



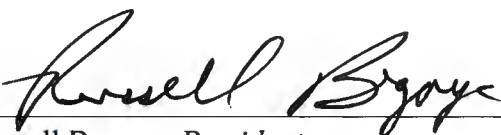
# THE NAVAJO NATION

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

## MEMORANDUM

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

**FROM:**

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

**DATE:** March 4, 2018

**SUBJECT: Resolution No. CF-19-18: RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, NABIK'ÍYÁTI' AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$300,000, FOR TOYEI INDUSTRIES, INC.**

Pursuant to 2 N.N.C. 1005 (C)(10), action for Legislation CF-19-18 is being submitted to the Navajo Nation Council, through the Office of the Speaker within the ten (10) days requirement. Furthermore, the Navajo Nation President has line item veto authority for budget items within the annual Navajo Nation Comprehensive Budget or Supplemental Appropriations, which are not subject to override by the Navajo Nation Council. 2 N.N.C. 164 (A)(17).

After review of **Resolution No. CF-19-18**, I hereby exercise my line-veto to:

1. **Section Three. Approving the Supplemental Funding from the Unreserved, Undesignated Fund Balance the amount of \$300,000, for the Toyey Industries, Inc.**
2. **EXHIBIT C. BUDGET FORM 1. Part III Budget Summary. 3500. Meeting Expenses (B) in the amount of 9,000 (C) in the amount of 9,000; 4000 Supplies (B) in the amount of 22,500 (C) in the amount of 22,500; Lease and Rental (B) in the amount of 2,800 (C) in the amount of 2,800; 5500 Communications and Utilities (B) in the amount of 30,000 (C) in the amount of 30,000; 6000 Repairs and Maintenance (B) in the amount of 3,200 (C) in the amount of 3,200; 6500 Contractual Services (B)**

**in the amount of 66,393 (C) in the amount of 66,393; 7000 Special Transactions (B) in the amount of 17,500 (C) in the amount of 17,500; 9000 Capital Outlay (B) in the amount of 40,000 (C) in the amount of 40,000**

- 3. EXHIBIT C. BUDGET FORM 4. 2610 in the amount of 9,000, 3611 Stipend Meetings in the amount of 2,000, 3612 Meals and Lodging in the amount of 6,000, 3613 Meetings in the amount of 1,000; 4410 in the amount of 22,500, 4460 Food Supplies in the amount of 15,000; 4490 Custodial Supplies in the amount of 1,500; 4610 in the amount of 1,000; 4700 in the amount of 5,000; 5110, 5100 Lease in the amount of 2,800; 5500, Communications & Utilities in the amount of 30,000, 5520, 5530 Basic Services – Telephone in the amount of 12,000, 5710, 5720 Electric in the amount of 3,000, 5710, 5740 Propane in the amount of 8,000; 5750, 5770 Sewage in the amount of 7,000; 6000 Repairs and Maintenance in the amount of 3,200, 6020, 6030 Building R&M Supplies in the amount of 2,000, 6420 Automobile in the amount of 1,200; 6550 Other Professional Services in the amount of 66,393, 6520, 6530 Consulting in the amount of 66,393; 7710 Insurance Premiums in the amount of 17,500; 9160, 9162 Vehicle in the amount of 40,000.**

The justification and details for use of the President's line-item veto is set forth below.

The Office of the President and Vice President ("OPVP") entered into a Agreement with Toyei Industries to grant \$100,000 for employment and other uses. As part of the arrangement, the OPVP was very clear that the OPVP would not support future funding. Toyei would need to be an active seeker of grant funding. This need request is contrary to the understanding with OPVP when the OPVP granted \$100,000 from its own budget.

Furthermore, I have also been informed by the Controller the Navajo Nation will face a large shortfall, this upcoming 2019 budget. As the President of the Navajo Nation, I must protect to the best of my ability future governmental operations and continued services to our People. Therefore, I must exercise my line-item veto authority.

RESOLUTION OF THE  
NAVAJO NATION COUNCIL

23<sup>RD</sup> NAVAJO NATION COUNCIL -- Fourth Year, 2018

AN ACTION

RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, NAA'BIK'ÍYÁTI' AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF THREE HUNDRED THOUSAND DOLLARS (\$300,000) FOR TOYEI INDUSTRIES, INC., BU #119030

BE IT ENACTED:

**Section One. Authority**

- A. The Navajo Nation established the Health, Education and Human Services Committee as a Navajo Nation Council standing committee and as such gave the Committee oversight to oversee all health and social services related activities of the Navajo Nation and its tribal organizations, enterprises, relating to the delivery of health, environmental health and social services including research, planning and prevention. 2 N.N.C. §§ 400(A), 401(C)(2).
- B. The Navajo Nation established the Budget and Finance Committee (BFC) as a Navajo Nation Council standing committee and as such empowered BFC to review and recommend to the Navajo Nation Council the budgeting and management of all funds. 2 N.N.C. §§ 300 (A), 301 (B)(2).
- C. The Navajo Nation Council established the Naabik'íyáti' Committee as a Navajo Nation standing committee and as such proposed legislation that requires final action by the Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee. 2 N.N.C. §§ 164 (A)(9), 700 (A).
- D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).
- E. The Title 12 Appropriations Act Supplemental Appropriation requirements include:
  1. 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. 12 N.N.C. § 820(L).

2. 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. 12 N.N.C. § 820(L).
3. All requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget ("OMB") for budget impact analysis. 12 N.N.C. § 820(M).

## **Section Two. Findings**

- A. Toyei Industries is a non-profit organization with the purpose of providing residential and non-residential sheltered employment and training services to physically and/or mentally handicapped Navajo adults and governed by a Board of Directors. See **Exhibit A**, Articles of Incorporation and Plan of Operation.
- B. This is a funding request for the continued services provided by Toyei Industries to care for the developmentally disabled and seriously mentally ill Navajo adults. See **Exhibit B**, Toyei Industries Board of Directors resolution.
- C. The supplemental funding request forms are attached as **Exhibit C**.
- D. The Office of Management and Budget provided a budget analysis, which is attached as **Exhibit E**, pursuant to 12 N.N.C. § 820(M).
- E. The Office of the Controller has provided a memorandum dated September 8, 2017 indicating the balance in the Unreserved, Undesignated Fund Balance as of September 8, 2017 is \$31,258,307. This memorandum is provided to meet the requirements of 12 N.N.C. 820 (L), however the Controller of the Navajo Nation has not designated the funds at recurring or non-recurring. This memorandum is attached as **Exhibit D**.
- F. The request for funds must meet the grant budget requirements of 1) an approved plan of operation, 2) budget request must be part of a recommended division or branch budget, 3) the respective oversight [committee] of the division or branch must recommend the request; in addition shall be submitted to the Office of Management and Budget on appropriate budget forms. See Fiscal Year 2018 Budget Instruction Manual, Section XI(B).

- G. The Navajo Nation finds it in the best interest of the Navajo citizens who are developmentally disabled and seriously mentally ill to approve this supplemental appropriation request.

**Section Three. Approving the Supplemental Appropriation from the Unreserved, Undesignated Fund Balance in the Amount of \$300,000 for Toyei Industries, Inc.**

- A. This supplemental appropriation of \$300,000 shall be from that amount of funds that exceeds the minimum fund balance of the Unreserved, Undesignated Fund Balance as determined by the Office of the Controller and to Toyei Industries, Inc., Business Unit #119030.
- B. The Navajo Nation hereby approves the supplemental appropriation from the Unreserved, Undesignated Fund Balance to Toyei Industries, Inc., Business Unit #119030 for \$300,000 to continue to provide services for developmentally disabled and seriously mentally ill Navajo adults.

**Section Four. Effective Date**

The provisions of this Act shall become effective in accord with 2 N.N.C. § 221(B).

**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 12 in favor and 01 opposed, on this 16<sup>TH</sup> day of February 2018.



LoRenzo C. Bates, Speaker  
23<sup>rd</sup> Navajo Nation Council



Date

Motion: Honorable Steven Begay  
Second: Honorable Nelson S. BeGaye  
Speaker Bates not voting

ACTION BY THE NAVAJO NATION PRESIDENT:

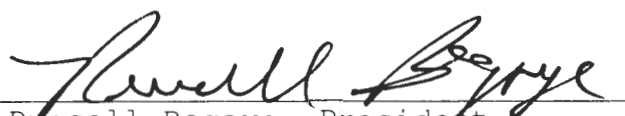
1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (c)(10), on this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

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

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (c)(11), on this \_\_\_\_\_ day of \_\_\_\_\_ 2018 for 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 4<sup>th</sup> day of March 2018.

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

ARTICLES OF INCORPORATION

OF

TOYEI INDUSTRIES



KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day, June 16, 1978, associated ourselves together for the purpose of forming a non-profit corporation under and pursuant to the laws of the State of Arizona and for that purpose do hereby adopt these Articles of Incorporation.

ARTICLE I

The name of the corporation shall be: Toyei Industries Incorporated

OK. LK

ARTICLE II

The principal place of business shall be Toyei, Steamboat Chapter, Navajo Nation, Arizona.

ARTICLE III

PURPOSE: The purpose for which this corporation is organized is the transaction of any or all lawful business for which non-profit corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE IV

INITIAL BUSINESS: Said corporation is organized exclusively for Rehabilitation Educational interests including for such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future U.S. Internal Revenue Law).

ARTICLE V

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article IV. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law.)

ARTICLE VI

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all of its assets exclusively for the purposes of the corporation in such manner, or to such organizations organized and operated exclusively for charitable, education, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law) as the Board of Directors shall determine. Any such assets not disposed of shall be disposed of by the Superior Court governing the Navajo Nation in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII

This is a non-profit corporation, the indebtedness shall not exceed five million (\$5,000,000) dollars.

ARTICLE VIII

The annual meeting shall be the first Monday in October.

ARTICLE IX

The initial Statutory Agent shall be Genevieve Chato, Navajo Tribe, Window Rock, Arizona.

ARTICLE X

The private property of the members, officers and directors are forever exempt from the debts and obligations of this corporation.

ARTICLE XI

There will be a President, Vice President, Secretary and a Treasurer. No less than four (4) Directors. The election of the Directors was held between 10 a.m. and 4 p.m. on June 16, 1978 on the Navajo Nation Reservation in Window Rock, Arizona. The names and addresses of the original four (4) Directors and incorporators that were elected at this meeting are:

Genevieve Chato  
Genevieve Chato, Director & Incorporator  
Attorney at Law, The Navajo Tribe Legal  
Department, Window Rock, Arizona 86515

Ken Wiant M.D.  
Ken Wiant, M.D., Director & Incorporator  
Medical Director, Community Health  
Services, Indian Hospital, Fort  
Defiance, Arizona 86504

Sam Day III  
Sam Day, III, Director & Incorporator  
Executive Director, Office of Business  
Management, The Navajo Tribe, Box 309,  
Window Rock, Arizona 86515

Lee Williams  
Lee Williams, Director & Incorporator  
President, Steamboat Chapter, Toyel  
Board School, Toyel, Arizona 86505

**ARIZONA CORPORATION COMMISSION**  
**INCORPORATION DIVISION**  
**2222 WEST ENCANTO BLVD., SUITE 210-7**  
**PHOENIX, ARIZONA 85009**

**PLEASE USE REVERSE SIDE.**

**I. CERTIFICATE OF CLOSURE**  
**A.R.S. 10-122**

**CHECK BOX "A" OR "B" WHICHEVER IS APPROPRIATE**

**THE UNDERSIGNED CERTIFY THAT:**

- ☒ No person serving either by election or appointment as officers, directors, trustees, incorporators and persons controlling, or holding more than 10% of the issued and outstanding common shares or 1% of any other class of shares, beneficial or membership interest in the corporation within the seven year period immediately preceding the expiration of this certificate:
- Have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by its contents, or restraining of trade or monopoly in any state or territory of the United States or in any state or territory of the United States or in the seven year period immediately preceding the expiration of this certificate;
  - Have been or are subject to an injunction, judgment, decree or permanent order immediately preceding the expiration of this certificate, where such injunction, judgment, decree or permanent order:

- Involved the violation of the antitrust or restraint of trade laws of that jurisdiction;
  - Involved the violation of the antitrust or restraint of trade laws of that jurisdiction;
  - Involved the violation of the antitrust or restraint of trade laws of that jurisdiction.
- ☐ The following persons serving either by election or appointment as officers, directors, trustees, incorporators and persons controlling, or holding more than 10% of the issued and outstanding common shares or 1% of any other class of shares, beneficial or membership interest in the corporation, have been or are subject to one or more of the state elements stated in items 1 through 3 above:

**1. NAME(S):**

(A) Ken Martin, Inc.  
 (A) Business Center  
 (A) Phoenix, Arizona  
 (A) Ken Williams

**2. THE FOLLOWING INFORMATION ON EACH PERSON LISTED MUST ACCOMPANY THIS REPORT.**

- Full name and prior names used.
- Full birth name.
- Present home address.
- Prior addresses in immediately preceding 7 year period.
- Date and location of birth.
- Social Security number.
- The nature and description of each conviction or judicial action, the date and location of the court and public agency involved, and the title or cause number of the case.

**DATED: 6-16-78**

**EXACT CORPORATE NAME: TOTAL INDUSTRIES**

Under penalties of law, I declare that I have signed this certificate, including any attachments, and to the best of my knowledge and belief it is true, correct and complete.

BY X Genevieve Chas

BY X Ken Williams

**TITLE: Attorney at Law**

**TITLE: President Steamboat Chapter**

A.C.C. INCORPORATE - M. DIV.  
RECEIVED  
JUN 21 1978  
DOCUMENTS ARE SUBJECT  
TO REVIEW BEFORE FILING

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*9/30 J.L.*

116422

ARIZONA CORPORATION COMMISSION  
INCORPORATING DIVISION  
FILED

JUN 21 1978

At *H. 104 M. Maca de H.* at request of  
Address *La. 104 M. Maca de H.*  
By *G.C. Anderson, Jr.* SECRETARY

*R#80164*

CAP-13-79

Class "B" Resolution  
Area Approval Required.

RESOLUTION OF THE  
NAVAJO TRIBAL COUNCIL

Granting a Corporate Charter  
to the Toyel Industries, Incorporated

WHEREAS:

1. The authority to grant charters to corporations is an element of the inherent sovereignty of the Navajo Nation; and
2. Pursuant to Resolution ACJN-98-77, the Advisory Committee of the Navajo Tribal Council approved the Plan of Operation for the Toyel Opportunity Center and Sheltered Industries (TOCSIN); and
3. Resolution ACJN-98-77 also established a revolving account into which monies earned by the clients of TOCSIN were to be placed to insure continuation of the projects undertaken by the clients; and
4. The structure and name of TOCSIN are now inadequate to comply with the rehabilitation goals, purposes and principles for which the program was originally established; and
5. A corporate status is the most efficient means by which TOCSIN can accomplish the program's goals, purposes and principles; and
6. To insure the effectiveness and success of the new corporation, it is necessary that the corporation be granted a charter by the Navajo Tribal Council and that the corporation be recognized as a Tribal entity for the purposes of applying and receiving funds pursuant to Public Law 93-638 grants and subcontracts and for the purposes of coverage under Tribal employee medical, fire, and liability insurance programs as an affiliate corporation.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Navajo Tribal Council hereby grants a charter attached hereto as Exhibit "A", to the Toyel Industries, Inc., as a private non-profit corporation, organized under the laws of the Navajo Nation.

2. The Navajo Tribal Council hereby authorizes the transfer of all revolving accounts and property used for program operations of Toyel Opportunity Center and Sheltered Industries to the Toyel Industries, Inc., effective June 1, 1979.

PROPERTY OF  
THE NAVAJO TRIBE

ACJN-98-77

Class "C" Resolution  
No BIA Action Required.

PERMANENT FILE

RESOLUTION OF THE  
ADVISORY COMMITTEE OF THE  
NAVAJO TRIBAL COUNCIL

Approving the Plan of Operation for the  
Toyei Opportunity Center and Sheltered Industries  
Program of the Vocational Rehabilitation Department,  
Navajo Division of Education

WHEREAS:

1. The Toyei Opportunity Center and Sheltered Industries Program (TOCSIN) under the Navajo Division of Education was established on October 1, 1976 for the purpose of providing sheltered employment and training services to Navajo handicapped persons; and

2. A proposed Plan of Operation for the TOCSIN Program is attached as Exhibit "A".

NOW THEREFORE BE IT RESOLVED THAT:

The Advisory Committee of the Navajo Tribal Council hereby approves the proposed Plan of Operation for the Toyei Opportunity Center and Sheltered Industries Program, Vocational Rehabilitation Department, Navajo Division of Education.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Advisory Committee of the Navajo Tribal Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 11 in favor and 0 opposed, this 1st day of June, 1977.

  
Chairman Pro Tempore  
Navajo Tribal Council

NOT FOR DISTRIBUTION

3. The Navajo Tribal Council hereby recognizes the Toyel Industries, Inc., as a Navajo Tribal entity for the purposes of applying for and receiving funds pursuant to the provisions of Public Law 93-638, and to be eligible for insurance coverage under the Tribal employee medical, fire, and liability insurance programs as an affiliate corporation.

4. The Navajo Tribal Council hereby instructs the Toyel Industries, Inc., to report annually, including submittal of an independent certified audit report, to the Advisory Committee of the Navajo Tribal Council and the Budget and Finance Committee of the Navajo Tribal Council, the first report due October 1, 1979.

#### CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Tribal Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 62 in favor and 0 opposed, this 25th day of April, 1979.



Vice Chairman  
Navajo Tribal Council

PLAN OF OPERATION  
Toyei Opportunity Center and  
Sheltered Industries  
Navajo Division of Education

I. ORGANIZATION

Toyei Opportunity Center and Sheltered Industries program was established October 01, 1976, and is directly administered by the Department of Vocational Rehabilitation, Navajo Division of Education, Office of Operations, Navajo Tribal Council.

II. PURPOSE

Toyei Opportunity Center and Sheltered Industries (TOCSIN) was established for the purpose of providing residential and non-residential sheltered employment and training services to physically and/or mentally handicapped Navajo adults (16 years or older) who do not immediately possess the vocational or personal and social skills to enable them to achieve maximum economic, personal, and social independence.

III. OBJECTIVES

- A. To provide prevocational training to appropriate and eligible handicapped clientele (as defined by written admissions procedures) in need of such services.
- B. To provide work adjustment services for eligible and appropriate handicapped clientele with little or no exposure to the world of work to prepare them for sheltered or competitive employment.
- C. To provide vocational training to eligible and appropriate handicapped clientele in the areas of janitorial services, building maintenance, wool processing, audio/visual equipment and small electrical appliance repair, kitchen service, and other areas as may be developed.
- D. To provide sheltered employment opportunities for eligible and appropriate handicapped clientele for whom placement in competitive employment is not immediately feasible.
- E. To provide job development and placement services for handicapped clientele who are job ready.
- F. To provide additional ancillary and support services as may be necessary to insure a comprehensive approach to solving the problems of handicapped clientele.

#### IV. FUNDING

The TOCSIN program will have two major directions and will be funded accordingly:

- 1) Rehabilitation services will be sold to various human service agencies having responsibility and funding to purchase such services for eligible handicapped clients.
- 2) Sheltered industry will be developed whereby goods or services will be produced and sold employing handicapped persons as labor.

Personal services and operating costs for the TOCSIN program are currently funded by the following:

- 1) Bureau of Indian Affairs PL 93-638 contract with the Navajo Nation;
- 2) Comprehensive Employment and Training Act, Title III, Navajo Office of Labor;
- 3) Arizona Department of Economic Security/Rehabilitation Services Bureau.

These agencies are in effect purchasing services for Navajo handicapped clientele referred by them. Other similar funding sources will be approached by additional support as necessary.

Income for the sheltered industry aspect of the program is anticipated from the following:

- 1) Sale of janitorial services through subcontract with the Bureau of Indian Affairs Branch of Facility Management at selected locations;
- 2) Sale of repair services to the Bureau of Indian Affairs Branch of Education for repair of audio/visual equipment and other appliances;
- 3) Sale of prime manufacturing items that may be developed and produced by the TOCSIN program;
- 4) Sale of other goods and services that may from time to time be developed by the TOCSIN program.

#### V. OPERATING PROCEDURES

1. The TOCSIN program will operate primarily within the boundaries of the Navajo Nation and may, as necessary expand to include "satellite" programs, including sheltered workshops and homebound industries.
2. Purchase of service grants and contracts for rehabilitation services for handicapped clients will be processed in the same manner as for all Tribal grants and contracts and will follow approved policies and procedures for contracting of the Navajo Tribe.

3. Handicapped persons employed in the production of goods or services will be paid for their labor according to the appropriate Wage and Hour Regulations of the U.S. Department of Labor.
4. Income from sale of goods or services produced in the sheltered industry aspect of the program will be deposited in a Revolving Fund Accounts as established by the Budget and Finance Committee of the Navajo Tribal Council.
5. Income received from sale of such goods or services and deposited in the Revolving Fund Account will be used for employment of personnel necessary to complete contract work, fringe benefits, travel and per diem, operating supplies, lease, rental, or purchase of equipment or vehicles necessary for completion of contract work, and other expenses directly related to the performance of contract work.
6. Expenses for personnel, operating supplies, equipment, etc., shall not exceed income received from contract work or sale of manufactured items.
7. Funds in excess of that necessary to operate the sheltered industry program will remain in the Revolving Fund Account and shall not revert to the General Fund at the end of the fiscal year.
8. Savings realized in the performance of contracts or the sale of manufactured items may be used to support other aspects of the TOCSIN program that are related to accomplishment of the overall purpose and objectives of the program.
9. The Office of the Controller will be responsible for routine accounting procedures for the Revolving Account. However, a separate accounting and bookkeeping system will be established by the TOCSIN program to record income and expenses received and deposited in the Revolving Funds Account, which may be audited at any time by the Office of the Auditor, the Navajo Tribe.

TOYEI INDUSTRIES, INCORPORATED

1995

PLAN OF OPERATION

## BACKGROUND

Toyei Industries, Incorporated (TII) was established in 1977. Over the last 18 years it has provided services to developmentally disabled and, more recently, severely mentally impaired Native Americans, principally residents of the Navajo Nation. Both our residential and day care programs serving these individuals are certified by the Commission for the Accreditation of Rehabilitation Facilities (CARF), headquartered in Tucson, Arizona.

TII has filed articles of incorporation with, is certified by, and is in good corporate standing with both the State of Arizona and the Navajo Nation. The corporation is also recognized as a 501(c)(3) not-for-profit organization by the U.S. Internal Revenue Service.

Since its foundation much of TII's overall program has involved the provision of custodial care for our clients. This is accomplished through furnishing housing, food service, instruction (e.g., vocational, living skills, social behavior, etc.), and a recreation program including day, evening, and weekend activities at the facility and nearby locations.

## TII'S GOALS AND OBJECTIVES

TII's primary goal is to assist developmentally disabled or severely mentally impaired clients reach a state of independence and their mental and physical potentials through the development of social, intellectual, and vocational skills. The on-going objectives of our program are to provide clients with: a) the necessary independent living skills required to achieve a reasonably normal and independent life-style; b) supporting services based on the tradition of social/personal problem solving; c) psychological and vocational counseling to aid in the learning process and in the understanding of the individual's role within his or her environment.

TII's specific program objectives in 1995 include the: a) provision of day treatment services in a structured environment geared to meet a given client's specific needs; b) supplying of training which will enable individuals to increase their range of independent living skills; and c) the improvement of personal and social living skills and learning opportunities through integrated community activities.

TII's short term goal this year will be to develop and maintain a consistent, predictable opportunity for clients to acquire skills in the areas of self-care, housekeeping, leisure and recreational activities, functional academics, communications, and social interaction. Skill needs are identified through the use of assistance based skills and behavior evaluations from which individualized learning programs and goals associated therewith are identified. This, the "Individual Service Program Plan" or ISPP includes specific written educational materials and other

information and regarding the training strategies and methods of instruction required to meet each individual's identified needs. Prepared by a committee comprised of qualified staff members, the ISPP establishes individual timelines, milestones, and overall goals in recognition of the fact that each client may have actual or potential capabilities and problems which are far different from those of any other client.

The long term goal of the ISPP is to provide each of TII's clients an opportunity to become more independent within his/her residential setting and, eventually, within the community at large. This will be accomplished by increasing the client's self-esteem and improving his or her quality of life to a level approaching that of the community's norm.

Emphasis is now being placed in the attainment of these goals and objectives, in part, by improving the client to staff supervision ratio. This is being improved, subject to the availability of funds, to one supervisor per every five clients during all training and therapeutic sessions, a period encompassing 9:00 a.m. to 3:00 p.m. Mondays through Fridays. This improved ratio should allow the staff to work more closely with clients and permit close supervision and coordination of clients' activities with their own residential environment.

### TII'S SERVICES

Services provided to custodial care and semi-independent clients in a residential setting include four basic components:

1. Residential Care - Residential care services are provided 24 hours per day, seven days per week. Our near term objective is to improve the staff/client ratio to one to six 16 hours per day, Monday through Friday and 24 hours a day on the weekend. The program includes the coordination and monitoring of each client in terms of living adjustment, socialization or social skills within and outside the residential areas, and supervision in home living activities by monitoring personal hygiene, quarters' cleanliness, and the caring for personal belongings. Staff are also responsible for; a) monitoring clients' medical and medications needs and any other treatment specified by a client's physician; b) providing counseling to improve behavior, address emotional problems, and insure positive interaction among all clients; c) documenting any reportable incidents which may occur relating to a client's behavior and recommending any resulting follow up and/or counseling which appears to be required; and d) remaining well versed in all safety and fire regulations and in conducting of regular drills to insure clients' prompt and effective reaction to emergency situations, should they occur.

2. Food Service - Clients are furnished with three meals and two snacks per day, seven days per week. All menus are approved by a dietician of the Indian Health Service who also approves periodic updating and changes. TII employs a well trained food service staff and maintains a kitchen facility and equipment which meet or exceed Arizona's and the Navajo Nation's recognized health and sanitation standards.

3. Social Services - This program provides the basis for the case management of each client. He or she is furnished initially with individual attention in recognizing and understanding the home background and the traditional family setting, as well as the impact of religion and culture upon the individual. Counseling is provided on an individual or group basis depending upon which is most appropriate. A quarterly staff meeting is held using a multi-disciplinary approach and specialized outside resources, as required, in establishing or revising an ISPP and in reviewing a client's progress and problems. Specific services in the utilization of leisure time are provided; for example, in the undertaking of shopping trips to encourage social interaction and independent living skills by assisting the client in the selection and purchase of personal care and other items which are a part of every day life.

The social services program also includes the handling of referrals to TII and the intake of all admission information. Program staff also serve as liaison for all referrals of TII clients to other programs or to community reintegration.

4. Independent Living Skills - This program includes client training in such basic areas as: a), good eating habits, table setting, and good manners when eating with others; b) domestic housekeeping, including making a bed, cleaning one's living quarters, the proper identification and storage of cleaning supplies and equipment; and c) personal hygiene, clothing and shoe care, etc. Academic instruction is provided in basic writing, reading, money management, and other skills. Basics are stressed for all clients while individuals receive instruction geared toward their own particular cognitive learning capacity. All are expected to get to certain levels in such matters as safety sign recognition, personal identification (e.g., writing one's name; knowing his or her date of birth, social security number, census number; etc.). Instruction regarding community integration skills is furnished to clients in order that they can recognize and utilize resources (e.g. transportation) as another means of socialization and acquire a broader range of independent living skills.

All of TII's programs are designed to respect the religious and

cultural values of the client. Each client, if he or she so wishes, may choose the denomination of the church he/she wishes to attend. Traditional Navajo ceremonies are strongly encouraged, and purification rites are held when required, if requested by the client, a social worker, or a member of the client's family.

#### CLIENT RECORDS

TII, in conjunction with State of Arizona and Navajo government agencies, CARF, outside consultants, and others, has developed a comprehensive Direct Services Manual (DSM) which contains detailed information concerning the nature and extent of the records which must be initiated and maintained for each TII client. The case management flow chart of the DSM describes in detail the record keeping procedures which are followed from screening of potential clients through admission procedures to final discharge. As noted previously, an ISPP is developed for each client served from the requirements contained within the DSM.

The DSM also requires that records on an individual client basis include: a) incidents/accidents documented on an incident report form, copies of which are sent to the client's family and to the social worker (state and/or tribal agency) who has been assigned to the client; b) client financial records (based on the fixed monthly allowance provided each client under the terms of the contract with the Department of Social Services) which are reviewed on a monthly basis by TII's business office for accuracy; c) a daily attendance sheet (taken from bedcount form which is checked off twice each day for each client); d) leave records (accruals, leave taken, dates, etc. based on the contractual requirement of ten (10) days per year for each client); and e) any grievance (as described in a separate Client's Handbook) filed by clients or clients' families.

Client termination of services and care is determined by TII's interdisciplinary team in the course of a formal discharge meeting. All records of this meeting are placed into a client's file which is then "closed," but retained on file at TII for a minimum of five years following closure.

A study is in the process to determine the feasibility of obtaining a Client Tracking System computer program. The system would allow the program in identifying, demographic, and collateral information for all clients served at TII.

#### TII'S MANAGEMENT AND OPERATION POLICIES

Overall direction of TII's programs and the establishment of policies necessary to meet program goals are provided by TII's Board of Directors, the duties and responsibilities of which are spelled out in TII's corporate by-laws. Day to day management of the

facility is provided by TII's management team headed by an Executive Director who reports directly to the board. That team is responsible for all fiscal and budgetary, administrative, service delivery, personnel, and other matters as prescribed by the board. Individual department managers provide direct services to clients and are responsible and accountable for client progress and for the costs involved in their operations.

TII, an independent, not for profit corporation chartered by the Navajo Tribal Council with a Board of Directors, a majority being members of the Navajo Tribe, represents Native American self-determination as described in Public Law 93-638 in action. TII subscribes to the Navajo Preference in Employment Act (NPEA) in the hiring of employees and in the contracting for services. All direct services employees are bi-lingual in Navajo and English and are able to provide direction and instruction to clients in both languages. Navajo cultural values are emphasized and integrated into each ISPP. That ISPP also stresses Navajo family values and the individual's family environment in order that the client can be reintegrated into his or her family upon completion of TII's development program.

#### TII'S FACILITIES

TII's principal building is single storied, H-shaped, occupying 30,473 square feet built in 1966 by the Bureau of Indian Affairs (BIA) as a dormitory for students attending the BIA's Toyey Boarding School. With a cutback in students in 1977, the building was leased by the BIA to TII. In 1986 when the BIA ceased all operations at Toyey, the ownership of this building and others (the nursing home facility and the Navajo Police Academy) at the site was conveyed to the Navajo Tribal government. TII occupies the building without a formal lease agreement and pays no rental to the government for its use.

Exterior construction is of concrete masonry. The roof is flat and covered with asphalt materials and gravel. The base floors are concrete covered with vinyl, ceramic, or quarry tile and carpeting depending upon the location. Down draft coolers and ceiling suspended heaters are utilized depending upon the season. Visitor and official vehicle parking is provided immediately adjacent to the building while a paved employee parking lot is directly across the street.

Other than minor changes now being made to accommodate the requirements of the Americans with Disabilities Act, the exterior of the structure remains essentially unchanged from when it was first leased from the BIA in 1977. The interior, however, has been renovated and modified extensively over the years to meet the needs of TII's 50 clients and 42 employees.

Amenities for clients include separate residential wings for male and female clients, a large recreation room with a television set linked to a satellite dish, kitchen, main dining room, snack bar, laundry facilities, a well equipped vocational training room, class rooms, and other facilities. Space for the staff is devoted to offices, file storage, equipment storage, a conference room, and other related uses.

In addition to the main building, TII has three houses located nearby which are used for group living purposes, two for men and one for women. Each house, developed initially by the BIA for employee and/or guest purposes, has three bedrooms, a kitchen, living and dining area, and garage and can accommodate up to six clients who are in a transitional status between custodial care and independent living back in the community. All three houses have resident supervisors as well as easy access to the staff and the facilities in the main building.

All living quarters have been designed to provide the individual with as much privacy as possible. His or her personal property is safeguarded at all times. A safety committee has been in existence for many years to prepare policies and procedures necessary to insure that TII is in compliance with all health and safety regulations promulgated by the Federal, State of Arizona and Navajo Tribal governments as well as those required by program accreditation bodies such as CARF.

#### TII'S SOURCES OF FUNDING

TII has held a contract since July 1, 1987 with the Navajo Nation Department of Behavioral Health Services (DBHS) to provide certain services to those clients who fall under the category of severely mentally impaired. This contract, since its inception in 1987, has been reviewed on an annual basis until with the current contract expiring on June 30, 1994. The funding for this contract, now totaling \$201,360.00 for the current one year period is provided to the DBHS by the Arizona Department of Health Services.

During our entire history, TII's primary source of funding for meeting clients' needs and requirements has been the Navajo Division of Social Services (DSS). Proposed funding and budgetary levels for 1995 total \$1,440,008.00 and are described in detail in TII's budget

This proposal, which has already been requested in writing to DSS, is to increase the current level of fixed daily rates on the basis of the following formulae:

#### Current Fixed Daily Rate

Category I: Basic Residential/Custodial - \$57.27/client/day/x 50 clients/year x 365 days/client/year = \$1,045,178.00 (83.26%).

Category II: Day Treatment Services - \$34.15/client/day x 38 clients/year x 252 days/client/year = \$327,020.00 (4.68%).

Proposed Fixed Daily Rate

Category I: Basic Residential/Custodial - \$61.27/client/day/ x 50 clients/year x 365 days/client/year = \$1,118,178.00 (75.71%).

Category II: Day Treatment Services - \$34.15/client/day x 38 clients/year x 248 days/client/year = \$321,830.00 (24.29%).

As with the proposed contract, 50 clients will be provided with basic residential/custodial care, 365 days per year. Day treatment services will also be provided to these 38 clients on the basis of five (5) days per week, 248 days per year. The additional funding requested, which results in the formulae provided above, will be utilized as outlined in the Budget.

PERSONNEL MANAGEMENT

Executive Director: Jeff Kee, a native of Steamboat, was graduated from Ganado High School and attended Haskell Junior College and Ft. Lewis College majoring in secondary education. Mr. Kee has been employed by TII since 1985 and has served as Recreation Planner, Day Program Supervisor, and Program Director. He was promoted to his present position as Executive Director in January 1993. During his nine year tenure with TII, he has acquired skills in fiscal, personnel, property, and operations management, especially as they relate to the developmentally disabled and the severely mentally impaired. He possesses superior public relations and speaking abilities and interacts well with TII's Board of Directors. He has excellent knowledge of contractual agreements and has sound report writing skills.

Social Service Manager: Anita Yellowhair, a native of Steamboat, attended Orem (Utah) High School and was graduated from Many Farms High School. She attended secretarial school at CIT where she received a certificate of course completion. She worked as a secretary and bookkeeper for Save the Children from 1982 to 1984 and began her employment at TII in 1985 as the secretary to the social service and counselor, then acting Social Service Manager/Clinical Director. She was promoted to her current position Social Services Manager in 1989. Mrs. Yellowhair is currently enrolled in the Career Ladder Program at Navajo Community College which will lead to a B.S. degree in social service to be awarded by the University of Arizona.

Residential Supervisor: Leroy Willie, Mr. Willie, a native of Steamboat/Beshbitoh, was graduated from Ganado High School, Arizona. He attended the College of Ganado and Navajo Community College, majoring in human services and business administration. Prior to joining TII in February 1990, Mr. Willie was employed by the Toyei

Nursing Home as Social Service/Residents' Service Supervisor. Before being promoted to his present position in November 1993, he held increasingly responsible positions in the organization as home liaison planner, mental health counselor, and community integration instructor.

Day Program Supervisor: Mary Alice Yazzie, a native of Beshbito, attended Northern Arizona University and recently received her BA from Prescott College's teacher education program. Prior to joining TII's staff in her current position in May 1993, Mrs. Yazzie was employed by the Toyei Nursing Home as a nursing assistant and in a Headstart program in Jeddito as a teacher.

Maintenance Supervisor: Roy Burns, a native of Shonto, Arizona. For the last forty years or so he has lived in Navajo Station near Ganado Az. He attended Tuba City Boarding School, later transferred to Ft. Wingate High School, where he graduated. He moved to Los Angeles and worked for Northrup Aircraft Co, Hawthorne, CA as a prefittermetal bonding helper for about three years. During this period, Mr. Burns attended a private technical school specializing in radioelectronic and T.V. He completed the radio electronic course. His next employment was with the El Paso Natural Gas Company of El Paso, Texas, which lasted 27 years. He also attended the college of Ganado in accounting. He worked for Tohatchi Special Education & Training Center, TSETC, Tohatchi, N.M. as a maintenance man. On October 22, 1993, he went to work for Toyei Industries, Inc. Toyei, Arizona as Maintenance Supervisor.

Food Service Manager: Roselyn Dempsey, a native of Beshbito, was graduated from Ganado High School and attended the Southwest Indian Polytechnic Institute where she obtained a certificate in full charge bookkeeping. She worked as a pharmacist technician and as an assistant manager of a pharmacy before joining TII in June 1990. Following service as group home attendant, Mrs. Dempsey was promoted to her present position in January 1993. She has attended continuing education courses in food service management at Central Arizona College in Coolidge.

Business Manager: Geri Dickson, a native of Jeddito, Arizona, was graduated from Snowflake High School and attended Northern Arizona University majoring in special education. Mrs. Dickson also attended a business college in Provo, Utah where she received a certificate in secretarial science, a program which included several accounting courses. She is now attending Northland Pioneer College from which she expects to be awarded an A.A. degree in business and accounting. After employment with Yellow Front Stores, including training for a store management position, she joined TII's staff in December 1987 as a supply clerk. In June 1988, Mrs. Dickson was promoted to the position of Executive Secretary and in May 1993 to Assistant Director. She assumed her present job in September 1993.

## FINANCIAL MANAGEMENT - ADMINISTRATION

For the past ten years, the amounts budgeted for this NDSS program have been approximately 20 percent more than the actual funding received. As a consequence, the budget document, itself, is not particularly meaningful in analyzing line items from an expenditure standpoint. If the budget could be based on actual funding received, many line items and resulting activities for which funding was not available would be excluded. We would anticipate that the additional funding requested through adjustments to the daily rates will allow TII to provide all the services described in the budget during the year.

TII's budget for funding received from the Department of Behavioral Health Services (DBHS) shows funding, as does that of DSS, by line item application. Overhead costs and like line items in the two budgets, when added, equal the total budgeted amount for each item. For practical budgeting purposes, the total cost of insurance, utilities, etc. are apportioned on a formula basis (percentages of total funding budgeted) to the two budgets. Since BHS funding has been erratic, however, TII is rarely able to expend the total funds actually budgeted by line item.

TII is facing many cost increases which are beyond our control. The cost of gasoline, a significant budget item, has risen considerably during the past year and will probably continue to increase beyond the general rate of inflation in the future. NTUA has notified us that it anticipates increasing its rates considerably which will result in higher utility costs, a major expenditure item. Finally, in addition to these cost increases, for which we must budget, TII has a documented need to improve our staff/client ratio in several major areas which will result in increased personnel costs. All of these factors are instrumental in our request to increase our funding through an increase in the stated daily rates

## PROPERTY MANAGEMENT - ADMINISTRATION

As has been noted, TII's facility was originally built and owned by the BIA for educational purposes. After it became surplus to the BIA's program, TII was founded. TII leased our current space from the BIA from 1977 to 1986 on the basis of an annual lease agreement. In 1986, the BIA turned over all properties it owned at Toyeyi, including TII's facility, to the Navajo Division of Public Safety (DPS) which then assumed all administrative functions relative to those properties which were then leased to the Justice Department. We gather that the agreement which conveyed the properties did not contain any provisions regarding the subleasing of any portion of them to other entities, including TII. As a consequence, no sublease agreement currently exists between TII and the Justice Department. The latter, as we understand it, is now working with DPS in the development of a new lease agreement which will permit the execution

of a sublease agreement with TII.

Safety and health regulations require regular inspections by our insurance carrier and the issuing of sanitation permits by the Indian Health Service through inspections of the food handling areas. As such, they represent an important portion of the administration of the facility for without these permits, TII cannot function. Our permits and insurance coverage are up to date, and coverage provided by the later is adequate for the remainder of this year. We do not expect any premium increases in 1994 and have budgeted accordingly.

Inventory management is handled in-house and is utilized to maintain optimum inventory levels within established budgets. The system allows for "just in time" ordering of consumables to avoid excess inventory situations and adjustments to quantities ordered in light of actual revenue or "cash flow" receipts. Equipment inventories of items purchased with DSS funds are maintained and current.

The present vehicle fleet is well maintained and sufficient to meet TII client and service needs, now and through 1995, we believe. Replacement, however, of several of the older vehicles will be required in late 1995.

#### **EVALUATION PLAN**

An evaluation of the objectives of TII's programs is included in the quarterly evaluation of clients' progress. Evaluation of fiscal controls are the responsibility of the Executive Director and the Business Manager who perform internal auditing procedures on a quarterly basis. Budget evaluations are performed monthly, and each manager or supervisor is responsible for the cost of his or her operation in terms of supplies, mileage, and other variable costs.

Projected funding or income versus budget indicates that expenditures could reach 95 percent of the budgeted amounts. Since TII follows accrual accounting practices, monthly evaluations should indicate any future potential problem areas on a line item by line item basis.

Program evaluation is conducted by the Social Services Manager who monitors ISPP development and administration. She reports to the Executive Director monthly on her evaluation of the development process and on the management of the ISPP within all of the departments of TII. She monitors the activities of and the timelines established for each client. During her monthly report she provides a thorough assessment of each client and whether or not it requires modifications to an individual IPP by any department manager.

#### **PERSONNEL MANAGEMENT - ADMINISTRATION**

An organizational chart is attached to this submission to demonstrate the chain of command and to show how areas of responsibility are delegated. Job descriptions with qualification requirements have been prepared for all key personnel.

In the day care program the client/instructor level does not exceed 6:1. The ratio in the residential program varies by shift. The midnight shift ratio is 12:1, the swing shift is 50:3, and the daily shift is 12:4. For the entire program the ratio is 50:48, 50 clients and 48 staff. Our objectives are to improve the client/staff ratio. In doing so, TII will continue to utilize the NPEA in all recruitment activities.

Our Personnel Policies and Procedures Manual has recently been updated by management.

TII has established a plan to provide initial orientation and ongoing training for staff that clearly describes the type of training necessary to maintain current skills, to obtain new skills and which relates to the goals and objectives of the TII program plan for services offered. Staff development and education programs are planned and conducted on a regular and continuing basis for all employees who provide direct services to clients. We anticipate staff training expenses to increase in 1995.

From time to time community members have volunteered to assist in facility maintenance and the food service program. No volunteers are currently engaged in these activities.

#### **FINANCIAL MANAGEMENT - ADMINISTRATION**

A detailed financial audit of TII for 1993 was completed by our outside auditor. A cost allocation is submitted with this proposal. A certification prepared by our auditor regarding the adequacy of our accounting and record keeping systems is available at TII.

Two separate accounts are kept for the moneys received and expended under the DSS contract, a general and a payroll. Both of these accounts are maintained at Norwest Bank in Window Rock.

#### **PROPERTY MANAGEMENT - ADMINISTRATION**

All submittals required by DSS are attached to this proposal.

We anticipate that several equipment items will be purchased during the current fiscal year under this contract. We currently maintain a listing of 638 equipment items by description, value or purchase price, and location. All new equipment will be listed when purchased.

#### **EVALUATION PLAN**

The evaluation of the objectives of this program is included in the quarterly evaluation of clients' progress. An evaluation of the fiscal controls utilized by the Executive Director and the Business Manager through their conduct of a review of internal auditing procedures on a quarterly basis is maintained in Business Office.

#### **GOVERNING BODY**

Copies of TII's Articles of Incorporation and Corporate By-Laws are attached. The membership of the Board of Directors, its functions and duties, and other matters are discussed at length within the latter document. Copies of Board minutes, decisions, passed resolutions, and other information relating to the Board are available upon request.



**TOYEI OPPORTUNITY CENTER AND SHELTERED INDUSTRIES  
TOYEI INDUSTRIES INCORPORATED**

Post Office Box 69  
Chinle, Arizona 86503



**RESOLUTION OF THE  
BOARD OF DIRECTORS OF TOYEI INDUSTRIES, INC.**



**REQUESTING ADDITIONAL FUNDS IN THE AMOUNT OF \$300,000 TO MAINTAIN SOLVENCY OF  
TOYEI INDUSTRIES, INC.**

**WHEREAS:**

The Navajo Nation Council determining that corporate status " is the most efficient means by which TOCSIN can accomplish the program's goals, purposes and principles", on April 24, 1979 by resolution CAP-13-79, granted TOCSIN corporate status chartered as Toyei Industries Incorporated (TII), giving TOCSIN the additional status as a corporation, while remaining an originally constituted Navajo Nation organizational entity.

**WHEREAS:**

As a corporation TII has been able to operate without the benefit of a budget of tribal funds, until recently, due to circumstances beyond its control, the situation is now critical and requires funds to continue operation.

**NOW THEREFORE BE IT RESOLVED THAT:**

The Board of Directors requests additional funds in the amount of Three-Hundred Thousand dollars (\$300,000) to maintain operations.

**CERTIFICATION**

At a duly called meeting, where a quorum was present, the resolution was duly considered and passed by vote of 3 in favor and 0 opposed, on September 22, 2017 as authorized by the signature of the Chairperson.

**TOYEI INDUSTRIES, INC.**

**BY:**



# **TOYEI OPPORTUNITY CENTER AND SHELTERED INDUSTRIES**

## **TOYEI INDUSTRIES INCORPORATED**

Post Office Box 69  
Chinle, Arizona 86503



### **Board of Directors**

#### ***Chairwoman***

**Brenda Hoskie**

P.O. Box 114

Window Rock, AZ 86515

#### ***Vice Chairwoman***

**Louva Dahozy**

P.O. Box 1304

Ft. Defiance, AZ 86504

#### ***Secretary***

**Katherine D. Arviso**

P.O. Box 1324

Ft. Defiance, AZ 86504

#### ***Member***

**James Ahasteen**

P.O. Box 92

Ganado, AZ 86505

#### ***Member***

**Robert Stall**

653 Matthew Ln.

San Marcos, CA 92069

#### ***Member***

**Rodney Doft**

6423 Camino Del Arrebol NW

Albuquerque, NM 87104



**TOYEI OPPORTUNITY CENTER AND SHELTERED INDUSTRIES  
TOYEI INDUSTRIES INCORPORATED**

Post Office Box 69  
Chinle, Arizona 86503



Toyey Industries Incorporated contracts with Arizona Department of Economic Security – Division of Developmental Disabilities and the Navajo Nation Department of Family Services to provide services for adults with developmental disabilities in licensed group homes.

Toyey provides the following services in the group homes:

**1. Habilitation Service**

Twenty-four hour services are provided seven days per week. Services include medication monitoring, nutrition, counseling, socialization, personal care, hygiene, recreation, independent living skills, and other programs designed to improve the quality of life to each individual.

**2. Day Treatment Program**

Assist individuals to acquire and maintain skills necessary to live in the least restricted and structured environment, to interact with members of the community and to develop a high level of self-esteem.

**3. Room & Board**

Provides meals and residential living.

**4. Case Management**

Provides individual and family counseling, medical, behavior management, transportation services for medication appointments, home visits, recreational, community outings, and shopping. Qualified staff and representatives of State and Tribal Agencies provide Case Management. Individual Service Plan (ISP) team comprise of family members and service providers. The team develops, enhances, and supports environment that enable each individual to achieve a positive outcome.

**Group Homes Sites:**

Toyey operates two Licensed Group Homes by Arizona DES/DDD in Chinle located at NHA Housing Unit and Tselani-Cottonwood Group Home.

**Number of Individuals served:**

Toyey provides services for seven (7) individuals that are developmentally disabled. Diagnosis are combination of Cognitive Disability and Seizure Disorder.

Five (5) ladies reside at Tselani-Cottonwood Group Home.

Two (2) men reside at Chinle Group Home.

# The Navajo Nation Grant Application



**Name of Applicant:** Toyei Industries, Incorporated

**Telephone No.:** 505-906-7825

**Mailing Address:** PO Box 69, Chinle, AZ 86503

**Email:** [heyhoskie@gmail.com](mailto:heyhoskie@gmail.com)

**Physical Address:** House D Navajo Rt 4, Cottonwood, AZ 86503

**EIN:** 86-0368187

**NN Grant Request Amount:** \$300,000.00 **Grant Start Date:** 10/1/17 **Grant End Date:** 9/30/18

**Brief Description of Organization or Entity Requesting the Grant:**

*Toyei Industries, Incorporated, granted charter by Navajo Nation and organized as Tribal entity in 1977 and 1979 – Resolutions Enclosed. Services Provided – Care for Developmentally Disabled and Seriously Mentally Ill Navajo adults, currently located in Chinle and Cottonwood-Tselani.*

## PROBLEMS/NEEDS STATEMENT

**Briefly describe the problems/needs identified based on relevant and collected data. The statement should be brief, clear and concise, including population (Navajo) to be served and location of the population.**

*Toyei Industries, Incorporated has never received an appropriation for its operations and due to shortages in Tribal and State funding, it has not received payment for contracted services that it has already provided to clients with developmental disabilities and those who are severely mentally impaired.*

*Funds are needed to pay past due invoices for vendors, contractors, professional services, tax preparers/CPA and related operational requirements. Funds will also be used to supplement payroll as needed. TII employs 13 Navajo individuals and serves the above mentioned Navajo population.*

## METHODOLOGY

**Briefly describe the approaches, services, and/or ways the problems or needs which will be addressed with the grant.**

*TII will be using the funds to immediately pay past due invoices to vendors, restoring the credit terms it has had with companies providing food, utilities, telephone, fuel, and other services, etc. All needed to continue operations and provide the contracted services to the Navajo Nation clients who have been referred to Toyey Industries to care for them.*

**To the best of my knowledge and belief, all data in this application are true and correct. The document has been duly authorized by the governing body of the applicant and the applicant will comply with the Navajo Nation terms and conditions if the grant is awarded.**

**Signature of Authorized Representative**

*Brenda Hoskie*

**Type Name of Authorized Representative**

*9/27/17*

**Date Signed**

*Chair woman*

**Title**

# The Navajo Nation Grant Application

## Appendix G

Name of Applicant: Toyie Industries, Incorporated	Telephone No.: 505-906-7825
Mailing Address: PO Box 69	Email: <a href="mailto:heyhoskie@gmail.com">heyhoskie@gmail.com</a>
Physical Address: House D Navajo Rt 4	IRS TIN/EIN No: 86-0368187
NN Grant Request Amount: \$300,000	Grant Start Date: 10/1/2017 Grant End Date: 9/30/2018

### Brief Description of the Organization or Entity Requesting the Grant:

Toyie Industries was granted a charter by Navajo Nation and organized as a Tribal entity in 1977 ACJN-98-77 and 1979 CAP-13-79. Services Provided - Care of Developmentally Disabled and Seriously Mentally Ill Navajo Tribal members. Services currently provided at Chinle and Cottonwood-Tselani sites.

### PROBLEMS/NEEDS STATEMENT

Briefly describe the problems/needs identified based on relevant and collected data. The statement should be brief, clear and concise, including population (Navajo) to be served and location of the population.

Toyie Industries, Incorporated (TII) was granted a charter by the Navajo Nation and organized as a Tribal entity in 1977 and 1979. Services provided are care for Developmentally Disabled and Seriously Mentally Ill adult Navajo tribal members. Services are provided at Chinle and Cottonwood-Tselani sites. Toyie Industries, Incorporated has never received an appropriation for its operations and due to Tribal and State funding, it has not received payment for contracted services provided to clients with disabilities and with severe mental impairments. Funds are needed to continue operations going forward and to pay invoices from vendors, contractors, professional services, and other related operational requirements. Funds will also be used to supplement payroll as needed. TII employs 13 Navajo Nation tribal members and serves adult Navajo Nation tribal members.

### METHODOLOGY

Briefly describe the approaches, services, and/or ways the problems or needs which will be addressed with the grant.

Toyie Industries, Incorporated will have to close operations if it does not receive operational funds. With the receipt of additional funds, TII will be able to continue providing services to Navajo Nation tribal member clients as well as continuing the employment of Navajo Nation tribal members.

To the best of my knowledge and belief, all data in this application are true and correct. The document has been duly authorized by the governing body of the applicant and the applicant will comply with the Navajo Nation terms and conditions if the grant is awarded.

  
Signature of Authorized Representative

12/4/17  
Date Signed

Brenda Hoskie  
Type Name of Authorized Representative

Chairwoman/CEO  
Title

## THE NAVAJO NATION SUPPLEMENTAL FUNDING PROPOSAL SUMMARY

**PART I.** Business Unit No.: 119030 Program Title: Toyei Industries, Incorporated

Division/Branch: NN Social Services Amount Requested: \$300,000 Phone No.: 505-906-7825

Prepared By: Brenda Hoskie Email Address: [heyhoskie@gmail.com](mailto:heyhoskie@gmail.com)

**PART II. REASON FOR REQUEST AND STATEMENT OF NEED:**

Toyei Industries, Incorporated (TII) was granted a charter by Navajo Nation and organized as a Tribal entity in 1977 ACJN-98-77 and 1979 CAP-13-79. Funds are needed to continue operations going forward and pay invoices from vendors, contractors, professional services, and other related operational requirements. Funds will also be used to supplement payroll as needed. TII employs 15 Navajo Nation tribal members that provides direct services to 7 Navajo Nation tribal adults that are Developmentally Disabled and Seriously Mentally Ill tribal members.

**PART III. CONTINGENCY PLAN IF REQUEST IS NOT FUNDED:**

Toyei Industries, Incorporated will have to close operations if it does not receive operational funds.

**PART IV. ALTERNATIVE FUNDING SOURCES BEING PURSUED:**

Not available right now. Toyei Industries, Incorporated will pursue other types of grants and funding sources to continue providing services to Navajo Nation tribal members clients as well as continuing the employment of Navajo Nation tribal members.

**PART V. AFFIRMATION IS PROVIDED THAT THE PROPOSAL INFORMATION IS COMPLETE AND ACCURATE AND THE APPROPRIATE BRANCH CHIEF RECOMMENDS APPROVAL.**

 12/4/17  
REVIEWED BY: Division Director's Signature / Date

 12/5/17  
RECOMMEND APPROVAL: Branch Chief's Signature / Date

PART III. CONTINGENCY PLAN IF REQUEST IS NOT FUNDED: Toyei Industries, Incorporated will have to close operations if it doesn't receive operational funds.

PART IV. ALTERNATIVE FUNDING SOURCES BEING PURSUED: None currently available. TII will pursue other types of grants and funding sources as soon as it has operational funding to stay in business and to allow for the ability to use the services of a grant writer or other professional services to assist in seeking out additional funding sources.

PART V. AFFIRMATION IS PROVIDED THAT THE PROPOSAL INFORMATION IS COMPLETE AND ACCURATE AND THE APPROPRIATE BRANCH CHIEF RECOMMENDS APPROVAL.

 9/25/17  
REVIEWED BY: Division Director's Signature / Date

RECOMMEND APPROVAL: Branch Chief's Signature / Date

**THE NAVAJO NATION  
PROGRAM BUDGET SUMMARY**

**Page 1 of 5  
BUDGET FORM 1**

**FY 2018**

<b>PART I.</b> Business Unit No.: 119030		Program Title: Toyei Industries, Incorporated		Division/Branch: Navajo Nation Grant
Prepared By: Brenda Hoskie		Phone No.: 505-906-7825	Email Address: <a href="mailto:heyhoskie@gmail.com">heyhoskie@gmail.com</a>	

PART II. FUNDING SOURCE(S)			Fiscal Year Term	Amount	% of Total	PART III. BUDGET SUMMARY			Fund Type Code	(A) NNC Approved Original Budget	(B) Proposed Budget	(C) Difference (Column B - A)
FY18 GF/UUFB			01/01/17 - 09/30/18	300,000.00	100.00%				1		108,607	108,607
						2001 Personnel Expenses						
						3000 Travel Expenses					0	0
						3500 Meeting Expenses			1		9,000	9,000
						4000 Supplies			1		22,500	22,500
						5000 Lease and Rental			1		2,800	2,800
						5500 Communications and Utilities			1		30,000	30,000
						6000 Repairs and Maintenance			1		3,200	3,200
						6500 Contractual Services			1		66,393	66,393
						7000 Special Transactions			1		17,500	17,500
						8000 Public Assistance					0	0
						9000 Capital Outlay			1		40,000	40,000
						9500 Matching Funds					0	0
						9500 Indirect Cost					0	0
						<b>TOTAL</b>				\$0.00	300,000.00	300,000

PART IV. POSITIONS AND VEHICLES			(D)	(E)
Total # of Positions Budgeted:				15
Total # of Permanently Assigned Vehicles:				1

**PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.**

<p align="center"><b>Brenda Hoskie</b></p> <p>SUBMITTED BY: Program Manager's Printed Name</p> <p align="center"><i>Brenda Hoskie</i>      12/4/17</p> <p>SUBMITTED BY: Program Manager's Signature and Date</p>	<p align="center"><b>Clara Lee Pratt</b></p> <p>APPROVED BY: Division Director/Branch Chief's Printed Name</p> <p align="center"><i>Clara Lee Pratt</i>      12/4/17</p> <p>APPROVED BY: Division Director/Branch Chief's Signature and Date</p>
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THE NAVAJO NATION  
PROGRAM PERFORMANCE CRITERIA

FY 2018

PART I. PROGRAM INFORMATION:		Business Unit No.: 119030		Program Name/Title: Toyei Industries, Incorporated	
PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE: Toyei Industries was granted a charter by Navajo Nation and organized as a Tribal entity in 1977 ACJN-98-77 and 1979 CAP-13-79. Services Provided - Care of Developmentally Disable and Seriously Mentally Ill Nava					
PART III. PROGRAM PERFORMANCE CRITERIA:					
1. Program Performance Area: Provide Services for Developmentally Disable and Seriously Mentally Ill Navajo Tribal members.					
Goal Statement: Provide residential care, habilitation, and assist with limited health care services to (7) Navajo clients.					
2. Program Performance Area: Provide Services for Developmentally Disable and Seriously Mentally Ill Navajo Tribal members.					
Goal Statement: To assist (7) Navajo clients with Independent Living Skills.					
3. Program Performance Area: Provide Services for Developmentally Disable and Seriously Mentally Ill Navajo Tribal members.					
Goal Statement: Provide food services to disabled/severely impaired (7) Navajo clients.					
4. Program Performance Area: Provide Services for Developmentally Disable and Seriously Mentally Ill Navajo Tribal members.					
Goal Statement: Provide Services for Developmentally Disable and Seriously Mentally Ill (7) Navajo Tribal members.					
5. Program Performance Area: Provide Services for Developmentally Disable and Seriously Mentally Ill Navajo Tribal members.					
Goal Statement: Direct Services and Operations to serve to disabled clients at Center.					
PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.					
<u>Brenda Haskie</u> Program Manager's Printed Name <u>BH</u> 12/4/17 Program Manager's Signature and Date		<u>Charles Park</u> Division Director/Branch Chief's Printed Name 12/4/17 Division Director/Branch Chief's Signature and Date			

## 2018 EMPLOYEE PROJECTIONS FOR \$300,000 GRANT

[illegible]

**THE NAVAJO NATION**  
**DETAILED BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b> Program Name/Title: <u>Toyey Industries, Incorporated</u> Business Unit No.: <u>119030</u>			
<b>PART II. DETAILED BUDGET:</b>			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
2110	2001 Personnel 2120 Regular Payroll - FT Regular payroll for Direct Care employees, etc.	108,607	108,607
2610	3500 Meeting Expense 3611 Stipend - Meetings 3612 Meals & Lodging 3613 Mileage Board of Directors meetings stipend and mileage paid on personal vehicle use for board members attending meeting	2,000 6,000 1,000	9,000
4410	4000 Supplies 4460 Food Supplies Food and beverages clients; 3 meals per day, 365 days Disposable dishware includes items and such as paper cups/plates, plastic spoons, forks, knives, table cloths, napkins, etc. When clients are away from the facility during meal hours a sack lunch is provided.	15,000	22,500
4610	4490 Custodial Supplies Personal hygiene, self laundry and commercial laundry are the essential items in this category. Personal hygiene include items such as tooth paste, tooth brushed, combs, soap, shampoo, sanitary napkins, etc. Self laundry include soap detergent, softeners, clorox, and bleach. Cleaning of residential area require pine sol, plastic bags, etc. Commercial laundry is required for the laundry of linens. Purchase of beddings eg: mattress, sheets, pillows, etc. The kitchen requires special cleaning soaps and solvents for specialty purposes to clean the automatic dishwasher, degreaser, oven cleaners. Floor cleaning several times a day using mops, buckets and brooms at a greater deterioration rate than ordinary cleaning.	1,500	
4700	4620 Parts & Supplies 4710 Gasoline For minor auto replacement parts e.g. fan belts, cables, wipers, shocks, pumps, brake pads/shoes for company vehicles utilized for clients and program. Vehicles are used to transport clients to hospitals, clinic visits, (dental, vision, hearing aids, evaluation tests, shopping trips, recreational activities and home visits). Vans, autos and pickup all have different gas mileage rates and usage rates.	1,000 5,000	
<b>TOTAL</b>		140,107	140,107

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

FY 2018

<b>PART I. PROGRAM INFORMATION:</b> Program Name/Title: <u>Toyei Industries, Incorporated</u> Business Unit No.: <u>119030</u>			
<b>PART II. DETAILED BUDGET:</b>			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
5110	<u>5000 Lease Rental</u> 5100 Lease      Monthly Group Home rental/lease  <u>5500 Communications &amp; Utilities</u> 5530 Basic Services - Telephone      General monthly utility services 5720 Electric 5740 Propane 5750 Sewage	2,800   12,000 3,000 8,000 7,000	2,800   30,000
6020	<u>6000 Repairs &amp; Maintenance</u> 6030 Building R&M Supplies      Janitorial service to clean, disinfect, and keep in general good appearance by the use of supplies such as paper products, cleaning solvents, disinfectants, deodorant products, window cleaners, furniture polish, dusters, vinyl cleaners, etc.	2,000	3,200
6520	6420 Automobile      Break down require towing, repairs require parts replacement and labor as well as preventive maintenance. Good operative vehicles are a must in transporting clients to hospitals, clinics, etc.  <u>6550 Other Professional Services</u> 6530 Consulting      Retain outside consultants to provide management system training, consult with direct service staff in behavior treatment development. Retain accountants, tax preparers and other professional services to comply with regulations and to maintain integrity of financial systems	1,200   66,393	66,393
7710	<u>7000 Special Transactions</u> 7710 Insurance Premiums      Renewal of insurance coverage of casualty for building and contents; vehicle collision/liability; bonding and general liability; fire liability; natural disaster; liability for Professional & Directors; and any other new insurance requirements. The above mandatory either by law or by the Board of Directors.	17,500	17,500
9160	<u>9000 Capital Outlay</u> 9162 Vehicle      Vehicle purchases as necessary to replace old vehicles	40,000	40,000
TOTAL		159,893	300,000

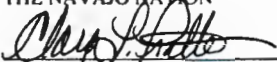


# THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT  
JONATHAN NEZ VICE PRESIDENT

## MEMORANDUM

**TO:** DIVISION DIRECTORS and STAFF  
THE NAVAJO NATION

**FROM:**   
Clara L. Pratte, *Chief of Staff*  
OFFICE OF THE PRESIDENT AND VICE PRESIDENT

**DATE:** November 13, 2017




**SUBJECT:** STANDING DELEGATION OF AUTHORITY

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Please be advised that the personnel listed below, in order of succession, will be delegated in the capacity of *Chief of Staff* of the Navajo Nation Office of the President and Vice President when I am unavailable.

This delegation is for administrative purposes only and does not re-delegate Navajo Nation policy authority reserved for the Navajo Nation President and Vice President. Your adherence to this delegation is appreciated. Should you have any questions, please call (928) 871-7000.

### ACKNOWLEDGED:

1.   
Joshua L. Butler, *Deputy Chief of Staff*  
OFFICE OF THE PRESIDENT AND VICE PRESIDENT
2.   
Lonette Lee, *Executive Staff Assistant*  
OFFICE OF THE PRESIDENT AND VICE PRESIDENT
3.   
Dr. James J. Davis, Jr., *Executive Staff Assistant*  
OFFICE OF THE PRESIDENT AND VICE PRESIDENT

CC: Navajo Nation Office of the Speaker, Navajo Nation Judicial Branch, Navajo Nation Office of the Controller, File



## THE NAVAJO NATION

RUSSELL BEGAYE  
JONATHAN NEZ




### Memorandum

Date: September 8, 2017

To: Honorable Russell Begaye, President  
Office of the President/Vice President

Honorable Lorenzo Bates, Speaker  
Navajo Nation Council

Honorable Thomas J Holgate, Acting Chief Justice  
Judicial Branch

From:   
Pearline Kirk, Controller  
Office of the Controller

Subject: Financial Update-(General Fund Revenue, Expenditures, UUFB)

The gross General Fund Revenues, (see **Exhibit "A"**), as of August 31, 2017 is \$203,053,235, (see Footnote 1). The total General Fund set asides is \$ \$51,749,599 (Footnote 2). The Net Revenue for the General Fund is \$151,303,727 (see Footnote 3). The permanent fund income transfer is \$24,411,000 (Footnote 4). The reserve taken for the permanent fund income transfer is \$2,885,000 (Footnote 5). The grand total revenue for the General Fund is \$172,829,727 (see Footnote 6) which is 98.78% of the projection.

Next, are the total expenditures by Branch, (see **Exhibit "B"**) as of August 31, 2017, the Legislative Branch has expenditures of \$14,836,331 (see Footnote 1a); encumbrances of \$822,493 (see Footnote 1b) with a remaining budget of \$3,307,669 (see Footnote 1c). The Executive Branch expenditures are \$162,500,722 (see Footnote 2a); encumbrances are \$7,206,122 (see Footnote 2b) with a remaining budget of \$37,797,219 (see Footnote 2c). The Judicial Branch expenditures are \$11,718,156 (see Footnote 3a); with encumbrances of \$73,692 (see Footnote 3b) and remaining budget of \$2,356,349 (see Footnote 3c). Total General Fund expenditures are \$189,055,209 (see Footnote 4a); total encumbrances are \$8,102,307 (see Footnote 4b) with an overall remaining budget of \$43,461,236 (see Footnote 4c).

The updated Undesignated Unreserved Fund Balance (UUFB), (see **Exhibit "C"**) as of September 8, 2017 is \$31,258,217. The Fiscal Year 2016 audited numbers were approved via CJY-51-17 and an amount of \$11, 728,198 that was previously reserved for debt service for capital projects was returned back to the UUFB with the approval of CJY-50-17. These two amounts have been incorporated into this new schedule.

Thank you, if you should have any question please feel free to call me at tribal extension X6308.



THE NAVAJO NATION  
General Fund Revenue Schedule  
(Unaudited)  
August 31, 2017

FY 2017

GENERAL FUND REVENUE					
	Original Budget	Revised Budget	Actual Revenue Received	Revenue to be collected	% Revenue of Total
TNN: ROYAL; GAS; OIL	\$ 24,700,000	\$ 24,700,000	22,503,079	\$ 2,196,921	91.11
TNN: COAL REVENUES	55,850,000	55,850,000	51,709,402	4,140,598	92.59
TNN:OTR MINERALS REV			79,149	(79,149)	
TNN: LAND REVENUES	58,450,000	58,450,000	59,393,523	(943,523)	101.61
TNN: BUSINESS FEES			80,415	(80,415)	
TNN: INTEREST INCOME	1,600,000	1,600,000	4,249,477	(2,649,477)	265.59
TNN: TAX REVENUES	64,150,000	64,150,000	63,125,774	1,024,226	98.40
COURT FINES + FEES	400,000	400,000	379,897	20,103	94.97
TNN: OTHER REVENUES	500,000	500,000	1,270,889	(770,889)	254.18
BIA: ROYAL; GAS; OIL			111,327	(111,327)	
BIA: COAL REVENUES			114	(114)	
BIA:OTR MINERALS REV				-	
BIA: LAND REVENUES			150,280	(150,280)	
<b>TOTAL REVENUE</b>	<b>\$ 205,650,000</b>	<b>\$ 205,650,000</b>	<b>203,053,325</b>	<b>(1) \$ 2,596,675</b>	<b>98.74</b>
LESS:SET ASIDES					
CAPITAL OUTLAY MATCH					
LAND FUND TRANSFER	\$ (2,000,000)	\$ (2,000,000)	(2,000,000)	\$ -	100.00
PERMANENT FUND TRNSF	(4,113,000)	(4,113,000)	(4,061,067)	(51,933)	98.74
WATER RIGHTS CLAIM FU	(24,678,000)	(24,678,000)	(24,366,399)	(311,601)	98.74
DINE' HIGHER EDUCATIO	(2,000,000)	(2,000,000)	(2,000,000)	-	100.00
VETERANS TRUST FUND S	(11,200,000)	(11,200,000)	(11,200,000)		100.00
	(8,226,000)	(8,226,000)	(8,122,133)	(103,867)	98.74
<b>TOTAL SET ASIDE</b>	<b>\$ (52,217,000)</b>	<b>\$ (52,217,000)</b>	<b>\$ (51,749,599)</b>	<b>(2) \$ (467,401)</b>	<b>99.10</b>
<b>SUB TOTAL</b>	<b>\$ 153,433,000</b>	<b>\$ 153,433,000</b>	<b>\$ 151,303,727</b>	<b>(3) \$ 2,129,273</b>	<b>98.61</b>
PERMANENT FUND INCOME TRANSFER					
OTHER REVENUE TRANSFER	\$ 24,411,000	\$ 24,411,000	\$ 24,411,000	(4) \$ -	100.00
LESS: PF FIVE-YEAR CONTINGENCY	(2,885,000)	(2,885,000)	(2,885,000)	(5) -	100.00
<b>TOTAL PFI TRANSFER</b>	<b>\$ 21,526,000</b>	<b>\$ 21,526,000</b>	<b>\$ 21,526,000</b>	<b>\$ -</b>	<b>100.00</b>
<b>NET PFI TRANSFER</b>	<b>\$ 21,526,000</b>	<b>\$ 21,526,000</b>	<b>\$ 21,526,000</b>	<b>\$ -</b>	<b>100.00</b>
<b>GRAND TOTAL</b>	<b>\$ 174,959,000</b>	<b>\$ 174,959,000</b>	<b>\$ 172,829,727</b>	<b>(6) \$ 2,129,273</b>	<b>98.78</b>

- (1) Gross General Fund Revenues  
 (2) Total Set Asides for General Fund Revenue  
 (3) Net General Fund Revenue  
 (4) Permanent Fund Income allocation to General Fund  
 (5) Permanent Fund Income allocation reserve (CO-54-16)  
 (6) Grand total General Fund Revenues

EXHIBIT "A"

Prepared by:  
General Accounting  
9/8/2017



# FY 2017 EXHIBIT "B"

## The Navajo Nation Budget Status\_Income Statement As of August 31, 2017

Branch / Object Account	Original Budget	Revised Budget	Actual Expenses	Encumbrances	Budget Available	% Available
<b>LEGISLATIVE BRANCH</b>						
2001 - Personnel Expenses	\$ 10,651,778	\$ 12,278,822	\$ 10,019,466		\$ 2,259,357	18.40
3000 - Travel Expenses	1,321,631	1,765,310	1,572,327	46,213	545,274	30.89
3500 - Meeting Expenses	159,932	399,826	210,861	-	204,416	51.13
4000 - Supplies	196,566	744,678	455,884	31,130	248,147	33.32
5000 - Lease & Rental	212,423	226,884	179,129	10,417	50,024	22.07
5500 - Communications & Utilities	119,335	156,633	134,035	-	60,813	38.83
6000 - Repairs & Maintenance	44,547	152,091	74,100	7,525	57,978	38.12
6500 - Contractual Services	541,681	1,553,766	963,771	462,824	197,091	12.68
7000 - Special Transactions	294,373	619,408	411,587	42,876	239,264	38.63
8000 - Assistance	-	-	-	-	-	-
9000 - Capital Outlay	20,000	1,069,274	815,172	221,509	566,817	54.88
9500 - Matching & Indirect Cost	-	-	-	-	-	-
<b>Total LEGISLATIVE BRANCH</b>	<b>\$ 13,562,275</b>	<b>\$ 18,966,493</b>	<b>\$ 14,836,331</b>	<b>(1a) \$ 822,483</b>	<b>(1b) \$ 3,307,669</b>	<b>(1c) 17.44</b>
<b>EXECUTIVE BRANCH</b>						
2001 - Personnel Expenses	82,554,098	\$ 85,757,946	\$ 67,342,879	\$ -	\$ 18,415,068	21.47
3000 - Travel Expenses	9,499,593	9,498,299	8,499,697	8,235	990,367	10.43
3500 - Meeting Expenses	981,047	1,713,064	1,321,407	-	391,657	22.86
4000 - Supplies	5,400,663	7,963,841	4,549,358	897,024	2,517,459	31.61
5000 - Lease & Rental	1,751,399	1,669,091	1,196,102	28,114	444,875	26.65
5500 - Communications & Utilities	7,305,566	8,123,429	6,513,700	589,673	1,020,057	12.56
6000 - Repairs & Maintenance	3,914,876	8,788,252	5,571,378	1,030,316	2,186,557	24.88
6500 - Contractual Services	4,653,588	12,866,818	6,849,248	2,804,762	3,212,809	24.97
7000 - Special Transactions	10,316,377	11,986,749	10,083,552	322,516	1,580,681	13.19
8000 - Assistance	41,728,697	48,837,762	45,579,345	1,174,985	2,083,432	4.27
9000 - Capital Outlay	764,670	2,746,354	1,563,730	350,497	832,127	30.30
9300 - Other Income and Expense	-	-	-	-	-	-
9500 - Matching & Indirect Cost	7,552,457	7,552,457	3,430,328	-	4,122,131	54.58
<b>Total EXECUTIVE BRANCH</b>	<b>\$ 178,423,011</b>	<b>\$ 207,504,063</b>	<b>\$ 162,500,722</b>	<b>(2a) \$ 7,206,122</b>	<b>(2b) \$ 37,797,219</b>	<b>(2c) 18.22</b>
<b>JUDICIAL BRANCH</b>						
2001 - Personnel Expenses	\$ 12,523,143	\$ 12,568,722	\$ 10,812,000		\$ 1,754,722	13.96
3000 - Travel Expenses	433,764	419,940	243,969	-	175,971	41.90
3500 - Meeting Expenses	-	26,807	10,955	-	15,852	59.13
4000 - Supplies	68,291	378,953	241,164	27,553	110,236	29.09
5000 - Lease & Rental	9,000	45,670	19,012	-	26,658	58.37
5500 - Communications & Utilities	69,206	80,472	68,386	-	22,087	24.41
6000 - Repairs & Maintenance	-	210,010	99,988	46,094	63,927	30.44
6500 - Contractual Services	-	89,627	50,671	-	38,956	43.46
7000 - Special Transactions	103,339	274,160	172,011	44	102,105	37.24
8000 - Assistance	-	-	-	-	-	-
9000 - Capital Outlay	-	45,834	-	-	45,834	100.00
9300 - Other Income and Expense	-	-	-	-	-	-
<b>Total JUDICIAL BRANCH</b>	<b>\$ 13,206,743</b>	<b>\$ 14,148,196</b>	<b>\$ 11,718,156</b>	<b>(3a) \$ 73,662</b>	<b>(3b) \$ 2,396,349</b>	<b>(3c) 16.65</b>
<b>GRAND TOTAL:</b>	<b>\$ 203,192,029</b>	<b>\$ 240,618,752</b>	<b>\$ 189,055,209</b>	<b>(4a) \$ 8,102,307</b>	<b>(4b) \$ 43,461,236</b>	<b>(4c) 18.06</b>

### Footnotes:

#### Legislative Branch

- (1a) Legislative Expenses
- (1b) Legislative Encumbrances
- (1c) Legislative Budget Available

#### Executive Branch

- (2a) Executive Expenses
- (2b) Executive Encumbrances
- (2c) Executive Budget Available

#### Judicial Branch

- (3a) Judicial Expenses
- (3b) Judicial Encumbrances
- (3c) Judicial Budget Available

#### Total General Fund

- (4a) General Fund Expenses
- (4b) General Fund Encumbrances
- (4c) General Fund Budget Available

## EXHIBIT "C"

Memo Dated Sept. 8, 2017

Financial Update



### Undesignated, Unreserved, Fund Balance (UUFB) September 8, 2017

09-30-16 UUFB balance <u>(Audited)</u> CJY-15-17		26,763,946
<b>Less Supplementals:</b>		
CO-55-16 Election	510,616	
CN-58-16-Budget	3,848,764	
CJA-05-17 Bennett Freeze	254,656	
CAP-22-17-Dine Bii Association	239,200	
CJN-34-17 Summer Youth Employment	2,161,748	
CJY-37-17- Transportation Stimulus Election	218,943	<u>7,233,927</u>
Total UUFB less Supplementals		19,530,019
<b>Add:</b>		
CJY-50-17 Deposit into UUFB.		11,728,198
<b>UUFB 09-08-17</b>		<u><u>31,258,217</u></u>

Prepared by: General Accounting  
9/8/2017  
5:00 PM



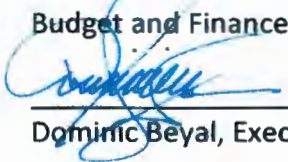
# THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT  
JONATHAN NEZ VICE PRESIDENT

## Office of Management and Budget

### Memorandum

To: Budget and Finance Committee

From:   
Dominic Beyal, Executive Director

Date: November 28, 2017

Subject: Legislation 0396-17 – Toyei Industries, Inc. Supplemental Funding Request in the Amount of \$300,000



The above subject document was reviewed by the Office of Management and Budget and the findings are as follows:

1. The Supplemental Funding Proposal Summary does not have the signature of the Branch Chief of the Executive Branch or his representative indicating a recommendation for approval of the proposal and budget.
2. Similarly, Budget Form 1 – Program Budget Summary in Part V. for the signature of a Division of Social Services Director is left blank.
3. Budget Form 2 – Program Performance Criteria shows proposed goals for the first quarter and the fourth quarter, but the funding for the fifteen positions which is on an attachment to Budget Form 3 shows position funding from January, 2018 to April, 2018 and not for the first or fourth quarters of Fiscal Year 2018. Therefore, Budget Form 2 information conflicts with information on the overall budget. Further, Budget Form 2 does not have the Division of Social Services Division Director's signature.
4. Budget Form 4 on page 6 of 6 for object code 6500 for Contractual Services is mislabeled and misplaced. It should be in Column (B) of Part II. Object code 6670 for contractual services should be 6770 for Other Professional Services and the object code should be displayed in Column (A) of this form.
5. The Navajo Nation Grant Application form attached as Exhibit C indicates under the Methodology section, "TII will be using the funds to immediately pay past due invoices to vendors, restoring the credit terms it has had with companies providing food, utilities, telephone, fuel, and other services, etc." However, the proposed budget appears to be for the purpose of funding the operating expenses of Toyei, most of which will involve salaries for employees.
6. This supplemental request was not processed through the required 164 document review process and, therefore, comments by OMB and other Executive Branch programs prior to the proposed legislation being considered by the oversight committees were not included. All proposed supplemental budget requests should be routed through the 164

document review process prior to any action by the Navajo Nation Council or its committees.

7. Funds from the UUFB are considered non-recurring and are for one-time funding only. This will be the second time that Toyei Industries, Inc. will be funded by the Navajo Nation for recurring operating expenses if this budget and proposal is approved for funding.
8. Toyei Industries, Inc. submitted a budget toward the end of Fiscal Year 2017 for \$100,000 which was funded out of the Executive Branch Fiscal Year 2016 balance carry over. OMB's understanding is that this was done through the execution of a Memorandum of Agreement with the President's Office.
9. There are over \$60 million worth of budgets and proposals submitted by various Navajo Nation programs and, according to the Office of the Controller, only \$31 million in UUFB funds are available for funding purposes.
10. The Fiscal Year 2018 Navajo Nation Council approved budget directed each Navajo Nation Branch to prioritize these supplemental budget requests, but all budgets are being considered for funding as shown on the Legislative Branch website. The Judicial Branch is the only one that prioritized their funding requests. The Navajo Nation Council with the many supplemental budget requests to be considered should follow its own rules rather than simply inviting any and all Navajo Nation programs or entities to submit supplemental budget requests without some way to address the many requests and to insure those that need funds the most are strongly considered.

The Office of Management and Budget is available for assistance through Mr. Emmett Francis, Budget Officer, if needed, on any questions regarding this memorandum.

NAVAJO NATION

RCS# 1001

Special Session

2/16/2018

07:01:51 PM

Amd# to Amd#

Legislation No. 0396-17

PASSED

MOT Begay, S

Toyei Industries, Inc.

SEC BeGaye, N

\$300,000 - using UUFB funds

**Yea : 12**

**Nay : 1**

**Excused : 3**

**Not Voting : 8**

**Yea : 12**

Begay, K  
Begay, S  
BeGaye, N

Bennett  
Chee  
Hale

Perry  
Slim  
Smith

Tso  
Witherspoon  
Yazzie

**Nay : 1**

Damon

**Excused : 3**

Tsosie

Brown

Shepherd

**Not Voting : 8**

Bates  
Begay, NM

Crotty  
Daniels

Filfred  
Jack

Pete  
Phelps