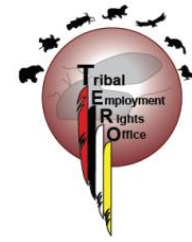


RED LAKE NATION TERO

Tribal Employment Rights Office



P.O BOX 416*15525 Mendota Avenue*Redby,MN 56670*(W)218-679-3350*(F)218-679-3746

GUIDE TO COMPLIANCE PACKAGE

TO: CONTRACTORS/SUB-CONTRACTORS

The TERO letter. The letter explains the Labor and Employment Ordinance and the importance of our office.

TERO Ordinance No. 170-12. This is Tribal law which the TERO office enforces upon ALL contractors and companies conducting business on the Red Lake Indian Reservation.

Indian Preference, Compliance Plan. This is an agreement between your company and our office to work together. The form also informs us about your company, crew and certification to utilize Native Americans in your workforce. THE FORM MUST BE SIGNED BY A VP OR HIGHER.

Sub-Contractor List. The list is required when a company will be using sub-contractors.

Employer Request Form. This form is used to inform us how many and what type of employees you will need to complete a project. It should be completed and submitted as many times as required.

Project Employee List. This form is to be completed and faxed to our office at the end of every work week. The form should include names and trades of everyone on site; and be correctly dated with the time period ending that it represents.

Project close out form. This form must be completed and returned to TERO once your project is complete.

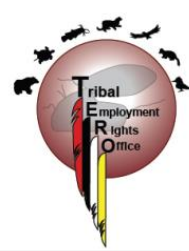
Tribal Business License Application. YOU MUST HAVE A TRIBAL BUSINESS LICENSE. PLEASE RETURN THE COMPLETED APPLICATION WITH REQUIRED FEE TO THE RED LAKE NATION LICENSE DEPARTMENT, PO BOX 550, RED LAKE, MN 56671.

PLEASE READ ALL INFORMATION AND RETURN THE FOLLOWING DOCUMENTS: EMPLOYMENT AND TRAINING PLAN. (PG.1); SUB-CONTRACTORS LIST (PG.2); EMPLOYER REQUEST FORM (PG.3); PROJECT EMPLOYEE LIST (PG.4) AND A COPY OF YOUR BUSINESS LICENSE.

FAX, HAND DELIVER OR MAIL ALL INFORMATION 72 HOURS BEFORE YOU BEGIN WORK. SHOULD YOU HAVE ANY QUESTIONS, PLEASE CALL (218) 679-3350.

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Re: Compliance of Red Lake Nation, Labor and Employment Ordinance No. 170-12.

Dear Sir or Madam:

The Red Lake Nation Tribal Employment Rights Office (TERO) Monitors and enforces Indian Preference employment requirements pursuant to Tribal Ordinance No. 170-12 of the Tribal code I-A of Ordinance No. 170-12 requires that “all employers... shall give a hiring preference to individual Indians for all open available to them to achieve the preference hiring goals.” In order to meet the Red Lake Nation Indian Preference goals employers are required to complete a compliance plan and understand the scope and limits of Indian preference under Ordinance No. 170-12. Furthermore, employers should become familiar with the Red Lake Nation process in enforcing non-compliance with its Indian preference policy.

Compliance Plan:

In order to assist you in complying with the Ordinance No. 170-12 TERO has enclosed a form compliance plan to be completed by you, as the employer, and returned to the TERO before the projects starts. Pursuant to section III-A-4 employers who are construction contractors are required to submit a compliance plan which includes the following:

- The contractor’s name, address, phone number and contact person.
- The estimated number of man-hours, by craft and skill category, needed on the project.
- A list of positions that can be immediately filled by TERO referrals.
- A list of positions that cannot be immediately filled by TERO referrals, but will be required to follow the hiring procedures set forth in Section III-B-1, designed as a key employee position it may not employ a non-Indian for the position unless:
 - a. TERO has determined in writing that there is no qualified Indian applicant for the open position;
 - b. TERO fails to refer to qualified Indian within two (2) business days after receiving written notice of job opening;

- c. TERO authorizes the contractor or subcontractor to utilize preferred temporary employment agencies to fulfill this requirement; or
- d. TERO waives this requirement.

(TERO requires submittal of Job Announcement/Advertisement, for all hiring positions anticipated for the project)

- A list of positions that the office has designed as key employee positions or for which the office has determined that there are no qualified Indian applicants for the positions.
- If practicable, training programs, job fairs, or other programs the employer intends to implement in order to achieve the Indian preference goals.
- A list of trades that will be subcontracted, a schedule indicating when the subcontracted trades will be required on the work site, and a methodology for ensuring that the contractor's subcontractors comply with the requirements.
- Employers hiring goals with regard to Indian preference.
- Any other information TERO deems necessary in order to carry out the Indian preference requirements of Ordinance No. 170-12.

Upon receipt of the completed compliance plan, TERO will issue your company a clearance slip, which must be maintained on file at the contractor's project trailer for verification by TERO. In addition, TERO requires regular submittals of Employee List and/or Certified Payroll report to the office to insure compliance with the wages and pay, as well as to document Indians being hired. The frequency of the submittals will be determined by the length of the project.

Hiring Preference for Individual Indians:

Tribal Ordinance No. 170-12 defines *hiring preference for individual Indians* to mean "that if an Indian person and non-Indian are equally qualified for an available job; such job shall be offered to the Indian." Red Lake Tribal TERO can assist your company in the hiring process of American Indian employees. TERO refers both individuals enrolled with the Community as well as non-Community members who are enrolled in other Indian tribes.

Contractors can recruit "workers from whatever sources are available to them to achieve the preference hiring goals." However, pursuant to Tribal Ordinance No. 170-12 contractors are specifically required to allow TERO fill open positions prior to the project beginning and provide notice of open non-key employee positions through the duration of the project.

In order to get credit for meeting the preference goals when the contractor hires a person who claims to be American Indian, a contractor must verify with the individual that he is a local American Indian. **Two (2) sources of identification acceptable are; 1) Tribal enrollment I.D card, and 2) Verification of Enrollment Application signed by the Tribal Enrollment Office.**

Subcontractors:

A general contractor has the initial and primary responsibility for ensuring that all subcontractors comply with the preference requirements, and may negotiate and agree to a compliance plan on its subcontractor's behalf.

A subcontractor that is retained by a general contractor shall not commence work until it has signed a compliance plan, or the general contractor has entered into a compliance plan on its behalf.

A contractor (general, sub, or otherwise) that intends to engage in work on the Reservation shall not commence such work until the TERO Director and the contractor have negotiated and signed a compliance plan. If TERO and the contractor fail to negotiate compliance plan within five business days from the date the contractor's construction agreement has been executed, the contractor may engage in work on the Reservation, but in no event shall a contractor be permitted to work on the Reservation without a signed compliance plan beyond 15 days from the date on the contractor's construction agreement has been executed.

Right-to-Work:

The Red Lake Nation has a Right-to Work jurisdiction and no person shall be required to, as a condition of employment or continuation of employment:

- Resign or refrain from voluntary membership in, voluntary affiliation with, or voluntary financial support of a labor organization;
- Become or remain a member of a labor organization;
- Pay any dues, fees assessments, or other charges of any kind or amount to a labor organization;
- Pay to any charity or other third party, in lieu of such payments, any amount equivalent to or a pro-rata portion of dues, fees, assessments, or other charges regularly required of members of a labor organization; or
- Be recommended, approved, referred, or cleared by or through a labor organization.

All contractors should become familiar with the Red Lake Nation "Right-to-Work" as required by TERO office.

Dispute Resolution & Penalties:

All contractors are subject to the administrative enforcement procedures provided for in Ordinance No. 170-12. TERO is authorized to impose an administrative civil penalty only as a last resort. Prior to the issuance of a compliance order or imposition of any administrative civil penalty, the TERO Director shall attempt to resolve any alleged non-compliance by informal means.

If an alleged non-compliance issues arises which cannot be resolved by a Compliance Officer, the TERO Director shall provide written notice within a reasonable time to set a meeting between contractor and TERO. The parties shall meet to discuss the disputed matter and attempt to resolve the alleged non-compliance prior to the issuance of a compliance order.

If the TERO Director determines that violation of Ordinance No. 170-12 exists, the Director may issue a written compliance order to the contractor requiring compliance immediately or within a specified period of time and may impose an administrative civil penalty of up to \$500 per day of violation.

All contractors may appeal a compliance order issued by the TERO Director pursuant Ordinance No. 170-12 Section I-O.

Compliance:

TERO wants your project to be successful and is willing to assist all contractors comply with Ordinance No. 170-12. A TERO Compliance Officer will be assigned to monitor compliance with Ordinance No. 170-12 with your company. Please call our office regarding TERO Compliance at (218) 679-3350.

Sincerely,

Jerry Loud
TERO Director

Enclosures