

**TITLE 2 – GOVERNMENT ADMINISTRATION
PART V – GOVERNMENT ACCOUNTABILITY
CHAPTER 5-1 – FISCAL MANAGEMENT**

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**TITLE 2 – GOVERNMENT ADMINISTRATION
PART V – GOVERNMENT ACCOUNTABILITY
CHAPTER 5-1 – FINANCE & OPERATIONS**

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SUBCHAPTER A FINDINGS; GENERAL POLICIES

Section 10 Summary of Findings (2 PYTC § 5-1-10)

- (A) Substantially all activities of all organizations of the Pascua Yaqui Tribe require or result in the receipt, management and expenditure of funds. These financial transactions are made within a variety of different authorities delegated by the Tribal Council to the Chairman and other officers of the Tribal Council.
- (B) The Tribal Council intends that all fiscal management activities of the Tribe will be guided by appropriate standards and that processes and systems for carrying out the Tribal Council's responsibility under the Constitution will be properly integrated so as to ensure the quality management, integrity and accountability.
- (C) The Tribal Council also intends that the Tribe will meet and exceed standards established through applicable federal laws and regulations and will adopt prudent business practices consistent with the accepted state of the art in each area of fiscal management.
- (D) Through this chapter, the Tribal Council intends to institute the development and maintenance of effective fiscal management capacities and practices which will create financial stability and serve the Pascua Yaqui Tribe on an ongoing basis in the future.

Section 20 Definitions (2 PYTC § 5-1-20)

Whenever appropriate herein use of masculine includes the feminine. As used within this chapter, the following terms shall mean:

- (A) "Chairman": The Chairman of the Pascua Yaqui Tribe. The Chairman is the principal Executive Officer of the Pascua Yaqui Tribe, elected by and from within the Tribal Council, and the Chairman's duties and responsibilities are defined in the Constitution. The Chairman is delegated overall executive responsibility for Tribal operations and implementation of the laws and policies of the Tribal Council.
- (B) "Constitution": The Constitution of the Pascua Yaqui Tribe.
- (C) "Director". Department directors, or supervisors of Tribal departments or enterprises.
- (D) "Executive Officers": The four "Constitutional Officers" of the Pascua Yaqui Tribe as defined in the Constitution, including the Chairman, Vice-Chairman, Secretary and Treasurer of the Tribal Council. Also known as the "Executive Officers."
- (E) "Fiduciary funds": Funds used to account for assets held on behalf of outside parties, including other governments or individuals, in a fiduciary capacity. (Explanation conforms to GASB 34)
- (F) "Finance Director": Division Director of Finance and Operations of the Pascua Yaqui Tribe responsible for development, implementation and operation of fiscal management systems and procedures.
- (G) "Financial Management Oversight Committee": A committee composed of Tribal Council Treasurer, four other members of the Tribal Council, appointed by Tribal Council resolution, the Chief Financial Officer of the Gaming Enterprise Division, and the Finance Director of the Tribal Government. The Committee shall be responsible for general oversight of all financial management activities and to provide ongoing review, oversight and recommendations for the Pascua Yaqui investment processes.
- (H) "Fund": A separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".
- (I) "Governmental funds": Funds used to account for all or most of a government's general activities, including the collection and disbursement of earmarked (special revenue funds) and the acquisition or construction of general fixed assets (capital project funds). The accumulation of resources to pay and retire debt (debt service funds) and the accumulation of invested assets for long-term revenue generation (permanent funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.
- (J) "Internal Audit Director": The Director responsible for preparing objective, relevant, timely and professional evaluations of the Tribe and Tribal enterprises, assisting management in controlling areas of responsibilities and ensuring control policies and procedures are followed and in line with stated objectives. The Internal Audit Director reports to the Council (and administratively to the Chairman).
- (K) "Investment Committee": A committee consisting of the members of the Financial Management Oversight Committee, the Treasurer and the Vice-Chair to provide ongoing review, oversight and recommendations for the Pascua Yaqui investment processes.
- (L) "Officers": The Tribal Council executive officers also referred to as "Executive Officers."
- (M) "Procurement Director/Manager": The Director responsible for the purchasing of all goods and services required by the tribal government. The Procurement Director/Manager shall report directly to the Finance Director.

- (N) "Proprietary funds": Funds used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or for other departments or agencies primarily within the government (internal service funds).
- (O) "Secretary": The Secretary of the Tribal Council, an Executive Officer as defined in the Constitution, elected by and from within the Tribal Council.
- (P) "Subordinate Organization": Business operations, commission, authorities, committees, and non-profit organizations chartered by the Tribal Council to carry out specific purposes under responsibilities and authorities delegated by the Tribal Council.
- (Q) "Treasurer": The Treasurer of the Tribal Council, an Executive Officer as defined by the Constitution, elected by and from within the Tribal Council.
- (R) "Tribal Council": The Tribal Council of the Pascua Yaqui Tribe, as defined in the Constitution.
- (S) "Vice-Chairman": The Vice-Chairman of the Pascua Yaqui Tribal Council, an Executive Officer as defined in the Constitution, elected by and from within the Tribal Council.

Section 30 General Policies Regarding Fiscal Management Responsibilities (2 PYTC § 5-1-30)

The Constitution of the Pascua Yaqui Tribe provides that the Tribal Council is responsible to manage tribal affairs. Effectively, all fiscal management responsibility not specifically assigned to the Officers is vested in the Council. The Council hereinafter delegates fiscal management responsibilities to the Executive Officers, reserving to itself certain executive roles and those roles and duties which are legislative in nature.

Section 40 Policy of Tribal Council (2 PYTC § 5-1-40)

It is the policy of the Tribal Council to ensure an adequate system of checks and balances for the administration of the Tribe's fiscal management responsibilities.

Section 50 Council (2 PYTC § 5-1-50)

The following authorities are expressly reserved to the Council in addition to other powers expressed in the Constitution not discussed in this chapter.

- (A) Approval of overall fiscal management policies in the form of titles and resolutions.
- (B) Adoption of financial plans, strategies and priorities for use of available financial resources.
- (C) Adoption of Tribal budgets that appropriate tribal government funds for investment, expenditure and other use of the Tribe.
- (D) Adoption of official Tribal positions with respect to Federal funds and programs available to serve the Tribe.
- (E) Approval of contracts with attorneys, independent auditors, other professionals having ongoing relationships with the Council and other procurement agreements exceeding the amount of \$100,000, except that gaming contracts with a greater value may be approved in accordance with Subchapter G, Section 560.
- (F) Approval of grants and government-to-government agreements between the Tribe and federal, state and local governments, unless the Council adopts a resolution or ordinance expressly delegating authority to submit grant applications in amounts no greater than \$100,000.

- (G) Approval of borrowing and financing arrangements as prescribed within this chapter.

Section 60 Chairman (2 PYTC § 5-1-60)

As an Officer of the Tribe, the Chairman is elected by, reports to, and serves at the pleasure of the Council as outlined in the Constitution. The Chairman shall:

- (A) Represent the Tribe by name, title and signature, and execute all agreements with the federal, state and other governments, and other entities as authorized by the Council.
- (B) Represent the Tribe on issues related to financial resources and programs available to serve the Tribe from the federal and other governments.
- (C) Consult with, supervise and advise management officials on financial matters.
- (D) As an Executive Officer of the Tribe, consistent with the role of the office as defined in the Constitution, supervise and oversee all fiscal management functions.
- (E) Recommend policies, financial plans and strategies for the Tribe.
- (F) Establish accounts with banks, trust companies, institutional brokerages, as authorized by the Council.
- (G) Direct the preparation of an annual tribal budget and present such budget for the approval of the Pascua Yaqui Tribal Council at the regular council meeting next preceding the close of any fiscal year.
- (H) Sign agreements and other documents authorizing disbursement and fund transfers authorized pursuant to Tribal policies and budget and recommend for approval of the Council such other employees as signatories for the efficient conduct of business.
- (I) Supervise the Finance Director.
- (J) Recommend the selection of independent auditors to audit Tribal financial systems and records.
- (K) Conduct special audits or reviews as considered necessary to assure protection of Tribal financial resources.
- (L) Make reports to the Council, Tribal Members and others regarding Tribal finances, as called upon to do so.
- (M) Authorize the release of financial information to outside entities as necessary for Tribal business.
- (N) Establish fiscal management standards and provide oversight and review of fiscal management operations of subordinate organizations.
- (O) Reassign the duties of the Treasurer in the event the Treasurer position is left vacant by the Tribal Council.

Section 70 Vice-Chairman (2 PYTC § 5-1-70)

The Vice-Chairman shall:

- (A) In the absence and with the approval of the Chairman, represent the Tribe by name, title and signature in the approval of financial transactions authorized by the Council, with the exception of those documents only the Chairman may execute.
- (B) Carry out the duties of the Chairman when called upon to do so.

Section 80 Secretary (2 PYTC § 5-1-80)

The Secretary shall:

- (A) Certify all actions of the Council.
- (B) Advise the Executive Officers and Directors regarding budget actions.

Section 90 Treasurer (2 PYTC § 5-1-90)

The Treasurer is responsible for providing oversight of all of the financial activities of the Pascua Yaqui Tribe. As an elected member of the Tribal Council, the Treasurer is not required to be a professional financial manager, but is expected to have general knowledge, background and experience in financial management, business and investment, or to acquire such knowledge upon election to the office. The Treasurer is expected to avail him/herself of training and education in subject matters of importance to the office. The Treasurer shall:

- (A) Review financial activities and report any concerns to the Tribal Council.
- (B) Except where delegated to others in accordance with this chapter, act as primary authorizing signature for all checks, money wires, fund transfers or other transactions involving Tribal funds approved by the Chairman.
- (C) Participate with the Finance Director in the solicitation, interview and recommendation of independent auditors to the Chairman to appoint subject to approval of the Tribal Council.
- (D) Certify in writing budget changes and amendments as authorized by the Tribal Council or the Chairman in accordance with this chapter.
- (E) Provide oversight, through review and analysis of all fiscal management activities and reports to the Chairman and the Tribal Council on any matters of concern. Provides general recommendations regarding budget and financial planning.
- (F) Coordinate Tribal investment activities with the Finance Director.
- (G) Respond to inquiries of the Tribal Council and the members of the Tribe regarding financial matters.
- (H) Carry out other duties of the Treasurer as outlined in this Title.
- (I) Assist the Tribal Council with development and administration of the budget for the operation of the Tribal Council.

In the event a Treasurer is not selected by the Tribal Council, the duties listed herein shall be reassigned by the Chairman.

Section 100 Finance Director (2 PYTC § 5-1-100)

The Finance Director shall be primarily responsible for the operation of Tribal accounting, budgeting, and other fiscal management and internal control systems. The Finance Director shall be expected to be fully qualified in all aspects of financial management. The Finance Director shall be selected and appointed by the Chairman. The appointment shall be approved by Tribal Council. The Finance Director shall, except where the responsibility is delegated to others by Tribal law.

- (A) Provide for the implementation and maintenance of accounting systems and procedures to process and account for all Tribal financial matters.
- (B) Review annually and make recommendations to the Chairman regarding accounting systems and procedures.
- (C) Participate in Financial Management Oversight and Investment Committee meetings to review and make recommendations regarding the operation of Tribal accounting, budgeting, and other fiscal management and internal control systems and the investment of Tribal portfolio assets.
- (D) Monitor the management of cash and investment of funds in accordance with Tribal policies.
- (E) Establish and maintain support systems for budgeting and financial planning.
- (F) Participate in the development and recommendations of financial title, plans and strategies and budgets.
- (G) Establish written procedures for all assigned functions.
- (H) Publish written instructions as needed for use by the Tribal organization in the implementation of budgets and the conduct of Tribal business.
- (I) Maintain the official budget of the Tribe and a record of all actions and prepare for certification of the Treasurer such budget actions as are authorized by the Council or the Chairman pursuant to this chapter.
- (J) Provide for the proper and timely payment of all financial obligations.
- (K) Oversee the preparation and release of payments for all Tribal obligations, pursuant to budget and Tribal policies.
- (L) Provide technical assistance and oversight to Tribal government organizations in the development and maintenance of fiscal management capacity and ensure the adequacy of fiscal management policies and systems implemented by them.
- (M) Provide for review of all major financial transactions, including, but not limited to, contracts, grants, agreements, and financing arrangements and provide advice to the Chairman and the Tribal Council on such matters. The scope of this provision remains open to the determination of the Chairman.
- (N) Prepare and certify in writing all financial reports, payroll tax reports and other documents required by funding, lending and taxing agencies.

Section 110 Financial Management Oversight Committee (2 PYTC § 5-1-110)

- (A) Membership. The Committee shall consist of five voting members: (1) the Tribal Council Treasurer, who shall serve as the Chair of the Committee, and (2) four members of the Tribal

Council. In addition, the Chief Financial Officer of the Gaming Enterprise Division, and the Finance Director of the Tribal Government shall be non-voting ex officio Committee members.

- (B) The Tribal Council shall approve bylaws that shall govern the actions and procedures of the Committee.
- (C) Participate in Investment Committee meetings to review and make recommendations regarding the investment of Tribal portfolio assets;
- (D) Review reports presented by internal auditors and make inquiries regarding issues to be addressed by the Tribal organization, and make recommendations as deemed appropriate;
- (E) Review annual audited financial statements and meet with independent auditors to review reports on compliance, internal controls and management recommendations;
- (F) Review financial status and revenue projections, and make recommendations regarding long-term financial planning, savings and annual spending levels;
- (G) Review budget proposals and make recommendations regarding priorities and options;
- (H) Review Financial Management Ordinance, and Fund Authorization Policies, annually with the Finance Director and provide input and guidance to recommendations for changes and additions;
- (I) Review banking relationships with the Finance Director and make recommendations as appropriate;
- (J) Review major financing and economic development proposals and provide recommendations in line with overall Tribal finances; and,
- (K) Carry out other duties assigned by the Tribal Council.

Section 120 Investment Committee (2 PYTC § 5-1-120)

The Investment Committee shall:

- (A) Provide for ongoing review of investment processes for Tribal portfolio assets; and
- (B) Carry out other duties as set forth within policies established by Tribal Council resolution.

Section 130 Procurement Director/Manager (2 PYTC § 5-1-130)

The Procurement Director/Manager shall:

- (A) Provide for the implementation and supervision of Procurement management systems and processes.
- (B) Oversee the official receipt of all Tribal property and ensure distribution of the property to its correct destination.
- (C) Establish written procedures for all assigned functions.
- (D) Publish written instructions as needed for use by the Tribal organization in the purchasing process and the conduct of Tribal business.
- (E) Maintain a record of all purchases and copies of all documents.

- (F) Provide technical assistance and oversight in the development and maintenance of contractual obligations.
- (G) Maintain an inventory of all tribal property.
- (H) Produce regular reports on tribal property that has been disposed of in accordance with Section 710, below.

Section 140 Ethical Conduct (2 PYTC § 5-1-140)

Council Members, officers, employees and agents of the Tribe shall be expected to conduct themselves to the highest ethical standards appropriate to fiduciaries in carrying out the business of the Tribe. In addition to any tribal title, resolution, policy or other legislation regarding ethical conduct, individuals shall not:

- (A) Participate in any activity in which such individual has a conflict of interest.
- (B) Hold him/her out to any entity as having any official capacity other than those roles and duties that are officially assigned.
- (C) Seek personal gain or influence with any third party through the use of such title by giving access to Tribal information or decision making authority.
- (D) Interfere with the carrying out of appropriate fiscal management role of anybody or official outlined within this chapter.

Section 150 Penalties (2 PYTC § 5-1-150)

Any officer, employee or agent of the Tribe who knowingly violates any provisions of this chapter or who obligates the Tribe for any purpose or amount not specifically authorized, or who obtains, uses or discloses information of the Tribe in any manner not in the best interest of the Tribe shall be subject to disciplinary action, including reprimand, probation, suspension and termination, civil or criminal action, as provided in any Tribal Employee Handbook or Tribal law, depending on the severity of the offense.

Section 160 Implementation (2 PYTC § 5-1-160)

Implementation of this chapter and any regulations and procedures adopted pursuant hereto and all required systems and procedures shall be provided at the direction of the Chairman. The Finance Director shall review this chapter each year in consultation with Tribal directors and shall make recommendations through the Chairman to the Council on or before March 31 for any changes required to carry out its intent.

SUBCHAPTER B FINANCIAL ACCOUNTING AND REPORTING

Section 170 Purpose (2 PYTC § 5-1-170)

To establish uniform standards and policies for financial accounting and reporting for the Pascua Yaqui Tribe, based on generally accepted principles and governmental and industry standards.

Section 180 Conformance with Generally Accepted Accounting Principles and Standards (2 PYTC § 5-1-180)

The provisions of Generally Accepted Accounting Principles (GAAP), including applicable governmental fund accounting and reporting principles and standards, as are promulgated and amended by the American Institute of Certified Public Accountants, are hereby adopted for the Pascua Yaqui Tribal government and all its subordinate organizations.

**Section 190 Financial Resources and Other Assets of the Pascua Yaqui Tribe
(2 PYTC § 5-1-190)**

All financial resources and other assets of the Pascua Yaqui Tribe shall be accounted for in accordance with Generally Accepted Accounting Principles as applicable to governments, and in accordance with the following policies:

- (A) The accounting records of the Pascua Yaqui Tribe shall be maintained within the Tribal offices or those of subordinate organizations.
- (B) The accounting year for the Tribe shall be the fiscal year beginning October 1 and ending September 30.
- (C) All resources over which the Tribal Council exercises any form of governmental, fiduciary or agent responsibility shall be accounted for within Tribal accounting records and reports, provided that certain enterprises and subordinate units, with approval from Tribal Council, may maintain independent accounting and reporting systems in accordance with the provisions of this chapter.

Section 200 General Accounting Policies and Financial Statements (2 PYTC § 5-1-200)

The Chairman shall adopt written accounting policies for all Tribal operations. Such policies shall provide that the financial statements of the Pascua Yaqui Tribe shall be prepared in conformity with Generally Accepted Accounting Principles (GAAP), as applied to government units, promulgated and amended by the Governmental Accounting Standards Board of the American Institute of Certified Public Accountants. Such policies shall be published annually in conjunction with annual audited financial statements.

Section 210 Special Considerations for Business Operations (2 PYTC § 5-1-210)

To the extent that any enterprise or internal service fund conducts business, the nature of which cannot accurately or appropriately be accounted for or reported under any of the foregoing policies, the Chairman shall prescribe specific written policies covering the special considerations for such business operation.

Section 220 Interim Financial Reports (2 PYTC § 5-1-220)

Within 30 days after the end of each fiscal quarter, interim financial reports shall be submitted to the Tribal Council for review. Such interim financial statements shall include balance sheets and appropriate statements of revenue or income for each fund, but shall not be required to contain extensive notes that are required for audited year-end financial statements. The Finance Director shall include explanatory notes on any major transactions for the period or any other issues that should be considered by the Tribal Council.

Section 230 Year-End Financial Statements (2 PYTC § 5-1-230)

Within 90 days after the end of each Fiscal Year, the Finance Director shall submit completed Financial Statements to the Chairman, the Treasurer, the Internal Audit Department, and to Independent Auditors selected by the Tribal Council. Such financial statements shall contain all necessary notes, disclosures and schedules for publication upon certification by the Independent Auditor. The Chairman shall schedule a review of the final statements with the Tribal Council and shall together, with the Treasurer and Finance Director, present a discussion of any issues requiring attention of the Tribal Council.

Section 240 Audited Financial Statements (2 PYTC § 5-1-240)

Annual Audits shall be conducted and Audited Financial Statements shall be published in accordance with Subchapter I of this chapter. Upon completion of work by Independent Auditors, the Finance Director shall make those adjustments to the final financial statements as recommended by the auditors with which the Finance Director concurs and resubmit them to the Independent Auditors as expeditiously as possible.

Any unresolved audit issues which may impact the auditor's opinion or the timely release of audited financial statements shall be handled in accordance with Subchapter I of this chapter.

SUBCHAPTER C COST ALLOCATION

Section 250 Purpose (2 PYTC § 5-1-250)

To establish uniform policies for the allocation of costs within the governmental operations of the Pascua Yaqui Tribe to ensure uniformity of budgeting, accumulation, accounting and reporting of costs in an efficient manner which will result in an accurate assessment of the costs of programs and operations.

Section 260 General Cost Allocation (2 PYTC § 5-1-260)

All costs and expenditures within Tribal government operations shall be allocated by fund, organizational unit, budget category and cost classification as hereinafter provided. The Chairman shall prescribe the major cost allocation rules for the Tribal organization in writing.

Section 270 Cost Allocation to Grants and Contracts (2 PYTC § 5-1-270)

- (A) Costs shall be allocated to federal and other grants and contracts or other form of agreement on the same basis as provided by this policy in a fair and uniform manner. In the case of the allocation of central service costs, such costs shall be allocated on the basis of an indirect cost rate negotiated with the appropriate agency of the federal government.
- (B) No costs shall be allocated to any federal or other grant or contract or other form of agreement which would in any way violate the applicable agreement or the laws or regulations of the funding source. Any costs which are associated with, but are not appropriate to allocate to such funding source shall be allocated to the appropriate Tribal fund as shall be directed by the Tribal Council through budget, or as otherwise approved. To the extent that no Tribal Council direction has been provided, such costs shall be allocated to the General Fund and reported to the Tribal Council through the Chairman.

SUBCHAPTER D BUDGET ADMINISTRATION

Section 280 Purpose (2 PYTC § 5-1-280)

To set forth uniform procedures for the planning and administration of Tribal Budgets in accordance with policies adopted by the Tribal Council.

Section 290 General Policies (2 PYTC § 5-1-290)

- (A) Budgets shall be prepared on an annual basis for a one-year period the first year of which shall begin on October 1st of each year. Budgets shall be required for all Tribal Funds, with the exception of certain "trust funds" the management of which is otherwise provided for in another Tribal Policy. All Tribal governmental and business operations are required to prepare budgets.
- (B) Responsibility for recommending, administering, executing and making expenditures pursuant to Tribal budgets is vested in the Chairman for all governmental operations and those business operations operating under the direct line authority of that office.
- (C) Budgets are intended to support and reflect short and long range financial plans for the organization and to facilitate the appropriation and authorization of expenditures for the purpose of carrying out the organization's business.

- (D) The Chairman shall adopt standard written procedures, time frames, responsibilities and authorities for preparation and administration of budgets and various related activity. Budgets are the responsibility of management and are intended to function as a tool to assist in financial management, without unnecessarily inhibiting the management decision-making process or the efficient conduct of Tribal business.

Section 300 Authority to Expend Funds (2 PYTC § 5-1-300)

Each Director who is responsible for preparing budgets shall have the authority to authorize obligation and expenditure of funds, pursuant to Tribal policies, from such budgets effective October 1 of each fiscal year, or as soon as budget allocations have been provided, following the appropriation of such funds.

Section 310 Budget Variances (2 PYTC § 5-1-310)

Budgets for the operations assigned to each Director are plans. As such, they may be adjusted within the total amount of funds provided for within each cost center.

- (A) Provided that any variance from the approved budget which involves the internal shifting of in excess of 10%, or such amount as determined by the Chairman, of the total of such cost center shall require approval of the Chairman, and provided further that whenever revenue received pursuant to a contract or grant exceeds the amount which was reflected in the budget, as approved, for a program for which appropriations of Tribal or Self-Determination funds are authorized, such amount shall be utilized to offset the requirement for Tribal appropriations, and shall not be available to increase overall expenditures unless otherwise authorized by the Chairman.
- (B) Variances involving the transfer of budget authority from one budget to another shall require approval of the Chairman.
- (C) Variances involving the transfer of budget authority from one fund to another shall require approval of the Tribal Council.
- (D) Reports and requests for budget transfers made pursuant to this section shall be submitted to the Chairman through the Finance Director.

Section 320 Availability of Appropriations (2 PYTC § 5-1-320)

- (A) Funds appropriated pursuant to annual budget may be expended only during the fiscal year for which they are appropriated, unless they are encumbered at the end of that fiscal year.
- (B) Funds appropriated outside the annual budget process, which are appropriated for a specific purpose, shall remain available for expenditure only for that specific purpose until expended, or until that purpose is completed. When the purpose has been completed, the authority to expend any funds so appropriated shall lapse.
- (C) Funds appropriated for transfer to other funds shall be transferred, effective the beginning of the Fiscal Year, unless otherwise directed by the Chairman; provided that funds not transferred effective the beginning of the Fiscal Year shall remain available until transferred, and shall be automatically carried forward unless otherwise directed by the Chairman.
- (D) Approval by the Tribal Council of specific contracts or grants shall constitute appropriation and the Chairman shall modify the budget accordingly, when such award is available for expenditure.
- (E) To the extent that funds are available from Tribal and non-Tribal sources for the same programs or purposes, the non-Tribal sources funds shall be expended first before Tribal funds are expended.

Section 330 Reports (2 PYTC § 5-1-330)

(A) Monthly Reports:

- (1) The Finance Director shall provide a written monthly report to the Chairman, Treasurer and Financial Management Oversight Committee on or before the 20th day of each month, which shall reflect the amounts provided for in the adopted budget, as adjusted by additions, carryovers and other adjustments, in detail, and the amounts of expenditures made against such appropriations.
- (2) The Finance Director shall provide such other information on a monthly basis as is considered necessary for the proper administration of budgets.

(B) Quarterly Reports:

- (1) The Finance Director shall present a formal financial and budget status report through the Chairman to the Tribal Council within 30 days after the end of each fiscal quarter.
- (2) Recommended budget modifications requiring Tribal Council actions and reports of other budget actions shall be submitted as part of quarterly budget reports.

Section 340 Reports of Variances (2 PYTC § 5-1-340)

- (A) Quarterly Reports. Any Director, who is responsible for administering budgets, shall report, in writing, on any significant variances, (over or under expenditures) at the end of each fiscal quarter.
- (B) Anticipated Overruns. At any time that a Director has reason to believe that the total amount to be expended will exceed the total amount appropriated for any budgeted cost center, such Director shall immediately bring the matter to the attention of the Chairman, in writing.

Section 350 Change in Operations (2 PYTC § 5-1-350)

Directors shall report in advance any anticipated changes in methods of delivering services which involve changes in employment or other financial commitments.

Section 360 Other Reports (2 PYTC § 5-1-360)

The Finance Director shall provide other reports as needed by Directors to administer budgets.

SUBCHAPTER E RECEIPTS, BANKING DISBURSING AND FUND AUTHORIZATION

Section 370 Purpose (2 PYTC § 5-1-370)

To establish uniform policies to ensure that the monetary assets of the Pascua Yaqui Tribe are appropriately safeguarded and that all efforts are made to maximize the earnings on such assets.

Section 380 Revenue and Depositories (2 PYTC § 5-1-380)

- (A) All receipts of the Tribe shall be receipted for by official Tribal receipt and shall be deposited, intact, in such depository or custodial account as shall be selected by the Tribal Council. The Finance Director shall make provisions to ensure that all funds are deposited timely.
- (B) Unless otherwise provided by policy of the Tribal Council, all monies of the Tribe that are held in bank accounts shall be insured by the Federal Government as to both principle and interest or otherwise collateralized by the bank to the extent provided by law.

- (C) All revenues shall be credited to such funds as are established by the Tribal Council for which they are received, provided that any revenues not designated to be credited to any other fund shall be credited to the General Fund.
- (D) No accounts may be opened with any bank or financial institution in the name of the Pascua Yaqui Tribe, its enterprises, or any of its subordinate organizations without the approval of the Tribal Council, by resolution.

Section 390 Disbursements (2 PYTC § 5-1-390)

The Chairman shall provide written directives for the appropriate control over all disbursements, including provisions for timely payment of all Tribal obligations, consistent with the General Policies articulated above.

Section 400 Accounts Receivable (2 PYTC § 5-1-400)

- (A) The Finance Director shall make provisions for the timely collections of all sums owed to the Tribe and shall maintain accurate and up-to-date records of all accounts receivable.
- (B) The Finance Director and department directors shall recommend and the Chairman shall initiate collection actions as necessary to provide for the timely collections of all amounts owed to the Tribe.

Section 410 Cash and Fund Management (2 PYTC § 5-1-410)

- (A) The Finance Director shall be responsible for establishing appropriate cash and fund management procedures and controls to ensure that all the earnings on all available Tribal funds are maximized.
- (B) Daily records shall be maintained reflecting the balances of all Tribal accounts.

Section 420 Borrowing and Financial Arrangements (2 PYTC § 5-1-420)

- (A) No borrowing shall be made or entered into without the authorization of the Tribal Council.
- (B) No leases in excess of \$50,000 shall be entered into without the approval of the Chairman. Except as otherwise provided in this chapter, lease agreements requiring total payments in excess of \$100,000 over the lease term and all leases of real property of the Tribe, shall require the approval of the Tribal Council.
- (C) Collateral for financing arrangements shall be limited to the assets acquired or leased unless specifically authorized by the Tribal Council.
- (D) The Finance Director shall provide a comprehensive record of all debts and financing arrangements and shall ensure that provisions are made for meeting obligations of such agreements.

Section 430 General - Fund Authorization (2 PYTC § 5-1-430)

Whenever resources are received by the Tribe for a special purpose for which the Tribe has not previously authorized a separate fund, but for which a separate fund is necessary, the Finance Director shall, in consultation with the Treasurer, establish a fund for the purpose of accounting for such resources until such time as the Tribal Council adopts a title (or policy statement to be adopted by resolution) formally establishing a new fund to account for such resources. The Finance Director shall provide direction for such temporary fund and shall submit a draft title (or policy statement to be adopted by resolution) to the Chairman. Provided that:

- (A) Organizational charters for subordinate organizations shall be considered fund authorizations for the purposes of this Subchapter, and
- (B) Agency funds shall not require fund authorizing titles, but shall be established whenever the Pascua Yaqui Tribe acts as an agent for the funds of any third party.

Section 440 Contents of Fund Authorizing Titles [or Policies] (2 PYTC § 5-1-440)

Whenever a title [or policy] is recommended to the Tribal Council for the purpose of establishing a separate fund, the policy shall set forth the following provisions:

- (A) The name of the fund.
- (B) The purpose of the fund.
- (C) The intent of Tribal Council in establishing the fund in order to guide the fund's long-term management.
- (D) Description of the fund: background/history and the circumstances which created the fund and the expectations and intentions of the Tribal Council regarding the future of the fund.
- (E) Fund authorization: a policy statement authorizing the creation of the fund and identifying the type of fund for accounting purposes.
- (F) Contribution to the fund: a statement regarding the source of contributions or revenues to the fund including a statement regarding the disposition of earnings on the fund.
- (G) Custody of the fund: a statement regarding the authorized depositories for the purpose of holding the funds on behalf of the Tribe.
- (H) Management of fund assets; a statement regarding the management of the assets that direct their investment. The statement shall identify which investment accounts the funds are to be managed in, whether they may be commingled with other Tribal funds, and any other pertinent direction.
- (I) Authorized uses of the fund: a statement regarding the types of expenditures that may be made from the fund.
- (J) Appropriation procedures for the fund: a statement indicating the process for appropriating amounts for expenditure from the fund.
- (K) Authority for margin borrowing against or leveraging of the fund assets if applicable, including procedures and approvals required for such actions.
- (L) Financial and budget reporting: identification of any special reporting requirements and deadlines for reporting that are in addition to those contained within Subchapter B.
- (M) Restrictions on spending: directives regarding any restrictions that are placed on the amounts that may be appropriated and expended from the fund.
- (N) Target or minimum fund balance: a statement regarding any minimum fund balance, targets or other fund balance objectives.
- (O) Implementation and review of the policy: a statement directing the implementation of the fund, the provision for an annual review and the official responsible for such review, and any specific information required by the review.

Section 450 Funds Authorized for Use (2 PYTC § 5-1-450)

A written informational inventory shall be maintained by the Finance Director of all funds that have been authorized by the Tribal Council and those which have been implemented under the provisions of this Subchapter while awaiting formal approval of the Tribal Council. The inventory shall provide a general description of the fund and reference the adopting action and date of such action.

SUBCHAPTER F FINANCIAL PLANNING AND INVESTMENTS

Section 460 Purpose (2 PYTC § 5-1-460)

- (A) To establish guidance for an effective financial planning system for the Pascua Yaqui Tribe which will enable the Tribal Council to effectively forecast financial resources and requirements and to measure the potential impacts of Tribal Council decisions on Tribal finances and to support prudent financial decisions and goal setting.
- (B) To provide guidance for formal decisions regarding risk and to maximize the financial return on the investments of Tribal funds.

Section 470 Financial Planning System (2 PYTC § 5-1-470)

The financial management planning system shall be a formally maintained system that shall incorporate:

- (A) Written directives of the Chairman providing for documentation and standards to ensure the quality of forecasts.
- (B) The presentation of updated financial and budget estimates within 30 days following the end of each calendar quarter and at such other times as major financial decisions are placed before the Tribal Council.

Section 480 Investment Management (2 PYTC § 5-1-480)

Tribal funds shall be invested in accordance with approved investment policy statements adopted by the Tribal Council and fund source restrictions, if applicable.

Section 490 Investment Policy Statements (2 PYTC § 5-1-490)

Each investment policy statement shall incorporate all pertinent information related to the purpose and intent of the fund(s) as described in Subchapter E of this chapter and in addition shall set forth:

- (A) The expected liquidity requirements of the investment account.
- (B) The anticipated time horizon over which the fund will be invested.
- (C) The types of securities in which the assets of the fund may be invested.
- (D) The specific risk tolerances of the fund.
- (E) The strategic allocation between differing classes of investment instrument in which the fund will normally be invested and allowable variances.
- (F) The anticipated yield of the fund expressed in comparison to appropriate indexes.

- (G) The nature of account (i.e.: custodian or brokerage accounts) within which the securities of the fund will be held.
- (H) Names and responsibilities of all parties to the management of the assets, including the Tribal Council, Officers and Tribal managers.

Section 500 Investment Performance Evaluation (2 PYTC § 5-1-500)

Formal processes shall be established to evaluate the performance of all investment portfolios, mutual funds and money managers, if any, selected to oversee the investment of such funds.

SUBCHAPTER G PROCUREMENT

Section 510 Purpose (2 PYTC § 5-1-510)

To set forth uniform policies and standards for the acquisition of goods and services by the Pascua Yaqui Tribal government.

Section 520 Conformance with Federal Regulations (2 PYTC § 5-1-520)

In general, procedures set forth pursuant to this chapter shall conform to applicable federal regulations. The provisions of 2 CFR Chapter II, Part 200 as it pertains to procurement activities, except those provisions which are not applicable to Indian tribes, are hereby adopted and incorporated in the chapter by reference. In addition, any official responsible for authorizing procurement utilizing federal funds shall be responsible for assurance with any other applicable rules and regulations that are a condition of the funding source.

Section 530 General Policy on Efficient Use of Resources (2 PYTC § 5-1-530)

The Procurement Director, under the direct supervision of the Finance Division Director, shall take all due care to ensure that all costs incurred are reasonable, that Tribal resources are efficiently utilized and that all procurement actions are taken in compliance with this chapter.

Section 540 Tribal Preference (2 PYTC § 5-1-540)

- (A) In the acquisition of goods and services, the Tribe shall apply the following order of preference:
 - (1) To businesses or enterprises of the Pascua Yaqui Tribe;
 - (2) To businesses and enterprises owned by enrolled members of the Pascua Yaqui Tribe;
 - (3) To businesses and enterprises owned by spouses of enrolled Pascua Yaqui Tribal members; and
 - (4) To other organizations, businesses and enterprises owned by enrolled member of other Indian tribes who have the ability to provide and deliver the necessary quality and quantity of goods and services within required time frames(s).
 - (5) Preference requirements prescribed by fund sources, e.g. Department of Housing and Urban Development shall be followed.
- (B) Goods and services to be acquired shall, when practical, be specified in sufficient detail to make price the deciding factor in selection of the successful bidder. All prospective bidders shall be put on notice of the bidding preference policy, as follows:

- (C) Contracts awarded on price shall be awarded under preference to a qualified organization or enterprise when its bid is responsive to all other conditions and does not exceed the lowest bid by the following percentages, when the lowest bid is:
 - (1) \$0 to \$10,000: 6%
 - (2) \$10,001 to \$250,000: 4%
 - (3) Over \$250,000: 2%
- (D) Preference is not required to be afforded to businesses having a poor record of performance or where the costs are not reasonable in light of prevailing market pricing.
- (E) Contracts awarded on factors other than price shall be awarded to a qualified organization or enterprise when its bid is responsive to all other conditions not exceeding \$100,000 for which budget authority has been provided with exception of the following items for which the Tribal Council reserves approval authority to itself.

Section 550 Procurement Authority (2 PYTC § 5-1-550)

- (A) Procurement authority vested with the Tribal Council is hereby delegated to the Chairman for all procurement actions needed for Tribal government operations not exceeding \$100,000 for which budget authority has been provided with exception of the following items for which the Tribal Council reserves approval authority to itself.
 - (1) Selection and engagement of Legal Counsel.
 - (2) Selection and engagement of Independent Auditors.
 - (3) Selection and engagement of other professional advisors to the Tribal Council for which an ongoing relationship is anticipated.
 - (4) Any contract or procurement, including a purchase order that is made by or on behalf of the Tribe's gaming operations as defined in Section 560 below or other enterprise which may be subsequently authorized by Tribal law, provided that the Council may adopt laws delegating such authority to the applicable board of directors or employees of such enterprises.
 - (5) The Tribal Council reserves to itself approval of all contracts and agreements exceeding \$100,000 except as otherwise provided in Section 560 or other subsequently enacted resolution or ordinance.
- (B) Procurement contracts and other obligating procurement documents needed for Tribal government operations, shall be executed by the Chairman or Executive Officers of the Tribal Council, as Chairman may delegate.
- (C) Subject to final approval by execution, the Chairman may delegate all or any portion of his/her procurement authority to directors and other officials under his/her direction, provided that such delegation shall:
 - (1) Be in writing and shall specify the specific authority and limits of authority which are individually delegated;
 - (2) Be applicable only to procurements undertaken in acquiring needed goods and services for the Pascua Yaqui Tribe, in conjunction with assigned employee duties;

- (3) Be made only to individuals who meet necessary educational and experience requirements for such delegation, are fully advised as to tribal policies, and are fully trained and aware of the Tribe's policies;
 - (4) Be made only to employees of the Tribe, and shall expire upon termination of employment;
 - (5) Be withdrawn based on failure of the employee to follow established policies and procedures, and
 - (6) Put the employee on notice that failure to follow established procedures shall result in withdrawal of such authority and/or other disciplinary action dependent upon the severity of the issue.
- (D) The Chairman shall provide reports to the Tribal Council regarding the procurement actions taken including a list of contracts, agreements, and/or purchase orders made by or on behalf of the Tribe's operations and their respective amounts.

Section 560 Gaming Contracts and Procurements (2 PYTC § 5-1-560)

- (A) General Provisions; no employee of the Tribe's Casino of the Sun, Casino Del Sol or Anselmo Valencia Tori Amphitheater (collectively "gaming operations") shall be delegated procurement authority of the power to execute any contract except in accordance with this Section. Any delegation of such procurement or contracting authority to any gaming operations employee made prior to the effective date of this Section is hereby revoked.
- (B) For purposes of this Section, a contract or procurement includes an expenditure of any kind by the gaming operations, including but not limited to leases, purchases of supplies or materials, or contracts for services.
- (C) Any contract or procurement, including a purchase order, that is made by or on behalf of the Tribes gaming operations ("gaming contract") with a value greater than \$25,000 shall be in writing.
- (D) The Office of the Attorney General shall review and approve as to form any gaming contract:
 - (1) With a total value greater than \$25,000; or
 - (2) Which contains an indemnity provision, an obligation for the Tribe to assume the costs of defending another party, or a provision stipulating to the entry of damages against the Tribe.
- (E) For purposes of this section the total value of any gaming contract shall include all payments made, or to be made, pursuant to the contract throughout its term, including during any automatic or other renewal period.
- (F) The Tribe's sovereign immunity shall not be waived except by an ordinance enacted by the Tribal Council in accordance with the laws of the Tribe. Approval of any contract which contains a waiver of sovereign immunity is exclusively reserved to the Tribal Council.
- (G) Gaming contracts not exceeding \$300,000; delegation of authority. The Chief Executive Officer ("CEO") of the Gaming Enterprise Division, while otherwise acting within the scope of his authority, is hereby delegated the power to authorize procurements and execute contracts not exceeding \$300,000 in total value, subject to the other provisions of this section.

- (H) The CEO may enter into a gaming contract contrary to the advice of the Office of the Attorney General only if the contract is approved by Tribal Council.
- (I) The CEO may delegate the power to enter into gaming contracts not exceeding \$100,000 in total value to an employee under the CEO's supervision, provided that such a delegation shall:
 - (1) Be in writing and shall specify the specific authority and limits of authority which are individually delegated;
 - (2) Be made only to, and relate to, an area of responsibility which is normally the responsibility of the gaming operations Chief Financial Officer, the Chief Operating Officer, or a department vice president who has sufficient education and experience to exercise such authority, and who is fully trained regarding all applicable policies, laws and regulations in that area of responsibility;
 - (3) Expire upon termination of the delegate's employment;
 - (4) Be withdrawn based on failure of the employee to follow established policies and procedures; and
 - (5) Put the employee on notice that failure to follow established procedures shall result in withdrawal of such authority and/or other disciplinary action, including termination if warranted; and
 - (6) Not be made retroactively.
- (J) Gaming contracts exceeding \$300,000. All proposed gaming contracts with a total value greater than \$300,000 must be approved by Tribal Council resolution.
- (K) Procurement authority vested in subordinate organizations shall be as stipulated within the organizing documents of such organizations.

Section 570 Waiver of Procurement Policies (2 PYTC § 5-1-570)

The Chairman or his authorized designee shall have the authority to waive the provisions of any policies and procedures established to carry out this chapter to the extent that:

- (A) An emergency exists involving the need for protection of life, property and the reputation and integrity of the Tribe, or
- (B) When in the opinion of the Chairman such waiver will result in more efficient use of Tribal resources without violating this chapter or any other laws applicable laws or regulations. In such event, care shall be taken to ensure fairness, efficiency and compliance with established Tribal policies as circumstances dictate.

Section 580 Procurement Department (2 PYTC § 5-1-580)

- (A) The Chairman shall establish a "Procurement Department" that shall be responsible to acquire for use of the organization such goods and services as are needed on an ongoing basis and are common to the organization. The Department shall be capable and expected to coordinate procurement actions.
- (B) A requisition process shall be in place that shall enable operating departments and programs to access goods and services through the procurement office. Requisitions shall be the instrument by which budget spending authority for assigned budgets is passed from the departments and programs to the procurement office.

Section 590 Purchasing Procedures (2 PYTC § 5-1-590)

Purchasing procedures shall be adopted in conformity with federal procurement standards and shall be set forth appropriate guidance for procedures not requiring formal bidding procedures or formal proposals and may be utilized for procurements under \$250,000 as follows:

- (A) Procurements of up to \$10, 000 or the amount set forth in federal procurement standards, may be awarded on the basis of verbal quotations with appropriate competition.
- (B) Simplified purchasing procedures as set forth within federal procurement standards shall apply to procurement up to \$250,000 or other amount set forth by the federal standards.
- (C) Procurements in the excess of \$250,000 shall require formal advertising must be awarded on the basis of competitive quotations provided in writing to the awarding official.
- (D) Purchasing Policies and Procedures adopted to implement this Subchapter shall provide specific guidance for different types of goods and services as appropriate to each procurement.
- (E) Lowest price is not required to be the deciding factor in selection in the case of simplified procurements. Any other factors may be considered, including preference.

Section 600 Sole Source (2 PYTC § 5-1-600)

- (A) Except when applicable laws or regulations dictate otherwise, the Chairperson shall have the authority to approve sole source awards up to \$100,000 when the award has been reviewed and recommended by the requesting Department, has the concurrence of the procurement officer, meets the requirements of this section, and the Chairperson believes that it is in the best economic interest of the Tribe
- (B) Except as provided in subsection (C) of this Section, the Department may only recommend a sole source award if any one of the following circumstances exist:
 - (1) The goods and/or services are available only from a single source.
 - (2) The public urgency or emergency for the goods and/or services will not permit a delay resulting from competitive solicitation.
 - (3) The awarding agency, where grant funds are used, authorizes noncompetitive proposals.
 - (4) After solicitation from a number of sources, competition is determined to be inadequate.
- (C) The Department may also recommend, and the Chairperson may approve, a sole source award in the following limited circumstances:
 - (1) The procurement of the good or services is paid entirely from internal tribal funds in an amount of \$100,000.00 or less; and
 - (2) The source of the good or services is from a Pascua Yaqui Tribe owned business or subsidiary; and
 - (3) The cost of the good or service is a reasonable cost as determined by standards adopted by the recommending Department; and

- (4) For awards or agreements involving construction, the recommending Department has used the cost index adopted by the Facilities Department to assess the reasonableness of the sole source bid proposal.
- (D) The Pascua Yaqui Tribal Council reserves to itself the authority to approve a sole source award over \$100,000.00 or in any other amount that law or regulation dictate.
- (E) If a Department recommends a sole source award pursuant to subsections (B) or (C) of this Section, it must prepare and convey to the Chairperson a written memorandum that identifies the enumerated grounds justifying the award.
- (F) For the purposes of this Subsection 'internal tribal funds' means funds generated by tribal enterprises, fees or license.

Section 610 Procurement Records (2 PYTC § 5-1-610)

Records shall be maintained for all procurements indicating the quotations received, other factors considered and the reason for selection of the person or entity to who the award is made. The Procurement Director shall be responsible to ensure that the record of each procurement justifies the selection and award on the basis of fairness and efficient use of resources. All original contractual and other documents concerning any procurement action shall be stored with the Procurement Office.

Section 620 Contractual Agreements (2 PYTC § 5-1-620)

The Chairman shall determine those goods and services for which formal written contracts shall be entered into, and the form of such contracts to ensure the protection of the Tribe's interests and the appropriate conduct of business, provided however that any attorney, professional advisor (as identified in Section 550) or lobbyist who is not a full-time or part-time regular Tribal employee shall be employed or engaged solely by a formal written contract that is negotiated by and approved as to form by the Office of the Attorney General provided that;

- (A) Contracts and subcontracts associated construction, repair and renovation shall include requirements for compliance with the 8 PYTC (section) 3-1 and the applicable provisions of the federal Davis Bacon Act.

Section 630 Legal Review (2 PYTC § 5-1-630)

- (A) The Chairman shall consult with the Office of the Attorney General before determining when formal contracts shall be entered into under Section 620, provided however that a formal written contract shall be required to employ or engage any attorney, professional advisor (as identified in Section 550) or lobbyist who is not a full-time or part-time regular Tribal employee.
- (B) The Office of the Attorney General shall provide standardized contracts and contract clauses for the employees who have been delegated authority under Procurement Authority, Section 550 (F). The Office of the Attorney General shall routinely review and update the standardized contracts and contract clauses periodically.
- (C) The Office of the Attorney General shall review and approve as to form any contract with a total value greater than \$25,000 or which contains an indemnity provision, an obligation for the Tribe to assure the costs of defending another party, or provision stipulating to the entry of damages against the Tribe.
 - (1) For purposes of this section the total value of any contract shall include all payments made, or to be made, pursuant to the contract throughout its term, including during any automatic or other renewal period.

- (2) The Tribe's sovereign immunity shall not be waived except by an ordinance enacted by the Tribal Council in accordance with the laws of the Tribe.
- (D) Only the Executive Officers of Tribal Council may authorize a decision regarding a procurement action that conflicts with the advice and recommendation of the Office of the Attorney General.

Section 640 Business Practices (2 PYTC § 5-1-640)

All procurement actions shall be made consistent with appropriate and accepted business practices and shall ensure that all suppliers of goods and services are treated fairly and professionally in each transaction.

Section 650 Conflicts of Interest (2 PYTC § 5-1-650)

No individual shall participate in or act upon any procurement in which he/she has a conflict of interest as described within 43 CFR 12.76(b)(3) or as shall be otherwise defined by the Chairman or in this chapter.

Section 660 Procurement Standards (2 PYTC § 5-1-660)

The Finance Director shall recommend and the Chairman shall adopt such standards of conduct as are consistent with this chapter and federal rules.

Section 670 Dispute Resolution (2 PYTC § 5-1-670)

Chairman shall adopt dispute resolution procedures to ensure that disputes arising from procurement actions are resolved timely and with fairness to all parties, while preserving the Tribe's interests.

SUBCHAPTER H PROPERTY MANAGEMENT

Section 680 Purpose (2 PYTC § 5-1-680)

To insure internal standardized policies and procedures for the utilization, accountability, control and disposal of all tribally owned, rented and leased personal property.

Section 690 General Provisions (2 PYTC § 5-1-690)

The Chairman shall adopt policies for the effective management, efficient utilization and safeguarding of Tribal owned personal property, while conforming to applicable federal laws and regulations.

Section 700 Use of Tribal Property (2 PYTC § 5-1-700)

- (A) Any property owned, leased or rented by the Tribe shall be used only for its intended purpose and in the performance of Tribal activities.
- (B) Property owned, leased or rented by the Tribe may not be used by any individuals, organizations or employees for personal use, except with prior written permission by the Executive Officers.
- (C) Elected officials, representatives or employees of the Tribe shall not loan any personal property owned by the Tribe to any other person either gratuitously or for consideration without the consent of the Executive Officers. In the event of public emergency such as fire, flood, earthquake or other public disaster, the assigned Custodian of property may act for the Executive Officers, and may permit property to be used for appropriate purposes. Such authorization shall be reported promptly to the Finance Director and Executive Officers.
- (D) The Chairman shall establish an inventory of common use property where shared use is more appropriate to efficient use of resources. In such event, a written list of common use property

shall be maintained and departments shall not purchase similar property for individual department use unless authorized by the Chairman.

- (E) Property acquired by the Tribe shall be available for use by the Tribe. Assignment to the acquiring department does not create "department" ownership, nor does the source of funding for the property. To the extent that efficient utilization dictates shared use of property, shared use shall be expected.

Section 710 Disposal of Property (2 PYTC § 5-1-710)

- (A) Property that is determined to be no longer needed or usable by the Tribe shall be disposed of by the Finance Director, following written procedures adopted by the Chairman and Treasurer.
- (B) Property having an approximate value of \$500 or more shall be sold through advertisement, at public auction, sealed bid, negotiated sale, trade or exchange or other means in the best interests of the Tribe, including donation.
- (C) Property having an approximate value of less than \$500 shall be disposed of by the most expedient method considering the cost of handling and sale. Such property may be gifted to local organizations or individuals.
- (D) Items purchased with Federal funds shall be disposed of consistent with the applicable awards or regulations
- (E) The Procurement Director shall prepare and present a report to the Treasurer regarding the property that is disposed of in accordance with this section on a monthly basis.
- (F) The Treasurer shall provide these reports, as requested, to the Tribal Council.

Section 720 Lost or Stolen Property (2 PYTC § 5-1-720)

- (A) Loss or theft of tribal property shall be reported in writing immediately to the custodian of the property and to the Finance Director. The Finance Director shall report thefts to the appropriate law enforcement officials and insurance carrier as applicable.
- (B) To the extent that tribal property is located and is not claimed or identified with a particular department or program, such property shall be turned over to the Finance Director for disposition.

Section 730 Financial Responsibility for Property (2 PYTC § 5-1-730)

Tribal employees and officials are expected to take personal responsibility for the care and safekeeping of Tribal property under their control and use. To the extent that loss, damage or destruction of property is determined to be due to the neglect of an employee or official, such employee or official may be determined liable up to the value of the property, or may be otherwise disciplined in accordance with Tribal policies.

Section 740 Insurance (2 PYTC § 5-1-740)

Property shall be insured at its replacement value pursuant to Tribal insurance programs, and subject to such deductibles and self-insured limits as may be established. The insurance carrier, if any, shall be provided with the property inventory on an annual basis or at such other intervals as are required.

SUBCHAPTER I AUDIT AND INTERNAL CONTROL

Section 750 Purpose of this Subchapter (2 PYTC § 5-1-750)

To set forth direction for the establishment of appropriate internal controls and expectations and procedures for the audit of Tribal operations.

Section 760 Internal Control (2 PYTC § 5-1-760)

- (A) Each officer, Director or supervisor assigned responsibility for implementation of activities and functions under this chapter shall be responsible to implement effective internal controls over such functions, to properly segregate duties and to establish effective written procedures and instructions for assigned functions.
- (B) The Internal Audit Department and, if necessary, professionals knowledgeable within the areas of internal control shall be engaged at reasonable intervals to review the implementation of internal controls.

Section 770 Insurance (2 PYTC § 5-1-770)

The Finance Division Director shall collaborate with the Finance Committee to incorporate in the internal control systems of the Tribe such insurance and risk management procedures as are appropriate to protect and safeguard Tribal assets. Procedures shall include the selection of insurance policies considered necessary to protect the interests of the Tribe. Such policies and activities shall include:

- (A) A policy of liability insurance that shall insure the Council and other directors of the Tribe for errors and omissions in carrying out Tribal business.
- (B) An employee fidelity bond covering all employees having access to, or responsibilities over, monies and other assets of the Tribe.
- (C) Property and casualty policies providing for the replacement of assets lost due to fire, theft or other casualty.
- (D) Such liability policies as are considered appropriate to Tribal business.
- (E) Self-insurance programs to be recommended for low cost losses, where such programs will reduce the overall cost of insuring against losses, without significantly increasing risks.
- (F) Independent risk management assessments to be conducted at three-year intervals by professionals knowledgeable of such matters.

Section 780 Audits (2 PYTC § 5-1-780)

- (A) The Chairman shall conduct, or direct to be conducted, internal examinations of financial records and procedures and shall require the results of investigations to be reported.
- (B) The Treasurer and Finance Director shall obtain proposals and shall recommend to the Chairman a firm of independent Certified Public Accountants, who shall conduct an annual audit of all of the financial operations and records of the Tribe for each Fiscal Year.
 - (1) Such audit shall be conducted in accordance with Generally Accepted Auditing Standards and shall provide for all financial statements and other reports required by the Tribe, the Federal Government and any other funding source.
 - (2) The report of such auditors shall be addressed to the Council.

- (3) The Finance Director and Treasurer shall obtain proposals from qualified audit firms and shall schedule and coordinate such audit in such a manner as to facilitate delivery of completed audit reports not later than March 31 of the each succeeding fiscal year. Multiple year engagements with audit firms shall be utilized where practical to provide efficiency and continuity in performance of audits. To the extent that conditions exist that delay the completion of the required audit reports beyond the required date, the Finance Director shall advise the Tribal Council, in writing, of the conditions and anticipated completion date.
- (4) Independent auditors shall report formally to the Council, with formal correspondence through the Chairman.
- (5) The report of the auditors shall be addressed and delivered, in person, to the Council annually in order to afford members of the Council to obtain answers to questions regarding audit findings and recommendations.
- (6) At the request of a Subordinate Organization, the annual audit shall include and provide separate audit reports for such Subordinate Organization. The cost of such audit shall be paid by the Subordinate Organization.

Section 790 Unresolved Audit Issues (2 PYTC § 5-1-790)

To the extent that any disagreements exist during the period of the audit regarding any audit finding or the presentation of information within the audit report, such matters shall be resolved by the Chairman as soon as practical in order to ensure a timely completion of the audit and delivery of the report. If the Chairman is not able to resolve the issues timely and satisfactorily, then the matter shall be brought before the Council for resolution. Audit resolution shall not result in qualification of the auditor's opinion on Tribal Financial Statements, unless authorized by the Council.

Section 800 Security of Tribal Assets and Information (2 PYTC § 5-1-800)

- (A) Any and all financial assets and information regarding the assets and financial matters and interests of the Tribe shall be utilized only to carry out the programs and purposes as authorized by the Council and only in the best interests of the Tribe.
- (B) Any individual who knowingly and willfully misappropriates funds, property or information for personal or other use, not in the interest of the Tribe shall be subject to the penalties or disciplinary actions as authorized by law and policies.

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