

Vice Chairman, Kevin Wright, Jr.
Secretary/Treasurer, Orville Langness, Jr.
Council Representative, Sonny Ziegler
Council Representative, John McCauley
Council Representative, Desiree LaRoche



Lower Brule Sioux Tribe
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Lower Brule, SD 57548
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September 24, 2015

To: Members of the Lower Brule Sioux Tribe
From: Kevin Wright, Sonny Ziegler, and Desiree Laroche

RE: Renewal of 638 Contracts

Dear Members of the Tribe,

As you may be aware, federal government funding (638 Contracts) for the Tribe must be renewed this month in order to ensure that essential funds for social services and other government activities are available for the upcoming fiscal year (October 1, 2015-September 30, 2016). We fully support renewal of these contracts, provided that the full Tribal Council has oversight over these and other public funds.

At present, a minority of two Tribal Council members and some of their associates want to obtain millions of dollars under the 638 Contracts without allowing the full Tribal Council to oversee their management. This approach is improper and unconstitutional. Article VI of the tribal constitution is very clear on these matters. It states that the whole tribal council has wide-ranging authority to manage the economic affairs of the tribe, including:

- To negotiate with the Federal, State, and local governments, on behalf of the tribe and to advise and consult with representatives of the Interior Department on all activities of the Department that may affect the Lower Brule Sioux Reservation. (Article VI, Section 1b).
- To advise the Secretary of the Interior with regard to all appropriation estimates or Federal projects for the benefit of the Lower Brule Sioux Reservation prior to the submission of such estimates to the Bureau of Budget and Congress. (Article VI, Section 1c).
- To appropriate for public purposes of the reservation any available funds. (Article VI, Section 1d)
- To manage any and all economic affairs and enterprises of the Lower Brule Sioux Tribe and to engage in any business not contrary to state or federal law applicable to Indian

Tribes that will further the economic development of the tribe or its members and to use tribal funds or other tribal resources for such purposes. (Article VI, Section 1p).

Under the tribal constitution's bylaws, the Treasurer of the tribal council is responsible for the management of funds, but only with the authorization of the full tribal council. For example, Article I, Section 3 of the bylaws state:

"The Treasurer of the Tribal Council shall accept, receive, receipt for, preserve, and safeguard all funds in the custody of the Tribal Council, whether same be tribal funds or special funds for which the Tribal Council is acting as trustee or custodian. He shall deposit all funds in such bank or elsewhere as directed by the Tribal Council and shall make and preserve a faithful record of the amount of all funds in his possession or custody, such report being made in writing to the Tribal Council at regular meetings and such other times as requested by the Tribal Council. He shall not pay out or otherwise disburse any funds in his possession or custody, or in the possession or custody of the Tribal Council except when properly authorized to do so by resolution duly passed by the Tribal Council." (emphasis added)

There is no rule or provision in the Tribal Constitution that allows a minority of two council members sole authority over tribal finances, federal finances, or other resources. At present, these two council members have not followed the constitution and have not provided required information to the full Tribal Council. Given these irregularities, and numerous federal investigations into alleged mismanagement of funds by the prior Tribal Councils, it would be irresponsible, inappropriate, and unconstitutional for us to grant a minority of two council members who also served on the prior Tribal Councils in question authority over government finances, including 638 Contracts.

Instead, the full Tribal Council should only reauthorize the 638 Contracts and manage public funds in a manner consistent with the tribal constitution. We will only support reauthorization of these contracts if the corresponding resolutions explicitly state that all current Tribal Council members have full and explicit access and oversight of the Tribe's finances. This includes, but is not limited to, clear and explicit access to, bank accounts, 638 contracts, audits, and other information and resources necessary for the whole Tribal Council to fulfill its responsibilities.

We also insist that a resolution be passed to ensure at least three Tribal Council members must sign and authorize any expenditure over \$1,000 to ensure that there is adequate oversight over the use of public funds.

These resolutions regarding 638 contracts and other financial matters must be voted upon by all council members with clear evidence, such as audio or visual recordings, to ensure that each council member was present for the Tribal Council session in which these discussions took place and actually cast a vote. This will help to ensure the accuracy and veracity of those resolutions.

We are willing to convene a special session of the council immediately to pass resolutions that would authorize renewal of 638 contracts under the conditions detailed above. However, if our colleagues insist on complete control over tribal and federal resources without meeting basic

standards of governance and constitutionally-required oversight by the full Tribal Council, then we would not support such measures as they would be improper and unconstitutional.

Thank you,

Kevin Wright
LBST Vice-Chairman
Sonny Ziegler
LBST Council Member
Desiree Laroche
LBST Council Member



