

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

24TH NAVAJO NATION COUNCIL - Third Year, 2021

AN ACTION

**RELATING TO THE BUDGET AND FINANCE COMMITTEE; APPROVING THE
NAVAJO NATION FISCAL RECOVERY FUND APPLICATION PROCEDURES,
FORMS, AND EXPENDITURE PLAN TEMPLATE, PURSUANT TO CJY-41-21**

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the authority to promulgate rules and regulations regarding financial matters. 2 N.N.C. § 300(B)(1) and § 300(B)(2).
- B. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).
- C. The Navajo Nation Council has the power to delegate its authority to the standing committees of the Navajo Nation Council. 2 N.N.C. § 102(G).

SECTION TWO. FINDINGS

- A. The World Health Organization ("WHO") declared a Public Health Emergency of International Concern related to the Coronavirus ("COVID-19"), a highly contagious and sometimes fatal respiratory virus, on January 30, 2020; the U.S. Department of Health and Human Services declared a Public Health Emergency related to the COVID-19 outbreak on January 31, 2020; and the WHO declared a global pandemic due to COVID-19 on March 11, 2020.
- B. The Navajo Nation Commission on Emergency Management, with the concurrence of Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency on the Navajo Nation on March 11, 2020, due to the COVID-19 outbreak. See

Resolution No. CEM 20-03-11, incorporated herein by reference. The Navajo Nation Department of Health has subsequently issued numerous Public Health Emergency Orders. Public Health Orders 2020-001 through 2021-016 are incorporated herein by reference. These Public Health Emergency Orders are available at www.ndoh.navajo-nsn.gov.

- C. The coronavirus pandemic of 2019 has caused large scale infections and loss of life throughout the world, the United States, and within the Navajo Nation. As of August 9, 2021, the Navajo Nation Health Command Operations Center has confirmed 31,650 COVID-19 cases and 1,383 COVID-related deaths on the Navajo Nation. COVID-19 variants have recently emerged that threaten to increase these numbers and continue the pandemic's assault on the Navajo People.
- D. The devastating effects of COVID-19 continue throughout the Navajo Nation, and include widescale negative financial effects, such as employment losses, business closures, food and housing insecurity, and other economic disruptions.
- E. In response to the pandemic, on March 11, 2021, President Biden signed the American Rescue Plan Act ("ARPA") into law. Section 9901 of ARPA established the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund (together the "Fiscal Recovery Funds" or "FRF") by amending Title VI of the Social Security Act, which provided \$362 billion for state, local, and tribal governments, including \$20 billion designated for tribal governments.
- F. As of August 16, 2021, the United States Department of Treasury allocated \$2,079,461,464.93 to the Navajo Nation under the Fiscal Recovery Funds provisions of ARPA. The Fiscal Recovery Funds are designed to build on and expand the relief provided in the 2020 Coronavirus Aid, Relief, and Economic Security Act or CARES Act.
- G. The ARPA/Fiscal Recovery Funds are intended to support governmental efforts to mitigate and contain the spread of COVID-19, as well as to respond to the health, social and economic impacts of COVID-19 suffered by residents and businesses.
- H. In accordance with Section 9901 of ARPA, Fiscal Recovery Funds shall only be used:

1. To respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits; or aid to impacted industries such as tourism, travel, and hospitality;
 2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
 3. To provide government services to the extent of the reduction in Navajo Nation revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year prior to the emergency; and
 4. To make necessary investments in water, sewer, or broadband infrastructure.
- I. Pursuant to ARPA:
1. Fiscal Recovery Fund costs must be incurred by December 31, 2024, meaning the Navajo Nation must obligate FRF funds by that date; and
 2. the Fiscal Recovery Fund period of performance runs until December 31, 2026, meaning all FRF - funded projects must be completed by that date.
- J. While its acceptance of the Fiscal Recovery Funds obligates the Navajo Nation to comply with ARPA and other federal laws and regulations, the Navajo Nation can and will fulfill these obligations while retaining and exercising its tribal sovereignty in allocating and disbursing Fiscal Recovery Funds.
- K. On July 23, 2021 the Navajo Nation Council adopted Resolution No. CJY-41-21 that established the Navajo Nation's own Fiscal Recovery Fund ("NNFRF"), into which the Navajo Nation's allocation of \$2,079,461,464.93 has been deposited. CJY-41-21 also approved a general expenditure authorization process for Fiscal Recovery Funds. On August 2, 2021 the Navajo Nation President signed Resolution No. CJY-41-21 into law.

- L. In Section Four (A) of CJY-41-21, the Navajo Nation Council directed the Office of Management and Budget, in consultation with the Office of the Controller and the Department of Justice, to develop formal FRF application and review procedures, as well as an expenditure plan template, that shall be used for preparing and submitting requests for Navajo Nation Fiscal Recovery Funds, all of which shall be adopted by the Budget and Finance Committee. This Budget and Finance Committee legislation is intended to fulfill the Navajo Nation Council's directive in CJY-41-21.
- M. To ensure the Navajo Nation's compliance with ARPA in Section Four (B) of CJY-41-21 the Navajo Nation Council directs the Navajo Nation Department of Justice to "do an initial determination of whether a NNF RF funding request satisfies the legal requirements of the Fiscal Recovery Funds provisions of ARPA and applicable Navajo Nation laws, regulations, and policies and procedures."

SECTION THREE. ADOPTION OF APPLICATION AND REVIEW PROCEDURES

The Budget and Finance Committee hereby approves and adopts THE NAVAJO NATION FISCAL RECOVERY FUNDS APPLICATION PROCEDURES AND INSTRUCTIONS FOR REQUESTING FISCAL RECOVERY FUNDS UNDER THE AMERICAN RESCUE PLAN ACT OF 2021 ("ARPA"), as follows:

- 1. NAVAJO NATION GOVERNMENT UNITS - attached as **Exhibit 1**;
- 2. NON-GOVERNANCE-CERTIFIED CHAPTERS - attached as **Exhibit 2**;
- 3. GOVERNANCE-CERTIFIED CHAPTERS - attached as **Exhibit 3**;
- 4. NAVAJO NATION-OWNED ENTITIES - attached as **Exhibit 4**;
- 5. EXTERNAL ENTITIES - attached as **Exhibit 5**.

SECTION FOUR. ADOPTION OF APPLICATION FORMS AND EXPENDITURE PLAN TEMPLATE FOR FISCAL RECOVERY FUNDS

- A. The Budget and Finance Committee hereby approves and adopts THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN, which consists of five templates, as follows:
 - 1. NAVAJO NATION GOVERNMENT UNITS - attached as **APPENDIX A** to **Exhibit 1**;

2. NON-GOVERNANCE-CERTIFIED CHAPTERS - attached as **APPENDIX A** to **Exhibit 2**;
 3. GOVERNANCE-CERTIFIED CHAPTERS - attached as **APPENDIX A** to **Exhibit 3**;
 4. NAVAJO NATION-OWNED ENTITIES - attached as **APPENDIX A** to **Exhibit 4**;
 5. EXTERNAL ENTITIES - attached as **APPENDIX A** to **Exhibit 5**.
- B. The Budget and Finance Committee hereby approves and adopts NAVAJO NATION PROGRAM BUDGET SUMMARY (BUDGET FORM 1) Form, which consists of five templates, as follows:
1. NAVAJO NATION GOVERNMENT UNITS - attached as **APPENDIX B** to **Exhibit 1**;
 2. NON-GOVERNANCE-CERTIFIED CHAPTERS - attached as **APPENDIX B** to **Exhibit 2**;
 3. GOVERNANCE-CERTIFIED CHAPTERS - attached as **APPENDIX B** to **Exhibit 3**;
 4. NAVAJO NATION-OWNED ENTITIES - attached as **APPENDIX B** to **Exhibit 4**;
 5. EXTERNAL ENTITIES - attached as **APPENDIX B** to **Exhibit 5**.
- C. The Budget and Finance Committee hereby approves and adopts THE NAVAJO NATION OFFICE OF MANAGEMENT AND BUDGET - BUDGET REVISION REQUEST Form, which consists of five templates, as follows:
1. NAVAJO NATION GOVERNMENT UNITS - attached as **APPENDIX C** to **Exhibit 1**;
 2. NON-GOVERNANCE-CERTIFIED CHAPTERS - attached as **APPENDIX C** to **Exhibit 2**;
 3. GOVERNANCE-CERTIFIED CHAPTERS - attached as **APPENDIX C** to **Exhibit 3**;
 4. NAVAJO NATION-OWNED ENTITIES - attached as **APPENDIX C** to **Exhibit 4**;
 5. EXTERNAL ENTITIES - attached as **APPENDIX C** to **Exhibit 5**.

SECTION FIVE. DIRECTIVES

The Office of Management and Budget and the Office of the Controller shall post the Procedures and Forms approved herein, and Resolution No. CJY-41-21, on their respective websites.

SECTION SIX. EFFECTIVE DATE

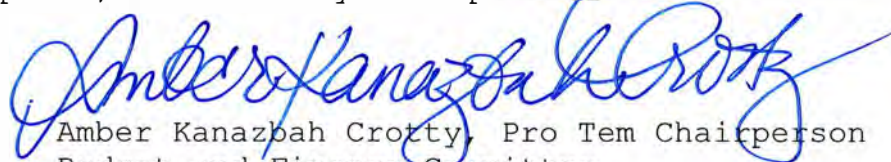
This legislation shall be effective upon its approval pursuant to 2 N.N.C. § 221 (C).

SECTION SEVEN. SAVINGS CLAUSE

If any provision of this legislation is determined invalid by the Navajo Nation Supreme Court, or by a Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, those provisions of this legislation not determined invalid shall remain the law of the Navajo Nation.

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held by teleconference at which a quorum was present and that the same was passed by a vote of 4 in favor and 0 opposed, this 1th day of September 2021.


Amber Kanazbah Crotty, Pro Tem Chairperson
Budget and Finance Committee

Motion: Honorable Elmer P. Begay
Second: Honorable Jimmy Yellowhair

NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES
FOR NAVAJO NATION GOVERNMENT UNITS
REQUESTING NAVAJO NATION FISCAL RECOVERY FUNDS
UNDER THE AMERICAN RESCUE PLAN ACT OF 2021



SECTION 1. INTRODUCTION

- (A) **History of ARPA and the Navajo Nation's FRF allocation.** On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. Section 9901 of ARPA amended Title VI of the Social Security Act to add Sections 602, which established the Coronavirus State Fiscal Recovery Fund, and 603, which established the Coronavirus Local Fiscal Recovery Fund, thereby appropriating Coronavirus State and Local Fiscal Recovery Funds in the amount of \$362 billion for state, local, and tribal governments, including \$20 billion designated for tribal governments. As of August 16, 2021, the United States Department of Treasury has allocated \$2,079,461,464.93 to the Navajo Nation (hereinafter referred to as "Funds").
- (B) **Guidance to Navajo Nation Government Units seeking Fiscal Recovery Funds.** In preparing a Funding Request, Navajo Nation Government Units must carefully review all provisions of the ARPA and its corresponding regulations, and must also be familiar with the U.S. Treasury Department's guidance, including the Interim Final Rule as amended, and the Treasury Department's most current Frequently Asked Questions publication. Units seeking Funds must ensure that the Treasury Department will consider all proposed expenditures to be a legal and proper use of such Funds. ARPA instructions and helpful information can be found on the Treasury Department's website at: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/tribal-governments>. Finally, all Navajo Nation Government Units seeking Funds should review and understand all provisions of Navajo Nation Council Resolution No. CJY-41-21, which establishes the Navajo Nation's goals and intent regarding the approval and use of Navajo Nation Fiscal Recovery Funds.

SECTION 2. ELIGIBLE USES FOR FISCAL RECOVERY FUNDS

Fiscal Recovery Funds shall only be used:

- (A) to respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits; or to provide aid to impacted industries such as tourism, travel, and hospitality;
- (B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- (C) to provide government services to the extent of the reduction in Navajo Nation revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (D) to make necessary investments in water, sewer, or broadband infrastructure.

The U.S. Department of the Treasury has identified 66 Fiscal Recovery Fund expenditure categories for purposes of compliance and reporting. (See "Appendix 1: Expenditure Categories" to Treasury's "Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds," dated June 24, 2021, attached hereto as **APPENDIX A**). To be eligible for an allocation of the Nation's Fiscal Recovery Funds, each of the proposed expenditures must fall under one of these 66 expenditure categories.

NOTE: All Fiscal Recovery Funds must be obligated by December 31, 2024, and funded Projects must be completed and all Funds fully spent by December 31, 2026.

SECTION 3. DEFINITIONS OF TERMS

(A) **Meanings; interpretation.** All capitalized terms used in these Procedures have the specific meaning shown in each of the following Subsections, as opposed to a common or ordinary meaning of the term, and the interpretation of all such terms shall be in accordance with Navajo Nation laws and policies.

(B) **Capitalized terms.**

- (1) “Administrative Oversight” means having the authority to monitor the implementation of an approved FRF Expenditure Plan and the expenditure of awarded Funds.
- (2) “ARPA” means the American Rescue Plan Act of 2021 signed into law by United States President Joseph R. Biden on March 11, 2021.
- (3) “ARPA Regulations” means the federal regulations implementing the ARPA, including all Treasury Department guidance and the Treasury Department’s “Interim Final Rule,” as they are amended.
- (4) “Comprehensive Funding Request” means all forms and documents comprising a larger request for Fiscal Recovery Funds, submitted for Initial Eligibility Determination Review on behalf of multiple NN Government Units.
- (5) “CJY-41-21” means Navajo Nation Council Resolution No. CJY-41-21, signed into law by the Navajo Nation President on August 2, 2021, that established the Navajo Nation’s Fiscal Recovery Fund and the expenditure authorization process for awarded Funds.
- (6) “Delegate” means a member of the Navajo Nation Council.
- (7) “Division” means a Division under the Executive Branch of the Navajo Nation Government; a Division may serve as a “Responsible Entity” as that term is used in CJY-41-21.
- (8) “DOJ” means the Navajo Nation Department of Justice.
- (9) “Fiscal Recovery Funds” or “Funds” or “FRF” means the money provided to the Navajo Nation from the Coronavirus State and Local Fiscal Recovery Funds under the ARPA; the term “Fiscal Recovery Funds” has the same meaning in these Procedures as this same term is used in CJY-41-21.
- (10) “FRF Budget Revision Request” means THE NAVAJO NATION OFFICE OF MANAGEMENT AND BUDGET - BUDGET REVISION REQUEST (attached as **APPENDIX C**), used for requesting a budget modification for an approved Project.
- (11) “FRF Expenditure Plan Budget” means THE NAVAJO NATION PROGRAM BUDGET SUMMARY or BUDGET FORM 1 (attached as **APPENDIX B**) that generally summarizes all proposed expenditures, and shows the type of expenditure and dollar amount for each category of expenditure, regarding any Project.
- (12) “FRF Request Form & Expenditure Plan” means THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR NAVAJO NATION GOVERNMENT UNITS (template attached as **APPENDIX A**); the term “FRF Expenditure Plan” refers to Part 2 of THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR NAVAJO NATION GOVERNMENT UNITS, and has the same meaning in these Procedures as the term “NNFRF Expenditure Plan” used in CJY-41-21; a completed FRF Expenditure Plan shall include all of the following (see Part 2 of **APPENDIX A**):
 - (a) a description of the Project, including how funds will be used, for what purpose, the location to be served, and what COVID-related needs will be addressed;

- (b) an explanation of how the Project will benefit the Navajo Nation, Navajo communities, or the Navajo People;
 - (c) a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project;
 - (d) identification of who will be responsible for implementing the Project;
 - (e) an explanation of who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively;
 - (f) an explanation of which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the Project falls under and the reasons why.
- (13) “Funding Recipient” means a NN Government Unit awarded Fiscal Recovery Funds for a Project.
- (14) “Funding Request” or “Funding Request Package” means, collectively, all forms and documents comprising a request for Fiscal Recovery Funds, including: (i) a completed FRF Request Form & Expenditure Plan; (ii) a completed FRF Expenditure Plan Budget; and (iii) all supporting documents, as required by these Procedures.
- (15) “Initial Eligibility Determination” is based on the criteria listed in Section 5 of these Procedures; an “Initial Eligibility Determination Review” means the review of a Funding Request Package performed by DOJ, which results in DOJ issuing a written Initial Eligibility Determination.
- (16) “NN Government Units” means, collectively, all governmental entities of the Legislative Branch, Judicial Branch, and Executive Branch of the Navajo Nation, as described in (a), (b), and (c) below.
- (a) “Legislative Branch Units” means all entities of the Legislative Branch of the Navajo Nation central government, including the Navajo Nation Council and all offices, boards, commissions, committees, and other governmental entities established, authorized, or subject to administrative oversight, by the Legislative Branch of the Navajo Nation.
 - (b) “Judicial Branch Units” means all entities of the Judicial Branch of the Navajo Nation central government, including all courts of the Navajo Nation and all programs, offices, boards, commissions, and other governmental entities established, authorized, or subject to administrative oversight by the Judicial Branch of the Navajo Nation.
 - (c) “Executive Branch Units” means all entities of the Executive Branch of the Navajo Nation central government, including the Office of the President and Vice President and all divisions, departments, programs, offices, and other governmental entities established, authorized, or subject to administrative oversight by the Executive Branch of the Navajo Nation, whether or not any such entity is under a division.
 - (d) “NN Government Units” does not include any of the 110 Chapters of the Navajo Nation, or any Township established by the Navajo Nation Council.
 - (e) “NN Government Units” does not include any Navajo Nation enterprises, townships, colleges, or authorities, as defined in 1 N.N.C. §552(M)-(R), or any other organization or entity that is not part of the Navajo Nation central government. “NN Government Units” does not include any organization, corporation, partnership, joint-venture, business, company, institution or other entity unless it is operated by the Navajo Nation central government.
- (17) “Obligated” means that an order has been placed for the delivery of goods or property, or the performance of services, that will be paid for with Fiscal Recovery Funds; that a contract or subcontract has been executed promising payment with Fiscal Recovery Funds; or that a similar transaction has occurred requiring payment of Fiscal Recovery Funds. For internal Navajo Nation purposes, funds are obligated or encumbered upon completion of OOC’s review and approval of contracts and purchase requisitions, and OOC’s recording of an encumbrance in the FMIS, not upon execution of a contract.

- (18) “OMB” means the Navajo Nation Office of Management and Budget.
- (19) “OOC” means the Navajo Nation Office of the Controller.
- (20) “OPVP” means the Office of the President and Vice-President of the Navajo Nation.
- (21) “Oversight Committee” means one or more standing committees of the Navajo Nation Council with legislative oversight authority over a Funding Recipient, a Project, or the subject matter of an FRF Expenditure Plan.
- (22) “President” means the Navajo Nation President.
- (23) “Procedures” means these NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES FOR NAVAJO NATION GOVERNMENT UNITS.
- (24) “Project” means any proposed program, infrastructure or other capital project, services, or activities desired by a NN Government Unit and described in an FRF Request Form & Expenditure Plan; a Project will be implemented, carried out, and completed with Fiscal Recovery Funds.

SECTION 4. PREPARING A REQUEST FOR FISCAL RECOVERY FUNDS

All NN Government Units shall comply with the applicable procedures in this entire Section 4, and all required Forms and documents shall be included in their Funding Request Package.

- (A) **Working with Branch Chiefs or Division Directors.** In preparing a Funding Request, each NN Government Unit shall obtain the assistance of, and cooperate with, its respective Branch Chief or Division Director. The appropriate Branch Chief or Division Director is authorized to submit, on behalf of a NN Government Unit, a Funding Request Package for Initial Eligibility Determination Review. For purposes of all Sections of these Procedures, a Branch Chief or a Division Director may authorize a designee to act in his/her capacity; and, as used herein “Speaker,” “Chief Justice,” “President,” or “Division Director” shall include his/her designee.
- (B) **Required Forms and documents.** All NN Government Units shall fully complete all of the following Forms and documents, all of which shall be made Exhibits to the legislation presented to the Navajo Nation Council for approval of their Funding Request:
 - (1) FRF Request Form & Expenditure Plan (see APPENDIX A);
 - (2) FRF Expenditure Plan Budget (see APPENDIX B):
 - (a) the NN Government Unit shall not request an amount of funds greater than the dollar amount that can be obligated by December 31, 2024 and fully expended by December 31, 2026, or by such other deadline dates that may be determined by the Navajo Nation Council;
 - (b) the NN Government Unit shall complete the FRF Expenditure Plan Budget using a general summary; NOTE: if/when a NN Government Unit’s Funding Request is approved as described in Section 5(H) of these Procedures, a more detailed line-item budget must be prepared as instructed by OMB, and processed through the Navajo Nation’s Executive Review procedures as directed by DOJ;
 - (c) section 4(F) of Council Resolution CJY-41-21 provides that expenditure plans involving construction activities shall include a contingency reserve consistent with industry standards adequate to cover projected inflation-based cost increases. Therefore, whenever construction activities are included in an expenditure plan, Budget Form 1, and subsequent detailed budgets, must include a budget line item for contingencies.
 - (3) all other relevant documents in support of the Funding Request.
- (C) **Comprehensive Funding Requests for NN Government Units.** Rather than individually submitting a Funding Request for piecemeal review and legislative approval, a Comprehensive Funding Request shall be prepared and submitted for various NN Government Units, by Branch, by Division, or by Project type, as provided for in Sections (C)(1)-(5) below.

- (1) **By Branch - Legislative Branch Units.** Each Legislative Branch Unit shall submit its individual Funding Request Package to the Speaker. The Speaker shall review, approve, and sign each Legislative Branch Unit's FRF Request Form & Expenditure Plan and FRF Expenditure Plan Budget. Each approved Package shall then be included in the Legislative Branch's Comprehensive Funding Request that will, in turn, be signed and submitted by the Speaker for an Initial Eligibility Determination Review.
 - (2) **By Branch - Judicial Branch Units.** Each Judicial Branch Unit shall submit its individual Funding Request Package to the Chief Justice. The Chief Justice shall review, approve, and sign each Judicial Branch Unit's FRF Request Form & Expenditure Plan and FRF Expenditure Plan Budget. Each approved Package shall then be included in the Judicial Branch's Comprehensive Funding Request that will, in turn, be signed and submitted by the Chief Justice for an Initial Eligibility Determination Review.
 - (3) **By Branch - Executive Branch Units not under a Division.** Each Executive Branch Unit not under a Division shall first obtain the signature of its respective Director or Manager on its FRF Request Form & Expenditure Plan and on its FRF Expenditure Plan Budget, then submit its individual Funding Request Package to the President. The President shall review, approve, and sign each Unit's FRF Request Form & Expenditure Plan and FRF Expenditure Plan Budget. Each approved Package shall then be included in the Executive Branch's Comprehensive Funding Request that will, in turn, be signed and submitted by the President for an Initial Eligibility Determination Review.
 - (4) **By Division - Executive Branch Units under a Division.** Each Executive Branch Unit under a Division shall first obtain the signature of its respective Director or Manager on its FRF Request Form & Expenditure Plan and on its FRF Expenditure Plan Budget, then submit its individual Funding Request Package to its respective Division Director. The Division Director shall review, approve, and sign each Unit's FRF Request Form & Expenditure Plan and FRF Expenditure Plan Budget. Each approved Package shall then be included in that Division's Comprehensive Funding Request that will, in turn, be signed and submitted by the Division Director for an Initial Eligibility Determination Review.
 - (5) **By Project type - multiple NN Government Units across Branches.** Several individual Funding Requests, related by one Project type, may be prepared by multiple NN Government Units under any Branch or under any Division (for example, a Legislative Commission, a Judicial Office, and an Executive Department all seeking funding for broadband Projects). In such cases, the various NN Government Units shall each follow the respective applicable provisions from Sections 4(C)(1)-(4) above, except that each approved Package signed by the Branch Chief or the Division Director, if any, shall be then submitted to the OPVP which shall prepare a Comprehensive Funding Request Package for the multiple Projects of a single type, and shall then submit the Comprehensive Package for an Initial Eligibility Determination Review.
- (D) **Authorization to submit.** The appropriate Branch Chief or Division Director, or the President in the case of multiple Funding Requests, shall review, approve, and sign each NN Government Unit's FRF Request Form & Expenditure Plan and FRF Expenditure Plan Budget, and then submit on behalf of the NN Government Unit, its Funding Request for an Initial Eligibility Determination Review.

SECTION 5. EXPEDITED REVIEW PROCESS; ELIGIBILITY DETERMINATIONS

- (A) **Submitting the Funding Request.** All Funding Requests shall be submitted to DOJ for an Initial Eligibility Determination Review by completing a DOJ "Request for Services" form. A courtesy copy of the Funding Request Package shall also be submitted to the OMB Contracts and Grants Section at Docs@omb.navajo-nsn.gov, OOC, and the NNFRF Office.
- (B) **DOJ Review.** DOJ shall conduct an Initial Eligibility Determination Review to determine if all required Forms and documents in each of the Funding Requests are complete, accurate, and meet all applicable

requirements, and whether all proposed Project expenditures are eligible for FRF funding. DOJ shall indicate in writing whether or not each Funding Request is deemed eligible for a funding award according to the criteria listed in Section 5(E) of these Procedures. However, an “eligible” determination does not mean that a Funding Request will be given final approval by the Navajo Nation Council or the President.

- (C) **Expedited time for review.** DOJ shall complete its Initial Eligibility Determination Review within 5 working days of its receipt of a Funding Request, excluding weekends and holidays. Whenever possible, Reviews will be completed the same business day. If the Review is not completed within the 5 working days, the Funding Request Package shall be returned to the submitting party, with the notation: “REVIEW NOT COMPLETED WITHIN 5 DAYS.” If DOJ does not complete its review within 5 working days of submission, the submitting party may request that a Delegate sponsor legislation for the Funding Request.
- (D) **After review is completed.** Once DOJ completes its Initial Eligibility Determination Review of a Funding Request Package, DOJ shall notify the submitting party that its Review is complete, and shall also email the entire Funding Request Package, along with its written determination, back to the submitting party within the deadline provided for in Section 5(C) above.
- (E) **Ineligibility; Rejection of Funding Request.** With written explanation, DOJ may deem a Funding Request ineligible and may reject and return a Funding Request Package back to the submitting party, if:
 - (1) any required Form is incomplete, inaccurate, or illegible; or
 - (2) any required Form is not signed by the appropriate person(s) as required in these Procedures; or
 - (3) any portion of the FRF Expenditure Plan template is not fully completed, in accordance with all requirements in Section 3(B)(12) of these Procedures, with fully detailed explanations and information regarding all proposed expenditures of the requested Fiscal Recovery Funds; or
 - (4) any required supporting document is not included with the Funding Request; or
 - (5) any portion of the Funding Request does not fit within the eligible purposes outlined in Section 2 of these Procedures; or
 - (6) all Fiscal Recovery Funds for the Project will not be obligated by December 31, 2024; or
 - (7) delivery of goods or performance of services will not be achieved, the Project will not be completed, and the entire amount of requested Fiscal Recovery Funds will not be fully spent by December 31, 2026; or
 - (8) any question or issue related to the Funding Request that was raised by DOJ and communicated to the NN Government Unit is not satisfactorily addressed in a manner that allows DOJ to meet the review deadline in Section 5(C) of these Procedures; or
 - (9) the NN Government Unit has failed to complete and timely submit any reports required pursuant to the Navajo Nation CARES Funds Act, and/or the federal Coronavirus Aid, Relief, and Economic Security Act of 2020 (“CARES Act”); or
 - (10) approving the Funding Request or awarding Funds to the NN Government Unit would be inconsistent with any applicable Navajo Nation or federal laws or regulations.
- (F) **Resubmittal of Funding Request.** After a determination of ineligibility by DOJ, the NN Government Unit shall be allowed one opportunity to correct and resubmit a Funding Request. However, if any changes are made to the Project, any required Form(s), the proposed FRF Expenditure Plan, or any supporting documents (including the substitution of any document), revised Forms and new signatures shall then be required from the appropriate person(s) as provided for in Sections 4(C)-(D) of these Procedures.
- (G) **Preparation of approval legislation.** Once DOJ has completed its Initial Eligibility Determination Review of an individual NN Government Unit’s Funding Request Package, or of each Funding Request in a Comprehensive Package, a Delegate may present the Package(s) to the Office of Legislative Counsel, along with a request for approval legislation. The Office of Legislative Counsel shall then draft the sponsoring Delegate’s requested legislation for the Navajo Nation Council’s approval of the Funding Request(s). A Delegate may choose to sponsor approval legislation regardless of DOJ’s determination of ineligibility.

- (H) **Final eligibility determination by Council and President.** Any review of a Funding Request pursuant to this Section 5 of these Procedures shall be considered an “Initial Eligibility Determination” only, as this term is defined in Section 3(B)(15) of these Procedures. The final determination as to whether or not a Funding Request is approved, or whether a NN Government Unit is awarded Fiscal Recovery Funds shall be made by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), and subject to the provisions of 2 N.N.C. §164(A)(17).

SECTION 6. IMPLEMENTING EXPENDITURE PLANS; REPORTING REQUIREMENTS

- (A) **Notification to Funding Recipient.** The approval of a NN Government Unit’s Funding Request as described in Section 5(H) shall serve as notice to the NN Government Unit that it is a “Funding Recipient.”
- (B) **Business Unit.** FRF monies awarded shall be assigned a Business Unit Number in the Navajo Nation’s Financial Management Information System (“FMIS”). OMB shall provide instructions to the NN Government Unit regarding the budget submission requirements to establish budgets and business unit numbers for awarded funds in the FMIS.
- (C) **Budget information required.** Awarded Funds shall be made available only after the Funding Recipient submits its appropriate budget information on budget forms as required by OMB. Budgets for expenditure plans that include construction activities must include a budget line item for a contingency reserve in accordance with section 4(F) of Council Resolution CJY-41-21.
- (D) **Administrative Oversight.** For each approved Funding Request, all awarded Funds shall be disbursed by OOC. Administrative Oversight shall be retained by each NN Government Unit’s Division Director or respective Branch Chief, or by the President if the President submitted the Funding Request for an Initial Eligibility Determination Review.
- (E) **Providing documents and required reports.** All financial information and documents, such as invoices, copies of checks, records of wire transfers, and bank reconciliations, must be provided by the Funding Recipient if so requested by the person with Administrative Oversight, OMB, or OOC. In addition, all Funding Recipients shall regularly submit to the person with Administrative Oversight, and to OOC and OMB the following reports:
- (1) A quarterly narrative report to be submitted no later than ten (10) business days after the end of each quarter. Each narrative report shall include all of the following:
 - (a) all the Funding Recipient’s accomplishments towards meeting the purposes of the Funds award;
 - (b) a description of any significant problems encountered, and a detailed plan as to how those problems will be, or have been, managed and resolved;
 - (c) a statement detailing whether the Funding Recipient is on schedule to obligate all awarded Funds by December 31, 2024 (or other deadline date as determined by the Navajo Nation Council);
 - (d) a statement detailing whether the Project will be fully completed and all awarded Fiscal Recovery Funds spent by December 31, 2026 (or other deadline date as determined by the Navajo Nation Council).
 - (2) A quarterly financial report, in a format as instructed by OOC, to be submitted no later than ten (10) business days after the end of each quarter.
 - (3) A single financial closeout report, in a format as instructed by OOC, to be submitted by thirty (30) business days after December 31, 2026 (or other deadline date set by the Navajo Nation Council). The report shall include all requested financials and a narrative report on the result of Projects funded.
- (F) **Reversion of Funds.** All Fiscal Recovery Funds not expended in accordance with an approved FRF Expenditure Plan Budget shall automatically and immediately revert back to the Navajo Nation Fiscal

Recovery Fund as described in CJY-41-21. All Funds not fully obligated by December 31, 2024 shall likewise revert back to the Navajo Nation Fiscal Recovery Fund.

SECTION 7. MONITORING AND OVERSIGHT

Once a NN Government Unit's Funding Request is approved, the Administrative Oversight entity shall ensure that:

- (A) all documents or reports required by Section 6(E) of these Procedures are timely submitted;
- (B) all awarded Funds are disbursed and expended in accordance with these Procedures, with all provisions of CJY-41-21, the ARPA and ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies;
- (C) the Project's scope of work and performance criteria are being met;
- (D) all provisions of the approved FRF Expenditure Plan are being followed; and
- (E) recommendations by OMB, OOC, or the Administrative Oversight, regarding the contents of any required document or report submitted pursuant to Section 6(E) of these Procedures, are provided in writing to the appropriate Oversight Committee(s).

SECTION 8. MODIFYING EXPENDITURE PLANS OR BUDGETS

All proposed modifications, revisions, amendments, or changes whatsoever to an approved FRF Expenditure Plan or an approved FRF Expenditure Plan Budget, shall comply with the following:

- (A) **Project modifications; no increase in funds.** Project modifications shall not increase the amount of Fiscal Recovery Funds originally approved as described in Section 5(H) of these Procedures. If any Project modification is desired, the Administrative Oversight entity acting on behalf of the Funding Recipient must prepare and submit a new FRF Request Form & Expenditure Plan and a new FRF Expenditure Plan Budget, and shall comply with all applicable provisions of these Procedures. Modifications that change the purpose and intent of the Project as described in the originally-approved FRF Request Form & Expenditure Plan, or that substantially change the scope of work of the project shall require approval by the Navajo Nation Council. DOJ shall make the determination if Navajo Nation Council approval of the modification is required. After DOJ has reviewed the request for a Project modification and determined that Council approval is not needed, or after the Council approves the modification, the Administrative Oversight entity acting on behalf of the Funding Recipient shall submit a budget revision request to OMB if needed.
- (B) **Revised Forms.** Funding Recipients desiring a modification shall submit, at a minimum, a revised FRF Request Form & Expenditure Plan, an FRF Budget Revision Request, and supporting documents related to the proposed modification. New signatures shall be required from the appropriate person(s) as provided for in Section 4(C) and 4(D), and all provisions in Sections 4, 5, and 6 of these Procedures shall be followed.
- (C) **Updated Initial Eligibility Determination Review required.** Funding Recipients shall submit their revised FRF Request Form & Expenditure Plan, FRF Budget Revision Request, and supporting documents, to DOJ for an updated Initial Eligibility Determination Review of the proposed modification.
- (D) **Approval of modifications.** Except as described in Section 8(A) above, all modifications must be approved by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), subject to the provisions of 2 N.N.C. §164 (A)(17).

* * * * * **END OF DOCUMENT** * * * * *

THE NAVAJO NATION
FISCAL RECOVERY FUNDS **REQUEST FORM & EXPENDITURE PLAN**
FOR NAVAJO NATION GOVERNMENT UNITS

Part 1. Identification of parties.

NN Government Unit
requesting FRF: _____ date prepared: _____
indicate Department, Program, Office, Division, or Branch

NN Government Unit's
mailing address: _____ phone/email: _____
website (if any): _____

Form prepared by: _____ phone/email: _____

CONTACT PERSON'S name, title and Department, Program, Office, etc.

CONTACT PERSON'S info

Title & type of Project: _____

NN Government Unit's
Director or Manager: _____ phone & email: _____

Division Director (if any): _____ phone & email: _____

Branch Chief: _____ phone & email: _____

Funding Recipient will be working with: _____ on the Project and
indicate Branch and/or Division
the same will be submitting the Funding Request Package for Initial Eligibility Determination Review, and will have Administrative Oversight over
this FRF Expenditure Plan.

List names or types of Subcontractors or Subrecipients that will be paid with FRF (if known):

_____ ☐ document attached

Amount of FRF requested: _____ FRF funding period: _____
indicate Project starting and ending/deadline date

Part 2. Expenditure Plan details.

(a) Describe the Program(s) and/or Project(s) to be funded, including how the funds will be used, for what purposes, the location(s) to be served,
and what COVID-related needs will be addressed:

_____ ☐ document attached

(b) Explain how the Program or Project will benefit the Navajo Nation, Navajo Communities, or the Navajo People:

_____ ☐ document attached

(c) Provide a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project. Disclose any challenges that may prevent you from incurring costs for all funding by December 31, 2024 and/or fully expending funds and completing the Program(s) or Project(s) by December 31, 2026:

☐ document attached

(d) Identify who will be responsible for implementing the Program or Project:

☐ document attached

(e) Explain who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively:

☐ document attached

(f) State which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the proposed Program or Project falls under, and explain the reason why:

☐ document attached

Part 3. Additional documents.

List here all additional supporting documents attached to this FRF Expenditure Plan (or indicate N/A):

Part 4. Affirmation by Funding Recipient.

Funding Recipient affirms that its receipt of Fiscal Recovery Funds and the implementation of this FRF Expenditure Plan shall be in accordance with Resolution No. CJY-41-21, the ARPA, ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies:

NN Government Unit

Preparer: _____ Approved by: _____
signature of Preparer/CONTACT PERSON *signature of NN Government Unit's Dept./Program/Office Director or Manager*

Approved to submit
for Review: _____ Print Name, Title,
Branch or Division: _____
signature of Branch Chief or Division Director *print name and indicate title or position*

indicate Branch or Division

**Appendix 1: Expenditure Categories**

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term "Expenditure Category" refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure²⁷	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities (see Project Demographic Distribution section above for details)

²⁷ Definitions for water and sewer Expenditure Categories can be found in the EPA's handbooks. For "clean water" expenditure category definitions, please see:

<https://www.epa.gov/sites/production/files/2018-03/documents/cwdefinitions.pdf>. For "drinking water" expenditure category definitions, please see: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-national-information-management-system-reports>.

FY _____

**THE NAVAJO NATION
PROGRAM BUDGET SUMMARY**

Page ____ of ____
BUDGET FORM 1

PART I. Business Unit No.: _____		Program Title: _____		Division/Branch: _____	
Prepared By: _____		Phone No.: _____		Email Address: _____	

PART II. FUNDING SOURCE(S)	Fiscal Year /Term	Amount	% of Total	PART III. BUDGET SUMMARY	Fund Type Code	(A) NNC Approved Original Budget	(B) Proposed Budget	(C) Difference or Total
				2001 Personnel Expenses				
				3000 Travel Expenses				
				3500 Meeting Expenses				
				4000 Supplies				
				5000 Lease and Rental				
				5500 Communications and Utilities				
				6000 Repairs and Maintenance				
				6500 Contractual Services				
				7000 Special Transactions				
				8000 Public Assistance				
				9000 Capital Outlay				
				9500 Matching Funds				
				9500 Indirect Cost				
				TOTAL		\$0.00	0.00	0

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

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

SUBMITTED BY: _____	APPROVED BY: _____	Division Director / Branch Chief's Printed Name
Program Manager's Printed Name		
Program Manager's Signature and Date		Division Director / Branch Chief's Signature and Date

**THE NAVAJO NATION
OFFICE OF MANAGEMENT AND BUDGET
BUDGET REVISION REQUEST**

(For Use on NN Funds and External Grant Budgets)

PART I. PROGRAM INFORMATION:						
PREPARED/REQUESTED BY (PRINTED NAME & TITLE)				EMAIL ADDRESS		DATE
BUSINESS UNIT NO.	PROGRAM / DEPARTMENT TITLE			PHONE NO.		
PART II. FOR EXTERNAL GRANT OR CONTRACT USE ONLY:						
TITLE OF EXTERNAL CONTRACT / GRANT				FUNDING PERIOD - START/ END DATE		
PART III. TRANSFER FROM OBJECT CODE:				PART IV. TRANSFER TO OBJECT CODE:		
FUNDS AVAILABLE (OMB USE ONLY)	LOD	FROM OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	LOD	TO OBJECT CODE & DESCRIPTION OF CODE	AMOUNT
TOTAL				TOTAL		
PART V. JUSTIFICATION FOR BUDGET REVISION (Must be detailed and complete): Explain why the revision is required and provide calculations to show budget is sufficient for the purpose of the budget revision or to the end of the funding period. Do not simply repeat the information provided in Part III and IV above.						
PART VI. IMPACT ON PROGRAM PERFORMANCE CRITERIA SET IN BUDGET FORM 2: Describe change in funding's (object code) affect on performance criteria, if any.						
PART VII. APPROPRIATE SIGNATURES:						
DEPARTMENT/PROGRAM DIRECTOR (PRINTED)				BRANCH/DIVISION DIRECTOR (PRINTED)		
APPROVAL SIGNATURE / DATE				CONCURRENCE SIGNATURE / DATE		

NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES
FOR NON-GOVERNANCE-CERTIFIED CHAPTERS
REQUESTING NAVAJO NATION FISCAL RECOVERY FUNDS
UNDER THE AMERICAN RESCUE PLAN ACT OF 2021

EXHIBIT

2

SECTION 1. INTRODUCTION

- (A) **History of ARPA and the Navajo Nation's FRF allocation.** On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. Section 9901 of ARPA amended Title VI of the Social Security Act to add Sections 602, which established the Coronavirus State Fiscal Recovery Fund, and 603, which established the Coronavirus Local Fiscal Recovery Fund, thereby appropriating Coronavirus State and Local Fiscal Recovery Funds in the amount of \$362 billion for state, local, and tribal governments, including \$20 billion designated for tribal governments. As of August 16, 2021, the United States Department of Treasury has allocated \$2,079,461,464.93 to the Navajo Nation (hereinafter referred to as "Funds").
- (B) **Guidance to Non-Governance-Certified Chapters seeking Fiscal Recovery Funds.** In preparing a Funding Request, Non-Governance-Certified Chapters must carefully review all provisions of the ARPA and its corresponding regulations, and must also be familiar with the U.S. Treasury Department's guidance including the Interim Final Rule as amended, and the Treasury Department's most current Frequently Asked Questions publication. Those seeking Funds must ensure that the Treasury Department will consider all proposed expenditures to be a legal and proper use of such Funds. ARPA instructions and helpful information can be found on the Treasury Department's website at: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/tribal-governments>. Finally, Non-Governance-Certified Chapters seeking Funds should review and understand all provisions of Navajo Nation Council Resolution No. CJY-41-21, which establishes the Navajo Nation's goals and intent regarding the approval and use of Navajo Nation Fiscal Recovery Funds.

SECTION 2. ELIGIBLE USES FOR FISCAL RECOVERY FUNDS

Fiscal Recovery Funds shall only be used:

- (A) to respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits; or to provide aid to impacted industries such as tourism, travel, and hospitality;
- (B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- (C) to provide government services to the extent of the reduction in Navajo Nation revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (D) to make necessary investments in water, sewer, or broadband infrastructure.

The U.S. Department of the Treasury has identified 66 Fiscal Recovery Fund expenditure categories for purposes of compliance and reporting. (See "Appendix 1: Expenditure Categories" to Treasury's "Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds," dated June 24, 2021, attached hereto as **APPENDIX A**). To be eligible for an allocation of the Nation's Fiscal Recovery Funds, each of the proposed expenditures must fall under one of these 66 expenditure categories.

NOTE: All Fiscal Recovery Funds must be obligated by December 31, 2024, and funded Projects must be completed and all Funds fully spent by December 31, 2026.

SECTION 3. DEFINITIONS OF TERMS

(A) **Meanings; interpretation.** All capitalized terms used in these Procedures have the specific meaning shown in each of the following Subsections, as opposed to a common or ordinary meaning of the term, and the interpretation of all such terms shall be in accordance with Navajo Nation laws and policies.

(B) **Capitalized terms.**

- (1) “Administrative Oversight” means having the authority to monitor the implementation of an approved FRF Expenditure Plan and the expenditure of awarded Funds.
- (2) “ARPA” means the American Rescue Plan Act of 2021 signed into law by U.S. President Joseph R. Biden on March 11, 2021.
- (3) “ARPA Regulations” means the federal regulations implementing the ARPA, including all Treasury Department guidance and the Treasury Department’s “Interim Final Rule,” as they are amended.
- (4) “Comprehensive Funding Request” means all Forms and documents comprising a larger request for Fiscal Recovery Funds, submitted for Initial Eligibility Determination Review on behalf of multiple Non-Governance-Certified Chapters.
- (5) “CJY-41-21” means Navajo Nation Council Resolution No. CJY-41-21, signed into law by the Navajo Nation President on August 2, 2021, that established the Navajo Nation’s Fiscal Recovery Fund and the expenditure authorization process for awarded Funds.
- (6) “DCD” means the Navajo Nation Division of Community Development.
- (7) “Delegate” means a member of the Navajo Nation Council.
- (8) “DOJ” means the Navajo Nation Department of Justice.
- (9) “Fiscal Recovery Funds” or “Funds” or “FRF” means the money provided to the Navajo Nation from the Coronavirus State and Local Fiscal Recovery Funds under the ARPA; the term “Fiscal Recovery Funds” has the same meaning in these Procedures as this same term is used in CJY-41-21.
- (10) “FRF Budget Revision Request” means THE NAVAJO NATION OFFICE OF MANAGEMENT AND BUDGET - BUDGET REVISION REQUEST (attached as **APPENDIX C**), used for requesting a budget modification for an approved Project.
- (11) “FRF Expenditure Plan Budget” means THE NAVAJO NATION PROGRAM BUDGET SUMMARY or BUDGET FORM 1 (attached as **APPENDIX B**) that generally summarizes all proposed expenditures, and shows the type of expenditure and dollar amount for each category of expenditure, regarding any Project.
- (12) “FRF Request Form & Expenditure Plan” means THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR NON-GOVERNANCE-CERTIFIED CHAPTERS (template attached as **APPENDIX A**); the term “FRF Expenditure Plan” refers to Part 2 of THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR NON-GOVERNANCE-CERTIFIED CHAPTERS, and has the same meaning in these Procedures as the term “NNFRF Expenditure Plan” used in CJY-41-21; a completed FRF Expenditure Plan shall include all of the following (see Part 2 of **APPENDIX A**):
 - (a) a description of the Project, including how funds will be used, for what purpose, the location to be served, and what COVID-related needs will be addressed;
 - (b) an explanation of how the Project will benefit the Navajo Nation, Navajo communities, or the Navajo People;

- (c) a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project;
 - (d) identification of who will be responsible for implementing the Project;
 - (e) an explanation of who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively;
 - (f) an explanation of which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the Project falls under and the reasons why.
- (13) “Funding Recipient” means the Division of Community Development, which may be awarded Fiscal Recovery Funds for a Project on behalf of a non-Governance-Certified Chapter.
- (14) “Funding Request” or “Funding Request Package” means, collectively, all forms and documents comprising a request for Fiscal Recovery Funds, including: (i) a completed FRF Request Form & Expenditure Plan; (ii) a completed FRF Expenditure Plan Budget; and (iii) all supporting documents, as required by these Procedures.
- (15) “Initial Eligibility Determination” is based on the criteria listed in Section 5 of these Procedures; an “Initial Eligibility Determination Review” means the review of a Funding Request Package performed by DOJ, which results in DOJ issuing a written Initial Eligibility Determination.
- (16) “Non-Governance-Certified Chapters” means, collectively, all Navajo Nation Chapters not local-governance-certified pursuant to 26 N.N.C. § 102.
- (17) “NNFRF Office” means the temporary office established by the Navajo Office of the President and Vice-President per CJY-41-21, to, among other things, facilitate and implement Navajo Nation Fiscal Recovery Funds responsibilities assigned to the Office of the President and Vice-President or the Executive Branch.
- (18) “Obligated” means that an order has been placed for the delivery of goods or property, or the performance of services, that will be paid for with Fiscal Recovery Funds; that a contract or subcontract has been executed promising payment with Fiscal Recovery Funds; or that a similar transaction has occurred requiring payment of Fiscal Recovery Funds. For internal Navajo Nation purposes, funds are obligated or encumbered upon completion of OOC’s review and approval of contracts and purchase requisitions, and OOC’s recording of an encumbrance in the FMIS, not upon execution of a contract.
- (19) “OMB” means the Navajo Nation Office of Management and Budget.
- (20) “OOC” means the Navajo Nation Office of the Controller.
- (21) “Oversight Committee” means one or more standing committees of the Navajo Nation Council with legislative oversight authority over a Funding Recipient, a Project, or the subject matter of an FRF Expenditure Plan.
- (22) “President” means the President of the Navajo Nation.
- (23) “Procedures” means these NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES FOR NON-GOVERNANCE-CERTIFIED CHAPTERS.
- (24) “Project” means any proposed program, infrastructure or other capital project, services, or activities desired by a Non-Governance-Certified Chapter and described in an FRF Request Form & Expenditure Plan; a Project will be implemented, carried out, and completed with Fiscal Recovery Funds.

SECTION 4. PREPARING A REQUEST FOR FISCAL RECOVERY FUNDS

All Non-Governance-Certified Chapters shall comply with the applicable procedures in this entire Section 4, and all required Forms and documents shall be included in their Funding Request Package.

- (A) **Working with DCD.** In preparing a Funding Request, each Non-Governance-Certified Chapter shall obtain the assistance of, and cooperate with, DCD. Only the DCD Director is authorized to submit, on behalf of a

Non-Governance-Certified Chapter, a Funding Request Package for an Initial Eligibility Determination Review. For purposes of all Sections of these Procedures, the DCD Director may authorize a designee to act in his/her capacity; as used herein "DCD Director" shall include his/her designee. In preparing the Funding Request and prior to submission to DOJ, DCD shall communicate and coordinate with the NNFRF Office.

(B) **Required Forms and documents.** All Non-Governance-Certified Chapters shall fully complete all of the following Forms and documents, all of which shall be submitted to DCD. All such Forms and documents shall be made Exhibits to the legislation presented to the Navajo Nation Council for approval of their Funding Request:

(1) FRF Request Form & Expenditure Plan (see **APPENDIX A**);

(2) FRF Expenditure Plan Budget (see **APPENDIX B**):

(a) the Non-Governance-Certified Chapter shall not request an amount of funds greater than the dollar amount that can be obligated by December 31, 2024 and fully expended by December 31, 2026, or by such other deadline dates that may be determined by the Navajo Nation Council;

(b) the Non-Governance-Certified Chapter shall complete the FRF Expenditure Plan Budget using a general summary; NOTE: if/when a Non-Governance-Certified Chapter's Funding Request is approved as described in Section 5(H) of these Procedures, a more detailed line-item budget must be prepared as instructed by OMB;

(c) Section 4(F) of Council Resolution CJY-41-21 provides that expenditure plans involving construction activities shall include a contingency reserve consistent with industry standards adequate to cover projected inflation-based cost increases. Therefore, whenever construction activities are included in an expenditure plan, Budget Form 1, and subsequent detailed budgets, must include a budget line item for contingencies.

(3) provide a duly approved Chapter Resolution that includes a statement supporting the Project and affirming that the Chapter will only use awarded Funds in compliance with the ARPA, the ARPA Regulations, and all other applicable Navajo Nation and federal laws and regulations;

NOTE: this provision does not apply to formula-based distributions of Fiscal Recovery Funds to Non-Governance-Certified Chapters;

(4) all other relevant documents in support of the Funding Request.

(C) **Comprehensive Funding Requests for Non-Governance-Certified Chapters.** Instead of individually submitted Funding Requests, a Comprehensive Funding Request may be prepared and submitted for multiple Non-Governance-Certified Chapters, as provided for in Sections (C)(1)-(2) below. Such a Comprehensive Funding Request for multiple Non-Governance-Certified Chapters may be based on a single Project type, and there may be several Comprehensive Funding Requests for multiple Chapter Project types.

(1) **Required signatures.** Before submitting its Funding Request Package to DCD, the Non-Governance-Certified Chapter shall obtain signatures of the Chapter President and the Chapter Community Services Coordinator on its FRF Request Form & Expenditure Plan and its FRF Expenditure Plan Budget.

(2) **DCD submits Comprehensive Request.** The DCD Director shall review, approve, and sign each Non-Governance-Certified Chapter's FRF Request Form & Expenditure Plan and its FRF Expenditure Plan Budget. Each approved Package shall then be included in DCD's Comprehensive Funding Request for Non-Governance-Certified Chapters, that will, in turn, be signed and submitted by the DCD Director for an Initial Eligibility Determination Review. In preparing the Funding Request and prior to submitting to DOJ, DCD shall communicate and coordinate with the NNFRF Office.

SECTION 5. EXPEDITED REVIEW PROCESS; ELIGIBILITY DETERMINATIONS

- (A) **Submitting the Funding Request.** DCD's Comprehensive Funding Request for Non-Governance-Certified Chapters shall be submitted to DOJ for an Initial Eligibility Determination Review, by completing a DOJ "Request for Services" form. A courtesy copy of the Funding Request Package shall also be submitted to the NNFRF Office, to the OMB Contracts and Grants Section at Docs@omb.navajonnsn.gov, and to OOC.
- (B) **DOJ Review.** DOJ shall conduct an Initial Eligibility Determination Review to determine if all required Forms and documents in each of the Funding Requests are complete, accurate, and meet all applicable requirements; and whether all proposed Project expenditures are eligible for FRF funding. DOJ shall indicate in writing whether or not each Funding Request is deemed eligible for a funding award according to the criteria listed in Section 5(E) of these Procedures. However, an "eligible" determination does not mean that a Funding Request will be given final approval by the Navajo Nation Council or the President.
- (C) **Expedited time for review.** DOJ shall complete its Initial Eligibility Determination Review within 5 working days of its receipt of a Funding Request, excluding weekends and holidays. Whenever possible, Reviews will be completed the same business day. If the Initial Eligibility Determination Review is not completed within the 5 working days, the Funding Request Package shall be returned to the submitting party, with the notation "REVIEW NOT COMPLETED WITHIN 5 WORKING DAYS." If DOJ does not complete its review within 5 working days, the submitting party may request that a Delegate sponsor approval legislation for the Funding Request.
- (D) **After review is completed.** Once DOJ completes its Initial Eligibility Determination Review, DOJ shall notify the submitting party and the NNFRF Office that its Initial Eligibility Determination Review is complete, and shall also email the entire Funding Request Package, along with its written determination, back to the submitting party along with a courtesy copy to the NNFRF Office, within the deadline provided for in Section 5(C) above.
- (E) **Ineligibility; rejection of Funding Request.** With written explanation, DOJ may deem a Funding Request ineligible and may reject and return a Funding Request Package back to the submitting party, if:
- (1) any required Form is incomplete, inaccurate, or illegible; or
 - (2) any required Form is not signed by the appropriate person(s) as required in these Procedures; or
 - (3) any portion of the FRF Expenditure Plan template is not fully completed, in accordance with all requirements in Section 3(B)(12) of these Procedures, with fully detailed explanations and information regarding all proposed expenditures of the requested Fiscal Recovery Funds; or
 - (4) any required supporting document is not included with the Funding Request; or
 - (5) any portion of the Funding Request does not fit within the eligible purposes outlined in Section 2 of these Procedures; or
 - (6) all Fiscal Recovery Funds for the Project will not be obligated by December 31, 2024; or
 - (7) delivery of goods or performance of services will not be achieved, the Project will not be completed, and the entire amount of requested Fiscal Recovery Funds will not be fully spent by December 31, 2026; or
 - (8) any question or issue related to the Funding Request that was raised by DOJ and communicated to DCD and the Non-Governance-Certified Chapter is not satisfactorily addressed in a manner that allows DOJ to meet the review deadline in Section 5(C) of these Procedures; or
 - (9) the Non-Governance-Certified Chapter has failed to complete and timely submit any reports required pursuant to the Navajo Nation CARES Funds Act, and/or the federal Coronavirus Aid, Relief, and Economic Security Act of 2020 ("CARES Act"), if applicable; or
 - (10) approving the Funding Request or awarding Funds to the Non-Governance-Certified Chapter would be inconsistent with any applicable Navajo Nation or federal laws or regulations.

- (11) Any sanctions imposed upon a Non-Governance-Certified Chapter or a Chapter Official pursuant to 12 N.N.C. §9 shall not be grounds for a determination of ineligibility.
- (F) **Resubmission of Funding Request.** After a determination of ineligibility by DOJ, DOJ shall allow DCD one opportunity to correct and resubmit a Funding Request Package. However, if any changes are made to the Project, any required Form(s), the proposed FRF Expenditure Plan, or any supporting documents (including the substitution of any document), revised Forms and new signatures shall then be required from the appropriate person(s) as provided for in Section 4(C) of these Procedures.
- (G) **Preparation of approval legislation.** Once DOJ has completed its Initial Eligibility Determination Review of DCD's Package on behalf of a Non-Governance-Certified Chapter(s), a Delegate may present the Package to the Office of Legislative Counsel, along with a request for approval legislation. The Office of Legislative Counsel shall then draft the sponsoring Delegate's requested legislation for the Navajo Nation Council's approval of the Package. A Delegate may choose to sponsor approval legislation regardless of DOJ's determination of ineligibility.
- (H) **Final eligibility determination by Council and President.** Any review of a Funding Request pursuant to this Section 5 shall be considered an "Initial Eligibility Determination" only, as this term is defined in Section 3(B)(15) of these Procedures. The final determination as to whether a Funding Request is approved, or whether DCD is awarded Fiscal Recovery Funds on behalf of a Non-Governance-Certified Chapter shall be made by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), and subject to the provisions of 2 N.N.C. §164 (A)(17).

SECTION 6. IMPLEMENTING EXPENDITURE PLANS; REPORTING REQUIREMENTS

- (A) **Notification to Funding Recipient.** The approval of DCD's Funding Request on behalf of a Non-Governance-Certified Chapter as described in Section 5(H) shall serve as formal notice to DCD that it will then be considered a "Funding Recipient."
- (B) **Business Unit.** All awards of Fiscal Recovery Funds shall be assigned a Business Unit Number within the Navajo Nation's Financial Management Information System ("FMIS"). OMB shall provide instructions to the Administrative Oversight entity regarding the budget submission requirements to establish budgets and business unit numbers for awarded funds in the FMIS.
- (C) **Budget information required.** Awarded Funds shall be made available only after DCD submits its appropriate budget information on budget forms as required by OMB. Budgets for expenditure plans that include construction activities must include a budget line item for a contingency reserve in accordance with Section 4(F) of Council Resolution CJY-41-21.
- (D) **Administrative Oversight.** For each approved Funding Request, DCD shall have Administrative Oversight over the Project and the FRF Expenditure Plan on behalf of the Non-Governance-Certified Chapter, and DCD shall procure goods and services on behalf of the Chapter.
- (E) **Providing documents and required reports.** All financial information and documents, such as invoices, copies of checks, records of wire transfers, and bank reconciliations, must be provided by DCD if so requested by OMB or OOC. In addition, DCD shall regularly submit to OOC and OMB the following reports:
- (1) A quarterly narrative report to be submitted no later than ten (10) business days after the end of each quarter. Each narrative report shall include all of the following:
 - (a) all the Funding Recipient's accomplishments towards meeting the purposes of the Funds award;
 - (b) a description of any significant problems encountered, and a detailed plan as to how those problems will be, or have been, managed and resolved;

- (c) a statement detailing whether the Funding Recipient is on schedule to obligate all awarded Fiscal Recovery Funds by December 31, 2024 (or by a deadline date set by the Navajo Nation Council);
 - (d) a statement detailing whether the Project will be fully completed and all awarded Fiscal Recovery Funds spent by December 31, 2026 (or by a deadline date set by the Navajo Nation Council).
 - (2) A quarterly financial report, in a format as instructed by OOC, to be submitted no later than ten (10) business days after the end of each quarter.
 - (3) A single financial closeout report, in a format as instructed by OOC, to be submitted no later than thirty (30) business days after December 31, 2026, or by an alternate deadline date as determined by the Navajo Nation Council. The report shall include all requested financials and a narrative report on the result of Projects funded.
- (F) **Reversion of Funds.** All Fiscal Recovery Funds not expended in accordance with an approved FRF Expenditure Plan Budget shall automatically and immediately revert back to the Navajo Nation Fiscal Recovery Fund as described in CJY-41-21. All Funds not fully obligated by December 31, 2024 shall likewise revert back to the Navajo Nation Fiscal Recovery Fund.

SECTION 7. MONITORING AND OVERSIGHT

Once a Funding Request is approved, DCD shall ensure that:

- (A) all documents or reports required by Section 6(E) of these Procedures are timely submitted; and
- (B) all awarded Funds are disbursed and expended in accordance with these Procedures, with all provisions of CJY-41-21, the ARPA and ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies; and
- (C) the Project's scope of work and performance criteria are being met; and
- (D) all provisions of the approved FRF Expenditure Plan are being followed; and
- (E) recommendations by OMB, OOC, or the Administrative Oversight entity regarding the contents of any required document or report submitted pursuant to Section 6(E) are provided to the appropriate Oversight Committee(s).

SECTION 8. MODIFYING EXPENDITURE PLANS OR BUDGETS

All proposed modifications, revisions, amendments, or changes to an approved FRF Expenditure Plan or an approved FRF Expenditure Plan Budget, shall comply with the following:

- (A) **Project modifications; no increase in funds.** Project modifications shall not increase the amount of Fiscal Recovery Funds originally approved as described in Section 5(H) of these Procedures. If any Project modification is desired, the Administrative Oversight entity acting on behalf of the Funding Recipient must prepare and submit a new FRF Request Form & Expenditure Plan and a new FRF Expenditure Plan Budget, and shall comply with all applicable provisions of these Procedures. Modifications that change the purpose and intent of the Project as described in the originally-approved FRF Request Form & Expenditure Plan, or that substantially change the scope of work of the project shall require approval by the Navajo Nation Council. DOJ shall make the determination if Council approval of the modification is required. After DOJ has reviewed the request for a Project modification and determined that Council approval is not needed, or after Council approves the modification, the Administrative Oversight entity acting on behalf of the Funding Recipient shall submit a budget revision request to OMB if needed.
- (B) **Revised Forms.** Funding Recipients desiring a modification shall submit, at a minimum, a revised FRF Request Form & Expenditure Plan, an FRF Budget Revision Request, and supporting documents related

to the proposed modification. New signatures shall be required from the appropriate person(s) as provided for in Section 4(C), and all provisions in Sections 4, 5, and 6 of these Procedures shall be followed.

(C) **Updated Initial Eligibility Determination Review required.** Funding Recipients shall submit their revised FRF Request Form & Expenditure Plan, FRF Budget Revision Request, and supporting documents, to DOJ for an updated Initial Eligibility Determination Review of the proposed modification.

(D) **Approval of modifications.** Except as described in Section 8(A) above, all modifications must be approved by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), subject to the provisions of 2 N.N.C. §164 (A)(17).

* * * * * **END OF DOCUMENT** * * * * *

THE NAVAJO NATION
FISCAL RECOVERY FUNDS **REQUEST FORM & EXPENDITURE PLAN**
FOR NON-GOVERNANCE CERTIFIED CHAPTERS

Part 1. Identification of parties.

Non-Governance Certified Chapter
requesting FRF: _____ date prepared: _____

Chapter's _____ phone/email: _____
mailing address: _____ website (if any): _____

this Form prepared by: _____ phone/email: _____

CONTACT PERSON'S name and title

CONTACT PERSON'S info

title and type of Project: _____

Chapter President: _____ phone & email: _____

Chapter Vice-President: _____ phone & email: _____

Chapter Secretary: _____ phone & email: _____

Chapter Treasurer: _____ phone & email: _____

Chapter Manager or CSC: _____ phone & email: _____

DCD/Chapter ASO: _____ phone & email: _____

List types of Subcontractors or Subrecipients that will be paid with FRF (if known): _____

☐ document attached

Amount of FRF requested: _____ FRF funding period: _____

indicate Project starting and ending/deadline date

Part 2. Expenditure Plan details.

(a) Describe the Program(s) and/or Project(s) to be funded, including how the funds will be used, for what purposes, the location(s) to be served, and what COVID-related needs will be addressed:

_____ ☐ document attached

(b) Explain how the Program or Project will benefit the Navajo Nation, Navajo communities, or the Navajo People:

_____ ☐ document attached

(c) Provide a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project. Disclose any challenges that may prevent you from incurring costs for all funding by December 31, 2024 and/or fully expending funds and completing the

Program(s) or Project(s) by December 31, 2026:

_____ ☐ document attached

(d) Identify who will be responsible for implementing the Program or Project:

_____ ☐ document attached

(e) Explain who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively:

_____ ☐ document attached

(f) State which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the proposed Program or Project falls under, and explain the reason why:

_____ ☐ document attached

Part 3. Additional documents.

List here all additional supporting documents attached to this FRF Expenditure Plan (or indicate N/A):

_____ ☐ Chapter Resolution attached

Part 4. Affirmation by Funding Recipient.

Funding Recipient affirms that its receipt of Fiscal Recovery Funds and the implementation of this FRF Expenditure Plan shall be in accordance with Resolution No. CJY-41-21, the ARPA, ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies:

Chapter's
Preparer: _____ Approved by: _____
signature of Preparer/CONTACT PERSON *signature of Chapter President (or Vice-President)*

Approved by: _____ Approved by: _____
signature of CSC *signature of Chapter ASO*

Approved to submit
for Review: _____
signature of DCD Director

**Appendix 1: Expenditure Categories**

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure²⁷	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities (see Project Demographic Distribution section above for details)

²⁷ Definitions for water and sewer Expenditure Categories can be found in the EPA's handbooks. For "clean water" expenditure category definitions, please see: <https://www.epa.gov/sites/production/files/2018-03/documents/cwdefinitions.pdf>. For "drinking water" expenditure category definitions, please see: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-national-information-management-system-reports>.

PART I. Business Unit No.: _____		Program Title: _____		Division/Branch: _____					
Prepared By: _____		Phone No.: _____		Email Address: _____					
PART II. FUNDING SOURCE(S)	Fiscal Year /Term	Amount	% of Total	PART III. BUDGET SUMMARY		Fund Type Code	(A) NNC Original Budget	(B) Proposed Budget	(C) Difference or Total
				2001	Personnel Expenses				
				3000	Travel Expenses				
				3500	Meeting Expenses				
				4000	Supplies				
				5000	Lease and Rental				
				5500	Communications and Utilities				
				6000	Repairs and Maintenance				
				6500	Contractual Services				
				7000	Special Transactions				
				8000	Public Assistance				
				9000	Capital Outlay				
				9500	Matching Funds				
				9500	Indirect Cost				
				TOTAL			\$0.00	0.00	0
				PART IV. POSITIONS AND VEHICLES					
				Total # of Positions Budgeted:		(D)		(E)	
				Total # of Vehicles Budgeted:					
PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.									
SUBMITTED BY: _____				Program Manager's Printed Name		APPROVED BY: _____			
				Program Manager's Signature and Date		Division Director / Branch Chief's Printed Name			
				Program Manager's Signature and Date		Division Director / Branch Chief's Signature and Date			

**THE NAVAJO NATION
OFFICE OF MANAGEMENT AND BUDGET
BUDGET REVISION REQUEST**

(For Use on NN Funds and External Grant Budgets)

PART I. PROGRAM INFORMATION:						
PREPARED/REQUESTED BY (PRINTED NAME & TITLE)				EMAIL ADDRESS		DATE
BUSINESS UNIT NO.	PROGRAM / DEPARTMENT TITLE			PHONE NO.		
PART II. FOR EXTERNAL GRANT OR CONTRACT USE ONLY:						
TITLE OF EXTERNAL CONTRACT / GRANT				FUNDING PERIOD - START/ END DATE		
PART III. TRANSFER FROM OBJECT CODE:				PART IV. TRANSFER TO OBJECT CODE:		
FUNDS AVAILABLE (OMB USE ONLY)	LOD	FROM OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	LOD	TO OBJECT CODE & DESCRIPTION OF CODE	AMOUNT
TOTAL				TOTAL		
PART V. JUSTIFICATION FOR BUDGET REVISION (Must be detailed and complete): Explain why the revision is required and provide calculations to show budget is sufficient for the purpose of the budget revision or to the end of the funding period. Do not simply repeat the information provided in Part III and IV above.						
PART VI. IMPACT ON PROGRAM PERFORMANCE CRITERIA SET IN BUDGET FORM 2: Describe change in funding's (object code) affect on performance criteria, if anv.						
PART VII. APPROPRIATE SIGNATURES:						
DEPARTMENT/PROGRAM DIRECTOR (PRINTED)				BRANCH/DIVISION DIRECTOR (PRINTED)		
APPROVAL SIGNATURE / DATE				CONCURRENCE SIGNATURE / DATE		

**NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES
FOR GOVERNANCE-CERTIFIED CHAPTERS
REQUESTING NAVAJO NATION FISCAL RECOVERY FUNDS
UNDER THE AMERICAN RESCUE PLAN ACT OF 2021**

EXHIBIT**3**

SECTION 1. INTRODUCTION

- (A) **History of ARPA and the Navajo Nation's FRF allocation.** On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. Section 9901 of ARPA amended Title VI of the Social Security Act to add Sections 602, which established the Coronavirus State Fiscal Recovery Fund, and 603, which established the Coronavirus Local Fiscal Recovery Fund, thereby appropriating Coronavirus State and Local Fiscal Recovery Funds in the amount of \$362 billion for state, local, and tribal governments, including \$20 billion designated for tribal governments. As of August 16, 2021, the United States Department of Treasury has allocated \$2,079,461,464.93 to the Navajo Nation (hereinafter referred to as "Funds").
- (B) **Guidance to Governance-Certified Chapters seeking Fiscal Recovery Funds.** In preparing a Funding Request, Governance-Certified Chapters must carefully review all provisions of the ARPA and its corresponding regulations, and must also be familiar with the U.S. Treasury Department's guidance including the Interim Final Rule as amended, and the Treasury Department's most current Frequently Asked Questions publication. Those seeking Funds must ensure that the Treasury Department will consider all proposed expenditures to be a legal and proper use of such Funds. ARPA instructions and helpful information can be found on the Treasury Department's website at: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/tribal-governments>. Finally, Governance-Certified Chapters seeking Funds should review and understand all provisions of Navajo Nation Council Resolution No. CJY-41-21, which establishes the Navajo Nation's goals and intent regarding the approval and use of Navajo Nation Fiscal Recovery Funds.

SECTION 2. ELIGIBLE USES FOR FISCAL RECOVERY FUNDS

Fiscal Recovery Funds shall only be used:

- (A) to respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits; or to provide aid to impacted industries such as tourism, travel, and hospitality;
- (B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- (C) to provide government services to the extent of the reduction in Navajo Nation revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (D) to make necessary investments in water, sewer, or broadband infrastructure.

The U.S. Department of the Treasury has identified 66 Fiscal Recovery Fund expenditure categories for purposes of compliance and reporting. (See "Appendix 1: Expenditure Categories" to Treasury's "Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds," dated June 24, 2021, attached hereto as **APPENDIX A**). To be eligible for an allocation of the Nation's Fiscal Recovery Funds, each of the proposed expenditures must fall under one of these 66 expenditure categories.

NOTE: All Fiscal Recovery Funds must be obligated by December 31, 2024, and funded Projects must be completed and all Funds fully spent by December 31, 2026.

SECTION 3. DEFINITIONS OF TERMS

(A) **Meanings; interpretation.** All capitalized terms used in these Procedures have the specific meaning shown in each of the following Subsections, as opposed to a common or ordinary meaning of the term, and the interpretation of all such terms shall be in accordance with Navajo Nation laws and policies.

(B) **Capitalized terms.**

- (1) “Administrative Oversight” means having the authority to monitor the implementation of an approved FRF Expenditure Plan and the expenditure of awarded Funds.
- (2) “Agreement” means a grant, subrecipient agreement, memorandum of agreement, or any other agreement or contract, produced by DOJ after consultation with OOC and OMB, that is legally binding upon the parties thereto; the term “Agreement” has the same meaning in these Procedures as the term “binding agreement” used in CJY-41-21; as used herein, an “Agreement” governs the receipt, administration, disbursement, management, monitoring, and oversight of awarded Fiscal Recovery Funds and approved FRF Expenditure Plans.
- (3) “ARPA” means the American Rescue Plan Act of 2021 signed into law by U.S. President Joseph R. Biden on March 11, 2021.
- (4) “ARPA Regulations” means the federal regulations implementing the ARPA, including all Treasury Department guidance and the Treasury Department’s “Interim Final Rule,” as they are amended.
- (5) “Comprehensive Funding Request” means all Forms and documents comprising a larger request for Fiscal Recovery Funds, submitted for Initial Eligibility Determination Review on behalf of multiple Governance-Certified Chapters.
- (6) “CJY-41-21” means Navajo Nation Council Resolution No. CJY-41-21, signed into law by the Navajo Nation President on August 2, 2021, that established the Navajo Nation’s Fiscal Recovery Fund and the expenditure authorization process for awarded Funds.
- (7) “DCD” means the Navajo Nation Division of Community Development.
- (8) “Delegate” means a member of the Navajo Nation Council.
- (9) “Division” means a Division under the Executive Branch of the Navajo Nation Government; a Division may serve as a “Responsible Entity” as that term is used in CJY-41-21.
- (10) “DOJ” means the Navajo Nation Department of Justice.
- (11) “Fiscal Recovery Funds” or “Funds” or “FRF” means the money provided to the Navajo Nation from the Coronavirus State and Local Fiscal Recovery Funds under the ARPA; the term “Fiscal Recovery Funds” has the same meaning in these Procedures as this same term is used in CJY-41-21.
- (12) “FRF Budget Revision Request” means THE NAVAJO NATION OFFICE OF MANAGEMENT AND BUDGET - BUDGET REVISION REQUEST (attached as **APPENDIX C**), used for requesting a budget modification for an approved Project.
- (13) “FRF Expenditure Plan Budget” means THE NAVAJO NATION PROGRAM BUDGET SUMMARY or BUDGET FORM 1 (attached as **APPENDIX B**) that generally summarizes all proposed expenditures, and shows the type of expenditure and dollar amount for each category of expenditure, regarding any Project.
- (14) “FRF Request Form & Expenditure Plan” means THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR GOVERNANCE-CERTIFIED CHAPTERS (template

attached as APPENDIX A); the term “FRF Expenditure Plan” refers to Part 2 of THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR GOVERNANCE-CERTIFIED CHAPTERS, and has the same meaning in these Procedures as the term “NNFRF Expenditure Plan” used in CJY-41-21; a completed FRF Expenditure Plan shall include all of the following (see Part 2 of APPENDIX A):

- (a) a description of the Project, including how funds will be used, for what purpose, the location to be served, and what COVID-related needs will be addressed;
 - (b) an explanation of how the Project will benefit the Navajo Nation, Navajo communities, or the Navajo People;
 - (c) a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project;
 - (d) identification of who will be responsible for implementing the Project;
 - (e) an explanation of who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively;
 - (f) an explanation of which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the Project falls under and the reasons why.
- (15) “Funding Recipient” means a Governance-Certified Chapter awarded Fiscal Recovery Funds for a Project.
- (16) “Funding Request” or “Funding Request Package” means, collectively, all forms and documents comprising a request for Fiscal Recovery Funds, including: (i) a completed FRF Request Form & Expenditure Plan; (ii) a completed FRF Expenditure Plan Budget; and (iii) all supporting documents, as required by these Procedures.
- (17) “Initial Eligibility Determination” is based on the criteria listed in Section 5 of these Procedures; an “Initial Eligibility Determination Review” means the review of a Funding Request Package performed by DOJ, which results in DOJ issuing a written Initial Eligibility Determination.
- (18) “Governance-Certified Chapters” means, collectively, all Navajo Nation Chapters that are local-governance-certified pursuant to 26 N.N.C. §102, and only for purposes of the NNFRF, the Kayenta Township. Although the Kayenta Township is recognized as a home rule authority, and is thus otherwise not governed by the Local Governance Act, the Kayenta Township shall be treated on par with Governance-Certified Chapters for purposes of the NNFRF, and so shall utilize the NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES FOR GOVERNANCE-CERTIFIED CHAPTERS.
- (19) “NNFRF Office” means the temporary office established by the Navajo Office of the President and Vice-President per CJY-41-21, to, among other things, facilitate and implement Navajo Nation Fiscal Recovery Funds responsibilities assigned to the Office of the President and Vice-President or the Executive Branch.
- (20) “Obligated” means that an order has been placed for the delivery of goods or property, or the performance of services, that will be paid for with Fiscal Recovery Funds; that a contract or subcontract has been executed promising payment with Fiscal Recovery Funds; or that a similar transaction has occurred requiring payment of Fiscal Recovery Funds. For internal Navajo Nation purposes, funds are obligated or encumbered upon completion of OOC’s review and approval of contracts and purchase requisitions, and OOC’s recording of an encumbrance in the FMIS, not upon execution of a contract.
- (21) “OMB” means the Navajo Nation Office of Management and Budget.
- (22) “OOC” means the Navajo Nation Office of the Controller.

- (23) “Oversight Committee” means one or more standing committees of the Navajo Nation Council with legislative oversight authority over a Funding Recipient, a Project, or the subject matter of an FRF Expenditure Plan.
- (24) “President” means the President of the Navajo Nation.
- (25) “Procedures” means these NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES FOR GOVERNANCE-CERTIFIED CHAPTERS.
- (26) “Project” means any proposed program, infrastructure or other capital project, services, or activities desired by a Governance-Certified Chapter and described in an FRF Request Form & Expenditure Plan; a Project will be implemented, carried out, and completed with Fiscal Recovery Funds.

SECTION 4. PREPARING A REQUEST FOR FISCAL RECOVERY FUNDS

All Governance-Certified Chapters shall comply with the applicable procedures in this entire Section 4, and all required Forms and documents shall be included in their Funding Request Package.

- (A) **Working with DCD.** In preparing a Funding Request, each Governance-Certified Chapter shall obtain the assistance of, and cooperate with, DCD, which shall be the Division with Administrative Oversight the proposed FRF Expenditure Plan. The DCD Director is authorized to submit a Funding Request Package for Initial Eligibility Determination Review on behalf of a Governance-Certified Chapter. For purposes of all Sections of these Procedures, the DCD Director may authorize a designee to act in his/her capacity; and, as used herein “DCD Director” or “Division Director” shall include his/her designee. In preparing the Funding Request and prior to submission to DOJ, DCD shall communicate and coordinate with the NNFRF Office.
- (B) **Required Forms and documents.** All Governance-Certified Chapters shall fully complete all of the following Forms and documents, all of which shall be submitted to DCD. All such Forms and documents shall be made Exhibits to the legislation presented to the Navajo Nation Council for approval of the Funding Request:
 - (1) FRF Request Form & Expenditure Plan (see APPENDIX A);
 - (2) FRF Expenditure Plan Budget (see APPENDIX B):
 - (a) the Governance-Certified Chapter shall not request an amount of funds greater than the dollar amount that can be obligated by December 31, 2024 and fully expended by December 31, 2026, or by such other deadline dates that may be determined by the Navajo Nation Council;
 - (b) the Governance-Certified Chapter shall complete the FRF Expenditure Plan Budget using a general summary; NOTE: if/when a Governance-Certified Chapter’s Funding Request is approved as described in Section 5(H) of these Procedures, a more detailed line-item budget must be prepared as instructed by OMB; this detailed budget will be appended to the executed Agreement between the Governance-Certified Chapter and the Navajo Nation;
 - (c) Section 4(F) of Council Resolution CJY-41-21 provides that expenditure plans involving construction activities shall include a contingency reserve consistent with industry standards adequate to cover projected inflation-based cost increases. Therefore, whenever construction activities are included in an expenditure plan, Budget Form 1, and subsequent detailed budgets, must include a budget line item for contingencies.
 - (3) provide a duly approved Chapter Resolution that includes a statement supporting the Project and affirming that the Chapter will only use awarded Funds in compliance with the ARPA, the ARPA Regulations, and all other applicable Navajo Nation and federal laws and regulations;
NOTE: this provision does not apply to formula-based distributions of Fiscal Recovery Funds to Governance-Certified Chapters;

(4) all other relevant documents in support of the Funding Request.

(C) **Comprehensive Funding Requests for Governance-Certified Chapters.** Instead of individually submitted Funding Requests, a Comprehensive Funding Request may be prepared and submitted for multiple Governance-Certified Chapters, as provided for in Sections (C)(1)-(2) below. Such a Comprehensive Funding Request for multiple Governance-Certified Chapters may be based on a single Project type, and there may be several Comprehensive Funding Requests for multiple Chapter Project types. If a Governance-Certified Chapter chooses to participate in a Comprehensive Funding Request, it must follow Subsections (C)(1)-(2) below.

(1) **Required signatures.** Before submitting its Funding Request Package to DCD, the Governance-Certified Chapter shall obtain the signatures of the Chapter President and the Chapter Manager on its FRF Request Form & Expenditure Plan and on its FRF Expenditure Plan Budget.

(2) **DCD submits Comprehensive Request.** Where a Comprehensive Funding Request is submitted by DCD, the DCD Director shall review, approve, and sign each Governance-Certified Chapter's FRF Request Form & Expenditure Plan and its FRF Expenditure Plan Budget. Each approved Package shall then be included in a Comprehensive Funding Request for Governance-Certified Chapters, that will, in turn, be signed and submitted by the DCD Director, for an Initial Eligibility Determination Review. In preparing the Funding Request and prior to submission to DOJ, DCD shall communicate and coordinate with the NNFRF Office.

(D) **Individual Funding Requests for Governance-Certified Chapters.** Governance-Certified Chapters may directly submit their Funding Requests individually for an Initial Eligibility Determination Review to DOJ. If a Governance-Certified Chapter chooses to directly submit its Package to DOJ, it must follow Sections 4(A)-(B) above and Sections 4(D)(1) below. If a Governance-Certified Chapter chooses to have DCD submit its Package on its behalf, it must follow Sections 4(A)-(B) above and Sections 4(D)(2) below.

(1) **Governance-Certified Chapter submits individual request.** Before submitting its Funding Request Package to DOJ, the Governance-Certified Chapter shall obtain the signatures of the Chapter President and the Chapter Manager on its FRF Request Form & Expenditure Plan and on its FRF Expenditure Plan Budget.

(2) **DCD submits individual request.** Where an individual Funding Request is being submitted to DOJ by DCD, the Governance-Certified Chapter shall obtain the signatures of the Chapter President and the Chapter Manager on its FRF Request Form & Expenditure Plan and on its FRF Expenditure Plan Budget before submitting its Funding Request Package to DCD. Then, the DCD Director shall review, approve, and sign each Governance-Certified Chapter's FRF Request Form & Expenditure Plan and its FRF Expenditure Plan Budget. The DCD Director shall then submit the approved individual Funding Request Package for an Initial Eligibility Determination.

SECTION 5. EXPEDITED REVIEW PROCESS; ELIGIBILITY DETERMINATIONS

(A) **Submitting the Funding Request.** All Funding Requests for Governance-Certified Chapters shall be submitted to DOJ for an Initial Eligibility Determination Review, by completing a DOJ "Request for Services" form. A courtesy copy of the Funding Request Package shall also be submitted to the NNFRF Office, to the OMB Contracts and Grants Section at Docs@omb.navajo-nsn.gov, and to OOC.

(B) **DOJ Review.** DOJ shall conduct an Initial Eligibility Determination Review to determine if all required Forms and documents in each of the Funding Requests are complete, accurate, and meet all applicable requirements; and whether all proposed Project expenditures are eligible for FRF funding. DOJ shall indicate in writing whether or not each Funding Request is deemed eligible for a funding award according

to the criteria listed in Section 5(E) of these Procedures. However, an “eligible” determination does not mean that a Funding Request will be given final approval by the Navajo Nation Council or the President.

- (C) **Expedited time for review.** DOJ shall complete its Initial Eligibility Determination Review within 5 working days of its receipt of a Funding Request, excluding weekends and holidays. Whenever possible, Reviews will be completed the same working day. If the Initial Eligibility Determination Review is not completed within the 5 working days, the Funding Request Package shall be returned to the submitting party, with the notation “REVIEW NOT COMPLETED WITHIN 5 WORKING DAYS.” If DOJ does not complete its review within 5 working days, the submitting party may request that a Delegate sponsor approval legislation for the Funding Request.
- (D) **After review is completed.** Once DOJ completes its Initial Eligibility Determination Review, DOJ shall notify the submitting party and the NNFRF Office that its Initial Eligibility Determination Review is complete, and shall also email the entire Funding Request Package, along with its written determination, back to the submitting party, along with a courtesy copy to the NNFRF Office within the deadline provided for in Section 5(C) above.
- (E) **Ineligibility; rejection of Funding Request.** With written explanation, DOJ may deem a Funding Request ineligible and may reject and return a Funding Request Package back to the submitting party, if:
- (1) any required Form is incomplete, inaccurate, or illegible; or
 - (2) any required Form is not signed by the appropriate person(s) as required in these Procedures; or
 - (3) any portion of the FRF Expenditure Plan template is not fully completed, in accordance with all requirements in Section 3(B)(14) of these Procedures, with fully detailed explanations and information regarding all proposed expenditures of the requested Fiscal Recovery Funds; or
 - (4) any required supporting document is not included with the Funding Request; or
 - (5) any portion of the Funding Request does not fit within the eligible purposes outlined in Section 2 of these Procedures; or
 - (6) all Fiscal Recovery Funds for the Project will not be obligated by December 31, 2024; or
 - (7) delivery of goods or performance of services will not be achieved, the Project will not be completed, and the entire amount of requested Fiscal Recovery Funds will not be fully spent by December 31, 2026; or
 - (8) any question or issue related to the Funding Request that was raised by DOJ and communicated to the submitting party is not satisfactorily addressed in a manner that allows DOJ to meet the review deadline in Section 5(C) of these Procedures; or
 - (9) the Governance-Certified Chapter has failed to complete and timely submit any reports required pursuant to the Navajo Nation CARES Funds Act, and/or the federal Coronavirus Aid, Relief, and Economic Security Act of 2020 (“CARES Act”), if applicable; or
 - (10) approving the Funding Request or awarding Funds to the Governance-Certified Chapter would be inconsistent with any applicable Navajo Nation or federal laws or regulations.
 - (11) Any sanctions imposed upon a Governance-Certified Chapter or a Chapter Official pursuant to 12 N.N.C. §9 shall not be grounds for a determination of ineligibility.
- (F) **Resubmission of Funding Request.** After a determination of ineligibility by DOJ, DOJ shall allow the submitting party one opportunity to correct and resubmit a Funding Request Package. However, if any changes are made to the Project, any required Form(s), the proposed FRF Expenditure Plan, or any supporting documents (including the substitution of any document), revised Forms and new signatures shall then be required from the appropriate person(s) as provided for in Section 4(C) or 4(D) of these Procedures.

- (G) **Preparation of approval legislation.** Once DOJ has completed its Initial Eligibility Determination Review of each Funding Request in a Comprehensive Package submitted by DCD, a Delegate may present the Comprehensive Package to the Office of Legislative Counsel, along with a request for approval legislation. Alternatively, a Delegate may present a Governance-Certified Chapter's individually-submitted Funding Request to the Office of Legislative Counsel, along with a request for approval legislation. In either case, the Office of Legislative Counsel shall then draft the sponsoring Delegate's requested legislation for the Navajo Nation Council's approval of the Funding Request(s) and corresponding FRF Expenditure Plan(s). A Delegate may choose to sponsor approval legislation regardless of DOJ's determination of ineligibility.
- (H) **Approval by Council and President.** Any review of a Funding Request pursuant to this Section 5 shall be considered an Initial Eligibility Determination, as is defined in Section 3(B)(17) of these Procedures. Final approval of a Funding Request, or award of Fiscal Recovery Funds to a Governance-Certified Chapter shall be made by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), and subject to the provisions of 2 N.N.C. §164(A)(17).

SECTION 6. IMPLEMENTING EXPENDITURE PLANS; REPORTING REQUIREMENTS

- (A) **Notification to Funding Recipient.** The approval of a Governance-Certified Chapter's Funding Request as described in Section 5(H) shall serve as formal notice to the Governance-Certified Chapter that it will then be considered a "Funding Recipient."
- (B) **Required Agreements; Administrative Oversight.** All Fiscal Recovery Funds awarded to a Governance-Certified Chapter shall be disbursed, administered, managed, and monitored in accordance with the terms and conditions of an Agreement as defined in Section 3(B)(2) of these Procedures. The required Agreement shall be between the Governance-Certified Chapter and the Navajo Nation. Execution of such agreements for the Navajo Nation shall be made by the President, unless the President delegates such authority to the DCD Director or another individual. Governance-Certified Chapters shall be authorized to receive and disburse awarded Funds, pursuant to the terms and conditions of such executed Agreement; however, DCD shall have Administrative Oversight.
- (C) **Business Unit.** All awards of Fiscal Recovery Funds shall be assigned a Business Unit Number within the Navajo Nation's Financial Management Information System ("FMIS"). OMB shall provide instructions to the Administrative Oversight entity regarding the budget submission requirements to establish budgets and business unit numbers for awarded funds in the FMIS.
- (D) **Budget information required.** Awarded Funds shall be made available only after the Funding Recipient submits its appropriate budget information on budget forms as required by OMB, and the Agreement required by Section 6(B) is fully executed. Budgets for expenditure plans that include construction activities must include a budget line item for a contingency reserve in accordance with Section 4(F) of Council Resolution CJY-41-21.
- (E) **Provision of financial information.** All financial information and documents, such as invoices, copies of checks, records of wire transfers, and bank reconciliations, must be provided by the Funding Recipient if so requested by the Administrative Oversight entity, OMB, or OOC. In addition, all Funding Recipients shall regularly submit to the Administrative Oversight entity, and to OOC and OMB the following reports:
- (1) A quarterly narrative report to be submitted no later than ten (10) business days after the end of each quarter. Each narrative report shall include all of the following:
 - (a) all the Funding Recipient's accomplishments towards meeting the purposes of the Funds award;
 - (b) a description of any significant problems encountered, and a detailed plan as to how those problems will be, or have been, managed and resolved;

- (c) a statement detailing whether the Funding Recipient is on schedule to obligate all awarded Fiscal Recovery Funds by December 31, 2024 (or by a deadline date set by the Navajo Nation Council);
 - (d) a statement detailing whether the Project will be fully completed and all awarded Fiscal Recovery Funds spent by December 31, 2026 (or by a deadline date set by the Navajo Nation Council).
 - (2) A quarterly financial report, in a format as instructed by OOC, to be submitted no later than ten (10) business days after the end of each quarter.
 - (3) A single financial closeout report, in a format as instructed by OOC, to be submitted no later than thirty (30) business days after December 31, 2026, or by an alternate deadline date as determined by the Navajo Nation Council. The report shall include all requested financials and a narrative report on the result of Projects funded.
- (F) **Reversion of Funds.** All Fiscal Recovery Funds not expended in accordance with an approved FRF Expenditure Plan Budget shall automatically and immediately revert back to the Navajo Nation Fiscal Recovery Fund as described in CJY-41-21. All Funds not fully obligated by December 31, 2024 shall likewise revert back to the Navajo Nation Fiscal Recovery Fund.

SECTION 7. MONITORING AND OVERSIGHT

Once a Funding Request is approved and the required Agreement is executed, DCD, the Administrative Oversight entity shall ensure that:

- (A) all documents or reports required by Section 6(E) of these Procedures are timely submitted;
- (B) all awarded Funds are disbursed and expended in accordance with these Procedures, with all provisions of CJY-41-21, the ARPA and ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies; and
- (C) the Project's scope of work and performance criteria are being met; and
- (D) all provisions of the approved FRF Expenditure Plan are being followed; and
- (E) recommendations by OMB, OOC, or the Administrative Oversight entity regarding the contents of any required document or report submitted pursuant to Section 6(E) are provided to the appropriate Oversight Committee(s).

SECTION 8. MODIFYING EXPENDITURE PLANS OR BUDGETS

All proposed modifications, revisions, amendments, or changes to an approved FRF Expenditure Plan or an approved FRF Expenditure Plan Budget, shall comply with the following:

- (A) **Project modifications; no increase in funds.** Project modifications shall not increase the amount of Fiscal Recovery Funds originally approved as described in Section 5(H) of these Procedures. If any Project modification is desired, the Administrative Oversight entity acting on behalf of the Funding Recipient must prepare and submit a new FRF Request Form & Expenditure Plan and a new FRF Expenditure Plan Budget, and shall comply with all applicable provisions of these Procedures. Modifications that change the purpose and intent of the Project as described in the originally-approved FRF Request Form & Expenditure Plan, or that substantially change the scope of work of the project shall require approval by the Navajo Nation Council. DOJ shall make the determination if Council approval of the modification is required. Funding Recipients shall comply with the terms and conditions of an executed Agreement, if any, by informing the Administrative Oversight entity of any Project modifications. After DOJ has reviewed the request for a Project modification and determined that Council approval is not needed, or after Council approves the modification, the Administrative Oversight entity acting on behalf of the Funding Recipient shall submit a budget revision request to OMB if needed.

- (B) **Revised Forms.** Funding Recipients desiring a modification shall submit, at a minimum, a revised FRF Request Form & Expenditure Plan, an FRF Budget Revision Request, and supporting documents related to the proposed modification. New signatures shall be required from the appropriate person(s) as provided for in Section 4(C) or 4(D), and all provisions in Sections 4, 5, and 6 of these Procedures shall be followed.
- (C) **Updated Initial Eligibility Determination Review required.** Funding Recipients shall submit their revised FRF Request Form & Expenditure Plan, FRF Budget Revision Request, and supporting documents, to DOJ for an updated Initial Eligibility Determination Review of the proposed modification.
- (D) **Approval of modifications.** Except as described in Section 8(A) above, all modifications must be approved by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), subject to the provisions of 2 N.N.C. §164 (A)(17).

* * * * * **END OF DOCUMENT** * * * * *

THE NAVAJO NATION
FISCAL RECOVERY FUNDS **REQUEST FORM & EXPENDITURE PLAN**
FOR GOVERNANCE-CERTIFIED CHAPTERS

Part 1. Identification of parties.

Governance-Certified Chapter
requesting FRF: _____ date prepared: _____

Chapter's _____ phone & email: _____
mailing address: _____ website (if any): _____

this Form prepared by: _____ phone/email: _____

CONTACT PERSON'S name and title

CONTACT PERSON'S info

title and type of Project: _____

Chapter President: _____ phone & email: _____

Chapter Vice-President: _____ phone & email: _____

Chapter Secretary: _____ phone & email: _____

Chapter Treasurer: _____ phone & email: _____

Chapter Manager or CSC: _____ phone & email: _____

DCD/Chapter ASO: _____ phone & email: _____

List types of Subcontractors or Subrecipients that will be paid with FRF (if known): _____

☐ document attached

Amount of FRF requested: _____ FRF funding period: _____

indicate Project starting and ending/deadline date

Part 2. Expenditure Plan details.

(a) Describe the Program(s) and/or Project(s) to be funded, including how the funds will be used, for what purposes, the location(s) to be served, and what COVID-related needs will be addressed:

☐ document attached

(b) Explain how the Program or Project will benefit the Navajo Nation, Navajo communities, or the Navajo People:

☐ document attached

(c) A prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project. Disclose any challenges that may prevent you from incurring costs for all funding by December 31, 2024 and/or fully expending funds and completing the Program(s) or

Project(s) by December 31, 2026:

☐ document attached

(d) Identify who will be responsible for implementing the Program or Project:

☐ document attached

(e) Explain who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively:

☐ document attached

(f) State which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the proposed Program or Project falls under, and explain the reason why:

☐ document attached

Part 3. Additional documents.

List here all additional supporting documents attached to this FRF Expenditure Plan (or indicate N/A):

☐ Chapter Resolution attached

Part 4. Affirmation by Funding Recipient.

Funding Recipient affirms that its receipt of Fiscal Recovery Funds and the implementation of this FRF Expenditure Plan shall be in accordance with Resolution No. CJY-41-21, the ARPA, ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies:

Chapter's

Preparer:

signature of Preparer/CONTACT PERSON

Approved by:

signature of Chapter President (or Vice-President)

Approved by:

signature of Chapter Manager or CSC

Approved by:

signature of DCD/Chapter ASO

Approved to submit
for Review:

signature of DCD Director

**Appendix 1: Expenditure Categories**

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure²⁷	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities (see Project Demographic Distribution section above for details)

²⁷ Definitions for water and sewer Expenditure Categories can be found in the EPA's handbooks. For "clean water" expenditure category definitions, please see: <https://www.epa.gov/sites/production/files/2018-03/documents/cwdefinitions.pdf>. For "drinking water" expenditure category definitions, please see: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-national-information-management-system-reports>.

FY _____

THE NAVAJO NATION
PROGRAM BUDGET SUMMARYPage ____ of ____
BUDGET FORM 1

PART I. Business Unit No.: _____		Program Title: _____		Division/Branch: _____	
Prepared By: _____		Phone No.: _____		Email Address: _____	
PART II. FUNDING SOURCE(S)	Fiscal Year /Term	Amount	% of Total	PART III. BUDGET SUMMARY	
				Fund Type Code	(A) NNC Approved Original Budget
				(B) Proposed Budget	(C) Difference or Total
				2001 Personnel Expenses	
				3000 Travel Expenses	
				3500 Meeting Expenses	
				4000 Supplies	
				5000 Lease and Rental	
				5500 Communications and Utilities	
				6000 Repairs and Maintenance	
				6500 Contractual Services	
				7000 Special Transactions	
				8000 Public Assistance	
				9000 Capital Outlay	
				9500 Matching Funds	
				9500 Indirect Cost	
				TOTAL	\$0.00 0.00 0
				PART IV. POSITIONS AND VEHICLES	
				(D)	(E)
				Total # of Positions Budgeted:	
				Total # of Vehicles Budgeted:	
TOTAL: \$0.00 0%					
PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.					
SUBMITTED BY:		APPROVED BY:			
Program Manager's Printed Name		Program Manager's Printed Name		Division Director / Branch Chief's Printed Name	
Program Manager's Signature and Date		Program Manager's Signature and Date		Division Director / Branch Chief's Signature and Date	

**THE NAVAJO NATION
OFFICE OF MANAGEMENT AND BUDGET
BUDGET REVISION REQUEST**

(For Use on NN Funds and External Grant Budgets)

PART I. PROGRAM INFORMATION:							
PREPARED/REQUESTED BY (PRINTED NAME & TITLE)				EMAIL ADDRESS		DATE	
BUSINESS UNIT NO.		PROGRAM / DEPARTMENT TITLE			PHONE NO.		
PART II. FOR EXTERNAL GRANT OR CONTRACT USE ONLY:							
TITLE OF EXTERNAL CONTRACT / GRANT				FUNDING PERIOD - START/ END DATE			
PART III. TRANSFER FROM OBJECT CODE:				PART IV. TRANSFER TO OBJECT CODE:			
FUNDS AVAILABLE (OMB USE ONLY)	LOD	FROM OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	LOD	TO OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	
TOTAL				TOTAL			
PART V. JUSTIFICATION FOR BUDGET REVISION (Must be detailed and complete): Explain why the revision is required and provide calculations to show budget is sufficient for the purpose of the budget revision or to the end of the funding period. Do not simply repeat the information provided in Part III and IV above.							
PART VI. IMPACT ON PROGRAM PERFORMANCE CRITERIA SET IN BUDGET FORM 2: Describe change in funding's (object code) affect on performance criteria, if any.							
PART VII. APPROPRIATE SIGNATURES:							
DEPARTMENT/PROGRAM DIRECTOR (PRINTED)				BRANCH/DIVISION DIRECTOR (PRINTED)			
APPROVAL SIGNATURE / DATE				CONCURRENCE SIGNATURE / DATE			

NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES
FOR NAVAJO NATION-OWNED ENTITIES
REQUESTING NAVAJO NATION FISCAL RECOVERY FUNDS
UNDER THE AMERICAN RESCUE PLAN ACT OF 2021



SECTION 1. INTRODUCTION

- (A) **History of ARPA and the Navajo Nation's FRF allocation.** On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. Section 9901 of ARPA amended Title VI of the Social Security Act to add Sections 602, which established the Coronavirus State Fiscal Recovery Fund, and 603, which established the Coronavirus Local Fiscal Recovery Fund, thereby appropriating Coronavirus State and Local Fiscal Recovery Funds in the amount of \$362 billion for state, local, and tribal governments, including \$20 billion designated for tribal governments. As of August 16, 2021, the United States Department of Treasury has allocated \$2,079,461,464.93 to the Navajo Nation (hereinafter referred to as "Funds").
- (B) **Guidance to NN-Owned Entities seeking Fiscal Recovery Funds.** In preparing a Funding Request, Navajo Nation-Owned Entities must carefully review all provisions of the ARPA and its corresponding regulations, and must also be familiar with the U.S. Treasury Department's guidance including the Interim Final Rule as amended, and the Treasury Department's most current Frequently Asked Questions publication. Those seeking Funds must ensure that the Treasury Department will consider all proposed expenditures to be a legal and proper use of such Funds. ARPA instructions and helpful information can be found on the Treasury Department's website at: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/tribal-governments>. Finally, Navajo Nation-Owned Entities seeking Funds should review and understand all provisions of Navajo Nation Council Resolution No. CJY-41-21, which establishes the Navajo Nation's goals and intent regarding the approval and use of Navajo Nation Fiscal Recovery Funds.

SECTION 2. ELIGIBLE USES FOR FISCAL RECOVERY FUNDS

Fiscal Recovery Funds shall only be used:

- (A) to respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits; or to provide aid to impacted industries such as tourism, travel, and hospitality;
- (B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- (C) to provide government services to the extent of the reduction in Navajo Nation revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (D) to make necessary investments in water, sewer, or broadband infrastructure.

The U.S. Department of the Treasury has identified 66 Fiscal Recovery Fund expenditure categories for purposes of compliance and reporting. (See "Appendix 1: Expenditure Categories" to Treasury's "Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds," dated June 24, 2021, attached hereto as APPENDIX A). To be eligible for an allocation of the Nation's Fiscal Recovery Funds, each of the proposed expenditures must fall under one of these 66 expenditure categories.

NOTE: All Fiscal Recovery Funds must be obligated by December 31, 2024, and funded Projects must be completed and all Funds fully spent by December 31, 2026.

SECTION 3. DEFINITIONS OF TERMS

- (A) **Meanings; interpretation.** All capitalized terms used in these Procedures have the specific meaning shown in each of the following Subsections, as opposed to a common or ordinary meaning of the term, and the interpretation of all such terms shall be in accordance with Navajo Nation laws and policies.
- (B) **Capitalized terms.**
- (1) “Administrative Oversight” means having the authority to monitor the implementation of an approved FRF Expenditure Plan and the expenditure of awarded Funds.
 - (2) “Agreement” means a grant, subrecipient agreement, memorandum of agreement, or any other agreement or contract, produced by DOJ after consultation with OOC and OMB, that is legally binding upon the parties thereto; the term “Agreement” has the same meaning in these Procedures as the term “binding agreement” used in CJY-41-21; as used herein, an “Agreement” governs the receipt, administration, disbursement, management, monitoring, and oversight of awarded Fiscal Recovery Funds and approved FRF Expenditure Plans.
 - (3) “ARPA” means the American Rescue Plan Act of 2021 signed into law by U.S. President Joseph Biden on March 11, 2021.
 - (4) “ARPA Regulations” means the federal regulations implementing the ARPA, including all Treasury Department guidance and the Treasury Department’s “Interim Final Rule,” as they are amended.
 - (5) “CJY-41-21” means Navajo Nation Council Resolution No. CJY-41-21, signed into law by the Navajo Nation President on August 2, 2021, that established the Navajo Nation’s Fiscal Recovery Fund and the expenditure authorization process for awarded Funds.
 - (6) “Delegate” means a member of the Navajo Nation Council.
 - (7) “Division” means a Division under the Executive Branch of the Navajo Nation Government; a Division may serve as a “Responsible Entity” as that term is used in CJY-41-21.
 - (8) “DOJ” means the Navajo Nation Department of Justice.
 - (9) “Fiscal Recovery Funds” or “Funds” or “FRF” means the money provided to the Navajo Nation from the Coronavirus State and Local Fiscal Recovery Funds under the ARPA; the term “Fiscal Recovery Funds” has the same meaning in these Procedures as this same term is used in CJY-41-21.
 - (10) “FRF Budget Revision Request” means THE NAVAJO NATION OFFICE OF MANAGEMENT AND BUDGET - BUDGET REVISION REQUEST (attached as **APPENDIX C**), used for requesting a budget modification for an approved Project.
 - (11) “FRF Expenditure Plan Budget” means THE NAVAJO NATION PROGRAM BUDGET SUMMARY or BUDGET FORM 1 (attached as **APPENDIX B**) that generally summarizes all proposed expenditures, and shows the type of expenditure and dollar amount for each category of expenditure, regarding any proposed Project.
 - (12) “FRF Request Form & Expenditure Plan” means THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR NAVAJO NATION-OWNED ENTITIES (template attached as **APPENDIX A**); the term “FRF Expenditure Plan” refers to Part 2 of THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR NAVAJO NATION-OWNED ENTITIES, and has the same meaning in these Procedures as the term “NNFRF Expenditure Plan” used in CJY-41-21; a completed FRF Expenditure Plan shall include all of the following (see Part 2 of **APPENDIX A**):

- (a) a description of the Project, including how funds will be used, for what purpose, the location to be served, and what COVID-related needs will be addressed;
 - (b) an explanation of how the Project will benefit the Navajo Nation, Navajo communities, or the Navajo People;
 - (c) a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project;
 - (d) identification of who will be responsible for implementing the Project;
 - (e) an explanation of who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively;
 - (f) an explanation of which of the 66 Fiscal Recovery Fund expenditure categories, as shown in the attached U.S. Department of the Treasury Appendix 1 listing, that the proposed Project falls under and the reasons why.
- (13) “Funding Recipient” means a NN-Owned Entity awarded Fiscal Recovery Funds for a Project.
- (14) “Funding Request” or “Funding Request Package” means, collectively, all forms and documents comprising a request for Fiscal Recovery Funds, including: (i) a completed FRF Request Form & Expenditure Plan; (ii) a completed FRF Expenditure Plan Budget; and (iii) all supporting documents, as required by these Procedures.
- (15) “Initial Eligibility Determination” is based on the criteria listed in Section 5 of these Procedures; an “Initial Eligibility Determination Review” means the review of a Funding Request Package performed by DOJ, which results in DOJ issuing a written Initial Eligibility Determination.
- (16) “NNFRF Office” means the temporary office established by the Navajo Office of the President and Vice-President per CJY-41-21, to, among other things, facilitate and implement Navajo Nation Fiscal Recovery Funds responsibilities assigned to the Office of the President and Vice-President or the Executive Branch.
- (17) “NN Government Unit” means a governmental entity of the Legislative Branch, Judicial Branch, or Executive Branch of the Navajo Nation, as described in (a), (b), and (c) below.
- (a) “Legislative Branch Units” means all entities of the Legislative Branch of the Navajo Nation central government, including the Navajo Nation Council and all offices, boards, commissions, committees, and other governmental entities established, authorized, or subject to administrative oversight, by the Legislative Branch of the Navajo Nation.
 - (b) “Judicial Branch Units” means all entities of the Judicial Branch of the Navajo Nation central government, including all courts of the Navajo Nation and all programs, offices, boards, commissions, and other governmental entities established, authorized, or subject to administrative oversight by the Judicial Branch of the Navajo Nation.
 - (c) “Executive Branch Units” means all entities of the Executive Branch of the Navajo Nation central government, including the Office of the President and Vice President and all divisions, departments, programs, offices, and other governmental entities established, authorized, or subject to administrative oversight by the Executive Branch of the Navajo Nation, whether or not any such entity is under a division.
 - (d) “NN Government Units” does not include any of the 110 Chapters of the Navajo Nation, or any Township established by the Navajo Nation Council.
 - (e) “NN Government Units” does not include any Navajo Nation enterprises, townships, colleges, or authorities, as defined in 1 N.N.C. §552(M)-(R), or any other organization or entity that is not part of the Navajo Nation central government. “NN Government Units” does not include any organization, corporation, partnership, joint-venture, business, company, institution or other entity unless it is operated by the Navajo Nation central government.

- (18) “NN-Owned Entities” means those Navajo Nation enterprises, colleges, and authorities, as defined in 1 N.N.C. §552(M)-(R), as well as any other corporation, company, or institution that is owned by the Navajo Nation.
- (19) “Obligated” means that an order has been placed for the delivery of goods or property, or the performance of services, that will be paid for with Fiscal Recovery Funds; that a contract or subcontract has been executed promising payment with Fiscal Recovery Funds; or that a similar transaction has occurred requiring payment of Fiscal Recovery Funds. For internal Navajo Nation purposes, funds are obligated or encumbered upon completion of OOC’s review and approval of contracts and purchase requisitions, and OOC’s recording of an encumbrance in the FMIS, not upon execution of a contract.
- (20) “OMB” means the Navajo Nation Office of Management and Budget.
- (21) “OOC” means the Navajo Nation Office of the Controller.
- (22) “Oversight Committee” means one or more standing committees of the Navajo Nation Council with legislative oversight authority over a Funding Recipient, a Project, or the subject matter of an FRF Expenditure Plan.
- (23) “President” means the President of the Navajo Nation.
- (24) “Procedures” means these NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES FOR NAVAJO NATION-OWNED ENTITIES.
- (25) “Project” means any proposed program, infrastructure or other capital project, services, or activities desired by a NN-Owned Entity and described in an FRF Request Form & Expenditure Plan; a Project will be implemented, carried out, and completed with Fiscal Recovery Funds.

SECTION 4. PREPARING A REQUEST FOR FISCAL RECOVERY FUNDS

NN-Owned Entities shall not be permitted to independently submit their Funding Requests for an Initial Eligibility Determination Review, and instead must work with a NN Government Unit that will serve as the Administrative Oversight entity. All NN-Owned Entities shall comply with the applicable procedures in this entire Section 4, and all required Forms and documents shall be included in their Funding Request Package.

- (A) **Working with a Division or NN Government Unit.** Based on the type of Project for which Funds are being requested, each NN-Owned Entity shall obtain the assistance and oversight of the appropriate Division or other NN Government Unit having responsibility over the subject matter of the proposed FRF Expenditure Plan (the “Administrative Oversight entity”). If a NN-Owned Entity is uncertain which NN Government Unit should provide such assistance and Administrative Oversight, OMB shall advise. The Director of the Administrative Oversight entity is authorized to submit a Funding Request Package for an Initial Eligibility Determination Review on a NN-Owned Entity’s behalf. If the Expenditure Plan is approved by the Navajo Nation Council and the President, the Funds shall be administered by the Administrative Oversight entity. For purposes of all Sections of these Procedures, the Director of the Administrative Oversight entity may authorize a designee to act in his/her capacity; and, as used herein “Director” shall include his/her designee. In preparing the Funding Request, and prior to submission to DOJ, the Administrative Oversight entity shall communicate and coordinate with the NNFRF Office.
- (B) **Required Forms and documents.** All NN-Owned Entities shall complete all of the following Forms and documents to be submitted to the Administrative Oversight entity. All such Forms and documents shall be made Exhibits to the legislation presented to the Navajo Nation Council for approval of their Funding Request:
 - (1) FRF Request Form & Expenditure Plan (see APPENDIX A);
 - (2) Navajo Nation Budget Form 1 (see APPENDIX B);

- (a) the NN-Owned Entity shall not request an amount of funds greater than the dollar amount that can be obligated by December 31, 2024 and fully expended by December 31, 2026, or by such other deadline dates that may be determined by the Navajo Nation Council;
- (b) the NN-Owned Entity shall complete the NN Budget Form 1 using a general summary;
NOTE: if/when a NN-Owned Entity's Funding Request is approved as described in Section 5(H) of these Procedures, a more detailed line-item budget must be prepared as instructed by OMB using NN Budget Forms 1 through 4; these detailed budgets will be appended to the executed Agreement governing the NN-Owned Entity's Project;
- (c) Section 4(F) of Council Resolution CJY-41-21 provides that expenditure plans involving construction activities shall include a contingency reserve consistent with industry standards adequate to cover projected inflation-based cost increases. Therefore, whenever construction activities are included in an expenditure plan, Budget Form 1, and subsequent detailed budgets, must include a budget line item for contingencies.
- (3) provide a duly approved Resolution from the NN-Owned Entity's Board of Directors or equivalent body, which must include statements: (i) requesting the funding (with the specific dollar amount requested); (ii) describing the Project to be funded, and how the purposes of the ARPA will be satisfied; and (iii) affirming that the NN-Owned Entity will only use awarded funds in compliance with the ARPA, the ARPA Regulations, and all other applicable Navajo Nation and federal laws and regulations;
- (4) all other relevant documents in support of the Funding Request.
- (C) **Required signatures.** Before submitting its Funding Request Package to the Administrative Oversight entity, the NN-Owned Entity shall obtain the signature of both the Chairperson, President, or equivalent, of the NN-Owned Entity's Board; and also its Chief Executive Officer, or equivalent, on its FRF Request Form & Expenditure Plan and on its NN Budget Form 1.
- (D) **Authorization to submit.** The Director of the Administrative Oversight entity shall review, approve, and sign each NN-Owned Entity's FRF Request Form & Expenditure Plan and its FRF Expenditure Plan Budget, and then submit on behalf of the NN-Owned Entity, its Funding Request Package for an Initial Eligibility Determination Review. If no Director is available, the NN-Owned Entity may obtain review and approval signature from the President or other Branch Chief with oversight authority over the Expenditure Plan, and the Branch Chief may then submit the Funding Request for an Initial Eligibility Determination Review. In preparing the Request and prior to submission to DOJ, the Administrative Oversight entity shall communicate and coordinate with the NNFRF Office.

SECTION 5. EXPEDITED REVIEW PROCESS; ELIGIBILITY DETERMINATIONS

- (A) **Submitting the Funding Request.** All Funding Requests for NN-Owned Entities shall be submitted to DOJ by the Administrative Oversight entity, for an Initial Eligibility Determination Review, by completing a DOJ "Request for Services" form. A courtesy copy of the Funding Request Package shall also be submitted to the NNFRF Office, OMB Contracts and Grants Section at Docs@omb.navajonnsn.gov, and to OOC.
- (B) **DOJ Review.** DOJ shall conduct an Initial Eligibility Determination Review to determine if all required Forms and documents in each of the Funding Requests are complete, accurate, and meet all applicable requirements; and whether all proposed Project expenditures are eligible for FRF funding. DOJ shall indicate in writing whether or not each Funding Request is deemed eligible for a funding award according to the criteria listed in Section 5(E) of these Procedures. However, an "eligible" determination does not mean that a Funding Request will be given final approval by the Navajo Nation Council or the President.

- (C) **Expedited time for review.** DOJ shall complete its Initial Eligibility Determination Review within 5 working days of its receipt of a Funding Request, excluding weekends and holidays. Whenever possible, Reviews will be completed the same working day. If the Initial Eligibility Determination Review is not completed within the 5 working days, the Funding Request Package shall be returned to the submitting party, with the notation: “REVIEW NOT COMPLETED WITHIN 5 WORKING DAYS.” If DOJ does not complete its review within 5 working days, the submitting party may request that a Delegate sponsor approval legislation for the Funding Request.
- (D) **After review is completed.** Once DOJ completes its Initial Eligibility Determination Review, DOJ shall notify the Funding Request submitting party that its Review is complete, and shall also email the entire Funding Request Package, along with its written determination, back to the submitting party, along with a courtesy copy to the NNFRF Office, within the deadline provided for in Section 5(C) above.
- (E) **Ineligibility; rejection of Funding Request.** With written explanation, DOJ may deem a Funding Request ineligible and may reject and return a Funding Request Package back to the submitting party, if:
- (1) any required Form is incomplete, inaccurate, or illegible; or
 - (2) any required Form is not signed by the appropriate person(s) as required in these Procedures; or
 - (3) any portion of the FRF Expenditure Plan template is not fully completed, in accordance with all requirements in Section 3(B)(12) of these Procedures, with fully detailed explanations and information regarding all proposed expenditures of the requested Fiscal Recovery Funds; or
 - (4) any required supporting document is not included with the Funding Request; or
 - (5) any portion of the Funding Request does not fit within the eligible purposes outlined in Section 2 of these Procedures; or
 - (6) all Fiscal Recovery Funds for the Project will not be obligated by December 31, 2024; or
 - (7) delivery of goods or performance of services will not be achieved, the Project will not be completed, and the entire amount of requested Fiscal Recovery Funds will not be fully spent by December 31, 2026; or
 - (8) any question or issue related to the Funding Request that was raised by DOJ and communicated to the NN-Owned Entity is not satisfactorily addressed in a manner that allows DOJ to meet the review deadline in Section 5(C) of these Procedures; or
 - (9) the NN-Owned Entity has failed to return Navajo Nation CARES Funds owed to the Nation or to complete and timely submit any reports required pursuant to the Navajo Nation CARES Funds Act, and/or the federal Coronavirus Aid, Relief, and Economic Security Act of 2020 (“CARES Act”), if applicable; or
 - (10) approving the Funding Request or awarding Funds to the NN-Owned Entity would be inconsistent with any applicable Navajo Nation or federal laws or regulations.
- (F) **Resubmittal of Funding Request.** After a determination of ineligibility by DOJ, DOJ shall allow the Administrative Oversight entity one opportunity to correct and resubmit a Funding Request Package. However, if any changes are made to the Project, any required Form(s), the proposed FRF Expenditure Plan, or any supporting documents (including the substitution of any document), revised Forms and new signatures shall then be required from the appropriate person(s) as provided for in Sections 4(C) and 4(D) of these Procedures.
- (G) **Preparation of approval legislation.** Once DOJ has completed its Initial Eligibility Determination Review of a NN-Owned Entity’s Package, a Delegate may present the Package to the Office of Legislative Counsel, along with a request for approval legislation. The Office of Legislative Counsel shall then draft the sponsoring Delegate’s requested legislation for the Navajo Nation Council’s approval of the Package. A Delegate may choose to sponsor approval legislation regardless of DOJ’s determination of ineligibility.

- (H) **Final eligibility determination by Council and President.** Any review of a Funding Request pursuant to this Section 5 shall be considered an “Initial Eligibility Determination” only, as this term is defined in Section 3(B)(15) of these Procedures. The final determination as to whether a Funding Request is approved, or whether a NN-Owned Entity is awarded Fiscal Recovery Funds shall be made by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), and subject to 2 N.N.C. §164 (A)(17).

SECTION 6. IMPLEMENTING EXPENDITURE PLANS; REPORTING REQUIREMENTS

- (A) **Notification to Funding Recipient.** The approval of a NN-Owned Entity’s Funding Request as described in Section 5(H) shall serve as formal notice to the NN-Owned Entity that it is a “Funding Recipient.”
- (B) **Required Agreements; Administrative Oversight.** All Fiscal Recovery Funds awarded to a NN-Owned Entity shall be disbursed, administered, managed, and monitored in accordance with the terms and conditions of an Agreement as defined in Section 3(B)(2) of these Procedures. The required Agreement shall be between the NN-Owned Entity and the Navajo Nation, and shall be executed for the Navajo Nation by the Director of the Administrative Oversight entity. NN-Owned Entities shall be authorized to receive and expend awarded Funds on their own, pursuant to the terms and conditions of such executed Agreement, however, Administrative Oversight shall be retained by the Administrative Oversight entity.
- (C) **Business Unit.** All awards of Fiscal Recovery Funds shall be assigned a Business Unit Number within the Navajo Nation’s Financial Management Information System (“FMIS”). OMB shall provide instructions to the Administrative Oversight entity regarding the budget submission requirements to establish budgets and business unit numbers for awarded funds in the FMIS. OMB shall require submission of Navajo Nation Budget Forms 1 through 4 and shall issue a Transmittal to authorize implementation of funding.
- (D) **Budget information required.** Awarded Fiscal Recovery Funds shall be made available only after the Agreement required by Section 6(B) is executed and the Funding Recipient submits its appropriate budget information on NN Budget Forms 1 through 4 as required by OMB, which Forms shall be appended to the Agreement. Budgets for expenditure plans that include construction activities must include a budget line item for a contingency reserve in accordance with Section 4(F) of Council Resolution CJY-41-21.
- (E) **Provision of financial information.** All financial information and documents, such as invoices, copies of checks, records of wire transfers, and bank reconciliations, must be provided by the Funding Recipient if so requested by the Administrative Oversight entity, OMB, or OOC. In addition, all Funding Recipients shall regularly submit to the Administrative Oversight entity, and to OOC and OMB the following reports:
- (1) A quarterly narrative report to be submitted no later than ten (10) business days after the end of each quarter. Each narrative report shall include all of the following:
 - (a) all the Funding Recipient’s accomplishments towards meeting the purposes of the Funds award;
 - (b) a description of any significant problems encountered, and a detailed plan as to how those problems will be, or have been, managed and resolved;
 - (c) a statement detailing whether the Funding Recipient is on schedule to obligate all awarded Funds by December 31, 2024 (or other deadline date set by the Navajo Nation Council);
 - (d) a statement detailing whether the Project will be fully completed and all awarded Fiscal Recovery Funds spent by December 31, 2026 (or other deadline date set by the Navajo Nation Council).
 - (2) A quarterly financial report, in a format as instructed by OOC, to be submitted no later than ten (10) business days after the end of each quarter.
 - (3) A single financial closeout report, in a format as instructed by OOC, to be submitted no later than thirty (30) business days after December 31, 2026, or by an alternate deadline date set by the Navajo Nation Council. The report shall include all requested financials and a narrative report on the result of Projects funded.

- (F) **Reversion of Funds.** All Fiscal Recovery Funds not expended in accordance with an approved FRF Expenditure Plan Budget shall automatically and immediately revert back to the Navajo Nation Fiscal Recovery Fund as described in CJY-41-21. All Funds not fully obligated by December 31, 2024 shall likewise revert back to the Navajo Nation Fiscal Recovery Fund.

SECTION 7. MONITORING AND OVERSIGHT

Once a Funding Request is approved and the required Agreement is executed, the Administrative Oversight entity shall ensure that:

- (A) all documents or reports required by Section 6(E) of these Procedures are timely submitted;
- (B) all awarded Funds are disbursed and expended in accordance with these Procedures, with all provisions of CJY-41-21, the ARPA and ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies;
- (C) the Project's scope of work and performance criteria are being met;
- (D) all provisions of the approved FRF Expenditure Plan are being followed; and
- (E) recommendations by OMB, OOC, or the Administrative Oversight entity regarding the contents of any required document or report submitted pursuant to Section 6(E) are provided in writing to the appropriate Oversight Committee(s).

SECTION 8. MODIFYING EXPENDITURE PLANS OR BUDGETS

All proposed modifications, revisions, amendments, or changes to an approved FRF Expenditure Plan or an approved FRF Expenditure Plan Budget, shall comply with the following:

- (A) **Project modifications; no increase in funds.** Project modifications shall not increase the amount of Fiscal Recovery Funds originally approved as described in Section 5(H) of these Procedures. If any Project modification is desired, the Administrative Oversight entity acting on behalf of the Funding Recipient must prepare and submit a new FRF Request Form & Expenditure Plan and a new FRF Expenditure Plan Budget, and shall comply with all applicable provisions of these Procedures. Modifications that change the purpose and intent of the Project as described in the originally-approved FRF Request Form & Expenditure Plan, or that substantially change the scope of work of the project shall require approval by the Navajo Nation Council. DOJ shall make the determination if Navajo Nation Council approval of the modification is required. Funding Recipients shall comply with the terms and conditions of an executed Agreement, if any, by informing the Administrative Oversight entity of any Project modifications. After DOJ has reviewed the request for a Project modification and determined that Council approval is not needed, or after Council approves the modification, the Administrative Oversight entity acting on behalf of the Funding Recipient shall submit a budget revision request to OMB if needed.
- (B) **Revised Forms.** Funding Recipients desiring a modification shall submit, at a minimum, a revised FRF Request Form & Expenditure Plan, an FRF Budget Revision Request, and supporting documents related to the proposed modification. New signatures shall be required from the appropriate person(s) as provided for in Sections 4(C) and 4(D), and all provisions in Sections 4, 5, and 6 of these Procedures shall be followed.
- (C) **Updated Initial Eligibility Determination Review required.** Funding Recipients shall submit their revised FRF Request Form & Expenditure Plan, FRF Budget Revision Request, and supporting documents, to DOJ for an updated Initial Eligibility Determination Review of the proposed modification.

(D) **Approval of modifications.** Except as described in Section 8(A) above, all modifications must be approved by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), subject to the provisions of 2 N.N.C. §164 (A)(17).

* * * * * *END OF DOCUMENT* * * * * *

THE NAVAJO NATION
FISCAL RECOVERY FUNDS **REQUEST FORM & EXPENDITURE PLAN**
FOR NAVAJO NATION-OWNED ENTITIES

Part 1. Identification of parties.

NN-Owned Entity
requesting FRF: _____ date prepared: _____

NN-Owned Entity's _____ phone/email: _____
mailing address: _____ website (if any): _____

this Form prepared by: _____ phone/email: _____

CONTACT PERSON'S name and title

CONTACT PERSON'S info

title and type of Project: _____

NN-Owned Entity's
CEO (or equivalent): _____ phone & email: _____

Board President: _____ phone & email: _____

Board Treasurer or
Financial Officer: _____ phone & email: _____

Funding Recipient will be working with: _____ on the Project
indicate assisting Division and name of Division Director; if none, indicate "NN President and OPVP"
and same will be submitting the Funding Request Package for Review, and will have Administrative Oversight over this FRF Expenditure Plan.

List types of Subcontractors or Subrecipients that will be paid with FRF (if known): _____

_____ ☐ document attached

Amount of FRF requested: _____ FRF funding period: _____
indicate Project starting and ending/deadline date

Part 2. Expenditure Plan details.

(a) Describe the Program(s) and/or Project(s) to be funded, including how the funds will be used, for what purposes, the location(s) to be served, and what COVID-related needs will be addressed:

_____ ☐ document attached

(b) Explain how the Program or Project will benefit the Navajo Nation, Navajo communities, or the Navajo People:

_____ ☐ document attached

(c) Provide a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project. Disclose any challenges that may prevent you from incurring costs for all funding by December 31, 2024 and/or fully expending funds and completing the Program(s) or Project(s) by December 31, 2026:

☐ document attached

(d) Identify who will be responsible for implementing the Program or Project:

☐ document attached

(e) Explain who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively:

☐ document attached

(f) State which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the proposed Program or Project falls under, and explain the reason why:

☐ document attached

Part 3. Additional documents.

List here all additional supporting documents attached to this FRF Expenditure Plan (or indicate N/A):

☐ Board Resolution attached

Part 4. Affirmation by Funding Recipient.

Funding Recipient affirms that its receipt of Fiscal Recovery Funds and the implementation of this FRF Expenditure Plan shall be in accordance with Resolution No. CJY-41-21, the ARPA, ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies:

NN-Owned Entity's

Preparer: _____
signature of Preparer/CONTACT PERSON

Approved by: _____
signature of Board Chairperson or President (or Vice-President)

Approved by: _____
signature of NN-Owned Entity's CEO (or equivalent)

Approved to submit
for Review: _____
signature of Director of assisting Division

-OR- Approved to submit
for Review: _____
signature of NN President



Appendix 1: Expenditure Categories

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure²⁷	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities (see Project Demographic Distribution section above for details)

²⁷ Definitions for water and sewer Expenditure Categories can be found in the EPA's handbooks. For "clean water" expenditure category definitions, please see:

<https://www.epa.gov/sites/production/files/2018-03/documents/cwdefinitions.pdf>. For "drinking water" expenditure category definitions, please see: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-national-information-management-system-reports>.

FY _____

THE NAVAJO NATION
PROGRAM BUDGET SUMMARY

Page ____ of ____
BUDGET FORM 1

PART I. Business Unit No.: _____		Program Title: _____		Division/Branch: _____	
Prepared By: _____		Phone No.: _____		Email Address: _____	

PART II. FUNDING SOURCE(S)	Fiscal Year /Term	Amount	% of Total	PART III. BUDGET SUMMARY	Fund Type Code	(A) NNC Approved Original Budget	(B) Proposed Budget	(C) Difference or Total
				2001 Personnel Expenses				
				3000 Travel Expenses				
				3500 Meeting Expenses				
				4000 Supplies				
				5000 Lease and Rental				
				5500 Communications and Utilities				
				6000 Repairs and Maintenance				
				6500 Contractual Services				
				7000 Special Transactions				
				8000 Public Assistance				
				9000 Capital Outlay				
				9500 Matching Funds				
				9500 Indirect Cost				
				TOTAL		\$0.00	0.00	0

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

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

SUBMITTED BY: _____	APPROVED BY: _____	Division Director / Branch Chief's Printed Name
Program Manager's Printed Name		
Program Manager's Signature and Date		Division Director / Branch Chief's Signature and Date

**THE NAVAJO NATION
OFFICE OF MANAGEMENT AND BUDGET
BUDGET REVISION REQUEST**

(For Use on NN Funds and External Grant Budgets)

PART I. PROGRAM INFORMATION:							
PREPARED/REQUESTED BY (PRINTED NAME & TITLE)				EMAIL ADDRESS		DATE	
BUSINESS UNIT NO.		PROGRAM / DEPARTMENT TITLE			PHONE NO.		
PART II. FOR EXTERNAL GRANT OR CONTRACT USE ONLY:							
TITLE OF EXTERNAL CONTRACT / GRANT				FUNDING PERIOD - START/ END DATE			
PART III. TRANSFER FROM OBJECT CODE:				PART IV. TRANSFER TO OBJECT CODE:			
FUNDS AVAILABLE (OMB USE ONLY)	LOD	FROM OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	LOD	TO OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	
TOTAL				TOTAL			
PART V. JUSTIFICATION FOR BUDGET REVISION (Must be detailed and complete): Explain why the revision is required and provide calculations to show budget is sufficient for the purpose of the budget revision or to the end of the funding period. Do not simply repeat the information provided in Part III and IV above.							
PART VI. IMPACT ON PROGRAM PERFORMANCE CRITERIA SET IN BUDGET FORM 2: Describe change in funding's (object code) affect on performance criteria, if any.							
PART VII. APPROPRIATE SIGNATURES:							
DEPARTMENT/PROGRAM DIRECTOR (PRINTED)				BRANCH/DIVISION DIRECTOR (PRINTED)			
APPROVAL SIGNATURE / DATE				CONCURRENCE SIGNATURE / DATE			

NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES
FOR EXTERNAL ENTITIES
REQUESTING NAVAJO NATION FISCAL RECOVERY FUNDS
UNDER THE AMERICAN RESCUE PLAN ACT OF 2021

SECTION 1. INTRODUCTION

- (A) **History of ARPA and the Navajo Nation's FRF allocation.** On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. Section 9901 of ARPA amended Title VI of the Social Security Act to add Sections 602, which established the Coronavirus State Fiscal Recovery Fund, and 603, which established the Coronavirus Local Fiscal Recovery Fund, thereby appropriating Coronavirus State and Local Fiscal Recovery Funds in the amount of \$362 billion for state, local, and tribal governments, including \$20 billion designated for tribal governments. As of August 16, 2021, the United States Department of Treasury has allocated \$2,079,461,464.93 to the Navajo Nation (hereinafter referred to as "Funds").
- (B) **Guidance to External Entities seeking Fiscal Recovery Funds.** In preparing a Funding Request, External Entities must carefully review all provisions of the ARPA and its corresponding regulations, and must also be familiar with the U.S. Treasury Department's guidance including the Interim Final Rule as amended, and the Treasury Department's most current Frequently Asked Questions publication. Those seeking Funds must ensure that the Treasury Department will consider all proposed expenditures to be a legal and proper use of such Funds. ARPA instructions and helpful information can be found on the Treasury Department's website at: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/tribal-governments>. Finally, External Entities seeking Funds should review and understand all provisions of Navajo Nation Council Resolution No. CJY-41-21, which establishes the Navajo Nation's goals and intent regarding the approval and use of Navajo Nation Fiscal Recovery Funds.

SECTION 2. ELIGIBLE USES FOR FISCAL RECOVERY FUNDS

Fiscal Recovery Funds shall only be used:

- (A) to respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and non-profits; or to provide aid to impacted industries such as tourism, travel, and hospitality;
- (B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- (C) to provide government services to the extent of the reduction in Navajo Nation revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (D) to make necessary investments in water, sewer, or broadband infrastructure.

The U.S. Department of the Treasury has identified 66 Fiscal Recovery Fund expenditure categories for purposes of compliance and reporting. (See "Appendix 1: Expenditure Categories" to Treasury's "Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds," dated June 24, 2021, attached hereto as APPENDIX A). To be eligible for an allocation of the Nation's Fiscal Recovery Funds, each of the proposed expenditures must fall under one of these 66 expenditure categories.

NOTE: All Fiscal Recovery Funds must be obligated by December 31, 2024, and funded Projects must be completed and all Funds fully spent by December 31, 2026.

SECTION 3. DEFINITIONS OF TERMS

(A) **Meanings; interpretation.** All capitalized terms used in these Procedures have the specific meaning shown in each of the following Subsections, as opposed to a common or ordinary meaning of the term, and the interpretation of all such terms shall be in accordance with Navajo Nation laws and policies.

(B) **Capitalized terms.**

- (1) “Administrative Oversight” means having the authority to monitor the implementation of an approved FRF Expenditure Plan and the expenditure of awarded Funds.
- (2) “Agreement” means a grant, subrecipient agreement, memorandum of agreement, or any other agreement or contract, produced by DOJ after consultation with OOC and OMB, that is legally binding upon the parties thereto; the term “Agreement” has the same meaning in these Procedures as the term “binding agreement” used in CJY-41-21; as used herein, an “Agreement” governs the receipt, administration, disbursement, management, monitoring, and oversight of awarded Fiscal Recovery Funds and approved FRF Expenditure Plans.
- (3) “ARPA” means the American Rescue Plan Act of 2021 signed into law by U.S. President Joseph Biden on March 11, 2021.
- (4) “ARPA Regulations” means the federal regulations implementing the ARPA, including all Treasury Department guidance and the Treasury Department’s “Interim Final Rule,” as they are amended.
- (5) “CJY-41-21” means Navajo Nation Council Resolution No. CJY-41-21, signed into law by the Navajo Nation President on August 2, 2021, that established the Navajo Nation’s Fiscal Recovery Fund and the expenditure authorization process for awarded Funds.
- (6) “Delegate” means a member of the Navajo Nation Council.
- (7) “Division” means a Division under the Executive Branch of the Navajo Nation Government; a Division may serve as a “Responsible Entity” as that term is used in CJY-41-21.
- (8) “DOJ” means the Navajo Nation Department of Justice.
- (9) “External Entities” means entities other than NN Government Units, Chapters, Townships, and those Navajo Nation enterprises, colleges, and authorities, as defined in 1 N.N.C. §552(M)-(R), as well as any other corporation, company, or institution that is owned by the Navajo Nation.
- (10) “Fiscal Recovery Funds” or “Funds” or “FRF” means the money provided to the Navajo Nation from the Coronavirus State and Local Fiscal Recovery Funds under the ARPA; the term “Fiscal Recovery Funds” has the same meaning in these Procedures as this same term is used in CJY-41-21.
- (11) “FRF Budget Revision Request” means THE NAVAJO NATION OFFICE OF MANAGEMENT AND BUDGET - BUDGET REVISION REQUEST (attached as **APPENDIX C**), used for requesting a budget modification for an approved Project.
- (12) “FRF Expenditure Plan Budget” means THE NAVAJO NATION PROGRAM BUDGET SUMMARY or BUDGET FORM 1 (attached as **APPENDIX B**) that generally summarizes all proposed expenditures, and shows the type of expenditure and dollar amount for each category of expenditure, regarding any Project.
- (13) “FRF Request Form & Expenditure Plan” means THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR EXTERNAL ENTITIES (template attached as **APPENDIX A**); the term “FRF Expenditure Plan” refers to Part 2 of THE NAVAJO NATION FISCAL RECOVERY FUNDS REQUEST FORM & EXPENDITURE PLAN FOR EXTERNAL ENTITIES, and has the same

meaning in these Procedures as the term “NNFRF Expenditure Plan” used in CJY-41-21; a completed FRF Expenditure Plan shall include all of the following (see Part 2 of **APPENDIX A**):

- (a) a description of the Project, including how funds will be used, for what purpose, the location to be served, and what COVID-related needs will be addressed;
 - (b) an explanation of how the Project will benefit the Navajo Nation, Navajo communities, or the Navajo People;
 - (c) a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project;
 - (d) identification of who will be responsible for implementing the Project;
 - (e) an explanation of who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively;
 - (f) an explanation of which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of Treasury Appendix 1 listing the Project falls under and the reasons why.
- (14) “Funding Recipient” means an External Entity awarded Fiscal Recovery Funds for a Project.
- (15) “Funding Request” or “Funding Request Package” means, collectively, all forms and documents comprising a request for Fiscal Recovery Funds, including: (i) a completed FRF Request Form & Expenditure Plan; (ii) a completed FRF Expenditure Plan Budget; and (iii) all supporting documents, as required by these Procedures.
- (16) “Initial Eligibility Determination” is based on the criteria listed in Section 5 of these Procedures; an “Initial Eligibility Determination Review” means the review of a Funding Request Package performed by DOJ, which results in DOJ issuing a written Initial Eligibility Determination.
- (17) “NNFRF Office” means the temporary office established by the Navajo Office of the President and Vice-President (“OP/VP”) per CJY-41-21, to, among other things, facilitate and implement Navajo Nation Fiscal Recovery Funds responsibilities assigned to the OP/VP or the Executive Branch.
- (18) “NN Government Unit” means a governmental entity of the Legislative Branch, Judicial Branch, or Executive Branch of the Navajo Nation, as described in (a), (b), and (c) below.
- (a) “Legislative Branch Units” means all entities of the Legislative Branch of the Navajo Nation central government, including the Navajo Nation Council and all offices, boards, commissions, committees, and other governmental entities established, authorized, or subject to administrative oversight, by the Legislative Branch of the Navajo Nation.
 - (b) “Judicial Branch Units” means all entities of the Judicial Branch of the Navajo Nation central government, including all courts of the Navajo Nation and all programs, offices, boards, commissions, and other governmental entities established, authorized, or subject to administrative oversight by the Judicial Branch of the Navajo Nation.
 - (c) “Executive Branch Units” means all entities of the Executive Branch of the Navajo Nation central government, including the Office of the President and Vice President and all divisions, departments, programs, offices, and other governmental entities established, authorized, or subject to administrative oversight by the Executive Branch of the Navajo Nation, whether or not any such entity is under a division.
 - (d) “NN Government Units” does not include any of the 110 Chapters of the Navajo Nation, or any Township established by the Navajo Nation Council.
 - (e) “NN Government Units” does not include any Navajo Nation enterprises, townships, colleges, or authorities, as defined in 1 N.N.C. §552(M)-(R), or any other organization or entity that is not part of the Navajo Nation central government. “NN Government Units” does not include any organization, corporation, partnership, joint-venture, business, company, institution or other entity unless it is operated by the Navajo Nation central government.

- (19) “Obligated” means that an order has been placed for the delivery of goods or property, or the performance of services, that will be paid for with Fiscal Recovery Funds; that a contract or subcontract has been executed promising payment with Fiscal Recovery Funds; or that a similar transaction has occurred requiring payment of Fiscal Recovery Funds. For internal Navajo Nation purposes, funds are obligated or encumbered upon completion of OOC’s review and approval of contracts and purchase requisitions, and OOC’s recording of an encumbrance in the FMIS, not upon execution of a contract.
- (20) “OMB” means the Navajo Nation Office of Management and Budget.
- (21) “OOC” means the Navajo Nation Office of the Controller.
- (22) “Oversight Committee” means one or more standing committees of the Navajo Nation Council with legislative oversight authority over a Funding Recipient, a Project, or the subject matter of an FRF Expenditure Plan.
- (23) “President” means the President of the Navajo Nation.
- (24) “Procedures” means these NAVAJO NATION FISCAL RECOVERY FUNDS PROCEDURES FOR EXTERNAL ENTITIES.
- (25) “Project” means any proposed program, infrastructure or other capital project, services, or activities desired by a NN-Owned Entity and described in an FRF Request Form & Expenditure Plan; a Project will be implemented, carried out, and completed with Fiscal Recovery Funds.

SECTION 4. PREPARING A REQUEST FOR FISCAL RECOVERY FUNDS

External Entities shall not be permitted to independently submit their Funding Requests for an Initial Eligibility Determination Review, and instead must work with a NN Government Unit that will serve as the Administrative Oversight entity. All External Entities shall comply with the applicable procedures in this entire Section 4, and all required Forms and documents shall be included in their Funding Request Package.

- (A) **Working with a Division or NN Government Unit.** Based on the type of Project for which Funds are being requested, each External Entity shall obtain the assistance and oversight of the appropriate Division or other NN Government Unit having responsibility over the subject matter of the proposed FRF Expenditure Plan (the “Administrative Oversight entity”). If an External Entity is uncertain which NN Government Unit should provide such assistance and Administrative Oversight, OMB shall advise. The Director of the Administrative Oversight entity is authorized to submit a Funding Request Package for an Initial Eligibility Determination Review on an External Entity’s behalf. If the Expenditure Plan is approved by the Navajo Nation Council and the President, the Funds shall be administered by the Administrative Oversight entity. For purposes of all Sections of these Procedures, the Director of the Administrative Oversight entity may authorize a designee to act in his/her capacity; and, as used herein “Director” shall include his/her designee. In preparing the Funding Request, and prior to submission to DOJ, the Administrative Oversight entity shall communicate and coordinate with the NNFRF Office.
- (B) **Required Forms and documents.** All External Entities shall complete all of the following Forms and documents to be submitted to the Administrative Oversight entity. All such Forms and documents shall be made Exhibits to the legislation presented to the Navajo Nation Council for approval of their Funding Request:
 - (1) FRF Request Form & Expenditure Plan (see APPENDIX A);
 - (2) Navajo Nation Budget Form 1 (see APPENDIX B);
 - (a) the External Entity shall not request an amount of funds greater than the dollar amount that can be obligated by December 31, 2024 and fully expended by December 31, 2026, or by such other deadline dates that may be determined by the Navajo Nation Council;

- (b) the External Entity shall complete the NN Budget Form 1 using a general summary;
NOTE: if/when an External Entity's Funding Request is approved as described in Section 5(H) of these Procedures, a more detailed line-item budget must be prepared as instructed by OMB using NN Budget Forms 1 through 4; these detailed budgets will be appended to the executed Agreement governing the External Entity's Project;
- (c) Section 4(F) of Council Resolution CJY-41-21 provides that expenditure plans involving construction activities shall include a contingency reserve consistent with industry standards adequate to cover projected inflation-based cost increases. Therefore, whenever construction activities are included in an expenditure plan, Budget Form 1, and subsequent detailed budgets, must include a budget line item for contingencies.
- (3) provide a duly approved Resolution from the External Entity's Board of Directors or equivalent body, which must include statements: (i) requesting the funding (with the specific dollar amount requested); (ii) describing the Project to be funded, and how the purposes of the ARPA will be satisfied; and (iii) affirming that the External Entity will only use awarded funds in compliance with the ARPA, the ARPA Regulations, and all other applicable Navajo Nation and federal laws and regulations;
- (4) registration documents issued by the Business Regulatory Department of the Navajo Nation Division of Economic Development, showing proper registration and authorization for the External Entity to conduct business within the Navajo Nation;
- (5) a Certificate of Good Standing for the External Entity, issued by the Business Regulatory Department of the Navajo Nation Division of Economic Development, dated within 90 days of the date of submission of the Funding Request;
- (6) all other relevant documents in support of the Funding Request.
- (C) **Required signatures.** Before submitting its Funding Request Package to the Administrative Oversight entity, the External Entity shall obtain the signature of both the Chairperson, President, or equivalent, of the External Entity's Board; and also its Chief Executive Officer, or equivalent, on its FRF Request Form & Expenditure Plan and on its NN Budget Form 1.
- (D) **Authorization to submit.** The Director of the Administrative Oversight entity shall review, approve, and sign each External Entity's FRF Request Form & Expenditure Plan and its FRF Expenditure Plan Budget, and then submit on behalf of the External Entity, its Funding Request Package for an Initial Eligibility Determination Review. If no Director is available, the External Entity may obtain review and approval signature from the President or other Branch Chief with oversight authority over the Expenditure Plan, and the Branch Chief may then submit the Funding Request for an Initial Eligibility Determination Review. In preparing the Request and prior to submission to DOJ, the Administrative Oversight entity shall communicate and coordinate with the NNFRF Office.
- (E) **Requesting clearances.** As the first step in preparing its Funding Request Package, the Administrative Oversight entity, on behalf of the External Entity, should immediately submit requests for clearances pursuant to 12 N.N.C. §1505, to the Navajo Nation Division of Economic Development, the Office of the Navajo Tax Commission, to the Navajo Nation Shopping Centers, Inc., and to other entities as determined by DOJ. The External Entity shall certify that it has not been debarred, suspended, or otherwise formally penalized by any Navajo Nation, federal, state, or other tribal entity. Such clearances and certification need not be included in the External Entity's Funding Request Package submitted for an Initial Eligibility Determination Review; however, all such clearances and proof, no older than thirty calendar days, must be presented prior to the execution of the required Agreement described in Section 6(B) of these Procedures.

SECTION 5. EXPEDITED REVIEW PROCESS; ELIGIBILITY DETERMINATIONS

- (A) **Submitting the Funding Request.** All Funding Requests for External Entities shall be submitted to DOJ by the Administrative Oversight entity for an Initial Eligibility Determination Review, by completing a DOJ “Request for Services” form. A courtesy copy of the Funding Request Package shall also be submitted to the NNFRF Office, OMB Contracts and Grants Section at Docs@omb.navajo-nsn.gov, and to OOC.
- (B) **DOJ Review.** DOJ shall conduct an Initial Eligibility Determination Review to determine if all required Forms and documents in each of the Funding Requests are complete, accurate, and meet all applicable requirements; and whether all proposed Project expenditures are eligible for FRF funding. DOJ shall indicate in writing whether or not each Funding Request is deemed eligible for a funding award according to the criteria listed in Section 5(E) of these Procedures. However, an “eligible” determination does not mean that a Funding Request will be given final approval by the Navajo Nation Council or the President.
- (C) **Expedited time for review.** DOJ shall complete its Initial Eligibility Determination Review within 5 working days of its receipt of a Funding Request, excluding weekends and holidays. Whenever possible, Reviews will be completed the same working day. If the Initial Eligibility Determination Review is not completed within the 5 working days, the Funding Request Package shall be returned to the submitting party, with the notation: “REVIEW NOT COMPLETED WITHIN 5 WORKING DAYS.” If DOJ does not complete its review within 5 working days, the submitting party may request that a Delegate sponsor approval legislation for the Funding Request.
- (D) **After review is completed.** Once DOJ completes its Initial Eligibility Determination Review, DOJ shall notify the Funding Request submitting party that its Review is complete, and shall also email the entire Funding Request Package, along with its written determination, back to the submitting party, along with a courtesy copy to the NNFRF Office, within the deadline provided for in Section 5(C) above.
- (E) **Ineligibility; rejection of Funding Request.** With written explanation, DOJ may deem a Funding Request ineligible and may reject and return a Funding Request Package back to the submitting party, if:
- (1) any required Form is incomplete, inaccurate, or illegible; or
 - (2) any required Form is not signed by the appropriate person(s) as required in these Procedures; or
 - (3) any portion of the FRF Expenditure Plan template is not fully completed, in accordance with all requirements in Section 3(B)(13) of these Procedures, with fully detailed explanations and information regarding all proposed expenditures of the requested Fiscal Recovery Funds; or
 - (4) any required supporting document is not included with the Funding Request; or
 - (5) any portion of the Funding Request does not fit within the eligible purposes outlined in Section 2 of these Procedures; or
 - (6) all Fiscal Recovery Funds for the Project will not be obligated by December 31, 2024; or
 - (7) delivery of goods or performance of services will not be achieved, the Project will not be completed, and the entire amount of requested Fiscal Recovery Funds will not be fully spent by December 31, 2026; or
 - (8) any question or issue related to the Funding Request that was raised by DOJ and communicated to the External Entity is not satisfactorily addressed in a manner that allows DOJ to meet the review deadline in Section 5(C) of these Procedures; or
 - (9) the External Entity has failed to return Navajo Nation CARES Funds owed to the Nation or to complete and timely submit any reports required pursuant to the Navajo Nation CARES Funds Act, and/or the federal Coronavirus Aid, Relief, and Economic Security Act of 2020 (“CARES Act”), if applicable; or
 - (10) approving the Funding Request or awarding Funds to the External Entity would be inconsistent with any applicable Navajo Nation or federal laws or regulations.

- (F) **Resubmittal of Funding Request.** After a determination of ineligibility by DOJ, DOJ shall allow the Administrative Oversight entity one opportunity to correct and resubmit a Funding Request Package. However, if any changes are made to the Project, any required Form(s), the proposed FRF Expenditure Plan, or any supporting documents (including the substitution of any document), revised Forms and new signatures shall then be required from the appropriate person(s) as provided for in Section 4(C) and 4(D) of these Procedures.
- (G) **Preparation of approval legislation.** Once DOJ has completed its Initial Eligibility Determination Review of an External Entity's Package, a Delegate may present the Package to the Office of Legislative Counsel, along with a request for approval legislation. The Office of Legislative Counsel shall then draft the sponsoring Delegate's requested legislation for the Navajo Nation Council's approval of the Package. A Delegate may choose to sponsor approval legislation regardless of DOJ's determination of ineligibility.
- (H) **Final eligibility determination by Council and President.** Any review of a Funding Request pursuant to this Section 5 shall be considered an "Initial Eligibility Determination" only, as this term is defined in Section 3(B)(16) of these Procedures. The final determination as to whether a Funding Request is approved, or whether an External Entity is awarded Fiscal Recovery Funds shall be made by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), and subject to the provisions of 2 N.N.C. §164(A)(17).

SECTION 6. IMPLEMENTING EXPENDITURE PLANS; REPORTING REQUIREMENTS

- (A) **Notification to Funding Recipient.** The approval of an External Entity's Funding Request as described in Section 5(H) shall serve as formal notice to the External Entity that it is a "Funding Recipient."
- (B) **Required Agreements; Administrative Oversight.** All Fiscal Recovery Funds awarded to an External Entity shall be disbursed, administered, managed, and monitored in accordance with the terms and conditions of an Agreement as defined in Section 3(B)(2) of these Procedures. The required Agreement shall be between the External Entity and the Navajo Nation, and shall be executed for the Navajo Nation by the Director of the Administrative Oversight entity. External Entities shall be authorized to receive and expend awarded Funds on their own, pursuant to the terms and conditions of such executed Agreement, however, Administrative Oversight shall be retained by the Administrative Oversight entity.
- (C) **Clearances prior to execution.** Before the required Agreement for awarded Funds is executed, the Administrative Oversight entity shall ensure that:
- (1) the External Entity is eligible to do business with the Navajo Nation pursuant to 12 N.N.C. §1505, regardless whether or not the External Entity has filed an appeal challenging an ineligibility decision; eligibility under this Section 6(C)(1) shall be determined by the clearances issued by the Division of Economic Development, the Office of the Navajo Tax Commission, the Navajo Nation Shopping Centers, Inc., and any other entities as determined by DOJ; and
 - (2) the External Entity has certified that it has not been debarred, suspended, or otherwise formally penalized by any Navajo Nation, federal, state, or other tribal entity, regardless whether or not the External Entity has filed an appeal challenging any such action; and
 - (3) all clearances shall be no older than thirty calendar days prior to the execution of the required Agreement for awarded funds.
- (D) **Business Unit.** All awards of Fiscal Recovery Funds shall be assigned a Business Unit Number within the Navajo Nation's Financial Management Information System ("FMIS"). OMB shall provide instructions to the Administrative Oversight entity regarding the budget submission requirements to establish budgets and business unit numbers for awarded funds in the FMIS. OMB shall require submission of NN Budget Forms 1 through 4 and shall issue a Transmittal to authorize implementation of funding.

- (E) **Budget information required.** Awarded Fiscal Recovery Funds shall be made available only after the Agreement required by Section 6(B) is executed and the Funding Recipient submits its appropriate budget information on NN Budget Forms 1 through 4 as required by OMB, which Forms shall be appended to the Agreement. Budgets for expenditure plans that include construction activities must include a budget line item for a contingency reserve in accordance with Section 4(F) of Council Resolution CJY-41-21.
- (F) **Provision of financial information.** All financial information and documents, such as invoices, copies of checks, records of wire transfers, and bank reconciliations, must be provided by the Funding Recipient if so requested by the Administrative Oversight entity, OMB, or OOC. In addition, all Funding Recipients shall regularly submit to the Administrative Oversight entity, and to OOC and OMB the following reports:
- (1) A quarterly narrative report to be submitted no later than ten (10) business days after the end of each quarter. Each narrative report shall include all of the following:
 - (a) all the Funding Recipient's accomplishments towards meeting the purposes of the Funds award;
 - (b) a description of any significant problems encountered, and a detailed plan as to how those problems will be, or have been, managed and resolved;
 - (c) a statement detailing whether the Funding Recipient is on schedule to obligate all awarded Fiscal Recovery Funds by December 31, 2024 (or other deadline date set by the Navajo Nation Council);
 - (d) a statement detailing whether the Project will be fully completed and all awarded Fiscal Recovery Funds spent by December 31, 2026 (or other deadline date set by the Navajo Nation Council).
 - (2) A quarterly financial report, in a format as instructed by OOC, to be submitted no later than ten (10) business days after the end of each quarter.
 - (3) A single financial closeout report, in a format as instructed by OOC, to be submitted no later than thirty (30) business days after December 31, 2026, or by an alternate deadline date set by the Navajo Nation Council. The report shall include all requested financials and a narrative report on the result of Projects funded.
- (G) **Reversion of Funds.** All Fiscal Recovery Funds not expended in accordance with an approved FRF Expenditure Plan Budget shall automatically and immediately revert back to the Navajo Nation Fiscal Recovery Fund as described in CJY-41-21. All Funds not fully obligated by December 31, 2024 shall likewise revert back to the Navajo Nation Fiscal Recovery Fund.

SECTION 7. MONITORING AND OVERSIGHT

Once a Funding Request is approved and the required Agreement is executed, the Administrative Oversight entity shall ensure that:

- (A) all documents or reports required by Section 6(F) of these Procedures are timely submitted; and
- (B) all awarded Funds are disbursed and expended in accordance with these Procedures, with all provisions of CJY-41-21, the ARPA and ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies; and
- (C) the Project's scope of work and performance criteria are being met; and
- (D) all provisions of the approved FRF Expenditure Plan are being followed; and
- (E) recommendations by OMB, OOC, or the Administrative Oversight entity regarding the contents of any required document or report submitted pursuant to Section 6(F) are provided to the appropriate Oversight Committee(s).

SECTION 8. MODIFYING EXPENDITURE PLANS OR BUDGETS

All proposed modifications, revisions, amendments, or changes to an approved FRF Expenditure Plan or an approved FRF Expenditure Plan Budget, shall comply with the following:

- (A) **Project modifications; no increase in funds.** Project modifications shall not increase the amount of Fiscal Recovery Funds originally approved as described in Section 5(H) of these Procedures. If any Project modification is desired, the Administrative Oversight entity acting on behalf of the Funding Recipient must prepare and submit a new FRF Request Form & Expenditure Plan and a new FRF Expenditure Plan Budget, and shall comply with all applicable provisions of these Procedures. Modifications that change the purpose and intent of the Project as described in the originally-approved FRF Request Form & Expenditure Plan, or that substantially change the scope of work of the project shall require approval by the Navajo Nation Council. DOJ shall make the determination if Navajo Nation Council approval of the modification is required. Funding Recipients shall comply with the terms and conditions of an executed Agreement, if any, by informing the Administrative Oversight entity of any Project modifications. After DOJ has reviewed the request for a Project modification and determined that Council approval is not needed, or after Council approves the modification, the Administrative Oversight entity acting on behalf of the Funding Recipient shall submit a budget revision request to OMB if needed.
- (B) **Revised Forms.** Funding Recipients desiring a modification shall submit, at a minimum, a revised FRF Request Form & Expenditure Plan, an FRF Budget Revision Request, and supporting documents related to the proposed modification. New signatures shall be required from the appropriate person(s) as provided for in Sections 4(C) and 4(D), and all provisions in Sections 4, 5, and 6 of these Procedures shall be followed.
- (C) **Updated Initial Eligibility Determination Review required.** Funding Recipients shall submit their revised FRF Request Form & Expenditure Plan, FRF Budget Revision Request, and supporting documents, to DOJ for an updated Initial Eligibility Determination Review of the proposed modification.
- (D) **Approval of modifications.** Except as described in Section 8(A) above, all modifications must be approved by the Navajo Nation Council and the President pursuant to 2 N.N.C. §221(B), subject to the provisions of 2 N.N.C. §164 (A)(17).

* * * * * **END OF DOCUMENT** * * * * *

THE NAVAJO NATION
FISCAL RECOVERY FUNDS **REQUEST FORM & EXPENDITURE PLAN**
FOR EXTERNAL ENTITIES

Part 1. Identification of parties.

External Entity requesting FRF: _____ date prepared: _____

External Entity's phone/email: _____
mailing address: _____ website (if any): _____

this Form prepared by: _____ phone/email: _____

CONTACT PERSON'S name and title

CONTACT PERSON'S info

title and type of Project: _____

External Entity's
CEO (or equivalent): _____ phone & email: _____

Board President: _____ phone & email: _____

Board Treasurer or
Financial Officer: _____ phone & email: _____

Funding Recipient will be working with: _____ on the Project
indicate name of Director of assisting Division and Division; if none, indicate "NN President and OPVP"
and same will be submitting the Funding Request Package for Review, and will have Administrative Oversight over this FRF Expenditure Plan.

List types of Subcontractors or Subrecipients that will be paid with FRF (if known): _____

☐ document attached

Amount of FRF requested: _____ FRF funding period: _____
indicate Project starting and ending/deadline date

Part 2. Expenditure Plan details.

(a) Describe the Program(s) and/or Project(s) to be funded, including how the funds will be used, for what purposes, the location(s) to be served, and what COVID-related needs will be addressed:

☐ document attached

(b) Explain how the Program or Project will benefit the Navajo Nation, Navajo communities, or the Navajo People:

☐ document attached

(c) Provide a prospective timeline showing the estimated date of completion of the Project and/or each phase of the Project. Disclose any challenges that may prevent you from incurring costs for all funding by December 31, 2024 and/or fully expending funds and completing the Program(s) or Project(s) by December 31, 2026:

_____ ☐ document attached

(d) Identify who will be responsible for implementing the Program or Project:

_____ ☐ document attached

(e) Explain who will be responsible for operations and maintenance costs for the Project once completed, and how such costs will be funded prospectively:

_____ ☐ document attached

(f) State which of the 66 Fiscal Recovery Fund expenditure categories in the attached U.S. Department of the Treasury Appendix 1 listing the proposed Program or Project falls under, and explain the reason why:

_____ ☐ document attached

Part 3. Additional documents.

List here all additional supporting documents attached to this FRF Expenditure Plan (or indicate N/A):

_____ ☐ Board Resolution attached

Part 4. Affirmation by Funding Recipient.

Funding Recipient affirms that its receipt of Fiscal Recovery Funds and the implementation of this FRF Expenditure Plan shall be in accordance with Resolution No. CJY-41-21, the ARPA, ARPA Regulations, and with all applicable federal and Navajo Nation laws, regulations, and policies:

External Entity's
Preparer: _____

signature of Preparer/CONTACT PERSON

Approved by: _____

signature of Board Chairperson or President (or Vice-President)

Approved by: _____

signature of External Entity's CEO (or equivalent)

Approved to submit
for Review: _____

signature of Director of assisting Division

-OR- Approved to submit
for Review: _____

signature of NN President



Appendix 1: Expenditure Categories

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term "Expenditure Category" refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure²⁷	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities (see Project Demographic Distribution section above for details)

²⁷ Definitions for water and sewer Expenditure Categories can be found in the EPA's handbooks. For "clean water" expenditure category definitions, please see:

<https://www.epa.gov/sites/production/files/2018-03/documents/cwdefinitions.pdf>. For "drinking water" expenditure category definitions, please see: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-national-information-management-system-reports>.

PART I. Business Unit No.: _____		Program Title: _____		Division/Branch: _____	
Prepared By: _____		Phone No.: _____		Email Address: _____	
PART II. FUNDING SOURCE(S)		Fiscal Year /Term	Amount	% of Total	PART III. BUDGET SUMMARY
					Fund Type Code
					(A) NNC Approved Original Budget
					(B) Proposed Budget
					(C) Difference or Total
					2001 Personnel Expenses
					3000 Travel Expenses
					3500 Meeting Expenses
					4000 Supplies
					5000 Lease and Rental
					5500 Communications and Utilities
					6000 Repairs and Maintenance
					6500 Contractual Services
					7000 Special Transactions
					8000 Public Assistance
					9000 Capital Outlay
					9500 Matching Funds
					9500 Indirect Cost
					TOTAL
					\$0.00
					0.00
					0
					PART IV. POSITIONS AND VEHICLES
					(D)
					(E)
					Total # of Positions Budgeted:
					Total # of Vehicles Budgeted:
PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.					
SUBMITTED BY:		APPROVED BY:			
Program Manager's Printed Name		Division Director / Branch Chief's Printed Name			
Program Manager's Signature and Date		Division Director / Branch Chief's Signature and Date			

**THE NAVAJO NATION
OFFICE OF MANAGEMENT AND BUDGET
BUDGET REVISION REQUEST**
(For Use on NN Funds and External Grant Budgets)

PART I. PROGRAM INFORMATION:						
PREPARED/REQUESTED BY (PRINTED NAME & TITLE)				EMAIL ADDRESS		DATE
BUSINESS UNIT NO.	PROGRAM / DEPARTMENT TITLE			PHONE NO.		
PART II. FOR EXTERNAL GRANT OR CONTRACT USE ONLY:						
TITLE OF EXTERNAL CONTRACT / GRANT				FUNDING PERIOD - START/END DATE		
PART III. TRANSFER FROM OBJECT CODE:				PART IV. TRANSFER TO OBJECT CODE:		
FUNDS AVAILABLE (OMB USE ONLY)	LOD	FROM OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	LOD	TO OBJECT CODE & DESCRIPTION OF CODE	AMOUNT
TOTAL				TOTAL		
PART V. JUSTIFICATION FOR BUDGET REVISION (Must be detailed and complete): Explain why the revision is required and provide calculations to show budget is sufficient for the purpose of the budget revision or to the end of the funding period. Do not simply repeat the information provided in Part III and IV above.						
PART VI. IMPACT ON PROGRAM PERFORMANCE CRITERIA SET IN BUDGET FORM 2: Describe change in funding's (object code) affect on performance criteria, if any.						
PART VII. APPROPRIATE SIGNATURES:						
DEPARTMENT/PROGRAM DIRECTOR (PRINTED)				BRANCH/DIVISION DIRECTOR (PRINTED)		
APPROVAL SIGNATURE / DATE				CONCURRENCE SIGNATURE / DATE		

BUDGET AND FINANCE COMMITTEE

1 September 2021

Special Meeting

VOTE TALLY SHEET:

Legislation No. 0172-21: An Action Relating to the Budget and Finance Committee; Approving the Navajo Nation Fiscal Recovery Fund Application Procedures, Forms, and Expenditure Plan Template, Pursuant to CJY-41-21 *Sponsored by Jamie Henio and Seth A. Damon, Council Delegates*

Motion: Elmer P. Begay

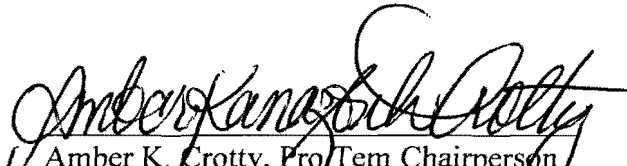
Second: Jimmy Yellowhair

Vote: 4-0, Pro Tem Chairperson not voting with 1 amendment

Final Vote Tally:

Jamie Henio	yea	
Raymond Smith Jr.		
Elmer P. Begay	yea	
Nathaniel Brown	yea	
Amber K. Crotty		
Jimmy Yellowhair	yea	

Excused: Raymond Smith, Jr.


Amber K. Crotty, Pro Tem Chairperson
Budget & Finance Committee


Peggy Nakai, Legislative Advisor
Budget & Finance Committee