

RESOLUTION OF THE
BUDGET AND FINANCE COMMITTEE
OF THE NAVAJO NATION COUNCIL

23RD NAVAJO NATION COUNCIL - First Year, 2015

AN ACTION

RELATING TO BUDGET AND FINANCE; APPROVING THE WRITE-OFF OF \$2,581.95
IN PERSONAL LOANS FROM THE PERSONAL LOAN PROGRAM ADMINISTERED BY THE
NAVAJO NATION CREDIT SERVICES DEPARTMENT

BE IT ENACTED:

Section One. Findings

- A. The Budget and Finance Committee is a standing committee of the Navajo Nation Council. 2 NNC §300(A) (2012).
- B. The Budget and Finance Committee has oversight authority over loans "[t]o oversee and provide direction for lending programs within the Committee's authority. 2 NNC § 300(C)(5) (2012).
- C. The Budget and Finance Committee has the power "[t]o provide legislative oversight over lending programs, including the promulgation of rules and regulations for lending money to members of the Navajo Nation." 2 NNC § 301(B)(12) (2012).
- D. Navajo Nation established the Navajo Nation Credit Services Department within the Division of Finance of the Navajo Nation Government. CF-13-85 and ACD-234-85.

- E. The Budget and Finance Committee exercised its oversight authority and power over the Navajo Nation Credit Services Department in approving amendments to the Navajo Nation Credit Services Department Personal Loan Program Operating Policies and Guidelines. BFN-45-13.
- F. Personal Loan Program Operating Policies and Guidelines includes Section 14 regarding loan write-off procedures when the loan is determined uncollectable after all collection efforts have been attempted or when a settlement has been entered into between the borrower and the Department. Personal Loan Program Operating Policies and Guidelines §14 at 12 (Nov. 25, 2013).
- G. The write-off is recommended by the Collections Officer and "shall require review and concurrences by the Credit Manager, Controller of the Navajo Nation, and Department of Justice prior to consideration by the Committee." *Id.* at §14(A).
- H. Also, "[i]n order to avoid the existence and appearance of undue influence and conflict of interest, Borrower(s) that are Department staff, or appointed or elected officials or Judges of the Navajo Nation and are being considered for Write-Off shall sign and notarize an Ethical Certification Form. By signing the Ethical Certification Form, the Borrower(s) are attesting to refrain from requesting any special consideration from any personnel/program of the Navajo Nation Government and shall abide by the Navajo Ethics in Government Law." *Id.* at §14(B).
- I. The Department determined that the borrowers were not department personnel, appointed or elected officials or Judges of the Navajo Nation.

- J. Evaluators look at factors for consideration as to "whether an account is appropriate for full or partial Write-Off, the Department and Committee may consider factors such as, including but not limited to, disability, death, Bankruptcy, a new payment agreement, payment history, maturity date of loan agreement, employment status, current value of pledged property, interest paid, reason for delinquency, or the Borrower' (s) financial circumstances." *Id.* at §14(D).
- K. The Budget and Finance Committee has final approval of all or partial write-offs and the write-off will be taken off the active books of the Navajo Nation after approval. *Id.* at §14(E).
- L. The Navajo Nation Credit Services Collections Agent initiated write-off procedures for \$2,581.95 after determining the accounts were uncollectable and recommended the write-offs to the Credit Manager who concurred with the Collections Agent. EXHIBIT A.
- M. The loans were accelerated after all collection attempts were exhausted by the collections department and it found "these two past statute loan accounts have been fully exhausted with all collection measures and deemed uncollectible." EXHIBIT A.
- N. The \$2,581.95 comes from 2 individual loan accounts: \$1,372.86 from account # P1043816; \$1,209.09 from account # P1043718. EXHIBIT A.
- O. The loan write-off request was sent to and concurred by the Controller of the Navajo Nation, and Department of Justice. EXHIBIT B.

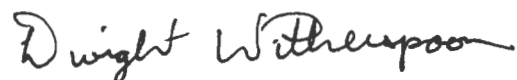
- P. The Budget and Finance Committee has final approval of all write-offs and finds after considering factors in J above that writing off the loans in N above in the amount of \$2,581.95 is in the Navajo Nation's best interest.

Section Two. Acceptance and Approval

- A. The Navajo Nation accepts the recommendations from the Navajo Nation Credit Services Department to write-off 2 loans which total \$2,581.95.
- B. The Navajo Nation directs that loan accounts: \$1,372.86 from account # P1043816; \$1,209.09 from account # P1043718 totaling \$2,581.95 be written off and taken off the active books of the Navajo Nation.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor, 0 opposed, this 13th day of October, 2015.



Dwight Witherspoon, Vice Chairperson
Budget and Finance Committee

Motion: Tom T. Chee

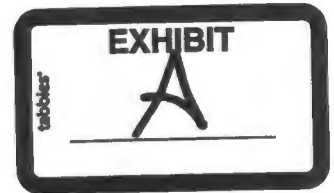
Second: Tuchoney Slim, Jr.

THE NAVAJO NATION



RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT

Louise Johnson, Credit Manager



SUMMARY	
Date Requested	May 27, 2015
Subject	Write-Off
Individual Account Information	See Exhibit "A"
Collateral	Unsecured
Agency	Various
Totals: Amount Financed	\$ 2,120.00
Principal Balance	\$ 2,005.00
Accrued Interest	\$ 231.95
Late Charges	\$ 150.00
NSF Fees	\$ 35.00
Court Fees	\$ 0.00
Private Processor Fees	\$ 160.00
Amount of Write-Off	\$ 2,581.95

Pursuant to Section 14(A); Write-Off Procedures of the Personal Loan Program Operating Policies and Guidelines, two (2) loan accounts are being recommended for Write-Off in the total amount of \$2,581.95 (see attached worksheet; Exhibit "A"). The Write-Off request is in compliance with Section 14(A) wherein it states: *"A Write-Off on a loan account shall be initiated by the Collection Officer when a loan is determined uncollectible, and all collection efforts have been exhausted or when a settlement agreement between the Borrower(s) and the Department has been entered into to reduce the amount of the debt in order to collect at least part of the amount due and owing on the loan account."*

FINDINGS:


Personal Loans were made individually to the borrower(s) evidenced by a Promissory Note. At the inception of the loans, the borrower(s) utilized payroll deductions as their means of collateral for the repayment of the loans. The loan accounts automatically became unsecured resulting from the termination of their employments. Collection efforts were enforced with telephone calls, field contacts and collection letters all to no avail. These accounts have been accelerated pursuant to the collection policies and procedures of the Personal Loan Guidelines. Both accounts have been adjudicated via Small Claims Proceedings which resulted in default judgments and have exceeded their maturity date of their Promissory Note. According to these findings and pursuant to Section 14(D); the Write-Off request is in compliance wherein it states: *"When evaluating whether an account is appropriate for full or partial Write-Off, the Department and Committee may consider factors such as, including but not limited to, disability, death, Bankruptcy, a new payment agreement, payment*

history, maturity date of loan agreement, employment status, current value of pledged property, interest paid, reason for delinquency, or the Borrower's financial circumstances."

RECOMMENDATION:

Pursuant to the Personal Loan Program Operating Policies and Guidelines Section 14, the Navajo Nation Credit Services Department is recommending a Write-Off in the total amount of \$2,581.95 including the Principal Balance, Accrued Interest, Accrued Late Charges, Non-Sufficient Fund Fees, and Private Processor Fees. Your approval is requested.

Submitted By:

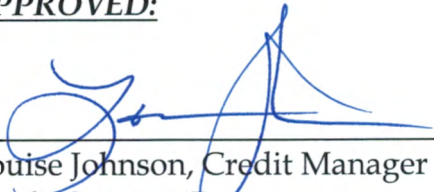


Shawna Jones, Collection Officer
Credit Services Department
Division of Finance

5/27/2015

Date

APPROVED:



Louise Johnson, Credit Manager
Credit Services Department
Division of Finance

06/04/2015

Date

XC: File (2 loan accounts)/Chrono: SJ

[illegible]

TOTALS:	\$	2,120.00	\$	2,005.00	\$	231.95	\$	150.00	\$	35.00	\$	-	\$	160.00	\$	2,581.95
TOTAL AMOUNT OF WRITE-OFFS:													\$	2,581.95		

PERSONAL LOAN PROGRAM

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INDIVIDUAL LEDGERS

P1043816

05/26/15 16:07:38

Account Name	P.O. BOX	Note/Maturity date	12/23/09 05/26/10	CENSUS NUMBER	
Address		Date Assigned	NA	TYPE OF LOAN	PERSONAL
City/State/Zip	SAINT MICHAELS AZ 86511	Date Purchased	12/23/09	AGENCY	FORT DEFIANCE
Home Phone	(505)	Assigned To	NA	LOAN OFFICER	DBEGAY
Type	LOAN WEEKLY	Purchased From	NA	COSIGNOR NAME	NA
Amount Financed	\$1,060.00	Principal Purch.	\$1,060.00	COSIGNOR SS#	NA
Finance Charge	\$47.25	Price Paid	\$1,060.00	COSIGNOR	NA
Total Payments	\$1,107.25			AB# FOR NN	NA
Number of Payments	20	Rate	0.0000	BASIC / DELUXE	NA
Amount of Payment	\$55.38	Daily	0.0000	STATUS OF LOAN	CT JUDGMENT
Late Charge Amt	\$0.00	Other Phone	(928)	Collateral Type	UNSECURED
Property Description: CHARGE-OFF ON 11-30-11					

COST 1	COST 2	COST 3	COST 4	COST 5	PPFEES
0.00	0.00	0.00	0.00	0.00	50.00-

PAYMENT SCHEDULE

Date Received	Paid To	Amount Received	Late Charge	NSF Paid	Interest Charge	Prin Applied	Prin Balance	PPFEE
12/23/09	12/23/09						1060.00	
01/22/10	01/20/10						1060.00	RATE CHANGE/AC
01/22/10	01/20/10	55.00				55.00	1005.00	CURTAILMENT-P
01/22/10	01/20/10	0.38			0.38		1005.00	
04/28/10	01/27/10						1005.00	RATE CHANGE/AC
04/28/10	01/27/10	5.00				5.00	1000.00	CASH RECEIPT T
04/28/10	01/27/10	75.38	25.00		50.38		1000.00	CASH RECEIPT T
04/28/10	02/03/10	80.38	25.00		8.99	46.39	953.61	CASH RECEIPT T
04/28/10	02/10/10	55.38				55.38	898.23	CASH RECEIPT T
04/28/10	02/17/10	55.38				55.38	842.85	CASH RECEIPT T
04/28/10	02/24/10	55.38				55.38	787.47	CASH RECEIPT T
04/28/10	03/03/10	80.38	25.00			55.38	732.09	CASH RECEIPT T
04/28/10	03/10/10	29.72				29.72	702.37	CASH RECEIPT T
04/28/10	03/03/10	29.72-				29.72-	732.09	RETURNED ITEMS
04/28/10	02/24/10	80.38-	25.00-			55.38-	787.47	RETURNED ITEMS
04/28/10	02/17/10	55.38-				55.38-	842.85	RETURNED ITEMS
04/28/10	02/10/10	55.38-				55.38-	898.23	RETURNED ITEMS
04/28/10	02/03/10	55.38-				55.38-	953.61	RETURNED ITEMS
04/28/10	01/27/10	80.38-	25.00-		8.99-	46.39-	1000.00	RETURNED ITEMS
04/28/10	01/27/10	75.38-	25.00-		50.38-		1000.00	RETURNED ITEMS
01/22/10	01/20/10	5.00-				5.00-	1005.00	RETURNED ITEMS
06/28/10	01/27/10						1005.00	RATE CHANGE/AC
06/14/11	01/27/10	50.00-					1005.00	50.00- IMPOUND DISBUR

PERSONAL LOAN PROGRAM

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INDIVIDUAL LEDGERS

P1043816

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PAYMENT SCHEDULE

Date Received	Paid To	Amount Received	Late Charge	NSF Paid	Interest Charge	Prin Applied	Prin Balance	PPFEE
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STATISTICS:

Accrued To Last

Today

This Year

Overall

Next Due 01/27/10

Principal Balance		\$1,005.00	Principal Paid	\$0.00	\$55.00
Unpaid Late Charges	\$150.00	\$150.00	Adjustments Made	\$0.00	\$0.00
Unpaid NSF Charges	\$35.00	\$35.00	Late Charges Paid	\$0.00	\$0.00
Unpaid Interest	\$132.86	\$132.86	NSF Charges Paid	\$0.00	\$0.00
Payment(s) Due		\$1,322.86	Interest Paid	\$0.00	\$0.38
Payoff Today		\$1,322.86	Total	\$0.00	\$55.38

PROMISSORY NOTE
CREDIT SERVICES DEPARTMENT
P.O. Box 2405
Window Rock, Arizona 86515
Creditor: Navajo Tribe, Navajo Nation

LOAN NO. P0943816

Date: December 23, 2009

ANNUAL PERCENTAGE RATE The cost of Your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost You.	AMOUNT FINANCED The amount of credit provided to You, including Loan Closing Fee.	REPAYMENTS The amount You will have paid after You have made all Your payments as scheduled.
17%	\$47.25	\$1,060.00	\$1,107.25

Your payment scheduled will be: **WEEKLY PAYMENTS OF \$47.25 BEGINNING JANUARY 20, 2010**

Number of Payments 19 01	Amount of Payments \$55.38 \$55.03	When Payments are Due WEEKLY LAST PAYMENT
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THIS LOAN SHALL BE PAID IN FULL ON OR BEFORE MAY 26, 2010.

For value received, the undersigned (jointly and severally, "Borrower") promises to pay to the order of CREDIT SERVICES DEPARTMENT, The Navajo Tribe, Navajo Nation, Window Rock, Arizona, the amount shown above as the Amount Financed, with simple interest thereon at the Annual Percentage Rate shown above, included in the Amount Financed, payable in accordance with the payment scheduled stated above or, if not included in the payment schedule, upon execution of this Promissory Note.

- Interest:** Loans are charge simple interest that accrue daily and Borrower is responsible for accrued interest, if loan is not paid off in time. Interest is charged based on actual payment amount and dates paid. Any unpaid balance may be paid, at any time, without penalty. Excess finance charges or excess interest charged will be refunded pro-rata.
- Late Payments and Other Fees:** Payments are due and payable as stated on the amortization schedule. Any payments received ten (10) days after the due date will be considered a Late Payment. Late Payments on Principal and Interest Due will be assessed a late payment fee of twenty five (\$25.00) per month. A sixty dollars (\$60.00) Loan Closing Fee will be included with the amount financed at the time of loan closing.
- Borrower(s) expressly agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred in collecting all amounts due to the holder hereof, whether or not suit is instituted, and if suit is instituted, attorneys' fees shall be fixed by the court sitting without jury. Any one or more of the following shall constitute an event of default hereunder: (a) failure by Borrower to pay any sum owing hereunder as agreed and when due; (b) a breach of any covenant, agreement, representation or warranty contained herein; (c) Borrower's death; (d) if any petition or application for a custodian, as defined by Title 11, United States Code (the "Bankruptcy Code"), or for any form of relief under any provision of the Bankruptcy Code or any law pertaining to the reorganization, insolvency or readjustment of debts of persons, is filed by or against Borrower(s) or the assets or affairs of Borrower(s), or if Borrower(s) makes an assignment for the benefit of creditors, admits in writing an inability to pay debts as they become due, or is adjudicated a bankrupt or insolvent; (e) if attachment, garnishment, levy, execution or any lien's issued or filed against any of the property or effects of Borrower(s).

COLLATERAL OR SECURITY: PAYROLL DEDUCTIONS THROUGH SACKED MTN HOME CARE

- If more than one person has signed this note, the liability hereunder shall be joint, several and community obligation, as appropriate, for all obligations to be performed under this, and any modification, extension or renewal thereof. Borrower(s) and Grantor agree: (a) that extension of the time of payment of all or any part of the indebtedness arising under or by virtue of this note shall not affect the liability of any party hereto, whether given with or without consent; (b) to any and all extensions or renewals hereof, from time to time without notice; (c) to any partial payments hereon made before or after maturity and (d) that no extensions, renewals or partial payments hereof shall release any of them from the obligation of full payment. It is further expressly agreed that TIME IS OF THE ESSENCE OF THIS PROMISSORY NOTE, and of all obligations arising under or pursuant hereto, but that acceptance by the holder of any performance which does not comply strictly with the terms hereof shall not be deemed to be a waiver of any right of said holder, and the failure by said holder to exercise any option or election herein given shall not constitute a waiver of a right to exercise any other option or election herein given to said holder. To the extent permitted by law, Borrower and Grantor hereby waive all valuation and appraisal rights, counterclaims, set-offs, rights of trial by jury, laws affecting full collection of this note, presentment for payment, diligence, grace, exhibition of the note or any other instrument or document contemplated hereby, protest, demand, or notice of any kind to any person. Any written notice required to be given Borrower(s) or Grantor, if mailed by ordinary mail, postage prepaid, to Borrower(s) and Grantor's respective mailing address shown on the face hereof or to the most recent addresses as shown by a "Notice of Change of Address" on file with the Navajo Tribe shall be deemed reasonable notification.
- This Agreement shall be governed by the laws of the Navajo Nation. Any provisions found to be invalid shall not invalidate the remainder hereof. All words used herein shall be construed to be of such gender and number as the circumstances require and all references herein to Borrower(s) shall include all other persons primarily or secondarily liable hereunder. This instrument shall be binding upon the heirs, personal representatives, successors and assigns of Borrower(s) and Grantor to the benefit of the Navajo Nation, its successors and assigns. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE ALTERED OR AMENDED EXCEPT BY A WRITING SIGNED BY BORROWER(S) AND THE NAVAJO TRIBE.

ITEMIZATION OF LOAN		
Amount Financed: \$1,060.00	Given to You in a form of a check: \$1,000.00	Total amount of loan including Loan Closing Fee and finance charge: \$1,107.25

I have read and understand or I have caused this contract to be read and explained to me and I agree to the terms and conditions.

Borrower [Signature] Census No. PO BOX Address St Melchor Bay Date 12/23/09

Borrower _____ Census No. _____ Address _____ Date _____

Cosignor _____ Census No. _____ Address _____ Date _____

Contract explained by: [Signature]

CREDIT SERVICES DEPARTMENT

IN THE DISTRICT COURT OF THE NAVAJO NATION
JUDICIAL DISTRICT OF WINDOW ROCK, ARIZONA

NAVAJO NATION CREDIT SERVICES
DEPARTMENT,

No. WR-SC- -10

Plaintiff,

vs.

DEFAULT JUDGMENT

Defendant.

This matter came before the court for a small claims hearing on September 13, 2010. Defendant was properly served but did not appear. The plaintiff presented evidence and moved for entry of a default judgment against the defendant. The court having considered the motion, finds that judgment should be entered against the defendant and for the plaintiff for the following amounts:

Principal loan balance remaining	\$ 1,005.00
Late payment fee	\$ 150.00
Accrued interest	\$ 132.86
Non-sufficient funds charge	\$ 35.00

Total amount of Judgment	\$ 1,322.86
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Defendant shall pay \$1,322.86 to the Plaintiff within 30 days of this judgment. Defendant's failure to satisfy this judgment may merit an Order to Show Cause to be issued against her for enforcement of the judgment, and upon conviction of willful violation of the judgment, the court may impose a jail sentence of 365 days or a fine of \$5,000.00, or both.

So Ordered on September 14th, 2010.



Judge, Window Rock District Court

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INDIVIDUAL LEDGERS

P1043718

05/26/15 16:07:46

Account Name	Note/Maturity date	12/22/09	10/13/10	CENSUS NUMBER
Address	Date Assigned	NA		TYPE OF LOAN
				PERSONAL
City/State/Zip	Date Purchased	12/22/09		AGENCY
Home Phone	Assigned To	NA		FORT DEFIANCE
Type	Purchased From	NA		LOAN OFFICER
				DBEGAY
Amount Financed	Principal Purch.	\$1,060.00		COSIGNOR NAME
Finance Charge	Price Paid	\$1,060.00		NA
Total Payments				COSIGNOR SS#
				NA
Number of Payments	Rate	0.0000		COSIGNOR
	Daily	0.0000		NA
Amount of Payment	Other Phone	(505)		AB# FOR NN
Late Charge Amt				NA
				BASIC / DELUXE
				NA
Property Description: CHARGE-OFF ON 11-30-11				STATUS OF LOAN
				CT JUDGMENT
				Collateral Type
				UNSECURED

COST 1	COST 2	COST 3	COST 4	COST 5	PPFEES
0.00	0.00	0.00	0.00	0.00	110.00-

PAYMENT SCHEDULE								
Date Received	Paid To	Amount Received	Late Charge	NSF Paid	Interest Charge	Prin Applied	Prin Balance	PPFEE
12/22/09	12/22/09						1060.00	
01/21/10	01/20/10						1060.00	RATE CHANGE/AC
01/22/10	01/20/10						1060.00	RATE CHANGE/AC
01/22/10	01/20/10	55.00				55.00	1005.00	CURTAILMENT-P
01/22/10	01/20/10	2.12			2.12		1005.00	
04/28/10	02/03/10						1005.00	RATE CHANGE/AC
04/28/10	02/03/10	5.00				5.00	1000.00	CASH RECEIPT T
04/28/10	02/03/10	77.12	25.00		52.12		1000.00	CASH RECEIPT T
04/28/10	02/17/10	57.12			6.00	51.12	948.88	CASH RECEIPT T
04/28/10	03/03/10	82.12	25.00			57.12	891.76	CASH RECEIPT T
04/28/10	03/17/10	15.64				15.64	876.12	CASH RECEIPT T
04/28/10	03/03/10	15.64-				15.64-	891.76	RETURNED ITEMS
04/28/10	02/17/10	82.12-	25.00-			57.12-	948.88	RETURNED ITEMS
04/28/10	02/03/10	57.12-			6.00-	51.12-	1000.00	RETURNED ITEMS
04/28/10	02/03/10	77.12-	25.00-		52.12-		1000.00	RETURNED ITEMS
01/22/10	01/20/10	5.00-				5.00-	1005.00	RETURNED ITEMS
05/24/10	02/03/10						1005.00	RATE CHANGE/AC
07/12/10	02/03/10	90.86-					1005.00	90.86- IMPOUND DISBUR
07/02/10	02/03/10	5.00				5.00	1000.00	CURTAILMENT-P
07/02/10	02/03/10	90.86					1000.00	90.86
07/02/10	02/17/10	141.14	125.00		16.14		1000.00	
06/14/11	02/17/10	50.00-					1000.00	50.00- IMPOUND DISBUR
11/14/12	02/17/10	30.00-					1000.00	30.00- IMPOUND DISBUR
01/29/13	02/17/10	30.00-					1000.00	30.00- IMPOUND DISBUR

PERSONAL LOAN PROGRAM

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03

INDIVIDUAL LEDGERS

P1043718

05/26/15 16:07:46

PAYMENT SCHEDULE

Date Received	Paid To	Amount Received	Late Charge	NSF Paid	Interest Charge	Prin Applied	Prin Balance	PPFEE
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STATISTICS:

Accrued To Last

Today

This Year

Overall

Next Due 03/03/10

Principal Balance		\$1,000.00	Principal Paid	\$0.00	\$60.00
Unpaid Late Charges	\$0.00	\$0.00	Adjustments Made	\$0.00	\$0.00
Unpaid NSF Charges	\$0.00	\$0.00	Late Charges Paid	\$0.00	\$125.00
Unpaid Interest	\$99.09	\$99.09	NSF Charges Paid	\$0.00	\$0.00
Payment(s) Due		\$1,099.09	Interest Paid	\$0.00	\$18.26
Payoff Today		\$1,099.09	Total	\$0.00	\$203.26

PROMISSORY NOTE
CREDIT SERVICES DEPARTMENT
P.O. Box 2405
Window Rock, Arizona 86515
Creditor: Navajo Tribe, Navajo Nation

LOAN NO. **P1043718**

Date: **December 22, 2009**

ANNUAL PERCENTAGE RATE The cost of Your credit as a yearly rate. <p style="text-align: center;">17%</p>	MONTHLY PAYMENT The dollar amount the credit will cost You. <p style="text-align: center;">\$ 81.82</p>	AMOUNT FINANCED The amount of credit provided to You, including Loan Closing Fee. <p style="text-align: center;">\$ 1,060.00</p>	AMOUNT PAID The amount You will have paid after You have made all Your payments as scheduled. <p style="text-align: center;">\$ 1,141.82</p>
Your payment scheduled will be: Number of Payments 19 01 <div style="display: flex; justify-content: space-between;"><div>BI-WEEKLY PAYMENTS OF \$57.12 BEGINNING JANUARY 20, 2010</div><div>When Payments are Due</div></div> <div style="display: flex; justify-content: space-between;"><div>Amount of Payments</div><div>BI-WEEKLY</div></div> <div style="display: flex; justify-content: space-between;"><div>\$ 57.12</div><div>LAST PAYMENT</div></div> <div style="display: flex; justify-content: space-between;"><div>\$ 56.54</div><div></div></div>			
THIS LOAN SHALL BE PAID IN FULL ON OR BEFORE OCTOBER 13, 2010			

For value received, the undersigned (jointly and severally, "Borrower") promises to pay to the order of CREDIT SERVICES DEPARTMENT, The Navajo Tribe, Navajo Nation, Window Rock, Arizona, the amount shown above as the Amount Financed, with simple interest thereon at the Annual Percentage Rate shown above, included in the Amount Financed, payable in accordance with the payment scheduled stated above or, if not included in the payment schedule, upon execution of this Promissory Note.

1. **Interest:** Loans are charged simple interest that accrue daily and Borrower is responsible for accrued interest, if loan is not paid off in time. Interest is charged based on actual payment amounts and dates paid. Any unpaid balance may be paid, at any time, without penalty. Excess finance charges or excess interest charged will be refunded pro-rata.
2. **Late Payments and Other Fees:** Payments are due and payable as stated on the amortization schedule. Any payments received ten (10) days after the due date will be considered a Late Payment. Late Payments on Principal and Interest Due will be assessed a late payment fee of twenty five (\$25.00) per month. A sixty dollar (\$60.00) Loan Closing Fee will be included with the amount financed at the time of loan closing.
3. Borrower(s) expressly agree to pay all costs and expenses (including reasonable attorneys' fees) incurred in collecting all amounts due to the holder hereof, whether or not suit is instituted, and if suit is instituted, attorneys' fees shall be fixed by the court sitting without jury. Any one or more of the following shall constitute an event of default hereunder: (a) failure by Borrower to pay any sum owing hereunder as agreed and when due; (b) a breach of any covenant, agreement, representation or warranty contained herein; (c) Borrower's death; (d) if any petition or application for a custodian, as defined by Title 11, United States Code (the "Bankruptcy Code"), or for any form of relief under any provision of the Bankruptcy Code or any law pertaining to the reorganization, insolvency or readjustment of debts of persons, is filed by or against Borrower(s) or the assets or affairs of Borrower(s), or if Borrower(s) makes an assignment for the benefit of creditors, admits in writing an inability to pay debts as they become due, or is adjudicated a bankrupt or insolvent; (e) if attachment, garnishment, levy, execution or any lien's issued or filed against any of the property or effects of Borrower(s).

COLLATERAL OR SECURITY: PAYROLL DEDUCTIONS THROUGH-SACRED MOUNTAIN HOME -DEPT #

4. If more than one person has signed this note, the liability hereunder shall be joint, several and community obligation, as appropriate, for all obligations to be performed under this, and any modification, extension or renewal thereof. Borrower(s) and Grantor agree: (a) that extension of the time of payment of all or any part of the indebtedness arising under or by virtue of this note shall not affect the liability of any party hereto, whether given with or without consent; (b) to any and all extensions or renewals hereof, from time to time without notice; (c) to any partial payments hereon made before or after maturity and (d) that no extensions, renewals or partial payments hereof shall release any of them from the obligation of full payment. It is further expressly agreed that TIME IS OF THE ESSENCE OF THIS PROMISSORY NOTE, and of all obligations arising under or pursuant hereto, but that acceptance by the holder of any performance which does not comply strictly with the terms hereof shall not be deemed to be a waiver of any right of said holder, and the failure by said holder to exercise any option or election herein given shall not constitute a waiver of a right to exercise any other option or election herein given to said holder. To the extent permitted by law, Borrower and Grantor hereby waive all valuation and appraisal rights, counterclaims, set-offs, rights of trial by jury, laws affecting full collection of this note, presentment for payment, diligence, grace, exhibition of the note or any other instrument or document contemplated hereby, protest, demand, or notice of any kind to any person. Any written notice required to be given Borrower(s) or Grantor, if mailed by ordinary mail, postage prepaid, to Borrower(s) and Grantor's respective mailing address shown on the face hereof or to the most recent addresses as shown by a "Notice of Change of Address" on file with the Navajo Tribe shall be deemed reasonable notification.
5. This Agreement shall be governed by the laws of the Navajo Nation. Any provisions found to be invalid shall not invalidate the remainder hereof. All words used herein shall be construed to be of such gender and number as the circumstances require and all references herein to Borrower(s) shall include all other persons primarily or secondarily liable hereunder. This instrument shall be binding upon the heirs, personal representatives, successors and assigns of Borrower(s) and Grantor to the benefit of the Navajo Nation, its successors and assigns. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE ALTERED OR AMENDED EXCEPT BY A WRITING SIGNED BY BORROWER(S) AND THE NAVAJO TRIBE.

ITEMIZATION OF LOAN		
Amount Financed: \$ 1,060.00	Given to You in a form of a check: \$ 1,000.00	Total amount of loan including Loan Closing Fee and finance charge: \$1,141.82

I have read and understand or I have caused this contract to be read and explained to me and I agree to the terms and conditions.

Borrower	Census No.	Address	Date
Borrower	Census No.	Address	Date
Cosignor	Census No.	Address	Date
Contract explained by: CREDIT SERVICES DEPARTMENT			

PO BOX St. Michaels, AZ 12-22-09

IN THE DISTRICT COURT OF THE NAVAJO NATION
JUDICIAL DISTRICT OF WINDOW ROCK, ARIZONA

NAVAJO NATION CREDIT SERVICES
DEPARTMENT,

No. WR-SC- 10

Plaintiff,

vs.

DEFAULT JUDGMENT


Defendant.

This matter came before the court for a small claims hearing on June 21, 2010. The plaintiff appeared with counsel. The defendant did not appear although he was properly served. The plaintiff presented evidence, and made an oral motion for entry of a default judgment against the defendant. The court hereby enters a default judgment against the defendant for the following amounts:

Principal balance remaining	\$ 1,005.00
Late payment fee	\$ 125.00
Accrued interest	\$ 115.23
Non-sufficient funds (NSF)	\$ 35.00
Private Process Server fee	\$ 90.86
 Total amount of Judgment	 \$ 1,371.09

Defendant shall pay \$1,371.09 to the Plaintiff within thirty (30) days.

So Ordered on June 21st, 2010.



Judge, Window Rock District Court

Document No. 004176Date Issued: 06/12/2015**SECTION 164 REVIEW FORM**Title of Document: Write Off of Loan Accounts (2) Contact Name: JONES, SHAWNA R.Program/Division: OFFICE OF THE CONTROLLEREmail: sjones@nnooc.org Phone Number: 928.871.7348

Division Director Approval for 164A: _____

Check document category; only submit to category reviewers. Each reviewer has a maximum 7 working days, except Business Regulatory Department which has 2 days, to review and determine whether the document(s) are sufficient or insufficient. If deemed insufficient, a memorandum explaining the insufficiency of the document(s) is required.

Section 164(A) Final approval rests with Legislative Standing Committee(s) or Council

☐ **Statement of Policy or Positive Law:** Sufficient Insufficient
 1. OAG: _____ Date: _____ ☐ ☐

☒ **IGA, Budget Resolutions, Budget Reallocations or amendments: (OMB and Controller sign ONLY if document expends or receives funds)**

1. OMB: N/A Date: _____ ☐ ☐
 2. OOC: Rob Williams Date: 6-23-15 ☒ ☐
 3. OAG: [Signature] Date: 7-23-15 ☐ ☒

sufficient need 9/14/15

Section 164(B) Final approval rests with the President of the Navajo Nation

☐ **Grant/Funding Agreement or amendment:**
 1. Division: _____ Date: _____ ☐ ☐
 2. OMB: _____ Date: _____ ☐ ☐
 3. OOC: _____ Date: _____ ☐ ☐
 4. OAG: _____ Date: _____ ☐ ☐

☐ **Subcontract/Contract expending or receiving funds or amendment:**
 1. Division: _____ Date: _____ ☐ ☐
 2. BRD: _____ Date: _____ ☐ ☐
 3. OMB: _____ Date: _____ ☐ ☐
 4. OOC: _____ Date: _____ ☐ ☐
 5. OAG: _____ Date: _____ ☐ ☐

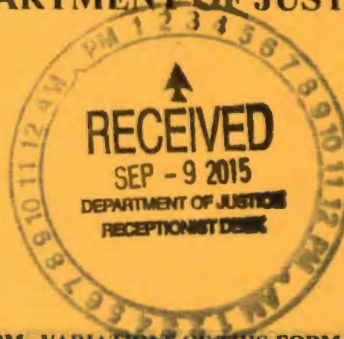
☐ **Letter of Assurance/M.O.A./M.O.U./Other agreement not expending funds or amendment:**
 1. Division: _____ Date: _____ ☐ ☐
 2. OAG: _____ Date: _____ ☐ ☐

☐ **M.O.A. or Letter of Assurance expending or receiving funds or amendment:**
 1. Division: _____ Date: _____ ☐ ☐
 2. OMB: _____ Date: _____ ☐ ☐
 3. OOC: _____ Date: _____ ☐ ☐
 4. OAG: _____ Date: _____ ☐ ☐



NAVAJO NATION DEPARTMENT OF JUSTICE

DOCUMENT REVIEW REQUEST FORM



DOJ
9/9/15 2:39
DATE / TIME
<input type="checkbox"/> 7 Day Deadline
DOC #: 004176
SAS #:
UNIT: T&FU

☒ RESUBMITTAL

06/04/15

*** FOR NNDOJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE

DATE OF REQUEST:	9/9/2015	DIVISION:	Office of the Controller
CONTACT NAME:	Shawna Jones	DEPARTMENT:	Credit Services
PHONE NUMBER:	928-871-7348	E-MAIL:	sjones@nnooc.org

TITLE OF DOCUMENT: Doc No. 004176 164 Review Form; Request to Write-Off Accounts under the Personal Loan Program

DOJ SECRETARY TO COMPLETE

DATE/TIME IN UNIT: REVIEWING ATTORNEY/ADVOCATE:

DATE TIME OUT OF UNIT:

DOJ ATTORNEY / ADVOCATE COMMENTS

Legally Sufficient.

REVIEWED BY: (Print)	Date / Time	SURNAMED BY: (Print)	Date / Time
Kal Pool	9/14/15 10:00AM	Paul Spivey	9/14/15 12:15PM

DOJ Secretary Called: for Document Pick Up on at By:

PICKED UP BY: (Print) DATE / TIME:

NNDOJ/DRRF-July 2013


Sponsor's Copy

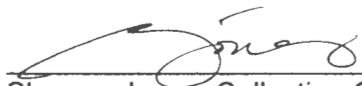


Louise Johnson, Credit Manager

MEMORANDUM

TO : Kristen A. Lowell, Attorney
Tax and Finance Unit

THROUGH : 
Louise Johnson, Credit Manager
Credit Services Department

FROM : 
Shawna Jones, Collection Officer
Credit Services Department

DATE : September 9, 2015

SUBJECT : **Doc No. 004176 – Request to Write-Off two (2) Personal Loan Accounts under the Personal Loan Program of Credit Services**

Overall Collection Statistics:

Collection Letters Sent.....14	Phone Contacts.....41
Field Contacts.....07	Office Visits.....00
Skip Traces Performed.....04	New Payment Agreements.....00

Numerous collection attempts were made to no avail through letters, calls, field contact and skip traces. The loan accounts are more than one hundred eighty (180) calendar days in default. Due to unsecured loans, lack of information, and the inability to contact the original borrowers, the Navajo Nation Credit Services Department has exhausted all collections efforts to recoup the monies outstanding to the Navajo Nation.

Post Default Judgments Collection Statistics:

1. Borrower One:
Collection Letters Sent.....01 Phone Contacts.....06
Field Contacts.....01
2. Borrower Two:
Collection Letters Sent.....01 Phone Contacts.....16
Field Contacts.....01

Conclusion:

The two borrowers are related and ran a business in Window Rock, Arizona for a short time and has been closed and vacant for several years now. The last known place of residence is that of

their family members and they will not provide any information to locating both borrowers. The last known mailing address for a US Postal box in St. Michaels, AZ has been closed and vacant with no forwarding address available. All contact numbers have been changed including their personal references. We have ran a few skip traces via TransUnion for possible new information; however, these borrowers had not applied for any new credit since their loan accounts were initiated. Our staff advocates have tried filing Order to Show Cause complaints all to no response or action. Bench warrants were ordered for both borrowers; but, our last staff advocate dismissed the bench warrants. It was during our last meeting with our staff advocate that these two past statute loan accounts have been fully exhausted with all collection measures and deemed uncollectible.

Therefore, it is my recommendation as Collection Officer to request for full Write-Off of both these accounts pursuant to the Navajo Nation Personal Loan Program Policies and Guidelines Section 14 (A) & (D).

If you have any questions or need additional information, please contact the Credit Manager or myself at (928) 871-6749.

Attachment(s):
xc: Chrono: sj

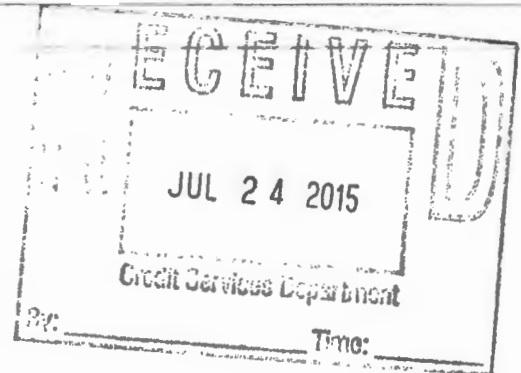


NAVAJO NATION DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

ETHEL BILLIE BRANCH
Acting ATTORNEY GENERAL

MEMORANDUM

TO: Shawna Jones, Collection Officer
Credit Services Department
Division of Finance



THROUGH: Rodgerick Begay
Rodgerick Begay, Acting Deputy Attorney General
Office of the Attorney General

FROM: Kristen A. Lowell
Kristen A. Lowell, Attorney
Tax and Finance Unit

DATE: July 23, 2015

SUBJECT: **Doc No. 004176 – Request to Write-Off Accounts under the Personal Loan Program**

I have reviewed your request to write-off two loans under the Personal Loan Program. At this point, I have determined the findings are not legally sufficient. I am requesting that you include more detail describing the collection efforts taken once the default judgments were obtained and why the debts have been determined to be uncollectible.

Write-off procedures are governed by Section 14 of the Personal Loan Program. Subsection A provides: “[a] Write-Off on a loan account shall be initiated by the Collection Officer when a loan is determined uncollectible, and all collection efforts have been exhausted or when a settlement agreement between the Borrower(s) and the Department has been entered into to reduce the amount of debt in order to collect at least part of the amount due and owing on the loan. Additionally, subsection D lists the factors that may be considered when evaluating whether an account qualifies for a write-off. These factors include, “disability, death, bankruptcy, a new payment agreement, payment history, maturity date of the loan agreement, employment status, current value of pledged property, interest paid, reason for delinquency, or the Borrower(s) financial circumstances.”

Your memo indicates that default judgments have been obtained in small claims proceedings and that the accounts have exceeded their maturity dates. In order to comply with Section 14,

Memorandum to: Shawna Jones, Collection Officer

RE: Doc No. 004176 – Request to Write-Off Accounts under the Personal Loan Program

July 23, 2015

Page 2

subsection A, the Collection Officer must make a determination that the loan is uncollectible through exhaustion of collection efforts or when a settlement agreement has been reached. Please describe what collection efforts were taken after the default judgements were recorded and the result of those efforts. Also, please list any other factors used in evaluating the loans for write-off.

KAL/



NAVAJO NATION DEPARTMENT OF JUSTICE

DOCUMENT REVIEW REQUEST FORM



DOJ	
6-24-15	4:01pm
DATE / TIME	
<input type="checkbox"/> 7 Day Deadline	
DOC #:	004176
SAS #:	
UNIT:	TEFA

☐ RESUBMITTAL

*** FOR NNDJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE			
DATE OF REQUEST:	6/24/2015	DIVISION:	Office of the Controller
CONTACT NAME:	Shawna Jones	DEPARTMENT:	Credit Services
PHONE NUMBER:	871-7348	E-MAIL:	sjones@nnooc.org
TITLE OF DOCUMENT: <i>Review Request to write-off two (2) loan accounts under the Personal Loan Program</i>			
DOJ SECRETARY TO COMPLETE			
DATE/TIME IN UNIT:	REVIEWING ATTORNEY/ADVOCATE:		
	<i>Kristen</i>		
DATE TIME OUT UNIT:	DOJ ATTORNEY / ADVOCATE COMMENTS		
	<i>Not legally sufficient. See memo.</i>		
REVIEWED BY: (Print)	Date / Time	SURNAMED BY: (Print)	Date / Time
<i>KA Lowell</i>	<i>7/23/15 9:30AM</i>	<i>Red Begay</i>	<i>7-23-15 3:12p</i>
DOJ Secretary Called: <i>Yolanda</i> for Document Pick Up on <i>7/24/15</i> at <i>2:06pm</i> By: <i>an</i>			
PICKED UP BY: (Print)		DATE / TIME:	

NNDJ/DRRF-July 2013

*Not legally
sufficient.*

Sponsor's COPY

23rd NAVAJO NATION COUNCIL

First Year 2015

Mr. Speaker:


The **BUDGET & FINANCE COMMITTEE** to whom has been assigned

NAVAJO LEGISLATIVE BILL # 0337-15:

An Action Relating to Budget and Finance; Approving the Write-off of \$2,581.95 in Personal Loans from the Personal Loan Program Administered by the Navajo Nation Credit Services Department *Sponsored by Jonathan L. Hale, Council Delegate*

has had it under consideration and reports the same with the recommendation that It **Do Pass** without amendment.

Respectfully submitted,


Dwight Witherspoon, Vice Chairman

Adopted: 
Legislative Advisor

Not Adopted: _____
Legislative Advisor

13 October 2015

The vote was **4** in favor **0** opposed
Absent: Mel R. Begay