




# THE NAVAJO NATION

RUSSELL BEGAYE **PRESIDENT**  
JONATHAN NEZ **VICE PRESIDENT**

## MEMORANDUM

**TO:** Honorable LoRenzo Bates, Speaker  
Navajo Nation Council

**FROM:**   
Russell Begaye, *President*  
**THE NAVAJO NATION**

**DATE:** January 17, 2017

**SUBJECT: Resolution No. CJA-02-17: RELATING TO AN EMERGENCY; WAIVING 12 N.N.C. 820(E), 820(F) AND 820(L) RELATING TO THE DESIGNATION OF RECURRING AND NON-RECURRING REVENUES AND OPERATING EXPENSES AND USE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR RECURRING EXPENSES; WAIVING 12 N.N.C. 820(J) REGARDING MAINTENANCE OF THE MINIMUM FUND BALANCE; AND, APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$5,038,678.00 FOR THE DIVISION OF SOCIAL SERVICES DEPARTMENT OF FAMILY SERVICES FOR GENERAL ASSISTANCE AND WELFARE SERVICES**

Pursuant to 2 N.N.C. 1005 (C)(10), action for Legislation CJA-02-17 is being submitted to the Navajo Nation Council, through the Office of the Speaker within the ten (10) days requirement. After careful consideration and consultation with the Divisions, I have decided to sign Resolution No. CJA-02-17 into law.

These funds are for the needs of the people, in the form of adult institutional care services and child welfare assistance – institutional care services and for public assistance for general assistance. This is to provide for basic necessities (food, shelter, utilities etc.) for our People. Because this provides direct assistance for the needs of the People I have made the decision to sign this into law.

However, I ask that the Navajo Nation Council seek consultation with the Navajo Nation Department of Justice ("NNDOJ") on these matters. The NNDOJ has raised a number of issues including whether the Council could waive 12 N.N.C. 820 (E); (F) and (L). In addition, the Office of Management and Budget raised a concern as to whether decreasing the Minimum Fund Balance below 10% may affect the Navajo Nation credit rating with outside entities. While this is an emergency and the needs are dire, we must also be fiscally responsible and consider the financial impact it has to the Navajo Nation. There are other sources of funding available such as the Ramah Settlement that could have been used in this matter.

In any case, I ask the Council that we must continue to work together, better communicate and be more fiscally responsible regarding these financial issues.

RESOLUTION OF THE  
NAVAJO NATION COUNCIL

23<sup>rd</sup> NAVAJO NATION COUNCIL - Third Year, 2017

AN ACTION

RELATING TO AN EMERGENCY; WAIVING 12 N.N.C. §§ 820(E), 820(F) AND 820(L) RELATING TO THE DESIGNATION OF RECURRING AND NON-RECURRING REVENUES AND OPERATING EXPENSES AND USE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR RECURRING EXPENSES; WAIVING 12 N.N.C. § 820(J) REGARDING MAINTENANCE OF THE MINIMUM FUND BALANCE; AND, APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$5,038,678.00 FOR THE DIVISION OF SOCIAL SERVICES DEPARTMENT OF FAMILY SERVICES FOR GENERAL ASSISTANCE AND WELFARE SERVICES

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A)
- B. Pursuant to 2 N.N.C. §164 (A)(16) "[m]atters constituting an emergency shall be limited to the cessation of law enforcement services, and disaster relief services, fire protection services or other direct services required as an entitlement under Navajo Nation or Federal law, or which directly threaten the sovereignty of the Navajo Nation. Such an emergency matter must arise due to the pressing public need for such resolution(s) and must be a matter requiring final action by the Council."
- C. Pursuant to 12 N.N.C. § 820 (L), "[t]he Navajo Nation Council may adopt and approve supplemental appropriations to the Annual Comprehensive Budget during the fiscal year. Supplemental appropriations of General Funds within the current fiscal year are permitted, if and when additional sources of revenues above and beyond the initial or current revenue projections are projected and which are also in excess of the reserve amount set forth at § 820(J)."

**SECTION TWO. TITLE 12 FINANCE ACT SUPPLEMENTAL APPROPRIATION PROCESS**

The Title 12 Finance Act Supplemental Appropriation requirements include:

- A. Pursuant to 12 N.N.C. § 820(E), the Nation shall budget all recurring operating expenses, including maintenance of capital facilities, from recurring revenues. Long-term debt shall not be used to finance recurring operating expenses.
- B. Pursuant to 12 N.N.C. § 820 (F), "The Nation shall restrict non-recurring revenues to budget non-recurring expenditures. In addition, non-recurring revenues will be budgeted only after an examination by the Controller to determine whether or not the revenues are subsidizing an imbalance between recurring revenues and expenditures, and expenditures may be authorized only if a long-term (three-to-five year) forecast shows that the operating deficit will not continue. Otherwise, non-recurring revenues will be added to the Unreserved, Undesignated Fund balance. This provision may be amended or waived only by a two-thirds (2/3) vote of the full Council."
- C. Pursuant to 12 N.N.C. § 820(L), when the Controller identifies additional sources of revenues above and beyond the initial or current revenue projections, supplemental appropriations may be allocated by the Navajo Nation Council.
- D. Pursuant to 12 N.N.C. § 820 (L), "Supplemental appropriations made from non-recurring revenues shall only be made for non-recurring operations or purposes, as set forth at § 820 (F). The Controller of the Navajo Nation shall be responsible for designating recurring and non-recurring revenues and purposes."
- E. Pursuant to 12 N.N.C. § 820(M), all requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget ("OMB") for budget impact analysis.
- F. Pursuant to 12 N.N.C. § 820(J), "For the General Fund, the Minimum Fund balance for Unreserved, Undesignated Fund balance shall be maintained at not less than ten percent



(10%) of the Navajo Nation's General Fund Operating Budget for the prior fiscal year, excluding expenditures for Capital Improvement projects as determined by the Controller. The Minimum Fund balance may be amended only by two-thirds (2/3) vote of the full membership of the Navajo Nation Council."

### SECTION THREE. FINDINGS

- A. The Department of Family Services (DFS) ensure children in DFS custody are placed in safe environment; provide a safe placement for children in-out of home care; support elderly in need of assisted living/nursing home services; provide eligible elderly with assisted living/nursing home placement; assist individuals and household to become financially self-sufficient; and provide households with temporary financial assistance.
- B. The DFS budget forms indicate the request is for subcontracted services expenses for adult institutional care services and child welfare assistance-institutional care services and for public assistance for general assistance (employable, unemployables and initial grants) and foster care-children assistance, attached hereto as **Exhibit A**.
- C. Due to the pressing nature of this legislation, a memorandum from the Office of Management and Budget was not obtained; however, the Director from the Office of Management and Budget will be called, when this legislation is presented to the Navajo Nation Council; to answer questions regarding this proposed appropriation.
- D. Due to the pressing nature of this legislation, a memorandum from the Controller regarding the current balance of the Unreserved, Undesignated Fund Balance (UUFB) and the Minimum Fund Balance of the UUFB were not obtained; however, the staff from the Controller's Office could be asked to make this determination when the issue comes before the Navajo Nation Council.
- E. Due to the pressing nature of this legislation, a memorandum from the Controller regarding whether this request for supplemental appropriation is from recurring or non-recurring revenues and whether it is for recurring or

non-recurring purposes. The staff from the Controller's Office could be asked to make this determination when the issue comes before the Navajo Nation Council.

- F. The Navajo Nation hereby finds that an emergency exists due to the Department of Family Services lack of sufficient funds to render direct services for elderly group homes, children group homes and the foster care services has continued without payment for the months of October through December 2016, payments need to be made before services continue for Fiscal Year 2017, beginning January 1, 2017.
- G. General assistance provides monetary services to approximately 14,079 households across the Navajo Nation, general assistance provides funding to families for basic needs (food, necessities, heating, shelter and utilities).
- H. There are 797 children in and out of home care who require foster care or shelter services; returning home is not an option for many Navajo children because their home conditions are too dangerous or unsafe.
- I. There is an average of 244 elders in facilities, off and on the reservation, due to age, mental or physical disabilities; there is an average of 140 children younger than eighteen (18) years of age who are in residential facilities due to long term mental or physical disabilities that will only continue to decline.
- J. The Navajo Nation hereby finds it is in the best interest of the Navajo People to waiving the provision set forth in 12 N.N.C. § 820(J) and to approve a Supplemental Appropriation from the Minimum Fund Balance in the amount of \$5,038,678.00 for the Division of Social Services, Department of Family Services, for general assistance and welfare services.

**SECTION FOUR. WAIVING 12 N.N.C. §§ 820(E), 820 (F) AND 820 (L) REGARDING THE DESIGNATION OF RECURRING AND NON-RECURRING REVENUES AND OPERATING EXPENSES APPROPRIATION OF THE UUFB FOR RECURRING EXPENSES**

The Navajo Nation Council hereby waives 12 N.N.C. §§ 820(E), 820 (F) and 820 (L) with regard to the designation of recurring and non-recurring revenues and operating expenses and use of

the UUFB for recurring expenses for the Department of Family Services for general assistance and welfare services.

**SECTION FIVE. WAIVING 12 N.N.C. § 820 (J) REGARDING MAINTENANCE OF THE MINIMUM FUND BALANCE IN THE UUFB**

The Navajo Nation Council hereby waives 12 N.N.C. § 820(J) with regard to the maintenance of the Minimum Fund Balance in the Unreserved, Undesignated Fund Balance for the Department of Family Services for general assistance and welfare services.

**SECTION SIX. APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE FOR UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$5,038,678.00 FOR THE DIVISION OF SOCIAL SERVICES DEPARTMENT OF FAMILY SERVICES FOR GENERAL ASSISTANCE AND WELFARE SERVICES**

This supplemental appropriation of \$5,038,678.00, **Exhibit A**, shall be from that amount of Minimum Fund Balance of the Unreserved, Undesignated Fund Balance to the Division of Social Services, Department of Family Services, for general assistance and welfare services.

**CERTIFICATION**

I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 16 in favor and 1 opposed, this 4<sup>th</sup> day of January 2017.



LoRenzo C. Bates, Speaker  
Navajo Nation Council

1-7-17

Date

Motion: Honorable Seth Damon  
Second: Honorable Lee Jack, Sr.

ACTION BY THE NAVAJO NATION PRESIDENT:

1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (10), on this 17<sup>th</sup> day of January 2017.



Russell Begaye, President  
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (11), this \_\_\_\_\_ day of \_\_\_\_\_ 2017 for the reason(s) expressed in the attached letter to the Speaker.

\_\_\_\_\_  
Russell Begaye, President  
Navajo Nation

3. I hereby exercise line item veto pursuant to the 2010, certified Initiative, over the supplemental appropriations approved herein by the Navajo Nation Council; on this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Russell Begaye, President  
Navajo Nation



9

# 23rd Navajo Nation Council

## Special Session

DATE: January 4, 2017

LEGISLATION NO: Substitute Motion

Motion: Damon

Second: Jack, Sr.

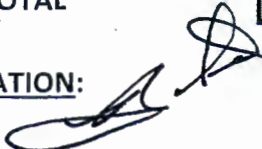
### ALL DELEGATES:

	Yea	Nay
BATES, LoRenzo		
BEGAY, Kee Allen Jr.	✓	
BEGAY, Norman M.	✓	
BEGAYE, Nelson	✓	
BENNETT, Benjamin L.	✓	
BROWN, Nathaniel	✓	
CHEE, Tom T.		
CROTTY, Amber K.	✓	
DAMON, Seth	✓	
DANIELS, Herman	✓	
FILFRED, Davis		
HALE, Jonathan L.	✓	
JACK, Lee Sr.	✓	
PERRY, Jonathan	✓	
PETE, Leonard H.		
PHELPS, Walter	✓	
SHEPHERD, Alton Joe		
SLIM, Tuchoney Jr.	✓	
SMITH, Raymond Jr.	✓	
TSO, Otto	✓	
TSOSIE, Leonard		✓
WITHERSPOON, Dwight		
YAZZIE, Edmund	✓	
YAZZIE, Peterson		

GRAND TOTAL

16 1

CERTIFICATION:



Honorable LoRenzo Bates  
Speaker

10

# 23rd Navajo Nation Council

## Special Session

DATE: January 4, 2017

LEGISLATION NO: Challenge Speaker's Ruling

Motion: Tsokie

Second: Phelps

### ALL DELEGATES:

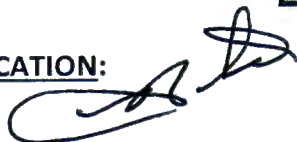
	Yea	Nay
BATES, LoRenzo		
BEGAY, Kee Allen Jr.		✓
BEGAY, Norman M.	✓	
BEGAYE, Nelson		✓
BENNETT, Benjamin L.		✓
BROWN, Nathaniel		✓
CHEE, Tom T.		
CROTTY, Amber K.	✓	
DAMON, Seth		✓
DANIELS, Herman		✓
FILFRED, Davis		
HALE, Jonathan L.	✓	
JACK, Lee Sr.	✓	
PERRY, Jonathan	✓	
PETE, Leonard H.		
PHELPS, Walter	✓	
SHEPHERD, Alton Joe		
SLIM, Tuchoney Jr.		✓
SMITH, Raymond Jr.	✓	
TSO, Otto		✓
TSOSIE, Leonard	✓	
WITHERSPOON, Dwight		
YAZZIE, Edmund		
YAZZIE, Peterson		

GRAND TOTAL

8 8

Fails

CERTIFICATION:



Honorable LoRenzo Bates  
Speaker

PART I. Business Unit No.: _____				Program Title: _____		Department of Family Services		Division/Branch: _____		Social Services/Executive _____	
Prepared By: _____				Phone No.: _____		Email Address: _____		btsosie@navajo-nsn.gov			
PART II. FUNDING SOURCE(S)				Fiscal Year Term	Amount	% of Total	PART III. BUDGET SUMMARY				
Minimum Fund Balance				10/1/16-09/30/17	5,038,678	100%	Fund Type	Code	Approved Original Budget	Proposed Budget	Difference (Column B - A)
							2001	Personnel Expenses			
							3000	Travel Expenses			
							3500	Meeting Expenses			
							4000	Supplies			
							5000	Lease and Rental			
							5500	Communications and Utilities			
							6000	Repairs and Maintenance			
							6500	Contractual Services	1	0	2,967,897
							7000	Special Transactions			
							8000	Public Assistance	1	0	2,070,781
							9000	Capital Outlay			
							9500	Matching Funds			
							9500	Indirect Cost			
							TOTAL		\$0.00	5,038,678	5,038,678
PART IV. POSITIONS AND VEHICLES											
Total # of Positions Budgeted: (D) (E)											
Total # of Permanently Assigned Vehicles: 0 0											
TOTAL: \$5,038,678 100%											
PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.											
SUBMITTED BY: Program Manager's Printed Name and Signature / Date											
APPROVED BY: Division Director/Branch Chief's Printed Name and Signature / Date											



# THE NAVAJO NATION PROGRAM PERFORMANCE CRITERIA

**PART I. PROGRAM INFORMATION:**

Business Unit No.:

Program Name/Title:

Department of Family Services

**PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE:** HEHSCJN-020-12

To implement the Navajo Nation's policies to ensure that essential human services are available to needy families and individuals living on or near the Navajo Nation and to others, where mandated by status and regulations.

**PART III. PROGRAM PERFORMANCE CRITERIA:**

	1st QTR	2nd QTR	3rd QTR	4th QTR
Goal				
Actual				

## 1. Program Performance Area:

Ensure children in DFS custody are placed in a safe environment

Goal Statement:

300		300		300		300	
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## 2. Program Performance Area:

Support elderly in need of assisted living / nursing home services

Goal Statement:

100		100		100		100	
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## 3. Program Performance Area:

Assist individuals and household to become financially self-sufficient

Goal Statement:

1,000		1,000		1,000		1,000	
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## 4.

Goal Statement:

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## 5. Program Performance Area:

Goal Statement:

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**PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.**

Gladys Ambrose, Dept Manager II

Program Manager's Printed Name and Signature/Date

Terriene Massey

Division Director/Branch Chief's Printed Name and Signature / Date



FY 2017

THE NAVAJO NATION  
LISTING OF POSITIONS AND ASSIGNMENTS BY BUSINESS UNITS

Page 3 of 5  
BUDGET FORM 3

SUB ACCT	POS NO	JOB TYPE	POSITION TITLE	WRKSITE		FY 2016 ACTUAL		FY 2017 ACTUAL		BUDGET
				EMP ID	CODE	G/S	SALARY	HOURS	BUDGET PERIOD	

None

**THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION**

**PART I. PROGRAM INFORMATION:**

Program Name/Title: \_\_\_\_\_

Department of Family Services

Business Unit No.: \_\_\_\_\_

**PART II. DETAILED BUDGET:**

(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
6500	<b>CONTRACTUAL SERVICES</b>		
6960	Subcontracted Service expenses for Adult Institutional Care Services and Child Welfare Assistance-Institutional Care Services.		
6990	Subcontracted Services	2,967,897	2,967,897
8000	<b>SOCIAL</b>		
8020	Public Assistance for General Assistance, Burial Assistance and Foster Care-Children Assistance.		
	Social		
8025	GA Employable	400,000.00	
8030	GA Unemployables	731,016.00	
8035	GA Initial Grants	84,000.00	
8055	Burial Assistance	-	
8125	Foster Care-Children	855,765.00	
		2,070,781	2,070,781
		5,038,678	5,038,678

