
STATE OF MONTANA

Department of Public Health & Human Services
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Anna Whiting Sorrell, Director



Department of Commerce
PO Box 200501, Helena, MT 59620-0501
(406) 841-2700 | Fax: (406) 841-2701
Anthony Preite, Director

November 9, 2009

John Sinclair, President
Little Shell Tribal Council
1807 3rd NW, Suite 35A
P.O. Box 1384
Great Falls, MT 59403

Dear President Sinclair:

This letter follows up on correspondence from the Department of Commerce and the Department Public Health and Human Services regarding state contracts with the Little Shell Tribe. As you know, a number of accounting and contracting issues have been identified with both the economic development and tobacco use prevention contracts. Prior to the execution of further state-tribal contracts, the state needs documentation that the Tribe has put in place procedures which will ensure that public grant monies are properly expended and contract deliverables are met.

In order to expedite the process for resolving these issues, the state requests the following materials by November 23, 2009:

- Documentation of fiscal policies and procedures which ensure adherence to Generally Accepted Accounting Principles, applicable to all contracts with the state;
- Documentation of a cost allocation plan for your Tribal Government;
- Written documentation of the Tribal Council's adoption, implementation and maintenance (tribal council resolutions, minutes, etc.) of fiscal policies and procedures and a cost allocation plan;
- Written documentation that the following issues have been addressed:
 - Submitted contract budgets will reflect, within reason, expected actual expenditures;
 - Compliance with all applicable state and federal labor and tax laws, including documentation that any outstanding payments or penalties have been addressed;
 - Compliance with the following contract requirements: (1) the Tribe will seek State approval prior to subcontracting work; (2) economic development and tobacco use prevention funds will not be used for political activities; (3) tobacco use prevention media produced by the Tribe will be submitted to the Department for review prior to implementation; (4) economic development and tobacco use prevention activities will be adequately documented; and (5) tribal activities will reflect a level of effort commensurate with the level of funding provided.

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Please send these materials to: Ms. Carol Bondy, Chief – Audit Bureau
Department of Public Health and Human Services
P.O. Box 4210
Helena, MT 59604-4210

The State also requests a meeting with you and with other appropriate tribal officials in Helena, on December 1, 2009, at 9 am, in the Capitol Building. Officials from the Department of Commerce, the Department of Public Health and Human Services, and the Governor's Office will be in attendance. The purpose of the meeting is to review the materials submitted and to discuss future state-tribal contracting. Thank you for your attention to these matters.

Sincerely,



G. Martin Tuttle
Chief Legal Counsel
Department of Commerce



Russell E. Cater
Chief Legal Counsel
Department of Public Health and Human Services