



OSAGE NATION CONGRESS
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MEMBERS OF CONGRESS
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Joint Statement- For Immediate Release
Lack of Oversight
2/19/2021 3:30PM

The Osage Nation- Osage Law, 15 ONC § 2-321, states:

“The Treasurer shall develop a financial management plan and investment strategy for the Osage Nation, and shall establish an Investment Oversight Committee, comprised of the Treasurer as chair and two qualified professionals, one member appointed by the Principal Chief and one member by motion and affirmative vote of Congress to implement the financial management plan and investment strategy. Committee members shall serve until the successor is appointed. The proposed financial management plan and investment strategy shall be approved by resolution of the Osage Nation Congress prior to implementation or amendment.”

The Congress has been made aware that the Controller of the Nation, Ms. Tasha Fox, who is the Principal Chief’s appointee to the Investment Oversight Committee has not been with the Nation since mid-November, 2020. However, we are unclear about the Chief’s intention to either replace Ms. Fox on the Investment Oversight Committee or allow her to continue service to this Nation.

If Ms. Fox was terminated for cause, her continued service presents a significant failure in Osage law that allows for a terminated employee to remain a decision maker in charge of investing, what could easily be more than \$30 Million dollars of the People’s money.

At best, Ms. Fox’s suspension as an employee would demand accountability to the Nation, except that Osage Nation Human Resource Policy states that “under no circumstances will a suspension exceed ten (10) working days, except where an investigation is warranted”. If Ms. Fox was indeed suspended pending an investigation in mid-November, the Investment Oversight Committee was left crippled with only two working members, and nothing in law to prevent an employee who is potentially under investigation by the Nation, from potentially exerting influence over the Nation’s investments.

This uncertainty is unacceptable.

“I’m proposing a simple change to 15 ONC § 2-321. I’m proposing that we amend the law to state that if an employee is to serve as the Chief’s appointee to the Investment Oversight Committee, that employee’s service is contingent upon their being an employee “in good standing”. This shouldn’t be difficult and I hope that many others will join me in this common-sense reform” said Congressman Potts.

We are fortunate that the Investment Oversight Committee (IOC), with only three members, is still able to conduct regular business with the two sitting members. The Treasurer and the Congressional appointee being the two remaining members of the IOC still have full functional authority, yet progress has stalled.

CONGRESSMAN ELI POTTS
CONGRESSMAN JOE TILLMAN



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On January 27th, the Treasurer indicated that the Nation continues to miss opportunities to properly invest funds and earn a higher return. A function of the Investment Oversight Committee is to look after the Nation's investments. Congress took steps to ensure the executive branch was able to make investments by passing ONCR 21-01, "to approve the Financial Management Plan and Investment Strategy of the Osage Nation" in November of 2020. No such movement has taken place, as indicated on January 27th, 2021.

"It's troubling that the Treasurer would now tell us, in late January, that the funds haven't been moved to more prosperous investments, perhaps it's part of a much larger discussion about employee status and personnel issues. Either way, it's a problem and executive decisions are now impacting the success of the investments, we need to move forward so the Nation can get its financial house in order" said Congressman Tillman.

We remain uncertain of Ms. Fox's official status as an employee. However, we stand committed to responsible management of the Osage Nation permanent fund and all other investments of the Nation.

Our hope is that this can be resolved quickly and that the Executive Branch takes steps to invest in more prosperous endeavors approved by ONCR 21-01. The Nation is in dire need of alternative revenue sources and so far, the best return on our investment is interest earned on savings and investment accounts.

Congressman Tillman and Congressman Potts also reached out to the Congressional representative on the Investment Oversight Committee. We were troubled to hear what he had to say regarding the time being taken to invest funds and upset about the millions of dollars in lost revenue.

"In January 2020, after an extensive, objective process the top 4 prospective Investment Firms were interviewed, and a selection was made. Since that time, I have been actively following matters subsequent to this selection.

It is concerning and disturbing, that 13 months later, the Funds have not been transferred to the selected Investment Firm. I have spoken at a Congressional hearing relating how the Tribe has missed out on millions (yes, millions) of dollars by the Funds not being professionally invested. As an example, the recently completed Audit for FYE 9/30/2019 listed the Investment Funds revenue for the year at \$836,568 – a rate of 2.2%. Those same Funds, had they been Invested by the selected Investment Firm would have predictably earned \$3,588,482 – a rate of 9.56%. That's a difference of \$2,751,914 for the year!! Breaking it down even further, it means the Tribe missed out on an additional \$229,326 a month and \$7,539 a day." – Scott Manzer, Investment Oversight Committee member.

We certainly hope this has been made a priority and funds have been properly reallocated to maximize investment returns since the January 27th Appropriations Committee meeting. "Nothing could make both Congressman Potts and I happier than to see the Osage Nation investing funds in accordance with what has been approved by Congress. That was approved in November of 2020. We're still waiting. Every day we wait, the Nation misses opportunity after opportunity to provide better services to the people." Said Congressman Tillman.

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