

RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
OF THE 23RD NAVAJO NATION COUNCIL --- FIRST YEAR, 2015

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT; CERTIFYING THE NAZLINI
CHAPTER'S FIVE MANAGEMENT SYSTEM POLICIES AND PROCEDURES

BE IT ENACTED:

Section One. Findings

- A. The Resources and Development Committee of the Navajo Nation Council, pursuant to 2 N.N.C. §501(B)(2)(d), 26 N.N.C. §102 and CO-45-12 Section 5(B), upon recommendation by the Auditor General's office, shall certify a chapter's Five Management System Policies and Procedures.
- B. The Auditor General's office has recommended certification of Nazlini Chapter's Five Management System Policies and Procedures.
- C. The Navajo Nation Council's Resources and Development Committee hereby finds that the Nazlini Chapter's Five Management Systems Policies and Procedures adopted by resolution of the Nazlini Chapter appear sufficient, if properly administered, to provide accountability in the five management areas of accounting, procurement, record keeping, personnel and property management, consistent with the Local Governance Act, 26 N.N.C. § 101, et seq. Attached as Exhibit A is the Office of the Auditor General's memorandum recommending governance certification of Nazlini Chapter.

Section Two. Certification

The Navajo Nation Council's Resource and Development Committee hereby certifies the Nazlini Chapter's Five Management System Policies and Procedures, attached as Exhibit B.

Section Three. Office of the Auditor General Directed to Conduct Review

The Navajo Nation Council's Resource and Development Committee hereby directs the Office of the Auditor General to conduct a review of Nazlini Chapter within one year of the date of passage of this resolution and to provide a written report to the Resources and Development Committee regarding the manner in which the Nazlini Chapter is operating pursuant to the Governance Certified Five Management System Policies and Procedures.

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Resources and Development Committee of the 23rd Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which quorum was present and that same was passed by a vote of 3 in favor, 0 opposed, 0 abstain this 17th day of February, 2015.

A handwritten signature in blue ink, appearing to read 'Alton Joe Shepherd', is written over a light blue rectangular background.

Alton Joe Shepherd, Chairperson
Resources and Development Committee

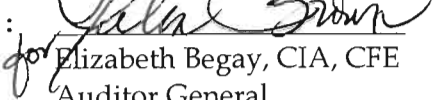
Motion: Honorable Davis Filfred
Second: Honorable Benjamin Bennett



M-E-M-O-R-A-N-D-U-M

Audit Report No. 15-04

TO : Chairperson and Members
RESOURCES AND DEVELOPMENT COMMITTEE

FROM : 
Elizabeth Begay, CIA, CFE
Auditor General
OFFICE OF THE AUDITOR GENERAL

DATE : December 8, 2014

SUBJECT : Recommending governance certification of the Nazlini Chapter
within the meaning of 26 N.N.C. Section 102

Scope, Objectives and Methodology:

The Office of the Auditor General, in conjunction with REDW LLP, Certified Public Accountants have reviewed the Nazlini Chapter's Five Management System for the three month period ending March 31, 2014. The purpose of the review was to determine whether Nazlini Chapter (Chapter) has met the objectives of a five management system, as defined by 26 Navajo Nation Code (N.N.C.), the Local Governance Act.

The review included obtaining an understanding of the internal control policies and procedures established by the Chapter's Five Management System, evaluating the design effectiveness of the internal control procedures, determining whether such procedures have been placed in operation and other procedures we consider necessary to form a conclusion on whether the Chapter has met the objectives of a five management system.

The Navajo Nation Local Governance Act, 26 N.N.C., defines a five management system to include accounting, procurement, record keeping, personnel, and property management. During our review, we evaluated Nazlini Chapter's achievement of its Five Management System objectives in the areas of financial reporting, safeguarding of assets and compliance with laws and regulations. Our review did not include an evaluation of Nazlini Chapter's operational effectiveness and efficiency beyond the five management system. Consequently, we provide no conclusion regarding the effectiveness and efficiency of the overall Chapter operations.



Memo to Resources and Development Committee

Page 2

Background:

26 N.N.C. §101 requires chapter management to establish a five management system that provides reasonable assurance that:

- Financial transactions are authorized, valid and properly recorded to permit the preparation of basic financial statements and other financial reports.
- Assets are safeguarded against loss from unauthorized disposition or use.
- Chapter activities in the areas addressed by its five management system comply with applicable laws and regulations.

Review Results:

The review noted no material weaknesses involving the Nazlini Chapter Five Management System and its operation. A material weakness is defined as a condition in which the design or operation of one or more management control does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Auditing standards require us to note that an examination of this type does not necessarily disclose all matters in internal control that might be material weaknesses.

Accounting System:

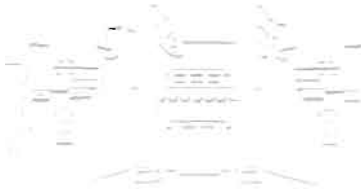
Nazlini Chapter's financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. We conclude that the Chapter's financial reporting is reliable and accurate for the purposes of the Chapter's current operations.

Conclusion:

Nazlini Chapter Five Management System provides reasonable assurance that financial reporting is reliable and accurate, assets are safeguarded from loss and applicable laws and regulations are complied with. Therefore, we recommend that the Resources and Development Committee approve Nazlini Chapter for governance certification within the meaning of 26 N.N.C. §102.

Limitations of a Five Management System:

Although we conclude that Nazlini Chapter currently has an adequate five management system for financial reporting, safeguarding of assets or compliance with laws and regulations, we must note that any control system can only provide reasonable, not absolute, assurance that the Chapter will achieve its management system objectives. No control system can prevent all problems. In addition, the effectiveness of a control system changes over time.



Memo to Resources and Development Committee
Page 3

Maintaining an adequate five management system designed to fulfill control objectives is the responsibility of Nazlini Chapter management. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, controls that are effective now may later become deficient because of the performance of those responsible for applying them. Finally, future changes in the Chapter organization may reduce the effectiveness of the controls established by the Chapter's Five Management System.

This report is intended solely for the information and use by the Resources and Development Committee of the Navajo Nation Council, Nazlini Chapter and others within the Navajo Nation Government for the purpose of governance certification under the Local Governance Act. This report is not intended to be and should not be used by anyone other than these specified parties.

xc: Johnson Claw, President
Joseph Dedman Jr., Vice President
Joann Dedman, Secretary/Treasurer
Judy Donaldson, Community Services Coordinator
Kee Allen Begay Jr., Council Delegate
NAZLINI CHAPTER
Chrono

NAZLINI CHAPTER

FIVE
MANAGEMENT
SYSTEM
2014



NAZLINI CHAPTER GOVERNMENT



ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
COORDINATOR



December 01, 2011

Elizabeth Begay, Acting Auditor General
Navajo Nation Office of the Auditor General
P. O. Box 708
Window Rock, AZ 86515

Subject: Request for Local Governance Act Certification Review

Dear Ms. Begay:

The Nazlini Chapter appreciates meeting and communicating with you the past several months; and especially your willingness to work with us directly on the Chapter's FMS Manual and relative FMS implementation issues.

The Nazlini Chapter Officials and Staff met with you on the Nazlini Chapter's submittal its FMS Manual as adopted by Nazlini Chapter Resolution NAZL-2010-08-052 in August of 2010 for review by your Office of the Auditor General. It was understood that the Chinle Agency Local Governance Support Center (LGSC) had assisted in submittal of the FMS Manual, Chapter Resolution and an Affidavit. The Chapter Officials and Staff acknowledged that there were some missing pages and inaccuracies in the submitted FMS Manual.

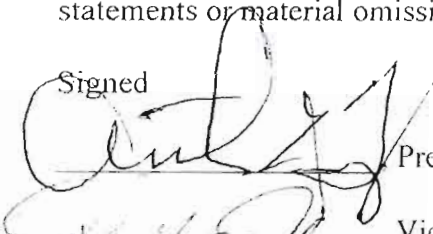
The concerns and issues was addressed by your indicating that the Navajo Nation Department of Justice final version (per cover letter from Brian L. Lewis, Attorney dated November 29, 2010 and Attorney General's Opinion of April 16, 2010) of the standard FMS policies and procedures should be adopted for use as there was minimal difference with the one submitted by the Chapter previously.

Accordingly, the Nazlini Chapter by Resolution NAZL-2011-08-029 Approved and Reaffirmed the Model Five Management System Manual for Nazlini Chapter on August 19, 2011. The Nazlini Chapter has also been addressing the internal deficiencies issued by your office on March 31, 2008 with the 11 page attachment. The Chapter has taken steps to alleviate the deficiencies and evaluated the implementation of the FMS policies and procedures to provide the basis for reasonable assurance for proper accountability and fiscal responsibility.

Sworn Declaration/Affidavit of Chapter.

We, the elected officials of the Chapter swear and affirm under oath that the Chapter has adopted the Standard Five Management System produced by the Navajo Nation Department of Justice. We have not made any legally material alterations to the Standard Five Management System manuals produced by the Navajo Nation Department of Justice. We swear and affirm this with knowledge and understanding that criminal and civil legal penalties may result for false statements or material omissions related to this Declaration/Affidavit.


Signed



President



Vice President



Secretary/Treasurer



NAZLINI CHAPTER GOVERNMENT
CHINLE AGENCY
MEETING REPORT FORM FY' 2010

[] PLANNING MEETING [] SPECIAL MEETING [☒] REGULAR MEETING

DATE: 9/23/10 TIME: START: 5:00 QUORUM: 5/10

POSITION:

NAME:

PRESENT/ABSENT:

PRESIDENT:

Arthur E. Tracy, Sr.

Present

VICE PRESIDENT:

Joseph Dedman, Jr.

Present

SECRETARY:

JoAnn Dedman

Present

COUNCIL DELEGATE:

Johnny Naize

Present

GRAZING REP:

Irvin Shirley

Present

COORDINATOR:

Alfred L. Yazzie

Present

GOVERNMENTAL OFFICIALS/VISITORS:

NAME & SIGNATURE

PROGRAM/DEPARTMENT/BUSINESS

1. [Signature]
2. Judy Tressie / Judy Dore
3. JAMES D. DAVIS
4.

CHR - Nazlini Chapter
PHH

AGENDA

- | | |
|-----------------------------|-----------------|
| 1. Call to Order/Invocation | 4. Old Business |
| 2. Minutes/Agenda Approval | 5. New Business |
| 3. Reports | 6. Others |

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PRESIDENT'S SIGNATURE

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VICE PRESIDENT'S SIGNATURE

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COORDINATOR'S SIGNATURE

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GRAZING REP'S SIGNATURE

NEXT PLANNING: CHAPTER MEETING: ☒ ON: 10/1/10 TIME: 5:00

SIGN-IN-SHEET



CHAPTER NAZLINI

TYPE OF MEETING: REGULAR CHAPTER MEETING

DATE: 8-19-11

"A Legal Quorum is 25 Registered Vote"

1. PRESIDENT: ARTHUR E TRACY
2. VICE-PRESIDENT: [Signature]
3. SECRETARY/TREASURER: [Signature]
4. GRAZING MEMBER/BOARD: GR B. SHAW
5. COUNCIL DELEGATE: [Signature]
6. Anna Dickman
7. Teresa Augustine
8. Eula A. Begay
9. Judy Trosic - C HR
10. Reed Birt
11. Edna Herman
12. Patrick Hardy
13. Kath Robertson
14. Alma Berg
15. Willie V. Rheaume
16. Gracie Jones
17. Larry Belen
18. Minnie Gorman
19. Minnie Wanka
20. Raymond Anderson Jr
21. Charlie Hubbard
22. Frank C. Brown
23. [Signature]
24. Rosemary Van Winkle
25. Frank Wells
26. J. DAVIS, PUBLIC HEALTH

27. Irma D. Lee
28. Peggie Hastie
29. Alfred L. Jorgensen
30. Ray Wells, Jr.
31. Bill Wanka
32. Samuel Groggi
33. Michael William
34. James Foster
35. Norman T. Jorgensen
36. Clare Penning
37. George Beatty Sr
38. Orville Wallace
39. Harve Dedman
40. Joseph Curley
41. Mersey K...
42. [Signature]
43. Marion Salomon
44. George Gorman
45. Frank K...
46. Ann K...
47. [Signature]
48. Gene T...
49. Irma D. Lee
50. Glenn Shuf...
51. James J...
52. Tom Beth...

SIGN-IN-SHEET



CHAPTER: NAZLINI

TYPE OF MEETING: REGULAR CHAPTER MEETING

"A Legal Quorum is 25 Registered Vote"

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NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY SR.
PRESIDENT

JOSEPH DEDMAN, JR.
VICE PRESIDENT

JOANN DEDMAN
SECRETARY/TREASURER

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
COORDINATOR

Nazlini Chapter Meeting

August 19, 2011

A G E N D A

- I. Call to Order/Invocation
- II. Agenda & Minutes Approval
- III. Reports:
 - A) Council Delegate-Speaker Johnny Naize
 - B) Community Services Coordinator-Alfred Yazzie
 - C) Financial-JoAnn Dedman
 - D) Chinle Unified School District-Vernita Largo
 - E) Nazlini Community School-Patrick Hardy
 - F) USDA-Carol Nelson
- IV. New Business:
 - A) Approving Budget Transfers
 - B) Approving and Reaffirming Model FMS dated November 29, 2010
 - C) Designating Charlene Wallace as the Cash Custodian
 - D) Accepting the Fiscal Year 2012 Chapter Operating Budget in the Amount of \$268,536.00
 - E) Approving 20 Days PEP Project for Chapter Repairs
 - F) Approving FY 2012 Chapter Project Priorities List
 - G) Reaffirming Deanna Benally as the JOM Representative for CUSD
 - H) Appointing Joseph Curley as a CLUPC Member
- V. Others:
 - A) Supporting Dennis Dedman for Veterans Housing
 - B) Supporting Charlie Hubbard for Complete Housing
 - C) Supporting Louise Van Winkle for Complete Housing
 - D) Supporting Jefferson Gorman for Veterans Housing
- VI. Announcements/Adjournment

Nazlini Chapter Meeting was called to order at 1:56pm by President Tracy, Roy Nells led the invocation. President Tracy reviewed the proposed agenda and a motion to adopt the agenda was offered by Minnie Wauneka, seconded by Harry Gorman Sr. with a vote of 37 in favor, none opposed or abstained. Secretary Dedman then read the minutes of the July 11, 2011

chapter meeting. A motion was offered by Edison Dedman to adopt the minutes as read, seconded by Minnie Gorman with a vote of 37 in favor, none opposed or abstained.

III. A) Council Delegate's Report

Council Delegate and Speaker Johnny Naize was not present but his Staff Assistant Kee Allen Begay was given the floor to report on his behalf. He thanked the membership for approving the Chapter Project Priorities Listing to identify what projects will be addressed. He is working in conjunction with the chapter staff in withdrawing land for the convenience store. He is working with Speaker Naize to identify funds for pre-construction activities. He educated the membership saying it is a lengthy process. Johnson Claw asked why Nazlini N27 is not being paved. Mr. Begay responded that the community needs to be more active and attend agency roads meetings to advocate for construction.

III. B) Community Services Coordinator's Report

Coordinator Alfred Yazzie provided the following report to the membership regarding his activities. He reported that N27 is third on the agency priority list. However, the federal government is operating on a continuing resolution for the past several years and has not allocated any new funds for new construction besides the federal stimulus allocated by President Obama. The Navajo Nation will only receive \$55 million. The new Navajo Nation Transportation building will cost \$19 million, an amount that could have covered complete construction of N27. He reported to be in contact with Many Farms Chapter to bid on available buildings to possibly house the post office. He displayed the plans for proposed land withdrawal to build a convenience store. The chapter is waiting for one grazing permittee to consent to the land withdrawal. He has been trying to schedule a meeting with Juliuson Bitsui from NTUA but Mr. Bitsui has been busy. He works daily with the Five Management System. He went out to Flatrock area to check on the deep wells and who is responsible for them if the chapter wants to begin using them. NTUA will be installing "Smart" meters to replace the old meter system. A lengthy discussion took place regarding building of a convenience store.

III. C) Financial Report

Secretary Dedman provided the following financial report to the membership for the month ending July 31, 2011;

Fund	Begin Balance	Debits	Credits	End Balance
01-Chapter Activities	\$7,378.97	\$293.45	\$415.39	\$7,443.11
03-Land Claims	\$30,555.31	\$755.79		\$29,799.52
07-Grazing Stipend	\$1,193.72	\$538.26		\$655.46
10-LGA	\$10,618.14	\$242.22		\$10,375.92
12-C/O Stipend	\$1,979.14	\$4,200.00	\$10,200.00	\$7,979.14

14-Scholarship	\$893.15	\$500.00		\$393.15
15-PEP	\$1,240.59			\$1,240.59
16-Veterans	\$969.65	\$50.00		\$919.65
17-Emergency	\$20,163.31			\$20,163.31
23-NN Sales Tax	\$105,099.53	\$10,089.48		\$94,883.73
25-CIP 180K	\$51,079.08			\$51,079.08
27-CIP 200K	\$50,579.85	\$3,026.40		\$47,553.45
51-Head Start Bldg	\$2,659.06			\$2,659.06
52-USPS	-\$142.30	\$589.25	\$641.67	-\$89.88
53-PO Fundraising	\$5,215.98			\$5,215.98
Total	\$289,483.18	\$20,284.85	\$11,257.06	\$257,941.27

III. D) Chinle Unified School District Report

Vernita Largo had requested to provide a report but was not present.

III. E) Nazlini Community School Report

Patrick Hardy, Community Liaison for Nazlini Community School was not present to give a report.

III. F) USDA Rural Development Report

Carol Nelson from the USDA Rural Development Office was present and provided a report to the membership regarding home repair and rehabilitation grants and loans. She provided handouts.

IV. A) Approving Budget Transfers

Coordinator Alfred Yazzie presented a request for budget transfer for the operation of the Nazlini Chapter Post Office. The federal government increased the minimum wage from \$7.25 to \$7.35 per hour beginning January 2011. The chapter needs to pay its two employees retroactive to January 2011. The transfer will include operating funds enough to cover to the end of the current fiscal year in the amount of \$350.00. The second budget transfer request is on behalf of the Nazlini Chapter Veterans Committee who are requesting to transfer funds to pay the Agency Veterans Representative a stipend of \$75.00 for the months of August and September which is up to the end of the current fiscal year. These requests for budget transfers were motioned for approval by Reed Bia and seconded by Deanna Benally with a vote of 36 in favor, none opposed or abstained.

IV. B) Approving and Reaffirming the Model Five Management Plan Dated 11/29/2010

Coordinator Alfred Yazzie explained that the membership needs to adopt the Model Five Management System (MFMS) dated November 29, 2010. There are basically no changes except that "Office Specialist" is replaced with "Administrative Assistant" throughout the document. There are also typographical errors that have been corrected. The chapter needs to practice the fiscal and records portion of the FMS prior to being certified. This resolution was motioned for approval by Harry Gorman Sr. and seconded by Jennie Todechine with a vote of 39 in favor, none opposed or abstained.

IV. C) Designating Charlene Wallace as the Chapter Cash Custodian

Alfred Yazzie explained that as part of the FMS certification, the chapter needs to pass a resolution designating the Accounts Maintenance Specialist Charlene Wallace as the Cash Custodian. She already handles the cash now. This resolution was motioned for approval by Reed Bia and seconded by Deanna Benally with a vote of 36 in favor, none opposed or abstained.

IV. D) Accepting the Fiscal Year 2012 Chapter Operating Budget in the Amount of \$268,536.00

The chapter has been notified that they will be receiving \$268,536.00 as their Fiscal Year 2012 annual operating budget. The membership needs to accept these funds as budget below:

The budget was motioned for approval by Minnie Wauneka and seconded by Reed Bia with a vote of 35 in favor, none opposed or abstained.

IV. E) Approving 20 Days PEP Project for Chapter Repairs

Coordinator Alfred Yazzie is also requesting for a 20 days PEP project to make repairs to the chapter grounds such as barn door repair, waterline and Head Start grounds improvement. He is requesting to hire 1 Supervisor and 4 Laborers. This request was motioned for approval by Marie Nez and seconded by Rose Mary Van Winkle with a vote of 39 in favor, none opposed or abstained.

IV. F) Approving the Fiscal Year 2012 Chapter Projects Priorities List

The chapter has updated the chapter project priority listing for Fiscal Year 2012 as follows;

Short Range

1. FMS Certification (12/30/11)
2. New Post Office Building
3. Police Housing
4. Commercial Development Land Withdrawal
5. Barn Wiring

Long Range

1. Convenience Store
2. N27 Phase III & IV
3. New Senior Center Building
4. Scattered Homes Powerline Extension
5. Scattered Homes Waterline Extension

- | | |
|---|-----------------------------------|
| 6. Cemetery Parking Lot Gravel | 6. Telephone Landline |
| 7. Heavy Equipment (Flatbed) | 7. Chapter Sewer Lagoon |
| 8. Windmill Repairs | 8. Heavy Equipment (Motor Grader) |
| 9. Chapter Compound Waterline Rerouting | 9. Flatrock Diversion Dam Repair |
| 10. Warehouse Addition | 10. New Chapter House Building |
| 11. Waste Transfer Station | 11. Gravel Pit Establishment |

The above chapter projects priority list was motioned for approval by Johnson Claw and seconded by Reed Bia with a vote of 36 in favor, none opposed and 3 abstained.

IV. G) Reaffirming Deanna Benally as JOM/IEC Representative to Chinle Unified School District
Deanna Benally is requesting to be on the agenda to reaffirm her representation on the JOM/IEC Committee for Chinle Unified School District on behalf of Nazlini Chapter. Her request was motioned for approval by Charlie Hubbard and seconded by Reed Bia with a vote of 37 in favor, none opposed or abstained.

IV. H) Appointing Joseph Curley as a CLUPC Member
CLUPC President Irvin Shirley requested to approve appointing Joseph Curley as a CLUPC member. This appointment was motioned for approval by Minnie Wauneka and seconded by Deanna Benally with a vote of 41 in favor, none opposed or abstained.

V. A) Supporting Dennis Dedman for Veterans Housing
This self-explanatory support resolution was motioned for approval Reed Bia and seconded by Harry Gorman Sr. with a vote of 42 in favor, none opposed or abstained.

V. B) Supporting Charlie Hubbard for Complete Housing
This self-explanatory support resolution was motioned for approval by Johnson Claw and seconded by Raymond Anderson Jr. with a vote of 42 in favor, none opposed or abstained.

V. C) Supporting Louise Van Winkle for Complete Housing
This self-explanatory support resolution was motioned for approval by Charlie Hubbard and seconded by Lorraine Nells with a vote of 38 in favor, none opposed or abstained.

V. D) Supporting Jefferson Gorman for Veterans Housing
This self-explanatory support resolution was motioned for approval by Harry Gorman Sr. and seconded by Joseph Curley with a vote of 39 in favor, none opposed or abstained.

Page Six
Nazlini Chapter Meeting
August 19, 2011

A motion was offered by Raymond Anderson Jr. to accept all reports, seconded by Harry Gorman Sr. with a vote of 32 in favor, none opposed or abstained.

Announcement included a Nazlini Chapter Veterans Organization Meeting scheduled for August 30, 2011 and a public hearing regarding the Veterans Act scheduled for October 26, 2011. PHN Jim Davis and CHR Judy Tsosie provided reports prior to the meeting being called to order. Nazlini Chapter Meeting was adjourned at 4:45pm. The next planning and chapter meetings will be held August 29, 2011 at 6:00pm and September 05, 2011 at 1:00pm respectively.

Respectfully,

A handwritten signature in blue ink, appearing to read 'JoAnn Dedman', is written over a light blue rectangular background.

JoAnn Dedman, Secretary/Treasurer
Nazlini Chapter Government



RESOLUTION OF NAZLINI CHAPTER
NAZL-2011-08-029



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

APPROVING AND REAFFIRMING THE
MODEL FIVE MANAGEMENT SYSTEM
MANUAL FOR NAZLINI CHAPTER

JOHNNY NAIZE
- COUNCIL DELEGATE -

IRVIN SHIRLEY
- GRAZING REPRESENTATIVE -

ALFRED L. YAZZIE
- COORDINATOR -

WHEREAS:


1. The Nazlini Chapter is a sub-governmental entity of the Navajo Nation government. Pursuant to Title 2, Navajo Nation Code, Section 3 is vested with the authority to review all matters affecting the community and make appropriate recommendations to the Navajo Nation, Federal, State and local agencies for appropriate planning and actions effecting the community and its people; AND
2. The Navajo Nation Council Resolution CAP-34-98 enacted the Navajo Nation Governance Act and codified it under Title 26 of the Navajo Nation Code; AND
3. Pursuant to Title 26 Navajo Nation Code, Section B-1 & 2, the Navajo Nation Council delegates to Chapters governmental authority over local matters consistent with Navajo law, including custom and tradition and authorizes Chapters to make decisions over local matters; AND
4. The Nazlini Chapter recognizes the Navajo Nation Chapter Five Management System Manuals Act of 2007 to create accountable local governments and to create a standardized management in accordance with generally accepted accounting principles; AND
5. Pursuant to Title 26 Navajo Nation Code, Section 101 (A), the Chapter is required to formulate, implement, and operate in accordance with the Five Management System to ensure accountability; AND
6. The Nazlini Chapter is in the process of becoming a Governance Certified Chapter of the Navajo Nation Government with vested authority to establish local ordinance, approve plans, and take positions on matter of concern that are in the best interest of the community and the Navajo Nation; AND
7. The Nazlini Chapter operates under a Five Management System and has developed policies and procedures for the Five Management System consistent with applicable Navajo Nation Law; AND
8. The Nazlini Chapter adopted the DOJ's Standard FMS version dated June 8, 2010 but has been mandated to adopt an updated version dated November 29, 2010.

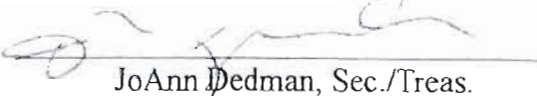
NOW, THEREFORE BE IT RESOLVED THAT:

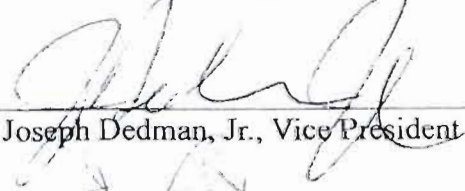
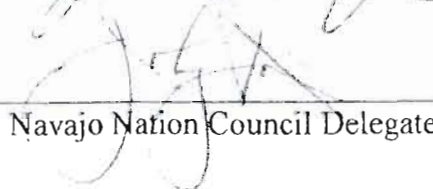
1. The Nazlini Chapter hereby reaffirms its adoption of the standardized Five Management System as approved by the Navajo Nation Council and codified in the Navajo Nation Code.

CERTIFICATION

We, hereby certify that the foregoing resolution was duly considered by the Nazlini Chapter at a duly called Chapter Meeting at Nazlini, Navajo Nation, (Arizona), at which a quorum was present and that same was passed by a vote of 39 in favor, 0 opposed, 0 abstained, this 19th day of August 2011.

Motion by: Harry Gorman Sr.

Arthur E. Tracy, Sr., President


JoAnn Dedman, Sec./Treas.

Seconded by: Jennie Tadechine

Joseph Dedman, Jr., Vice President

Navajo Nation Council Delegate

Nazlini
Chapter

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Property

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Personnel

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Management*

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**NAZLINI CHAPTER
FISCAL POLICIES AND PROCEDURES
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NAZLINI CHAPTER FISCAL POLICIES AND PROCEDURES MANUAL

I. AUTHORIZATION

- A. Pursuant to 26 N.N.C. § 101 (A), the Chapter is required to adopt and operate under a Five Management System to ensure fiscal accountability. The Chapter shall also develop the Five Management Systems Policies and Procedures Manual consistent with applicable Navajo Nation law.
- B. Pursuant to Chapter Resolution No. NAZL-2011-08-029, the Chapter Fiscal Policies and Procedures Manual is hereby approved and adopted.

II. PURPOSE AND SCOPE

- A. Principles:
The Fiscal Manual is a statement of policies and procedures that provides for planning, organizing, directing, and controlling the limited resources of the Chapter. The Fiscal Manual will guide the Chapter to achieve its desired mission, goals and objectives, and to ensure compliance with governmental requirements.
- B. Compliance:
The general principles of this policy are applicable to all employees, both regular status and temporary, of the Chapter, including Chapter Officials. The Chapter Officials, Chapter Manager, and Administrative Assistant will monitor the financial management system to ensure fiscal records are maintained and that this Policy is enforced.

III. APPLICABLE LAWS

The Chapter shall comply with all applicable state, federal and Navajo Nation laws.

IV. ROLE OF THE CHAPTER OFFICIALS

- A. **The Chapter President shall:**
 - 1. Work closely with the Vice-President and Secretary/Treasurer, to ensure that the Chapter Administration is adequately meeting the Chapter's directives and expending funds consistent with conditions set by the Navajo Nation Council and/or the Chapter's annual budgetary objectives, and shall report to the Chapter membership. 26 N.N.C § 1001 B (1) (j). The Chapter President shall ensure that any regulations, terms and conditions, assurances, and certification requirements of funding agencies other than the Navajo Nation are also met.

B. The Chapter Vice-President shall:

1. In the event the Chapter President is not available, assume the role of the Chapter President and perform in that capacity.

C. The Secretary/Treasurer shall:

1. Monitor the maintenance of an adequate accounting system to ensure accountability of all funds and expenditures, and shall report to the chapter membership. 26 N.N.C. § 1001 (B) (3) (h).
2. Co-sign all checks along with the Chapter Manager. In the event the Secretary/Treasurer is unavailable, the Chapter President or Vice-President may co-sign checks. 26 N.N.C., § 1001 B (3) (l). Any such co-signature by the Chapter President or Vice-President shall require a justification memorandum.
3. Consult with other Chapter Officials to ensure that the administrative personnel prepare all financial reports and accounting records by fund source categories. The Secretary/Treasurer is responsible for providing all financial reports to the Chapter membership at a duly called Chapter Meeting. 26 N.N.C. § 1001 (B) (3) (I).

D. Chapter Officials are prohibited from direct involvement in the management and operation of the Chapter administration. 26 N.N.C. § 1001 (E).

E. Chapter Officials are prohibited from conducting financial transactions three (3) months before or after the general election for chapter officials, *except* for general operation costs.

F. Chapter Officials shall attend, upon taking the oath of office, a training session on Ethics in Government sponsored by the Ethics and Rules Office of the Navajo Nation. Chapter Officials shall maintain a high standard of conduct in all Chapter business consistent with Navajo law, including the Local Governance Act and the Navajo Nation Ethics in Government Law. Chapter Officials are prohibited from rendering opinions, directions or decisions contrary to the sound practice of leadership or contrary to the best interest of the Chapter. 26 N.N.C. § 1001 (I).

G. Chapter funds shall not be used for personal, business or other forms of loans. Per capita distribution of funds by the Chapter is prohibited. 26 N.N.C. § 2003 (D).

H. In accordance with the exception provided in 12 N.N.C. § 820 (N), funds appropriated to the Chapter by the Navajo Nation Council shall not be subject to a lapse of appropriation at the end of the fiscal year provided that the Chapter shall budget those funds in the subsequent fiscal year in accordance with the

purposes and conditions originally set forth by the Navajo Nation Council in its appropriations.

V. ACCOUNTING SYSTEM REQUIREMENTS

A. Policy:

Standards for the Nazlini Chapter accounting system shall be the following:

1. The Nazlini Chapter's accounting system shall be on a cash-basis method of accounting; therefore, the chapter shall be deviating from the Generally Accepted Accounting Principles (GAAP) with respect to the basis of accounting.
2. The Nazlini Chapter shall have a records system capable of identifying the source and use of funds.
3. The Nazlini Chapter shall have a system of internal control procedures to ensure funds are used properly.
4. The Nazlini Chapter shall have a system for disclosing and reporting the financial position and results of the chapter operation on a monthly, quarterly and annual basis.
5. The Nazlini Chapter's financial activities shall be audited biennially.

B. Fund Accounting:

1. The accounts of the Nazlini Chapter shall be organized by funds and account groups, each of which will be considered a separate accounting entity for financial reporting purposes. Each fund will maintain a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, reserve and budgeted expenditures. The funds are governmental fund types and shall be grouped as a General Fund and a Special Revenue Fund(s).
2. The General Fund is the general operating fund of the Nazlini Chapter. It shall be used to account for all financial resources except those required to be accounted for in another fund.
3. The Special Revenue Fund(s) is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

C. Nazlini Chapter will maintain the following funds, including but not limited to the following:

General Activities Fund

Scholarship Fund

Local Governance Act Fund	Housing Discretionary Fund
Stipend Fund	Maintenance/Utilities Fund
Public Employment Project Fund	Emergency Fund
Land Claims Trust Fund	Student Employment Fund
Veterans Fund	Sales Tax Revenue

D. Financial Accounting Records:

1. The Nazlini Chapter's accounting system consists of accounting records and procedures, which allow the Chapter to identify, assemble, analyze, classify, record and summarize its financial transactions and report on its financial position and results of operation.
2. The primary objectives of the Nazlini Chapter's accounting system are to provide reliable and consistent financial information on a timely basis, safeguard the chapter's assets, and to provide reasonable assurance that the chapter complies with all applicable laws and regulations.
3. The Nazlini Chapter's accounting records provide the documentary support for account balances and must be properly maintained to provide fiscal accountability for the chapter. Accounting records include source documents, journals, registers, ledgers and other supplementary records.
4. The chapter will maintain all accounting records in accordance with the Chapter Records Management Policy and Procedures Manual.

VI. CHAPTER OPERATING BUDGET

- A. It shall be the Nazlini Chapter's policy that no expenditure of Chapter funds shall be made without an approved annual budget and that no expenditures shall exceed the budgeted amounts without prior approval by the Chapter voting members.

Any person, agent or Chapter official misappropriating or misusing Chapter funds or property shall be subject to prosecution under the applicable laws of the Navajo Nation, and, if appropriate, under the laws of the federal government.

- B. The Nazlini Chapter Fiscal Year shall begin October 01 and shall end September 30 of each calendar year.

C. Budget Preparation and Procedures:

1. Upon notification of the Chapter's base allocation from the Navajo Nation, the Chapter Manager, in consultation with the Chapter Officials, shall review and follow the budget instruction manual of the Navajo Nation Office of Management and Budget (OMB) when formulating the annual budget.

2. The Chapter Manager and officials will formulate a proposed budget using the Navajo Nation OMB budget forms for all revenues the Chapter will receive or generate and for all expenditures the Chapter will make, including all Navajo Nation and non-Navajo Nation funds.
3. The proposed budget shall be based upon the goals and objectives established through budget hearings, which shall be held at least four (4) months before the end of the fiscal year (by June).
4. The Chapter Manager, in consultation with the Chapter Officials, shall prepare a proposed budget and schedule a public meeting to obtain input on the proposed budget from the Chapter membership (which may be a duly-called regular Chapter Meeting).
5. At least two (2) months before the beginning of each fiscal year (by August), the Chapter Manager and Chapter Officials shall prepare, present and explain the Chapter proposed annual budget to the Chapter membership for discussion at a duly-called Chapter Meeting.
6. The Chapter membership shall vote to approve or disapprove the subsequent fiscal year's budget at a duly called regular Chapter Meeting in September. This regular Chapter Meeting will be publicly advertised at least (30) days in advance of said meeting by posting notices to inform the chapter membership of the intent to discuss and approve the subsequent fiscal year's annual budget.
7. The approved Chapter operating budget may also include funds other than Navajo Nation appropriated funds as well as carryover of the previous fiscal year's unexpended funds, except where the funding agency(s) does not permit the carryover of funds.
8. The Chapter Manager shall notify the Chapter Officials if any changes in the budget are necessary after the budget's adoption. At the next duly called Planning meeting, the Chapter Officials will discuss any proposed amendments or modifications to the budget.
9. The Chapter Manager will present in full detail all proposed budget related documents for review by the Chapter membership prior to approval of amendments. The proposed budget amendment(s) will be forwarded to the next scheduled Chapter meeting for discussion and approval by the Chapter membership.
10. All modifications or revisions during that fiscal year will be by budget transfers, and shall require Chapter membership approval. The Chapter Manager will prepare and present the request for budget transfers.
11. The Chapter Manager will establish fund and subsidiary ledgers based on the chapter-adopted budget for each Chapter fund. The Chapter Manager

will refer to these ledgers during the course of the fiscal year when reviewing expenditures, purchase requests, and transfers.

- D. The Administrative Assistant will maintain current records of all financial transactions at all times, including budget modifications or transfer(s) of funds.

VII. INTERNAL CONTROL POLICIES AND PROCEDURES

It is the policy of the Nazlini Chapter to establish internal controls to ensure its assets and resources are protected against waste, fraud, and inefficiency, and to ensure that accounting data are accurate, dependable and compliant with any regulations, terms and conditions, assurances, and certification requirements of funding agencies.

A. Cash Receipts:

1. Cash Receipts Control Policies:

- a. The Chapter administrative staff will use a two-copy receipt form to record all cash received whether by check, money order, or currency. The cash receipt forms will be pre-numbered.
- b. All checks and money orders received shall be endorsed "for deposit only" immediately upon receipt.
- c. Cash receipts shall be deposited (if practical) on a weekly basis to the Chapter's checking account.
- d. Cash receipts shall be adequately contained in a cash box and further safeguarded in a safe or locked file cabinet at all times, promptly recorded, and accurately classified.
- e. The handling of all cash receipts shall be segregated to ensure that no one employee (cash custodian) is in a position to solely collect, deposit, safeguard and reconcile all cash receipts.
- f. Cash receipts shall not be co-mingled with petty cash or be used as cash disbursements for any expenditures, including travel, salary advances, or personal loans.
- g. The Administrative Assistant shall be designated the custodian of cash receipts by Chapter resolution.

2. Cash Receipt Control Procedures:

- a. Upon receipt by mail or other means, the Administrative Assistant shall record all cash received, whether check or currency, on a two-copy pre-numbered receipt form which shall be recorded in the cash receipt journal on a daily basis.

- b. The Administrative Assistant shall ensure all checks or money orders are immediately stamped with a restrictive endorsement.
- c. All cash receipts shall be recorded in ink on the cash receipt form daily, and which shall include the following: (1) the payer's name; (2) the purpose of the cash receipt; (3) the amount received, including check or money order numbers and the bank that the check is drawn on; (4) the date received; and (5) the initials and position of the person receiving the money. The Administrative Assistant will record all cash received in the cash receipts journal at the end of each day.
- d. The Administrative Assistant shall mail or give an original copy of the receipt form to the person or organization from which the money is received.
- e. The Administrative Assistant shall safeguard all un-deposited cash receipts in a locked cash box and safe at all times.
- f. The Administrative Assistant shall prepare the bank deposit slips and forward all cash receipts and restrictively endorsed checks, including the cash receipt book, cash log, and cash receipts journal to the Chapter Manager for reconciliation.
- g. The Chapter Manager shall ensure that the deposit amount reconciles with the total cash receipts in the cash receipts journal and shall initial the cash receipts journal to indicate the reconciliation was completed and shall resolve any variances.
- h. The Chapter Manager shall deposit the monies into the Chapter's bank account on a weekly basis or as practical. The Chapter Manager shall deposit all monies within ten days of receipt.
- i. The Chapter Manager shall obtain a deposit receipt and return the duplicate deposit receipt to the Administrative Assistant who shall record the deposit in the appropriate check/savings fund and subsidiary ledgers when updating the Chapter books.
- j. On a monthly basis, the Chapter Manager shall reconcile the cash receipts records to deposits and actual cash by comparing receipts and deposits. The aggregate amount of receipts issued should equal the amount deposited in the bank.
- k. In the event of any discrepancies or variances in receipts and deposits, the Chapter Manager/Administrative Assistant shall immediately report said discrepancies or variances to the Chapter Officials at a regular Planning Meeting. Any variances shall be

investigated and resolved. If the Chapter Manager/Officials determine any negligence or willful wrongdoing on the part of the Chapter staff, he/she shall take immediate action in accordance with the policies set forth in the Chapter Personnel Policies and Procedures Manual.

- l. Once any variance or discrepancy is resolved, the Chapter Manager shall adjust the cash receipts journal and shall document the basis for the adjustment in the Chapter records.
- m. The Secretary/Treasurer will report the cash receipts as part of the monthly financial reporting to the Chapter membership at all duly called regular Chapter Meetings.

B. Cash Disbursements:

1. Cash Disbursement Policies:
 - a. The handling of all cash disbursements shall be properly segregated to insure that no single employee is in a position to authorize, execute, and/or approve all phases of cash disbursements.
 - b. All disbursements (payments) shall be made by check only from the Chapter general checking account, and not from the savings account.
 - c. The Chapter Manager and the Chapter Secretary/Treasurer will co-sign all checks for payment. In the event the Secretary/Treasurer is unavailable for co-signature, the Chapter President or Vice-President will be authorized to co-sign checks as the secondary signatory. Co-signature by the Chapter President or Vice-President shall require a justification memorandum. Two signatures shall be required for all checks.
 - d. All checks will be pre-numbered and the Administrative Assistant shall maintain a log of the numbered checks held by the Chapter. The checks shall contain the name and address of the Chapter, the bank drawn on, and the account number at the bank.
 - e. The Chapter chart of accounts shall be used to determine the appropriate accounts to which the disbursement will be charged.
 - f. No checks shall be written out to "cash" or bearer; and no blank check shall be signed before it is completely filled out.
 - g. The Chapter is prohibited from making monetary loans to individuals using Chapter funds.

- h. All disbursement transactions shall be reconciled on a monthly basis to ensure funds are disbursed with proper approval, based on adequate documentation and in compliance with funding guidelines and budget stipulations.
 - i. All paid invoices and supporting documentations shall be properly defaced by indicating, "paid", amounts paid, and date, to avoid duplicate payments.
 - j. Disbursements of funds that were not budgeted are prohibited. Disbursements of Chapter funds require Chapter membership approval during a scheduled regular Chapter Meeting to be documented in the Chapter meeting minutes.
 - k. All restricted funds shall be properly budgeted before funds are expended.
 - l. The Chapter Secretary/Treasurer and Chapter Manager shall ensure compliance with all fund disbursements and monitor payables.
 - m. The Chapter shall submit timely payments to take advantage of any purchase discounts or payment-term discounts.
2. Cash Disbursements control procedures:
- a. The Administrative Assistant shall prepare a Fund Approval Form indicating the date, amount, check number, account number and fund availability.
 - b. The Administrative Assistant shall ensure that the Fund Approval Form indicates payment authorization and that all source documents (i.e., invoices, quotes, claim forms, timesheets and similar documents) support each fund disbursement before preparing a check for payment.
 - c. The Administrative Assistant shall upon receipt of goods review all invoices to ensure completeness of the transaction and that those particular goods or services have been received. He/she shall then submit the payment authorization form to the Chapter Manager for payment approval or disapproval.
 - d. The Chapter Manager shall review each fund disbursement for necessity, reasonableness and budgetary authorization. He/she shall ensure that each fund disbursement (check) is payable to the vendor. The Chapter Manager and Secretary-Treasurer shall

review the completed check with all supporting documentation before co-signing the check.

- e. The original check shall be given to the Administrative Assistant for mailing, or distribution to the payee(s).
- f. The Administrative Assistant shall ensure that all disbursements are recorded immediately in the check ledger and the subsidiary fund balance ledger.
- g. When a check is written to a primary signatory (Chapter Manager or the Secretary-Treasurer), the President or the Vice-President shall substitute as co-signer. A memorandum of justification shall be required for the substitute signatory. When there is no substitute cosigner, the primary signatory, as payee, may sign the check provided all essential documents and a memorandum of justification are attached.

C. Bank Reconciliation Control Policies:

- 1. The following policies shall apply to bank reconciliation:
 - a. One person, who must be other than the primary signatories, shall be designated to prepare the bank reconciliation.
 - b. Reconciliation shall be accomplished within one day upon receipt of the bank statement.
 - c. Any unexplained discrepancies shall be reported immediately to the Chapter Manager for corrective action.
 - d. Any outstanding check that exceeds 90 calendar days from issue date shall be automatically voided. The 90 day stale-check notice should be printed on the Chapter's checks to provide additional notice to the payee (e.g. "this check void after 90 days.")
- 2. Bank Reconciliation Control Procedures:
 - a. Upon receipt of the unopened bank statement and cancelled checks, the Administrative Assistant shall compare the cancelled checks to the Check Ledger to ensure that the numbers, dates, payees, and amounts are in agreement. Cancelled checks shall be examined for alterations, authorized signatures, and irregular endorsements.
 - b. The Administrative Assistant shall prepare a list of outstanding checks. If the list of outstanding checks discloses checks that have been outstanding for three months (90 calendar days) or

longer, the Administrative Assistant shall delete those checks from the list of outstanding checks and shall credit the checkbook register and the fund balance ledgers by the amount of the voided checks.

- c. All voided check(s) shall require proper justification from the payee and approval from the Chapter Manager prior to re-issuance. Any bank service fee incurred will be assessed to the payee.
- d. The Administrative Assistant shall compare the date and the amount shown on the bank statement to the validated bank deposit slips and checkbook register maintained on file, and shall prepare a listing of deposits in transit. Any variances shall be investigated, resolved and the checkbook register balance shall be adjusted as necessary. The Administrative Assistant shall record the bank charges indicated on the bank statement in the checkbook register.
- e. The Administrative Assistant shall begin with the bank statement ending balance and adjust as follows:
 - (+) Deposits in transit
 - (-) Outstanding Checks
 - (=) Month-end reconciled balance should be the same as the balance in the check ledger
- f. The Chapter Manager shall investigate all discrepancies and seek to resolve differences.
- g. The Administrative Assistant shall sign and date the computation and reconciliation. Once completed, the reconciliation, check register, validated bank deposit receipt slips and bank statements shall be forwarded to the Chapter Manager for review.
- h. The Chapter Manager shall cross reference the documents received and review for accuracy and assurance immediately. If there are discrepancies, the Chapter Manager shall consult with the Administrative Assistant for appropriate action.
- i. The Chapter Manager shall review the reconciliation for accuracy and completeness and return the documents to the Administrative Assistant for filing.
- j. The Administrative Assistant shall file all completed reconciliation forms, bank statements, and cancelled checks by account and month.

D. Bank Accounts Control Policies:

1. The Nazlini Chapter shall maintain only one checking account and one savings account at a federally insured depository institution; and:
 - a. All bank records shall be sent directly to the Chapter's mailing address at: Chapter, P.O. Box 105, Teec Nos Pos, Arizona 86514.
 - b. A signature authorization card for each bank account shall be maintained and kept on file at the bank and at the Chapter Administration Office.
 - c. Upon a change in authorized bank account signatories by Chapter resolution, the Chapter Administration shall immediately notify the bank.
 - d. All bank accounts shall be held in the name of the Chapter.
 - e. Each Check issued shall have two required signatures.
 - f. The Chapter shall have its own employer identification number for its bank account, including for its investments and savings account.
 - g. The Chapter shall prohibit unauthorized direct cash withdrawals and ATM/debit cards bank transactions. However, the Chapter may make cash withdrawals for cash-only transactions (e.g. coal and medicine men's services), provided that the authorized signatories (e.g. Secretary/Treasurer and Chapter Coordinator/Manager) prepare and sign memoranda of authorization and justification. Moreover, all invoices and receipts must be provided to the Chapter just as with all other financial transactions. Such a debit card must be prepaid only and the central account controlled by the Chapter Manager.
 - h. All unissued checks will be safeguarded in a locked safe at the Chapter administrative offices.

E. Certificate of Deposits and Other Investments:

1. The Nazlini Chapter may establish reserves for funds not budgeted for operations, and its policies shall include that:
 - a. Investments shall be limited to readily marketable and negotiable instruments that are low in risk.
 - b. Establishment of an investment account shall require community participation and approval by Chapter resolution.

- c. Funds withdrawn from investment accounts shall be transferred by an approved Chapter resolution and only by authorized signatories to the checking or savings account in order to be expended.
- d. Investment documentation shall include the investment accounts, maturity dates, the custodian, location, account numbers and changes in value, and shall be sent directly to the Chapter's mailing address.
- e. Any changes to the investment(s) (i.e., withdrawals, sale, rollovers, etc.) shall be approved by the Chapter membership at a regularly called Chapter Meeting.
- f. All interest income received from interest bearing accounts shall revert to the General Activities Fund. This applies to all restricted and/or unrestricted funds. The interest income shall be recorded under line item interest income.
- g. All original documents pertaining to investment accounts shall be properly secured in a locked safe at the Chapter Administrative Office.

2. Investment Control Procedures:

- a. The Chapter Manager shall ensure that proper documents are maintained and that investments are recorded in the proper journals, ledgers, and financial statements on a monthly basis.
- b. The Chapter Manager shall record all interest income on a monthly basis to appropriate ledgers in the General Activities Fund.
- c. Upon request for investments of chapter funds, the Chapter Manager shall provide pertinent information to the Chapter Officials and community members.
- d. The Chapter Manager shall consult with the Chapter Officials on a monthly basis in the event of any investment changes or activities.
- e. The Chapter Secretary/Treasurer shall maintain periodic monitoring over the investment and keep the community members informed of investment results at a regular Chapter Meeting.

F. Capital Assets:

1. Capital Asset Policy:

It shall be the policy of the Nazlini Chapter that accurate and reliable records be maintained on all Capital Assets purchased or acquired by lease or lease/purchases. The records shall include a description of the asset, identification numbers, cost of the asset, date acquired, location, and custodial responsibility. Expected lifetime and depreciation records shall be maintained.

2. Capital Assets Control Procedures:

- a. The Administrative Assistant shall maintain the Capital Asset records. He/she shall insure that all Capital Assets are tagged with identification tags bearing a description, date acquired, and an identification number.
- b. The Administrative Assistant shall record and report in the Chapter's accounting financial records the total dollar value of inventory items and any changes to said inventory, including acquisition and disposition of Capital Assets and the funding source.
- c. The Administrative Assistant shall verify the inventory on an annual basis through a physical count. Any differences from the financial records shall be investigated for cause and the records adjusted. Any adjustment to the records shall require a justification memorandum and/or appropriate documentation.
- d. If there are no documents to show the cost of any chapter Capital Asset, the value will be estimated by the Chapter Manager based on fair market value.
- e. The Chapter Manager shall be responsible for the disposition of these assets, and in the event of loss or theft, for which he/she is responsible, refer to Chapter Property Policy and Procedures Manual, Section X (B).
- f. The recording and reporting of the Chapter's Capital Assets into accounting records and financial statements will be the responsibility of the Administrative Assistant pursuant to Chapter Property Policy and Procedures Manual Section VIII.
- g. The Capital Assets account group shall be reported on the Combined Balance Sheet financial statement.

- h. The total of the Capital Asset inventory shall be entered into the Combined Balance Statement under Capital Assets column. An equal amount shall be entered into the statement under Investments column.
- i. All Capital Assets shall be identified by fund source.

G. Chart of Accounts:

- 1. The Nazlini Chapter, pursuant to the Navajo Nation Local Governance Act (LGA) 26 N.N.C., Section 2003 (B) (1), is required to follow the Navajo Nation Budget Instructions Manual when formulating its annual base allocation chapter budget. The Nazlini Chapter will use the Chapter Chart of Accounts for all budget purposes and accounting system.
- 2. The Chapter Manager, in consultation with the Chapter Officials, will be authorized to make changes to the Chapter Chart of Accounts.

H. Payroll:

- 1. Payroll Control Policies:

The following policies shall be applied to ensure effective control over payroll and disbursement:

- a. The Chapter shall establish and maintain a salary and wage schedule. The Chapter will abide by the federal minimum wage law then in effect.
- b. Appropriate segregation of duties shall be maintained to ensure that chapter employees are not in a position to authorize, execute and approve all aspects of payroll processing and disbursements.
- c. The Chapter shall operate under a cash basis of accounting; therefore, all payroll expenses will be recorded on the check date.
- d. The Chapter shall establish and maintain a system to account for the accrual and use of annual leave (compensatory, personal) and sick leave.
- e. The Chapter will follow all applicable Navajo Nation, state and federal laws and regulations relating to payroll.
- f. The Chapter shall have its own employer identification number for tax purposes when reporting and remitting applicable payroll taxes to the IRS.

- g. Personnel records on each employee shall be maintained at the Chapter administration on authorized chapter Forms. These records include but are not limited to:

- (a.) Personnel Action Form (PAF)
- (b.) Employment Application Form
- (c.) Employee's Federal Withholding Allowance Certificate (W-4)
- (d.) Copy of Social Security Card
- (e.) Voluntary Deductions Authorization
- (f.) Employee Performance Evaluation Form
- (g.) Arizona New Hire Form
- (h.) Wage Garnishments
- (i.) Parental Consent Form
- (j.) Copy of voter registration

2. Payroll Processing and Procedures:

- a. The Administrative Assistant will record employee's Personnel Action Form information on the employee's earning subsidiary ledger. The ledger will contain the employee's name, social security number, mailing address, authorized pay rate, date of employment, payment due, hours earned, gross pay, withholdings for FICA and federal taxes, any other deductions, net pay and leave account.
- b. The immediate supervisor is responsible to maintain an attendance sheet on all Chapter employees. The attendance sheet shall be signed by chapter employees each day to record employees' time of arrival and departure, including for public employment projects and student employment personnel. These records shall be provided weekly to the Administrative Assistant who shall forward these documents to the Chapter Manager for review. The Administrative Assistant shall retain these records and file them chronologically in accordance with the Records Management Policies and Procedures Manual.
- c. The Administrative Assistant is responsible for calculating the time and hours worked for each employee and shall enter the total hours on the timesheet. Timesheets shall also document regular and overtime hours worked, annual, sick leave and leave without pay taken during each pay period.
- d. The Administrative Assistant shall prepare payroll checks, attach all supporting documents and submit to the Chapter Manager for review and approval.

- e. The Chapter Manager shall review all timesheets, and sign the payroll checks. She shall then forward the payroll checks with applicable documentation for review and co-signature by the Secretary/Treasurer.
- f. After completing the signature requirement, the payroll checks shall be given to the Administrative Assistant for distribution. Each employee is required to personally obtain his or her check. In the event the employee is unable to pick up his/her check, the employee shall provide a written authorization to release his/her payroll check to the Chapter Manager. The written documentation shall contain the employee's social security number, address, signature and the name of the person designated to pick up the payroll check.
- g. The Chapter Manager's time and attendance and payroll check shall be reviewed and signed by the designated immediate supervisor. The Chapter Officials will decide among themselves who will be designated the local direct supervisor of the Chapter Manager.
- h. The Chapter Administration shall ensure that Worker's Compensation is available for all Chapter employees by paying requisite premiums to the Risk Management Department of the Navajo Nation. The Chapter, not the employee, is responsible for paying any premiums for Worker's Compensation coverage for its employees.
- i. The Chapter shall also participate in the State Unemployment Compensation Act Fund. The Chapter Administration is responsible for submitting the requisite contribution to the Department of Economic Security or Department of Employment Security on a quarterly basis.
- j. The Administrative Assistant shall prepare Social Security, Medicare (both employer and employee), and Employee Federal Taxes to be withheld on Form 8109, quarterly at the Chapter's designated banking institution. The Administrative Assistant shall ensure that timely deposits are made on the quarterly payroll tax deposit to avoid penalties. Form 941 shall be filed with the Internal Revenue Service on a quarterly basis according to the due dates set forth by the IRS. In the event the designations of these forms change, the Chapter shall comply with all Internal Revenue Service filing requirements. The Chapter Administration shall consult with Office of Management and Budget in November of each calendar year for any changes in Internal Revenue Service filing requirements.

- k. The Administrative Assistant shall prepare and submit an Internal Revenue Service Form 1099-MISC to each vendor to whom \$600 or more in fees, commissions, or other forms of compensation is paid. Such vendors include independent contractors, attorneys, accountants and other professionals contracted for services. These forms shall be submitted to the vendor by January 31st and to the Internal Revenue Service by February 28th of the following calendar year.

I. Travel Policies and Control Procedures:

1. It shall be the policy of the Nazlini Chapter that only reasonable and necessary travel expenses are reimbursed and that the traveler shall submit a report for each trip describing what was accomplished and how the Chapter and community benefited from the travel.
2. The Nazlini Chapter may issue pre-paid debit cards for an authorized amount to cover only reasonable and necessary travel expenses. Such a prepaid debit card must be prepaid only and controlled and issued by the Chapter Coordinator/Manager. The authorized signatories (e.g. Secretary/Treasurer and Chapter Coordinator/Manager) must prepare and sign memoranda of authorization and justification. As with reimbursement checks, the traveler shall submit a report for each trip describing what was accomplished and how the Chapter and community benefited from the travel. All receipts and invoices must be submitted to the Chapter Manager.
3. The designated duty station for Chapter officials and Chapter employees is the Chapter House. This designated duty station will be used to calculate all travel mileage claims for meetings outside the designated duty station. For Chapter employees and officials, travel between an employee or official's home and duty station is not considered official travel.
4. Travel Authorization: Authorized travel expenses will include transportation, lodging, meals and other costs directly related to Chapter business travel conducted by a chapter employee or official. All requests for travel funds are only reimbursable if funds are available in the Chapter's approved budget. To reduce costs, travel shall be limited to the most cost efficient method of travel available.
5. Travel Advances: The Chapter will allow travel advances up to 80% of the total estimated travel expense. An employee/Chapter official can only have one outstanding pay advance at any one time. Any outstanding travel advances delinquent over ten (10) calendar days after completion of travel shall be deducted from the employee's salary or the Chapter official's meeting stipend.

6. Travel Expenses: The Chapter officials and employees shall be reimbursed for reasonable expenses while on Chapter business travel including lodging, meals, transportation, telephone and for Chapter business related calls, email, and other incidental expenses, all of which shall require receipts in support of costs. The Chapter may pay any special fees in advance for the traveler, which may include seminars, symposium, registration fees, etc.
7. Transportation: The Chapter shall reimburse all necessary transportation expenses for private vehicles, commercial airfare, rental vehicles, and other modes of transportation. Receipts shall be required for airfare, taxis and buses. Reimbursements shall be made at a rate equal to the least expensive mode of transportation, which is reasonably available. If a personal vehicle is used on Chapter business, employees shall be reimbursed for actual mileage at the Navajo Nation established mileage rate. If the traveler does not provide an odometer reading, the Administrative Assistant is required to use a mileage chart.
8. Meals and Incidental Expenses: The Chapter may establish a maximum amount allowable for reimbursement for meals, and incidental expenses. In any circumstances, the Chapter reimbursement rate for meals shall not exceed the Navajo Nation established rates. Meal expenses shall be reimbursable when incurred beyond a five (5) hour travel period or beyond a fifty (50) mile radius from the Chapter house. Meals provided at no additional cost to the traveler (such as meals included in travel, conference, etc.) shall not be reimbursed. The Chapter may prohibit employees and Chapter officials from obtaining government credit cards for travel.
9. Each traveler shall submit the completed travel authorization (TA) form with attached receipts and a trip expense report stating the purpose of the trip, accomplishments and benefits to the chapter, within ten (10) calendar days of his/her return. Failure to submit a trip expense report within ten (10) calendar days forfeits the traveler's right to reimbursement, unless reimbursement is approved by the Chapter Manager or designated Chapter Official for good cause shown. However, the traveler is still required to submit a trip report.
10. Travel Authorization (TA) Process and Payments:
 - a. A verbal travel request indicating the estimated travel costs and purpose shall be made to the Chapter Manager.
 - b. Upon approval the Administrative Assistant shall type and complete all requests for travel authorization.
 - c. The Administrative Assistant shall be required to obtain from each traveler proof of current insurance and a valid driver's license

when the traveler is using his/her personal vehicle. Photocopies shall be obtained and filed.

- d. The Administrative Assistant, after reviewing the TA, shall forward the TA for signature to the Chapter Manager.
- e. If the traveler requests a travel advance, the Chapter Manager must first approve the advance before disbursement by the Administrative Assistant. The Chapter Manager approves any advance for Chapter officials.
- f. On completion of the signature requirement for the TA, the Chapter Manager shall return the travel documents to the Administrative Assistant.
- g. The Administrative Assistant shall provide the TA to the traveler and file copies of the travel request documents.
- h. Upon completion of travel, the employee/chapter official shall submit a trip expense report to the Chapter Manager. The Chapter Manager shall review all supporting statements and calculate over or underpayment. Traveler shall remit payment within (10) ten working days to the chapter for any overpayment, or said amount shall be deducted from the employee's salary or the Chapter official's meeting stipend.
- i. The Chapter Manager, after approval of the trip expense report, shall return the travel documents to the Administrative Assistant for preparation of the reimbursement check, and to file copies of the travel documents. The reimbursement check shall be co-signed by the required two signatures pursuant to Section V (C) (2). The check shall be made out to the traveler and disbursed by the Administrative Assistant.

J. Resale Inventory:

The development and implementation of the resale inventory policy prevents overstocking, shortage and loss as a result of theft, spoilage, breakage, etc.

- 1. The Chapter shall maintain detailed records of inventory items showing the description, cost, quantity and location.
- 2. The total dollar value of inventory items and the changes thereto shall be recorded in the chapter's financial records.
- 3. Verification of inventory shall be made on a monthly basis through a physical count.

4. Any differences in the financial records shall be investigated for cause and the records adjusted accordingly.
5. The inventory shall consist of goods purchased and/or produced for resale. Examples of such inventory are hay, grain, craft items and fuel for households.
6. First-in-First-Out (FIFO) Inventory Method: Nazlini Chapter shall use the FIFO inventory method. It is based on the assumption that the first items in are the first out of inventory. Under this method, the ending inventory balance will reflect the cost of the most recent purchases. The advantage of this method is that it gives an up-to-date inventory value.
 - a. The following example illustrates the use of the FIFO method for one inventory item under a perpetual inventory system. In this method, a cost must be assigned to each item of inventory purchased or sold.

Date	Quantity	Cost	Sale(s)	Adjmt	Quantity (On-hand)	Cost	Balance
03/02/06	100 bales	1.50	0		100	150.00	150.00
03/10/06	50 bales	1.60			50	230.00	380.00
03/15/06	100 bales	1.50	150.00		(100)	150.00	230.00
"	25 bales	1.60	40.00		25	40.00	270.00
03/20/06	25 bales	1.55			25	38.75	308.75
"	50 busted bales	1.50		75.00	(50)	75.00	230.00

- b. The Nazlini Chapter shall also use the FIFO inventory method for all resale items. Determining the cost and value of the resale items will depend upon the following factors:
 - (1.) Cost to produce the item
 - (2.) Economic demand for the item
 - (3.) Comparable price on the market
 - (4.) Chapter approved amount (hay, grain, etc.)
7. The Nazlini Chapter shall maintain support documentation on all inventory transactions on an ongoing basis. These inventory records shall reflect the inventory receipts, issuances and balances. The inventory record keeping and custodial functions shall be segregated for internal control measures.
 - a. Inventory Sales Receipt (cash receipt): Pre-numbered and numerically controlled sales receipt forms shall be prepared in duplicate for each sale. Each form shall be properly prepared and have the following information: number and quantities issued; unit

sale price; vendor; date; total amount of sales; and the signature of employee who sold the inventory. The inventory sale receipts shall be reconciled with the inventory records on a monthly basis, or whenever necessary.

8. Inventory Control Procedures:

- a. The Administrative Assistant, at the time of inventory count, shall obtain the current perpetual inventory record and cross reference items during a physical count to determine whether any items are missing, damaged, spoiled, or obsolete.
- b. The Administrative Assistant shall report any discrepancies in the inventory immediately to the Chapter Manager.
- c. The Chapter Manager shall review the inventory count listing and any findings by the Administrative Assistant. If there is a major deficiency or changes in the inventory not properly recorded, the Chapter Manager shall consult with the Chapter officials as soon as possible, and correct the deficiencies with the Administrative Assistant. Any changes/corrections to the inventory shall be documented with a justification memorandum.
- d. It shall be the responsibility of the Administrative Assistant to handle all daily inventory record keeping. The Chapter Manager shall perform monthly physical count and reconciliation of cash receipt tickets to the inventory records. Nevertheless, it shall be the responsibility of the Administrative Assistant to handle all daily inventory record keeping and to perform monthly physical counts and reconciliation of cash receipt tickets to the inventory records.
- e. The Chapter Manager shall also ensure that fair market value will be used to determine the sale of any items that are for resale.

K. Financial Assistance:

No financial assistance shall be awarded without a Chapter-approved budget where the Chapter's general funds are utilized. The Chapter Manager is authorized to approve requests by simply complying with the respective budgets, which have been approved by the Chapter membership, and all financial assistance shall comply with applicable policies and procedures. Nevertheless, regardless of the type of assistance, the Chapter shall always comply with the following criteria for all financial assistance:

1. All recipients must be registered members of the Nazlini Chapter.

2. All requests for assistance shall be documented on a standard assistance application form with supporting documents as required by the type of assistance requested (i.e. scholarship award will need transcripts, etc).
3. All assistance awarded shall be based on availability of funds and in accordance with the ceiling limits set forth in the policies approved by the Chapter.
4. Generally, checks shall be made payable directly to the vendor(s) and or institution(s). When allowable pursuant to Nazlini Chapter approved policies and in accordance with Navajo Nation or other applicable law, check(s) may be made payable directly to the requestor.
5. Assistance shall be limited to once per family every 12 months, unless specified otherwise. For purposes of this section, “family” is defined as those persons related either by blood or marriage who reside at the same domicile. “Unless specified otherwise” means otherwise lawful expenditure of funds in extraordinary circumstances that are approved by community resolution.
6. Financial assistance includes but is not limited to the following:
 - a. Student Enrichment/Scholarship Financial
 - b. Housing material
 - c. Emergency (burnout; natural and man-made disasters)

L. Financial Statements:

1. Policy:

The Nazlini Chapter shall generate the following basic financial statements and prepare reports on the Chapter’s financial position and results of operations on a monthly basis in the following areas:

- a. Combined Statement of Revenues, Expenditures and Changes in Fund Balances-All Governmental Fund Types.
- b. Combined Balance Sheet - All Fund Types and Account Groups.
- c. Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General and Special Revenue Funds.

2. Procedures:

- a. The Chapter Manager shall prepare monthly financial statements and the Secretary/Treasurer shall present it to the community at a duly called Chapter Meeting following the end of the month.

- b. Within 60 days after the end of the fiscal year the Chapter Manager shall prepare the annual financial statements and forward to the Secretary/Treasurer to present to the community at a duly called Chapter Meeting.

M. Audit Requirements:

1. The Nazlini Chapter shall obtain an audit of its financial operations at least every two years and which shall include funds received from all Navajo Nation, State, County Federal sources and other fund sources.
2. The Nazlini Chapter may obtain the services of the Auditor General of the Navajo Nation, subject to sufficient resources at the Office of the Auditor General, or shall contract with an independent licensed Certified Public Accountant to conduct the biennial audit. The Chapter Manager, in consultation with the Auditor General, Navajo Nation, shall ensure that the independent Certified Public Accountant meets all requirements of the Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States.
3. In the process of selecting an auditor, the Nazlini Chapter shall follow the policies and procedures established for procurement of professional services.
4. Upon completion of the audit, the auditors shall furnish a statement of findings on the results of the examination.
5. The Nazlini Chapter shall conduct an exit conference between the auditor(s) and Chapter officials to review the procedures taken by the auditor(s) and the findings identified. The Chapter Manager and officials may furnish written comments concerning the report which shall be incorporated into the overall report and submitted to the funding agency and to the Chapter membership.

Procedures:

- a. The Chapter Manager, in consultation with the Auditor General, Navajo Nation, shall ensure that the independent licensed Certified Public Accountant meets all requirements of the federal General Accounting Office standards for the audit of governmental organizations and programs.
- b. The Chapter Manager and Officials shall have an entrance conference with the Auditor.
- c. The Chapter Manager and Administrative Assistant shall ensure that the Auditor receives all information requested.

- d. The Chapter Manager shall ensure that the auditor furnishes twelve certified copies of the audit results. The reports shall be prepared in accordance with the reporting standards published by the American Institute of Certified Public Accountants.
- e. The Chapter Manager and Officials shall have an exit conference with the Auditor.
- f. The Chapter Manager and Officials shall develop a Corrective Action Plan for any discrepancies cited.

N. Misuse of Chapter Funds or Assets:

Any individual, Chapter employee or official who witnesses or has knowledge of misuse of funds or financial improprieties shall immediately report the violation to the appropriate Navajo Nation entity or official. Each official and employee should understand that it is part of his/her fiduciary duty to report any and all violations.

Procedures:

- a. All Chapter officials and Chapter employees shall refrain from making, participating in or influencing decisions where there is any real or potential conflict of interest. In the event of a real or potential economic conflict of interest where the Chapter official or employee is required to participate as part of his or her official duties, the individual shall write a justification memorandum disclosing the real or potential conflict of interest and the necessity for that individual's continued participation, a copy of which shall be provided to the Navajo Nation Ethics and Rules Office and the Chapter Administration. In the event that the individual does not properly disclose the real or potential conflict of interest to the Ethics and Rules Office and the Chapter Administration, any Chapter official or employee aware of the real or potential conflict of interest shall make said disclosure or take other action as appropriate.
- b. The Chapter Manager shall monitor all allocation of chapter funds, property, or personnel to investigate alleged conflicts of interest or misuse of chapter resources.
- c. The Chapter Manager shall report all alleged misuse of chapter resources and assets to the proper authority.

VIII. DEFINITIONS

The language contained in this section applies to this Fiscal Manual:

- A. **Accounting System** – is the method and records established and maintained to identify, assemble, analyze, classify, record and report the Chapter's financial transactions and to maintain accountability, in accordance with generally accepted accounting principles, of such transactions and related assets and liabilities.
- B. **Assets** – The total amount of petty cash, undeposited revenue, checking, saving and investment balances and resale inventory, and property and equipment that are recorded in the General Capital Assets Account Group.
- C. **Bank Account** – is any money held in a bank.
- D. **Bank Reconciliation** – is the verification of bank balances to the Chapter book balance.
- E. **Bank Transfer** – is funds transferred between Chapter bank accounts without withdrawing cash.
- F. **Budget** – a plan of financial operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them, it usually indicates a financial plan for a single fiscal year.
- G. **Carry over Funds** – means unexpended funds from the previous fiscal year that are authorized to be carried into the fiscal year.
- H. **Cash** – is currency, coin, checks, money orders, and bankers draft on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.
- I. **Cash Basis Method of Accounting** – is the basis of accounting under which revenues are recorded when received in cash and expenditures are recorded when cash is disbursed.
- J. **Cash Disbursements** – is payments for goods and services.
- K. **Cash Receipts** – is receiving cash, coins, checks, dividends etc, in the form of payment.
- L. **Chapter Manager** – means the individual who is responsible for administering the Five Management Systems and the administration of the Chapter.
- M. **Chapter Membership** –
1. For purposes of services and benefits, all tribal members who either reside within or are registered chapter members. An individual may not be a member of more than one Chapter.

2. For voting purposes and participation in the chapter government, all registered voters of the chapter.
- N. **Chapter Officials** –means the following public officials elected by the Chapter membership; Chapter President, Chapter Vice-President, and Chapter Secretary/Treasurer. .
- O. **Custodian** – means an individual having day-to-day charge of official books, records, documents, equipment, property and funds of the Chapter government.
- P. **Five Management Systems** – means a management system that includes; fiscal, procurement, records, personnel and property management.
- Q. **Form W-2** – is an earnings statement for employee’s salary/wages.
- R. **Form 941** – is an employer’s quarterly federal tax return.
- S. **Form 1099** – is a non-employee earnings statement to report income that is not salary or wage (self employment income).
- T. **Fund Accounting** – provides the means to segregate financial resources into funds or account groups in order to determine compliance with finance related legal, contractual, or other restrictive requirements; aid chapter management by transactions related to certain restrictions and specific chapter functions and activities.
- U. **Fund Balance** – The difference between all asset and liability balances. Represents the net worth of a particular fund and is increased by revenues and decreased by expenditures.
- V. **Capital Assets** – Capital assets are items of tangible property having a value of more than \$500.00 and have an estimated useful life of one year or more as distinguished from intangible property and consumable tangible property. Includes building, infrastructure, improvements, property and equipment.
- W. **Capital Assets Account Group** – is a self-balancing group of accounts, set up to account for the general Capital assets of the chapter.
- X. **General Ledger** – is the summary of financial transactions and the basis for preparing trial balances and financial reports.
- Y. **General Purpose Financial Statements** - Describes the five-combined financial statement of the reporting entity that is required by Generally Accepted Accounting Principle. (Combined Balance Sheet, Combined Statement of Revenues and Expenditures – Change in Fund Balance and Combined Statement of Revenues and Expenditures – Budget vs. Actual).

- Z. **Generally Accepted Accounting Principles** (GAAP) – are financial accounting and reporting assumptions, standards, and practices that a business or governmental entities rely upon in preparing fair and consistent financial statements.
- AA. **Investments** - Securities and real estate held for the production of income in the form of interest, dividends, and rental or lease payments. The term does not include capital assets included in governmental operations.
- BB. **Journal** – is defined as a book of original entry. Journals provide a chronological detailed record of daily financial transactions and support balances in the general ledger accounts. Journals may be posted manually or generated by computer.
- CC. **Liabilities** – Amounts owed for goods and services (labor, materials, or services), which are recognized each month and recorded in the financial records of the chapter so as to properly reflect the chapter's financial condition. Debts maturing more than a year later should be shown in the General Long Term Debt Group.
- DD. **Payroll Taxes** – consist of federal withholding, social security, Medicare, FUTA and SUTA taxes.
- EE. **Source Documents** – are used to initiate accounting transactions and should be retained to support each entry recorded in the accounting records. Examples of cash receipts include source documents; pre-numbered cash receipt tickets, cash register tapes and validated bank deposit receipts. Examples of cash disbursements source documents include requisitions, purchase orders, receiving reports, and vendor invoices.
- FF. **Subsidiary Ledgers** - a book of accounts that provides supporting details in individual balances, the total of which appears in a general ledger.

IX. APPENDICES

A.	Cash Receipts Journal	Exhibit A
B.	Payroll Journal	Exhibit B
C.	Individual Employee Earnings Subsidiary Ledger	Exhibit C
D.	Timesheet	Exhibit D
E.	Work Site Sign-In Sheet	Exhibit E
F.	Monthly Check Ledger	Exhibit F
G.	Capital Asset Inventory	Exhibit G
H.	Checking Account Reconciliation	Exhibit H
I.	Savings/Investment Account Reconciliation	Exhibit I
J.	Fund Approval Form	Exhibit J
K.	Budget Transfer Form	Exhibit K
L.	Travel Authorization & Trip Report	Exhibit L
M.	Assistance Application (General)	Exhibit M
N.	General Claim Form	Exhibit N

- O. Housing Application Forms & Ranking
- P. Personnel Action Form

Exhibit O
Exhibit P

Cash Receipt Journal

Cash Receipt Journal

Page:

* The total amount must be recorded on the Monthly Check Ledger

* A duplicate pre-numbered receipt book will be used as follows:

- Prepared by:

Verified By Chapter Manager:

Deposited by:

Exhibit "B"

[illegible]

Exhibit "C"

NAZLINI CHAPTER TIMESHEET

PAY PERIOD ENDING:

SUBMIT TO AGENCY OFFICE BY:

EMPLOYEE'S NAME:

SOCIAL SECURITY NUMBER:

DAY	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	TOTAL
DATE														
ACTUAL HOURS WORKED														
ADMINISTRATIVE LEAVE														
COMPENSATORY TIME														
ANNUAL LEAVE														
SICK LEAVE														
HOLIDAY														
LEAVE WITHOUT PAY														
TOTAL														

By signing below, I affirm that the hours stated above are correct. Falsification of tribal records, including this timesheet, is grounds for immediate termination.

EMPLOYEE'S SIGNATURE:

DATE:

SUPERVISOR'S SIGNATURE:

DATE:

NAZLINI CHAPTER
WORK SITE SIGN-IN SHEET

DATES		MONDAY		TUESDAY		WEDNESDAY		THURSDAY		FRIDAY		TOTAL
NAMES:	DAY	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	HOURS
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											

DATES		MONDAY		TUESDAY		WEDNESDAY		THURSDAY		FRIDAY		TOTAL
NAMES:	DAY	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	HOURS
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											
	AM											
	PM											

Monthly Check Ledger

Month

[illegible]

Exhibit "F"

NAZLINI CHAPTER
PO BOX 7387
NAZLINI AZ 86540
TELEPHONE #: 928-755-5900

SAVINGS/INVESTMENT ACCOUNT RECONCILIATION

Month Ending: _____ Account #: _____

Beginning balance per bank statement
\$ _____

ADD: Deposits/Credits per bank statement \$ _____

SUBJECT: Outstanding checks (checks not cleared by the bank. This information is taken from the Check Register.)

Check #:		Amount:

Total Outstanding Checks: \$ _____

Ending balance per Bank Balance: \$ _____

Prepared By: _____ Date: _____

Approved By: _____ Date: _____

Note: If adjusted bank balance does not agree with the ending monthly check register balance, the monthly check register should be thoroughly reviewed and adjustments made accordingly.

**NAZLINI CHAPTER
FUND APPROVAL FORM**

AMOUNT OF CHECK: _____

DATE: _____

CHECK NUMBER: _____

PAYEE: _____

Invoice or Reference Number: _____

Purpose of Payment:

ACCOUNT NUMBER:

AMOUNT:

(Chapter Meeting Stipend ONLY)

[YES]

[NO]

01. MEETING REPORT FORM

02. MEETING AGENDA

03. MEETING CLAIM FORMS

04. MEETING MINUTES

05. MEETING SIGN IN SHEET

[YES]

[NO]

AVAILABILITY OF FUNDS

BUDGETED ITEM

COMMUNITY APPROVAL

CONDITION OF APPROPRIATION

REQUESTED BY: _____

Administrative Assistant

DATE: _____

APPROVED BY: _____

Chapter Manager

DATE: _____

CONCURRED BY: _____

Secretary/Treasurer

DATE: _____

Exhibit "J"

BUDGET TRANSFER REQUEST

To: _____

From: _____

Exhibit "K"

**NAZLINI CHAPTER
TRIP REPORT**

Name of Traveler: _____ TA Number: _____

Travel Date: (From:) _____ (Return) _____ Report Date _____

Time of Departure: _____ AM/PM Return Time: _____ AM/PM

Type of Vehicle Used: ☐ Tribal ☐ Private

Odometer Reading: Beginning: _____ Ending: _____ Total: _____ Miles Incurred

Purpose of Travel:

Person(s) Contacted:

Accomplishments (Note: XVII.2):

Justification for Unauthorized Expenses:

I certify that this trip report represents all claims incurred by me on official travel as herein stated:

***Approval Line for Unauthorized Expenses ONLY**

Approved ☐ Disapproved ☐ Approval Authority Only

Signature of Traveler/Date
(Required)

Signature of Approval Authority/Date
(Required)

Exhibit "L"

NAZLINI CHAPTER
PO BOX 7387
NAZLINI AZ 86540
PHONE #: 928-755-5900

THIS FORM CONTAINS:

TRVL AUTHORIZATION
TRAVEL ADVANCE
TRAVEL EXPENSE REPORT

TRAVEL NUMBER

DATE OF REQUEST: _____

NAME OF TRAVELER: _____

SOCIAL SECURITY NO.: _____

SIGNATURE OF TRAVELER: _____

POSITION: _____

() REGULAR STATUS EMPLOYEE

() APPOINTED OFFICIAL

DATE OF DEPARTURE: _____ DATE OF RETURN: _____ PURPOSE OF TRAVEL: _____

ITINERARY: _____

CHAPTER VEHICLE: () POV INSURANCE CARRIER &

PRIVATE VEHICLE: () POLICY NO. _____

EXP. DATE: _____

	Account No.	Total Cost Estimate:	Total Advance:
Mileage/Rate	3260		
Lodging	3250	0	
Meals	3240	0	
Miscellaneous	3290	0	
Airfare	3320	0	

I HEREBY APPROVE THIS TRAVEL REQUEST

DATE _____

RAVEL ADVANCE AUTHORIZED

DATE _____

TRAVEL EXPENSE REPORT

T R A V E L E R	1	DAY						OFFICE USE ONLY
	PERIOD	DATE						
	2	DEPARTURE						
	TIME OF	ARRIVAL						
L	3	FROM						TOTALS
		TO						
		TO						
E X P E N S E S	4	LODGING						
	5	BREAKFAST						
		MEALS	LUNCH					
		DINNER						
	6	POV Mileage						
		Fuel						
		TRANS- PORTATION	Airfare					
		Parking Fees						
	7	SPECIAL FEES						
	8	TELEPHONE						
9	MISC.							
TOTAL (Line 4-9)								

I CERTIFY THAT THIS TRAVEL REPORT IS ACCURATE, COMPLETE AND ALL EXPENSES REQUESTED FOR REIMBURSEMENT AND CLAIMED HEREIN WERE INCURRED WHILE ON NAZLINI CHAPTER OFFICIAL TRAVEL FOR THE PURPOSES AS SET FORTH IN THIS TRAVEL AUTHORIZATION.

Signature of Traveler

Date
Exhibit "L"

Approved By



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

Nazlini Chapter

P.O. Box 7387

Nazlini, AZ 86540

Telephone # (928)-755-5900

Fax # (928)-755-5903

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
COORDINATOR

Assistance Application Form

Date: _____

Name: _____

Social Security No.: _____

Address: _____

Census No.: _____

Phone #: _____

Type of Request: () Housing Materials () Scholarship () Burial () Other: _____

Purpose of Request: _____

Eligibility Criteria:

1. () Requesting individual must be currently registered with Nazlini Chapter.
2. () Form must be completed & submitted to the Chapter Administration Office.
3. () Supporting documents such as letters, invoice, itemized expense report, etc. must be attached.
4. () Financial assistance request shall be approved depending on availability of funds.

Signature of Applicant:

Date:

REQUEST BY:

Administrative Assistant

Signature

Date

APPROVED BY:

Chapter Manager

Signature

Date

CONCURRED BY:

Secretary/Treasurer

Signature

Date

Exhibit "M"

NAZLINI CHAPTER GENERAL CLAIM FORM

DATE OF CLAIM		Date Rec'd	Time Rec'd
NAME OF CLAIMANT:	SOCIAL SECURITY NUMBER:	CITY:	STATE:
MAILING ADDRESS:		ZIP CODE:	

TYPE OF CLAIM

CHAPTER OFFICIALS ONLY - CHECK ONE OF THE FOLLOWING:

☐ Regular Planning Meeting
☐ Regular Chapter Meeting
☐ Agency Council Meeting
☐ Other:

CHAPTER STANDING COMMITTEE(S) - CHECK ONE OF THE FOLLOWING:

☐ Regular CLUP Meeting
☐ Other:

Location of Meeting:

SUPPORTING DOCUMENTS:

☐ SIGN IN SHEET
☐ AGENDA
☐ MEETING REPORT FORM
☐ MEETING MINUTES

DATE OF MEETING(S):	ACCOUNT NUMBERS:	AMOUNT OF CLAIM:	CHECK NO:	FUNDS AVAILABLE BY:

I certify that this claim is true and just to the best of my knowledge and that the amounts claimed are due to me and have not been previously approved, I request that the check be () picked up by myself, () mailed to me at the above address, () picked up by person other than myself (name):

SIGNATURE OF CLAIMANT

DATE

CLAIM APPROVED BY: CHAPTER PRESIDENT/MANAGER

DATE

CONCURRENCE BY: CHAPTER OFFICIAL

DATE



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
COORDINATOR

NAZLINI CHAPTER HOUSING DISCRETIONARY

Point Allocation Summary Sheet

Name of Applicant: _____

NO: _____

Name of Co Applicant: _____

Type of assistance requested by Category:

☐ A - Minor Repairs

☐ C - Partial Assistance

☐ B - Major Repairs/Addition

☐ D - New Construction

Factor:	Description	Points Allocated (0-5 pts)
1	Family Size	
2	Annual Household Income	
3	Overcrowded Living Conditions	
4	Unsanitary or Unsafe Living Conditions	
5	Elderly, Handicapped/Disabled, and/or Veteran Status	
TOTAL POINTS ALLOCATED:		

ASSESSED BY: _____

DATE: _____

☐ Applicant is awarded. The awarded amount is \$ _____.

☐ Applicant is awarded the amount of \$ _____, which is less than the eligibility amount due to: _____

☐ Applicant is denied. Denial is due to: _____

APPROVED BY: _____

DATE: _____

Exhibit "O"

**NAZLINI CHAPTER
HOUSING DISCRETIONARY
RANKING AND EVALUATION SHEET**

Factors 1 and 2: Family Size and Annual Household Income		
Number of Family Members:	Income	Points
1	\$2,793 or less.....	5
	\$2,794 to \$5,733.....	4
	\$5,734 to \$8,673.....	3
	\$8,674 to 11,613.....	2
	\$11,614 to 14,700.....	1
	\$14,701 or more.....	0
2	\$3,762 or less.....	5
	\$3,763 to \$7,722.....	4
	\$7,723 to \$11,682.....	3
	\$11,723 to \$15,642.....	2
	\$15,643 to \$19,800.....	1
	\$19,801 or more.....	0
3	\$4,731 or less.....	5
	\$4,732 to \$9,711.....	4
	\$9,712 to \$14,691.....	3
	\$14,692 to \$19,671.....	2
	\$19,672 to \$24,900.....	1
	\$24,901 or more.....	0
4	\$5,700 or less.....	5
	\$5,701 to \$11,700.....	4
	\$11,701 to \$17,700.....	3
	\$17,701 to \$23,700.....	2
	\$23,701 to 30,000.....	1
	\$30,001 or more.....	0
5	\$6,669 or less.....	5
	\$6,670 to \$13,689.....	4
	\$13,690 to \$20,709.....	3
	\$20,710 to \$27,729.....	2
	\$27,730 to \$35,100.....	1
	\$35,101 or more.....	0
6	\$7,638 or less.....	5
	\$7,639 to \$15,678.....	4
	\$15,679 to \$23,718.....	3
	\$23,719 to \$31,758.....	2
	\$31,759 to \$40,200.....	1
	\$40,201 or more.....	0
7	\$8,607 or less.....	5
	\$8,608 to \$17,667.....	4
	\$17,668 to \$26,727.....	3
	\$26,728 to \$35,787.....	2
	\$35,788 to \$45,300.....	1
	\$45,301 or more.....	0

NOTE: For each person over 7 continue adding the amount ending in each column.

Factor 3. Overcrowded Living Conditions		
Number of Rooms	Number of Household Members:	Points
0	6 or more individuals.....	5
	5 individuals	4
	4 individuals	3
	3 individuals	2
	2 individuals	1
	1 individual	0
1	6 or more individuals.....	5
	5 individuals	4
	4 individuals	3
	3 individuals	2
	2 individuals	1
	1 or 2 individuals.....	0
2	7 or more individuals.....	5
	6 individuals	4
	5 individuals	3
	4 individuals	2
	3 individuals	1
	2 or less individuals.....	0
3	8 or more individuals.....	5
	7 individuals.....	4
	6 individuals.....	3
	5 individuals.....	2
	4 individuals.....	1
	3 or less individuals.....	0
4	9 or more individuals.....	5
	8 individuals.....	4
	7 individuals.....	3
	6 individuals.....	2
	5 individuals.....	1
	4 or less individuals.....	0
5 or more	10 or more individuals.....	5
	9 individuals.....	4
	8 individuals.....	3
	7 individuals.....	2
	6 individuals.....	1
	5 or less individuals.....	0

Factor 4: Unsanitary or Unsafe Living Conditions	Points
<ul style="list-style-type: none"> Whole house should be condemned due to major deficiencies and/or deterioration. Family needs to be relocated there is no other home(s) is available..... 	5
<ul style="list-style-type: none"> House has no running water (plumbing), electricity, and heating system..... 	4
<ul style="list-style-type: none"> Roof is leaking, water leaks into rooms or underneath the house causing decay and in need of replacement. Install or repair water or waste water, disposal systems and repair or replace roof/repair structural supports..... 	3
<ul style="list-style-type: none"> Exterior siding deteriorating, uneven floors, cracked walls and/or energy conservation measures needed such as insulation, storm windows, etc..... 	2
<ul style="list-style-type: none"> Window(s) are broken, door(s) are missing or very difficult to open/close, gaps around some of the door assemblies, bathroom not working properly. Needs to replace toilet, bathtub, sink/lavatory or sewer system failure..... 	1
<ul style="list-style-type: none"> There are safe/sanitary conditions..... 	0

Factor 5: Elderly, Handicapped/Disabled and/or Veteran Status	Points
<ul style="list-style-type: none"> Elderly, Disabled, and a Veteran..... 	5
<ul style="list-style-type: none"> Elderly and a Veteran..... 	4
<ul style="list-style-type: none"> Disabled and a Veteran..... 	3
<ul style="list-style-type: none"> Elderly and Disabled..... 	2
<ul style="list-style-type: none"> Elderly or Disabled or a Veteran..... 	1
<ul style="list-style-type: none"> Not elderly, not disabled and non-Veteran..... 	0

Nazlini Chapter
P.O. Box 7387
Nazlini, AZ 86540
Telephone #: 928-755-5900

Personnel Action Form

Employee Position I.D. No:
NZC USE ONLY

<input type="checkbox"/> Employment Notice		<input type="checkbox"/> Change Notice		<input type="checkbox"/> Termination Notice		Effective Date	
Last Name First Middle			Address		City/State/Zip		Social Security No.
Census No.		Marital Status		Sex	Date of Birth	Ethnic Code	Tax Exemption
Division/Department					Account No.		
Position Title		Class Code		Grade Step		Hourly Rate	Per Annum
Remarks:							
Employee Signature Date				Type of Termination: <input type="checkbox"/> Resignation <input type="checkbox"/> Discharge <input type="checkbox"/> Layoff			
Chapter Manager/President Date				Employee is responsible and accountable for the following:			
				Chapter Funds _____ Property/Equipment _____ Credit Services _____ Other: Credit Union, Vets. Office _____ Clearance by initial from each section/department			

White = Nazlini Chapter

Green = Credit Services

Canary = Employee

Golden Rod = Other

Exhibit "P"

2

NAZLINI CHAPTER

PROCUREMENT MANAGEMENT POLICIES AND PROCEDURES

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NAZLINI CHAPTER PROCUREMENT POLICIES AND PROCEDURES MANUAL

I. AUTHORIZATION

- A. Pursuant to 26 N.N.C. § 101 (A), the Nazlini Chapter (hereafter “Chapter”) is required to formulate, implement and operate under a Five Management System to ensure procurement accountability. Accordingly, Chapter has developed policies and procedures to implement the Five Management System consistent with applicable Navajo Nation Law.
- B. Pursuant to Nazlini Chapter Resolution #: NAZL-2011-08-029, the Chapter Procurement Policies and Procedures Manual (hereafter “Procurement Manual”) has been approved.

II. PURPOSE AND SCOPE OF POLICY

- A. The Procurement Manual sets forth the authority, principles and procedures governing the procurement of goods and services by the Chapter. The Procurement Manual provides the basis for the implementation of and general provision to obtain goods and services at a competitive price within a reasonable time.
- B. The general principles of the Procurement Manual are applicable to all Chapter employees and members of the Chapter, including Chapter officials who will monitor procurement activities to ensure all handling of Chapter procurement is done in accordance with principles detailed in the Manual.
- C. The Chapter may establish its own regulations for the accounting of purchased goods and services consistent with Navajo Nation laws and stipulations attached to grants, contracts, or related to procurement agreements. The Chapter will provide assurance that all purchasing is done to benefit the Chapter, and comply with Chapter members’ action and approval.
- D. These policies and procedures shall provide adequate and accurate information for Chapter reporting activities, help justify how resources are utilized, serve as an important internal control measure, help document important decisions, and provide a history of the Chapter’s procurement activities.
- E. These policies and procedures shall ensure that all procurement activities are supported with proper and accurate documentation.

III. APPLICABLE LAWS:

The Chapter shall comply with all applicable state, federal, and Navajo Nation laws, including the Navajo Business Opportunity Act, 5 N.N.C. §§ 201 *et seq.*, and the Navajo Business and Procurement Act, 12 N.N.C. §§ 1501 *et seq.* Upon certification of its Procurement Manual by the Transportation and Community Development Committee, the

Chapter is expressly not governed by the Navajo Nation Procurement Act, 12 N.N.C. §§ 301 *et seq.*, which requirements and procedures are replaced by this Procurement Manual.

IV. PROCUREMENT POLICIES

- A. The Nazlini Chapter shall treat all perspective vendors in an equal and fair manner, in order to not give preferential treatment to any vendor(s) or prospective procurement source of goods and services.
- B. The Nazlini Chapter shall ensure maximum open and free competition regardless of the dollar value of the goods or services being purchased.
- C. No rewards, favors, gifts or other form of remuneration shall be received from any vendor(s), contractor, individual or firm, or any other sources having relations with the Chapter.
- D. The Nazlini Chapter shall have a clearly defined remedy under the terms of any contract or agreement entered into by the Chapter if either party is treated in an unjust manner. Any such remedy shall strictly comply with the Navajo Sovereign Immunity Act, 1 N.N.C. §§ 551 *et seq.* Pursuant to 1 N.N.C. § 554 (J), any Chapter contract or agreement providing for arbitration shall require prior review and approval by the Navajo Nation Department of Justice and compliance with the Navajo Nation Arbitration Act, 7 N.N.C. §§ 1101 *et seq.*
- E. All Nazlini Chapter purchasing activities shall require:
 - 1. Community approval, to be obtained through a community-approved budget or by individual/specific approval. Individual/specific approval will be documented by use of a Chapter resolution.
 - 2. Review of purchasing requirements and requisitions to insure that the most economic means of purchasing are adopted and to avoid duplicate purchases.
 - 3. An accurate, fair and unbiased description of the goods or services needed on a request for purchase or purchase orders.
 - 4. Awarding of purchase agreements only to those organizations, vendor(s) and suppliers who are capable of providing goods or services needed, and who have proven to be responsible suppliers.
 - 5. Purchase costs to be reasonable through the adoption of a process that provides a mechanism of ensuring fair and open competition.
 - 6. The Chapter administration staff to maintain documentation of all purchases and establishment of a purchase monitoring system, which ensures goods and services, are provided in the time frame requested and consistent with applicable terms and conditions specified in any applicable agreement.

7. The Chapter to make accurate, proper and timely payments on all procurement of goods and services to maintain the Chapter's creditability and good will with vendor(s), contractor(s), or other debtors.
- F. The Nazlini Chapter shall comply with all applicable Navajo Nation laws, including, but not limited to, the Navajo Business Opportunity Act, 5 N.N.C. §§ 201 *et seq.*, the Navajo Business and Procurement Act, 12 N.N.C. §§ 1501 *et seq.*, the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*, the Navajo Nation Ethics in Government Law, 2 N.N.C. §§ 3741 *et seq.*, the Navajo Uniform Commercial Code, 5A N.N.C. §§ 1-101 *et seq.*, and 2 N.N.C. § 223 by the following procedures:
 1. Pursuant to 26 N.N.C. § 2002 (A) and (B), the Chapter shall adhere to all contract requirements enumerated therein.
 2. That all reasonable effort shall be made to offer purchasing opportunities to qualified Navajo-owned suppliers and vendors.
- G. Unauthorized purchases are prohibited. Any Chapter employee or official who charges any procurement of goods or services to the Chapter without proper authorization may be subject to penalties and may be personally liable, as provided in the Chapter Personnel Policies and Procedures Manual or other applicable laws of the Navajo Nation. The Chapter shall not be liable, faulted or responsible for unauthorized purchases.
- H. Any unauthorized purchase performed may result in immediate termination and release of employment from the Chapter, in accordance with any applicable personnel policies and the Personnel Manual under the Chapter's Five Management System.
- I. The Chapter Officials are prohibited from making purchases on behalf of the Chapter. The Chapter Officials can consult with the Chapter Manager on the Administration making purchases which will greatly benefit the Chapter.
- J. All checks for payments to vendors and suppliers shall require two signatures before fund disbursement. The Secretary/Treasurer shall co-sign all Chapter checks along with the Chapter Manager. In the event that the Secretary/Treasurer is unavailable, another alternate authorized signatory shall sign in his/her place, and shall provide a justification memorandum for any such signature.
- K. The following purchasing limits shall be as follows:
 1. On any purchase from \$ 0 to \$ 2,500 total purchase, the Administrative Assistant may verbally obtain purchase and vendor information. Fund availability and budgeted line item shall be documented on the Fund Approval Form. The three verbal quotations shall be documented and include the vendor's name, identity of the individual(s) contacted, price quotation, date of contact, phone numbers and the method of contact. Information gathered via internet is valid. Funds must be available and budgeted for such purchases.

Said purchases shall only require the approval signature of the Chapter Manager.

2. On any purchase from \$ 2,501 to \$ 10,000 total purchase, the Office Administrative Assistant shall obtain three (3) or more written quotations from different vendors. To *expedite* the purchase, the vendors can fax their cost and terms to the Chapter Manager. All documents must be properly recorded and kept on file. This provision shall only require the signature approval of the Chapter Manager.
3. For any purchase from \$ 10,001, to \$ 50,000 total purchase, the Administrative Assistant shall obtain three (3) or more written quotations from different vendors. The Chapter Manager shall insure that certified entities under the Navajo Business Opportunity Act receive preference, and shall recommend the selected vendor to the Chapter for approval by a simple majority vote during a duly-called Regular Chapter meeting.
4. All procurement contracts and agreements exceeding \$ 50,000 shall be governed by the applicable rules and procedures under the Navajo Business Opportunity Act, 5 N.N.C. §§ 201 *et seq.*, and those procurement provisions further enumerated at Section VII of the Procurement Manual.

V. GENERAL DUTIES AND RESPONSIBILITIES

A. Administrative Responsibilities:

1. The Chapter Manager shall:
 - a. Be the primary check signer of all Chapter checks pursuant to 26 N.N.C. § 1004 (B) for payment to vendors, along with the Chapter Secretary/Treasurer. In the event that the Secretary/Treasurer is unavailable, another authorized alternate signatory shall sign in his/her place, said signature which shall require a justification memorandum by the alternate signatory.
 - b. Be the custodian of all official books, records, documents and funds of the Chapter pursuant to 26 N.N.C. § 1004 (C).
 - c. Approve/disapprove purchase requisitions to assure purchases are within the budget according to funding guidelines, reasonableness, and necessity.
 - d. Select the vendor(s) based on vendor's reliability in terms of past procurement, general reputation and compliance with applicable Navajo Nation Laws.
 - e. Investigate any discrepancies and report it immediately to appropriate authorities.

- f. Recommend amendments to the Procurement Policies and Procedures Manual.

2. The Administrative Assistant shall:

- a. Identify a need to procure services, supplies or equipment for chapter purposes or projects, and initiate the purchase requisition, based on availability of funds.
- b. Obtain price quotations when required, and verify fund availability by reviewing the appropriate ledgers.
- c. Prepare the appropriate documents for signatory approval.
- d. Prepare and submit all applicable documents to the selected vendor(s).
- e. Verify that the vendor received all documents for purchases.
- f. Obtain and receive the merchandise along with the invoice(s) and prepare receiving report(s) for goods and services received.
- g. Submit invoice and receiving reports to the Chapter Manager for payment.
- h. Also have responsibility of offering recommendations for amending procurement policies and procedures.
- i. Have responsibility of reporting discrepancies and illegal procurement activities to the Chapter Manager or Chapter Officials.

3. Temporary Employees:

- a. May make requests to the Administrative Assistant for goods and/or services during his/her employment with the Chapter.
- b. May also obtain and receive the merchandise along with the invoice(s) for goods and services received.

B. Chapter Officials' oversight responsibilities:

1. The Chapter President shall:

- a. Work closely with the Vice-President and Secretary/Treasurer to ensure that the Chapter administration is adequately meeting the Chapter's directives and expending funds according to conditions of the Navajo Nation Council and/or the Chapters annual budgetary objectives, and shall report to the Chapter membership.

- b. In the absence of the Secretary/Treasurer, may co-sign all Chapter checks with a justification memorandum.
 - c. Monitor and review on a quarterly basis the procurement activities and processes of the Chapter, but pursuant to 26 N.N.C. § 1001 (E) shall not have any direct involvement in the management and operations of the Chapter administration.
 - d. Work towards resolving any discrepancies, irregularities, or illegalities in the procurement process.
 - e. Make recommendations for discussion to amend, modify or revise the Procurement Manual.
2. The Chapter Vice-President shall:
- a. In the absence of the Chapter President, assume delegated duties and responsibilities of the Chapter President for a reasonable time period.
 - b. Assist in the quarterly review of the Chapter procurement process, but pursuant to 26 N.N.C. § 1001 (E) shall not have any direct involvement in the management and operations of the Chapter administration.
 - c. Have responsibilities that include resolving and/or reporting discrepancies and illegalities to the appropriate authorities.
 - d. Have responsibility of offering recommendations for amending procurement policies and procedures.
3. The Chapter Secretary/Treasurer shall:
- a. Work closely with the President and Vice-President to ensure that the Chapter administration is adequately meeting the Chapter's directives and expending funds according to conditions of the Navajo Nation Council and/or the Chapters annual budgetary objectives, and shall report to the Chapter membership.
 - b. Monitor the maintenance of an adequate accounting system to ensure accountability of all funds and expenditures; and will report financial statements to the Chapter President and membership on a monthly basis.
 - c. Ensure that the Chapter administration prepares monthly financial reports of all transactions and expenditures of the Chapter by categories.

- d. Co-sign all Chapter checks along with the Chapter Manager.
- e. Report discrepancies and illegalities to the appropriate authorities.
- f. Offer recommendations for amending procurement policies and procedures.
- g. Not have any direct involvement in the management and operations of the Chapter administration pursuant to 26 N.N.C. § 1001 (E).

VI. PURCHASING SYSTEMS AND PROCEDURES

- A. The following procurement procedures shall apply for reoccurring expenditures (electricity, water, telephone, heating, etc.) of goods and services with all funds received by the Chapter:
 - 1. Any Chapter staff and officials may request for goods or services on a Chapter Requisition Form (Exhibit F) through the Administrative Assistant. The Administrative Assistant shall review the request for need and necessity, but shall not hinder any reasonable request.
 - 2. The Administrative Assistant shall verify fund availability; prepare the requisition form and forward documents to the Chapter Manager for approval.
 - 3. The Chapter Manager shall review documents for completeness and either approve or disapprove the purchase requisition.
 - 4. If approved, the requisition form and supporting documents shall be submitted back to the Administrative Assistant who shall order said goods and/or services.
 - 5. Once an invoice is received showing the amount charged to the Chapter, a Fund Approval Form (FAF) shall be attached with the invoice by the Administrative Assistant and submitted to the Chapter Manager.
 - 6. The Chapter Manager shall review the financial documents to make sure any invoice is correct and shall either approve or disapprove the requisition for payment.
 - 7. Supporting documents shall be verified by the secondary signatory (generally the Secretary/Treasurer) who shall also sign the check. In the event that the Secretary/Treasurer is unavailable, another authorized signatory shall sign in his/her place, and shall require a justification memorandum by the alternate signatory.
 - 8. Upon approval and issuance of a check, the Administrative Assistant shall remit payment (check) to the vendor with a copy of the invoice attached.

9. The Administrative Assistant shall post the expenditure to the check register and appropriate ledger.
10. The Administrative Assistant shall file the original invoice with a copy of the canceled check(s) attached, in accordance with the Chapter's Record Management Policy and Procedures Manual.

B. Purchase Order (PO) Procedures:

The Chapter shall use a Purchase Order method of procuring goods and services when ordering office supplies, janitorial supplies, and fuel supplies, and for the procurement of non-professional services, including for any maintenance agreement for services to the office machines, Chapter heavy equipment, and some building maintenance. Purchase Orders shall not be used for the procurement of any professional services, including any service where the industry standard for that profession provides for professional licensure such as for contractors, plumbers and electricians, and which shall require a Professional Services Agreement to be based on templates approved by the Navajo Nation Department of Justice (DOJ) in consultation with DOJ.

1. The Administrative Assistant shall identify a need to procure eligible goods or services and shall verify funds availability.
2. The Administrative Assistant shall obtain price quotations from at least three (3) vendors who will accept a Purchase Order.
3. The Administrative Assistant shall fill out a Chapter Purchase Requisition Form, which must contain a clear and concise description of the items required and the recommendation of a vendor. The Administrative Assistant shall sign the purchase requisition form and forward the document(s) to the Chapter Manager for approval or disapproval. .
4. The Chapter Manager shall review the purchase requisition for reasonableness, necessity, budget and fund compliance and either approve or disapprove the purchase requisition and vendor selection.
5. The Administrative Assistant shall prepare a Purchase Order when the Purchase Requisition is approved.
6. The amount of the approved Purchase Order shall only be debited from the fund and subsidiary ledger and debited from the Check Register when the procured good or services are satisfactorily received.
7. The Administrative Assistant shall submit the Chapter Purchase Order to the vendor.
8. The Chapter Manager shall be authorized and responsible to correct or void a Purchase Order for the following reasons:

- a. Increase or decrease of a price quotation
 - b. Vendor's address change
 - c. Item number, description changes
9. Upon receipt of goods or services with shipping documents (bill of lading, invoice, etc.) an inventory shall be performed by the Administrative Assistant who shall fill out the receiving report and stamp RECEIVED on the shipping document.
10. The Chapter Manager shall review the purchase and receipt documents for completeness and accuracy.
11. The Administrative Assistant shall prepare a check to the vendor and submit it to the Chapter Manager for signature. The check shall also be signed by the secondary signatory.
12. The Administrative Assistant shall remit payment to the vendor.
13. The Administrative Assistant shall make posting notation to the fund and subsidiary ledgers to document the actual payment.
14. The Administrative Assistant shall file the original invoice with a copy of the canceled check(s) attached, in accordance with the Chapter's Record Management Policy and Procedures Manual.

C. Prepare a Fund Approval Form:

1. The Chapter shall use the Fund Approval Form (FAF) method for emergencies or when vendor(s) do not accept Chapter Purchase Orders.
2. The following procedures shall apply:
 - a. The Administrative Assistant shall fill out the Fund Approval Form (FAF).
 - b. The Administrative Assistant shall obtain the price quotes and checks for availability of funds.
 - c. The Chapter Manager shall review the FAF for reasonableness, necessity; fund and budget compliance and either approve or disapprove the proposed expenditures.
 - d. If approved, the Administrative Assistant shall prepare the check.
 - e. The Chapter Manager and the secondary signatory shall sign the check.

- f. The payment (check) shall be submitted to the vendor with an attached copy of the vendor's quote.
- g. The Administrative Assistant shall post expenditures to the check register or appropriate ledger.
- h. Upon receipt of goods with shipping document (bill of lading, invoice, etc.), the Administrative Assistant shall perform the inventory and marks the invoice as "PAID".
- i. The Chapter Manager shall review FAF with attached invoice.
- j. The Administrative Assistant shall file all purchase transaction documents consistent with the Chapter Records Management Policy and Procedures Manual.

D. Blanket Purchase Order:

1. When appropriate, the Chapter may utilize the Blanket Purchase Order purchasing method to a vendor for a specified amount and period of time to cover purchases of a recurring nature, or purchases essential to the function or maintenance of chapter equipment, property or administration.

This purchasing method may be used to minimize the need of individual requisitions, purchase orders, and the costs related to the processing and filing of these documents.

2. When using a Blanket Purchase Order, the Chapter shall maintain a subsidiary ledger of transactions in which all transactions are recorded, and the open balance of the Purchase Order is known.
3. The amount of the Blanket Purchase Order would be set up not to exceed a specified dollar amount, based on an estimate of expenditures for a specified period of time.
4. Only the Chapter Manager shall order and receive goods or services on the Blanket Purchase Order.
5. In every transaction under this method the following procedures shall apply:
 - a. The Chapter Manager shall receive all requests to purchase materials, equipment or services. Any employees and officials may submit a request. Any request from a standing committee member shall only be made through a Chapter official.
 - b. The Administrative Assistant shall verify funds availability and acquire quotations from (3) three vendors.

- c. The Administrative Assistant shall initiate a Chapter Purchase Requisition Form, typewritten as follows:
- (1) Complete all blank lines on the requisition form such as date, requestor, *where and when materials are to be delivered*, and the proper accounting code and fund number.
 - (2) Indicate last source or possible sources of supply, if known, in the space titled "Suggested Vendors".
 - (3) List the items required, giving a complete description including stock number (if applicable), manufacturer's or vendor's name and catalog number, if available.
 - (4) If the *information* is available, list the unit price from a previous purchase order, vendor's catalog or other source indicating the source from which the prices were taken. A copy of the requested quotations will be attached to the Purchase Requisition Form.
 - (5) If a partial shipment would not satisfy the chapter's need, then, a notation ["Do Not Ship Partial Order"] must be made on the Purchase Requisition Form.
- d. The Administrative Assistant shall sign the Purchase Requisition Form in the space provided for and forward to the Chapter Manager for approval, including a recommended vendor.
- e. The Chapter Manager shall review the Purchase Requisition Form for reasonableness, necessity, budget and fund compliance and shall either approve or disapprove the requisition form and vendor selection.
- f. When the purchase is approved, the Administrative Assistant shall prepare a Blanket Purchase Order and encumber funds.
- g. The Administrative Assistant shall submit the Chapter Blanket Purchase Order to the vendor.
- h. Upon receipt of goods or services with receiving documents (bill of lading, invoice, etc.) Administrative Assistant shall perform an inventory, fill out the receiving report, and stamp the shipping document.
- i. The Chapter Manager shall review the Blanket Purchase Order and receiving documents for completeness and accuracy. The Chapter Manager shall then forward the receiving document to the Administrative Assistant for recording in the appropriate fund ledgers to become a source document for processing an unpaid invoice.

- j. Upon approval, the Administrative Assistant shall prepare a check to the vendor and submit the check to the Chapter Manager for signature. The check shall be signed by the secondary signatory.
- k. The Administrative Assistant shall remit payment to the vendor and post to the appropriate accounting ledgers.
- l. The Administrative Assistant shall make posting notation to the fund and subsidiary ledgers to document the actual payment.
- m. The Administrative Assistant shall file the original invoice with a copy of the canceled check(s) attached, in accordance with the Chapter's Record Management Policy and Procedures Manual.

E. **Emergency Fund Purchases:**

- 4. All Emergency Fund purchases shall meet the following criteria :
 - a. A Declaration of Emergency shall first be declared by the President of the Chapter or the President of the Navajo Nation, based upon an emergency bulletin issued by the Emergency Management Commission.
 - b. The Chapter shall designate an Emergency Fund budget annually and this Fund shall be expended for weather-related emergencies and/or man-made or natural disaster affecting the health, safety, and welfare of Chapter members, individually or as a group residing within the impacted area.
 - c. The Chapter shall enact a community approved budget and refrain from unauthorized purchases. The Emergency Fund is a restricted fund and shall be expended consistent with established criteria and requirements in Section VII (D) (2)-(5) of this Policy.
 - d. All Emergency fund disbursements shall have supporting documents properly filed at the Chapter Administration for financial audit purposes.
 - e. The list of recipients utilizing Emergency Fund commodities distributed free-of-cost shall be accurately filed at the Chapter.
 - f. The Chapter shall expend the Emergency Fund only after chapter approval at an emergency Chapter meeting.
 - g. All Emergency Fund revenues shall be recorded on a pre-numbered cash receipt, which should be summarized and classified, by the type

of revenue generated. All generated revenues shall be posted into the Emergency Fund account.

5. Emergency Priority Listing and Eligibility Requirements:

The Chapter Emergency Funds shall only be used to provide relief support and services, in order of priority, to the following areas;

- a. **Priority One:** In every emergency and disaster incident, priority consideration shall be given to the welfare and care of high-risk elderly and individual(s) with health related conditions.

1. Eligibility requirements:

- i. Heart patients, elderly with illness, extreme cough and/or fever.
- ii. Pregnant women with prenatal or post partum difficulties, newborn infants and children requiring medical attention.
- iii. Diabetic, oxygen dependent, non-ambulatory, and recently discharged medical patients requiring constant medical attention.

- b. **Priority Two:** Priority consideration shall be given to main traveled roads that would allow community members to travel for food, water, hay and feed, fuel and medical attention.

1. Eligibility requirements:

- i. Snow, ice, and mud removal from roads leading to stranded families, high-risk, elderly and handicapped person(s).
- ii. Establish Emergency Response Team command center to coordinate the assessment, evaluation, and service delivery plan.
- iii. Equipment repairs and maintenance not to exceed \$6,000.
- iv. Purchase of gas and diesel fuel for any equipment engaged in providing emergency response relief.
- v. Overtime compensation for temporary personnel engaged in emergency response.

- vi. Lodging and meals for heavy equipment operator(s) engaged in emergency road clearance operations.
 - vii. Reasonable rental or lease costs for equipment.
- c. **Priority Three:** Ample supply of food, water, and fuel to sustain a family of five for 3-5 days may be expended from the Emergency Funds.
- 1. Eligible services:
 - i. Purchases of firewood, coal, food and water from private vendor.
 - ii. Emergency funds not exceeding \$ 200.00 per household to purchase food.
- d. **Priority Four:** Emergency Funds may be expended for temporary and short-term relief for a family of five [3-5 days] *used by families for their livelihood.*
- 1. Eligible services:
 - i. Purchases of hay, feed, salt blocks, veterinarian supplies/medication and water for sheep, horses, cattle, and other form of livestock.
 - ii. Emergency funds not exceeding \$ 200.00 per household.
 - iii. Eligible household will participate in annual livestock tally counts and livestock management education, conducted by the Grazing Officer.
 - iiii. Upon chapter membership approval the products can be resold at below market value.
3. **Matching funds between agencies:** Emergency funds may be used to provide matching funds or as a supplement to the delivery of relief services from the Navajo Nation Government, State Government, County Government, Bureau of Indian Affairs Roads Department and National Guard, and may include such items as fuel or temporary equipment operator(s) through a Memorandum of Agreement (MOA). The MOA shall be initiated when the President of the Chapter declares an Emergency or the Emergency Management Commission issues its Emergency bulletin.
4. **Standard Criteria For Declaration of Emergency or Disaster:**

The Chapter shall use the following criteria to determine whether an emergency or disaster exists in the community. (Refer to Exhibit J, Standard Criteria for further details).

- a. The lives and/or basic well being of persons and/or livestock in the community are in jeopardy due to the impact of a severe weather related, natural disaster or human cause.
- b. Conditions resulting from natural or weather related events severely obstruct the access of person(s) and/or livestock to obtain critical life sustaining supplies and resources.
- c. Community utilities have stopped functioning, which jeopardizes community services, communications and emergency care systems.
- d. A need for emergency assistance exists necessary to safeguard the lives of persons and/or livestock which cannot be met with existing local resources.
- e. The National Weather Service and/or the Department of Emergency Management Commission broadcasts notification of imminent danger of a natural disaster. Notification can also come from other direct sources, including local chapter officials and members.
- f. A major unforeseen disaster is caused by human acts such as a chemical spill, major roads obstruction, or terrorist act.
- g. Major plague or illness is present such as the West Nile Virus, Bird Flu, Hanta Virus, etc.

5. Purchasing Method(s) For Emergency Fund:

- a. The Chapter shall utilize the Fund Approval Form procurement method and cycle in Section VI (A) for all weather-related emergencies or natural disasters.
- b. The Chapter, when practical, shall utilize the Purchase Order procurement method and cycle in Section VI (D) for emergency prevention and maintenance situations.

VII. COMPETITIVE SEALED BIDDING AND CONTRACTING FOR PROCUREMENT EXCEEDING \$50,000

- A. It shall be the policy of the Chapter to follow all funding source guidelines and restrictions as well as applicable Navajo Nation laws when contracting for all professional services and any procurement exceeding \$ 50,000.

B. Competitive Sealed Bidding is the currently preferred method of source selection for all professional services and any procurement exceeding \$ 50,000 by local governance certified chapters, and shall be conducted in a manner consistent with the procedures set forth in the Navajo Business Opportunity Act at 5 N.N.C. § 205, as amended. *Notwithstanding the competitive sealed bidding procedures under 5 N.N.C. § 205, the Chapter may use any procedures for Qualification Based Selection (QBS) approved in the future by the Navajo Nation Council to be used by local governance certified chapters in the selection of certain professional services, including architects, engineers, and land surveyors.*

C. Chapter Contract Requirements:

1. Any contract authorized to be executed on behalf of the Chapter shall meet the following conditions:
 - a. Contracts shall not waive the sovereign immunity of the Navajo Nation or Chapter and shall expressly state that nothing therein may be construed as a waiver of the sovereign immunity of the Navajo Nation and the Nazlini Chapter.
 - b. All contracts shall have sufficient funds appropriated and available.
 - c. All contracts shall comply with the Navajo Business Opportunity Act, 5 N.N.C. §§ 201 *et seq.*, the Navajo Business Procurement Act, 12 N.N.C. §§ 1501 *et seq.*, as amended, and the Navajo Employment Preference Act, 15 N.N.C. §§ 601 *et seq.*, as amended, any rules and regulations promulgated thereto, and any other applicable Navajo Nation law.
 - d. All contracts shall be awarded only after public advertisement and bidding *except* where otherwise authorized as purchases less than \$50,000, Emergency Fund purchases, Sole Source purchases, or qualification based selection pursuant to procedures approved for local governance certified chapters by the Navajo Nation Council.
 - e. All change orders, modifications or amendments of contracts utilizing Navajo Nation funds and Chapter general funds shall not exceed 10% of the accepted bid. If the 10% cap is exceeded by any change orders, modifications or amendments, such change orders, modifications or amendments shall be subject to re-bid.
 - f. All contracts shall expressly state that the liability of the Chapter and the Navajo Nation under the contract is contingent upon the availability of appropriations by the Navajo Nation Council and any other funding source necessary to carry out the Chapter's obligations under the contract.

2. Invitation for Bids:

- a. The Chapter Manager, with technical assistance from the Navajo Regional Business Development Office and the Navajo Nation Business Regulatory Office staff, and in consultation with the chapter officials, shall prepare the Invitation for Bids, which shall include a purchase description, all contractual terms and conditions applicable to the procurement, and the necessary qualification requirements of contractors and supplies needed to provide the goods or services. The following qualifications and documentation shall be required:
 - (1.) Contractors Federal Identification Number
 - (2.) Tax ID Number from Navajo Tax Commission
 - (3.) Experience and expertise
 - (4.) Navajo Preference
 - (5.) Professional liability insurance
 - (6.) Workmen's Compensation
 - (7.) Bonding/Security for the construction
 - (8.) Mandatory pre-bid conference attendance
 - (9.) Resume of owner(s)
- b. The Chapter Manager shall determine the maximum or feasible price or cost of the contract or procurement prior to soliciting bids and proposals. The maximum feasible price or cost must take into account the market price, architectural and engineering estimates, budgetary constraints and prototype cost. This information may not be revealed until the award of the contract. Any Chapter employee or Chapter Official who provides such information may be held criminally and/or civilly liable.
- c. Dates for the following shall be set by the Chapter Manager, in consultation with the Chapter Officials, and with technical assistance from the Navajo Nation Regional Business Development Office staff:
 - (1.) Advertisement date, commencing and ending
 - (2.) Pre-conference dates
 - (3.) Site walk through
 - (4.) Actual submission date for proposal
 - (5.) Actual date for opening of bids, proposal and cost
 - (6.) Selection of a Contractor
 - (7.) Project completion time
 - (8.) Contract formulization (signing of contract)
 - (9.) Contract commencement
 - (10.) Dates for period deliverable and payment for services
 - (11.) Close out of contract/final reports
- d. After preparing the invitation for bid solicitation, the Chapter Manager shall provide ten (10) days public notice or invitation to bid in a

newspaper having general circulation and distribution within the Navajo Nation; or, shall provide notice or invitation to bid by mail or facsimile to all certified businesses listed on the Navajo Nation Source List compiled and maintained by the Navajo Nation Business Regulatory Department. The Notice of invitation to bid shall include:

- (1.) The requirements, descriptions, classification and specifications of the goods or services requested;
 - (2.) The deadline dates for submission of bids, bid openings, award and any other significant dates;
- e. To demonstrate that competitive bidding was performed, the Chapter shall maintain a copy on file of the solicitation used to obtain the bids. In addition, if the Chapter used the advertising mechanisms to place the solicitation announcement, the Chapter shall maintain a copy of the announcement and an indication of where and when such announcement was placed.
- f. A pre-bid, pre-proposal, or a pre-contract conference shall be held to provide additional information only obtainable by seeing the site of service, construction site, or individuals with whom the contract is to be performed.
- g. Once the actual submission date for bids/proposals has expired, no late bids or proposals shall be accepted. All bids shall be submitted to the Chapter and shall be received and stamped at the Chapter administration by the Chapter Administrative Assistant. The Chapter Manager shall ensure that all bid documents received are recorded and safeguarded in a safe or under lock and key until the bid opening date.
- h. Bid Opening Procedures and Requirements; The following procedures shall be used at bid openings when there is more than one priority business submitting a bid pursuant to 5 N.N.C. § 205 (E):
- (1) The bid opening will be at a designated site and announced two (2) weeks in advance through the local news media. A declaration by the Chapter President to the public attending shall be made that all bid information is confidential and subject to the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*, the Navajo Nation Ethics in Government Act, 2 N.N.C. §§ 3741 *et seq.*, and all other applicable Navajo Nation criminal and civil laws.
 - (2) The Chapter Manager, in the presence of witnesses, including the Chapter Officials, shall open all bids publicly. The amount of each bid, and such other relevant information as may be specified by regulations, together with the name of each bidder,

shall be recorded; the record and each bid shall be open to public inspection, to the extent permitted by the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*

- (3) Bid Acceptance, Evaluation and Selection: Bids shall be unconditionally accepted without alteration or correction, except as authorized by the Navajo Business Opportunity Act, or other provisions of applicable law. The Chapter Manager and Chapter Officials shall evaluate all bids based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. The criteria affecting the bid price and considered in evaluation for award shall be objectively measurable, and may include discounts, transportation cost, and total or life cycle costs. No criteria may be used in bid evaluation that is not set forth in the Invitation for Bids.
- (4) Correction(s) or Withdrawal of Bids: Cancellation of Awards, correction(s) or withdrawal of inadvertently erroneous bids before or afterward, or cancellation of awards or contracts based on such bid mistakes, shall be permitted. After bid opening, no changes in bid prices or provisions of bids prejudicial to fair competition shall be allowed. All decisions to permit correction or withdrawal of bids shall be supported by a written determination made by the Chapter Manager, and in consultation with the Chapter Officials.
- (5) Contract Award: the contract shall be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation for Bids, and whose bid is within the Maximum Feasible Cost. In the event all bids exceed available funds, as determined by the Chapter Manager, and the low responsive and responsible bid does not exceed such funds by more than five (5%) percent, the Chapter Manager and the Chapter Officials shall be authorized to negotiate with the bidder to adjust the bid price in order to bring the bid within the amount of the available funds.
- (6) The Chapter, prior to contract formation, shall approve the contract award or the negotiated bid at a regular duly called Chapter meeting. When the contract is formed, executed by the other party, and approved by the Chapter membership, the Chapter President shall sign and execute the contract on behalf of the Chapter in accordance with 2 N.N.C. § 222 (D) and other applicable law.

3. Competitive Sealed Proposals:

A contract may be entered into by competitive sealed proposal if the Chapter Manager determines in writing to the Chapter Officials that the use of competitive sealed bidding is either not practical or not advantageous to the Chapter. The competitive sealed proposals process shall be conducted in a manner consistent with the procedures set forth in the Navajo Business Opportunity Act at 5 N.N.C. § 205.

4. Request for Proposals:

a. The Chapter Manager shall prepare a Request for Proposal, including a purchase description, and all contractual terms and conditions applicable to the procurement. The Request for Proposals shall also set forth the criteria to be used in evaluation of proposals. The Request for Proposals shall also refer to the preference of Navajo and Indian-owned business under the Navajo Nation Business Opportunity Act.

b. Maximum Feasible Cost:

The Chapter Manager, with assistance from the Navajo Nation Regional Business Development Office staff, shall develop, prior to advertisement of the Request for Proposals, a maximum feasible cost if a service is to be performed, based on the following:

1. Architectural and engineering estimates
2. Market price
3. Budget allocation
4. Prototype cost

c. Public Notice:

A minimum of ten (10) days public notice of the Request for Proposal shall be given before the opening of proposals, with dates on submission of proposals and proposal selection. It shall be the normal practice of the Chapter to provide notice or invitation to bid to certified businesses listed on the Navajo Nation Business Source List compiled and maintained by the Navajo Nation Business Regulatory Department. The public notice may also be published in a newspaper with regular circulation.

d. Opening of Proposals:

- (1) Proposals shall be opened publicly by the Chapter Manager in the presence of witnesses, including the Chapter Officials. The proposals shall be tabulated in a Register of Proposals that will be set up by the Administrative Assistant, and shall be available for public inspection after the contract award, to the

extent provided for in the Navajo Nation Privacy Act, 2 N.N.C. § 81 *et seq.* All opening of Proposals for procurement amount in excess of \$ 50,000 shall be governed by Request for Proposals procedures under the Navajo Nation Business Opportunity Act at 5 N.N.C. § 205 (E).

- (2) The opening of all Requests for Proposals shall follow the same procedures promulgated at Subsection 2 (h) of this section.

e. Evaluation Factors:

Request for proposals shall state the relative importance of price and other evaluation factors. The Chapter Manager and the Chapter Officials shall evaluate all proposals, which will include criteria to determine acceptability such as inspections, testing, quality, workmanship, delivery and suitability for a particular purpose. No criteria may be used in proposal evaluation that is not set forth in the Request for Proposals.

f. Revisions to Proposals:

As provided for in the Request for Proposals, the Chapter Manager may, after public notice but prior to bid closing date, conduct discussions with the responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award, for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements. Offerors shall be afforded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submission and prior to award for the purpose of obtaining a best and final offer. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors.

g. Award:

- (1) The Chapter Manager with assistance from the Navajo Nation Regional Business Development Office staff will determine in writing to the Chapter Officials which proposal is the most advantageous to the Chapter, taking into consideration price and the evaluation factors set forth in the Request for Proposals. No other factors or criteria except those criteria set forth in the Request for Proposals shall be used in the evaluation. The contract file shall contain the basis on which the award is made, and shall be made public to the extent provided for in the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*

- (2) The contract shall be awarded within five (5) days by written notice from the Chapter Manager to the selected offeror whose proposal meets the requirements and criteria set forth in the Request for Proposals, and whose proposal is within the Maximum Feasible Cost.
- (3) The Chapter, prior to contract formation, shall approve the contract award or the negotiated award at a regular duly called Chapter meeting. Once the contract is formed and executed by the other party, the Chapter President shall sign and execute the contract on behalf of the Chapter, in accordance with 2 N.N.C. §222 (D) and other applicable law.

D. *Cancellation of Invitation for Bids or Requests for Proposal:*

An Invitation for Bids, a Request for Proposals, or other solicitation may be cancelled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, or when it is in the best interest of the Chapter. This shall be expressly stated in the Invitation for Bids, the Request for Proposals, or any other solicitation.

E. *Responsibility of Bidders and Offerors:*

1. *Determination of Non-responsibility:*

The Chapter Manager may make a written determination of non-responsibility of a bidder or offeror. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror.

2. *Right of Nondisclosure:*

Information furnished by a bidder or offeror pursuant to this section shall only be disclosed in accordance with the applicable provisions of the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*

F. *Contract Performance and Payment Bonds:*

1. When a construction contract is awarded in excess of \$50,000, the following bonds or security shall be delivered to the Chapter administration and shall become *binding on the parties upon the execution of the contract*:
 - a. A performance bond satisfactory to the Chapter, executed by a surety company, in an amount equal to 100% of the price specified in the contract.

- b. A payment bond, satisfactory to the Chapter, executed by a surety company, for the protection of all persons supplying labor and materials to the contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be in an amount equal to 100% of the price specified in the contract.

G. Construction and Construction Related Contracts:

1. For all construction and construction related procurement exceeding \$50,000.00, the Chapter Manager, or the Chapter's legal counsel, as applicable, shall consult with the Navajo Nation Department of Justice and shall use a contract template approved by the Department of Justice.
2. Sponsor-Lead Agency Agreement: The Chapter Manager shall determine, in consultation with the Chapter Officials, whether it is in the best interest of the Chapter to have guidance or assistance from a Navajo Nation division, department or program for a particular construction or construction related project. If the Chapter Manager determines that such guidance or assistance is in the best interest of the Chapter, the Chapter shall enter into a Sponsor-Lead Agency Agreement with the appropriate Navajo Nation agency with assistance from the Navajo Nation Department of Justice.

H. Sole Source Procurement:

- A. A contract may be awarded for goods and services without competition when there is only one source for the unique required goods and/or service needed in a single procurement of \$20,000 or less. The Chapter Manager, in consultation with Chapter Officials and the Navajo Nation Department of Justice or the Chapter's legal counsel, shall determine the unique procurement nature and need and shall make written justification of a single source for the goods or services. The written determination and justification and the selection of the unique contractor shall be included in the contract file. Certified entities under the Navajo Business Opportunity Act shall receive preference in sole source procurement. A Chapter resolution shall be required to certify the selection of the vendor and the purchase of goods or services.
- B. Sole Source Procurement shall not be used to circumvent the requirements for competition under this Procurement Manual. Any reckless or intentional circumvention of the requirements for competition in procurement under the Chapter's procurement policies or other applicable law shall subject any involved parties to civil and/or criminal liability.

I. Procurement of Licensed Professional Services:

1. For the purpose of procuring the services of accountants, auditors, architects, engineers, electricians, or other licensed professional services, the Chapter Manager may determine in writing to the Chapter Officials that the use of the

competitive sealed bidding process is either not practical or not advantageous to the Chapter.

2. The Chapter may then procure said services by competitive sealed proposals. The competitive sealed proposals for licensed professional services shall be conducted in a manner consistent with the procedures set forth in the Navajo Nation Business Opportunity Act at 5 N.N.C. § 205, *unless* otherwise authorized as small purchases, emergency purchases, or sole source purchases under the Chapter Procurement Manual, or qualification based selection of professional services authorized by other applicable law.
3. For all professional services contracts, the Chapter Manager, or the Chapter's legal counsel, as applicable, shall consult with the Navajo Nation Department of Justice and shall use contract templates approved by the Department of Justice.

VIII. INSPECTION, ACCEPTANCE OR REJECTION

A. Policy:

All goods or services received by the Chapter shall be inspected and evaluated for acceptance or rejection. Contracts for the sale of goods and Buyer's rights to inspect, accept, or reject goods are governed by the Navajo Uniform Commercial Code, 5A N.N.C. §§ 1-101 *et seq.*

B. Procedures:

The following procedures shall be maintained for the inspection, acceptance or rejection of goods or services:

1. Upon receipt of goods and/or services the Administrative Assistant shall examine the shipping documents and compare such documents with the original purchase order receiving copy.
2. The Administrative Assistant shall verify the items and quantities received are correct according to the original purchase order.
3. The Administrative Assistant shall prepare a receiving report of the goods and/or services received by the Chapter and forward all documents (receiving reports, shipping documents, invoices, etc.) to the Chapter Manager for inspection, acceptance or rejection.
4. The Chapter Manager shall be responsible for inspecting and accepting or rejecting goods received based on the following:
 - a. Freight damaged merchandise
 - b. Shortage in shipments/overage
 - c. Low quality or non-conforming goods

- d. Unauthorized order or shipment
5. If any of the discrepancies described above in Section IX (B) (4) are found during the Chapter Manager's inspection, the Chapter Manager shall notify the vendor(s) immediately to arrange for a method to return the merchandise, or to arrange for cure or other corrective measure satisfactory to both parties. For the Chapter's specific right to reject goods, in whole or in part, see 5A N.N.C. § 2-601
6. To save time and cost, the Chapter Manager may pick-up the merchandise at a vendor's commercial establishment where the goods can be examined and inspected.

IX. INVENTORY CONTROL

A. Resale Inventory:

The development and implementation of a resale inventory policy prevents overstocking, shortage and loss as a result of theft, spoilage, breakage, etc.

1. The Chapter shall maintain detailed records of inventory items showing the description, cost, quantity and location of all inventories.
2. The total dollar value of inventory items and the price changes shall be recorded in the chapter's financial records.
3. Verification of inventory shall be made on a monthly basis through a physical count.
4. Any differences in the financial records shall be investigated for cause and the records adjusted accordingly. Any adjustment to the records shall require a justification memorandum by the Chapter Manager.
5. The inventory shall consist of goods purchased and/or produced for resale. Examples of such inventory are hay, grain, craft items and fuel for households.
6. First-in-First-Out (FIFO) Inventory Method: The Chapter shall use the FIFO inventory method. It is based on the assumption that the first items in are the first out of inventory. Under this method, the ending inventory balance will reflect the cost of the most recent purchases. The advantage of this method is that it gives an up-to-date inventory value.
 - a. The following example illustrates the use of the FIFO method for one inventory item under a perpetual inventory system. In this method, a cost must be assigned to each item of inventory purchased or sold.

March - INVENTORY LOG

Date 2006	Quantity	Unit Cost	Sale(s)	On- hand	Adj.	Amount	Balance (Inventory)
03/02	100	1.50		100		150.00	\$ 150.00
03/10	50	1.60		150		80.00	\$ 230.00
03/15		1.60	100	50		160.00	\$ 70.00
03/16		1.60	25	25		40.00	\$ 30.00
03/17	10 busted bales	1.60		15	16.00	16.00	14.00
03/20	25	1.60		40		40.00	\$ 54.40

- b. The Chapter will also use the FIFO inventory method for all resale items. Determining the cost and value of the resale items will depend upon the following factors:
 - (1.) Cost to produce the item
 - (2.) Economic demand for the item
 - (3.) Comparable price on the market
 - (4.) Chapter membership approval of sale price (hay, grain, etc.)
7. The Chapter shall maintain support documentation on all inventory transactions on an ongoing basis. These inventory records shall reflect the inventory receipts, issuances and balances. The inventory record keeping and custodial functions shall be segregated for internal control measures.
 - a. Inventory Sales Receipt (cash receipt): A pre-numbered and numerically controlled sales receipt form shall be prepared in duplicate for each sale. Each form shall be properly prepared and have the following information: number and quantities issued; unit sale price; vendor; date; total amount of sales; and the signature of the employee who sold the inventory. The inventory sale receipts shall be reconciled with the inventory records on a monthly basis, or whenever necessary.
8. Inventory Control Procedures:
 - a. The Administrative Assistant, at the time of inventory count, shall obtain the current perpetual inventory record and cross reference items during a physical count to determine whether any items are missing, damaged, spoiled, or obsolete.
 - b. The Administrative Assistant shall report any discrepancies to the inventory immediately to the Chapter Manager.
 - c. The Chapter Manager shall review the inventory count listing and any findings by the Administrative Assistant. If there is a major deficiency or changes in the inventory not properly recorded, the Chapter Manager shall consult with the Chapter officials as soon as possible, and correct the deficiencies with the help of the Administrative

Assistant. Any changes to the inventory shall require a justification memorandum.

- d. The Administrative Assistant shall handle all daily inventory record keeping. The Chapter Manager shall perform a monthly physical count and reconciliation of cash receipt tickets to the inventory records.
- e. The Chapter Manager shall use a fair market value determination in the resale of any items.

X. DEFINITIONS

The language contained in this section applies generally to this policy manual except as otherwise provided elsewhere in the Five Management Systems.

- A. **Accounting** - The methods and records established and maintained to identify, assemble, analyze, classify, record and report a Chapter's financial transactions; and to maintain accountability.
- B. **Administrative Functions** - Those activities of the Chapter government which are non-legislative, and which are performed by Chapter employees.
- C. **Bid** - A formal submission made as an offer by a potential supplier or service provider to provide goods and/or services to the Chapter, which includes information such as pricing, delivery schedule and other information related to the bidder's ability to provide the goods and/or services. A bid is evolved from the bidding process. A bid is not considered to be a binding offer by a vendor.
- D. **Blanket Purchase Order** - A purchase method to acquire goods or services other a direct fund disbursement (check). For example: The chapter might wish to use a blanket purchase order to encumber a certain fund and to ensure that goods or services are received on regular basis.
- E. **Chapter Employee** - A person employed by the Chapter government or administration and governed by the Chapter's Personnel Policies under its Five Management System.
- F. **Chapter Manager** - The executive level professional who is hired by the Chapter to be responsible for administering the Five Management Systems and the everyday administration of the Chapter.
- G. **Chapter Officials** - The following public officials elected by the registered Chapter membership: Chapter President, Chapter Vice-President, and Chapter Secretary/Treasurer.

- H. **Chapter** – A political subdivision of the Navajo Nation considered as a general-purpose local government for reporting purposes of the Navajo Nation. The word “Chapter” is also used as a reference to the land and the people of such subdivision.
- I. **Chapter Resolution** - The document recording the official action taken by the Chapter membership at a duly called chapter meeting, and certified by the presiding Chapter official.
- J. **Construction** – The process of building, altering, repairing, improving, or demolishing any public, structure or building, or other public improvement of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, building or real property.
- K. **Contract** - All types of Chapter agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, or construction. The term contract does not include agreements, including prime contracts and grants, between the Chapter and Navajo Nation, or the federal, state, and county government for the provision of governmental services to Navajos and other persons within the Chapter.
- L. **“Cost Plus” Contract** – A payment on the basis of a fixed fee or a percentage added to actual cost.
- M. **Custodian** – An individual fiduciary entrusted with guarding and having day-to-day charge of official books, records, documents, equipment, property and funds of the Chapter.
- N. **Emergency Purchases** - An unforeseen and dangerous situation requiring immediate purchasing action by the Chapter to restore peace, health and safety for the people or their property.
- O. **Five Management System** - A system for the administration of the Chapter government which includes fiscal, procurement, records, personnel and property management policies and rules.
- P. **Navajo Nation Law** - Navajo statutes, administrative rules and regulations and Navajo Fundamental law.
- Q. **Personal Property** - All supplies, materials, and equipment and other property, including expendable and non-expendable property, capitalized and non-capitalized, but which does not include real property or fixtures.
- R. **Procurement** – The buying, purchasing, renting, leasing, or otherwise acquiring any goods, services or construction related projects. It also includes all functions that pertain to the obtaining of any goods, services or construction related projects, including any requirements for said procurement, any selection and/or solicitation of sources, vendors, or contractors, and the preparation and award of any contract and all phases of contract administration.

- S. **Proposal** – An offer to perform a contract for the performance of work and labor and/or the delivery of goods sought where it is neither practicable nor advantageous to the Chapter to procure specified types of supplies, services, or construction projects by competitive sealed bidding.
- T. **Request for Proposal** – All documents and information, whether attached or incorporated by reference, utilized for soliciting proposals.
- U. **Real Property (Chapter)** - Any interest in land, together with the improvements, structures and fixtures located thereon.
- V. **Responsive Bidder** – A person who has submitted a bid, which conforms in all material aspects to the Invitation for Bids.
- W. **Responsible Bidder or Offeror** – A person who has the capability in all aspects to perform fully the contract requirements with integrity and reliability, and who will assure good faith performance.
- X. **Services** – The furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports, which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.
- Y. **Supplies** – All property, including but not limited to equipment, materials, printing, insurance, and lease of real property, excluding land or a permanent interest in land.
- Z. **Vendor** - A person or a commercial establishment that sells goods or services. Example: one who has goods in a public place.

XI. APPENDICES

A.	NN Business Opportunity Act	Exhibit A
B.	NN Access to Information and Privacy Act	Exhibit B
C.	Navajo Uniform Commercial Code	Exhibit C
D.	Fund Approval Form	Exhibit D
E.	Purchase Requisition (PR)	Exhibit E
F.	Purchase Order (PO)	Exhibit F
G.	Chapter Requisition Form	Exhibit G
H.	Receiving Report	Exhibit H
I.	Request for Quotation Form	Exhibit I
J.	Standard Criteria for Declaration of Emergency or Disaster	Exhibit J
K.	Bid Tabulation Form	Exhibit K
L.	Bid Evaluation Form	Exhibit L

RESOLUTION OF THE
NAVAJO NATION COUNCIL

20th NAVAJO NATION COUNCIL -- Third Year, 2005

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; TITLE FIVE OF THE NAVAJO NATION
CODE; APPROVING AMENDMENTS TO THE NAVAJO NATION BUSINESS OPPORTUNITY
ACT

BE IT ENACTED:

The Navajo Nation Council hereby approves the following amendments to
the Title 5, Navajo Nation Code, Chapter 2:

Title 5, Navajo Nation Code

Commerce and Trade

Chapter 2. Navajo Nation Business Opportunity Act

§201. Title; Findings; Legislative Purpose And Intent

A. This Act shall be known and cited as the Navajo Nation Business
Opportunity Act; Title 5, Navajo Nation Code, Sections 201 through 215
216.

B. Whereas the Navajo Nation Council finds:

1. The Navajo Nation is comprised of more than 25,000 square miles
of land;
2. The Navajo Nation population now exceeds 250,000 members, of
which over 175,000 members reside within the Navajo Nation. In
addition, residents of the Navajo Nation include approximately
8,000 non-Navajos;

3. The unemployment rate of the Navajo Nation is approximately 50%;
4. In 1996, the United States Congress enacted the Personal Responsibility and Work Reconciliation Act of 1996 (P.L. 104-193 "Welfare Reform Act"). This Act will impact thousands of Navajo people. As a result, there is a need to accelerate the development of privately owned businesses and provide more employment opportunities;
5. There is a need within the Navajo Nation to accelerate business development and economic growth within the Navajo Nation;
6. Although the Navajo Nation has a population that is approximately 90% Navajo, approximately 76% of the contracts by the Navajo Nation between the years 1994 and 2003 were awarded to non-Navajos, according to the Navajo Nation contract award data; and
7. The Navajo Nation's sovereign status is directly related to its ability and authority to regulate all commercial activities within the Navajo Nation, including those of non-Indians and non-member Indians. In addition, the Treaty of 1868 between the Navajo Nation and the United States recognizes the inherent authority of the Navajo Nation to exclude non-Indians from the Navajo Nation. Pursuant to this authority, engaging in business within the Navajo Nation is a privilege granted by the Navajo Nation and is subject to such conditions as the Navajo Nation may require, subject to applicable federal law. The privilege of entering into the Navajo Nation for the purpose of engaging in business is therefore conditioned upon, among other things, compliance with this Act.

C. The purpose of this Act is to:

1. Promote the economic self-sufficiency of the Navajo Nation by granting "first opportunity" and/or preference in contracting to Navajo and/or Indian owned and operated businesses;
2. Promote competitive bidding and contracting opportunities among Navajo businesses;
3. Develop a dynamic and self sustaining private sector for the Navajo Nation;
4. Increase Navajo business and employment opportunities for the Navajo people;
5. Provide for business certification in accordance with current Navajo Nation laws; and
6. Regulate the conduct of those engaging in business within the Navajo Nation in order to protect and promote the economic security and welfare of the Navajo Nation.

D. It is not the intent of this Act to require the Navajo Nation or any other public entities or private entities to contract with non-qualified Navajo businesses.

E. It is the intent of this Act to grant first opportunity and contracting preference to qualified Navajo-owned or Indian-owned businesses for all contracts, subcontracts, grants and sub-grants ~~sponsored issued by the Navajo Nation and all~~ public and private entities within the Navajo Nation.

F. The provisions of this Act ~~shall~~ should be ~~applied as an affirmative action plan~~ liberally interpreted to promote economic development and the growth of Navajo-owned businesses within ~~on~~ the Navajo Nation.

G. The Navajo Nation shall determine the nature, composition, qualification, and preference certification of all businesses subject to the provisions of this Act.

§202. Definitions

For all purposes of this Act, the following definitions shall be applicable:

A. "*Bid Shopping*" is defined herein as any practice involving the solicitation or communication of any competitor's bid prior to and after bid opening, thereby providing an unfair advantage and opportunity to under bid any competitor.

B. "*Bidders*" is defined as buyers and sellers of goods and services who offer to perform a contract for work and labor or to supply services and goods at a specified price.

C. "*Broker*" is defined as buyers and sellers of goods and services including agents/negotiators between buyer and seller, who do not have custody of property or will not personally perform the contract to provide the goods or services.

D. "*Dealer*" is defined as one who buys to sell for resale, not one who buys to keep, or makes to sell.

E. "*Established Business*" is defined as an for-profit economic entity, firm or other organization, engaged in business activities with

ownership, custody and control of an existing adequate inventory or providing professional services with a published address and telephone number and making significant contributions to the Navajo economy.

F. "Front" is defined as a business claiming to having have 51% or more Navajo or other Indian ownership of any commercial, industrial, or other economic entity or organization, but ~~not having~~ without the Navajo or other Indian owner or owners exercising the major role a material participation in decision-making role in for operations, profit-sharing and actual management control.

G. "Navajo Indian" or "Navajo" is defined as a person who is an enrolled member of the Navajo Nation.

H. "Navajo Nation" shall have the same definition as used at 1 N.N.C. § 552 including:

1. When referring to governmental territory, all land within the territorial boundaries of the Navajo Nation, including:

- a. All lands within the exterior boundaries of the Navajo Indian Reservation, including the Navajo Partitioned Land, or of the Eastern Navajo portion of the Navajo Nation, including Alamo, ToHajiilee, and Ramah, or of Navajo-dependent Indian Communities;

- b. All lands held in trust by the United States for, or restricted by the United States or otherwise set aside or apart under the superintendence of the United States for the use or benefit of the Navajo Nation, the Navajo Tribe, any Band of Navajo Indians, or any individual Navajo Indian; and

- c. All other lands over which the Navajo Nation may exercise

governmental jurisdiction in accordance with federal or international law or to which the Navajo Nation has ownership through the Treaty of 1868.

2. When referring to the Navajo Nation government, shall include governmental entities, chapters, statutorily recognized townships, and Navajo Nation enterprises.

I. "Other Indian" is defined as an Indian other than Navajo who is an enrolled member of a federally recognized Indian Tribe within the United States.

J. "Owned and Controlled" is defined as having at least 51% or more ownership of any commercial, industrial, or other economic entity, firm or organization, provided that such ownership shall consist of active participation in decision making in operations, profit-sharing and actual management control.

K. "Prime Contractor" is defined as any party, or entity which undertakes, offers to undertake or purports to have the capacity to undertake contracting of a project for a specified price and is authorized and responsible for the management, coordination, completion, supervision or subcontracting for the contracted project.

L. "Procuring Party" is defined as the party that initiates the proceeding to cause a project to be bid for contracting.

M. "Prospective bidders" is defined as potential buyers or sellers of goods and services who offer to perform a contract for work and labor or supply services and goods at a specific price.

~~N. "Subcontractor" is defined as any party or entity to which any contract is let by the prime contractor or its subcontractor for~~

~~materials, equipment, transportation or other goods and services on that prime contract, regardless of tier.~~

N. "Private entity" is defined as a privately-owned business entity doing business on the Navajo Nation, including corporations which are wholly-owned by the Navajo Nation.

O. "Public entity" is defined as an entity which is a part of the Navajo Nation government.

P. "Subcontractor" is defined as any party or entity to which any contract is let by the prime contractor or its subcontractor for materials, equipment, transportation or other goods and services on that prime contract, regardless of tier.

\$203. Jurisdiction; Application; Compliance Requirements And Violations

A. *General Jurisdiction.* The Navajo Nation has the inherent sovereign authority to authorize and regulate business activities of business entities within the jurisdiction of the Navajo Nation, as defined in 7 N.N.C. §254.

B. *Application.* This Act shall apply uniformly to ~~the Navajo Nation Government including its enterprises and political subdivisions and chapters and private business entities who acquire goods and services through contracts with~~ all public and private entities engaging in business on the Navajo Nation and to the Navajo Nation itself. This Act shall apply to all procurement contracts exceeding \$50,000 and on a limited basis to those procurement contracts less than \$50,000, ~~which will be governed by the rules and regulations of the Navajo Nation Procurement Code~~
~~(12 N.C.C. §§301-317).~~

C. *Inapplicability to Lease and Other Transactions.* This Act shall not apply to the negotiation, execution, award, transfer, assignment or approval of business site leases, home site leases, office space leases, shopping center leases, mineral or non mineral leases, subleases, permits, licenses and transactions that are governed by other applicable laws and regulations of the Navajo Nation and the United States. This Act shall not apply to activities of private persons who contract for goods or services for their individual use or benefit.

D. *Implementing Federal Indian Preference Laws and Regulations.* To the fullest ~~reasonable~~ extent possible, this Act and its rules and regulations shall be construed in accordance with applicable federal Indian preference laws and regulations. Specifically, with respect to any self-determination contract or portion of a self-determination contract intended to benefit the Navajo Nation, this Act and any other applicable tribal employment or contract preference laws shall govern with respect to the administration of the contract or portion of the contract in accordance with the Indian Self Determination and Education Assistance Act, 25 U.S.C §§450(e) (c). If federal or state funded contracts specifically provide for the application of Indian preference rather than the provisions of this Act Navajo Preference, the contract letting or procuring entity party shall attempt to negotiate and agreement with such party in order to apply the provision of this Act. In the event if federal or state law expressly precludes the application of the provisions of the this Act, then application of Indian preference laws shall be applied and shall not constitute a violation of this Act.

~~E. Required Navajo Employment Preference Compliance. All public and private entities engaging in business on the Navajo Nation and the Navajo Nation itself government, its political subdivisions, enterprises, and chapters whether located on or off the Navajo Nation shall comply with this Act and the Navajo Nation Preference in~~

~~Employment Act. Subcontractors, brokers, agents, subsidiaries, successors and assigns shall also comply with this Act to the same extent as applicable to prime contractors.~~

~~E.F. Falsification or Concealment of Information; Sanctions and Penalties.~~ Any person who authorizes, or knowingly or recklessly omits, or allows, or falsifies, or otherwise misrepresents any fact or matter material to any determination required by this Act, shall be subject to all applicable sanctions and penalties provided under this Act and any other applicable laws or regulations of the Navajo Nation.

~~F.G. Bid Shopping.~~ Bid shopping as defined in §202(A) shall be prohibited.

~~G.H. Conflicts of Interest: Disqualification.~~ No official or employee of the Navajo Nation government or entity of the Navajo Nation which is authorized to implement this Act shall promote, approve or participate in any matter pending before that agency or entity, in which such official or employee or any member of his or her immediate family has an economic or other special interest pursuant to the Navajo Nation Ethics in Government Law. The failure or refusal of such official or employee to abstain from such participation as required thereunder, shall render void any approval or action taken by the Navajo Nation Government or entity in which such official or employee participated, to the extent such action is favorable to the business entity in which such official or employee had an interest. The official(s) or employee(s) in conflict shall be subject to all applicable sanctions and penalties provided by law.

~~I. Other Compliance with Navajo Nation Business Requirements.~~ No business shall operate within the Navajo Nation without prior authorization, license or permit as required by the Navajo Nation.

\$204. Required Business And Contracting Preference Priorities; Certification Requirements.

A. Preference Priorities. The Navajo Nation shall certify all businesses pursuant to the following Navajo business opportunity priority classification:

- 1. Priority #1.* Certification shall be granted to any 100% Navajo-owned and controlled business, having its principal place of business on or off the Navajo Nation.
- 2. Priority #2.* Certification shall be granted to any 51% to 99% Navajo or 51% to 100% other Indian owned and controlled business or 100% Navajo Nation owned and controlled economic enterprise having its principal place of business on or off the Navajo Nation.

B. Obtaining a Priority Certification and Required Compliance. To receive a priority certification under this Act, the business must satisfactorily demonstrate that the business meets the requirements of \$204 (A)(1) or (2).

C. Appeal of Priority Certification Determination. Any business denied a priority classification may appeal the determination pursuant to \$211 hereof.

B. Conditions and Requirements for Broker and Dealer Certification; Established Businesses. Brokers and dealers as defined in \$202 of this Act shall be certified for those activities which brokers and dealers normally conduct throughout the United States, subject to pre qualification by the contract-letting, purchasing or procuring entity requesting such broker and/or dealer's services. Certification of brokers and dealers shall further be limited to those having an

established business as defined in §202 herein and certified only for the services being performed. Certification of any broker or dealer shall not qualify any other entity, firm or organization thereof. Such other entities, firms or organizations shall be Individually subject to the provisions and conditions herein.

E. *Partnership Certification.* To be certified as eligible for any Navajo Business Opportunity hereunder, Navajo or other Indian ownership and control must be at least fifty-one percent (51%) of the entire partnership business, as well as the project or transaction for which Navajo Business Opportunity is sought, regardless of the number of general or limited partners.

F. *Joint Venture Certification.* To be eligible for any Navajo Business Opportunity hereunder, Navajo or other Indian ownership and control must be at least fifty-one percent (51%) of the overall combined joint venture, as well as the project or transaction for which Navajo Business Opportunity is sought, with profits to be divided from each venture in proportion to such respective interest.

§205. Navajo Business Opportunity Procedures In Bidding And Procurement

~~A. Bid or Request for Proposal Solicitation.~~ party shall first plan and prepare a bid or request for proposal solicitation that shall include the following:

- ~~1. The goods or services being procured;~~
- ~~2. The necessary qualifications of contractors or suppliers needed to provide the goods or services; and~~
- ~~3. Bid instructions and conflict resolution.~~

~~B. Advertisement and notice. After preparing a bid or request for proposal solicitation, the procuring entity shall:~~

- ~~1. provide notice or invitation to bid in a newspaper having general circulation and distribution within the Navajo Nation, or~~
- ~~2. Provide notice or invitation to bid by mail or telefax to certified businesses listed on the Navajo Nation Business Source List complied compiled and maintained by the Business Regulatory Department; and~~
- ~~3. The notice or invitation to bid shall include:~~
 - ~~a. The requirements and specifications of the goods or services requested;~~
 - ~~b. The deadline dates for submission of bids or proposals, bid openings, award and any other significant dates, and~~
 - ~~c. The necessary qualifications of the business to provide goods and services.~~

A. Initial Determination of Maximum Feasible Price or Cost by Contracting or Procuring Party. The determination of the maximum feasible price or cost, in accordance with appropriate Business Regulatory Department rules and regulations, shall be made by the contracting or procuring party prior to soliciting bids and proposals. The maximum feasible price or cost may take into account market price, budgetary constraints and prototype cost and may not be revealed until the award of the contract.

~~B.D.~~ Notice to the Business Regulatory Department. Prior to bid openings, the procuring party shall provide to the Business Regulatory

Department:

1. A copy of the bid solicitation;
2. A copy of the notice published in the newspaper; and
3. A list of all businesses notified, including the dates and manner of such notices.

C.E. *Bid Opening Procedures and Requirements.* The following procedures shall be used at bid openings when there is more than one priority business submitting a bid:

1. All bids submitted by Priority #1 businesses shall be opened first.
2. The procuring entity shall determine the qualifications of the bidders based on qualifications established in accordance §205 (A) (2). Bids submitted by businesses deemed non-qualified or non-responsive shall not be considered.
3. The award shall be made to the qualified Priority #1 bidder with the lowest responsive bid among the Priority #1 bidders provided the bid does not exceed the maximum feasible price or cost.
4. If there is no qualified Priority #1 bidder, or if there is no qualified Priority #1 bidder with a bid less than or equal to the maximum feasible price or cost, the bids of the Priority #2 businesses shall then be opened and award shall be given to the qualified Priority #2 bidder with the lowest responsive bid provided the bid is less than or equal to the maximum feasible price or cost.
5. If no qualified Priority #1 or Priority #2 bidder is entitled to award, bidding may then be open to all other bidder subject to the same specifications, qualifications and maximum feasible price or cost.

6. Any modifications of the specifications, qualifications or maximum feasible cost or price made subsequent to bid opening and which does not result in a contract award shall be rebid pursuant to the above procedures.
7. Notwithstanding any provision of this Act, in the event that applicable federal law prohibits bid or procurement opportunity or preference as provided herein or prohibits negotiations with a bidder other than the bidder with the lowest bid or price offer, the initial bidding shall be opened to all Priority #1 and #2 businesses; and award shall be made to the bidder offering the lowest price, provided that the bid is less than or equal to the maximum feasible cost or price.

D.F. Subcontracting Requirements. Prior to the bid opening, prime contractors shall submit to the Business Regulatory Department a subcontracting plan listing the following:

1. Subcontractors and suppliers to be used by the prime contractor;
2. Procedures used in selecting subcontractors and suppliers; and
3. Subcontracts or lease agreements for equipment to be used in performance of the contract.

E.G. Prime and Subcontractor Performance Bonding:

Permitted Alternatives. The prime contractor shall obtain surety bonding or other performance security from subcontractors to secure their performance and wage obligations including, but not limited to cash bands, letters of credit and cash monitoring systems such as retention, escrow and/or assignment of construction accounts. The prime contractor shall determine the form of performance security. The prime contractor shall maintain guaranteed security and be ultimately liable for performance of subcontractors.

~~F.H.~~ *Minimum Subcontract and Procurement Percentage Requirements.* The Business Regulatory Department, ~~subject to the approval of the Economic Development Committee,~~ shall have the authority to require all procurement entities and prime contractors to comply with current minimum percentages for procurement and subcontract awards to Navajo-owned and controlled entities, firms and organizations, based upon availability and qualifications of such entities to provide specific products and services

~~G.I.~~ *Prior Approval of Modifications.* Any contract modification that results in a higher cost or price in excess of 20% of the original amount of the contract or if the procuring party substantially modifies such project; activity or transaction, shall be subject to review and approval by the Business Regulatory Department, to ensure that such modifications are not contrary to the purposes, intent or other provisions of other applicable laws.

~~H.J.~~ *Require Adherence to Priority Certification.* Procuring entities shall not award contracts to non-Navajo owned and controlled entities at a price equal to or greater than the price offered by an equally qualified Priority #1 or #2 business.

\$206. Waivers

No Waiver of any requirement of this Act shall be granted except by valid resolution of the Navajo Nation Council.

\$207. Implementation And Compliance With Navajo Nation Business Opportunity Provisions; Specific Duties And Responsibilities

A. *Economic Development Committee.* The Economic Development Committee of the Navajo Nation Council shall have the responsibility and authority to review, amend, modify and approve proposed rules and regulations for implementation of this Act.

B. *Division of Economic Development.* The Division of Economic Development of the Navajo Nation shall be responsible for administering, enforcing and implementing the provisions herein.

C. *Business Regulatory Department.* The Business Regulatory Department within the Division of Economic Development shall be responsible for:

1. Developing and maintaining a certification program to determine the appropriate certification priority of business entities.
2. Promulgating rules and regulations to implement this Act. All proposed rules and regulations shall be published for public comments at least ninety (90) days prior to submission to the Economic Development Committee of the Navajo Nation Council for final review and approval.
3. Publishing, maintaining and making available approved rules, regulations, guidelines and forms including provisions of this Act, to ensure that all Navajo Nation entities, all business entities and the Navajo People are kept fully informed of all current laws, rules, regulations and procedures for compliance hereto.
4. Regularly reviewing such rules and regulations in coordination with other Navajo Nation entities and agencies for applicability to economic and market conditions and their relevance to the interests of the Navajo People and the Navajo Nation and the intent of this Act.
5. Enforcing compliance with this Act, pursuant to the intent of this Act and the rules and regulations adopted hereto; requiring applicability of this Act to any proposed contract, subcontract or other transaction to be performed within the Navajo Nation by or on behalf of the Navajo Nation; and requiring prebid, preconstruction or prequalification requirements as needed and appropriate to comply with this Act.

6. Coordinating efforts with federal agencies that require Indian preference or maximum utilization of minority business enterprises.
7. Maintaining and publishing a current Source List of all certified Priority #1 and #2 business entities, persons, firms, enterprises or organizations. By including an entity on such a Source List, the Business Regulatory Department in no way certifies that the entity is qualified to perform in the category in which it is listed. The purpose of this Source List is to utilize such list as a source document only for contract-letting and procuring parties required to determine and notify available Navajo and other Indian-owned entities in the respective areas of commerce which are subject to the provisions of this Act.
8. Providing, in accordance with its responsibilities, capabilities and available resources, in coordination with those of other responsible and appropriate Navajo Nation departments and entities, such community, governmental and business sector educational programs, information and advice as may be necessary and appropriate from time to time, to the continued understanding and awareness by such entities of the policies, objectives, and current procedural requirements for compliance with all provisions of this Act and the current rules and regulations adopted hereunder.
9. Recommend disciplinary action for Navajo Nation employees or officials found to be in violation or noncompliance with this Act pursuant to the applicable Executive, Judicial, or Legislative Navajo Nation Personnel Policies Manual, or the Ethics in Government Law.

\$208. Certification Of Eligible Entities And Authorization Of Business Activities

Establishment of Procedure. The Business Regulatory Department shall have the following duties, responsibilities and authority:

A. Require timely submission of information and documentation on percentage of ownership and organization structure as required herein for certification or recertification eligibility.

B. Deny certification if required information is not provided in a timely manner.

C. Renew, suspend or decertify certifications. Annual, temporary or conditional certifications may be issued based on the circumstances. Certifications shall be reviewed based on new information or changes in organization or operations which materially affect eligibility for certification. Reviews shall be conducted in a manner so as to avoid any loss of eligibility to entities entitled hereto.

D. Certified businesses entities shall be required to disclose changes in organization and/or ownership that may materially affect the eligibility for preference priority certification.

E. All confidential certification information shall not be disclosed except as necessary in a proceeding under this Act and other applicable laws.

S209. Monitoring And Enforcement

A. Navajo Nation Review and Approval Process. All proposed professional services, procurement and construction contracts shall be initially reviewed by the Business Regulatory Department for compliance with the Act.

B. Procedure Upon Alleged Violation. To investigate alleged violations or noncompliance of this Act, the Business Regulatory Department shall:

1. Investigate any alleged violation and/or complaint under this Act upon receipt of a written document.

2. Prepare a written summary of facts constituting a violation of the Act or applicable rules, and provide all statements of witnesses along with the summary thereof.
3. Initially seek voluntary compliance and appropriate remedial action pursuant to this Act.
4. If voluntary compliance or remediation is not possible, the Business Regulatory Department shall render a decision pursuant to this Act.
5. A decision by the Business Regulatory Department may be appealed pursuant to §210 of this Act.

C. Interim Project Suspension; Temporary Restraining Orders and Permanent Injunctive Relief from Navajo Nation Court.

1. In the event of a violation of or noncompliance with this Act presenting a probability of continuing material and irreparable harm which is greater than the harm from suspension of performance, the Executive Director of the Division of Economic Development shall, with assistance from the Navajo Nation Department of Justice, on behalf of the threatened interests of the Navajo Nation and of innocent third parties, immediately apply to the District Court of the Navajo Nation for a temporary restraining order and an order to show cause why permanent injunctive relief should not be granted (including orders to permanently cease and desist such performance as determined appropriate) according to the Navajo Nation Rules of Civil Appellate Procedure.
2. If a Navajo Nation Court orders suspension of performance, the Division of Economic Development shall take immediate remedial action as authorized by said Court to prevent or minimize material harm and damage to innocent third parties and to the interests of the Navajo Nation resulting or likely to result from such suspension of performance.

§210. Imposition of sanctions

Upon opportunity for hearing and determination as provided herein, the Administrative Hearing Officer may impose any and all of the following sanctions for violation of this Act or the rules and regulations lawfully promulgated hereunder:

- A. Civil monetary fines not to exceed five hundred dollars (\$500.00) per day, per violation.
- B. Suspension or termination of a party's authorization to engage in business activity on the Navajo Nation; provided that the party shall be given a reasonable time to remove its equipment and other property it may have on the Navajo Nation and to take such measures to facilitate the satisfaction or assumption of any contractual obligations it has.
- C. Prohibit the party from engaging in future business activity on the Navajo Nation for a specified period or permanently, pursuant to applicable laws of the Navajo Nation.
- D. Require the party to make such changes in its performance, organization or operations to comply with this Act.
- E. Impose other sanctions as appropriate to ensure compliance and to remedy any harm or damages from violation of this Act pursuant to applicable laws.
- ~~F. Recommend disciplinary action for Navajo Nation employees found to be in violation or noncompliance with this Act pursuant to the applicable Navajo Nation Personnel Policies Manual.~~
- G-F. Recommend corrective or remedial action to the President of the Navajo Nation, or the Navajo Nation Council or its appropriate standing committee for Navajo Nation entities in violation or

noncompliance with this Act.

\$211. Appeals

A. ~~Divisions Reviews Appeals to Business Regulatory Department.~~ Appeals can be made by those businesses who are denied priority certification or parties that are adversely affected by a decision with the Act. Appeals shall not include those matters which are found through an investigation conducted under §208 (b) of this Act to be private contractual disputes between parties. If a business is denied priority certification ~~or a party is adversely affected by a decision herein,~~ the business may appeal the decision for administrative resolution to the Director of the Business Regulatory Department (or successor agency or designee) by filing with the Director a notice of appeal within ten (10) days of the date of the written adverse decision. The written notice of appeal shall:

1. Identify the business that was denied certification or license or adversely affected by a decision made pursuant to this Act; and,
2. Provide a short statement indicating the nature and circumstances of the denial or decision; and
3. State the basis for the appeal; and,
4. State the remedial action being sought by the business or party.

B. *Appeals to the Hearing Officer.* If the Director upholds the Department's decision to deny certification to the affected business, the appealing party may appeal the Director's decision to the Navajo Nation Office of Hearing and Appeals for assignment to an Administrative Hearing Officer.

1. The hearing officer shall hear the appeal within thirty (30) days of receipt of the notice of appeal.
2. Upon mutual agreement with the appealing party, time extensions in increments of not more than fifteen (15) days may be granted.

3. Notice shall be provided to the parties at least ten (10) days in advance of hearing date.
4. Each party at the hearing may be represented by legal counsel and shall have the opportunity to subpoena witnesses and documents, present evidence and examine witnesses.
5. After the hearing each party shall have ten (10) days to submit in writing proposed findings of facts and conclusions of law. The hearing officer may uphold or reverse the appealed decision(s) or any part thereof, but may not grant any other relief.
6. The hearing officer shall issue written findings of facts and conclusions of law that shall state the decision and grounds thereof.

C. *Appeals to the Courts.* The decision of the hearing officer may be appealed by the party adversely affected to the Navajo Nation Supreme Court pursuant to the Navajo Nation Rules of Civil Appellate Procedure. The court shall review the decision of the hearing officer and the administrative record only. The decision shall not be subject to de novo review on appeal. The court may substitute its judgment on those questions of law within its special competence but shall otherwise uphold the decision of the hearing officer where reasonable.

\$212. Other Navajo Nation Entities And Associated Agencies All Navajo Nation entities, departments and other agencies involved in any stage of contracting, subcontracting or other procurement process shall comply with this Ant in accordance with applicable law.

\$213. Severability

If any provision of this Act or any rule or regulation adopted hereto is found invalid, the remainder of this Act and of the rules and regulations adopted hereto shall not be affected thereby.

§214. Effective Date

The effective date of this Act shall be the date of its approval by the Navajo Nation Council.

~~§215. Prior inconsistent Law Superseded~~

~~Upon the effective date of this Act, all prior inconsistent enactments, laws, policies, ordinances and regulations of the Navajo Nation are hereby superseded.~~

~~§215~~216. Periodic Review And Amendments

This Act may be amended from time to time only by the Navajo Nation Council upon the recommendation of the Economic Development Committee.

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 53 in favor and 2 opposed, this 28th day of January 2005.

Lawrence T. Morgan, Speaker
Navajo Nation Council

Date

Motion: Willie Tracey, Jr.
Second: Willie Begay

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 FEB 11 2005.

Joe Shirley, Jr., President
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (C)(11), this _____ day of _____ 2005 for the reason(s) expressed in the attached letter to the Speaker.

Joe Shirley, Jr., President
Navajo Nation

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Title 1, Navajo Nation Government

Chapter 1, Establishment

Subchapter 4, Access to Records

This Act shall be referred to as the "Navajo Nation Privacy Act."

The Navajo Nation Council finds and declares it the policy of the Navajo Nation that a democratic form of government requires that information related to government operations be accessible to the public, while recognizing that individuals have a right to privacy. It is the intent of the law that the general public be provided a means to access records and information relating to the operation of the Navajo Nation while preserving the privacy interests of individuals and entities.

As used in this subchapter:

- A. "Governmental entity" means any administrative, advisory, executive, judicial or legislative office or body of the Navajo Nation or its political subdivisions, including without limitation all commissions, corporations and other instrumentalities whose boards of directors are appointed or elected by the Navajo Nation or its political subdivisions. Governmental entity includes all quasi-judicial bodies and all standing, special or advisory committees or subcommittees of, or appointed by, the Navajo Nation to carry out the public's business.
 - B. "Person" means any individual, nonprofit or profit corporation, partnership, sole proprietorship or other type of business organization.
 - C. "Protected record" means any record containing data on persons or governmental entities that is private or otherwise protected as provided by 2 N.N.C. § 85.
 - D. "Public record" means any record that is not private or otherwise protected and that is not exempt from disclosure as provided in 2 N.N.C. § 84.
 - E. "Record" means all books, letters, documents, papers, maps, plans, photographs, films, cards, tapes, recordings, electronic data or other documentary materials regardless of physical form or characteristics which are prepared, owned, received or retained by a governmental entity and where all of the information in the original is reproducible by photocopy or other mechanical or electronic means. "Record" does not mean:
 - 1. Materials that are legally owned by an individual in his private capacity;
 - 2. Materials to which access is limited by the laws of copyright or patent unless the copyright or patent is owned by a governmental entity;
 - 3. Junk mail or commercial publications received by a governmental entity or an official or employee of a governmental entity;
 - 4. Books and other materials that are cataloged, indexed or inventoried and contained in the collections of libraries open to the public;
 - 5. Daily calendars and other personal notes prepared by the originator for the originator's personal use or for the personal use of an individual for whom he is working;
 - 6. Computer programs that are developed or purchased by or for any governmental entity for its own use; or
 - 7. Notes or internal memoranda prepared as part of the deliberative process by a member of the judiciary or any other body charged by law with performing a quasi-judicial function.
 - F. "Right to Privacy" means the right of a person to be free from unwarranted intrusion by a governmental entity.
- A. The following records are public except to the extent they contain information expressly permitted to be treated as protected as provided for 2 N.N.C. § 85:
- 1. Laws;
 - 2. Names, gender, job titles, job description, business addresses, business telephone numbers, number of hours worked per pay period, dates of employment, relevant

education, previous employment and similar job qualifications of the governmental entity's current and former employees and officers excluding:

- a. Undercover law enforcement personnel; and
 - b. Investigative personnel if disclosure could reasonably be expected to impair the effectiveness of investigations or endanger any individual's safety.
3. Inter-office memoranda;
 4. Final opinions, including concurring and dissenting opinions, and orders that are made by a governmental entity in an administrative, adjudicative or judicial proceeding except that if the proceedings were properly closed to the public, the opinion and order may be withheld to the extent that they contain information that is protected;
 5. Final interpretations of statutes or rules by a governmental entity;
 6. Information contained in or compiled from a transcript, minutes or report of the open portions of a meeting, excluding executive sessions, of a governmental entity, including the records of all votes of each member of the governmental entity;
 7. Judicial records unless a court orders the record to be restricted under the rules of civil or criminal procedure or unless the records are protected under this subchapter;
 8. Records filed with or maintained by governmental entities that give public notice of:
 - a. Titles or encumbrances to real property, including homesite permits, land use permits and grazing permits; or
 - b. Restrictions on the use of real property.
 9. Records filed with or maintained by governmental entities that evidence incorporations, name changes and uniform commercial code filings;
 10. Documentation of the compensation that a governmental entity pays to a contractor or private provider; and
 11. Data on individuals that would otherwise be protected under this subchapter if the individual who is the subject of the record has given the governmental entity written permission to make the records available to the public.
- B. The following records are normally public, but to the extent that a record is expressly exempt from disclosure, access may be restricted under 2 N.N.C. § 85:
1. Administrative staff manuals, instructions to staff and statements of policy;
 2. Records documenting a contractor's or private provider's compliance with the terms of a contract with a governmental entity;
 3. Contracts entered into by a governmental entity;
 4. Any account, voucher or contract that deals with the receipt or expenditure of funds by a governmental entity;
 5. Correspondence by and with a governmental entity in which the governmental entity determines or states an opinion upon the rights of the Nation, a political subdivision, the public or any person;
 6. Empirical data if contained in drafts if:
 - a. The data is not reasonably available to the requester elsewhere in similar form; and
 - b. The governmental entity is given a reasonable opportunity to correct any errors or make non-substantive changes before release.
 7. Drafts that are circulated to anyone other than a governmental entity, a federal agency if the governmental entity and the federal agency are jointly responsible for implementation of a program or a contractor or private provider;
 8. Drafts that have never been finalized but were relied upon by the governmental entity in carrying out action or policy;
 9. Arrest warrants after issuance, except that, for good cause, a court may order restricted access to arrest warrants prior to service;
 10. Search warrants after execution and filing of the return, except that, for good cause, a court may order restricted access to search warrants prior to trial;
 11. Records that would disclose information relating to formal charges or disciplinary action against a past or present governmental entity employee if:
 - a. The disciplinary action has been completed and all time periods for administrative appeal have expired; and
 - b. The formal charges were sustained.

- C. The list of public records in this section is not exhaustive and should not be used to limit access to records.

- A. The following records are private or otherwise protected and shall not be considered public for purposes of required disclosure:
1. Records concerning an individual's eligibility for social services, welfare benefits or the determination of benefit levels;
 2. Records containing data on individuals describing medical history, diagnosis, condition, treatment, evaluation or similar medical data, including psychiatric or psychological data;
 3. Records concerning a current or former employee of, or applicant for employment with, a governmental entity that would disclose that individual's home address, home telephone number, social security number, insurance coverage, marital status or payroll deductions;
 4. Records concerning a current or former employee of, or applicant for employment with, a governmental entity, including performance evaluations and personal status information such as race, religion or disabilities, but not including records that are public under 2 N.N.C. § 84(A)(2) or (B)(11);
 5. Records describing an individual's finances, except that the following are public:
 - a. Records described in 2 N.N.C. § 84(A);
 - b. Navajo Nation Economic Disclosure Statements filed with the Ethics and Rules Office by elected public officials and candidates for elected public office, pursuant to 2 N.N.C. § 3762;
 - c. Loan applications for Navajo Nation loans to elected public officials and appointed public officials submitted to the Government Services Committee for approval, pursuant to Section 7(c) of the Personal Loan Operating Policies and Guidelines, approved by Resolution CLO-19-88; or
 - d. Records that must be disclosed in accordance with another statute or duly adopted rules and regulations of a governmental entity.
 6. Attorney-client privileged information, materials and work-products, including the mental impressions or legal theories of an attorney or other representative of a governmental entity;
 7. The negotiating position of the Navajo Nation before a contract, lease or other agreement is entered into;
 8. Records prepared by or on behalf of a governmental entity solely in anticipation of litigation that are not available under the rules of discovery;
 9. Information, research and discussions conducted by the public bodies of the Navajo Nation during executive sessions;
 10. Memoranda prepared by staff and used in the decision-making process by a judge or a member of any other body charged by law with performing a Quasi-judicial function;
 11. Information received in response to an invitation for bids or request for proposals before a contract is awarded. Such information will also remain unavailable to the general public after a contract is entered into provided that the information contained in the bid or proposals is proprietary in nature or otherwise to remain confidential at the request of the person submitting the bid or proposal;
 12. Information contained within or related to a contract, lease or other agreement which is proprietary in nature or otherwise to remain confidential at the request of any party to the contract, lease or other agreement;
 13. Records of a governmental audit agency relating to an ongoing or planned audit until the final audit is released;
 14. Records which are sealed or otherwise protected by court order due to the sensitive nature of the record in which the privacy interest of the person outweighs the public interest in the information;
 15. Records to which access is restricted pursuant to court rule or as a condition of participation in a state or federal program or for receiving state or federal funds;
 16. Drafts, unless otherwise classified as public;
 17. Information related to the location of an individual member of any threatened or endangered species, such that that individual member could be placed further at risk;

18. Information which cannot be released without interfering with an individual's right to exercise or practice his chosen religion;
 19. Information otherwise protected by applicable laws;
 20. Other records containing data on individuals the disclosure of which constitutes a clearly unwarranted invasion of personal privacy.
- B. Upon request, a governmental entity shall disclose a private or otherwise protected record as provided for in 2 N.N.C. § 86.

Upon request, protected records will be available for disclosure as follows:

- A. Information shall be available for criminal and civil law enforcement for prosecution purposes, internal audit, as a result of a court order, to further an individual's medical treatment and to address public health needs.
 - B. Information relating to an individual shall be available to the individual who is the subject of the record, or if a minor, shall be available to the parent or guardian subject to any applicable court order.
 - C. Individual records may be released to third parties with the written permission, by means of a notarized release, of the individual who is the subject of those records, or his or her parent or legal guardian if a minor.
 - D. Individual records may be used for statistical and other purposes provided that any information which could be used to identify the individual specifically is removed or withheld.
 - E. Information about an individual will always be available to other Navajo Nation governmental entities subject to the general restrictions above.
 - F. Before releasing a protected record, the governmental entity shall obtain evidence of the requester's identity.
 - G. Before releasing a protected record, the governmental entity shall inform the requester that he or she is prohibited from disclosing or providing a copy of the protected record to any other person and shall obtain the requester's written acknowledgment of this prohibition.
- A. Notwithstanding any other provision in this subchapter, if a governmental entity receives a request for access to a record that contains both information that the requester is entitled to inspect and information that the requester is not entitled to inspect, and, if the information the requester is entitled to inspect is intelligible and able to be segregated, the governmental entity:
1. Shall allow access to information in the record that the requester is entitled to inspect under this subchapter; and
 2. May deny access to information in the record if the information is exempt from disclosure to the requester, issuing a notice of denial as provided in 2 N.N. C. § 89.
- B. If there is more than one subject of a protected record, the portion of the record that pertains to another subject shall be segregated from the portion that the requester is entitled to inspect.
- A. Every person has the right to inspect a public record free of charge, and the right to take a copy of a public record during normal working hours, subject to subsection (H).
- B. All records are public unless otherwise expressly provided by statute.
- C. A person making a request for a record shall furnish the governmental entity with a written request containing his name, mailing address, daytime telephone number, if available, and a description of the records requested that identifies the record with reasonable specificity. The request for information shall be addressed to the governmental entity primarily responsible for compiling such records.
- D. A governmental entity is not required to create a record in response to a request. However, upon request, a governmental entity shall provide a record in a particular format if:
1. The governmental entity is able to do so without unreasonably interfering with the governmental entity's duties and responsibilities; and
 2. The requester agrees to pay the governmental entity for its additional costs actually incurred in providing the record in the requested format.

- E. Nothing in this section requires a governmental entity to fulfill a person's records request if the request unreasonably duplicates prior records requests from that person.
- F. Within 90 days, the governmental entity shall respond to the request by:
 - 1. Approving the request and providing the record;
 - 2. Denying the request by providing a written explanation of why the record is protected from disclosure. In making such determinations, the governmental entity shall consult with the Department of Justice; or
 - 3. Notifying the requester that it does not maintain the record and providing, if known, the name and address of the governmental entity that does maintain the record.
- G. In the event that the governmental entity determines that the requested record is protected from disclosure, or fails to respond to the request within the 90 day period, the requesting party may make application to the District Court, as defined at 7 N.N.C. § 253, in accordance with the proper processes of the Court for an order compelling the release of the record.
 - 1. This application must meet the notice and filing requirements of the Navajo Nation Sovereign Immunity Act, 1 N.N.C. § 551 et seq.
 - 2. Any person who may have an interest in maintaining the confidentiality of the record may appear and demonstrate the need for maintaining the confidentiality of such record.
 - 3. In determining the availability of any record requested, the District Court shall apply the standards set forth in 2 N.N.C. §§ 84 and 85.
- H. The Navajo Nation may assess the reasonable costs for photocopying and other activities associated with providing the record against the person requesting the record.
- I. The implementation of the Navajo Nation Privacy and Access to Information Act shall be subject to rules and regulations duly adopted by the Government Services Committee. Records released may be subject to reasonable restrictions on use, pursuant to such rules and regulations of the Government Services Committee.

- A. If the governmental entity denies the request in whole or in part, it shall provide a notice of denial to the requester either in person or by sending the notice to the requester's address.
- B. The notice of denial shall contain the following information:
 - 1. A description of the record or portions of the record to which access was denied, provided that the description does not disclose protected information;
 - 2. Citations to the provisions of this subchapter, court rule or order, state or federal statute or regulation that exempt the record or portions of the record from disclosure, provided that the citations do not disclose protected information;
 - 3. A statement that the requester has the right to make application to the District Court for an order releasing the record and the time limits for filing the application.
- C. Unless otherwise required by a court of competent jurisdiction, a governmental entity may not destroy or give up custody of any record to which access was denied until the period for an appeal has expired or the end of the appeals process.

- A. Each governmental entity may adopt an ordinance or a policy applicable throughout its jurisdiction relating to information practices including access, denials, segregation and appeals.
- B. If any governmental entity does not adopt and maintain an ordinance or policy, then that governmental entity is subject to this subchapter.
- C. Notwithstanding the adoption of an ordinance or policy, each governmental entity is subject to 2 N.N.C. §§ 83, 84 and 85.
- D. Each ordinance or policy shall establish access criteria, procedures and response times for requests to inspect or obtain records of the governmental entity and time limits for appeals.
- E. Each ordinance or policy shall establish an appeals process for persons aggrieved by, the access decisions, allowing petition for judicial review to the District Court as set forth at 2 N.N.C. § 88(G).

- A. A public employee or other person who has lawful access to any protected record under this subchapter, who intentionally discloses or provides a copy of a protected record to any other

Navajo Nation
Division of Economic Development
Post Office Box 663
Window Rock, AZ 86515



Business Regulatory Dept
(928) 871-7365
871-6714
Fax: (928) 871-7381

NAVAJO NATION UNIFORM COMMERCIAL CODE

FILING FEE SCHEDULE

Fee Schedule - to partially offset the expense of administering the Navajo Uniform Commercial Code. All documents filed by individual entities under this Code shall be accompanied by a fee schedule to process and maintain certain records according to the following schedule:

UCC Form #1	\$ 4.00
UCC Form #1 w/Assignee	\$ 5.00
UCC Form #2	\$ 4.50
UCC Form #2 w/Assignee (Amendments, Extensions, etc.)	\$ 5.50
UCC Form #3 (Terminations)	\$ 5.00
Security Agreement	\$ 7.00
Security Agreement (If more than 5 pages)	\$ 7.00 plus \$.50 per/page
Security Agreement, Amendments	\$.50 per/page
Search Fee	\$.50 per/pg.

All fees listed above will be non-refundable. Money Orders ONLY, no personal check and make payable to Navajo Nation, Business Regulatory Department.

**NAZLINI CHAPTER
FUND APPROVAL FORM**

AMOUNT OF CHECK: _____

DATE: _____

CHECK NUMBER: _____

PAYEE: _____

Invoice or Reference Number: _____

Purpose of Payment:

ACCOUNT NUMBER:

AMOUNT:

(Chapter Meeting Stipend ONLY)

[YES]

[NO]

01. MEETING REPORT FORM

02. MEETING AGENDA

03. MEETING CLAIM FORMS

04. MEETING MINUTES

05. MEETING SIGN IN SHEET

[YES]

[NO]

AVAILABILITY OF FUNDS

BUDGETED ITEM

COMMUNITY APPROVAL

CONDITION OF APPROPRIATION

REQUESTED BY: _____

DATE: _____

Administrative Assistant

APPROVED BY: _____

DATE: _____

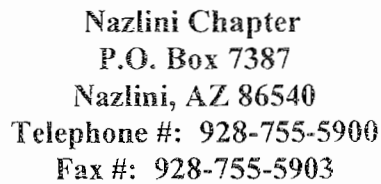
Chapter Manager

CONCURRED BY: _____

DATE: _____

Secretary/Treasurer

Exhibit "D"



PR#: _____

PURCHASE REQUISITION

Date of Request:		Account No.:		Budgeted:	
Purpose or Use:					
Name of Requestor:			Title:		
Item No.	Quantity	Unit	Description	Unit Price	Amount
Suggested Vendors:		Address:		Telephone #:	Total:
1.					Funds Available:
2.					Ordered By:
3.					Approved By Chapter Manager:
					Date Approved:

For Office Use Only

Conf ()	F.O.B Destination ()	R&P _____
Non Conf ()	Other _____	Terms: 2% 10 Days ()
Per Phone Quote ()	VIA Y.D. ()	2% 10 th Prox ()
Oral Quote ()	Other _____	Net 30 ()
Written Quote ()		Other ()
Vendor No..	Date Ordered:	P.O. No..
		By _____

Exhibit "E"

Purchase Order
PO No.
Date:
Account No.
Page:

SHIP
TO

Terms: _____
F.O.B: _____
Delivery Instructions: _____

[illegible]

Date:

Exhibit "F"



Nazlini Chapter
PO Box 7387
Nazlini, AZ 86540
Telephone #: 928-755-5900
Fax #: 928-755-5903

CHAPTER REQUISITION FORM

DATE: _____

ITEM:	QUANTITY:	DESCRIPTION:

REQUESTED BY: _____

TITLE: _____

Exhibit "G"

Date:	PO Number

RECEIVING REPORT

Terms:
F.O.B:
Purchasing Contact:
Account No.:

Requisition No.
Quote Date/No.:
Expected Delivery Date:

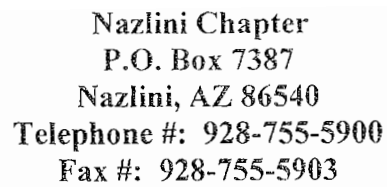
V
E
N
D
O
R

SHIP TO

☐ Partial ☐ Complete ☐ Purchase Order

Date: _____

Exhibit "H"



To: _____

[illegible]

Exhibit "I"



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

NAZLINI CHAPTER
PO BOX 7387
NAZLINI AZ 86540
TELEPHONE #: 928-755-5900
FAX #: 928-755-5903

JOHNNY NAIZE
- COUNCIL DELEGATE

IRVIN SHIRLEY
- GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
- COORDINATOR

STANDARD CRITERIA FOR THE DECLARATION OF EMERGENCY OR DISASTER

The Nazlini Chapter shall use the following criteria to determine that an emergency of disaster exists in the community:

1. The lives and/or basic well-being of community members and/or livestock in the community are in jeopardy due to the impact of:
 - a. Severe weather-related or natural disaster (e.g. flood, drought, etc.)
 - b. Major plague or illness, such as West Nile Virus, Hantavirus, bird flu, etc.
 - c. Major unforeseen disaster caused by human acts, such as wildfire, chemical spill, major road obstruction, or terrorism.
2. Conditions resulting from natural or weather-related events that have severely obstructed the access of person(s) and/or livestock to obtain critical life sustaining supplies and medical care.
3. Community utilities have stopped functioning, therefore jeopardizing communications for community services and emergency medical care.
4. The National Weather Service's and/or the Department of Emergency Management Broadcasting System alert the community of imminent danger of severe weather or a natural disaster.
 - a. Alerts or warnings can also come from other sources, including the local Chapter Officials and members.

Exhibit "J"



NAZLINI CHAPTER
PO BOX 7387
NAZLINI AZ 86540

BID TABULATION SHEET

Bid Title: _____		Location of Bid Opening: _____		Bid Opening Date: _____		Bid No.: _____	
						Time: _____	
Bid (Fed. Tax ID No.)	Mark an "x" to those that have been applied during the Bid Opening						Remarks
	Navajo Preference	Bond/Securities 100%	5% Bid Guarantee	Sub-contractor(s) Requisite	Contract Period (as specified)	Cost Breakdown	
1							
2							
3							
4							
5							

I hereby certify that all bids were received sealed, opened in my presence, and announced to the extent permitted by the Navajo Nation Privacy and Access to Information Act.

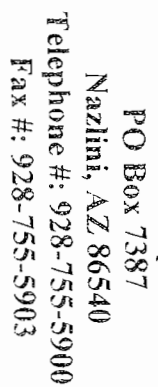
Signature of Chapter Manager _____

Date _____

Signature of Chapter President _____

Date _____

Exhibit "K"



Bid Evaluation Sheet

Bid No.: _____

[illegible]

Exhibit "L"

**INTERDEPARTMENTAL COOPERATIVE AGREEMENT
IMPLEMENTING THE "LEAD AGENCY CONCEPT"
FOR PROCUREMENT AND PROJECT MANAGEMENT OF [SERVICES FOR]
CONSTRUCTION RELATED PROJECTS**

This Interdepartmental Cooperative Agreement ("Agreement") is made and entered into by and between the Community Housing and Infrastructure Department (CHID), Capital Improvement Office (CIO), Solid Waste Management (SWM), and Design and Engineering Services (DES), in the Division of Community Development, and Navajo Division of Transportation (NDOT), and Navajo Nation Telecommunication and Utilities (NNTU), Facilities Maintenance Department (FMD), and Department of Information Technology (DIT), in the Division of General Services, Water Management Branch (WMB), and Historic Preservation Office (HP), and Fish and Wildlife Natural Heritage Program (F&W) in the Division of Natural Resources, and the Navajo Area Agency on Aging (NAAA) in the Navajo Division of Health, and Navajo Environmental Protection Agency (NEPA) (hereinafter "the Parties").

WHEREAS, it is in the best interest of the Navajo Nation ("Nation") that the Nation's procurement, project management and administration of construction related services for the design, engineering, construction, renovation, or improvement of private housing, public facilities, roads, parking lots, utilities, service lines and/or other public infrastructure activities or projects should be performed in accordance with all applicable laws and regulations of the Nation; and

WHEREAS, some of the Parties have specialized knowledge, experience, duties and responsibilities concerning construction related services under their respective Plans of Operation; and

WHEREAS, a Party should serve as a "Lead Agency" for a particular project where the primary purpose, emphasis, or nature of that project falls within that Party's area of expertise and responsibility pursuant to that Party's Plan of Operation (the Party's "purview");

WHEREAS, the Lead Agency should take primary responsibility for the oversight, project management and administration of those projects which are within its purview, but the Lead Agency should also consult with other appropriate Parties who have expertise and responsibility in certain areas or aspects of said projects or portion of those projects, and a Lead Agency should also continue to work with and coordinate with the Sponsor of a project; and

WHEREAS, the Sponsor of a project still has various ongoing responsibilities for a project even where a different Party is made the Lead Agency;

NOW, THEREFORE, the Parties agree to the following:

I. DEFINITIONS

- A. "Lead Agency" means a Navajo Nation governmental subdivision or entity who is a Party to this Agreement, and who has the specialized knowledge, experience, duties and responsibilities concerning the primary purpose, emphasis, or nature of a particular construction project pursuant to the Lead Agency's Plan of Operation.
- B. "Portfolio Manager" means a Party to this Agreement who is not the Sponsor but who coordinates with the Lead Agency on pre-planning a project and assists the Sponsor in completion of all Pre-Procurement Activities (PPAs). CIO is an example of a Portfolio Manager.

- C. "Pre-procurement Activities" or "PPAs" means all activities, clearances, etc., which must be completed before a construction project can be procured, and which are further described in Exhibit B.
- D. "Project" means the design, engineering, construction, renovation, or improvement of private housing, public facilities, roads, parking lots, utilities, service lines and/or other public infrastructure activities where the procurement for said construction related activities is done by the Nation.
- E. "Project Management" means the planning and coordination by the Lead Agency of a construction project from the point of developing the scope of work to completion of the project, but which is after completion of the PPAs.
- F. "Purview" means the area of expertise and responsibility of an agency pursuant to its Plan of Operation.
- G. "Sponsor" means the Navajo Nation governmental subdivision or entity, who may or may not be a Party to this Agreement, who has the primary interest in the completion of a particular construction project, and who has continuing responsibilities for said project from inception to completion, including securing of all necessary funding, and who has primary responsibility for completion of all "pre-procurement activities" (PPAs).

II. RESPONSIBILITIES OF THE PARTIES.

- A. All Parties shall use their best faith efforts to communicate, coordinate and cooperate with all involved Parties.
- B. The Project Sponsor shall:
 - 1. Remain involved throughout the duration of the Project;
 - 2. Have primary responsibility for all PPAs for the Project, as described in Exhibit B, which the Parties agree is a draft document to be updated as needed; provided, for a "capital outlay project," CIO, as a "Portfolio Manager," shall assist the Sponsor in ensuring compliance with all PPAs for the capital outlay project in accordance with Article II (G). NEPA, HP and F&W shall be consulted as part of the pre-procurement process, and their approval shall be required, in accordance with their respective plans of operations, for all environmental, biological and archeological clearances for construction related projects;
 - 3. Comply with all reporting requirements of any funding agency;
 - 4. Remain responsible for securing any and all funding for the Project for all phases of the Project, including for the completion of all PPAs;
 - 5. Consult with the Lead Agency in determining whether the Project will require additional funds. If the Lead Agency and Sponsor determine that additional funds are required to complete the Project, either the Sponsor shall secure any requisite additional funds or the Sponsor and the Lead Agency shall amend the scope of the Project to meet funding realities;

6. Authorize signature authority for funding expenditures to be clearly defined with the Lead Agency; provided, said authorization shall not violate any requirements of the funding agency. If said authorization to the Lead Agency is not permitted by the funding agency or the terms of the funding agreement, the Sponsor shall cooperate and coordinate closely with the Lead Agency in authorizing expenditures; and
 7. Assist the Lead Agency and/or Portfolio Manager in coordinating with other Parties as appropriate.
- C. A Party shall be the Lead Agency for a construction related project which expends public funds (whatever the source of the funds) where the primary purpose, emphasis or nature of that project falls within that Party's "purview," as defined above, and as further described in Exhibit A.
- D. In case of a conflict between a Lead Agency's applicable regulations and policies and any other Party's regulations and policies, including those of the Sponsor, the Lead Agency's regulations and policies shall apply; provided, the Lead Agency shall comply with the requirements of any funding agency or applicable funding agreement.
- E. Any Party which is a Lead Agency for a project shall:
1. Develop the scope of work for procurement purposes under the project;
 2. Prepare and advertise any RFPs and/or RSQs for the project;
 3. Take primary responsibility for the preparation of the SAS package for the project, including the contract for services and all required supporting documents;
 4. Manage, implement and oversee the project, including any services procured for that project;
 5. Use best efforts to ensure that project costs are reasonable and remain within budget;
 6. Coordinate and consult as necessary with all other appropriate Parties who may have expertise or responsibility for any aspects or phases of that project pursuant to their Plans of Operation;
 7. Ensure that NEPA is consulted in advance of procurement and that NEPA has approved the scope of work and the RFP or RSQ for any construction related project involving an Underground Storage Tank or with potential to contaminate air, land or water.
 8. Execute a separate "Sponsor-Lead Agency Agreement" with any Sponsor of a project that is not a Party to this Agreement, which shall define the responsibilities of the parties. A model "Sponsor-Lead Agency Agreement" is attached as "Exhibit C." In lieu of executing a separate agreement, a Sponsor who is a non-Party to this Agreement may become a Party to this Agreement pursuant to Article VII.
- F. In the case of a project where the procuring party and/or project manager is a LGA certified chapter, any Party which would otherwise be the Lead Agency for the project may, upon request by the chapter, assist the chapter with:

1. Preparation of the scope of work;
2. Preparation of the RFP or RSQ;
3. Preparation of the SAS package;
4. Management and oversight of the project; and
5. Coordination and consultation as necessary with other appropriate Parties who may have expertise or responsibility for any aspects or phases of the project pursuant to their Plans of Operation.

G. CIO, as a "Portfolio Manager" shall:

1. Be responsible for ensuring completion of critical PPAs for all capital outlay projects prior to authorizing the project to the Lead Agency. PPAs are described in Exhibit B, which the Parties agree is a draft document to be updated as needed;
2. Consult NEPA, HP and F&W as part of the pre-procurement process and their approval shall be required, in accordance with their respective Plans of Operation, for all environmental, biological and archeological clearances for construction related projects; &
3. Not carry out procurement or project management for any project.

III. TERM.

This Agreement shall become effective immediately upon any Party who has executed the Agreement, and shall remain in effect until all Parties agree to terminate the Agreement, or until the Agreement is terminated by Executive Order, or until a change in Navajo Nation laws or regulations makes performance under this Agreement impossible for any Party, but in which case the Agreement shall remain in effect for all other Parties.

IV. LIABILITY AND DUTIES.

This Agreement shall not shift the liability of any Party to any other Party.

V. AMENDMENTS.

The terms of this Agreement may be amended upon mutual written consent of the Parties and concurrence of the Navajo Nation Department of Justice.

VI. DISPUTES.

If a dispute arises under this Agreement, the Parties shall use their best faith efforts to resolve any dispute informally and as expeditiously as possible, through negotiations at the staff level. Each Party shall designate a staff person to meet with staff from the other Parties at a mutually agreeable time and place. The Parties will honor all reasonable requests for information. If the dispute cannot be resolved within five (5) days, the Parties will refer the matter to the Executive Division Director level for resolution. If the Parties are still unable to resolve the dispute, the matter will be referred to the President

or his or her designee for resolution. In the event the Parties are from different Divisions, and the Parties are unable to resolve the dispute with the assistance of their Division Directors, the matter will be referred directly to the President or his or her designee.

VII. RIGHTS OF OTHER PARTIES.

Nothing in this Agreement shall be interpreted to create any rights in any third party that is not an entity or subdivision of the Navajo Nation government; provided, the Parties agree that any other Navajo Nation governmental subdivision may become a Party to this Agreement by executing a Letter of Commitment to be a Party to this Agreement and which shall bind said new Party to all the terms of this Agreement.

IN WITNESS WHEREOF, we the undersigned hereby execute this Interdepartmental Cooperative Agreement for the benefit of the Navajo Nation:

For Division of Community Development:

Date:

9/14/09

For Division of Natural Resources:

Date:

9/14/09

For Historic Preservation Office:

Date:

9.17.09

For CHID:

Date:

9/14/09

For Navajo DOT:

Date:

09.23.2009

For DES:

Date:

9/14/09

For Division of General Services:

Date:

9-21-09

For Navajo Division of Health:

Date:

9/25/09

For Water Management Branch:

Date:

9-14-09

For Capital Improvement Office:

Date:

9/14/09

For Solid Waste Management:

Date:

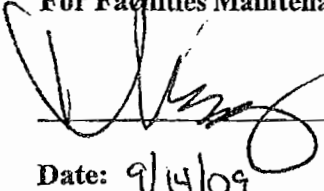
9/14/09

For NNTU:

Date:

9/21/09

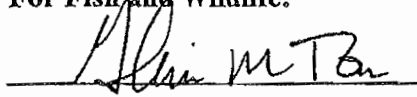
For Facilities Maintenance Dept:


Date: 9/14/09

For Dept of Information Technology:


Date: 9-14-09

For Fish and Wildlife:


Date: 9/17/09

For Navajo EPA:


Date: 9/21/09

For Navajo Area Agency on Aging:


Date: 9/25/09

Exhibit A

“Guidance for Consultation with Involved Agencies and for Selection of Lead Agency”

Navajo Area Agency on Aging (NAAA): Never a “Lead Agency” but shall serve as the Sponsor for Senior Center construction and renovation and be responsible for the PPAs for all such projects.

Community Housing and Infrastructure Department (CHID): Electric service lines, home electric wiring, bathroom additions, potable water lines, residential water lines and single family residence waste water projects.

Capital Improvement Office (CIO): Never a “Lead Agency” but responsible for ensuring completion of all pre-procurement activities in capital projects, see Exhibit B.

Solid Waste Management (SWM): Public landfills and transfer stations.

Navajo Division of Transportation (NDOT): Roads, highway, airports, and equipment/maintenance yards.

Design and Engineering Services (DES): Design of new public use facilities, including site development and parking lots, site improvement, and construction management and administration of authorized capital projects.

Navajo Nation Telecommunication and Utilities (NNTU): Never a Lead Agency for communication infrastructure projects but shall be consulted by Department of Information Technology.

Facilities Maintenance Department (FMD): Renovation and repair of public use facilities that are not capital projects.

Department of Information Technology (DIT): Communication infrastructure projects in consultation with Navajo Nation Telecommunication and Utilities.

Water Management Branch (WMB): Hydrology infrastructure including water lines, dams, some water treatment facilities, and water delivery systems (including agricultural).

Historic Preservation Office (HP): Never a “Lead Agency” but provides archeological clearances as part of pre-procurement activities and must be consulted during construction activities for any archeological disturbance.

Navajo Environmental Protection Agency (NEPA): A “Lead Agency” for remedial environmental construction projects and provides environmental clearances as part of pre-procurement activities, and must approve any scope of work for projects involving underground storage tanks and any projects where potential exists for contamination of air, land or water.

Fish and Wildlife Natural Heritage Program (F&W): Never a “Lead Agency” but provides environmental clearances as part of pre-procurement activities

Exhibit C

**SPONSOR and LEAD AGENCY AGREEMENT
for
CONSTRUCTION RELATED PROJECT(S)**

This Sponsor and Lead Agency Agreement for Construction Related Project(s) (hereinafter "Agreement") is made and entered into by and between _____ (hereinafter "Lead Agency") and _____ (hereinafter "Sponsor") for the (description of project) _____ (hereinafter "Project").

WHEREAS, it is in the best interest of the Navajo Nation ("Nation") that the Nation's procurement, project management and administration of construction related services for the design, engineering, construction, renovation, or improvement of private housing, public facilities, roads, parking lots, utilities, service lines and/or other public infrastructure activities or projects should be performed in accordance with all applicable laws and regulations of the Nation; and

WHEREAS, the Lead Agency has the requisite specialized knowledge, experience, duties and responsibilities to carry out the procurement, project management and administration of the Project pursuant to its Plan of Operation; and

WHEREAS, the Sponsor of the Project still should have various ongoing responsibilities for the Project from inception to completion;

NOW, THEREFORE, the Parties agree to the following:

I. RESPONSIBILITIES OF THE PARTIES.

A. The Parties shall use their best faith efforts to communicate, coordinate and cooperate with each other and other involved Navajo Nation entities.

B. The Project Sponsor shall:

1. Remain involved throughout the duration of the Project;
2. Have primary responsibility for all "Pre-procurement Activities" or "PPAs" for the Project, as described in Exhibit A, which the Parties agree is a draft document to be updated as needed; provided, for a "capital outlay project," the Sponsor will work with CIO in ensuring compliance with all PPAs for the capital outlay project. NEPA, HP and F&W shall be consulted as part of the pre-procurement process, and their approval shall be required, in accordance with their respective plans of operations, for all environmental and archeological clearances for construction related projects;

Exhibit C

3. Comply with all reporting requirements of any funding agency;
 4. Remain responsible for securing any and all funding for the Project for all phases of the Project, including for the completion of all PPAs;
 5. Consult with the Lead Agency in determining whether the Project will require additional funds. If the Lead Agency and Sponsor determine that additional funds are required to complete the Project, either the Sponsor shall secure any requisite additional funds or the Sponsor and the Lead Agency shall amend the scope of the Project to meet funding realities;
 6. Authorize signature authority for funding expenditures to be clearly defined with the Lead Agency; provided, said authorization shall not violate any requirements of the funding agency. If said authorization to the Lead Agency is not permitted by the funding agency or the terms of the funding agreement, the Sponsor shall cooperate and coordinate closely with the Lead Agency in authorizing expenditures; and
 7. Assist the Lead Agency in coordinating with other Navajo Nation entities as appropriate.
- C. In case of a conflict between a Lead Agency's applicable regulations and policies and those of the Sponsor, the Lead Agency's regulations and policies shall apply; provided, the Lead Agency shall comply with the requirements of any funding agency or applicable funding agreement.
- D. The Lead Agency shall:
1. Develop the scope of work for procurement purposes under the project;
 2. Prepare and advertise any RFPs and/or RSQs for the project;
 3. Take primary responsibility for the preparation of the SAS package for the project, including the contract for services and all required supporting documents;
 4. Manage, implement and oversee the project, including any services procured for that project;
 5. Use best efforts to ensure that project costs are reasonable and remain within budget;

Exhibit C

6. Coordinate and consult as necessary with all other appropriate Parties who may have expertise or responsibility for any aspects or phases of that project pursuant to their Plans of Operation;
7. Ensure that NEPA is consulted in advance of procurement and that NEPA has approved the scope of work and the RFP or RSQ for any construction related project involving an Underground Storage Tank.

III. TERM.

This Agreement shall become effective upon execution by both Parties, and shall remain in effect until the Parties agree to terminate the Agreement, or until the Agreement is terminated by Executive Order, or until a change in Navajo Nation laws or regulations makes performance under this Agreement impossible for any Party, but in which case the Agreement shall remain in effect for all other Parties.

IV. LIABILITY AND DUTIES.

This Agreement shall not shift the liability of any Party to the other Party.

V. AMENDMENTS.

The terms of this Agreement may be amended upon mutual written consent of the Parties and concurrence of the Navajo Nation Department of Justice.

VI. DISPUTES.

If a dispute arises under this Agreement, the Parties shall use their best faith efforts to resolve any dispute informally and as expeditiously as possible, through negotiations at the staff level. Each Party shall designate a staff person to meet with staff from the other Parties at a mutually agreeable time and place. The Parties will honor all reasonable requests for information. If the dispute cannot be resolved within five (5) days, the Parties will refer the matter to the Executive Division Director level (Chapter President for chapters) for resolution. If the Parties are still unable to resolve the dispute, the matter will be referred to the President or his or her designee for resolution. In the event the Parties are from different Divisions (or a chapter), and the Parties are unable to resolve the dispute with the assistance of their Division Directors (or Chapter President), the matter will be referred directly to the President or his or her designee.

VII. RIGHTS OF OTHER PARTIES.

Nothing in this Agreement shall be interpreted to create any rights in any third party that is not an entity or subdivision of the Navajo Nation government.

Exhibit C

IN WITNESS WHEREOF, we the undersigned hereby execute this **Sponsor and Lead Agency Agreement for Construction Related Project**:

For the Sponsor:

For the Lead Agency:

(name and title)

(entity)

Date: _____

Exhibit A

(name and title)

(entity)

Date: _____

Exhibit C

PPA TO DO LIST

(Pre-Procurement Activities)

(Done by Sponsor and in coordination with CIO on Capital Projects)

1. Secure land free and clear via land withdrawal or other method, factoring in required utilities, parking, sewage lagoon, access roads and additional acreage to be used if necessary.
2. Secure a comprehensive legal description of the site for the facility, including approvals relating to any existing land use rights of other parties such as leases, customary use areas, rights-of-way or other easements.
3. Obtain land survey information, with comprehensive site and topographical data; evaluate existing site conditions and land development requirements, soil and subsoil investigation & test results, including soil and water retention and drainage, foundation/fill requirements and erosion control.
4. Make any aesthetic/design and location considerations, conceptual criteria for project and compatibility with existing facilities, if any; determine whether "master development plan" is necessary or whether plan is just for individual facilities with additional buildings or facilities to be added later.
5. In accordance with the ICIP, prepare description of planned and potential uses for the proposed facility, including size of the project and maximum occupancy load; determine whether single large facility or master plan with later additions and whether future expansion is planned.
6. Plan for furniture, fixtures, and any necessary special equipment or appurtenances.
7. In coordination with Lead Agency preliminarily determine any requirements for electrical system, HVAC, plumbing, fresh & waste water, septic systems, telecommunications infrastructure, etc. (e.g. through feasibility study).
8. Per funding agency regulations, and in coordination with the Lead Agency, determine building and site material requirements and required quality construction standards, quality assurance and quality control requirements, applicable codes, regulations, ordinances, or statutes, and permitting requirements (esp. with federal facilities), and inspection and certification requirements.
9. Estimate cost in coordination with the Lead Agency for all phases of project, available and projected funding, budget estimates including existing funding and account numbers, if any.
10. In coordination with Lead Agency, determine preliminary project time schedules, dates of milestones and deadlines, and schedule of planned incoming funds/contributions.
11. Determine existing infrastructure and utility hookups, additional land use for utilities, if any, and responsibility for costs of utilities.
12. Determine any requirements for turnouts, access roads, parking and landscaping.
13. Identify any existing contracts or other agreements that may affect the project.
14. Address any other applicable requirements and considerations.

person is guilty of an offense and upon conviction thereof shall be punished by a fine of not less than \$1000 nor more than \$5000.

- B. It is a defense to prosecution under subsection (A) that the actor released protected information in the reasonable belief that the disclosure of the information was necessary to expose a violation of law involving government corruption, abuse of office or misappropriation of public funds or property.
- C. A person who, by false pretenses, bribery or theft, gains access to or obtains a copy of any protected record to which he is not legally entitled is guilty of an offense and upon conviction thereof shall be punished by a fine of not less than \$1000 nor more than \$5000. No person shall be guilty who receives the record, information or copy after the fact and without prior knowledge of or participation in the false pretenses, bribery or theft.
- D. A public employee who intentionally refuses to release a record the disclosure of which the employee knows is required by law or by final unappealed order from a governmental entity or a court is guilty of an offense and upon conviction thereof shall be punished by a fine of not less than \$1000 nor more than \$5000.

- A. A non-Indian who has lawful access to any protected record under this subchapter, who intentionally discloses or provides a copy of a protected record to any other person is subject to civil penalties of not less than \$1000 nor more than \$5000.
- B. It is a defense to a civil action under subsection (A) that the non-Indian actor released protected information in the reasonable belief that the disclosure of the information was necessary to expose a violation of law involving government corruption, abuse of office or misappropriation of public funds or property.
- C. A non-Indian person who by false pretenses, bribery or theft, gains access to or obtains a copy of any protected record to which he is not legally entitled is subject to civil penalties of not less than \$1000 nor more than \$5000. No person shall be subject to civil penalties who receives the record, information or copy after the fact and without prior knowledge of or participation in the false pretenses, bribery or theft.
- D. A non-Indian public employee who intentionally refuses to release a record the disclosure of which the employee knows is required by law or by final unappealed order from a governmental entity or a court is subject to civil penalties of not less than \$1000 nor more than \$5000.
- E. Any non-Navajo person within the Navajo Nation's jurisdiction, as defined at 7 N.N.C. § 254, having been found to be in repeated violation of this subchapter may be subject to the exclusionary provisions of the Navajo Nation, as provided at 17 N.N.C. § 1901 et seq.

3

**NAZLINI CHAPTER
PROPERTY MANAGEMENT POLICIES AND PROCEDURES
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CHAPTER

PROPERTY MANAGEMENT POLICIES AND PROCEDURES MANUAL

I. AUTHORIZATION

- A. Pursuant to 26 N.N.C. § 101 (A), the Chapter hereafter referred to as Chapter is required to formulate, implement and operate under a Five Management System to ensure accountability. Accordingly, The Chapter has developed policies and procedures for the Five Management Systems Policies consistent with applicable Navajo Nation law.
- B. Pursuant to Chapter Resolution No. NAZL-2011-08-029, the Property Management Policies and Procedures Manual (hereafter "Property Manual") is hereby approved and adopted.

II. PURPOSE AND SCOPE

- A. These policies sets forth the authority, principles and policies governing the accounting for all chapter property in terms of dollar value, units and their location(s); and prescribes the chapter administrative functions and chapter officials' policy-making functions with the Chapter. These policies also provide the basis for the implementation of the general supervision over procedures necessary to organize and protect all chapter assets, through the maintenance of records and performance of inventories, thereby ensuring the provision of adequate and economical warehousing, receipt and delivery of chapter property.
- B. This Property Manual is applicable to all employees and members of the Chapter, including Chapter officials, who shall monitor property management to ensure that property records are maintained and that this policy is enforced.
- C. This Property Manual shall apply to all employees and members of the chapter, including Chapter officials, who shall ensure that all handling of Chapter property is done accordance with the principles detailed in the manual.
- D. These policies and procedures are intended to provide adequate and accurate information for chapter reporting activities, help justify how document important decisions, and provide a history of the operation and maintenance of Chapter property.
DI.
- E. These policies and procedures shall ensure that all activities are supported with proper and accurate documentations, serve as an efficient and effective tool to minimize duplication of property acquisition, and provide adequate safeguards for Chapter property.

III. APPLICABLE LAWS

The Chapter shall comply with all applicable State, Federal and Navajo Nation laws.

IV. GENERAL STATEMENT OF POLICIES

- A. The Nazlini Chapter staff and Chapter Officials shall be charged with responsibility to ensure accurate inventory control and safekeeping of all Chapter property. In the event of loss, the Chapter staff and Chapter Officials shall be prepared to show the precautionary actions taken to guard against loss, damage, theft, etc. The Chapter shall maintain adequate insurance coverage. Liability insurance coverage shall be mandatory, where required by law. All Chapter property is for Chapter business only.
- B. An individual will not be assigned to a duty that will separate him from property for which he is responsible. Individuals may be required to assume accountability for property remotely located. In such instances, they are required to maintain records which will show at all times the general location of such property and the individuals responsible for its care and safekeeping.
- C. The sale, gift, loan or exchange or other disposition of any chapter property not specifically authorized by applicable Navajo Nation law, the Chapter's Five Management System or other directives issued by the Chapter is illegal.
- D. Any person who, without authority, sells or otherwise disposes (via loan, exchange, or gift) of Chapter property or through neglect allows Chapter property to be lost, or damaged, destroyed, sold or wrongly disposed of, may be lawfully punished pursuant to Navajo Nation law.
- E. All Chapter property shall be identified by marking and/or tagging unless such marking would impair the utility of the item.
- F. The Nazlini Chapter property records will include serial numbers, quantity, condition and insurance for proper identification of items and to ensure proper reporting of any losses.
- G. All Nazlini Chapter property shall be kept on the Chapter premises, except where it has been approved for other locations by the Chapter Manager.
- H. All property discovered upon annual inventory (tagged or not) shall be accounted for and recorded as Chapter property. It shall be the duty of the Chapter Manager to report the existence or discovery of property as indicated to safeguard and secure such property until any legally responsible individual or proper authority assumes possession of said property.
- I. No rewards, favors, gifts or other form of remuneration shall be received from any vendors, contractors, individual or firm, or any other sources having relations with the Chapter.
- J. All property and equipment of a value of more than \$1,000 shall be capitalized and recorded in the Chapter's Capital Asset ledger.

- K. All non-Capital expenditures shall be included in a Chapter-approved budget and recorded as an expense in the year of their purchase. At year-end, the capitalized asset shall be transferred to the Capital Assets Account Group ledger.
- L. All individuals shall comply with the Procurement Policies and Procedures Manual for any and all acquisitions of property.

V. GENERAL DUTIES AND RESPONSIBILITIES

A. Chapter Administrative Responsibilities:

The Chapter administrative staff shall follow the duties and responsibilities prescribed in their Property Manual or other applicable policies and plans of operation and shall comply with all administrative policies and procedures enacted by the Chapter, in accordance with applicable law.

- 1. The Chapter Manager shall:
 - a. Be entrusted and accountable for all Chapter property and shall be the designated property custodian.
 - b. Co-sign all checks for payment to vendors, along with the Chapter Secretary/Treasurer, and the Chapter President if the Secretary/Treasurer is not available.
 - c. Verify all purchase requisitions to assure purchase costs are reasonable, that materials are suitable, and that the quantity and intended use of any property purchased by the Chapter is in the best interest of the Chapter.
 - d. Keep both general and subsidiary ledgers for all Capital Assets owned, and which should permit a reconciliation of the detailed subsidiary ledger account amounts with the summary amounts and other accounts in the general ledger.
 - e. Reconcile the chapter inventory list maintained by the Administrative Assistant on an annual basis, and the re-sale inventory on a monthly basis.
 - f. Have the discretion of maintaining a separate inventory for assets not meeting the capitalization requirements, which will be expensed when purchased.
 - g. Acquire Chapter property on an installment plan, with the approval of the Chapter membership.
 - h. Be responsible for assuring rental equipment is used for its approved purpose and that the Chapter approved rental fees are enforced.

2. The Administrative Assistant shall:

- a. Prepare the paperwork necessary for the acquisition of property and equipment including:
 - (1). Obtain advance approval from the Chapter Manager and Chapter officials for transactions regarding Chapter property.
 - (2). Prepare purchase requisitions, issue purchase orders, conduct inspections of equipment purchased, verify complete orders per invoices, receive reports and process payments.
- b. Conduct a physical inventory count for property and equipment on an annual basis, and for resale inventory, a physical inventory on a monthly basis.

B. Chapter Official oversight responsibility:

1. The Chapter President shall:

- a. Work closely with the Vice-President and Secretary/Treasurer, to ensure that the Chapter administration is adequately meeting the chapter's directives and expending funds according to conditions of the Budget Instructions Manual and/or the Chapter's annual budgetary objectives on a quarterly basis, and will report to the Chapter membership.
- b. In the absence of the Secretary/Treasurer, may co-sign chapter checks with a justification memorandum.
- c. Sign all contracts, resolutions and other documents on behalf of the Chapter after approval by the Chapter membership.
- d. Monitor and review property management and activities of the Chapter administration on a quarterly basis.
- e. Help resolve any discrepancies, irregularities or illegalities in the property control process.

2. The Chapter Vice-President shall:

- a. In the event of an unforeseen situation, assume delegated duties and responsibilities of the Chapter President for a reasonable time period, or until the President is available.
- b. Assist in the review of the Chapter Property control process on a quarterly basis.

3. The Secretary/Treasurer shall:

- a. Monitor the maintenance of an accounting system to ensure accountability of all funds and expenditures, and shall report all financial activities to the Chapter President and membership on a monthly basis.
- b. Ensure that the chapter administration prepares monthly financial reports of all transactions and expenditures of the chapter by categories.
- c. Co-sign Chapter checks along with the Chapter Manager.
- d. Monitor and review the Chapter's property control records on a monthly basis.
- e. Work towards resolving any discrepancies, irregularities, or illegalities in the property control process.

VI. PROPERTY ACQUISITION

A. Policy:

The Nazlini Chapter may acquire personal and real property through purchase, donation, transfer, or abandoned property found within the Chapter's premises or jurisdiction.

B. All property purchases shall follow the Chapter's Procurement Policies and Procedures Manual where applicable.

C. Procedures:

The following procedures will apply for all property acquisitions:

1. Property:

a. Procedures:

- (1). The Chapter Manager may acquire or purchase property and equipment through use of cash and/or credit, or on an installment/lease plan, with the approval of Chapter Officials and membership.
- (2). The Administrative Assistant shall prepare all the necessary documents (Refer to Procurement Policies and Procedures) to initiate the purchase of property and equipment.
- (3). The Chapter Manager and Chapter President shall sign property acquisition documents on behalf of the Chapter upon approval of the Chapter membership.

- (4). The Administrative Assistant shall obtain advanced approval by the Chapter Manager, prepare the fund approval form and purchase requisition, issue any purchase order(s), inspect goods, complete the receiving report, maintain a complete property identification sheet, and process payments.
- (5). The Chapter Manager shall review all documents for completeness and co-sign the check for payment, along with the Secretary/Treasurer.
- (6). When a service, maintenance, or purchase agreement is set up with a vendor, installment payments may be made. The Administrative Assistant shall prepare and process a Fund Approval Form (FAF) in accordance with the Procurement Policies and Procedures, Section VII., (C). Subsequent payments will be made in the same manner.
- (7). Upon acquisition of any property, the Chapter Manager shall immediately update the property records/inventory to reflect the acquisition.
- (8). Upon acceptance, the Administrative Assistant shall tag and record the property in the appropriate general and subsidiary ledgers along with all Capital Assets owned.

2. Acceptance of donation or gifts:

a. Policy:

All donations of items or gifts of property and equipment shall be addressed in writing to the Chapter Manager and/or the Chapter President.

b. Procedures:

It shall be the responsibility of the Chapter Manager to accept or reject the donated property or equipment offered to the chapter.

- (1). The Chapter Manager shall assess the proposed offer or donation, and advise and consult with the Chapter Officials concerning the costs or benefits of accepting the proposed offer or donation.
- (2). Upon acceptance, the Chapter Manager shall estimate the value of the donated property or equipment based on fair market value at the time of the donation.

- (3). Upon acceptance, the Administrative Assistant shall tag and record the property in the appropriate general and subsidiary ledgers along with all Capital Assets owned.

3. Abandoned or found property:

a. Policy:

It shall be the policy of the Chapter that any and all property found and/or abandoned shall become the property of the Chapter, at the discretion of the Chapter Manager in consultation with the Chapter Officials.

b. Procedures:

- (1). The Administrative Assistant shall inform the Chapter Manager and Chapter Officials about the found property immediately, and if the owner can be identified, request that the owner claim the property within thirty (30) calendar days.
- (2). The Chapter Manager, in consultation with the Chapter Officials, shall determine whether the property or equipment found or abandoned within the boundaries and jurisdiction of the Chapter shall become the property of the Chapter in the event there is no claim.
- (3). Upon acquisition of any abandoned or found property, the Chapter Manager shall estimate the value of said property based on its fair market value at the time of discovery.
- (4). If the property or equipment is unacceptable as Chapter property, the property will be turned over to the local police department or otherwise disposed of by the Chapter.
- (5). The Administrative Assistant shall tag and record the property in the appropriate general and subsidiary ledgers along with all Capital Assets owned.

4. Property and/or Equipment Transfer:

a. Policies:

1. A suggestion for transfer of property and equipment to the Chapter shall be addressed in writing to the Chapter.
2. The Chapter Manager shall be responsible for the acceptance or rejection of the transferred property or equipment offered to the Chapter.

b. Procedures:

1. The Chapter Manager shall assess the proposed transfer and consult with the Chapter Officials concerning the costs or benefits of accepting or rejecting the transfer of property or equipment.
2. The Chapter Manager shall estimate the value of the transferred property or equipment based on its fair market value at the time the transfer is proposed and accepted.
3. If accepted and transferred, the Administrative Assistant shall tag and record the transferred property or equipment in the appropriate general and subsidiary ledgers including the Capital assets.

VII. PROPERTY IDENTIFICATION, CLASSIFICATION AND RECORDS

A. Policy:

The Nazlini Chapter shall maintain a complete, detailed and accurate identification of all chapter properties at all times. The Chapter Physical Equipment Inventory Form shall be reconciled annually or upon a change of the Chapter Manager within the chapter administration.

1. All updates or reviews shall take place upon the hiring, new elected terms, resignation, or termination of the Chapter Manager, Chapter Officials or Chapter Administration to account for all property and equipment.
2. All properties of the Chapter shall be identified, classified and recorded on the Chapter Physical Equipment Inventory Form.
3. All properties of the Chapter shall be tagged with the Chapter's property number.

B. Procedures:

The following procedures shall ensure all property is identified, classified and recorded in the Chapter Physical Inventory Form.

1. The Administrative Assistant shall be responsible for classifying all chapter property into the following categories:
 - a. Expendable
 - (1). Supplies
 - (2). Materials
 - b. Non-expendable (Capitalized, value of more than \$500):
 - (1). Tools

- (2). Furniture
 - (3). Equipment
 - c. Property (Capital Asset, value at \$5,000 or more):
 - (1). Tools
 - (2). Furniture
 - (3). Equipment
 - d. Real property (Capital Assets, value at \$5,000 or more):
 - (1). Improvement
 - (2). Building
 - (3). Land
- 2. The Administrative Assistant shall record the proper classification of chapter property on the Capital Asset Inventory sheet which shall contain the following information:

a. Property numbers	g. Condition	m. Fund Source
b. Description	h. Last inventory	n. Date of disposition
c. Classification	i. Date acquired	o. Method of disposition
d. Serial number	j. Procurement documents	p. Amount of proceed
e. Acquisition cost	k. Invoice number	q. Account credited
f. Value	l. Vendor	r. Disposition posted by

- 3. The Administrative Assistant shall assure that the property identification, availability, and location of Capital Assets are recorded on the Capital Assets Inventory Sheet, and filed securely in a locked safe.
- 4. If the date of purchase or purchase price is unknown, the beginning fiscal year date shall be utilized, with a specific notation regarding the substituted date. If the date of purchase price is unknown, it will be estimated at the current fair market value. Also the value of donated equipment shall be estimated based on fair market value at the time of acquisition and the total value of all listed property and equipment shall be recorded in the Capital Asset account.
- 5. The Chapter Manager shall record in the Chapter's accounting records and financial report statements on the Chapter's Capital Assets in accordance with the following example:

a. The General Ledger – Capital Assets

DATE	ITEM	REF	DEBIT	CREDIT	BALANCE
12/1	Beg. Bal.				35,000
12/31	Machinery & Equipment	GF	45,000		
12/31	Office Equipment	GF	20,000		100,000

Subsidiary Ledgers are detailed records and amounts of individual property items listed as Capital Assets (buildings, infrastructure or improvements other than buildings, machinery and equipment, and construction in progress). These ledgers permit for the reconciliation

between the General Ledger and Subsidiary Ledgers. The following are examples of Capital Assets subsidiary ledgers.

b. Fixed Asset Subsidiary Ledger-Machinery & Equipment:

DATE	ITEM	REF.	DEBIT	CREDIT	BALANCE
12/1	Beg. Bal.				25,000
12/31	GMC TRUCK	GF	10,000		35,000
12/31	CHEVY TRUCK	GF	10,000		45,000

c. Fixed Asset Subsidiary Ledger-Office Equipment:

DATE	ITEM	REF.	DEBIT	CREDIT	BALANCE
12/1	Beg. Bal.				10,000
12/31	IBM COMPUTER	GF	5,000		15,000
12/31	CONF. RM TABLE	GF	5,000		20,500

d. Fixed Capital Asset Inventory form:

Tlk Property #	NN Property #	Serial #	Desc.	Cond.	Date of Purc	Purchase Price	Date of Depo	Va lue	Salv. value	Locat ion

The Capital Asset Inventory form is an accounting record which displays a summary of all capitalized property. Generally, this information is obtained from the Chapter's Physical Equipment Inventory Form.

VIII. INVENTORY OF PROPERTY

A. Policy:

The Chapter shall conduct and maintain a complete, detailed and accurate physical inventory of the Chapter property assigned and shall reconcile the entire property list annually, or upon a change of the Chapter Manager within the Chapter Administration.

1. An update and review shall be completed upon the hiring, new elected term, resignation, or termination of the Chapter Administration and Chapter Officials.

B. Procedures:

1. The Chapter Manager shall conduct the physical inventory that will involve an actual observation and identification of each piece of property using the Chapter Physical Inventory Form. A property condition check is

a part of the inventory count and shall be recorded on the Chapter Physical Equipment Inventory form.

2. The Administrative Assistant shall ensure that all pertinent records and documentation of all Chapter property are kept on file including invoices, warranties and titles.
3. At the beginning of each fiscal year the Chapter Manager shall provide a copy of the most current inventory listing to the Navajo Nation Risk Management Department, or whenever there is any new acquisition or disposition of any property covered by the Risk Management Department, including any equipment, vehicles, etc., and any real property such as land, buildings and improvements.
4. The Chapter Manager shall consult with the Navajo Nation Risk Management Department annually as part of the budget process, to determine insurance costs and available appropriations, and to ensure that the Chapter's entire inventory is properly insured at all times and that property identification requirements are sufficient to meet replacement requirements.
5. The Chapter Manager shall reconcile and adjust the inventory count and listing for accuracy and completeness on an annual basis or at the time of acquisition or disposition.

IX. LOST, STOLEN OR DAMAGED PROPERTY

A. Policy:

Pertinent records and documentation of all Nazlini Chapter property shall be kept on file including invoices, warranties and titles to ensure protection against property lost, stolen or damaged.

1. To prevent loss, theft or damage of any Chapter property, all property shall be secured in its proper place at all times.

B. Procedures:

1. The Administrative Assistant shall check all locations to ensure the asset has not been misplaced, loss, stolen or damage.
2. The Chapter Manager or Administrative Assistant shall immediately notify law enforcement and obtain a written police report on the missing, stolen or vandalized asset.
3. The Chapter Manager shall immediately notify the chapter officials of the incident.
4. The Chapter Manager shall submit a memorandum and a copy of the police report along with all essential information regarding the property to

the Navajo Nation Risk Management Department, Window Rock, Arizona.

5. The Administrative Assistant shall compile all information from the latest physical inventory for the purpose of providing an estimate of the cost of the items(s) that were stolen, vandalized or damaged, to Risk Management Department for possible repairs or replacement.
6. The Chapter Manager shall take possession of damaged and/or recovered property from the Chapter and obtain any requisite cost estimate of (a) repair cost or (b) replacement cost. The Chapter Manager shall determine, based upon the estimated repair or replacement cost, the reasonableness to replace the damaged or recovered property.
7. The Chapter Manager shall review insurance records to ensure adequate insurance coverage for a new Capital Asset as acquired.
8. Any Chapter property that is stolen or damaged shall be treated in the same manner as outlined in Procedures #1 - 7, above, if the Chapter Manager determines the item to be of significant value.

X. PROPERTY MAINTENANCE AND STORAGE

A. Policy:

All property and equipment shall have a preventive maintenance/repair schedule and guidelines for the use of the property. The Chapter Manager shall be responsible for the development and implementation of this policy and for maintaining property on chapter premises *unless* temporarily relocated for repair or rental:

B. Procedures:

1. Maintenance of Facilities:

- a. Routine Maintenance: The Chapter Manager shall provide a maintenance and repair schedule for all Chapter facilities including, but not limited to, the Chapter Administrative Offices, Head Start building, Senior Citizen Center, warehouse, and any other building or structure within the acreage legally set aside for chapter government operation.
- b. The Chapter shall be liable and responsible for the maintenance and repairs of all Chapter owned facilities, unless there is a separate maintenance agreement for said Chapter owned facility with a Navajo Nation government program or a county, state or federal entity.
- c. The Chapter Manager shall ensure the provision of routine maintenance as a preventive measure against damage and wear.

2. Maintenance of Equipment:

a. Preventive Maintenance

- (1). The Administrative Assistant shall schedule and requisition for servicing of all equipment including, but not limited to, any computers, copier machine, printer, fax machine, and vehicles.
- (2). All Chapter office equipment shall have a monthly preventive maintenance schedule. If the product is on lease to the Chapter, any agreement with the lessor shall provide that the lessor supply the routine maintenance.
- (3). The Chapter Manager shall inspect monthly, all equipment for proper maintenance and compliance with the maintenance schedule.
- (4). The Chapter Manager shall ensure for reasonable security to safeguard Chapter property.
- (5). The Administrative Assistant shall date and log all maintenance performed on the Monthly Inspection and Maintenance Form.

b. Repairs:

- (1). The Administrative Assistant shall be responsible for the scheduling and requisitioning of routine repairs of equipment in accordance with the Chapter's Procurement Policies and Procedures.
- (2). The Chapter Manager shall be responsible for emergency repairs, in accordance with Section VI. of the Chapter Procurement Policies and Procedures.
- (3). The Administrative Assistant shall date and log all repairs of any equipment.

XI. LOAN, RENTAL AND USE OF CHAPTER PROPERTY

A. Policy:

No Chapter property or equipment shall be loaned or rented without the approval of the Chapter Manager on a Chapter Rental Form and after establishment of a standard rental fee for each type of Chapter property and equipment. The Chapter shall also require a deposit to cover cleaning, damage or loss of equipment and shall not be responsible for any liability or damages whatsoever caused by the Lessee's negligence or failure to comply with the applicable standard of care for

any activities under the Lessee's control, or for the Lessee's failure to comply with any applicable Chapter policies or Navajo Nation law. Any liability of the Nazlini Chapter or the Navajo Nation shall be strictly limited to those damages available under the Navajo Sovereign Immunity Act, 1 N.N.C. §§ 551 *et seq.*

B. Procedures:

1. The Chapter Manager shall be responsible for ensuring the equipment is used for its intended purpose and for enforcing the standard rental fees established by the Chapter Membership, based on recommendations from the Chapter Manager and Chapter Officials.
2. The individual(s), group or organization of Nazlini Chapter must fill out a Chapter Rental Form at the Chapter Administration specifying which Chapter equipment the individual, group or organization wants to rent.
3. The Administrative Assistant shall be responsible for assisting and making sure all documents and information regarding the rental policies are transmitted and understood by the Lessee, including the deposit that is required. The documents shall be forwarded to the Chapter Manager.
4. The Chapter Manager shall approve or disapprove the rental request based on the available documents.
5. If approved, the Lessee shall assume responsibility for the property or equipment and its intended use, and shall return the equipment at the specified time agreed on.
6. If the equipment is returned dirty or damaged, or is lost, the Lessee shall forfeit the deposit up to the cost for any cleaning, repair or replacement; otherwise, the deposit shall be returned to the Lessee upon return of the equipment.
7. The Chapter Manager shall be notified immediately if the equipment has been damaged and shall follow those procedures provided in Section X., (B) of the Property Manual.
8. The Chapter Manager shall have the sole authority to approve any waiver of fees based on appropriate documentation and policies for fee waivers adopted by the Chapter membership.

C. Use of the Chapter House.

1. Policies:
 - a. From time to time, Chapter and non-Chapter groups or organizations, or individuals, (the "Lessee") may wish to use the Chapter House facilities to conduct activities for charitable and non-charitable purposes. Such groups or organizations shall be

non-charitable purposes. Such groups or organizations shall be required to obtain short-term liability insurance prior to utilizing the facility, which can be obtained from the Navajo Nation Risk Management Department.

- b. If an individual(s) or group request to utilize the kitchen facility to sell food or other items, either on behalf of the Chapter or privately, the Chapter Manager shall approve these requests on a Chapter Equipment & Facility Rental Form (Exhibit "D"). No person shall handle food to be prepared for consumption by the public without a valid food handler's permit, a copy of which shall be filed with the Chapter Administration.
- c. The Chapter shall not assume any responsibility for loss or theft of any valuables of the Lessees or their Invitees, nor for any liability or damages whatsoever, caused by the Lessee's negligence or failure to comply with the applicable standard of care for any activities under the Lessee's control, or for the Lessee's failure to comply with any applicable Chapter policies or Navajo Nation law. Any liability of the Chapter or the Navajo Nation shall be strictly limited to those damages available under the Navajo Sovereign Immunity Act, 1 N.N.C. §§ 551 *et seq.*
- d. The Lessee is responsible for making sure that all Chapter property remains on the premises and that the area is clean before leaving. It will be the Lessee's responsibility to pay for any damaged property, and if the Chapter House is not cleaned, the Lessee will forfeit the deposits and future utilization of the Chapter house facilities. The Chapter Manager shall be responsible for making that determination depending on the circumstances and damage done.
- e. The Lessees shall abide by the maximum number of occupancy established for the facility.
- f. The Chapter administration staff shall be authorized to establish rules and regulations pertaining to telephone calls, water hauling and other incidentals for the community members.
- g. The Chapter Manager shall be the sole authority to approve any waiver of fees, based on proper documentation and policies for waiver of fees established by the Chapter membership.
- h. The Chapter Manager and/or Chapter Officials shall reserve the right to refuse any individual(s) the usage of the Chapter facility if the individual(s) is behaving unprofessionally and using vulgar language or profanity.
- i. Facility usage for any political functions shall be subject to all applicable fees and deposits with no refunds. .

2. Procedures:

- a. Potential Lessees shall contact the Chapter Administration at least ten (10) business days in advance in order to apply for Chapter house usage. The Administrative Assistant shall provide the Chapter Rental Form and explain the conditions and requirements.
- b. The Administrative Assistant shall prepare all documents and forward to the Chapter Manager for consideration.
- c. The Chapter Manager shall review all the documents for completeness and either approve or disapprove the request. If denied, the Chapter Manager shall provide justification for the denial upon request.
- d. The Chapter Manager shall return all documents to the Administrative Assistant who shall notify the potential Lessee.
- e. The Administrative Assistant shall record and file all documents into the appropriate ledgers and filing system.
- f. The Cash Receipt Control policies and procedures shall be applied for proper reporting and recording pursuant to Section VII, (A) (2) of the Chapter Fiscal Policies and Procedures Manual.
- g. The Chapter Manager shall have the sole authority to approve any waivers of fees, based on appropriate documentation and policies established by the Chapter membership.

XII. PROPERTY AND EQUIPMENT INSURANCE

A. Policies:

Liability insurance coverage for injuries to third parties shall be mandatory on all Chapter property and equipment. Other coverage including collision, fire/smoke damage, theft/vandalism and workman's compensation shall also be included.

1. The Chapter shall participate in the Navajo Nation Insurance Services for its insurance coverage pursuant to 26 N.N.C. § 2003.
2. The Chapter shall use the insurance premium schedule to determine premium rates in accordance with the Navajo Nation Budget Instructions Manual.
3. All property and equipment insurance shall be reviewed periodically for adequacy and filed in a secure place.

XIII. PROPERTY DISPOSITION

A. Policy:

It shall be the policy of the Nazlini Chapter to properly dispose of its property and equipment that will involve not only the physical disposition, but also the reconciliation of the accounting records to reflect such disposal. Capital Assets may be disposed of in a sale, retirement, or replacement transaction.

1. The Chapter Manager shall update property records to reflect disposal and to ensure that insurance policies are updated as appropriate.
2. The Chapter Manager in consultation with the Chapter Officials shall approve any disposal of Chapter property and/or equipment.
3. All disposal of Chapter property shall be reported to the Chapter membership via public notice or at Chapter meetings by the Chapter Manager.

B. Procedures:

1. Types of Disposal:

- a. Ordinary disposal includes property disposed of through ordinary means (sales, trade-in, wear and tear, obsolete, etc).
- b. Extraordinary disposals include property that is stolen, lost, damaged or destroyed, and which require an inventory report.

2. Surplus Property:

Surplus property is supplies or equipment for which there is no longer a need within the Chapter. If the Chapter identifies surplus property, the Chapter Manager shall inform the Chapter membership that such property exists so that the Chapter membership may have first opportunity to purchase such surplus property.

3. Sale of Property:

- a. When the sale of Chapter property is to be made, the Chapter Administration shall post a notice of sale in conspicuous places for thirty (30) days prior to said sale. Such property shall be sold at a price reflecting the property's fair-market value.
- b. The Chapter Manager shall be responsible for assuring that all documents verifying the sale are provided in order that the proceeds of such a sale will be credited to Other Revenue in the fund that generated the original purchase. If information on the fund source is not available, the proceeds will be credited to Other Revenue in the General Fund. The Cash Receipt Control policies and procedures will be applied for proper reporting and recording pursuant to Section VII., (A) of the Chapter Fiscal Policies and Procedures Manual.

- c. The Chapter Manager shall remove the Capital Asset carrying value by debiting the Investment in the Capital Asset Accounts and by crediting the asset account(s) in the general and subsidiary ledgers.
- d. The cost of retirement, as well as the proceeds received from the sale of salvage, shall be taken into account. The salvage costs will be temporarily recorded as expenditures then those are netted against the gross salvage proceeds. The net amount is then reported as Revenue - Salvage Proceeds.

Example: Asset Book Value of \$150,000; it cost \$10,000 to destroy it; the sale of salvage is \$15,000.

• <u>Capital Assets</u>		
Investment in Capital Assets	\$150,000	
Building		\$150,000
• <u>General Fund</u>		
Expenditures-others	\$ 10,000	
Cash		\$10,000
• <u>Cash</u>		
Revenue-salvage Proceeds	\$ 140,000	\$140,000

XIV. DEFINITIONS

The language contained in this section applies generally to this policy manual except as otherwise provided elsewhere in the Chapter's Five Management System.

- A. **Accountability** - The basic obligation of accounting for Chapter property, whereas responsibility for Chapter property arises from custody or possession of Chapter property and/or the obligation to supervise said property by Chapter staff or employees, Chapter officials and Chapter members who are in custody or possession of that property.
- B. **Acquisition Cost** - The generally accepted basis of accounting for general fixed assets used (fair-market value at the time of receipt, if asset is received by donation).
- C. **Chapter Manager** - The individual responsible for administering the Chapter Five Management System and Chapter Administration.
- D. **Chapter Officials** - The Chapter President, Chapter Vice-President, and Chapter Secretary/Treasurer.
- E. **Equipment in place** - Chapter personal property of a movable nature which has

been fixed in place or attached to a Chapter facility or other real property, but which may be severed or removed from the structure to which it is attached without damaging the usefulness of the structure. It does not include installed building equipment.

- F. **Expendable Property** - Chapter property that is of relatively low monetary value, is consumed in the performance of a function, or is incorporated into an end product. Examples of property under this description include operating supplies, office supplies, janitorial supplies, building material, hay and feed, firewood, fencing material, small tools, and so forth.
- G. **Fair Market Value** - The price at which a willing seller will sell and a willing buyer will buy, in an arm's length transaction, when neither is under compulsion to sell or buy and both have reasonable knowledge of relevant facts.
- H. **General Fixed Assets** - A classification of Chapter property that includes land, buildings, infrastructure, improvements other than building, machinery, equipment, and construction-in-progress, meeting items 1) and 2) or 3) of the following criteria: Non-expendable.
 - 1) Value of \$500.00 or more.
 - 2) Non-expendable.
 - 3) Classified as a Sensitive Property Item by the Chapter Manager or elected officials.
- I. **General Fixed Assets Account Group** – A self-balancing group of accounts, set up by the Chapter to account for the general fixed assets of the Chapter.
- J. **Historical Cost** - An accounting principle requiring all financial statement items to be based on original cost. It is usually based upon the dollar amount originally exchanged in an arm's-length transaction; an amount assumed to reflect the fair market value of an item at the transaction date.
- K. **Installed Building Equipment** - The items of Chapter equipment and furnishings, including material for installations, which are required to make a Chapter facility useful and are fixed as a permanent part of the structure. Examples of items included under this description are plumbing fixtures and equipment, fixed heating, cooling, ventilation, or fire protection, and counters and cabinets.
- L. **Non-expendable Property** - An item of personal property of the Chapter of any dollar value that retains its identity throughout its useful life. For classification purposes, a minimum dollar value is assigned and the amount is significant enough to warrant maintaining of item accountability. The items of property under this classification, for property management and accounting purposes, will be carried on the Chapter property records as general fixed assets until disposed of by the Chapter through transfer, sale or other means.
- M. **Real Property** - Any interest in Chapter land, together with improvements, structures and fixtures that are located on it. The Nazlini Chapter Planning and

Zoning Council, aka: Nazlinii' Bikayah Binataha, may be consulted for property land and other real property information, descriptions and classifications administered by the Chapter.

- N. **Responsibility** - The obligation of a Chapter staff or employee, Chapter Officials and Chapter members, with respect to the proper custody, care and safekeeping of property entrusted to that individual.
- O. **Property Record** - A basic itemized record showing the Chapter's property.

XV. APPENDICES

A. Property Identification Sheet	Exhibit A ✓
B. Property Assignment Form	Exhibit B
C. Insurance Premium Schedule	Exhibit C
D. Chapter Equipment/Facility Rental Agreement	Exhibit D



NAZLINI CHAPTER
PO BOX 7387
NAZLINI, ARIZONA 86540

THE CHAPTER PROPERTY IDENTIFICATION SHEET

Property No. _____

Serial No. _____

Value FY2011 \$ _____

Date of Service _____

Assigned To _____

Description _____

Classification _____

Condition _____

Useful Life _____

Last Inventory _____

Acquisition Data

Date Acquired _____

Method of Acquisition _____

Acquisition Cost \$ _____

Vendor _____

Acquisition Document _____

Invoice No. _____

Fund Source _____

Account No. _____

Disposition Data

Date of Disposition _____

Method of Disposition _____

Amount of Proceed \$ _____

Account Credited _____

Date Record Removed _____

Posted By _____

Exhibit "A"



NAZLINI CHAPTER
PO BOX 7387
NAZLINI, ARIZONA 86540

THE CHAPTER PROPERTY ASSIGNMENT FORM Assignment Form

Property No.	Approved By
Description	Date Approved
Date of Assignment	Responsible Assignee
Assigned To	Assignee Initial and Date

Termination of Assignment

Date of End of Assignment	Status of Returned Item
Returned By	Remarks
Property Received By	
Condition of Returned Item	

Exhibit "B"



NAZLINI CHAPTER
PO BOX 7387
NAZLINI, ARIZONA 86540

THE CHAPTER PROPERTY ASSIGNMENT FORM Assignment Form

Property No.
Description
Date of Assignment
Assigned To

Approved By
Date Approved
Responsible Assignee
Assignee Initial and Date

Termination of Assignment

Date of End of Assignment
Returned By
Property Received By
Condition of Returned Item

Status of Returned Item
Remarks

Exhibit "B"



NAZLINI CHAPTER
PO BOX 7387
NAZLINI, ARIZONA 86540

THE CHAPTER INSURANCE PREMIUM
SCHEDULE

COVERAGE	DEDUCTIBLE	RATE
Contents	\$500.00	0.25
Contractors Equipment	\$1,000.00	0.58

i. Rates are per \$100 of Value

EXAMPLE:

(Total Contents Value divided by 100) x Rate = Premium

$$\frac{\$25,000.00}{100} = 250 \quad \times .250 \quad = \$62.50$$

(Total Equipment Value divided by 100) x RATE = PREMIUM

Premium for Vehicle Coverage

Chapter Owned Auto

Auto Physical Damage	\$275.00
Auto Liability	\$267.31
PL 93-638 (Leased) GSA Vehicle	\$275.00

DEDUCTIBLES

Vehicle Under One (1) Ton	\$500.00
Vehicle One (1) Ton and Over	\$1,000.00
PL 93-638 Leased GSA Vehicle	\$500.00

Exhibit "C"



THE NAZLINI CHAPTER EQUIPMENT/FACILITY RENTAL AGREEMENT



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

WOODIE BENNETT
COORDINATOR

I, _____ a registered voter
of Nazlini Chapter, hereby requests to rent the following;
chapter equipment, facility, & heavy equipment.

REQUESTED: CHAPTER EQUIPMENT, FACILITY, HEAVY EQUIPMENT:

DATE & TIME OF USE:

1. _____
2. _____

FROM: _____

TO: _____

How will equipment/facility be used and where?

I will pay rental cost in advance. I will report any damaged or broken items that I have rented and agree to **CLEAN** the equipment/facility after use. I will not use the equipment outside the boundaries of Nazlini Chapter. I agree to abide by the policy set forth by the chapter for equipment and facility use and sign this rental agreement. I, _____ will be **liable for any accident that occurs during this activity.**

Signature: _____

Date: _____

Request for waiver of Rental Agreement:

(Support Services/Emergency Purpose Only)

OFFICIAL USE ONLY

Money Order Number:/or Cash _____

Chapter Manager's Signature _____

Amount: _____

Grazing Representative's Signature _____

Approved _____ or Denied _____

RENTAL FEE

(Check mark by the equipment rented)

☐

Certificate of Insurance required:

(Initials)

____ Tractor\$40 per hour
____ Tractor/Plowing\$40 per hour
____ Tractor/Blade\$40 per hour
____ Tractor/Disc.....\$40 per hour
____ Backhoe/Loader.....\$50 per hour

____ Chapter House W/K.....\$30 per day
____ Chapter House WO/K.....\$25 per day
____ Squeeze Chute.....\$20 per day**
____ Bucking Chute.....\$75 ea. per day**
____ Water Pump.....\$25 per day***

NOTE: ** Grazing Representative will make the Final Approval on items.

***** Chapter Government will designate equipment operator for insurance liability purposes.**

Exhibit "D"

Revised: August 200

4

**NAZLINI CHAPTER
PERSONNEL POLICIES AND PROCEDURES
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NAZLINI CHAPTER PERSONNEL POLICIES AND PROCEDURES MANUAL

I. AUTHORIZATION

- A. Pursuant to 26 N.N.C., Section 101 (A), the Nazlini Chapter (hereafter “Chapter”) is required to formulate, implement and operate under a Five Management System to ensure Personnel accountability. Accordingly, Nazlini Chapter has developed Personnel Policies and Procedures to implement the Five Management System consistent with applicable Navajo Nation Law.
- B. Pursuant to Nazlini Chapter Resolution #: NAZL-2011-08-029, the Nazlini Chapter Personnel Policies and Procedures Manual has been approved.

II. PURPOSE AND SCOPE

- A. These policies are designed to assist Chapter Managers to deal consistently with human resources issues and to outline the rights, benefits, and what is expected of Chapter administrative employees.

- 1. Role of the Chapter Manager

The Chapter Manager, at times in consultation with the Chapter Officials, determines jobs to be performed, offers employment, and compensates employees for the work performed. Chapter Managers are responsible for utilizing and applying the personnel policies consistently in dealing with human resources issues. They are encouraged to seek advice from Department of Personnel Management and Department of Justice (or legal counsel) on the interpretation of the Personnel Policies Manual and in addressing employment issues. Chapter Managers are expected to provide leadership in implementing the policies and to set a positive example for employees.

- 2. Role of the Employee

Employees shall read, understand, and comply with policies and procedures that affect or apply to their employment.

- 3. Role of the Department of Personnel Management and Legal Counsel

The Chapter Manager shall develop and implement procedures, as necessary, consistent with the policies contained in this manual. Department of Personnel Management or legal counsel (private or the Department of Justice) may also provide guidance to Chapter Managers on the interpretation and intent of the manual and assist in addressing employment issues.

III. APPLICABILITY

These Personnel Policies and Procedures apply to all Chapter employees, regardless of funding source or employment status, except where they are specifically excluded. These policies do not create an employment contract by implication and the rights and privileges granted employees are only those specifically stated.

A. Exceptions

1. Certain categories of employees may be affected by policies and regulations that may take precedence or may supplement these policies.
2. To the extent that the Chapter is required to develop policies or procedures that take precedence over or supplement this manual, they shall be reviewed and approved, if necessary, by the Department of Justice (or private legal counsel) prior to implementation by the Chapter.

IV. MANAGEMENT AND SUPERVISORY RESPONSIBILITIES

A. Chapter Managers are responsible for:

1. Developing and maintaining the highest possible level of performance in their Chapter.
2. Developing and maintaining good employee working relationships and conduct in their Chapter.
3. Planning, organizing, directing, coordinating and supervising all functional activities and responsibilities within their Chapter.
4. Preparing budgets, performance reports, and other documents as required.
5. Submitting required reports to the Navajo Nation Council, Standing Committees, Commissions and Boards as specified by the Chapter's Five Management System ("FMS") or Navajo Nation law.
6. Implementing personnel policies and procedures as outlined in this manual.
7. Implementing and maintaining internal operating policies, procedures, and control.
8. Safeguarding and accounting for all assets, including but not limited to, funds and property for which there is a custodial responsibility.
9. Representing the Chapter in official functions as directed.

10. Approving or disapproving all documents in accordance with functional responsibilities.
11. Managing employee performance in accordance with established policies and procedures.
12. Maintaining reporting relationships consistent with the chain of command.
13. Coordinating activities with other governmental agencies.
14. Upholding the laws and regulations of the Navajo Nation and adherence to the Chapter's FMS.
15. Monitoring the presence of unauthorized individuals at the worksite and taking appropriate action.

V. EMPLOYMENT PRACTICES

A. Policy

The policy of the Nazlini Chapter is to comply with all applicable laws that govern the employment relationship between the Chapter and its employees. Consistent with the provisions of applicable laws and policies, the Chapter will not improperly discriminate against any applicant or employee.

B. Navajo Preference

The Nazlini Chapter gives preference in employment to enrolled members of the Navajo Tribe in accordance with the provisions of the Navajo Preference in Employment Act (15 N.N.C. §601 - 19).

C. Other

Whenever necessary, the Chapter may offer preference in employment to other applicants based on funding source requirements. However, in no case may this preference supersede Navajo preference.

D. Second or Outside Employment

1. Full-time employment with the Chapter shall generally be the sole employment of any employee. However, it is recognized that personal situations do occur that might make it necessary for employees to seek supplementary employment.
2. A Chapter employee shall not engage in outside or self-employment if such outside or self-employment creates a conflict of interest. A conflict of interest is defined as a real or seeming incompatibility between one's private interests and one's public or fiduciary duties.

3. A Chapter employee who secures outside or self-employment that creates a conflict of interest may be subject to dismissal.
4. A Chapter employee may not concurrently hold two full-time positions with the Chapter and the Nation.
5. Additional employment should not impair job performance with the Chapter. This includes conflicts of interest, neglect of duty, absence from or tardiness to the workstation, and performing duties associated with additional employment during normal working hours.
6. If a Chapter employee is absent from his/her job due to outside or self-employment, the employee shall be required to take leave.
7. Chapter Managers are responsible for determining whether additional employment adversely affects job performance with the Chapter.
8. Honoraria and/or compensation received for occasional seminars, speeches, or presentations are not deemed to be second or outside employment and are not subject to these provisions.

E. Hiring of Relatives

1. To promote consistency and equity in the treatment of all Chapter employees, to prevent breaches in confidentiality, to prevent improper influences in employment and to prevent the perception of favoritism, the Chapter will not employ, in any position, the immediate relatives of current employees or elected officials if:
 - a. one is directly supervising the other on a regular basis or
 - b. there is potential for creating an adverse effect on supervision, security, or morale, or the potential for a conflict of interest.
2. For purposes of this policy, the term "relative" is defined as an individual who is related by blood or marriage to the employee as a father, mother, son, daughter, brother, sister, grandmother, grandfather, uncle, aunt, cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, stepfather, stepmother, stepson, stepdaughter, stepsister, stepbrother, half brother or half sister.
3. If Chapter employees become related after employment and a conflict such as described in the above paragraph is created; or, if a re-organization creates such a conflict, ninety (90) calendar days will be allowed to resolve the matter voluntarily or by transfer of one of the Chapter employees. If this is not possible, the Chapter employee with the most recent date of continuous employment will be released.

4. Employees, Chapter officials, members of the Navajo Nation Council, or other committees capable of influencing hiring, evaluation, or other employee actions, and who are related to employees covered by these policies, shall refrain from influencing all actions having to do with such relatives.
5. All applicants for positions with the Chapter shall indicate on the official application form whether they are related to any employee. This information will be used to determine possible conflicts of interest involving the position.
6. If an applicant knowingly answers questions untruthfully concerning the relationship, and this fact later becomes known, the employee will be terminated immediately.

VI. RECRUITMENT AND SELECTION

A. Policy

In general, the Chapter's employment process, which is carried out by the Chapter Manager in consultation and with the approval of the Chapter officials, will ensure competitive practices in recruitment, selection, and placement of qualified applicants based on the applicant's knowledge, skills, abilities, and overall qualifications for employment with the Chapter. The Chapter's employment process shall comply with applicable laws of the Navajo Nation.

B. Responsibilities

1. The Chapter Manager shall be responsible for:
 - a. complying with the employment, recruitment and selection policies and the requirements of applicable Navajo Nation, state, and federal laws,
 - b. notifying the Chapter of all vacant positions to be filled,
 - c. defining the duties and responsibilities of the vacant position and, with the consultation of the Chapter Officials, the position requirements, and
 - d. making the final selection from among applicants for a particular position after Chapter approval.
 - e. establishing, implementing and monitoring effective recruitment and selection policies and procedures,
 - f. assisting programs in defining job-related position requirements and determining the most effective recruitment and selection policies and procedures,

- g. advertising vacant positions,
- h. establishing selection procedures,
- i. conducting qualification assessments and referring qualified applicants to the program,
- j. advising employees on personnel policies and procedures, interpretation of requirements, and professional standards for selection methods,
- k. consulting with employees on the availability and qualifications of applicants for specific positions, reviewing, monitoring and evaluating the effectiveness of selection processes,
- l. ensuring that all actions taken are consistent with the Chapter's Five Management System and Navajo Nation law.

C. Advertising of Vacant Positions

- 1. All vacant positions must be advertised a minimum of ten (10) working days. Job vacancy announcements may be within the Chapter, or within the community, or outside the Chapter and the community, or outside the Navajo Nation, or submitted to the Department of Personnel Management to be published on the weekly job vacancy listing.
- 2. Chapter requests for job vacancies that are included on the weekly vacancy listing published by Department of Personnel Management are to be submitted on Job Vacancy Announcement forms complete with all required information and signatures.
- 3. The Chapter may collect all responses to a vacancy published on the weekly job vacancy listing by the Department of Personnel Management from the Department and then make its decision in accordance with these personnel policies. This is only if the Chapter has elected to post a vacancy through the Department of Personnel Management.
- 4. Administrative Employees of the Chapter shall retain their positions after the Chapter's transition to Local Governance Act certification. The Chapter's Administrative Employees shall resign as Navajo Nation employees only to transition into the same positions as Chapter employees. The Employees shall amicably resign with the understanding that they will be reconstituted as Chapter Administrative employees the following work-day. This shall not be placed within the Employee's permanent employment file as an adverse action.

The Chapter may elect to advertise, interview and re-hire for these Administrative Employee positions. However, it should be understood that this is extremely inefficient and that the Chapter's administrative functions will cease to be performed for the time period the Chapter takes to re-hire administrative employees. The Chapter may elect to do this, but it is discouraged.

D. Applications for Employment

1. Chapter employment application forms may be made available at the Chapter or online. The Chapter shall also accept standard Navajo Nation applications for employment that are from the Department of Personnel Management, which may be downloaded from the website at www.nndpm.navajo.org. The application form solicits information from the applicant relating to education, experience, training, residence and other pertinent information. Applicants are required to sign the application which includes a statement that they are certifying to the truth and accuracy of all information provided therein.
2. Applications may be hand delivered, mailed, faxed, or delivered by other acceptable methods, but they must be received by the Chapter on or before the closing date specified on the job vacancy announcement. If mailed, date stamp on mailed application must be on or before closing date.
3. Applicants shall be required to furnish, at their own expense, evidence of character, education, physical condition, or other qualifications, which are job-related as may be deemed necessary.
4. In order to receive full credit for education, certification, or licensure, transcripts, copies of degrees, certificates, and other appropriate documents must be submitted along with the employment application.
5. Any misrepresentations, falsifications, or material omissions in any of this information or any other materials used in the application process, or information offered during the interviews, may result in the exclusion of the individual from further consideration for employment for that position; or if the person has been hired, termination of employment.

E. Interview Expenses

1. An applicant interviewed for a key position may be reimbursed for interview expenses subject to the Chapter's availability of funds. The Chapter Manager will be responsible for designating key positions jointly with the Chapter Officials.
2. A key position is a professional or highly technical position that requires specialized training, experience, licensure or certification.

3. Reimbursement of interview expenses will be limited to one trip to the interview site and actual reasonable expenses, including commercial fare, car rental, personal vehicle mileage, meals, lodging and other incidental costs.
4. Reimbursements shall not exceed the current travel expense rates established by the Navajo Nation and must be supported by receipts.

F. Referrals

1. The Chapter Manager shall consider applicants in the following order of priority:
 - a. Enrolled Navajos with reemployment preference
 - b. Enrolled Navajo veterans
 - c. Other enrolled Navajo applicants
 - d. Non-Navajo spouses of enrolled Navajos
 - e. Non-Navajos

However, the applicant possessing the best qualifications to perform the duties of the position should be selected.

2. Anytime a lower priority applicant is selected over higher priority applicants, the Chapter Manager shall provide written justification to the Chapter Officials and Membership setting forth the reasons for the selection.

G. Reemployment Preference

1. A regular status Chapter employee separated from employment due to a reduction-in-force will be eligible for reemployment preference.
2. Reemployment preference will not be granted to employees who have not attained regular status at the time of layoff.
3. Reemployment preference continues for a period of six months from the date of layoff provided the employee does not decline Chapter employment when offered.

H. Selection Methods and Criteria

All selection methods and criteria shall be job related. Selection methods include any assessment or technique used as qualifying mechanisms; physical, education, work experience requirements, formal and informal interviews; and application forms.

1. Age Requirements

- a. Applicants under sixteen years of age will not be considered for regular employment unless an exception has been made by applicable law or regulation.
- b. Age is not a factor in employment except for those positions in which bona fide occupational qualifications are required.

2. Physical Qualifications

A person selected shall possess and maintain the minimum physical qualifications necessary to perform essential duties of the position. The Chapter Manager, in consultation with the Chapter Officials, shall designate those positions for which medical examinations shall be required prior to employment. Whenever the Chapter Manager, in consultation with the Chapter Officials and legal counsel (private or the Department of Justice), has reason to believe that an employee's health is adversely affecting his/her job performance, the employee may be required to undergo a medical examination by a licensed physician. The results shall be used to determine continued employment.

3. Polygraph Tests

No applicant or employee shall be requested or required to take a polygraph test as a condition of employment.

4. Background Checks

The Chapter Manager shall designate certain positions as sensitive, such as commissioned personnel, bus drivers, or those working with children and those involving the handling of money, inventories, or security of buildings.

Job-related background checks, which may require fingerprinting of applicants, shall be conducted prior to appointment of a person to a sensitive position. If the background check cannot be completed until after placement, the results shall be used to determine the employee's suitability for continued employment.

- a. Applicants who have been charged with a misdemeanor involving moral turpitude or a felony shall not be eligible for employment unless the charges are dismissed or they are found not guilty.
- b. Applicants who have been convicted of a misdemeanor involving moral turpitude or a felony or who enter pleas of guilty or no contest

shall not be eligible to be considered for employment for a period of at least three years following completion of sentence. The number of years may be controlled by other standards if the position is funded pursuant to a grant or contract.

5. Work and Education Reference Checks

To verify information about an applicant's knowledge, skills, abilities, character, and other qualifications that will be important to successful performance in a new position, job-related inquiries may be made of current and former supervisors and other persons who can supply relevant information. Information provided by an applicant to obtain employment, which later proves false, shall be grounds for termination.

J. Offer of Employment

1. The authority to offer employment is vested in the Chapter Manager, after consultation and approval by Chapter Officials.
2. The offer of employment shall be extended by the Chapter Manager to the individual selected for the job if the selection is consistent with existing policies and criteria established for the job.
3. The Chapter Manager shall also approve the proposed pay rate before an offer of employment is made to an applicant.
4. The Chapter Manager shall not offer or approve employment if selection was done contrary to these Personnel Policies or Navajo Nation law.

K. Moving Expenses

Subject to the Chapter's availability of funds, moving expenses, in whole or in part, may be paid by the Chapter.

VII. EMPLOYMENT STATUS

Employment status varies with the position and conditions of employment. Chapter Managers, working jointly with the Chapter Officials (and review/advice from private legal counsel or the Department of Justice) shall ensure that employees are properly designated.

A. The Navajo Nation has six categories of employment status, of which the Chapter has elected to adhere to five:

1. Regular full-time

Employees who are hired to work the regularly established 40-hour workweek and who remain employed full-time upon completion of the introductory period.

2. Regular part-time

Employees who work less than the regularly scheduled 40-hour workweek but not less than 20 hours per week and who remain employed part-time upon completion of the introductory period.

3. Seasonal

Employees who work less than one (1) year on a full or part-time basis due to the nature of the position and/or funding level. Seasonal employment is usually applicable to jobs that occur on an intermittent or seasonal basis.

4. Temporary

- a. Temporary employees are those who are hired as interim replacements or to supplement the work force, or to assist in the completion of a specific project.
- b. Employment of a temporary to fill a vacant regular status position is limited to a maximum of six consecutive months in a program's fiscal year.
- c. Employment of a temporary in a temporary Chapter account may be extended as necessary, except that if a temporary is employed continuously for one year, the program must justify maintaining the position as temporary or budget the position as regular status.
- d. Employment of a temporary beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change.
- e. While temporary employees receive mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for Navajo Nation benefit programs including annual and sick leave accrual.

5. Volunteers

Persons who offer and provide unpaid assistance or services to the Navajo Nation for a specified time period. Supervisors must arrange for appropriate coverage under workers' compensation.

B. Introductory Period

The Introductory Period is intended to give employees the opportunity to demonstrate the capability to perform assigned job duties at a satisfactory level of performance

and to determine whether the position meets their expectations. The Chapter uses this period to evaluate employee capabilities, work habits, and overall performance. The Table of Penalties (Section XIII below) does not apply during the Introductory period.

1. Immediate supervisors will provide performance standards for successful completion of the introductory period.
2. These policies do not apply to temporary employees.
3. The three types of introductory periods are:
 - a. **90-day Introductory Period**
All new employees, hired in a regular or seasonal position will work on an introductory basis for the first ninety (90) calendar days after their date of hire. The introductory period shall begin on the first day of employment and end at the end of the work day on the 90th calendar day. For those employees who work on a Monday through Friday tour of duty and the 90th day falls on a Saturday, Sunday or holiday, the 90th day will carry over to the next working business day. A regular status employee will be subject to only one new employee introductory period during any continuous term of employment.
 - b. **Supervisory Introductory Period**
A Chapter employee promoted or transferred to a higher level supervisory position, will be subject to a supervisory introductory period of ninety (90) calendar days. An employee promoted or transferred to a supervisory position continues to utilize leave benefits during the supervisory introductory period.
4. Periods of temporary employment cannot be used to satisfy the introductory period requirement. Leave benefits accumulate but cannot be used during the 90-day introductory period.
5. During the introductory period, new employees are eligible for those benefits required by law, such as workers' compensation and Social Security. After obtaining regular status, employees may also be eligible for other Chapter and Navajo Nation provided benefits, subject to the terms and conditions of each benefits program.
6. **Unsatisfactory Performance or Conduct**
 - a. If, during the 90-day introductory period, the employee's performance or conduct is found to be unsatisfactory, the immediate supervisor may terminate the employee for just cause, provided that the employee is given contemporaneous written notification citing the reason(s) for the termination.

- b. An employee terminated during any introductory period has no rights to grievance.
- c. Termination of new employees within the introductory period voids accrued annual and sick leave. Supervisory and transferred employees will receive payment for all accrued annual leave.

7. Failure to Complete Supervisory Introductory Period

- a. Employees failing to successfully complete their supervisory introductory period will be returned to their previous position, if it is available, at their prior rate of pay. If the previous position is not available, they will be considered for a comparable position. If a comparable position is not available, they will be laid off and placed on preferential status for reemployment.
- b. Employees failing to satisfactorily complete a supervisory introductory period will not be considered for another supervisory position for a period of twelve (12) months. During the supervisory introductory period, an employee has no rights to grievance.

8. If any introductory period is interrupted by an employee's extended absence due to medical reasons, the introductory period may be extended the number of calendar days the employee was absent.

9. Conversion to Regular Status

- a. When an employee satisfactorily completes an introductory period, the immediate supervisor is required to submit a performance appraisal for him/her to the Chapter (either Chapter Manager or the Chapter's file with notice to the Chapter Officials) along with the personnel action form. This will convert the employee's introductory status to regular status.
- b. If the immediate supervisor fails to notify, in writing, the employee and the Chapter Manager or Chapter Officials of the conversion status at the end of any introductory period, the Chapter Officials are authorized to initiate action to convert the employee to regular status.

10. Reemployment after Break in Service

Former employees rehired after any break in service, are considered new employees and will be subject to another introductory period regardless of a previous completion. The exceptions are those reemployed after a layoff. They are eligible for reinstatement for a period of six months after layoff.

C. New Employee Orientation

1. New employees are required to attend an employee orientation within 90 calendar days of employment date. All supervisors shall allow new employees to attend the orientation as scheduled.
2. The new employee orientation shall include an overview of general Chapter operating policies and procedures, employee benefits, and an overview of the Chapter and Navajo Nation organizational structures, and reporting relationships.
3. All employees are required to read and affirm in writing that they are familiar with this Personnel Policies Manual.
4. Supervisors are required to provide an employee orientation to newly hired and transferred employees. This orientation shall include program specific topics, such as Chapter goals and objectives, office and workstation regulations, and job and performance expectations.

D. Basic Workweek

The basic workweek is seven days - Saturday through Friday. Standard hours of work for all employees are 40 hours per week.

E. Basic Tour of Duty

The basic tour of duty is from 8:00 a.m. to 12:00 noon and from 1:00 p.m. to 5:00 p.m., Monday through Friday.

1. Breaks

Employees are entitled to a midmorning and a mid-afternoon break, each break time not to exceed 15 minutes. Employees cannot accumulate break time.

2. Standby Duty

Certain work operations require that employees be placed on standby and available for duty. If called, employees required to remain on duty during emergency situations for extended periods will receive rest and meal periods.

3. Time Records

Time records will be maintained for each employee to accumulate and report the following: hours worked, hours absent, hours on approved leave, type of

approved leave, and hours of unauthorized absence. Time records must be submitted for payroll purposes.

F. Alternative Work Schedules

1. Exceptions to the basic tour of duty may be approved by the Chapter Manager upon written request from administrative employees. .
2. Alternative work schedules are generally dependent upon the specific working conditions and needs of the Chapter.
3. The Chapter Manager will be responsible for developing and issuing procedures on the types of alternative work schedules available (E.g. flextime, compressed workweek, shift work, job sharing, and telecommuting).

VIII. CLASSIFICATION OF POSITIONS

A. Policy

It is the policy of the Chapter to establish and maintain a classification plan which groups jobs based upon similar duties, responsibilities, and qualification requirements.

B. Position Classification Plan

1. Purpose

To establish and classify positions by assigning official class titles, providing descriptions of duties and responsibilities, determining qualification requirements and setting pay rates based on duties and responsibilities.

2. Modifications

The Chapter Manager, in consultation with the Chapter Officials, will modify the position classification plan through establishing new classes, revising or abolishing existing classes, setting new entry level rates, and other related criteria, as necessary.

3. Coverage and Exclusions

All positions, regardless of the source of funding, are covered by the classification plan.

C. Classification of New Positions

1. A position must be officially classified before the Chapter Manager can take any personnel action with respect to employment, transfer, promotion, demotion or salary.

2. The Chapter Manager, in consultation with the Chapter Officials, shall be responsible for evaluating and classifying each position to the appropriate class. Consideration will be given to the general duties, tasks, responsibilities, and qualification requirements.
3. The approved class title, as designated by Department of Personnel Management should be used for all official records.
4. The Chapter Manager and Administrative Assistant shall be responsible for maintaining the official class specifications and will provide each the Chapter a set of the relevant class specifications.

IX. SALARY AND WAGE ADMINISTRATION

A. Policy

It is the policy of the Chapter to pay wages and salaries that are commensurate with the type of work, the level of responsibility and the qualifications required for each job and that are comparable subject to budgetary constraints, to rates being paid for similar work within the Navajo Nation and in other comparable organizations, and to provide for salary adjustments for Chapter employees that are equitable and competitive.

B. Applicability

These policies apply to all positions and employees, regardless of the funding source, except employees whose rates of pay are specifically set by legislation.

C. Salary and Wage Limits

1. Each position in the Chapter is evaluated using a classification system that is determined by the Chapter Manager and is assigned a pay grade that establishes the value of the position in relation to other positions within the Chapter.
2. The Official Salary Schedule, which is produced by the Chapter Manager, shall provide a pay grade for all classes. Each class title shall be assigned a pay grade in the approved salary schedule. For every pay grade, there shall be a "salary range" progressing from minimum to a maximum.
3. The last step of the pay grade assigned to a position provides the maximum limit an employee will be paid for that job.

D. Salary and Wage Administration

1. Each position shall be reviewed by the Chapter Manager, classified, and

assigned to a grade within the pay structure that reflects an equitable value relative to other classifications.

2. The Chapter Manager will annually establish an appropriate pay structure consistent with other pay structures to ensure internal equity based on the current market average. All pay is subject to availability of Chapter funds.
3. Certain occupations may command Special Pay Ranges (premium pay) based on prevailing market pay levels. The Chapter Manager is responsible for evaluating eligibility and determining the adjusted ranges.
 - a. The special ranges shall be effective for one fiscal year.
 - b. Continued eligibility for the special rate shall depend on an annual evaluation of market pay levels.
 - c. If the special pay range is lower than the standard range, and range reduction results in an employee being above the maximum step, that employee's pay will be frozen until such time that it falls within the established range.
4. The Chapter Manager will adjust the pay rates of employees at certain worksites to reflect the cost of labor difference using appropriate locality pay data.
5. The Chapter Manager may consider additional factors such as remoteness of worksite and hard to fill positions in determining and adjusting pay.

E. Appointment Rate

The Chapter Manager is responsible for reviewing appointment rates based on the qualifications of the applicant compared to the established minimum qualifications for the position.

1. New employees will generally be assigned to Step "A" of the pay grade (or the equivalent) to which the position is assigned. No employee will be paid below Step "A".
2. Applicants with qualifications greater than those required at entry level may be hired at a rate not to exceed the midpoint of the pay range assigned.

F. Special Recruitment Rates

When all recruitment and selection procedures have been followed and an applicant cannot be recruited, a special rate may be authorized by the Chapter Manager in consultation with the Chapter Officials. Special rates are subject to availability of Chapter funds.

G. Pay Adjustments

Pay adjustments resulting from a promotion, transfer or reclassification of a position are effective the pay period following the date of approval by the Chapter Manager and shall not be retroactive.

1. Transfer

If an employee is transferred from one position to another in the same grade (lateral) no pay adjustment will occur. If transferred to a position in a higher grade, see G.3 below. If transferred to a position in a lower grade, see G.4 below.

2. Reclassification

- a. If an employee's position is reclassified which results in the assignment of a higher pay grade, the employee's pay will be adjusted as outlined in G.3 below. If the reclassification results in the assignment of a lower pay grade, the employee's pay will be adjusted as outlined in G.4 below; or if the grade assignment remains the same, then no pay adjustment will occur.
- b. The eligibility date for the next step increase will be adjusted pursuant to G.6 below whenever a pay increase occurs.

3. Promotion

An employee is promoted when he/she is moved from one position to another that is in a higher grade. Pay adjustments can be made as follows:

- a. an employee meeting the minimum qualifications for the new position will be paid at Step "A" of the assigned pay grade.
- b. notwithstanding G.1 above, based on an employee's qualifications, an increase of up to two steps may be granted and shall not exceed the maximum of the pay range assigned. The employee's eligibility date for the next step increase will be adjusted pursuant to G.6 below.

4. Demotion

An employee is demoted when he/she is moved from one position to another in a lower grade. His/her rate of pay shall be reduced to the same step in the lower pay grade or the entry level rate of the lower pay grade. The salary adjustment shall not be to a rate below Step "A".

5. Step Increases

A regular status (full-time and part-time) employee whose performance is rated as “Significantly Exceeds Standards” or “Outstanding” will receive a step increase pursuant to the following:

- a. An employee must have been in his/her current position for at least six months during the current rating period.
- b. The step increase will be effective one year from the date of the last step increase or on the employee’s anniversary date, if the employee is at Steps “A”, “B”, “C”, “D”, or “E”, two years from the date of the last step increase or on the employee’s anniversary date, if the employee is at Steps “F”, “G”, “H”, or “I”, or three years at Steps “J” and “K”. If the employee is at Step “L”, no step increase will occur.

6. Acting Status Assignment

- a. An employee on acting status assignment must be compensated at the first step of the assigned grade for the duration of the assignment if he/she meets the requirements of the position.
- b. If an employee’s current salary equals or exceeds entry level for the acting status position, the employee may receive a one step increase for the duration of the assignment.

H. Holiday Pay

1. Any employee who is required to work on a holiday and does work shall be paid at twice his/her regular rate of pay for hours worked.
2. Holiday pay will cover only those hours worked in one day.
3. Early release of employees is not counted as a holiday when calculating holiday pay.

I. Merit Pay Bonus

Merit pay bonus payments are lump sum payments, excluding applicable taxes and deductions, awarded to employees for performance.

1. Cash awards may be given to eligible employees based on their overall performance during the applicable rating period.
 - a. Eligibility for Merit Pay

- 1) An employee must be regular status (full-time and part-time) with at least one (1) year of continuous service with the Chapter and six (6) months in his/her current position.
- 2) An employee must be recommended for merit pay by the immediate supervisor and approved by the Chapter Manager.
- 3) An employee must have an overall performance rating of "Significantly Exceeds Standards" or "Outstanding".
- 4) An employee is deemed ineligible for merit pay if he/she terminates employment prior to the Chapter Manager's approval.
- 5) An employee must not have received a step increase or bonus for the same rating period.

2. Merit bonus payments will be processed in accordance with these procedures.

J. Shift Differential

Shift differential may be paid provided funds are available and a request is approved by the Chapter Manager. Shift differential will be consistent with local industry practices.

K. Pay Advances

1. An employee may request a pay advance in the following situations:
 - a. When an employee is required to travel on official business. Travel must be in accordance with existing travel policies.
 - b. Serious illness or death in the immediate family. See procedures for requesting "emergency" pay advances for serious illness or death in the immediate family issued by the Office of the Controller.
2. All pay advances will be deducted in accordance with current payroll processing.

X. OVERTIME

A. Policy

It is the policy of the Chapter to authorize overtime when necessary to meet essential operating needs of the Chapter subject to existing funding and contract requirements.

B. Exempt/Non-exempt Classification

All positions will be classified as either exempt or non-exempt to determine eligibility for overtime compensation.

1. Exempt: managerial, professional, and administrative positions. Employees assigned to exempt positions are not eligible for overtime compensation.
2. Non-exempt: nonsupervisory or office staff positions. Employees assigned to non-exempt positions are eligible for overtime compensation.

C. Authority to Approve Overtime

The Chapter Manager may authorize overtime consistent with these policies. However, prior to working overtime, non-exempt employees must agree to the type of compensation preferred, cash payment, compensatory time off, or a combination of the two.

D. Employee Notification

The Chapter Manager shall notify the employee in advance that overtime is necessary and the employee is expected to work. In assigning overtime, the Chapter Manager will take into account employee preference for overtime assignments. To the extent feasible, overtime shall be distributed equally among full-time employees of the same classification.

E. Compensation for Overtime Work

1. Cash Payment – Whenever an employee is approved to work overtime, payment for the overtime must be processed within the next pay period ending.
 - a. Non-exempt employees shall be paid for overtime at the rate of one and one-half times their regular rate for hours worked which exceed forty hours of actual work in a workweek. Exception: Employees engaged in public safety activities will be paid the overtime rate for hours worked which exceed eighty hours of actual work in a pay period.
 - b. Non-exempt employees shall be paid at their regular rate of pay when the actual hours worked is equal to or less than 40 hours in a workweek. Employees engaged in public safety activities shall be paid at their regular rate when the actual hours worked is equal to or less than 80 hours in a pay period.
 - c. A non-exempt employee shall be paid for any accrued and authorized overtime, including accrued compensatory time, upon transfer, change in funding source, or termination.
2. Compensatory Time Off

In lieu of cash payment, an employee may be eligible to earn compensatory time subject to the following:

- a. For non-exempt employees, compensatory time shall be calculated in the same manner as cash payment in E, above.
- b. Compensatory time off shall be arranged by the employee and the Chapter Manager. The Chapter Manager shall properly account for Compensatory time earned and taken by employees.
- c. For non-exempt employees, compensatory time off must be taken within 90 days of the time it was earned, otherwise the Chapter is required to compensate employees in cash payment.
- d. An employee may not accrue more than 120 hours of compensatory time, unless the employee is engaged in essential public safety activities or emergency response activities. These employees may accrue up to 240 hours of compensatory time. Any overtime hours worked in excess of these limits must be compensated in cash payment until the number of accrued hours of compensatory time falls below the limit.

F. Reporting of Overtime

All authorized and earned overtime and compensatory time must be recorded on the official time sheet. Only hours reported on the time sheet will be accepted and approved for cash payment or compensatory time off.

XI. EMPLOYEE BENEFITS

- A. The Chapter offers several benefit programs for employees. Eligibility may be based on length of service, employment status or salary. Specific descriptions of the benefits shall be made available at the Chapter by the Chapter Manager.

B. Paid Holidays

- 1. The following days shall be recognized as paid holidays:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Navajo Nation Sovereignty Day	Fourth Monday in April
Memorial Day	Last Monday in May

Navajo Nation Memorial Day	June 1
Independence Day	July 4
Navajo Code Talker Day	August 14
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Navajo Nation Family Day	Friday following Thanksgiving Day
Christmas Day	December 25

Additional holidays include any day designated as a holiday by federal statute, Executive Order of the President of the United States, or action of the Navajo Nation Council, the President of the Navajo Nation, or the Speaker, Navajo Nation Council.

2. All employees except temporary employees are eligible for paid holidays.
3. Holidays falling on a Saturday will be observed on the preceding Friday. Holidays falling on a Sunday will be observed on the following Monday.
4. If a holiday occurs when an eligible employee is on approved leave, the absence will not be charged against his/her accrued leave.
5. An eligible employee who is on a scheduled day off when a holiday is observed will be paid at his/her regular rate of pay.
6. An eligible employee required to work on a designated holiday that does not report to work and is not excused will forfeit the holiday pay.
7. Any employee who is required to work on a holiday and does work shall be paid at twice his/her regular rate of pay. (See Section VII. F). Employees working on a holiday will not be given equivalent time off before or after the holiday.

C. Leaves of Absence

Employee benefits include leaves of absence. See Section X for discussion on the types of leave.

D. Staff Development and Training

Employees are encouraged to participate in job related training to enhance job performance, develop and strengthen skills, and to keep current on specific developments and trends. The Chapter Manager in conjunction with the Chapter President and Vice-President are responsible for monitoring and administering training activities.

XII. LEAVE ADMINISTRATION

A. General Leave Policies

1. Use of Leave

Employees will earn annual and sick leave, however, when and how these leave benefits are used is subject to supervisory approval. Employees should keep in mind that the use of leave is granted as a privilege rather than a right. It should also be clearly understood that leave is granted to employees at such times as they can be conveniently spared from work. Use of leave may be subject to verification and improper use of leave may be denied. Leave may be denied due to the requirements of the workload, except as provided herein.

2. Application for Leave

Except in emergency circumstances or as provided below, application for leave of any kind or duration must be initiated by the employee in writing and presented to the Chapter Manager for approval prior to taking leave. If the Manager is not available, employee shall submit her/his request for leave on the day they return to work. If an employee is incapacitated, the Chapter Manager may place the employee on appropriate leave.

3. Leave Year

The leave year shall consist of 26 pay periods and shall begin with the first complete pay period in any given calendar year and end with the 26th pay period.

4. Years of Service for Leave Benefits

Years of service shall include all periods of continuous employment with the Navajo Nation government and Chapter government. Years of service shall not include employment with entities, enterprises, or chapters of the Navajo Nation. In addition, service prior to a break in service will not be included unless the break in service was the result of a reduction in force and the employee was reinstated within six months of the lay off.

5. All leave benefits, such as accrued annual leave and other paid leave time, shall be subject to the availability of Chapter funds.

B. Paid Leave

1. Annual Leave

Annual leave is authorized absence for rest, recreation or other purposes when approved by the supervisor.

a. Eligibility

- 1) Regular status employees are eligible to accrue annual leave hours.
- 2) Temporary employees are not eligible.
- 3) Employees on any type of leave without pay are not eligible.

b. Limitations

- 1) Employees serving a new employee introductory period can accrue annual leave but cannot use accrued annual leave until after they have been converted to regular status.
- 2) Termination within the new employee period voids all accrued annual leave hours.

c. Accrual Rate

- 1) Eligible employees will accrue annual leave at the following rates:

	Nonexempt Employees	Exempt Employees
<u>Yrs of Service</u>	<u>Per Pay Period</u>	<u>Per Pay Period</u>
Less than 3 years	4 hours	6 hours
3 years to 12 years	6 hours 8 Hours	8 hours 10 Hours
More than 12 years	8 Hours	10 Hours

- 2) Eligible regular part-time and seasonal part-time employees accrue annual leave on a pro rata basis.

d. Extension of Sick Leave

Annual leave may be approved as an extension of sick leave upon exhaustion of accrued sick leave.

e. Carryover

At the end of each leave year, all hours in excess of 320 hours shall be forfeited. Forfeited hours shall not be paid.

f. Change of Employment Status

- 1) An employee transferred to a position in which annual leave does not accrue will be paid for all accrued annual leave hours earned in his/her prior position.
- 2) An employee who transfers to another regular status position shall have all accrued annual leave hours transferred.

g. Liquidation of Annual Leave

Upon separation from employment, an employee shall be paid for all accrued annual leave hours. Payment will be included in the final paycheck subject to deductions for any indebtedness owed to the Chapter. This is subject to availability of Chapter funds.

2. Sick Leave

Sick leave is authorized time off from work granted an eligible employee due to: his/her own illness, injury, or disability or that of a spouse, children, or parents. This includes but is not limited to incapacitating, contagious, or chronic illness, disability caused by pregnancy, childbirth or related medical circumstances, illness or injury that requires examination, treatment or visits to a licensed practitioner, medicine man or health-related counselor. Employees referred by EAP for treatment, counseling or to other resources may also be eligible for sick leave.

a. Eligibility

- 1) Regular status employees are eligible to accrue sick leave hours.
- 2) Temporary employees are not eligible.
- 3) Employees on any type of leave without pay are not eligible.

b. Limitations

- 1) Employees serving a new employee introductory period can accrue sick leave but cannot use accrued sick leave until after they have been converted to regular status.
- 2) Illness or other medical conditions which exhaust an employee's sick leave may require that annual leave and leave without pay be used.

c. Accrual Rate

Eligible employees will accrue sick leave from the date of employment at the following rates:

Employee Status	Accrual Rate Per Pay Period
Regular/Seasonal Full-Time	4 Hours
Regular/Seasonal Part-Time	2 Hours

d. Physician's Statement

An employee is required to submit written proof of illness or disability from a physician for absences of three or more consecutive work days. If an employee's sick leave record warrants, a statement may be required for less than three days.

e. Traditional Healing Ceremonies

An employee must request and obtain prior approval for the absence. The employee may be required to submit a written statement from the medicine man performing the ceremony if the employee's absence due to traditional healing ceremonies warrants verification or if the ceremony is three or more consecutive work days.

f. Carryover

Eligible employees may carry over an unlimited number of unused sick leave hours from leave year to leave year. However, no employee shall be paid for unused sick leave hours upon termination.

g. Change in Employment Status

- 1) An employee who transfers to a position in which sick leave does not accrue shall forfeit all sick leave hours.
- 2) An employee who transfers to another regular status position shall have all accrued sick leave hours transferred.

h. Reinstatement of Sick Leave

Sick leave hours shall only be restored when a former employee with reemployment preference is rehired within six months of separation from employment.

i. Forfeiture of Sick Leave

Termination within the new employee introductory period voids all accrued sick leave hours. Forfeited sick leave may not be restored.

3. Administrative Leave

Administrative leave is leave with pay and may be granted by the Chapter Manager in the following situations:

a. Early release

- 1) Early release of employees due to: extreme weather conditions, or any other reason determined by the Chapter President or his or her designee to be appropriate. Advance notice of early release shall be in writing and signed by the relevant authority or their designee.
- 2) Early release shall not apply to employees on leave, travel or whose tour of duty does not cover the period of the early release.

b. Temporary closure of employee work sites or facilities due to environmental health hazards or other safety or health reasons. Administrative leave shall not be granted when affected employees can reasonably be assigned to alternative work sites.

c. Investigations

The Chapter Manager--or when the Chapter Manager is the subject of the investigation or when otherwise appropriate, the elected Chapter officials--may place an employee on administrative leave to investigate alleged misconduct sufficiently serious to bar an employee from the premises to protect persons or Chapter resources. Such leave may not exceed 20 total consecutive working days.

- 1) Immediate written notice shall be given to the employee of the leave, its purpose and duration, and specific reasons therefore. The employee shall be required to leave the premises immediately.

- 2) Upon conclusion of the investigation or the end of the administrative leave, whichever occurs first, if no disciplinary action is taken, the employee shall be allowed to return to work. However, this does not prevent disciplinary action after an employee returns to work.
- 3) When disciplinary action is deemed necessary, it shall be taken in conformance with the appropriate provisions of Sections XIII and XV herein.

d. Witness Summons

- 1) An employee summoned or subpoenaed by any party or tribunal, including the grievance hearing officer, to be a witness in an official capacity, shall not be required to take leave since the employee will be representing the Chapter. However, the employee must immediately inform the Chapter Manager of the proposed absence.
- 2) If an employee is summoned to be a witness as a private citizen, or as a witness for the aggrieved party in a grievance hearing, the employee will be authorized annual leave. If annual leave is exhausted, leave without pay will be used.

e. Jury Duty

Employees are required to notify their supervisor promptly upon receipt of a jury summons and subsequent notice to serve as a juror. Employees summoned for jury duty, including military jury duty, will receive their regular rate of pay for normal work hours, provided the employee submits evidence of the summons and selection notice. Employees will be allowed to retain any reimbursements for transportation, lodging, meals etc. paid by the respective court jurisdiction.

f. Time Off for Voting

- 1) Registered voters may receive authorization for up to two hours paid absence from work to vote in a Navajo Nation, local, state or federal election. The length of absence will be granted at the discretion of the Chapter Manager.
- 2) Employees required to vote at a poll remote from their workstations may request an extension of the two-hour limit. The extension, if granted, will be charged to the employee's annual leave. This extension includes travel time to the poll but may not exceed eight (8) hours.

g. Professional Licensure and Certification

- 1) An employee may be authorized administrative leave to obtain appropriate job related professional licensure or certification or to satisfy continuing education requirements to retain such licensure or certification.
- 2) An employee will be given two opportunities to obtain the same licensure or certification. Thereafter, he/she will be required to take annual leave or leave without pay to obtain that same licensure or certification.
- 3) Any special conditions regarding the length of leave, payment of expenses, reimbursement, grades, employment status, service to the Navajo Nation, etc. will be arranged between the Chapter Manager and the employee.

C. Unpaid Leave

1. Approved Leave Without Pay

Leave without pay not to exceed fifteen (15) working days may be granted by the Chapter Manager. Except for family and medical leave, annual or sick leave, if applicable, must be exhausted before entering approved leave without pay status. Consideration shall be given to the merits and circumstances together with the Chapter operations.

2. Unauthorized Absence

When an employee is absent without authorization, the employee will be charged with absence without approved leave and may be subject to disciplinary action. If the absence is later approved, the charge to absence without approved leave may be changed to the appropriate leave.

3. Disciplinary Actions

An employee placed on suspension is considered to be on leave without pay status. Annual and sick leave do not have to be exhausted.

4. Educational Leave

Educational leave may be granted when an employee enrolls as a full-time student in an accredited educational institution.

- a. The purpose of educational leave is to enhance an employee's job performance and therefore must be job related. All requests shall be approved by the Chapter Manager.

- b. Educational leave shall be without pay unless the Chapter Manager and employee agree that annual leave may be used.
- c. Regular full-time employees are eligible for educational leave up to one semester (or equivalent) per academic year provided they have three (3) years of continuous employment with the Chapter.
- d. An employee on approved educational leave shall maintain regular full-time status.
- e. Upon completion of educational leave, an employee shall return to his/her position.

D. Family and Medical Leave

Family and medical leave of absence is approved unpaid leave available to eligible employees for up to six months per year under particular circumstances that are critical to the life of a family.

1. Family and medical leave may be taken only in the following situations:
 - a. upon the birth of the employee's child;
 - b. upon the placement of a child with the employee for adoption or foster care;
 - c. when the employee is needed to care for his/her child, spouse, or parent who has a serious health condition; or
 - d. when the employee is unable to perform the functions of his/her position because of a serious health condition.
2. Limitations
 - a. The first three months of leave are nondiscretionary; if the leave is requested consistent with these policies, the Chapter Manager must approve the leave.
 - b. The second three month period is discretionary. The Chapter Manager has the authority to approve/disapprove the leave. Reason(s) for the additional leave requested must meet the criteria herein and be based on 1 a-d above.
3. Eligibility

Regular status employees who have been employed for one year are eligible for family and medical leave. The Chapter Manager may approve family and medical leave in extraordinary situations.

4. Basic Regulations and Conditions

- a. Employees are required to submit medical certification to support a claim for leave for an employee's own serious health condition or to care for a seriously ill child, spouse, or parent.
- b. Spouses who are both employed by the Chapter may take a total of six (6) months of leave (rather than six (6) months each) for the birth or adoption of a child or the care of a sick parent, subject to the limitations in D.2 above.
- d. When the need for leave is foreseeable, such as the birth or adoption of a child, or planned medical treatment, the employee must provide notice as far in advance as practicable, and make efforts to schedule leave so as not to disrupt Chapter operations.
- e. In cases of illness, the employee will be required to report periodically to the immediate supervisor on his/her leave status and intention to return to work. A medical certification is required to resume work.
- f. Upon return from family and medical leave, an employee shall return to the same position.
- g. During the employee's absence, his/her position may be filled on a temporary basis.
- h. An employee's failure to return to work after the duration of approved family and medical leave and any other authorized leave shall be deemed a resignation.

5. Status of Employee Benefits During Leave of Absence

- a. Any employee who is granted an approved leave of absence under this policy shall provide for the retention of group insurance coverage by arranging to pay his/her premium contributions during the period of unpaid absence.
- b. An employee will not lose service credit with the Navajo Nation/Chapter as a result of the family and medical leave, but he/she will not accrue annual or sick leave and is not eligible for paid holidays.

E. Furlough

Furlough is the placement of a Seasonal employee into temporary non-duty non-pay (leave without pay) status due to lack of work, closure of facilities for a specific period of time, or closure due to circumstances beyond the control of the program.

1. Seasonal employees may be eligible for furlough status upon verification of continued funding for the next season or intermittent employment.
2. Employees will be provided written notice from the Chapter Manager of the furlough fifteen (15) calendar days prior to the beginning of the furlough period. The notice will include the effective date of the furlough, the date to return to duty (if known at that time) and pay status.
3. Each employee shall be provided a record of his/her accrued annual and sick leave hours before going on furlough status. This accrued leave will be maintained until the employee returns to active duty and pay status or is separated from employment.
4. To retain his/her regular status, a Seasonal employee on furlough may only obtain temporary employment with the Navajo Nation during the furlough period. If the employee does not wish to return to the Chapter placing him/her on furlough, a resignation must be submitted and processed to clear the employee to obtain other employment.
5. Employees provided written notification to return to work and who fail to report by the established return to duty and pay status date, may be subject to termination.
6. Insurance premiums must be paid for the furlough period. Upon notification of furlough, the Chapter and affected employees can make arrangements for payment of premiums with the Chapter Manager.
7. These policies do not apply to other categories of employees.
8. The period of furlough cannot exceed nine months from the date of furlough.

XIII. EMPLOYEE PERFORMANCE APPRAISAL

A. Policy

The policy of the Chapter is to encourage and promote optimal employee performance using Chapter objectives. Every employee must receive a performance appraisal at least once a year.

B. Purpose

The purpose of the Employee Appraisal is to evaluate past job performance and set standards for future performance.

C. Duties and Responsibilities

1. Supervisors shall be responsible for evaluating past performance.

2. At the beginning of each review period, supervisors will be responsible for establishing specific objectives and performance standards consistent with Chapter objectives and current job descriptions.
3. Chapter Manager shall monitor the completion of employee performance appraisals.
4. Supervisors are responsible for ensuring that performance appraisals are submitted for all employees by the established deadline date. Failure to submit appraisals by established deadline date will result in disapproval of step increase and/or disciplinary action.

D. Unsatisfactory Performance

An employee whose job performance is unsatisfactory is subject to disciplinary action as set forth in the Table of Penalties.

E. Merit Pay

Performance evaluations serve as the basis for awarding merit pay. Merit pay provisions are set forth at Section VII. G. 1-2 herein.

XIV. CHANGES IN ASSIGNMENT

A. Policy

The Chapter may, at its discretion, initiate or approve changes in assignment of employees from one position to another.

B. Transfers

All transfer decisions will be made in accordance with applicable laws and Navajo Nation policies, procedures, rules, and regulations. To the extent possible, Chapter Managers will make transfers that are voluntary. The Chapter Manager, upon written request by a regular status employee may transfer the employee to a position in the same pay grade. The Chapter Manager may transfer a regular status employee to a position in the same pay grade without a request by the employee.

1. Qualifications

An employee shall possess the knowledge, skills, and abilities required for the position as identified in the class specification for the position to which transferred.

2. An employee shall not be transferred during an introductory period.

3. These policies do not apply to Temporary employees.

C. Promotions

1. Job vacancies may be filled by promotion when practicable and in the best interest of the Chapter.
2. It is the employee's responsibility to pursue promotion by:
 - a. attaining the necessary skills, training, education, and professional certification; and
 - b. submitting a letter of interest to the supervisor of that position.
3. The supervisor is responsible for submitting a written justification for promotion to the Chapter Manager (or if the Chapter Manager, the elected officials).
4. The Chapter Manager or elected officials, upon determination that the employee meets the requirements of the position, will approve the promotion and the salary.
5. Promotions do not become effective until final approval is obtained.
6. These policies do not apply to Temporary employees.

D. Demotions

1. Involuntary - An employee may be demoted for cause or as a result of disciplinary action based on work performance pursuant to Section XIII.B herein. Notwithstanding Section XIV.A involuntary demotions are grievable actions.
2. Voluntary Grade Decrease – An employee may request a change in assignment to a position with a lower pay grade. The employee shall possess the knowledge, skills, and abilities required of the new position. An employee is not eligible to grieve or appeal an approved voluntary demotion.
3. Demotions are permanent personnel actions unless stated otherwise.
4. These policies do not apply to Temporary employees.

E. Acting Status Assignment

An acting status assignment usually involves assigning a regular status employee to a supervisory position during the extended absence of an incumbent or a position vacancy. An acting status assignment shall not be less than 15 calendar days and shall not exceed 120 calendar days.

1. An acting status assignment must be voluntary. The employee must meet the requirements of the position to which he/she is being assigned.
2. The request for acting status assignment must be in writing and submitted to the Chapter Manager for approval. The request shall include the following:
 - a. the nature, time period, and expected results of the assignment;
 - b. assigned duties and responsibilities;
 - c. reporting relationships, signatures of the appropriate supervisors and the employee;
 - d. the appropriate salary adjustment for the period of assignment; and
 - e. an updated application and resume of the employee being considered for the acting status assignment.
3. The Chapter Manager upon determination that the employee meets the requirements of the position will approve the assignment and the effective date.
4. An employee who completes an acting status assignment will return to his/her previous position and resume regular duties at the previous grade/step.
5. Additional compensation for acting status assignments is covered under Section VII (E) herein.
6. These policies do not apply to Temporary employees.

F. Change in Worksite

1. A change in worksite is strictly limited to moving an employee from one location to another within the Chapter. There shall be no changes to the employment status, title, or salary.
2. A change in worksite may be voluntary or initiated by the supervisor to ensure effective and efficient operations.
3. A change in worksite shall not be used for disciplinary reasons.
4. A change in worksite may be temporary or permanent.
5. A request for change in worksite of an employee must be submitted to the Chapter Manager outlining the following:

- a. the reason(s) for the change in worksite, the time period, and expected results of the assignment; and
 - b. reporting relationships; and
 - c. signatures of the supervisor.
6. These policies do not apply to Temporary employees.

XV. DISCIPLINE OF EMPLOYEES

A. Policy

The policy of the Chapter is to establish and maintain standards of employee conduct and supervisory practices that will support and promote effective operations. Such practices include the administration of consistent and constructive employee discipline.

B. Guide for Disciplinary Action

Supervisors at all levels are expected to assume responsibility for reporting and initiating proper action regarding employee misconduct, unsatisfactory work performance, or violation of personnel policies or regulations.

1. Employees, including supervisors, whose job performance or conduct are unsatisfactory, or who violate the law, Nation policies, practices, rules, or regulations are subject to disciplinary action consistent with the Table of Penalties.
2. Supervisors should refer to the Table of Penalties or the Department of Justice (or private legal counsel if retained) for assistance in initiating disciplinary action.

C. Authority to Administer Disciplinary Action

1. The Chapter Manager shall have the authority and responsibility to administer appropriate disciplinary action for violations of law, Nation policies, practices, rules, and regulations.

D. Documentation

1. All disciplinary actions shall be documented in writing by the supervisor or Chapter Manager. A copy of this documentation shall be turned over to the Chapter's legal counsel or the Department of Justice after adverse action has been taken.
2. Documentation of disciplinary actions will become part of the employee's personnel record subject to G.2 below.

E. Notice

Notice of disciplinary actions should be hand delivered whenever practicable or sent by certified mail. Notice by certified mail shall be effective upon delivery of notice by the U.S. Postal Service.

F. Contents of Disciplinary Notice

The disciplinary notice shall be in writing, directed to the employee, and shall contain:

1. an appropriate identification of the party, including position title; and
2. the date(s) on which the violation(s) occurred, or where such acts are of a continuing nature and are the basis for the disciplinary action, the period of time when the acts occurred; and
3. a reference to the Table of Penalties regarding the offense(s) committed and the penalty imposed; and
4. a clear and concise statement of the facts constituting the alleged violation(s); and
5. an explanation of the employee's right to appeal the disciplinary action pursuant to Section XIV Employee Grievance; and
6. if hand delivered, the employee's acknowledgment of receipt of the notice, or if employee refuses to acknowledge, the notation that employee refused to sign and the date.

G. Table of Penalties

Those responsible for the administration of discipline must be firm, impersonal, and free from prejudice. In the interest of administering justice as uniformly as possible in accordance with the policies stated, a Table of Penalties is incorporated herein.

1. In cases of less serious performance and/or conduct issues, supervisors are encouraged to discuss such deficiencies with their employees before initiating any formal disciplinary action under the Table of Penalties.
2. A reprimand may also be appropriate for less serious offenses prior to taking formal action. Such action may not be grieved under this section of the Manual, nor will it be included in the employee's personnel file. However, the Chapter may maintain a written reprimand.
3. Supervisors shall be specific in describing the time period constituting an employee's suspension, and shall include both the dates and hours when the

suspension begins and ends. Holidays shall be counted in computing the suspension period.

4. Suspensions imposed under the Table of Penalties are generally without pay, and require the employee to remain away from the workplace during the period of suspension. At the discretion of the supervisor, an employee may be placed on a working paid suspension. During the period of suspension, the employee shall continue to carry out his/her regular duties at the workplace. A paid suspension is grievable.
5. In addition to the penalties listed, employees are reminded that depending upon the offense(s) committed, they may be subject to prosecution under Navajo Nation or other applicable laws and/or be deemed ineligible for future employment with the Chapter and the Navajo Nation.
6. Employees who violate Navajo Nation or other applicable laws may also be subject to penalties provided for in those laws. Such violations may or may not lead to disciplinary action by the supervisor.
7. For those employees paid by a contract or grant, where the funding source requires greater disciplinary measures than those outlined in the Table of Penalties, or penalties other than those listed, such disciplinary action may be imposed consistent with the funding source requirement.
8. Where one set of circumstances warranting disciplinary action violates more than one offense listed in the Table of Penalties, supervisors must allocate the total penalty among each separate offense charged.

For example, if an employee is charged with three separate offenses, and the penalty for all three offenses totals ten working days suspension, the supervisor must allocate the ten days among all three offenses.

9. Employees shall not be penalized for multiple offenses arising from the same conduct or event.

TABLE OF PENALTIES

OFFENSE	FIRST PENALTY	SECOND PENALTY	THIRD PENALTY
1. Theft of property	Removal		
2. Misuse of Nation funds	Removal		
3. Solicitation or acceptance of bribes or kickbacks	Removal		
4. Falsification or unauthorized alteration of any Nation record	Removal		
5. False statement(s) of material fact in employment application or related documentation	Removal		
6. Maintaining second or outside employment without proper approval including, but not limited to, holding a salaried elected office, self-employment, etc.	Removal		
7. Contracting or recommending a contract with a party where the employee has an equity or other beneficial interest, limited only to employees who have influence over the contracting process	Removal		
8. Fraud and/or conspiracy to commit fraud	Removal		
9. Perjury in court or before an official Navajo Nation body or tribunal	Removal		
10. Concealing, removing, mutilating, obliterating, or destroying Navajo Nation records or documents without authorization	Removal		
11. Abuse of office or position	Removal		
12. Failure to directly call or report to the immediate supervisor for three (3) consecutive working days	Removal		
13. Planning, initiating participating in or otherwise aiding or assisting in the conduct of any riot or unlawful demonstration.	Removal		
14. Egregious misconduct which calls into question one's fitness for continued employment in that position with the Chapter.	Suspension (up to 30 working days), Demotion, or Removal	Removal	
15. Sexual harassment	Suspension (up to 30 working days) or Removal	Removal	

TABLE OF PENALTIES

OFFENSE	FIRST PENALTY	SECOND PENALTY	THIRD PENALTY
16. a. Operating a Navajo Nation/Chapter vehicle under the influence of alcohol.	Removal		
16. b. Operating a vehicle under the influence of alcohol or other controlled substance (except when controlled substance is used as prescribed).	Suspension (up to 30 working days) or Removal	Removal	
17. Malicious damage to Nation property including, but not limited to, graffiti, vandalism, etc.	Suspension (15 - 30 working days) or Removal	Removal	
18. Violation of any provision contained in Section XVI.E, Drugs and Alcohol in the Workplace	Referral to EAP and/or Suspension (15 - 30 working days) or Removal	Removal	
19. Failure to abide by policies and standards adopted in accordance with Section I.C	Suspension (up to 15 working days) or Removal	Suspension (up to 30 working days) or Removal	Removal
20. Endangering the physical well- being of any individual including, but not limited to, threats of, or actual violence.	Suspension (up to 15 working days) or Removal	Suspension (up to 30 working days) or Removal	Removal
21. Disclosing confidential Chapter information to unauthorized person(s)	Suspension (up to 15 working days) or Removal	Suspension (up to 30 working days) or Removal	Removal
22. Misuse of Navajo Nation/Chapter property or services	Suspension (up to 15 working days)	Suspension (up to 30 working days)	Removal
23. Insubordination, includes violation of any policy contained in this manual	Suspension (up to 15 working days)	Suspension (up to 30 working days)	Removal
24. Neglect of duty	Suspension (up to 15 working days)	Suspension (up to 30 working days)	Removal
25. Unauthorized absence	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
26. Excessive absenteeism, including tardiness	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
27. Unsatisfactory work performance	Suspension (up to 10 working days)	Suspension (up to 30 working days) or Demotion	Demotion or Removal

TABLE OF PENALTIES

OFFENSE	FIRST PENALTY	SECOND PENALTY	THIRD PENALTY
29. Performing activities for personal gain when on the job including, but not limited to, campaigning for political office while on official tour of duty	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
30. Mistreatment of any individual(s) which jeopardizes health or safety	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
31. False witness against employee(s)	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
32. Offer of employment by unauthorized personnel	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
33. Violation of safety regulations which endangers oneself or others	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
34. Possession of unauthorized weapon(s) in the workplace	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
35. Failure to comply with motor vehicle regulations including, but not limited to, use of a tribal/Chapter vehicle for personal reasons	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
36. Creating discord among fellow employees leading to decreased productivity or a hostile working environment	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
37. Failure to treat the public or fellow employees with courtesy	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
38. Use of abusive or vulgar language and/or gestures	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
39. Display of intoxication on the job (including use of restricted drugs not in conformance with a medical prescription)	Mandatory evaluation by Employee Assistance and Suspension (up to 30 working days) or Removal	Suspension (30 working days) or Removal	Removal
40. Habitual use of intoxicants to excess which affects job performance	Mandatory evaluation by Employee Assistance and Suspension (up to 30 working days) or Removal	Suspension (30 working days) or Removal	Removal

XVI. EMPLOYEE GRIEVANCE

A. Policy

An eligible employee who feels aggrieved as a result of an application of disciplinary action such as discharge, suspension, loss of pay or benefits, has a right to utilize the procedures available, except that layoffs in compliance with Section XV.D are not grievable.

B. Eligibility

All regular status employees are eligible. Temporary, new, and At-will employees are not eligible.

C. Grievance Process

1. Step One:

An employee must file a written request for reconsideration with the supervisor who initiated the action within five (5) working days of receipt of the disciplinary action, with a copy to legal counsel (or the Department of Justice). The supervisor must attempt to resolve the problem with the employee within five (5) working days after receipt of the request.

2. Step Two:

If the supervisor fails to address the reconsideration request or if the employee disagrees with the reconsideration decision, the employee must file a written appeal with the Department of Personnel Management within five (5) working days of the completion of Step One above for immediate transmittal to the Hearing Officer. A filing fee of \$25.00 must accompany this appeal. At this point, both parties may be represented by legal counsel. The appeal shall include:

- a. the name and position of the Aggrieved Party,
- b. the name and position of the supervisor initiating the action,
- c. a statement of the underlying facts, including the dates and alleged events or conditions which form the basis of the appeal,
- d. the relief sought by the Aggrieved Party.

3. Step Three:

A Navajo Nation Hearing Officer will conduct the grievance hearing. The Hearing Officer will, whenever possible, hear the grievance within thirty (30) working days and must render a decision within ten working days thereafter.

4. The decision of the Hearing Officer is the final administrative decision with the Chapter's resolution structure.

D. Refund of Filing Fee

If the grievance is withdrawn or resolved prior to commencement of the grievance hearing, the filing fee shall be refunded.

E. Grounds for Termination of Grievance

Abandonment of a case or noncompliance with required grievance deadlines and policies by the Aggrieved Party will be grounds for termination of the grievance. Department of Personnel Management will make such determination and inform all parties.

F. Withdrawal of Grievance

At any point in the grievance process, an employee may withdraw the grievance.

G. Status of Position Pending Grievance Outcome

Any changes regarding a position affected by a grievance will be placed on hold by the Chapter until such time the grievance is resolved or a final decision is rendered.

H. Status of Employee Pending Grievance Outcome

1. Notwithstanding the foregoing subsection G, disciplinary actions shall be effective immediately upon notice to the employee.
2. Notwithstanding an employee's involvement in a current grievance, subsequent violation(s) of the personnel policies by the employee may result in separate disciplinary action(s).
3. An employee that has filed a grievance shall be allowed reasonable use of available annual leave hours for the purpose of participating in the grievance process.

I. Grievance Hearing Officer

The Hearing Officer shall have the authority to uphold or reverse the disciplinary action of the supervisor, award back pay to the grievant, and when required, order

that the employee's record be expunged. The Hearing Officer may also consider the appropriateness of the penalty imposed and if circumstances warrant, reduce the penalty. However, in no case shall the hearing officer increase the penalty imposed by the supervisor.

XVII. TERMINATION OF EMPLOYMENT

A. Responsibility

The Chapter Manager is responsible for establishing detailed procedures to address issues arising under this section.

B. Resignation

1. An employee may voluntarily terminate employment with the Chapter by submitting a letter of resignation.
2. The employee resigning shall give at least ten working days notice, unless the supervisor consents to the employee leaving sooner.
3. An employee who submits a written resignation may, with the supervisor's approval, withdraw the resignation and be restored to the vacated position provided the written request for withdrawal is submitted to the supervisor prior to the effective date of the resignation.

C. Discharge of Employees

1. A supervisor shall notify the employee, in writing, of the discharge and the specific reasons for the discharge. The notice shall include all requirements of Section XIII.F Contents of Disciplinary Notice.
2. These policies do not apply to At-will employees.

D. Layoff

An employee who is to be laid off shall be given 15-calendar days written notice. Notice of layoff may be less than the 15-calendar day requirement if stoppage of work results from circumstances beyond the control of the Chapter, e.g. funding is terminated, positions are not refunded, or funds are not available to continue operations. In all cases, however, the employee must be given as much notice as possible.

Subject to applicable law, a regular status employee who is laid off shall be entitled to reemployment preference. These policies do not apply to temporary employees or At-will employees.

1. Organizational restructuring.

2. A supervisor may lay off a regular status employee whenever it becomes necessary due to lack of work or funds or elimination of position.
3. Whenever layoffs are necessary, the Chapter Manager shall immediately notify the Chapter's elected officials.
4. No regular status employee shall be laid off while there are temporary, seasonal, or new employees employed in the same, equal, or lower level positions for which the regular status employee is qualified.
5. In determining the order of layoff of regular status employees, the supervisor shall consider such factors as seniority, performance appraisals, qualifications, work record, and conduct and whether employee is a veteran as set forth in Section III.C. The supervisor shall, if possible, retain the veteran.
6. If an employee's position is eliminated while he/she is on family medical leave, the employee shall be placed on layoff status immediately.
7. Physical Change and Incapacity

An employee may be terminated when, due to physical ailment or injury, the employee is no longer capable of performing the duties of the position. Before lay off:

- a. the employee must have seen a medical practitioner who has found the employee to be partially or totally disabled, or to be otherwise mentally or physically limited in work performance.
 - b. The Chapter Manager must determine that even with reasonable accommodation(s) for the employee's physical condition, the employee is incapable of performing the duties required of the position.
 - c. If a Chapter Manager believes that an employee is physically or mentally incapacitated but will not seek medical attention, the supervisor may require the employee to see a medical practitioner for an evaluation at the expense of the Chapter.
 - d. An employee terminated under this section must receive written notice explaining the reason for layoff and is entitled to consideration for a transfer and reemployment preference consistent with the policies herein.
8. Subsequent Disqualification

If an employee, who was qualified for his/her position, subsequently becomes disqualified for the position due to a loss of license, certification, or reclassification of the position due to a reorganization of the program or

material changes in duties, or for any other reason, the employee shall be given a reasonable period to re-qualify. If after the period for re-qualification, the employee remains unqualified, he/she will be laid off.

E. Termination of Volunteers or Temporary Employees

1. A supervisor may terminate a volunteer or temporary employee at any time. The termination must be in writing and include an explanation for the termination, consistent with Navajo law.
2. A volunteer or temporary employee who is terminated is not entitled to reemployment, layoff, or grievance rights.
3. A volunteer or temporary employee may resign without prior notice. The resignation must be in writing.

F. Termination of New Employees

1. A supervisor may terminate a new employee for just cause at any time during the introductory period. The termination must be in writing and include an explanation for the termination, consistent with all Navajo Nation laws, rules and regulations.
2. A new employee who is terminated is not entitled to reemployment, layoff, or grievance rights.
3. A new employee may resign without prior notice. The resignation must be in writing.

G. Retirement

An employee who leaves Chapter employment in accordance with the Navajo Nation Retirement Plan is considered to have retired.

H. Death

1. Unless leave without pay was previously approved, an employee shall be compensated through the date of death.
2. The effective date of the separation shall be the date of death.
3. The supervisor shall take reasonable steps to assure that arrangements are made to provide payment to the employee's estate of any salary, overtime, or accrued annual leave payments due.

I. Final Pay

1. Upon receipt of all required documents, a final paycheck shall be issued to the terminated employee. The final check will include payment for hours worked, accrued annual leave, and any overtime as of the termination date.
2. All or part of the final pay check and/or annual leave payment may be withheld to satisfy any indebtedness to the Chapter.
3. The Chapter shall issue a final pay check within five (5) calendar days (including weekends). The Chapter shall pay the terminated employee twenty dollars per day for every day after the five days that a check is not issued. This amount may not to exceed two hundred dollars.

XVIII. CONDUCT OF EMPLOYEES

A. Business Ethics and Conduct

Employees are expected to comply with all applicable laws and policies of the Navajo Nation with respect to their conduct. In general, the use of good judgment will guide employees with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action; the matter should be discussed with the appropriate supervisor and, if necessary, with the Office of Ethics and Rules for advice and consultation.

Each employee of the Chapter shall, among other things:

1. Uphold, with integrity, the trust and confidence placed in the employee pursuant to his/her employment.
2. Comply with and respond to the directions and instructions of the supervisor.
3. Show courtesy, respect, cooperativeness, diligence and tact in dealings with supervisors, fellow workers, elected officials and the general public at all times.
4. Provide full, efficient, and industrious service to promote the goals and objectives of the Chapter.
5. Maintain confidential information acquired in the performance of his/her duties and refrain from disclosing any portion thereof, except in the manner and to the extent authorized.
6. Refrain from using his/her official position to influence transactions involving purchases, contracts, leases, or other business dealings which advance personal interests or those of his/her friends or relatives. The existence of any actual or potential conflict of interest must be disclosed to the Chapter

Manager, who must then disclose this to the elected officials or the Chapter membership so that safeguards can be established to protect all parties.

B. Limitations on Employee Activities

1. While employed, an employee's private life is his/her own, however, an employee's activities cannot disrupt the work or the workplace. Each is expected to comply with all applicable laws.
2. If an employee is indebted directly to the Chapter or the Navajo Nation, he/she will be required to make payment (including payroll deductions) subject to the specific terms of the indebtedness and/or the Navajo Business and Procurement Act.
3. Employees shall be held accountable for loss of Chapter funds or property for which they are responsible where the loss is due to negligence, carelessness, or an *ultra vires* act. Employees with custodial responsibilities for Chapter property will safeguard assigned property.
4. Solicitation or receipt of gifts, favors, and/or gratuities is prohibited when such gifts constitute a conflict of interest or is in violation of the Ethics in Government Law.
5. Correspondence, papers, drawings, sketches, documentation, computer programs, instructions, procedures, forms and all such items produced by an employee in the course of his/her work are considered property of the Chapter or the Navajo Nation. Unauthorized removal, reproduction, and/or disclosure are strictly prohibited.
6. While employees may be authorized from time to time to speak on behalf of the Chapter or the Nation, no employee may declare, as policy, any statement that is contrary to the policies of the Navajo Nation.
7. Tribal vehicles are for official use only and employees are required to use them within the scope of their employment. Any accident involving a tribal vehicle must be reported by the employee involved in the incident as required by the Motor Vehicle Operator's Handbook.
8. Use of the Internet in any way which would violate policies and/or procedures established by the Division of General Services or other appropriate authority is prohibited.

C. Employees Pursuing Public Office

1. An employee pursuing any public office may, upon approval of the Chapter Manager, be granted a leave of absence not to exceed sixty (60) calendar days.

2. Annual leave will be used until exhausted, then leave without pay will be used. However, funding source restrictions may require that an employee take only leave without pay.
3. Employees are prohibited from campaigning during work hours. The Chapter Manager shall monitor and enforce this policy.
4. Employees elected to the Navajo Nation Council or the office of the President or Vice President of the Navajo Nation must resign from Chapter employment before taking the oath of office.

D. Employees Appointed or Elected to Public Office

1. Employees who are elected to any public office other than those listed in C.4 above may be allowed to retain Chapter employment, unless the position is a full-time position.
2. If the employee's duties as a public servant interfere with his/her work performance or responsibilities, or otherwise create a conflict of interest in the workplace, the Chapter Manager may initiate appropriate disciplinary action. Public officials shall not perform public servant responsibilities while on their regular tour of duty as a Chapter employee.
 - a. Employees retaining tribal employment are expected to abide by all applicable policies including, but not limited to, these personnel policies, travel policies, and standards of conduct.
 - b. Decisions issued by the Ethics and Rules Committee must be complied with by all parties.
3. An employee who has been appointed or elected to serve on a board, commission, or committee which pays a stipend, or who has been elected to a public office, shall be required to take annual leave to attend to appointed or elected duties. The Chapter Manager will grant these leave requests whenever possible. If the employee has exhausted annual leave, then leave without pay will be used.

E. Drugs and Alcohol in the Workplace

1. The use of intoxicants during working hours or the lunch period is prohibited.
2. An employee unable to perform job duties as a result of alcohol or illegal drug intoxication will be excused from the worksite and charged leave without pay. In addition, the employee is subject to disciplinary action consistent with the Table of Penalties, offense #39.
3. Employees are prohibited from selling, purchasing, transferring, possessing, or using alcohol at the Chapter or during work.

4. Employees are prohibited from unlawfully manufacturing, selling, purchasing, transferring, possessing, or using controlled substances at the Chapter or during work.
5. Any employee violating the above policies will be disciplined, up to and including termination for the first offense.
6. Any employee convicted of violating a criminal drug or alcohol statute at the Chapter or during work must inform his/her supervisor and the Chapter Manager of such conviction, including pleas of guilty or no contest, within five working days of the conviction. Failure to do so will result in disciplinary action, up to and including termination for the first offense.
7. An employee convicted of violating a criminal drug or alcohol statute at the Chapter or during work may participate in a rehabilitation or treatment program. If such a program is made as a condition of employment, the employee must satisfactorily participate in and complete the program.
8. All employees are required to acknowledge that they have been informed of the above policy and agree to it in all respects. Acknowledgment and agreement are required as a condition of continued employment with the Chapter. Acknowledgment will be in writing and made a part of the employee's personnel file.
9. Employees may be subject to drug and alcohol testing consistent with Navajo law.

F. Sexual Harassment

1. It is the policy of the Navajo Nation generally and the Chapter specifically to protect all employees, male or female, against unwelcome and unsolicited behavior of a sexual nature. Such behavior is unacceptable in the workplace and other work-related settings such as business trips and business-related social events.
2. Definition

Sexual harassment is defined as unwelcome or unwanted conduct of a sexual nature, whether verbal or physical, when:

- a. submission to or rejection of this conduct by an individual is used as a factor in decisions affecting hiring, evaluation, promotion, or other aspects of employment;
- b. this conduct substantially interferes with an individual's employment, performance on the job, or creates an intimidating, hostile, or offensive working environment.

c. Examples of sexual harassment may include, but are not limited to:

- 1) nonverbal actions; leering; gesturing of a sexual nature;
- 2) unwanted sexual advances;
- 3) demands for sexual favors in exchange for favorable treatment or continued employment;
- 4) repeated sexual jokes, flirtations, advances, or propositions;
- 5) verbal abuse of a sexual nature;
- 6) verbal commentary about an individual's body;
- 7) touching, rubbing, pinching, whistling, assaulting, suggestive insulting, coerced sexual acts, or rape;
- 8) environmental harassment; display in the workplace of sexually suggestive objects or pictures.

3. Reporting a Complaint

Sexual harassment complaints should be addressed to the immediate supervisor or the Chapter Manager. If insufficient, sexual harassment complaints should be made to the elected officials or the Navajo Nation Department of Justice. Reports of sexual harassment must be in writing.

4. Retaliation

The Chapter will not in any way retaliate against an individual or witness who makes a report of sexual harassment, nor will it permit any employee or elected official to do so. A person found to have retaliated against another individual for reporting sexual harassment shall be subject to disciplinary action provided for sexual harassment offenders.

5. Investigation

Any allegation of sexual harassment brought to the attention of the Chapter will be investigated in a manner that protects the privacy of all persons involved and such privacy will be maintained throughout the investigatory process to the extent practical and appropriate.

- a. Individuals found to have engaged in misconduct constituting sexual harassment will be disciplined, up to and including discharge from employment.
 - b. If an investigation results in a finding that an employee has falsely accused another of sexual harassment knowingly or in a malicious manner, the complainant will be subject to appropriate sanctions, including the possibility of termination.
6. Further information concerning this policy is contained in the procedures governing complaints on sexual harassment.

G. Workplace Violence Prevention

The policy of the Navajo Nation generally and the Chapter specifically is to prevent workplace violence and to maintain a safe work environment.

1. Conduct that threatens, intimidates or coerces another employee, a client, or a member of the public, will not be tolerated.
2. Employees are to refrain from fighting or other conduct that may be dangerous to others.
3. Unauthorized firearms and weapons are prohibited on the premises of any Chapter property or site where Chapter or Navajo Nation business is conducted.
4. All threats of, or actual violence should be reported to the immediate supervisor. All suspicious individuals or activities should also be reported as soon as possible.
5. The Chapter Manager, in consultation with legal counsel (private or the Department of Justice), shall document and be responsible for ensuring the prompt and thorough investigation of reports concerning threats of, or actual violence and of suspicious individuals or activities.
6. In order to maintain workplace safety and to maintain the integrity of the investigation, employees may be placed on leave consistent with the provisions of Section X.B.3, Administrative Leave.
7. Anyone determined to be responsible for threats of, or actual violence or other conduct that is a violation of these guidelines will be subject to disciplinary action up to and including termination of employment.
8. Employees are encouraged to bring their disputes or differences with other employees to the attention of their supervisor or the Chapter Manager before the situation escalates into potential violence.

H. Unlawful Acts

1. Any unlawful act committed by an employee of the Chapter while on or off the job or Chapter premises, can affect an employee's status.
2. Notwithstanding any criminal prosecution initiated in a court of law, an employee may be disciplined, up to and including removal, if the conduct constitutes a violation of the FMS.
3. An employee convicted of a misdemeanor involving moral turpitude or a felony cannot be reemployed by the Chapter for a period of at least three years. The number of years may be determined by other standards if the employee's position is funded pursuant to a grant or contract.

XIX. OFFICE AND WORKSTATION REGULATIONS

- A. It is the policy of the Navajo Nation generally and the Chapter specifically to establish and maintain a safe working environment for all employees. Therefore, an employee's workstation or any other site where official business is conducted is declared to be a drug, alcohol, tobacco, and smoke-free environment.

B. Safety

Supervisors and employees have a responsibility to maintain a safe work environment by preventing conditions leading to injuries, accidents, and losses. This includes but is not limited to the posting of emergency evacuation plans at designated areas.

C. Workstation

1. Supervisors are responsible for establishing standards for:
 - a. food and drinks at workstations;
 - b. radios, tape players, and other devices; and
 - c. appearance of the work area.
2. Use of Chapter property or services, including but not limited to, telephones, computers, vehicles, machinery, credit cards, desks, office equipment, and supplies, are for official use only.
 - a. Supervisors have the right to inspect and/or access Chapter property;
 - b. at the supervisor's discretion, personal items stored by the employee in Chapter property are subject to removal;
 - c. the Chapter is not responsible or accountable for loss or theft of personal property of employees.

D. Dress Code and Personal Appearance

Dress, grooming, and personal hygiene contribute to the morale of all employees and affect the business image of the Chapter (and the Navajo Nation generally) to clients and the public. Therefore, during business hours or when representing the Chapter and the Nation, employees' dress, grooming and personal hygiene should be appropriate for the work they do.

1. Employees who have regular contact with the public are expected to dress in a manner that is normally acceptable in similar organizations and present a clean, neat, business-like appearance.
2. Dress and personal appearance of employees who do not regularly meet the public may be governed by the requirements of safety or comfort, but should still be as neat and business-like as working conditions permit.
3. Certain employees may be required to meet special dress, grooming, and/or hygiene standards depending on their job. In these situations, the Chapter Manager is responsible for establishing and issuing standards for appropriate dress and appearance.
4. The Chapter Manager may also designate a "casual day" for employees to dress in a more casual fashion than is normally required. On such occasions, employees are still expected to present a neat appearance.
5. Ripped, disheveled clothing, unkempt appearance, or other inappropriate clothing or appearance is not permitted. An employee may be asked to leave the workplace until properly dressed or groomed. Under such circumstances, the employee will not be compensated for the time away from work.

E. Child Care

1. Employees are responsible for making appropriate child care arrangements. Except when specifically permitted, employees are not to bring children to work or have their children loitering on the Chapter's premises after school hours.
2. The Chapter recognizes the importance of allowing mothers who choose to breast-feed their children the opportunity to continue after returning to work. The employee and her supervisor shall make the necessary arrangements to accommodate this.

XX. PERSONNEL RECORDS

The Chapter Manager and Office Assistant shall maintain official personnel records for Chapter employees.

A. Location of Records

Employee records shall be located at the Chapter under restricted access. Employee files shall not be removed from the Chapter. .

B. Contents

Employee records shall include information such as, employment applications; background investigations; letters of reference; pay and benefits; training and education; performance evaluations; corrective or termination actions; and other necessary information.

C. Updating

Employees are encouraged to keep their personnel files current by submitting to the Chapter Manager or Administrative Assistant updated information on their experience, education, and training.

D. Confidentiality

Information in an employee's personnel file is considered confidential. However, the information may be disclosed in compliance with a lawful investigation or subpoena. Access to and release of information contained in the personnel records shall be limited to only those persons who have a legally recognized need to know.

E. Examination of File by Employee

Employees may examine their personnel file upon written request to his/her supervisor or the Chapter Manager. The employee must provide evidence of his/her identity. Examination of records shall be in the presence of the supervisor or the Chapter Manager.

F. Release of Information

1. Upon submission of a notarized Authorization for Release of Information, the employee information from that employee's personnel record may be released to a third party.
2. Certain information contained in the employee file is considered public information and therefore may be released without employee authorization. This includes, but is not limited to, title, department, and work site.

G. Record Retention

Upon termination, an employee's personnel record shall be considered inactive, but will be maintained for a period of three years beyond date of termination. After three years, the record will be returned to the employee or destroyed.

XXI. VETERANS PREFERENCE

A. Policy

The policy of the Navajo Nation generally and this Chapter specifically is to comply with all applicable laws that govern the employment relationship between the Nation and its employees. Consistent with the provisions of applicable laws and policies, the Chapter gives preference in employment to Veterans of the United States (U.S.) Armed Forces. Recognizing their sacrifice, Navajo Veterans' Preference recognizes the economic loss suffered by citizens who have served their country in uniform, restores Veterans to a favorable competitive position for Chapter employment and acknowledges the larger obligation owed to disabled Veterans.

Eligible Veterans receive preference for initial employment and a higher retention standing in the event of layoffs. However, the Veterans' preference does not guarantee the Veteran a job, nor does it give Veterans preference in internal personnel actions such as promotion, transfer, reassignment and reinstatement.

B. A Veteran discharged from the U.S. Armed Forces or the National Guard or Reserve under honorable conditions following more than 180 calendar days of active duty shall be given preference in employment.

1. Preference in employment on the initial hire and retention for those Veterans who were honorably discharged or the spouses of Veterans shall be provided in the following order:
 - a. A Veteran who has an existing compensable service-connected disability who is able to work.
 - b. A Veteran of any war or peacetime who has served on active duty for 181 calendar days or more or who has served 180 calendar days or more, other than for training, since January 31, 1955 **and** who was discharged or separated under honorable conditions from the U.S. Armed Forces.
 - c. A Veteran who sustained a service-connected disability prior to completing the 180 calendar days of active duty.
 - d. The spouse of a Veteran who cannot qualify for employment because of a total and permanent disability or the spouse of a Veteran killed in the line of duty or missing in action, captured by a hostile force(s); forcibly detained or interned by a foreign government/power.
 - e. The un-remarried surviving spouse of a Veteran who died of a service-connected disability.
2. An individual applying for Veterans Preference must complete an Application for Veterans' Employment Preference when submitting an Application for

Employment along with a copy of DD Form 214 or DD Form 215 to receive preference.

C. Recruitment

1. Advertising of Vacant Positions

All vacancy announcements must be advertised for a minimum of 10 working days and include the phrase, "Veterans' Preference Applies" in the posting.

2. Application for Employment

- a. Each employment application will contain a general information document regarding Veterans' Preference and an Application for Veterans' Employment Preference.
- b. The Chapter's employment application shall require the applicant to indicate whether or not they are claiming Veterans' Preference. In those cases, the applicant will be asked to complete the Application for Veterans' Employment Preference requiring them to identify which of the eligibility criteria applies to them.
- c. The applicant will be required to furnish the documentation necessary to prove Veterans' Preference eligibility on or before the closing date of the position to be considered for preference. Proof of Veterans' Preference eligibility includes:
 - 1) Veterans and spouses of disabled Veterans must furnish a copy of the DD Form 214 and/or 215, military discharge papers, and/or other verification from the Department of Defense (DOD) or Military Branches.
 - 2) Spouses of disabled Veterans and un-remarried surviving spouse of a deceased Veteran must provide:
 - i. Certification from DOD or Military Branches that the Veteran is totally and permanently disabled or documentation certifying the service-connected death of the Veteran.
 - ii. Evidence of marriage to the Veteran.
 - iii. A statement that the spouse is still married to the Veteran or that the spouse is not re-married at the time of the application for employment.
- d. Absence of required documentation invalidates the claim and the applicant is not eligible for Veterans' Preference. However, the

Chapter Manager may—in his/her discretion—waive the above requirements in lieu of alternative evidence that is convincing.

D. Interview and Selection

1. Applicants who meet the qualification requirements shall be considered in the following order or priority:
 - a. Enrolled Navajos with reemployment preference
 - b. Enrolled Navajo Veterans
 - c. Other enrolled Navajo applicants
 - d. Non-Navajo spouses of enrolled Navajos
 - e. Non-Navajos
2. Preference is given at each step of the employment consideration process to preference eligible applicants, provided such individual possesses the minimum qualifications necessary to perform the duties of the position. Qualified Veterans receive the same level of preference despite disability status.
3. All qualified eligible Veterans must be granted an interview.
4. If the best qualified applicant, including a preference eligible Veteran are equally qualified, and no further evaluation occurs, the Veteran must be given selection preference. If there is a non-Veteran who is the best qualified for a position, the non-Veteran could be employed if an eligible Veteran does not possess the same level of qualifications. In such cases, reasons why and approval by the Chapter Manager is required prior to any offer of employment. Documentation of the hiring decision is paramount. In cases where the Veteran is not selected, the Chapter Manager must be able to justify why the Veteran was not selected.
5. It is the Chapter Manager and Administrative Assistant's responsibility to ensure that a letter of non-selection is sent to all applicants, including Veterans, who were interviewed but not selected for a position. The letter of non-selection must be issued within three (3) working days from the time that the selected candidate signs the conditional offer of employment.

XXII. MILITARY LEAVE

A. Policy

It is the policy of the Nation generally and the Chapter as well to grant leave as necessary for members of Uniformed Service or Armed Forces in compliance with applicable laws.

1. Activation for Military Service

- a. A regular status employee who is an active member of the Army National Guard or Air National Guard, and/or member of the Army, Marine Corps, Navy, Air Force and Coast Guard Reserve, including retired and inactive reserve members shall be granted military leave upon request.
- b. When a member is ordered to active duty status, he/she shall provide a copy of activation orders from their unit being activated when requesting military leave.
- c. When a member is deactivated and discharged, he/she shall request for reemployment within time allowed in B. 1. Below: submit a copy of orders, and shall return to the same position he/she was assigned to before going on leave with the same employer. At no time shall the Veteran be displaced in accordance with applicable laws regarding returning Veterans.
- d. If his/her position was eliminated or transferred to another worksite location, he/she shall be offered an equivalent position within the same worksite location with the same seniority, status and pay as before he/she went on military leave.

2. State Activation and/or Ordered for Training for National Guard and Reserve, or as an intermittent disaster response appointment.

- a. A regular status employee who is an active member of the Army National Guard or Air National Guard, and/or member of the Army, Marine Corps, Navy, Air Force and Coast Guard Reserve shall be granted military leave upon request.
- b. When the Governor of the State activates a National Guard unit where member is serving for State emergency, an intermittent disaster response appointment, and/or unit commander orders unit or individual training, he/she shall provide a copy of orders when requesting military leave.
- c. When the Reserve Branch or unit commander orders unit or individual training, he/she shall provide a copy of orders when requesting military leave.
- d. Employees requesting military leave are entitled to fifteen (15) calendar days a year with pay. Military leave shall be fifteen (15) calendar days in duration. All other leave requests longer than fifteen (15) calendar days for basic training, technical/tactical advance training or other specialized training in their career field shall also be granted without pay, and 2.a., above shall apply.

- e. An employee who is a member of the Reserves or National Guard serving an active military duty which extends into a second or succeeding leave year may accrue and use the fifteen (15) calendar days of military leave which accrue at the beginning of the second leave year and each succeeding leave year without return to civilian status.
- f. Monthly weekend training (drill) shall not be considered military leave. When a member has to make up their drill during weekdays, he/she shall request for annual leave or other form of leave, not military leave.
- g. There are two (2) conditions under which an employee is entitled to an additional twenty-two (22) workdays of military leave.
 - 1) Reservist or National Guard members who perform military duty in support of civil authorities in the protection of life and property are eligible for an additional twenty-two (22) workdays of military leave.
 - 2) Employees who perform full-time military service as a result of a call or order to active duty in support of a contingency operation are entitled to twenty-two (22) workdays of military leave.

B. Reemployment

- 1. Eligible National Guard and Reserve members shall be granted reemployment rights as follows:
 - a. Service of less than 31 calendar days. Employee must report to work on the next regularly scheduled work period after discharge from active military duty.
 - b. Service of more than 30 calendar days but less than 181 calendar days. Employee must make a request for reemployment no later than 14 calendar days after he/she is discharged from active military duty.
 - c. Service of more than 180 calendar days. Employee must submit a request for reemployment no later than 90 calendar days from date of discharge from active military duty or within one (1) year of service-related hospitalization.
- 2. Failure to meet deadlines for reporting back to work.
 - a. An employee who fails to report back to work or submit a written application for reemployment is subject to be separated from

employment if absent without excuse for three (3) calendar days, except in instances where returning to work is unreasonable or impossible due to no fault of the employee.

- b. Upon release from active military duty, an employee with services as outlined in 1.b. and c. above must provide written notice to their immediate supervisor of their intention to return to work within five (5) working days.
 - c. The employee must inform their immediate supervisor of extended active military duty within five (5) calendar days of receiving military orders.
- 3. The employee must not have been released with a dishonorable or less than honorable discharge.
 - 4. The cumulative length of absence from work for active military duty and retain eligibility for reemployment rights is five (5) years (with some exceptions).
 - 5. The reporting deadline may be extended up to two (2) years when a Veteran or service member is hospitalized or is convalescing from injuries received during military service or training, or an existing disability aggravated during military service or training.
 - 6. Returning Veterans and service members shall be reemployed in the same job as if they had remained continuously employed, with the same seniority, status and pay as before he/she went on military leave.

C. Necessary Documentation

- 1. When an employee has been absent for more than 31 calendar days, the employer has a right to request documentation to prove that:
 - a. the employee's application is timely;
 - b. the employee has not exceeded the service limitation; and
 - c. that the employee did not leave the service for any disqualifying reason, such as dishonorable discharge.
- 2. The employer may not deny reemployment if the necessary documentation is not readily available. However, if reemployment documentation becomes available proving that the employee has not met the reemployment qualifications, the employee shall be terminated.

D. Job Protection and Reduction-In-Force

1. An employee performing active military duty is protected from reduction-in-force (RIF) and may not be discharged from employment, except for just cause. The length of protection is based on the length of military service.
 - a. If the employee's military service was more than 180 calendar days, the employee cannot be discharged within one (1) year after the date of reemployment.
 - b. If the employee's service was between 30 and 180 calendar days, the employee cannot be discharged within 180 calendar days after the date of reemployment.

E. Employees Voluntarily Enlisting or Re-enlisting in Military Service

1. A regular status employee who voluntarily enlists or re-enlists in the U.S. Armed Forces shall resign from Chapter employment.
2. Enlistment in the U.S. Armed Forces is considered full-time employment. Military leave does not apply and shall not be granted.

F. Military Funeral Honors Detail

1. A Veteran who is discharged under honorable conditions will be granted administrative leave with pay to perform Military Funeral Honors Detail during the workweek.

XXIII. DEFINITIONS

- A. **ABUSE OF OFFICE OR POSITION:** to make excessive or improper use of the authority associated with one's employment.
- B. **ACTIVE DUTY:** active military service in the U.S. Armed Forces performed on a full-time basis with military pay and allowances.
- C. **ADMINISTRATIVE EMPLOYEE:** any employee whose primary duties consist of non-manual work concerning management policies or business operations and who exercises discretion and independent judgment in assisting managerial employees (as defined herein), and in fulfilling special tasks assigned.
- D. **APPLICANT:** a person who has submitted an application for a position with the Chapter.
- E. **AT-WILL:** a supervisor can discharge an employee under this employment status for any reason at all or no reason at all, with or without notice; and the employee can leave (resign) at any time for any or no reason at all, with or without notice.

- F. **BREAK IN SERVICE**: an interruption in continuous employment.
- G. **CLASS SPECIFICATION**: a written description of a class which includes a class title, a general statement of the level of work, a statement of the required knowledge, skills and abilities, some examples of work, and the qualification requirements for the class.
- H. **CLASSIFICATION**: the process of grouping positions which are similar in duties and responsibilities, such that the same descriptive title may be used to designate each position and common requirements as to education, experience, knowledge, ability and other qualifications exist for all positions.
- I. **CONFLICT OF INTEREST**: a real or seeming incompatibility between one's private interests and one's public or fiduciary duties.
- J. **DD FORM 214**: a military discharge document issued by the Department of Defense.
- K. **DD FORM 215**: a military discharge document issued by the Department of Defense utilized to correct errors on the DD Form 214 discovered after the original has been delivered and/or distributed.
- L. **DAYS**: calendar days unless otherwise stated.
- M. **DEMOTION**: a change in the assignment of an employee from a position in one class to a position in another class having a lower pay grade.
- N. **DISCHARGE**: the involuntary removal of an employee from employment.
- O. **DISCIPLINARY ACTION**: action taken by a supervisor in response to unsatisfactory conduct or performance by an employee.
- P. **DISHONORABLE DISCHARGE**: dishonorable or bad conduct discharge from active duty in the U.S. Armed Forces.
- Q. **EGREGIOUS**: deplorable, outrageous, flagrant, outstandingly bad, and blatant.
- R. **EMPLOYEE**: an individual employed by the Chapter or the Navajo Nation.
- S. **EMPLOYER**: for the purpose of this manual, employer is the Chapter. .
- T. **EXEMPT EMPLOYEE**: an employee in a managerial, professional, or administrative position. Employees assigned to exempt positions are not eligible for overtime compensation.
- U. **FELONY**: a crime of a graver or more serious nature than those designated as misdemeanors; under federal law, and many state statutes, any offense punishable by death or imprisonment for a term exceeding one year.

- V. **FOR CAUSE:** reasons which law and public policy recognize as sufficient for removal, not merely a cause which the supervisor in the exercise of discretion may deem sufficient.
- W. **FRAUD:** any intentional act designed to deceive and cause financial loss.
- X. **HIRING AUTHORITY:** for purposes of these policies the hiring authority is the Chapter Manager or elected officials.
- Y. **HONORABLE CONDITIONS:** an honorable discharge from active duty in the U.S. Armed Forces.
- Z. **INSUBORDINATION:** willful or intentional refusal to obey any reasonable instruction or directive which a supervisor is entitled to give and have obeyed or which is set forth in established policies; to ridicule or undermine one's supervisor; condoning, encouraging, or engaging in conduct not within the chain of command.
- AA. **LAYOFF:** the involuntary separation from employment for nondisciplinary reasons, including, but not limited to, lack of funds or work, abolishment of position, or reorganization within program, department, or division.
- BB. **LEAVE:** authorized absence, with or without pay, granted to an employee to take time off from work.
- CC. **MALICIOUS:** wrongful and done intentionally without just cause or excuse.
- DD. **MANAGERIAL EMPLOYEE:** any employee whose primary duties consist of managing an office; who directs the work of one or more other employees or whose recommendations in employment matters are given particular weight; and who otherwise exercises discretionary powers.
- EE. **MINIMUM QUALIFICATIONS:** a specification of the experience, training, education and/or licensure or certification and the minimum knowledge, skills and abilities that provides appropriate job related qualifications necessary to perform the duties.
- FF. **MISCONDUCT:** improper or unlawful behavior by an employee in regards to his/her position.
- GG. **MISDEMEANOR:** an offense lower than a felony and generally punishable by fine or imprisonment of one year or less.
- HH. **MORAL TURPITUDE:** gravely violating accepted moral standards of the community.

- II. **NATIONAL GUARD:** a civilian reserve component of the U.S. Armed Forces comprised of guardsmen who serve during overseas peacekeeping missions, time of war and during local emergencies.
- JJ. **NAVAJO NATION:** for the purposes of this manual, Navajo Nation includes all programs, departments, and divisions within the Executive and Legislative Branches of the Navajo Nation Government.
- KK. **NEGLIGENT:** the failure or neglect of any reasonable precaution, care, action; careless; failing to give proper attention.
- LL. **NON-EXEMPT EMPLOYEE:** an employee in a non-supervisory or office staff position. Employees assigned to non-exempt positions are eligible for overtime compensation.
- MM. **OVERTIME:** any time worked which exceeds the regularly scheduled tour of duty.
- NN. **PEACETIME:** a time when the U.S. is not at war which includes the years of: 1946 - 1950; 1955 - 1964; and May 7, 1975 – August 1, 1990.
- OO. **PENALTY:** a punishment imposed for violation of personnel policies or procedures.
- PP. **PERFORMANCE MANAGEMENT PLAN:** the formal system by which an employee is evaluated.
- QQ. **PROFESSIONAL EMPLOYEE:** any employee whose primary duties consist of work requiring knowledge of a specific field including, but not limited to, law, teaching, medicine, architecture, engineering and other fields of science; work that is original and artistic in character, the result of which depends on the talent of the employee and whose work requires the exercise of discretion and judgment in its performance.
- RR. **PROMOTION:** a change in assignment of an employee from a position in one class to a position in another class having a higher pay grade.
- SS. **REPRIMAND:** written notice to an employee by the supervisor that a deficiency exists in the employee's work performance or conduct and improvement is needed.
- TT. **RESERVIST:** a reserve of the U.S. Armed Forces, including retired and inactive members.
- UU. **SERVICE-CONNECTED DISABILITY:** an injury or disease that was incurred or aggravated during active military service.
- VV. **SOME EXCEPTIONS:** with reference to Section XXI. B.4. (1) Service beyond 5 years that is required to complete an initial period of obligated service; (2) service from which a person, through no fault of their own, is unable to obtain a release

within the five-year period; (3) required training for National Guard members and reservists and additional training certified by the Secretary of Defense and/or Governor of the State as necessary for professional development; (4) service under an order to report for or stay on active duty during a domestic emergency or situations related to national security; (5) service under an order to report for or stay on active duty (other than training) because of a war or national emergency declared by Congress or the U.S. President; (6) service under an order to active duty (other than training) by volunteers supporting operational missions for which selected reservists have been ordered to involuntary active duty; (7) service under an order to active duty by volunteers supporting a critical mission or requirement of the armed services; (8) federal service as a member of the National Guard called into action by the U.S. President to suppress an insurrection, repel an invasion, or carry out the laws of the United States.

- WW. **SURVIVING SPOUSE:** the spouse of a deceased Veteran.
- XX. **SUSPENSION:** the temporary removal of an employee from service without pay, for disciplinary reasons and for a specified period of time.
- YY. **THEFT:** any of the following acts done with intent: 1. Obtaining or exerting unauthorized control over property; 2. Obtaining by deception control over property; 3. Obtaining by threat control over property; 4. Obtaining control over stolen property knowing the property to have been stolen by another.
- ZZ. **UNIFORMED SERVICE OR ARMED FORCES:** the U.S. Armed Forces (the Army, Navy, Air Force, Marine Corps, Coast Guard and Reserve units for each such branch); the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty; the commissioned corps of the Public Health Services; and any other category of persons designated by the U. S. President in time of war or national emergency.
- AAA. **VETERAN:** an individual discharged from the U.S. Armed Forces under honorable conditions.
- BBB. **VOLUNTEER:** an individual who performs hours of service for civic, charitable, or humanitarian reasons without promise, expectation, or receipt of compensation for services rendered except reimbursement for expenses, reasonable benefits, and nominal fees or a combination thereof.
- CCC. **VULGAR LANGUAGE:** language that is obscene, indecent, or offensive to a reasonable person.
- DDD. **WEAPON:** an instrument of offensive or defensive combat, or anything used, or designed to be used, in injuring a person, including but not limited to, firearms and knives.
- EEE. **WILLFUL:** with intent; knowingly; deliberately; intending the result which actually comes to pass; not accidentally or involuntarily.

FFF. **WORKPLACE:** includes the Chapter, Navajo Nation buildings, property, parking areas, and any other location where Chapter or Navajo Nation business is conducted.

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NAZLINI CHAPTER

RECORDS MANAGEMENT POLICIES AND PROCEDURES

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NAZLINI CHAPTER RECORDS MANAGEMENT POLICY AND PROCEDURES MANUAL

I. AUTHORIZATION

- A. Pursuant to 26 N.N.C. § 101 (A), the Nazlini Chapter (hereafter “Chapter”) is required to formulate, implement and operate under a Five Management Systems to ensure accountability. Accordingly, the Chapter has developed policies and procedures for its Five Management System consistent with applicable Navajo Nation Law.
- B. Pursuant to Chapter Resolution No. NAZL-2011-08-029, the Records Management Policies and Procedures Manual (hereafter “Records Manual”) is hereby approved.

II. PURPOSE AND SCOPE OF POLICY

- A. To set forth the authority, principles and policies and procedures governing the creation, classification, maintenance, retrieval, disposal and safeguarding of the Chapter records and to define the chapter administrative functions and chapter officials’ oversight functions in regard to record keeping.
- B. This Records Manual is applicable to all employees and members of the Chapter, including chapter officials who will monitor the Chapter Administration to ensure that records are maintained and that this Records Manual is followed and enforced.
- C. These policies and procedures will provide adequate and accurate information for Chapter reporting activities, help justify how resources are utilized, serve as an important internal control measure, help document important decisions, and provide a history of the operation and services of the Chapter.
- D. These policies and procedures will ensure that all activities are supported with proper and accurate documentation, serve as an efficient and effective tool to minimize duplication of documents, provide a clear definition of records, provide adequate safeguards for the records, and maintain current and updated records.

III. APPLICABLE LAWS:

The Chapter shall comply with all applicable state, federal and Navajo Nation law, including the Navajo Nation Privacy Act, 2 N.N.C. § 81 *et seq.*

IV. GENERAL STATEMENT OF POLICIES

- A. The Chapter records are public information *except* those records that are restricted and specifically defined as “protected records” pursuant to the Navajo Nation Privacy Act, 2 N.N.C. § 81 *et seq.*; all information/records or any portions thereof which are defined and classified as “protected records” under the Navajo Nation Privacy Act are not for public duplication or view without proper authorization.

- B. To maintain security and accountability, the control and management of all Chapter records shall be properly segregated so that no single employee is in a position to handle all aspects of records control.
- C. The Chapter records shall be complete, kept regularly filed, and kept in a locked cabinet within the Chapter administration office.
- D. All confidential, protected and essential records shall be properly cared for at all times and any production, copying, destruction or any other action taken with such records shall be in strict compliance with the Navajo Nation Privacy Act and other applicable law.
- E. The Chapter shall ensure compliance with the Navajo Nation Act and with all other applicable Navajo Nation laws.
- F. The Chapter officials and employees shall acknowledge by signature that all Chapter records will remain the property of the Chapter.
- G. Confidential records shall be protected by securing these records in a locked file cabinet, within the administration office.
- H. The Chapter shall ensure records have reached the end of their useful life and retention period schedule *before* proper authorized destruction.

V. GENERAL DUTIES AND RESPONSIBILITIES

- A. The Administrative Assistant (or other clerical staff as delegated by the Administrative Assistant) shall be responsible for:
 - 1. Updating and maintaining an accurate and complete inventory of all chapter records.
 - 2. Keeping all chapter records complete and current at all times.
 - 3. Logging in all incoming and outgoing mail.
 - 4. Logging in all incoming and outgoing faxes.
 - 5. Maintaining and safeguarding all chapter records by securing the file cabinets with a lock/key.
 - 6. Accessing and retrieving chapter records by authorized request, audits, and court order or for duly authorized inspection.
 - 7. Labeling the confidential or public files (i.e. CONFIDENTIAL).

8. Obtaining approval from the Chapter Manager for retrieval of confidential records.
 9. Creating back up records as necessary on a bi-weekly basis.
- B. The Chapter Manager shall be responsible for:
1. The creation, classification, retention, protection, retrieval and disposal of all chapter records.
 2. Authorizing requests for record releases and assessing any research or duplication costs for said records, upon receiving proper documentation from the requestor.
 3. Conducting an annual records inventory with the Administrative Assistant to ensure proper storage, disposal, transfer or filing of all records.
 4. The preparation of a retention schedule for chapter records, which includes labeling the storage containers.
 5. Documenting and providing written reports to the chapter officials concerning corrective actions to be taken in the event that Chapter records are damaged or lost.
- C. Chapter Officials Responsibilities:
1. The Chapter President shall work closely with the Vice President and the Secretary/Treasurer to ensure that the Chapter administration is adequately complying with the Chapter's established records management policies and procedures as well as applicable Navajo Nation laws.
 2. The chapter Secretary/Treasurer shall monitor the records management system on an ongoing basis to ensure compliance with the Records Manual and applicable Navajo Nation law, but in accordance with 26 N.N.C. § 1001 (E) shall not be directly involved in the management and operations of the Chapter administration.
 3. The Secretary/Treasurer shall turn over to the Chapter Manager, within ten (10) working days, any official actions by the Chapter membership, including all resolutions, minutes and other official documents, for proper record keeping and for carrying out any chapter directive(s).

VI. FILES

- A. It shall be the policy of the Chapter to maintain a complete and updated permanent filing system that will enable records to be easily accessed and retrieved. Refer to Section VIII of this policy manual for accessibility and retrieval process.

- B. The following types of filing methods shall be used, with a guide to identify each section for ease of accessibility:
1. Alphabetical – filed alphabetically
 2. Geographic – filed alphabetically according to location and/or address
 3. Numerical – filed by an assigned number
 4. Subject – filed alphabetically according to subject
 5. Chronological – filed by time or date

VII. CLASSIFICATION OF RECORDS

- A. The Nazlini Chapter shall maintain a classification of all records to ensure confidentiality of certain records and documents to be safeguarded in compliance with the Navajo Nation Privacy Act, 2 N.N.C. §§ 84 85.
- B. All inventory documentation of the Chapter records shall include the date of the record, and its description, location, retention period and disposal date.
- C. The Chapter records that are classified as “protected records” may be confidential in whole or part and may contain data on persons or entities that are private or otherwise protected pursuant to 2 N.N.C. § 85 of the Navajo Nation Privacy Act.
- D. The Chapter records shall be classified and labeled in accordance with their degree of importance and categorized in the chapter files as follows:
1. **Permanent Records** - These records cannot be replaced and are valuable to the Chapter; and should be kept on file and permanently stored. They are, but not limited to as follows:
 - a. Chapter Enrollment
 - b. Meeting minutes
 - c. Chapter Member Identification Card
 - d. Personnel
 - e. Client assistance listing and information [financial, housing, veterans, senior citizens, emergency]
 - f. Chapter contracts
 - g. Employee Payroll Records
 - h. Deeds and Legal Documents
 - i. Real Estate Documents [Land Use Permits and Customary Grazing Land Permits issued by the Bureau of Indian Affairs; farm and grazing area maps; Grazing Permittee descendency documents; Business and Home Site Leases]

- j. Planning and regular Chapter meeting agendas and minutes
 - k. Resolutions
 - l. Financial Statements
 - m. Chapter Ordinances
2. **Essential Records** – Records that characterize and identify the Chapter, that are essential for full operation of the Chapter government, and that shall be kept on file for five (5) years. They include but are not limited to the following:
- a. Chapter Ordinances
 - b. Chapter Plan of Operation
 - c. Chapter Master Land Use Plan
 - d. Chapter Profile
 - e. Resolutions
 - f. Property Inventory Records (buildings, equipment, etc.)
 - g. Five Management Systems Policies and Procedures Manual
 - h. Client assistance listing and information (financial, housing, veterans, senior citizens, emergency, etc.)
 - i. Chapter contracts
 - j. Travel Authorizations
3. **Important Records** – Records that are of great value and importance to the Chapter government. These records shall be kept on file and stored for a minimum period of five (5) years. They are, but not limited to as follows:
- a. Financial records (bank statements, ledgers, reports, requisitions, etc.)
 - b. Personnel records
 - c. Audit reports
4. **Useful Records** – Records used and stored by the Chapter for information of previous activities and projects. These records have some significant value but may cost considerably to replace if lost or misplaced. These records shall be filed and kept for a minimum period of two (2) years. They include, but are not limited to the following:
- a. Correspondence
 - b. Forms
 - c. Logs (phone, mail, activities, etc.)
 - d. Resale Inventory Records
5. **Non-Essential Records** – Records for no value to the chapter operation. Once their useful purpose has been fulfilled they can be destroyed. They include, but are not limited to the following:
- a. Publications
 - b. Flyers, bulletins
 - c. Junk mail

VIII. ACCESSIBILITY AND RETRIEVAL

- A. It shall be the policy of the Nazlini Chapter that all chapter records are public information for public access upon request, except those records that are specifically defined and treated as protected pursuant to 2 N.N.C. § 85 of the Navajo Nation Privacy Act.
- B. No Personnel Record or other confidential documents shall be duplicated without written permission from the individual whose record(s) is to be duplicated. However, the personnel records or any information therein may be disclosed in compliance with a lawful investigation or subpoena, or as otherwise in accordance with the Navajo Nation Privacy Act and other applicable law.
- C. A daily access log shall be utilized and maintained whenever any protected, important and essential records are accessed.

D. Procedures for accessing public records:

Upon request, the Chapter Manager will make appropriate public records accessible using the following procedures:

- 1. The requesting party shall complete a Request for Chapter Records Form with the Administrative Assistant.
- 2. Any person making the request for a record shall complete a Request for Chapter Records or Documents Form containing the title of the record(s) or document(s), purpose, requested by, date, mailing address and telephone number.
- 3. The requesting party shall be responsible for any research or reproduction costs, and may examine the records at the Chapter administration under the supervision of a staff member.

E. Procedures for accessing Protected Records:

Upon request, the chapter administration shall make protected records accessible in accordance with applicable law, by using the following procedures:

- 1. All requests for chapter documents shall be made to the Administrative Assistant.
- 2. Any person making the request for a record shall complete a Request for Chapter Records or Documents Form containing the title of the record(s) or document(s), purpose, requested by, date, mailing address, signature, and telephone number.

3. The Administrative Assistant shall explain the policy regarding protected records, and submit the request to the Chapter Manager for approval.
 4. The Chapter Manager shall be responsible for assuring that the provision of protected information or records complies with the following conditions:
 - a. The information shall be accessible for criminal and civil law enforcement for prosecution purposes, internal or external audit, as a result of a court order, to further an individual's medical treatment, to address public health needs, or as otherwise in accordance with applicable law.
 - b. The information relating to an individual will be available to the individual who is the subject of the record, or if a minor, will be available to the parent or guardian.
 - c. Individual records may be released to third parties with written permission, by means of a notarized release using the information release form, of the individual who is the subject of those records, or, if a minor, by release executed by his or her parent or legal guardian.
 - d. Individual records may be released for statistical and other purposes provided that any information which could be used to identify that individual is removed, withheld, or redacted.
 - e. The Chapter Manager/Administrative Assistant will verify and record evidence of the requestors' identity.
 - f. Before releasing a protected record, the Chapter Manager will inform the requestor that he or she is prohibited from disclosing or providing a copy(s) of the protected record(s) to any other person and shall obtain the requestor's written acknowledgement of this prohibition. Failure of the requestor to comply with any applicable prohibition, shall subject the requestor to criminal prosecution and/or other remedy under Navajo Nation law.
- F. Within ninety (90) calendar days, the Chapter Manager will respond to the request by:
- (1). Approving the request and providing the records.
 - (2). Denying the request by providing a written explanation of why the record(s) are protected from disclosure. In making such determinations, the Chapter Manager shall consult with the Chapter Officials and the Navajo Nation Department of Justice for advice and assistance.

- (3). Notifying the requestor that the Chapter does not maintain the requested record(s) and providing, if known, the name and address of the governmental entity that does maintain the record.
- (4). Upon approval of the request, the requesting party may receive copies of records (any applicable fees shall be paid to the Chapter Administrative Assistant) or may examine the records at the Chapter administration under the supervision of Chapter administration staff members. Any research and reproduction costs shall be the responsibility of the requesting party.

IX. DENIAL AND APPEAL

- A. The Nazlini Chapter recognizes that the general public should be provided a means to access records and information relating to the operation of its government while preserving the privacy interests of individuals and entities. Therefore, the Chapter will deny access to information in the record if the information is exempt from disclosure to the requestor, issuing a notice of denial as provided in 2 N.N.C. § 89 of the Navajo Nation Privacy Act.
- B. If the request for protected records is denied, in whole or in part, the Chapter Manager shall provide a notice of denial to the requestor either in person or by sending the written notice to the requester's address.
- C. The notice of denial shall contain the following information:
 1. A description of the record or portions of the record to which access was denied, provided that the description does not disclose the contents of the protected record(s) or information.
 2. Any court rule or order, state or federal statute or regulation that exempts the record or portions of the record from disclosure, provided that the citation does not disclose protected information.
 3. A statement that the requester has the right to make application to the Navajo Nation District Court for an order releasing the record and the time limits for filing the application.
 4. Unless otherwise required by a court of competent jurisdiction, the Chapter may not destroy or give up custody of any records to which access was denied until the period for a court appeal has expired, or the end of the appeal process.
- D. In the event the Chapter determines that the requested record is protected from disclosure, or fails to respond to the request within ninety (90) days period, the requesting individual may submit application to the Navajo Nation District Court, as defined in 7 N.N.C. § 253, in accordance with the proper processes of the Court for an order compelling the release of the record.

1. This application must meet the notice and filing requirements of the Navajo Nation Sovereign Immunity Act, 1 N.N.C. § 551 *et. seq.*
2. Any person who may have an interest in maintaining the confidentiality of the record may appear and demonstrate the need for maintaining the confidentiality of such records.
3. Chapter shall provide reasons for the denial.

X. PROTECTION AND BACKUP OF PUBLIC AND PROTECTED RECORDS

- A. All essential, useful, important records shall be preserved by a backup document or on an electronic memory storage device in case of damage or accidental loss. It shall be the responsibility of the Administrative Assistant to perform backup procedures on a bi-weekly basis, and the Chapter Manager will authorize access to the backup system if needed.
- B. The backup schedule shall be documented on the backup log and updated upon any backups. The following records require back-ups: financial statements, resolutions, meeting minutes, payroll, property inventories, and any other essential records.
- C. All Chapter records (except backups stored on an electronic storage memory device) should be stored, maintained and safeguarded on the Chapter's premise. There should be adequate storage protection of all Chapter records.
- D. The following methods shall be used for backup and protection:
 1. A separate and secure location shall be used for records stored on flash disks.
 2. Future records shall be photocopied and stored at a separate, secured location.
 3. Records stored on an electronic storage memory device shall be kept at a separate and secured location such as a Safety Deposit Box at the Chapter's banking institution.
- E. When necessary, the recovery of lost or damaged records shall be performed in consultation with authorized individuals.
- F. Damaged or Accidental Loss of Records:
 1. The Chapter Manager shall document by written report to the Chapter officials any damage or accidental loss of essential records. Proper authorities shall be notified immediately.
 2. Every effort shall be made to replace the lost or damaged records from the backup source as soon as possible.

3. Chapter funds shall not be used to cover the cost of replacing lost or damaged records due to individual negligence which shall be the obligation of the responsible individual.

XI. TRANSFER AND DISPOSAL OF INACTIVE RECORDS

- A. The Chapter shall classify inactive and historical files or records according to their degree of importance, establish their retention period, and dispose of or transfer said records to an adequately secured storage area according to the procedures under this Section.

1. Procedures To Transfer Inactive Records:

- a. The Administrative Assistant shall be responsible for keeping all records complete and current at all times, by reviewing the records inventory list to assure those records that have reached their retention period are brought to the Chapter Manager's attention through a request for transfer.
- b. The Chapter Manager may authorize the Administrative Assistant to transfer those records, and, if so, shall notify Chapter Officials within thirty (30) days.
- c. The Administrative Assistant shall transfer all inactive records to a properly secured storage area separate from the Chapter house to ensure adequate safekeeping.
- d. The Administrative Assistant shall label all storage boxes as permanent, essential, useful, and important records for easy identification, accessibility and retrieval if necessary pursuant to Section VIII, (C).
- e. The Chapter Manager is authorized to have direct access to inactive files in storage.
- f. Where a time record is transferred for any purpose, a Transfer Procedure Form shall be filled out and submitted by the Administrative Assistant and approved by the Chapter Manager.

2. Procedures for Disposal of Records:

- a. The Administrative Assistant shall be responsible for keeping all records complete and current at all times by reviewing the records inventory list to assure those records that have reached their retention period are brought to the Chapter Manager's attention and by making a request for disposal utilizing the Disposal Procedure form.
- b. Prior to destroying any record, the Chapter Manager shall provide the Chapter Officials with thirty (30) days notice of the Administration's intent to destroy the identified records by burning or shredding, and to remove the records from the records inventory list.

- c. All remaining inactive records will be stored in an adequately secured storage area separate from the Chapter house during their retention period.
- d. The Chapter Manager, in consultation with the Chapter Officials, shall surrender all aged flags representing the United States, Federal Government, State Government, and the Navajo Nation to the Nazlini Chapter Veterans Organization for proper disposal.
- e. The Chapter Manager and Chapter Officials shall monitor any disposal of permanent, essential, useful, and important records.
- f. When records are disposed of, the Records Inventory form shall be updated to reflect any changes or disposals.
- g. The retention period for all inactive records in storage shall be pursuant to Sections VII and XI.

XII. DEFINITIONS

The language contained in this section applies generally to this policy manual except as otherwise provided elsewhere in the Chapter's Five Management System.

- A. **Confidential or Protected Record** – means any record containing data on persons or governmental entities that is private or otherwise protected as provided by 2 N.N.C. § 85 of the Navajo Nation Privacy Act.
- B. **Public Record** – means any record that is not private or otherwise protected and that is not exempt from disclosure as provided in 2 N.N.C. § 84 of the Navajo Nation Privacy Act.
- C. **Record** – means all books, letters, documents, papers, maps, plans, photographs, films, cards, tapes, recordings, electronic data, or other documentary materials regardless of physical form or characteristics which are prepared, owned, received, or retained by the Chapter and where all of the information in the original is reproducible by photocopy or other mechanical or electronic means.
 - 1. Record does not mean:
 - a. Materials that are legally owned by an individual in his private capacity.
 - b. Materials to which access is limited by the laws of copyright or patent is owned by Chapter.
 - c. Books and other materials that are cataloged, indexed, or inventoried and contained in the collections of libraries open to the public.

- d. Daily calendars and other personal notes prepared by the originator for the originator's personal use or for the personal use of an individual for whom he/she is working.
 - e. Computer programs that are developed or purchased by the Chapter for its own use.
- D. **Right to Privacy** – means the right of a person to be free from unwarranted intrusion by a governmental unit.

XIII. APPENDICES

- | | | |
|----|---|-----------|
| A. | Request for Chapter Records or Documents | Exhibit A |
| B. | Release Information Form | Exhibit B |
| C. | Disposal / Transfer Form | Exhibit C |
| D. | Navajo Nation Privacy and Access to Information Act | Exhibit D |



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
PRESIDENT

JOSEPH DEDMAN, JR.
VICE PRESIDENT

JOANN DEDMAN
SECRETARY/TREASURER

Nazlini Chapter

PO Box 7387

Nazlini, AZ 86540

Telephone #: 928-755-5900

Fax #: 928-755-5903

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
COORDINATOR

REQUEST FOR RELEASE OF INFORMATION

Date: _____

Requestor's Name:	
Mailing Address:	
Telephone Number:	

Release Information to:	
Mailing Address:	
Telephone Number:	
Description of Records Requested:	

How will the information be used?	
I have been informed that I am prohibited from disclosing protected records or documents to any other person or use it for any other purpose than what is intended for. I acknowledge that I may be subject to criminal or civil penalties if I gain access or use said information inappropriately.	
Requestor's Signature:	Date:

CHAPTER ADMINISTRATION USE ONLY	
() Approved	() Disapproval
Chapter Manager	Date:

Exhibit "B"



NAZLINI CHAPTER GOVERNMENT

ARTHUR E. TRACY, SR.
- PRESIDENT

JOSEPH DEDMAN, JR.
- VICE PRESIDENT

JOANN DEDMAN
- SECRETARY/TREASURER

NAZLINI CHAPTER RECORDS DISPOSAL/TRANSFER FORM

JOHNNY NAIZE
COUNCIL DELEGATE

IRVIN SHIRLEY
GRAZING REPRESENTATIVE

ALFRED L. YAZZIE
COORDINATOR

Date

Storage Label: () Essential () Important
() Useful () Non-essential

Transfer To: _____ Retention Period: _____

Disposed By: _____ Date

Witnessed By: _____ Date

Records Custodian: _____ Date
Administrative Assistant

Authorized By: _____ Date
Chapter Manager

Authorized By: _____ Date
Chapter Official

NAZLINI CHAPTER RECORDS DISPOSAL/TRANSFER FORM

Date

Storage Label: () Essential () Important
() Useful () Non-essential

Transfer To: _____ Retention Period: _____

Disposed By: _____ Date

Witnessed By: _____ Date

Records Custodian: _____ Date
Administrative Assistant

Authorized By: _____ Date
Chapter Manager

Authorized By: _____ Date
Chapter Official

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Title 2. Navajo Nation Government

Chapter 1. Establishment

Subchapter 4. Privacy and Access to Information

§81. Short Title

This Act shall be referred to as the "Navajo Nation Privacy Act."

§82. Declaration of Public Policy

The Navajo Nation Council finds and declares it the policy of the Navajo Nation that a democratic form of government requires that information related to government operations be accessible to the public, while recognizing that individuals have a right to privacy. It is the intent of the law that the general public be provided a means to access records and information relating to the operation of the Navajo Nation while preserving the privacy interests of individuals and entities.

§83. Definitions

As used in this subchapter:

- A. "Governmental entity" means any administrative, advisory, executive judicial or legislative office or body of the Navajo Nation or its political subdivisions, including without limitation all commissions, corporations and other instrumentalities whose boards of directors are appointed or elected by the Navajo Nation or its political subdivisions. Governmental entity includes all quasi-judicial bodies and all standing, special or advisory committees or subcommittees of, or appointed by, the Navajo Nation to carry out the public's business.
- B. "Person" means any individual, nonprofit or profit corporation, partnership, sole proprietorship or other type of business organization.
- C. "Protected record" means any record containing data on persons or governmental entities that is private or otherwise protected as provided by 2 N.N.C. § 85.
- D. "Public record" means any record that is not private or otherwise protected and that is not exempt from disclosure as provided in 2 N.N.C. § 84.
- E. "Record" means all books, letters, documents, papers, maps, plans, photographs, films, cards, tapes, recordings, electronic data or other documentary materials regardless of physical form or characteristics which are prepared, owned, received or retained by a governmental entity and where all of the information in the original is reproducible by photocopy or other mechanical or electronic means. "Record" does not mean:
 - 1. Materials that are legally owned by an individual in his private capacity;
 - 2. Materials to which access is limited by the laws of copyright or patent unless the copyright or patent is owned by a governmental entity;
 - 3. Junk mail or commercial publications received by a governmental entity or an official or employee of a governmental entity;
 - 4. Books and other materials that are cataloged, indexed or inventoried and contained in the collections of libraries open to the public;
 - 5. Daily calendars and other personal notes prepared by the originator for the originator's personal use or for the personal use of an individual for whom he is working;
 - 6. Computer programs that are developed or purchased by or for any governmental entity for its own use; or
 - 7. Notes or internal memoranda prepared as part of the deliberative process by a member of the judiciary or any other body charged by law with performing a quasi-judicial function.
- F. "Right to Privacy" means the right of a person to be free from unwarranted intrusion by a governmental entity.

§84. Records that must be disclosed:

- A. The following records are public except to the extent they contain information expressly permitted to be treated as protected as provided for 2 N.N.C. § 85:
 - 1. Laws;
 - 2. Names, gender, job titles, job description, business addresses, business telephone numbers, number of hours worked per pay period, dates of employment, relevant

education, previous employment and similar job qualifications of the governmental entity's current and former employees and officers excluding:

- a. Undercover law enforcement personnel; and
 - b. Investigative personnel if disclosure could reasonably be expected to impair the effectiveness of investigations or endanger any individual's safety.
3. Inter-office memoranda;
 4. Final opinions, including concurring and dissenting opinions, and orders that are made by a governmental entity in an administrative, adjudicative or judicial proceeding except that if the proceedings were properly closed to the public, the opinion and order may be withheld to the extent that they contain information that is protected;
 5. Final interpretations of statutes or rules by a governmental entity;
 6. Information contained in or compiled from a transcript, minutes or report of the open portions of a meeting, excluding executive sessions, of a governmental entity, including the records of all votes of each member of the governmental entity;
 7. Judicial records unless a court orders the record to be restricted under the rules of civil or criminal procedure or unless the records are protected under this subchapter;
 8. Records filed with or maintained by governmental entities that give public notice of:
 - a. Titles or encumbrances to real property, including homesite permits, land use permits and grazing permits; or
 - b. Restrictions on the use of real property.
 9. Records filed with or maintained by governmental entities that evidence incorporations, name changes and uniform commercial code filings;
 10. Documentation of the compensation that a governmental entity pays to a contractor or private provider; and
 11. Data on individuals that would otherwise be protected under this subchapter if the individual who is the subject of the record has given the governmental entity written permission to make the records available to the public.
- B. The following records are normally public, but to the extent that a record is expressly exempt from disclosure, access may be restricted under 2 N.N.C. § 85:
1. Administrative staff manuals, instructions to staff and statements of policy;
 2. Records documenting a contractor's or private provider's compliance with the terms of a contract with a governmental entity;
 3. Contracts entered into by a governmental entity;
 4. Any account, voucher or contract that deals with the receipt or expenditure of funds by a governmental entity;
 5. Correspondence by and with a governmental entity in which the governmental entity determines or states an opinion upon the rights of the Nation, a political subdivision, the public or any person;
 6. Empirical data if contained in drafts if:
 - a. The data is not reasonably available to the requester elsewhere in similar form; and
 - b. The governmental entity is given a reasonable opportunity to correct any errors or make non-substantive changes before release.
 7. Drafts that are circulated to anyone other than a governmental entity, a federal agency if the governmental entity and the federal agency are jointly responsible for implementation of a program or a contractor or private provider;
 8. Drafts that have never been finalized but were relied upon by the governmental entity in carrying out action or policy;
 9. Arrest warrants after issuance, except that, for good cause, a court may order restricted access to arrest warrants prior to service;
 10. Search warrants after execution and filing of the return, except that, for good cause, a court may order restricted access to search warrants prior to trial;
 11. Records that would disclose information relating to formal charges or disciplinary action against a past or present governmental entity employee if:
 - a. The disciplinary action has been completed and all time periods for administrative appeal have expired; and
 - b. The formal charges were sustained.

- C. The list of public records in this section is not exhaustive and should not be used to limit access to records.

§85. Protected records

- A. The following records are private or otherwise protected and shall not be considered public for purposes of required disclosure:
1. Records concerning an individual's eligibility for social services, welfare benefits or the determination of benefit levels;
 2. Records containing data on individuals describing medical history, diagnosis, condition, treatment, evaluation or similar medical data, including psychiatric or psychological data;
 3. Records concerning a current or former employee of, or applicant for employment with, a governmental entity that would disclose that individual's home address, home telephone number, social security number, insurance coverage, marital status or payroll deductions;
 4. Records concerning a current or former employee of, or applicant for employment with, a governmental entity, including performance evaluations and personal status information such as race, religion or disabilities, but not including records that are public under 2 N.N.C. § 84(A)(2) or (B)(11);
 5. Records describing an individual's finances, except that the following are public:
 - a. Records described in 2 N.N.C. § 84(A);
 - b. Navajo Nation Economic Disclosure Statements filed with the Ethics and Rules Office by elected public officials and candidates for elected public office, pursuant to 2 N.N.C. § 3762;
 - c. Loan applications for Navajo Nation loans to elected public officials and appointed public officials submitted to the Government Services Committee for approval, pursuant to Section 7(c) of the Personal Loan Operating Policies and Guidelines, approved by Resolution CLO-19-88; or
 - d. Records that must be disclosed in accordance with another statute or duly adopted rules and regulations of a governmental entity.
 6. Attorney-client privileged information, materials and work-products, including the mental impressions or legal theories of an attorney or other representative of a governmental entity;
 7. The negotiating position of the Navajo Nation before a contract, lease or other agreement is entered into;
 8. Records prepared by or on behalf of a governmental entity solely in anticipation of litigation that are not available under the rules of discovery;
 9. Information, research and discussions conducted by the public bodies of the Navajo Nation during executive sessions;
 10. Memoranda prepared by staff and used in the decision-making process by a judge or a member of any other body charged by law with performing a Quasi-judicial function;
 11. Information received in response to an invitation for bids or request for proposals before a contract is awarded. Such information will also remain unavailable to the general public after a contract is entered into provided that the information contained in the bid or proposals is proprietary in nature or otherwise to remain confidential at the request of the person submitting the bid or proposal;
 12. Information contained within or related to a contract, lease or other agreement which is proprietary in nature or otherwise to remain confidential at the request of any party to the contract, lease or other agreement;
 13. Records of a governmental audit agency relating to an ongoing or planned audit until the final audit is released;
 14. Records which are sealed or otherwise protected by court order due to the sensitive nature of the record in which the privacy interest of the person outweighs the public interest in the information;
 15. Records to which access is restricted pursuant to court rule or as a condition of participation in a state or federal program or for receiving state or federal funds;
 16. Drafts, unless otherwise classified as public;
 17. Information related to the location of an individual member of any threatened or endangered species, such that that individual member could be placed further at risk;

18. Information which cannot be released without interfering with an individual's right to exercise or practice his chosen religion;
 19. Information otherwise protected by applicable laws;
 20. Other records containing data on individuals the disclosure of which constitutes a clearly unwarranted invasion of personal privacy.
- B. Upon request, a governmental entity shall disclose a private or otherwise protected record as provided for in 2 N.N.C. § 86.

§86. Access to protected documents

Upon request, protected records will be available for disclosure as follows:

- A. Information shall be available for criminal and civil law enforcement for prosecution purposes, internal audit, as a result of a court order, to further an individual's medical treatment and to address public health needs.
- B. Information relating to an individual shall be available to the individual who is the subject of the record, or if a minor, shall be available to the parent or guardian subject to any applicable court order.
- C. Individual records may be released to third parties with the written permission, by means of a notarized release, of the individual who is the subject of those records, or his or her parent or legal guardian if a minor.
- D. Individual records may be used for statistical and other purposes provided that any information which could be used to identify the individual specifically is removed or withheld.
- E. Information about an individual will always be available to other Navajo Nation governmental entities subject to the general restrictions above.
- F. Before releasing a protected record, the governmental entity shall obtain evidence of the requester's identity.
- G. Before releasing a protected record, the governmental entity shall inform the requester that he or she is prohibited from disclosing or providing a copy of the protected record to any other person and shall obtain the requester's written acknowledgment of this prohibition.

§87 Segregation of records

- A. Notwithstanding any other provision in this subchapter, if a governmental entity receives a request for access to a record that contains both information that the requester is entitled to inspect and information that the requester is not entitled to inspect, and, if the information the requester is entitled to inspect is intelligible and able to be segregated, the governmental entity:
 1. Shall allow access to information in the record that the requester is entitled to inspect under this subchapter; and
 2. May deny access to information in the record if the information is exempt from disclosure to the requester, issuing a notice of denial as provided in 2 N.N. C. § 89.
- B. If there is more than one subject of a protected record, the portion of the record that pertains to another subject shall be segregated from the portion that the requester is entitled to inspect.

§88. Procedures

- A. Every person has the right to inspect a public record free of charge, and the right to take a copy of a public record during normal working hours, subject to subsection (H).
- B. All records are public unless otherwise expressly provided by statute.
- C. A person making a request for a record shall furnish the governmental entity with a written request containing his name, mailing address, daytime telephone number, if available, and a description of the records requested that identifies the record with reasonable specificity. The request for information shall be addressed to the governmental entity primarily responsible for compiling such records.
- D. A governmental entity is not required to create a record in response to a request. However, upon request, a governmental entity shall provide a record in a particular format if:
 1. The governmental entity is able to do so without unreasonably interfering with the governmental entity's duties and responsibilities; and
 2. The requester agrees to pay the governmental entity for its additional costs actually incurred in providing the record in the requested format.

person is guilty of an offense and upon conviction thereof shall be punished by a fine of not less than \$1000 nor more than \$5000.

- B. It is a defense to prosecution under subsection (A) that the actor released protected information in the reasonable belief that the disclosure of the information was necessary to expose a violation of law involving government corruption, abuse of office or misappropriation of public funds or property.
- C. A person who, by false pretenses, bribery or theft, gains access to or obtains a copy of any protected record to which he is not legally entitled is guilty of an offense and upon conviction thereof shall be punished by a fine of not less than \$1000 nor more than \$5000. No person shall be guilty who receives the record, information or copy after the fact and without prior knowledge of or participation in the false pretenses, bribery or theft.
- D. A public employee who intentionally refuses to release a record the disclosure of which the employee knows is required by law or by final unappealed order from a governmental entity or a court is guilty of an offense and upon conviction thereof shall be punished by a fine of not less than \$1000 nor more than \$5000.

§92. Civil Penalties

- A. A non-Indian who has lawful access to any protected record under this subchapter, who intentionally discloses or provides a copy of a protected record to any other person is subject to civil penalties of not less than \$1000 nor more than \$5000.
- B. It is a defense to a civil action under subsection (A) that the non-Indian actor released protected information in the reasonable belief that the disclosure of the information was necessary to expose a violation of law involving government corruption, abuse of office or misappropriation of public funds or property.
- C. A non-Indian person who by false pretenses, bribery or theft, gains access to or obtains a copy of any protected record to which he is not legally entitled is subject to civil penalties of not less than \$1000 nor more than \$5000. No person shall be subject to civil penalties who receives the record, information or copy after the fact and without prior knowledge of or participation in the false pretenses, bribery or theft.
- D. A non-Indian public employee who intentionally refuses to release a record the disclosure of which the employee knows is required by law or by final unappealed order from a governmental entity or a court is subject to civil penalties of not less than \$1000 nor more than \$5000.
- E. Any non-Navajo person within the Navajo Nation's jurisdiction, as defined at 7 N.N.C. § 254, having been found to be in repeated violation of this subchapter may be subject to the exclusionary provisions of the Navajo Nation, as provided at 17 N.N.C. § 1901 et seq.