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Office of the Chief

Chuck Hoskin Jr.
Principal Chief

Bryan Warner
Deputy Principal Chief

January 17, 2025

TO: Dr. Corey Bunch, Chief of Staff
Shella Bowlin, Secretary of State
Janees Taylor, Treasurer

FR: Chuck Hoskin, Jr.
Principal Chief

CC: Bryan Warner, Deputy Chief
Cabinet
Sub-cabinet
Howard Paden, Executive Director of Language Programs.
Mike Shambaugh, Speaker of the Council

Administrative Memorandum Outlining Approved Annual Spending Framework under the Public Health and Wellness Fund Act

The purpose of this memorandum is to outline the approved annual spending framework under the [Public Health and Wellness Fund Act](#) 7% fund, in follow up to my memorandum of January 3, 2025, and the Implementation Team's review of January 13, 2025¹. The memorandum also supplements and modifies the Administrative Memorandum of May 17, 2024. The framework herein is available immediately, or immediately upon approval policies as warranted, but no later than **January 31, 2025**.

I. The Public Health and Wellness Fund (7% Fund)

a. Purposes and Usage of the 7% Fund is Broad, to be Liberally Interpreted

PHWFA collects 7% of third-party health revenue and sets it aside for purposes outlined in Sections 2 and 4 of the Act. As discussed more fully in my memorandum of a January 3, 2025, PHWFA provides wide latitude to spend 7% of fund revenue on an array of public health and behavioral health operations and capital investments. Administration will interpret the provisions of PHWFA to effectuate the purposes and polices of the Act.²

¹ COS Bunch email to Chief Hoskin, 1/13/25

² See particularly Sections 2 and 4 of the Act.

b. Current funding levels

The 7% fund generates approximately \$25 million per year, subject to fluctuations in Health third-party revenue. Since its inception, the fund has amassed approximately \$80 million, with a surplus of around \$40 million. The fund has been tapped for major capital projects, ongoing operations, and sporadic grants.

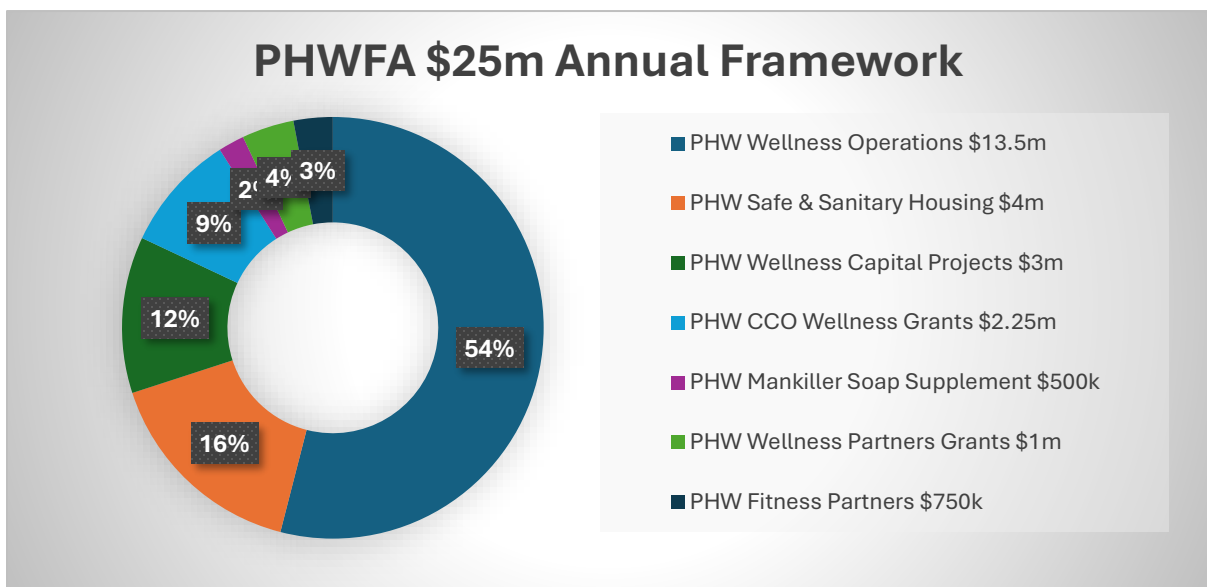
II. The PHWF Annual Spending Framework and Reserve Fund

The PHWF will operate on two tracks. First, the current year's third-party revenue should be subject to an annual spending framework to meet key Cherokee Nation public health and wellness interests. Second, any unspent funds at the end of the fiscal year should be carried over in the PHW Reserve Fund.

A. PHWF Annual Spending Framework

As the PHWFA grants the executive branch broad spending authority, the administration has wide latitude to identify spending priorities consistent with the purposes of policies of the Act. In addition to PHWFA, the Council of the Cherokee Nation has enacted legislation or otherwise endorsed programs that support public infrastructure, access to wellness programs, improving housing constituents, morning water and sanitation, as well as supporting wellness initiatives among community organizations and non-profits. Our success in these areas, coupled with existing commitments of PHWFA funds, supports the framework below.

PHWFA Annual Spending Framework



PHWFA Annual Spending Framework Categories

- **\$13.5m PHW Operations³**
 - Wellness centers operations
 - Marble city operations
 - Kenwood operations
 - Wellness events/activities (TBD / proposed)
 - PHWFA Grant Coordinator (proposed)
 - PHW Senior Farmers' Market (or other programs proposed by Public Health @ \$500,000)
 - Speaker Services: Peer Recovery (existing program proposed for continuation by Language @ \$500,000), emergency health/wellness assistance (existing Speaker Services initiatives)

- **\$2.25m PHW CCO Wellness Grants (Current FY 25 program)**

- **\$750k PHW Fitness Partners (Pilot FY 25 gym membership subsidy)**

- **\$1m PHW Wellness Partners Grants**
 - Grants to non-CCO third parties for wellness operations, capital, or equipment. (See PHWFA Grand Coordinator above)

- **\$3m PHW Wellness Capital Projects**
 - Small to medium wellness capital projects on Cherokee Nation property or adjacent (usually public) property beneficial to Cherokee Nation, such as sidewalks, public restrooms, and park improvements.

- **\$500k PHW Mankiller Soap Act Supplement**
 - Fund or increase Mankiller / Soap water infrastructure programs

- **\$4m PHW Protecting Our Vulnerable Safe & Sanitary Housing Fund**
 - Replacement or rehabilitation to address emergent health, public health, behavioral health needs.
 - Accessible to HACN and Speaker Services, administered by HACN.

B. PHWFA Reserve Fund:

- Fund presently at \$40m (approx.)
- Unexpended funds from the annual framework will be added to the Reserve Fund
- Fund for major PHWFA capital projects
 - Wellness centers
 - Behavioral health facilities
 - Parks/trails / other major outdoor recreation and wellness capital projects.

³ Presumably PHWFA will substantially or fully fund operations of the Crisis Center when ARPA based operating dollars are no longer available after calendar year 2026.

- PHWFA Reserve fund may supplement the programs outlined Part A, above, as determined by the Principal Chief.

C. Existing Projects:

PHWFA capital projects already administratively approved prior to January 30, 2025, remain approved notwithstanding the provisions of this framework and without negatively impacting the balances in this framework.

D. Policies

Deputy Secretary of State Canaan Duncan will draft and or coordinate the drafting of policies applicable to the programs described in the framework by **January 31, 2025**.⁴

III. Annual Review

Commencing with fiscal year 2026, Chief of Staff, Secretary of State and Treasurer, along with the Deputy Principal Chief by invitation, shall meet, review the framework and make recommendations to the Principal Chief as to any changes to the framework, the default of which is to adjust the framework by applying the existing percentage allocations to the estimated revenue.

IV. Notice to Council

By copy of this memorandum to the Speaker of the Council, implementation of this framework is deferred to **January 31, 2025**, pending comment from Council.

V. Implementation

The Chief of Staff, Treasurer and Secretary of State, along with Deputy Secretary of State, should work together to ensure the immediate and efficient implementation of this PHWFA Annual Spending Plan beginning **January 31, 2025**.



Chuck Hoskin, Jr.
Principal Chief

⁴ As of the date of this memorandum, the status of policies are as follows:

- *PHW CCO Wellness Grants*: Policy final, program is operational.
- *PHW Fitness Partners*: Policy draft by DSOS Duncan under review by Chief Hoskin.
- *PHW Wellness Partners*: Policy draft under review by Chief Hoskin.
- *PHW POV Housing*: Policy draft under review by Todd Enlow