income; and

WHEREAS, the Oneida Business Committee and the Oneida Nation School Board both desire to set aside these funds for growth and long-term use through an endowment; and

WHEREAS, the Oneida Business Committee approved allocation of the Nation’s Ramah Settlement funds February 13, 2019, and the Oneida Nation School Board approved allocation of the school’s Ramah Settlement funds July 10, 2017, to create an endowment and have recommended that the purpose of the Education Endowment be directed to benefit education related purposes which include programming and education support services under the authority and administration of the Oneida Nation School Board; and

WHEREAS, the Oneida Business Committee and the Oneida Nation School Board have agreed that the Education Endowment shall not be used to substitute current tribal contribution funding or P.L. 93-638 funding related to programming and education support services of the Oneida Nation School System until the Oneida Business Committee and Oneida Nation School Board determine that growth in the funding allows for substituting endowment funding for tribal contribution funding for programming and education support services of the Oneida Nation School System or the endowment reaches \$10 million; and

Creating Endowments

WHEREAS, Chapter 131 – Endowment - Onáyote’a:ka Luwatithwistayáhahse Kayítla’sla (Oneida Money Saved for our People the Laws) directs that the Oneida Business Committee shall approve or disapprove an endowment recommendation made by the Finance Committee (131.4-1(a)); and

WHEREAS, the Oneida Business Committee believes that the funds set aside for the creation of an education trust from the Oneida Nation and Oneida Nation School System allocation of the Ramah Navajo Chapter Settlement should be formally developed into an endowment for the purposes of long term support of education needs of the Oneida Nation and that, when possible, additional funds should be identified for allocation to that fund; and

WHEREAS, the Finance Committee held a public hearing, in accordance with requirements of section 131.5-1, Endowment Law; and

WHEREAS, the Finance Committee, at a meeting on February 4, 2019, after review of the public hearing comments, adopted a motion recommending the creation of the Education Endowment;

Endowment Created

NOW THEREFORE BE IT RESOLVED, the Oneida Business Committee does hereby establish, in accordance with section 131.4-1(a) of the Endowments law, the Education Endowment, and directs that the settlement funds received in the Ramah Navajo Chapter Settlement, made up of all remaining funds from the Oneida Nation School System settlement of \$900,000 and all remaining funds from the Oneida Nation settlement estimated at \$722,398, be placed in the Education Endowment upon adoption of this resolution.

Purpose of Endowment

BE IT FURTHER RESOLVED, the Oneida Business Committee does hereby set the purpose of the Oneida Nation School System Endowment for long-term planning and funding of the programming and education support services of the school system.

BE IT FURTHER RESOLVED, the Oneida Business Committee does hereby further direct that the Education Endowment shall be used for the purposes of creating programs and activities which shall support Priority k-12 in the Oneida Nation School System in accordance with a resolution adopted by the Oneida School Board which shall set allocation of funding priorities on a three-year basis which may include programming, educational support services, and infrastructure. The Trust Enrollment Committee, in accordance with sections 131.6 and section 131.8-1 of the Endowments law shall develop the appropriate Standard Operating Procedures and necessary endowment documentation to fully implement the investment goals to fund the priorities set forth in this resolution.

Disbursements of Endowment Income

BE IT FURTHER RESOLVED, the annual disbursement from the Education Endowment shall be set at 50% of the annual income from investment. Provided that, by unanimous vote of a quorum of the Oneida Nation School Board may decide that the annual disbursement percentage may be increased up to 75% or be decreased down to 0%. Provided further, that at no time may the annual disbursement exceed 75%; any such changes in the annual disbursement percentages shall be made only through an adopted resolution which shall be effective after the close of the then current fiscal year identifying the reason for changing the percentage and how long such change will be in effect. An adopted resolution by the Oneida Nation School Board changing the annual disbursement rate shall be forwarded to the Treasurer, Chief Financial Officer, and Trust Enrollment Committee.

BE IT FURTHER RESOLVED, the Oneida Business Committee directs that annual disbursements and allocations from the Education Endowment shall be made as follows. The Chief Financial Officer may approve more specific Standard Operating Procedures to implement the general rules outlined in this Resolve.

1. On or before December 31st of each year the Trust Enrollment Department shall forward to the Treasurer, Chief Financial Officer, and Oneida Nation School Board an estimated annual disbursement from the endowment.
2. Then the following process for annual disbursement shall be followed.
 - a. The Oneida School Board shall submit an adopted three-year planning resolution to the Treasurer and Chief Financial Officer per timelines provided in Chapter 121 – Budget Management and Control – Twahwistatye?niftha? (We have a certain amount of money).

- b. The Oneida School Board shall submit a funding allocation notice which shall identify how the funds will be utilized by January 31st of each year; the notice shall include the programming and the allocation of the endowment funds such that no current tribal contribution or P.L. 93-638 funding is required to be replaced with endowment distribution funding.
 - c. Failure to submit a three-year planning resolution by the deadline or a funding allocation notice by the deadline shall result in the funds being returned to the endowment as principal.
3. The Trust Enrollment Department shall provide an update on the estimated annual disbursement on or before July 1st of each year to the Treasurer and Chief Financial Officer, who shall notify the Oneida Nation School Board of the updated estimated annual disbursement amount on or before July 31 of each year.
4. The Trust Enrollment Department shall make the authorized annual disbursement to the Nation's banking account established for the Oneida Nation School System as identified by the Chief Financial Officer during the month of October.
5. Funds disbursed from an endowment shall not displace the tribal contribution from the Nation's general fund for the programming and education support services of the Oneida Nation School System until after year 20 of the Endowment Interest. After year 20, the Endowment Interest shall offset such tribal contribution dollar-for-dollar after the first \$200,000.00 of the annual disbursement until no such tribal contribution is necessary. Provided that, until year 20 of the Endowment Interest reductions to programs based on budgeting processes shall not be prohibited.

BE IT FURTHER RESOLVED, that in any year in which there are insufficient specific requests based on the three-year planning resolution or the Oneida Nation School System fails to fully utilize the funds for the purpose for which the funds were disbursed in the fiscal year the funds were disbursed, excess funds shall be returned to the endowment as principal or interest.

Endowment Reporting

BE IT FURTHER RESOLVED, that the Trust Enrollment Committee shall report to the General Tribal Council, in the Annual meeting materials, the status of the endowment with the following minimum information.

1. *Principal*. Current principal and history of the growth of the principal in reasonable increments from the establishment of the endowment.
2. *Investment Income*. Current investment income and history of investment income in reasonable increments from the establishment of the endowment.
3. *Disbursements*. Current disbursement and history of annual disbursements in reasonable increments from the establishment of the endowment.
4. *Future/Trends*. Projections of estimated future growth of the principal and investment income in reasonable increments for a minimum of 20 years.
5. *Investment policy*. The investment policy and types of investments made regarding the endowment.

BE IT FURTHER RESOLVED, that the Trust Enrollment Committee shall maintain a history tracking of the original allocations with the pro rata share of gain/loss allocated to each original principal allocation. Each original principal allocation shall be labeled Ramah Settlement-School and Ramah Settlement-Nation. Provided that any additional tribal contribution (s) made shall be reported as a separate principal allocation (s) and titled Tribal Contribution funds, all of which combined will make up the Education Endowment.

BE IT FURTHER RESOLVED, that the Treasurer shall include in the Annual Report a list of endowments and how annual disbursements were allocated in the budget, including the current three-year planning resolution regarding the use of the funds.

BE IT FURTHER RESOLVED, that the Oneida Nation School System shall include in the quarterly reports to the Oneida Business Committee and the Annual Report a list of Rules regarding the use of the funds, the amount of endowment funding allocated, and expenditures made during the reporting period for quarterly reports to the Oneida Business Committee and an aggregate reporting in the Annual Report.

Funding Endowment

BE IT FINALLY RESOLVED, that the Oneida Business Committee does hereby request the Treasurer to identify funds, when available, to be budgeted to the Education Endowment each fiscal year until the principal of the endowment reaches \$10,000,000 minimum and as funds are available thereafter.

CERTIFICATION

I, the undersigned, as Secretary of the Oneida Business Committee, hereby certify that the Oneida Business Committee is composed of 9 members of whom 5 members constitute a quorum; 7 members were present at a meeting duly called, noticed and held on the 27th day of February, 2019; that the forgoing resolution was duly adopted at such meeting by a vote of 6 members for, 0 members against, and 0 members not voting*; and that said resolution has not been rescinded or amended in any way.



Lisa Summers, Secretary
Oneida Business Committee

*According to the By-Laws, Article I, Section 1, the Chair votes "only in the case of a tie."