

# Oneida Nation

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## **BC Resolution # 11-13-19-B Amendment to the Creation of Acheson Education Endowment in Accordance with the Endowments Law**

**WHEREAS,** the Oneida General Tribal Council is the duly recognized governing body of the Oneida Nation, and

**WHEREAS,** the General Tribal Council has been delegated the authority of Article IV, Section I of the Constitution of the Oneida Nation, and

**WHEREAS,** the Oneida Business Committee may be delegated duties and responsibilities by the Oneida General Tribal Council and is at all times subject to the review powers of the Oneida General Tribal Council, and

### *Endowments Law*

**WHEREAS,** the Oneida Business Committee adopted the Endowments law in February 2005 by resolution # BC-02-23-05-G which sets forth how endowments are created and managed endowment fund accounts 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 Nation 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

### *Floyd Acheson Bequest*

**WHEREAS,** in 1980 Floyd Acheson bequeathed his estate to the “Floyd Acheson Oneida Indian Foundation;” and

**WHEREAS,** the will was contested and all parties settled with the Oneida Nation receiving approximately \$155,000 in mortgage notes; and

**WHEREAS,** Floyd Acheson desired the funds to be used for “loans and scholarships for enrolled Oneida Indians and the general welfare and benefit of the Oneida Tribe of Indians of Wisconsin, Inc.” *Oneida Business Committee minutes, July 3, 1980, p. 3;* and

**WHEREAS,** the Oneida Business Committee had authorized some uses of the funds in the intervening years and investment of the funds such that there is now approximately \$1.05 million in current principle; and

*Education and Scholarships*

- WHEREAS,** the Oneida Nation has committed to education as a method of creating long term improvements for individuals, families and the community; and
- WHEREAS,** the General Tribal Council had directed the development of an independent K-12 school system which is currently in place and operations exceed current standards for Bureau of Indian Education school systems with greater numbers of students graduating and attending higher education schools; and
- WHEREAS,** the General Tribal Council has created the Oneida Higher Education Scholarship which provides non-needs based scholarships for members attending secondary and graduate level schools; and
- WHEREAS,** the Higher Education Department has created programs to assist members in obtaining technical certificates and degrees; and
- WHEREAS,** the Higher Education Department has identified that more members in high school are taking advance placement and college level courses who are not eligible for the Oneida Higher Education Scholarship or the departmental program but who require financial assistance to offset the costs of advanced placement and college level courses; and

*Purpose of Acheson Education Fund*

- WHEREAS,** the Education and Training Department has requested the development of an endowment utilizing the Floyd Acheson bequest for the purposes of assisting members in creating opportunities in the vocational and trades area of study; and
- WHEREAS,** the Treasurer has identified a need to assist high school students in paying for advanced placement and college level courses while in high school; and
- WHEREAS,** the Oneida Business Committee has determined that long term strategic stewardship of the funds would allow all educational goals of the Nation to be met; and
- WHEREAS,** the Oneida Business Committee has recommended that the Acheson Education Endowment be created to fund educational opportunities beginning with funding educational opportunities for high school juniors and seniors pursuing vocation and trade careers, and high school juniors and seniors pursuing advanced placement and college level courses for high school students, assisting with expenses related to professional exams and licensing, funding higher education scholarships and eventually all education needs; and

*Creating Endowments*

- WHEREAS,** the Endowments law 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 Acheson bequest should be formally developed into an endowment and that additional funds should be identified for allocation to that fund; and
- WHEREAS,** the Endowments law identifies that “the establishment of endowment fund accounts from private donors shall take no more than 120 calendar days from the date of notification from

the Finance Committee of the donation received for the purpose of establishing an endowment fund account. These endowment fund accounts shall be exempt from the community meeting requirements” (131.5-1(b)); and

**WHEREAS,** the Finance Committee, at a meeting on November 13, 2017, adopted a motion recommending the creation of the Acheson Education Endowment<sup>1</sup>; and

*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 Acheson Education Endowment, and directs that such funds held and invested from the Floyd Acheson bequest, approximately \$1.05 million, be placed in the Acheson Education Endowment.

*Purpose of Endowment*

**BE IT FURTHER RESOLVED,** the Oneida Business Committee does hereby further direct that the Acheson Education Endowment shall be used for the purposes of creating programs and activities which shall support –

- Priority 1:<sup>2</sup> costs associated with vocational and technical trades for adult members, and advanced placement and college level courses for members who are high school students; and
- Priority 2: upon generating sufficient income to pay for Priority 1 expenses, excess disbursements shall be allocated for costs associated with professional exams and licensing; and
- Priority 3: upon generating sufficient income to fund Priority 1 and Priority 2 expenses, excess disbursements shall be allocated to fund the higher education scholarship program; and
- Priority 4: upon generating sufficient income to fund Priority 1, Priority 2, and Priority 3 expenses, excess disbursements shall be allocated to fund expenses related to all educational needs.

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 Oneida Business Committee directs that no disbursements from the Acheson Education Endowment shall be made until Fiscal Year 2028 at which point disbursements will be made at 50%<sup>3</sup> of the interest income as calculated according to section 131.8-2 of the Endowment Law. This disbursement level may be increased up to 75% or decreased down to 0% by a two-thirds vote of the total number of members of the Finance Committee and a subsequent two-thirds vote of the total number of members of the Oneida Business Committee.

**BE IT FURTHER RESOLVED,** the Chief Financial Officer may approve more specific Standard Operating Procedures to implement the general rules outlined in this Resolve.

1. Programs shall forward a list of adopted rules and the priority addressed to the Treasurer and Chief Financial Officer on or before November 1<sup>st</sup> of each year.
2. On or before January 31<sup>st</sup> of each year the Trust Enrollment Department shall forward to the Treasurer and Chief Financial Officer an estimated disbursement from the endowment.

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<sup>1</sup> Motion by Jennifer Webster to adopt the Acheson Endowment Resolution with the discussed changes to the final resolved section and forward to the Oneida Business Committee. Seconded by Daniel Guzman King. Motion carried unanimously.

<sup>2</sup> Assuming this need is \$150,000.00, this priority would be reached (using a 5% return and 50% disbursement, and no additional contributions). If the tribal contribution is \$100,000.00 with a 5% return, this becomes year 32, at 6% return it becomes year 25.

<sup>3</sup> This can be increased up to 75% which increases disbursement but slows growth.

3. The Treasurer and Chief Financial Officer shall notify programs which have rules adopted under the Administrative Rulemaking law in accordance with the purpose of the Acheson Education Endowment Fund of the availability of funds.
4. Programs with adopted rules under the Administrative Rulemaking law shall cooperatively identify how such funds shall be allocated within the proposed budget and forward the allocation determinations to the Chief Financial Officer on or before February 28<sup>th</sup> of each year. Failure to submit a cooperatively developed allocation by the deadline shall result in the funds being returned to the endowment as principle.
5. The Trust Enrollment Department shall provide an update on the estimated disbursement on or before July 1<sup>st</sup> of each year to the Treasurer and Chief Financial Officer, who shall notify programs with adopted rules under the Administrative Rulemaking law of the updated estimated disbursement amount. Excess over the initial disbursement estimate shall be returned to the endowment as principle; shortages under the initial disbursement estimate shall require all programs utilizing the funds to collaboratively determine how expenses shall be reduced. No additional tribal contribution shall be made. Failure to submit a cooperatively developed reduced allocation by July 30<sup>th</sup> shall result in the funds being returned to the endowment as principle.
6. The Trust Enrollment Department shall make the authorized disbursement to the Nation's banking account(s) as identified by the Chief Financial Officer during the month of October.
7. Funds disbursed from an endowment shall not displace tribal contribution from the Nation's general fund until such time as the fund disbursements reach Priority #3. Provided that, reductions to programs based on budgeting processes shall not be prohibited.

**BE IT FURTHER RESOLVED**, that rules developed by programs shall specifically identify this resolution number, title of the resolution, and the specific priority being addressed by the rule.

**BE IT FURTHER RESOLVED**, that endowment disbursements under Rules cannot be allocated to costs associated with program delivery or personnel until Priority 4.

**BE IT FURTHER RESOLVED**, that in any year in which there are no programming rules approved under the Administrative Rulemaking law or in which there are insufficient specific requests based on existing programming rules approved under the Administrative Rulemaking law, or the program 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 principle.

#### *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. *Principle*. Current principle and history of the growth of the principle 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 disbursement in reasonable increments from the establishment of the endowment.
4. *Future/Trends*. Projects of estimated future growth of the principle 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 of the original allocation and additions to the principle with the pro rata share of gain/loss allocated to each original principle allocation for historical tracking. The original principle allocation shall be labeled Acheson bequest

and any additional tribal contribution made shall be reported as a separate principle allocation titled Acheson Education Endowment - Tribal Contribution funds.

**BE IT FURTHER RESOLVED**, that the Treasurer shall include in the Annual Report a list of endowments and how disbursements were allocated in the budget, including a list of Rules regarding the use of the funds.


**BE IT FURTHER RESOLVED**, that the any program which utilizes Acheson Education Endowment Funds 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 disbursements made during the reporting period for quarterly reports and an aggregate reporting in the Annual Report.

*Funding Endowment*

**BE IT FINALLY RESOLVED**, that the Oneida Business Committee directs the Treasurer to budget at least \$100,000.00 each fiscal year to the Acheson Education Endowment for a minimum of 10 years. At the end of 10 years, the Finance Committee shall review the fund to determine whether additional contributions are necessary to help reach the long-term goals for education.

**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 13<sup>th</sup> day of November, 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.

  
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Lisa Summers, Secretary  
Oneida Business Committee