

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: \_\_\_\_\_ Approved by: \_\_\_\_\_  
*signature of Preparer/CONTACT PERSON* *signature of Board Chairperson or President (or Vice-President)*

Approved by: \_\_\_\_\_ Approved to submit for Review: \_\_\_\_\_  
*signature of External Entity's CEO (or equivalent)* *signature of Director of assisting Division*

-OR- Approved to submit for Review: \_\_\_\_\_  
*signature of NN President*



## Appendix 1: Expenditure Categories

Treasury’s final rule provides greater flexibility and simplicity for recipients to fight the pandemic and support families and businesses struggling with its impacts, maintain vital services amid revenue shortfalls, and build a strong, resilient, and equitable recovery. As such, recipients will report on a broader set of eligible uses and associated Expenditure Categories (“EC”), starting with the April 2022 Project and Expenditure Report. The table below includes the new Expenditure Categories, as well as a reference to previous Expenditure Categories used for reporting under the interim final rule.

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-19 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

\*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 disproportionately impacted communities (see Project Demographic Distribution section above for details)

Expenditure Category	EC <sup>27</sup>	Previous EC <sup>28</sup>
<b>1: Public Health</b>		
<b>COVID-19 Mitigation &amp; Prevention</b>		
COVID-19 Vaccination <sup>^</sup>	1.1	1.1
COVID-19 Testing <sup>^</sup>	1.2	1.2
COVID-19 Contact Tracing <sup>^</sup>	1.3	1.3
Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.) <sup>*^</sup>	1.4	1.4
Personal Protective Equipment <sup>^</sup>	1.5	1.5
Medical Expenses (including Alternative Care Facilities) <sup>^</sup>	1.6	1.6
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) <sup>^</sup>	1.7	1.8
COVID-19 Assistance to Small Businesses <sup>^</sup>	1.8	-
COVID 19 Assistance to Non-Profits <sup>^</sup>	1.9	-
COVID-19 Aid to Impacted Industries <sup>^</sup>	1.10	-
<b>Community Violence Interventions</b>		
Community Violence Interventions <sup>*^</sup>	1.11	3.16
<b>Behavioral Health</b>		
Mental Health Services <sup>*^</sup>	1.12	1.10
Substance Use Services <sup>*^</sup>	1.13	1.11
<b>Other</b>		
Other Public Health Services <sup>^</sup>	1.14	1.12
Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	-	1.7
<b>2: Negative Economic Impacts</b>		
<b>Assistance to Households</b>		
Household Assistance: Food Programs <sup>*^</sup>	2.1	2.1
Household Assistance: Rent, Mortgage, and Utility Aid <sup>*^</sup>	2.2	2.2
Household Assistance: Cash Transfers <sup>*^</sup>	2.3	2.3

<sup>27</sup> Under the final rule to be used starting with April 2022 reports

<sup>28</sup> Under the interim final rule to be used in Interim Report and January 2022 Project and Expenditure Report



Expenditure Category	EC <sup>27</sup>	Previous EC <sup>28</sup>
Household Assistance: Internet Access Programs*^	2.4	2.4
Household Assistance: Paid Sick and Medical Leave^	2.5	-
Household Assistance: Health Insurance*^	2.6	-
Household Assistance: Services for Un/Unbanked*^	2.7	-
Household Assistance: Survivor's Benefits^	2.8	-
Unemployment Benefits or Cash Assistance to Unemployed Workers*^	2.9	2.6
Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)*^	2.10	2.7
Healthy Childhood Environments: Child Care*^	2.11	3.6
Healthy Childhood Environments: Home Visiting*^	2.12	3.7
Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System*^	2.13	3.8
Healthy Childhood Environments: Early Learning*^	2.14	3.1
Long-term Housing Security: Affordable Housing*^	2.15	3.10
Long-term Housing Security: Services for Unhoused Persons*^	2.16	3.11
Housing Support: Housing Vouchers and Relocation Assistance for Disproportionately Impacted Communities*^	2.17	-
Housing Support: Other Housing Assistance*^	2.18	3.12
Social Determinants of Health: Community Health Workers or Benefits Navigators*^	2.19	3.14
Social Determinants of Health: Lead Remediation*^	2.20	3.15
Medical Facilities for Disproportionately Impacted Communities^	2.21	-
Strong Healthy Communities: Neighborhood Features that Promote Health and Safety^	2.22	-
Strong Healthy Communities: Demolition and Rehabilitation of Properties^	2.23	-
Addressing Educational Disparities: Aid to High-Poverty Districts^	2.24	3.2
Addressing Educational Disparities: Academic, Social, and Emotional Services*^	2.25	3.3
Addressing Educational Disparities: Mental Health Services*^	2.26	3.4
Addressing Impacts of Lost Instructional Time^	2.27	-
Contributions to UI Trust Funds^	2.28	2.8
<b>Assistance to Small Businesses</b>		
Loans or Grants to Mitigate Financial Hardship^	2.29	2.9
Technical Assistance, Counseling, or Business Planning*^	2.30	
Rehabilitation of Commercial Properties or Other Improvements^	2.31	-
Business Incubators and Start-Up or Expansion Assistance*^	2.32	
Enhanced Support to Microbusinesses*^	2.33	
<b>Assistance to Non-Profits</b>		
Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)^	2.34	2.10
<b>Aid to Impacted Industries</b>		
Aid to Tourism, Travel, or Hospitality^	2.35	2.11
Aid to Other Impacted Industries^	2.36	2.12
<b>Other</b>		
Economic Impact Assistance: Other*^	2.37	2.13
Household Assistance: Eviction Prevention*^	-	2.5
Education Assistance: Other*^	-	3.5
Healthy Childhood Environments: Other*^	-	3.9
Social Determinants of Health: Other*^	-	3.13



Expenditure Category	EC <sup>27</sup>	Previous EC <sup>28</sup>
<b>3: Public Health-Negative Economic Impact: Public Sector Capacity</b>		
<b>General Provisions</b>		
Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	3.1	1.9
Public Sector Workforce: Rehiring Public Sector Staff	3.2	2.14
Public Sector Workforce: Other	3.3	-
Public Sector Capacity: Effective Service Delivery	3.4	7.2
Public Sector Capacity: Administrative Needs	3.5	-
<b>4: Premium Pay</b>		
Public Sector Employees	4.1	4.1
Private Sector: Grants to Other Employers	4.2	4.2
<b>5: Infrastructure</b>		
<b>Water and Sewer</b>		
Clean Water: Centralized Wastewater Treatment	5.1	5.1
Clean Water: Centralized Wastewater Collection and Conveyance	5.2	5.2
Clean Water: Decentralized Wastewater	5.3	5.3
Clean Water: Combined Sewer Overflows	5.4	5.4
Clean Water: Other Sewer Infrastructure	5.5	5.5
Clean Water: Stormwater	5.6	5.6
Clean Water: Energy Conservation	5.7	5.7
Clean Water: Water Conservation	5.8	5.8
Clean Water: Nonpoint Source	5.9	5.9
Drinking water: Treatment	5.10	5.10
Drinking water: Transmission & Distribution	5.11	5.11
Drinking water: Lead Remediation, including in Schools and Daycares	5.12	5.12
Drinking water: Source	5.13	5.13
Drinking water: Storage	5.14	5.14
Drinking water: Other water infrastructure	5.15	5.15
Water and Sewer: Private Wells	5.16	-
Water and Sewer: IIJA Bureau of Reclamation Match	5.17	-
Water and Sewer: Other	5.18	-
<b>Broadband</b>		
Broadband: "Last Mile" projects	5.19	5.16
Broadband: IIJA Match	5.20	-
Broadband: Other projects	5.21	5.17
<b>6: Revenue Replacement</b>		
Provision of Government Services	6.1	6.1
Non-federal Match for Other Federal Programs	6.2	-
<b>7: Administrative</b>		
Administrative Expenses	7.1	7.1
Transfers to Other Units of Government	7.2	7.3
Transfers to Non-entitlement Units (States and territories only)	-	7.4



Treasury has prepared the additional guidance below to support recipients in implementing the new expenditure categories. This table includes only those previous expenditure categories that are changing under the new structure, aligned with the final rule.

January 2022 Expenditure Categories		April 2022 Guidance
<b>1: Public Health</b>		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	EC removed, capital expenditures can be designated in any relevant PH-NEI EC (e.g., new hospital wing would be tracked under EC 1.4)
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	EC is 1.7
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	EC is 3.1
1.10	Mental Health Services*	EC is 1.12
1.11	Substance Use Services*	EC is 1.13
1.12	Other Public Health Services	EC is 1.14
<b>2: Negative Economic Impacts</b>		
2.5	Household Assistance: Eviction Prevention	EC is now included as part of 2.2
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*	EC is 2.9
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)*^	EC is 2.10
2.8	Contributions to UI Trust Funds	EC is 2.28
2.9	Small Business Economic Assistance (General)*^	If public-health related (e.g., providing rapid tests for small businesses), EC is 1.8; if related to negative economic impact eligible use (e.g., grants, technical assistance, rehabilitation, incubators, or microbusinesses), EC is 2.29-2.33
2.10	Aid to Nonprofit Organizations*	If public-health related (e.g., providing rapid tests for non-profits), EC is 1.9; if related to negative economic impact (e.g., grants to stabilize non-profit budget), EC is 2.34
2.11	Aid to Tourism, Travel, or Hospitality	EC is 2.35
2.12	Aid to Other Impacted Industries	EC is 2.36
2.13	Other Economic Support*^	EC is 2.37, re-named Other Economic Impact
2.14	Rehiring Public Sector Staff	EC is 3.2
<b>3: Services to Disproportionately Impacted Communities</b>		
3.1	Education Assistance: Early Learning*^	EC is 2.14
3.2	Education Assistance: Aid to High-Poverty Districts ^	EC is 2.24
3.3	Education Assistance: Academic Services*^	EC is 2.25, social and emotional services will now be tracked under this EC
3.4	Education Assistance: Social, Emotional, and Mental Health Services*^	EC is 2.26, if social and emotional services, EC is 2.25;
3.5	Education Assistance: Other*^	EC is 2.37, collected under Other Economic Impact



January 2022 Expenditure Categories		April 2022 Guidance
3.6	Healthy Childhood Environments: Child Care*^	EC is 2.11
3.7	Healthy Childhood Environments: Home Visiting*^	EC is 2.12
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System*^	EC is 2.13
3.9	Healthy Childhood Environments: Other*^	EC is 2.37, collected under Other Economic Impact
3.10	Housing Support: Affordable Housing*^	EC is 2.15
3.11	Housing Support: Services for Unhoused Persons*^	EC is 2.16
3.12	Housing Support: Other Housing Assistance*^	EC is 2.18
3.13	Social Determinants of Health: Other*^	EC is 2.37, collected under Other Economic Impact
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators*^	EC is 2.19
3.15	Social Determinants of Health: Lead Remediation^	EC is 2.20
3.16	Social Determinants of Health: Community Violence Interventions*^	EC is 1.11
<b>5: Infrastructure</b>		
5.16	Broadband: “Last Mile” projects	EC is 5.19
5.17	Broadband: Other projects	EC is 5.20
<b>7: Administrative</b>		
7.2	Evaluation and Data Analysis	EC is 3.4 and has been renamed Effective Service Delivery
7.3	Transfers to Other Units of Government	EC is 7.2
7.4	Transfers to Non-entitlement Units (States and territories only)	To be separately reported as part of NEU/Non-UGLG module. Refer to Part 2 Section D.



**THE NAVAJO NATION  
PROGRAM BUDGET SUMMARY**

FY \_\_\_\_\_

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				
				<b>TOTAL</b>		\$0.00	0.00	0
				<b>PART IV. POSITIONS AND VEHICLES</b>		(D)	(E)	
				Total # of Positions Budgeted:				
				Total # of Vehicles Budgeted:				
		<b>TOTAL:</b>	\$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			Division Director / Branch Chief's Printed Name					
_____ Program Manager's Signature and Date			_____ Division Director / Branch Chief's Signature and Date					

**APPENDIX B**

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

<b>PART I. PROGRAM INFORMATION:</b>						
PREPARED/REQUESTED BY (PRINTED NAME & TITLE)				EMAIL ADDRESS		DATE
BUSINESS UNIT NO.	PROGRAM / DEPARTMENT TITLE			PHONE NO.		
<b>PART II. FOR EXTERNAL GRANT OR CONTRACT USE ONLY:</b>						
TITLE OF EXTERNAL CONTRACT / GRANT				FUNDING PERIOD - START/ END DATE		
<b>PART III. TRANSFER FROM OBJECT CODE:</b>				<b>PART IV. TRANSFER TO OBJECT CODE:</b>		
FUNDS AVAILABLE (OMB USE ONLY)	LOD	FROM OBJECT CODE & DESCRIPTION OF CODE	AMOUNT	LOD	TO OBJECT CODE & DESCRIPTION OF CODE	AMOUNT
TOTAL				TOTAL		
<b>PART V. JUSTIFICATION FOR BUDGET REVISION (Must be detailed and complete):</b> 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.						
<b>PART VI. IMPACT ON PROGRAM PERFORMANCE CRITERIA SET IN BUDGET FORM 2:</b> Describe change in funding's (object code) affect on performance criteria, if any.						
<b>PART VII. APPROPRIATE SIGNATURES:</b>						
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*

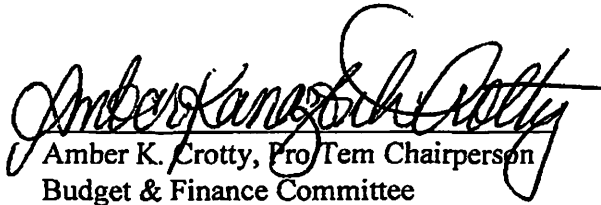
*Second: Jimmy Yellowhair*

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

**Final Vote Tally:**

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

*Excused: Raymond Smith, Jr.*

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

  
Peggy Nakai, Legislative Advisor  
Budget & Finance Committee