Executive Branch
Divisions & Offices

* Department of Dine Education
* Department of Justice
* Division of Community Development
* Division of Economic Development
* Division of General Services
* Division of Health
* Division of Human Resources
* Division of Natural Resources
* Division of Public Safety
* Division of Social Services
* Navajo Division of Transportation
* Navajo Environmental Protection Agency
* Navajo Gaming Regulatory Commission
* Navajo Hopi Land Commission
* Navajo Nation Telecommunication Regulatory Commission
* Navajo Nation Washington Office
* Office of the Controller
* Office of the First Lady
* Office of Management & Budget
* Office of Miss Navajo Nation
* Office of Navajo Tax Commission
I. PROGRAM INFORMATION

Superintendent: Andrew Tah
Assistant Superintendent: Timothy Benally
Telephone No.: 928-871-7475
Facsimile No: 928-871-7474

Departments:
Navajo Head Start
Spencer Willie, Department Manager III
Johnson O’Malley Program
Eleanor G. Thomas, Acting Program Manager I
Monitoring, Evaluation, & Technical Assistance
Lorena Zah-Bahe, Education Program Manager
Office of Dine Culture & Language
Sylvia A. Jackson, Acting Program Supervisor II
Dine, Science, Math & Technology/RSI
Dr. Kalvin White, Education Administrator
Office of Youth Development
Paulene T. Thomas, Interim Department Manager
Office of Navajo Nation Library
Irving Nelson, Program Supervisor I
North Central Association
Delores McKerry, Education Program Manager
Office of Educational Research & Statistics
Duane Reeder, Statistician/Demographer
Scholarship & Financial Assistance
Rose Graham, Department Manager III
Special Education & Rehabilitation Services
Treva Roanhorse, Education Program Manager

II. BUDGET/PERFORMANCE INFORMATION:

<table>
<thead>
<tr>
<th>Program</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicles</th>
<th>FY 2010 Personnel</th>
<th>% Used</th>
<th>FY 2010 Operating</th>
<th>% Used</th>
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<td>Administration</td>
<td>General Funds Funds</td>
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<td>$692,606.45</td>
<td>42%</td>
<td>$214,092</td>
<td>36%</td>
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III. ACCOMPLISHMENTS:

Department of Diné Education (DODE) – Administration

- The ASU/IGA Executive Committee met to discuss how Deans of several ASU programs will contribute to the project; the need for a director over the project; the possibility of matching funds; soliciting for a grant; and identifying individuals to serve on four subcommittees. This ASU/IGA is a partnership intended to help DoDE build its capacity as a State Education Agency.
- Supt. and Asst. Supt. attended Listening Sessions and Learning Summits sponsored by Cabinet Secretary Duncan. NN representatives shared DoDE’s intent and requested resources. Sen. Byron Dorgan hosted an Indian Affairs Listening Session attended by Dr. Kalvin White, ODSMT, and Education Committee members. They informed the Senator on DoDE’s SEA Initiative, academic improvement efforts, and funding support for further development of our Accountability Workbook.
- DoDE met several times with Ardham Technology, Inc. discussing possible E-Rate grants. It was anticipated that several schools would join a consortium to improve broadband connectivity enabling video conferencing.
- School Improvement Team (SIT) continues to visit schools monthly; they are reporting favorable results from administrators, staff, and parents.
- DoDe participated in FY2011 Budget Request, proposing increases in Education, tribal Grant Support Costs, ISEP, Safe and Secure Schools Initiative. It was reported that school construction and replacement facility construction funding would decrease.
• NCLB Facility and Construction Rulemaking Committee. Comprised of 40 members, the Committee met for 3 days to discuss organizational responsibilities and purpose. The Committee is charged to: 1) catalog Bureau-funded facilities; 2) report on school replacement and new construction needs using formula of equitable fund distribution; 3) report on major/minor renovation needs using equitable funds distribution; and 4) revising the national Dormitory heating, lighting and cooling standards. Representatives of the Navajo Nation include: Monty Roessel, Albert Yazzie, Jimmie C. Begay, Lester Hudson, Betty Ojaye, and Superintendent Tah.

• DoDE provided staff, vehicles, food and office supplies during “Operation Snowfall.” Over $10,000 was contributed to the Navajo Nation emergency relief effort.

• Rose Graham, Manager for ONNSFA represented DoDE at several meetings, re: UNM Education Summit, scheduled for April 8-9, 2010.

• DoDE and DOJ met with Jeehdeez’a School Board, Acting CEO, Acting Principal and school attorney to review issues and concerns. A draft agreement has been done to address identified issues and is being reviewed by DOJ and the school’s attorney.

• The Superintendent attended two (2) JOM Subcontractor meetings and presented on Accountability Workbook, SEA, and other initiatives the Department is pursuing.

• The Superintendent addressed the Eastern Navajo Agency Head Start staff providing update on DoDE initiatives and encouraging staff preparation for a successful upcoming Federal Review.

• The Superintendent attended a B&F Committee meeting on Head Start’s audit report. The status of Corrective Action Plans was discussed.

• New Acting BIE Director, Bart Stevens requested support for his appointment of Lemual Adson as Associate Deputy Director for Navajo Region.

• DoDE and ODSMT (Dr. Kalvin White) attended Gallup McKinley County Schools’ District meetings re: 10 school improvement grants received. DoDE strongly recommended they be involved with this school district initiative. An MOU is proposed. Superintendent Tah will meet with GMCSD Superintendent, Raymond Arsenault to develop the MOU.

• The success story of the Literacy Reading Program implemented at several Bureau-operated and public schools was shared with DoDE.

• DoDE met with the NM Public Education Department-Gallup Office staff to discuss school improvement initiatives and the $60,000 grant for Diné Language Assessment. Results of that Assessment show that 83% of Navajo K-8 students are not speaking the Navajo language.

• The Hunter’s Point Grant application was approved by the BIE. OMETA will provide technical assistance to the school during the conversion to grant status.

**Navajo Nation Board of Education (NNBOE)**

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th># of Board</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY 2010 Personnel</th>
<th>% Used</th>
<th>FY 2010 Operating</th>
<th>% Used</th>
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<tr>
<td>General</td>
<td>9</td>
<td>1</td>
<td>0</td>
<td>$21,830</td>
<td>42.38%</td>
<td>$118,746</td>
<td>59.7</td>
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<td>Total</td>
<td>9</td>
<td>1</td>
<td>0</td>
<td>$21,830</td>
<td>42.38%</td>
<td>$118,746</td>
<td>59.7</td>
</tr>
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</table>

**January 2010**

• The Board approved the 2008-2009 Annual Report with a directive to distribute to the Navajo Nation Council, Navajo Nation programs/offices, and schools.

• The Board recommended Sylvia Jackson to the New Mexico Bilingual Education Advisory Committee.

• The Board recommended Jimmie C. Begay to the No Child Left Behind Committee.

• The Board approved a support resolution for Diné Bi Olta School Board Association (DBOSBA) regarding Navajo Nation Local School Board Position Statement on the Bureau of Indian Education Funding for FY 2011 Budget related to Administrative Cost Grants, Student Transportation, Facility Management Operation and Maintenance, School Facility Improvement and Repairs and School Replacement Construction.

• The Board elected new officers as follows:
  o Jimmie C. Begay, President
  o Timothy Bitsilly, Vice-President
  o Dolly C. Begay, Secretary

**February 2010**
The Board approved DBOSBA Resolution requesting the Education Committee of the Navajo Nation Council to schedule a public hearing with the Committee on Indian Affairs of the United States Senate to address the educational concerns of the Navajo Nation on February 5, 2010.

The Board met with parents of Leupp Schools, Inc.

(2) Board members attended the NIEA Legislative Summit in February, 2010.

March 2010

- The Board met with OMETA regarding the Proposed Grant Reauthorization Handbook.
- The Board met with ODCLCS, re: Proposed Navajo Language and Culture Standards.
- The Board held a Work Session and Special Meeting to plan an Education Summit with DoDE Programs, administrators and school boards to discuss Action Plan on Title 10, Section 106.
- Board President and Superintendent Tah met with Peterson Zah, re: ASU partnership with DoDE.
- Scheduled meetings to review and recommend Grant Reauthorization of 21 schools.

Status of on-going Projects and Initiative

- Revision in progress of Grant Reauthorization Handbook.
- Establish procedures and criteria for licensing administrators for BIE funded schools.
- Negotiate Intergovernmental Agreements with stakeholders.
- Establish criteria for endorsing Navajo language and cultural knowledge programs.
- Provide educational information to the Education Committee.

### Navajo Nation Johnson O’Malley (NJOM) Program:

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<th>Office</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of GSA vehicles</th>
<th>FY2010 Personnel</th>
<th>FY2010 Operation</th>
<th>% Used</th>
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<td>JOM Central</td>
<td>External PL93-638</td>
<td>5 full-time</td>
<td>2</td>
<td>5 full-time</td>
<td>$3.5 million</td>
<td>95%</td>
</tr>
<tr>
<td>Office*</td>
<td>3 temp.</td>
<td></td>
<td></td>
<td>3 temp.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 Subcontractors*</td>
<td>FY 2007-2008 unexpended funds</td>
<td>Approx. staff</td>
<td>100</td>
<td>2 at Central C.S.D.</td>
<td>Less than 1 million*</td>
<td>90%</td>
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<tr>
<td></td>
<td>FY 2008-2009 unexpended funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 Subcontractors*</td>
<td>FY 2009-2010 base funding</td>
<td>Approx. staff</td>
<td>100</td>
<td>2 at Central C.S.D.</td>
<td>Approx. $3.5 million*</td>
<td>50%</td>
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</table>

*The SY/FY 2008-2009, FY 2007 base funding of approximately $2.6 million and $1.6 million in unexpended funds from FY2004-2006, for a total of approximately $4.23 million has been expended and closed out by December 31, 2009. All subcontractors except seven (7) closed out the SY/FY 2008 base funding. Approximately $280,000 is unexpended for SY/FY 2008. The JOM Program will need to work with the Navajo Nation Finance to reconcile and finalize the fund.

During this quarter, Subcontracts began on July 1, 2009 and will continue until June 30, 2010. This is considered the SY/FY 2009-2010 base funding for Subcontractors. This funding overlaps the previously mentioned unexpended funds and any previous school year fiscal year funding not spent to date.

The Navajo Nation Division of Finance uses First In-First Out (FIFO) accounting method to reimburse Subcontractors and closeout the FY 2007 base funding and the Unexpended Funds awarded in March 2008.

The JOM central office is utilizing the FY 2008 and FY 2009 base funding under a FIFO method of accounting. The JOM Central Office is on calendar year fiscal year (Jan. 1, 2009 – Dec. 31, 2009). The 30 subcontractors are on a school year fiscal year (July 1, 2009 – June 30, 2010).

- The Central office staff provides technical assistance to Subcontractors on an as needed basis at various Subcontractor trainings/meetings.
- Monthly National Johnson-O’Malley Association teleconferences were conducted to strategize, collaborate and network with Tribal Nations across the U.S. on JOM program issues in FY 2010 and beyond. Two JOM Central office staff members, Eleanor Thomas (Region One rep.) and Evonne Roanhorse (Alternate) are on the NJOMA Board. Eleanor Thomas, Interim Program Manager, attended and participated in the NJOMA Board meeting in Tulsa, Oklahoma.
Four JOM staff attended the BIA FY 2012 Budget Formulation & Data Meeting at Route 66 Hotel in Albuquerque, New Mexico. The interim program manager provided presentation on the goals, objectives and accomplishments of the Navajo JOM Program for the past five years.

Four JOM staff attended the “Bureau of Indian Affairs FY 2011 Budget and the Federal Budget Process” workshop conducted by Mr. Michael D. Hughes. The training session provided understanding of the FY 2011 Appropriation for the BIA, Congressional budget process, authorizing committees, appropriation bills and GPRA.

Two JOM central office employees took advantage of early retirement, as follows: program Manager and Office Specialist. Five employees continue their employment with JOM.

JOM central office accountants and education specialists completed and compiled the Fall 2009 monitoring reports. The staff is in the process of scheduling and conducting 2010 on-site Spring monitoring visits.

All Subcontractors except 7 closed out their SY/FY 2007-08 and SY/FY 2008-09 budgets by December 31, 2009.

Nazlini Community School Charter Mid-School became a new NN JOM Subcontractor. The school has about 30 students.

A student count by the JOM central office was conducted in December and January 2009 for the upcoming SY/FY 2010-2011 allocations. This information was provided at Subcontractor Regional Meetings held on February 22-23 in Flagstaff, AZ for Arizona schools; and on February 25-26 in Farmington, NM for New Mexico Schools. The meeting updated Subcontractors on: SY/FY 2010-base funding, 2010-11 Proposal, student count, NJOMA activities, IEC roles and responsibilities, education plan, annual reports and guest speakers.

Status of on-going projects and initiatives

- Technical assistance is being provided to the subcontractors as requested.
- The JOM Program conducts spring Subcontractors’ Regional meeting and fall Conference.
- A JOM central office staff is an elected member of the National JOM Association Board.

### Office of Youth Development (OYD)

<table>
<thead>
<tr>
<th>Office</th>
<th>Fund Source</th>
<th># Of Personnel</th>
<th># Of Vehicles</th>
<th>FY2010 Personnel</th>
<th>% Used</th>
<th>FY2010 Youth Employment</th>
<th>% Used</th>
<th>FY2010 Operating</th>
<th>% Used</th>
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<tr>
<td>Admin. WR</td>
<td>General</td>
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<td>0</td>
<td>$190,468</td>
<td>29%</td>
<td>0</td>
<td>0</td>
<td>$ 34,033</td>
<td>27%</td>
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<tr>
<td>Chinle</td>
<td>General</td>
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<td>01</td>
<td>$191,633</td>
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<td>$357,397</td>
<td>31%</td>
<td>$125,689</td>
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<td>Ft. Defiance</td>
<td>General</td>
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<td>02</td>
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<td>$327,682</td>
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<td>01</td>
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<td>NHA Funds</td>
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<td>N/A</td>
<td>$468,110.00</td>
<td>26%</td>
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<tr>
<td>TOTA1 Lz</td>
<td></td>
<td>42</td>
<td>5</td>
<td>$2,801,626</td>
<td></td>
<td>$1,835,840</td>
<td></td>
<td>$1,154,629</td>
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</table>

Federal Fund FY from 1-1-10 thru 3-31-10; Boys & Girls Clubs of the Diné Nation

- The OYD Agencies provided various types of social, recreation, competitive and non-competitive sports, and numerous experimental learning opportunities to 6,568 youth.
- The Boys and Girls Club of Diné Nation (B&GCDN) provided 2,249 members with after school programs/activities and crime prevention activities at the seven (7) open Clubs.
- 267 Youth were able to experience working and exploring different career fields that are available on the Navajo Nation. Both NN General and Federal funds are utilized.
In the Educational Component of OYD/BGCDN and Agency Youth Centers provided reading programs, afterschool homework assistance during POWER Hour in math, science and English. Mentors have been helping students with homework at least once a week. A total of 1,799 members participated in these programs.

The OYD/BGCDN Mentoring Program involves all Club sites. Mentors meet once a week and engage students in talking, playing games and sports, doing homework, creating art projects, sharing general life experiences, and team-building activities. We have 237 mentors and 181 students participating in the Program.

In February, the High School Educational Financial Assistance Scholarships program awarded 140 students for Spring Semester.

The Office of Youth is collaborating with the Navajo Nation Judicial Branch in its Nábináhaazlągo Initiative. Staff from the Fort Defiance and Crownpoint Agencies provided input and expertise. Two meetings were held this quarter.

The Boys & Girls Club of America Annual Report was completed and submitted on February 18, 2010; a requirement for the BGCDN grant.

The Boys and Girls Club of America Summit – “Visioning for Indian Country” was held on March 11 and 12, 2010. Attending the summit was Paulene Thomas, Yvonne Kee-Billis, and Chester Brown Jr. Willie Tracey Jr., member of the Education Committee was the special guest.

An update on the BGCDN funding, functions, activities, and future plans was provided the Education Committee at their regular meeting on March 17, 2010.

The Agency and Navajo Nation Spelling Bees were successfully completed.

BGCDN Agency staff provided lunch for judges of the Navajo Nation Science Fair.

Staff discussed how OYD is geared toward the overall DODE Title X vision and initiatives. Three (3) work sessions were convened and the program is at the point of making a decision on the curriculum to be utilized within the six program modules (Youth Employment, Counseling/Prevention, Sports/Fitness/Recreation, Education, Character/Leadership Development and Arts/Culture). Each module will enhance or parallel the objectives of BGCDN & OYD. Plans are being finalized.

Many school clubs and community organizations are requesting financial assistance or support. Stipends and/or financial assistance accounts are unavailable. Other options are explored, for example; Chmile OYD hosted a steak luncheon sale for the Chmile High School Band. $597.00 was raised for their trip to a Band Festival in Chicago, Illinois. For other youth organizations, OYD purchases snacks, refreshments and supplies.

The establishment of the Pinon Boys & Girls Club of the Diné Nation is still in the process. The Navajo Nation Department of Personnel Management has advertised the vacant three positions for this club. The BGCDN continues to work diligently to reach the goal of 100 enrolled members to receive their Charter. The club has collected 30 complete membership applications and is strategizing on ways to get families to return their applications expeditiously. One plan is to host a Youth Basketball Tournament for the 13 & under youth at Pinon High School; whereby, a full application process will be available on site with staff to assist with enrollment. Currently, OYD is addressing Facility Usage Request and logistics.

Many high school and college youth are visiting the Agency offices inquiring about summer employment. Applications are available and staff is advising youth on the required documents. The youth employment budget will not meet the demand or the number of youth seeking employment.

The Devil Pups Program office announced the Liaison Representative Meeting is scheduled from April 16-18, 2010 in Pasadena, California. OYD Agency representatives are required to attend to obtain program information.
Navajo Head Start (NHS)

<table>
<thead>
<tr>
<th>ACCOUNT NO.</th>
<th>BUDGET</th>
<th>EXPENDITURE</th>
<th>OPEN COMMITMT</th>
<th>AVAILABLE</th>
<th>EXPENDED</th>
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<td>$90,952.14</td>
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NOTES:  
(2) RRs due for February invoices (agencies were instructed to put blanket PO’s in place).

- On January 5, 2010 a Risk Management Meeting was held via teleconference with Navajo Head Start and the Office of Head Start.
- On January 5, 2010 a meeting between Navajo Head Start, the Office of Dine’ Science, Math & Technology, and Ardham Technologies, Inc. regarding the possibility of applying for a Rural Utilities Service grant from the Department of Agriculture.
- On January 7 and 8, 2010 an orientation meeting was conducted for the Parent Policy Council, the Education Committee, and the Board of Education. At this meeting, new officers for the Parent Policy Council were elected.
- On January 15, 2010 a Child Development Associate (CDA) Meeting & Training was held at the Education Center for teaching staff. The sessions included mental health and child abuse issues, teacher leadership skills, and the CDA certification process.
- On January 20, 2010 a joint meeting of the Education Committee and Human Services Committee was postponed. This meeting has now been rescheduled to March 5, 2010.
- On January 26 and 27, 2010 several Navajo Head Start staff attended the last ERSEA training provided by HG Jones and Associates at Isleta Pueblo.
- On January 27 and 28, 2010 a Human Resources Work Session was provided to Agency and Central staff at Gallup, New Mexico.
- Navajo Head Start staff attended the KPMG Entrance Audit meeting on February 2, 2010. A Pre-Exit Interview was held on March 10, 2010. A Final Exit Interview was on March 30, 2010.
- The Parent Policy Council held their orientation on February 24 and 25, 2010 at the Navajo Nation Museum. The agenda included presentations on each of the Head Start Content Areas.
On March 9 and 10, 2010 Navajo Head Start staff met with the Triennial Review Leader, Ms. Lu Yazzie, ACF, Dallas, and DANYA staff to prepare for the Triennial Review in April, 2010.

An intensive Strategic Planning Session was held March 15 – 19, 2010 in Window Rock, Arizona. The sessions identified eight (8) key action areas: Management; Services; ERSEA; Education; Human Resources; Finances; Facilities; and Collaborations. Each action area has its own Task Force Facilitators and work has been initiated.

The Parent Policy Council met on March 25, 2010 regarding programmatic issues such as the interview schedule and questions that will be asked of the Policy Council members during the Triennial Review.

Navajo Nation State Office/North Central Association-Commission on Accreditation & School Improvement/AdvancED (NNSO/NCA-CASI/AED)

<table>
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NCA office staff participated in the monthly NCA/CASI webinar training regarding the accreditation management system. Staff participates in training to help schools and districts meet and maintain accreditation, find the latest professional development opportunities, locate resources and tools, and connect with NCA CASI/AdvancED staff.

Accreditation Fee Structure for 2009-10 has been disseminated to member schools. The annual fees help the state office provide schools with quality assurance review visit coordination and support, customized technical assistance, web-based reporting, professional development, publications, best practices, school improvement support, resources and tools, and on-going maintenance of list for accredited schools/districts.

NCA provided technical assistance to prepare 4 schools for the QAR process for school administrators, staff, School Improvement teams and school board members.

NCA served on DoDE's School Improvement Team in a coordinated and collaborative effort to address DoDE Strategic Plan initiatives and Title 10 mandates. Team members provided T.A. on action items, strategies and tactics to enhance school improvement efforts. 15 schools were visited.

Schools submitted a Standard Assessment Report (SAR) to NCA as part of the preparation prior to QAR visit. The SAR engages the school community in an in-depth assessment of each of seven AdvancED standards. This self-assessment helps the school identify areas of strength and opportunities for improvement.

NCA provides T.A. on the QAR and SAR reports online. Navigating the Website training was conducted at the NN Museum Computer Lab. 35 people participated.

The Arizona Administrators Association (ASA) sponsored the “Administrator’s Evaluation” training. NN NCA State Director attended.

Office of Diné Culture, Language and Community Services (ODCLCS)

<table>
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Navajo Traditional Apprenticeship Project

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<tr>
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<td>0</td>
<td>0</td>
<td>$126,975</td>
<td>54.00%</td>
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To enhance Navajo Language/Culture programs in the schools, we provide technical assistance and training/workshops at the following schools:

- Shonto Prep School
- Rock Point School
- Jeedeez’a Academy
- Rough Rock
- Dzil Nahodili School
- Ramah Pinehill
- Dilcon School
• The “Star Story” workshop was held at the Window Rock Museum, Library, and Visitors’ Center in conjunction with NASA in January and was attended by 100+ teachers. The Second annual 4th World Conference was held in Window Rock Education Center attended by 150+ teachers to promote acquiring tribal cultural knowledge. Summer Camp with NASA is in the planning stage for this summer.

• Monitored the Diné language program on culture, history, government and character building at the following schools:
  • Ramah Community School
  • Greasewood Community School
  • Dilkon Community School
  • Kinlini Residential Program
  • Winslow Residential Program
  • Holbrook Residential Program
  • Shiprock Associated Schools, Inc.
  • Jeehdeez a Academy

Eighty-five percent of the 34 Grant and Contract Navajo culture and language classrooms have received monitoring visits. ODCLCS observes teachers using the ISOP method to help develop effective teaching skills, methods, and classroom management skills in the areas of language, culture, history, government and character development. The reports contain feedback, suggestions, and recommendations to the administrator and teacher. Implemented the Oral Navajo Language Instrument at the following schools:

• Aztec Public Schools
• Magdalene Public Schools
• Kaibeto Boarding School.
• Dilkon Community School
• Pinchill Community School
• Crownpoint Community School
• Nazilini Community School
• Sanders Public Schools
• Kindahlichii Community School
• Tuba City Boarding School
• Aneth Boarding School
• Crystal Boarding School
• Tohajiiileeh Community School
• Red Rock Day School
• Navajo Mountain Community School
• Wide Ruins Community School
• Bread Springs School
• Little Singer Community School
• Navajo Preparatory School
• Naschitti Public School
• Cove Day School
• Chinle Boarding School
• Pueblo Pintado School

The seventeen (17) members Advisory Board—including representatives from Albuquerque Schools, Central Consolidated, Gallup McKinley County, Shiprock Associated Schools, Cuba, Farmington Municipal Schools, Grants and Cibola—meets monthly. The Diné Oral Language Assessment Tool has been pilot tested and ready for use by schools. One training session was held in Shiprock to train BIE teachers to implement the instrument. A second training for BIE teachers is scheduled in late August, 2010.

• Develop the Dine Language standards, curriculum, and assessment in the content areas and is ongoing at the following schools:
  • Rock Point Dine Ba Olt’a
  • Kayenta Public School
  • Central Consolidated Schools
  • Wide Ruins Com. School
  • Gallup McKinley County School

Ten-member (10) working teams for each content area: (culture, language, history, government and character building) will finalize the standards by the end of March. Ms. Sells was recently hired to fill a two-year vacant Senior Education Specialist position. Member names have been generated and are awaiting confirmation from each individual and school.

• Administer the Oral Navajo language and culture teacher certification program to teachers. The following schools and teachers are obtaining certification:
  • Ramah Navajo Schools 02
  • Rock Point Community School 06
  • Pinon Public School 02
  • Borrego Community School 02
  • Dzil Naahoolli School 01
Forty-five teachers have taken the Oral Culture and Language test for teacher's certification. 50% are for Level One and 50% are for Level Two. Level One is completely oral and given on site. Level Two requires classroom observation by the tester using the ISOP observation for teacher’s performance model. The Evaluator observes for methods of instruction, materials used, teacher-student active learning participation and the use of Navajo culture and language. Test scores are sent to NMEDU and AZ-SEDU for certification.

Provided technical assistance to parents using the Parent & School for Educational Leadership manual at Dilkon Community School and Rock Point Community School.

To implement and monitor the Navajo Traditional/Apprenticeship Project. There are eighteen (18) Practitioners, each having one or two Apprentices. They group met in March.

As a member of the School Improvement Team, staff visited the following schools and provided technical assistance: Kindahlichii, Diba Yazhi Habitiin, Jechdeeza, Black Mesa, Greasewood, Naneelzhin, Nazlini, Chilchinbeto, Wide Ruins, Alamo, Shonto Prep, Rough Rock, To'Hajiileeche, Rock Point, and Ramah.

Office of Diné Science, Math, and Technology

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 Standards-Based Teaching and Learning. Working with schools to implement mathematical professional development plan so teachers can continuously reflect on their own teaching and learning of mathematics.

 UDP (Using Data Process) Training at Flagstaff, AZ. 37 participants attended the two-day successful training session on Identifying Student Learning Problems.

 School visits were made to 3 schools for UDP training—discussion on data, data teams and involvement of administrators. Recruitment for UDP training was also done.

 School Improvement visits to Wide Ruins, Kindalichii Ohta, Nazlini, Greasewood Springs Community School, Borrego Pass and Torreon.

 Received final reports for the AZ Math Partnerships: Improving Mathematics Teaching and Learning for Grades K-6 and Improving Teachers Mathematical Pedagogical Content Knowledge from Northern Arizona University.

 Discussed partnering with Gallup McKinley County Schools, re: “Race to the Top” grant to advance reforms:
 1. Adopting standards and assessments that prepare students to succeed in college and the workplace and to compete in the global economy;
 2. Building data systems that measure student growth and success, and inform teachers and principals about how they can improve instruction;
 3. Recruiting, developing, rewarding, and retaining effective teachers and principals, especially where they are needed most; and
 4. Turning around our lowest-achieving schools.

 Meeting with Arizona Department of Education on providing input from the Native Communities to the Department of Education.

 Meeting with the Navajo Nation President on the Elementary and Secondary Education Act (ESEA) and the Navajo Accountability Workbook. Created position statement related to the reauthorization of ESEA to support the culmination of the Navajo Nation State Education Agency as a result of the development of the Navajo Accountability Workbook. Explained “Blueprint for Reform” on the reauthorization of ESEA.
- Participated in the United States Senate Committee on Indian Affairs listening session to discuss Indian country’s priorities and recommendations for Indian education, particularly as it relates to the reauthorization of ESEA. Shared information on Navajo’s current initiative to create its own State Education Agency and introduced the Accountability Workbook.
- Presented the Accountability Workbook to the Education Committee.
- Engaged data teams in designated schools to make better decisions about student achievement in mathematics; identify their student learning problems and develop student learning goal(s); develop an action plan for professional development and implement the plan in mathematics. To engage teachers to examine classroom observation data.
- School Intervention and Description of Work:

<table>
<thead>
<tr>
<th>Description of Work</th>
<th>Schools Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Literacy:</td>
<td></td>
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</table>
| • Worked with school Data Team to help them identify student learning problems and to develop a student learning goal. | Lukachukai Community School  
Naneelzhiin Ji’ Olto  
Rock Point High School  
Black Mesa Community School  
Jeehdee’z’a Academy  
Chilchinbeto Community School  
Nazlini Community School  
Tohajeelee’ Ji’ Olta |
| Teaching and Learning: |                  |
| • Working with Data team to help them design their Professional Development according to their schedule time line. | Leupp Schools, Inc.  
Little Singer Community School |
| • Working with teachers through classroom observation. |                  |
| Building Leadership Capacity: |                  |
| • Working with data team members to learn the using data process, and are implementing the task during their staff meeting. | Leupp Schools, Inc.  
Little Singer Community School  
Lukachukai Community School  
Navajo Preparatory |
| • Work with the data team to ensure that the UDP process is implemented school wide |                  |
| • Working with the Data Team to building their capacity to design their professional development session for teachers at their own school. | Leupp Schools, Inc |

**Office of Educational Research and Statistics (OERS)**

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**Partnerships**

- Education Specialist provided School Profile Reports to Na Neelzhiin Ji Olta Staff regarding school trend assessment data. Reports were compiled for the school.
• OERS staff met with Navajo Land Department re: update the Navajo School Map. A rough draft of the map will be provided by the end of March 2010.

• Education Specialist compiled pertinent information for Asst. Supt., Timothy Benally re: the 10 low-performing Grant Schools. Schools identified as low-performing have been in restructuring status for four-years or more.

• OERS staff attended the Arizona Science and Engineering Fair workshop presented by Phillip Huebner, Director of AzSEF. Statistical Research Analyst and Office Specialist assisted with the 2010 Navajo Nation Science Fair.

• Education Specialist & Statistical Research Analyst completed the annual documents containing information on enrollment and AYP for public and BIE schools.

• Developed a presentation with the Reading and Math Baseline Data using the 2007 Reauthorized schools.

• Revising the Navajo Nation School Survey which will be distributed to all schools on and off the Navajo reservation. Revised surveys will also be posted on ODSMT website for schools to complete.

• Currently updating calendars for the UDP work sessions with Dzilth NaODilthe, SASI, Inc., Rough Rock and Pinon Community School.

• Statistical Research Analyst working with RealTime Sites and NEIS staff on revising and updating surveys on the ODSMT website.

• Technical assistance was provided the following Grant schools: Kin Da Lichii, Greasewood Springs, and Wide Ruins Community School. DODE Grant School Technical Assistance Teams provided assistance in the following areas:
  o Implementation of school improvement plan
  o Advisement on curriculum/programs that schools have adopted
  o Validation that schools are “Data Decision-Making” practitioners
  o Assistance with the development of Navajo Content Standards for every grade level.”

• Provided Using Data Process (UDP) work sessions to: Northwest High School, Dzil’ Na O Dilthe Community School, Rough Rock Community School and Na Neelzhiin Ji Olta. The meetings provided information to better serve the teachers in planning time and strategies to implement their school improvement plan.

• Coordinated the 2010 Navajo Nation Science Fair. The Fair is affiliated with the Arizona Science and Engineering Fair (AzSEF).

• Statistical Research Analyst provided 2 hours of Technical Assistance to Chilchinbeto Community School personnel on the use of Pivot Tables and creating Pivot Charts.

• Education Specialist and Statistical Analyst compiled and calculated the 10% Gain for 17 Reauthorized Grant Schools (See OMETA report of listing of schools).

• Assisted in the compilation of the Pilot School Data Report for schools (See OERS report for listing of schools).

• Completed AYP and enrollment info for SY2009 and presented to the NN Board of Education.

• Presented UDP Professional Development with Cohort II Grant Schools. The workshop provided an overview of creating charts using pivot tables, pivot charts and Using Data Process.

• Presented demographic data on Richfield Residential Hall at Board of Education meeting. Information included a three-year trend presentation on school enrollment, school type, and the school status for Adequate Yearly Process (AYP).

• Provided 7 presentations for 53 teachers and 10 school administrators.

• Researching information to complete Dr. Pat Galvin’s request for NEIS database. Information to be added to include: English Language Learners, Student ID, Free/Reduced Lunch, Special Education, AZ Learns, Achievement in Math/Reading, Corrective Action Status, Strand Data – Line Item Analysis, BIE Accountability Reports, Teacher Information, 10% Gain, Navajo Nation School Survey.

• On-going research and updating of Public School AYP, Math, Reading achievement results for 2009.

• On-going research of BIE School AYP, Math, Reading achievement results for 2009.

Office of the Navajo Nation Library
Office of Navajo Nation Library and other libraries in Arizona partnered with the Arizona State Library on a grant application that was submitted to the Broadband Technology Opportunities Program (BTOP) under the American Recovery and Reinvestment Act (ARRA). The Arizona State Library was awarded $1,278,528 from the Broadband Technology Opportunities Program (BTOP) which is administered via the U.S. Department of Commerce.

The Office of Navajo Nation Library and only one other tribal library, Kaibab Paiute Public Library joined other library districts partnered with the Arizona State Library on a grant application for Round 2 of the Broadband Technology Opportunities Program (BTOP) Stimulus Grant. The grant application entitled “Arizona Job Help @ Your Library” is still in the process of being reviewed by the funding agency.

Navajo County Library District donated a mobile home that will be used to house the Kayenta Community Library. A grand opening is slated in June or July.

The Kayenta Community Library receives E-Rate benefits from the Navajo County Library District. Navajo Nation Library received a check in the amount of $792.25 for the months of July to December 2009. Funds help pay phone and internet expenses.

ONNL assisted with Operation Snowfall, delivering firewood, food, and delivered hay to the following Chapters: Houck, Klagetoh, Kinlichee, Crystal, Sawmill Chapter, Ganado, Nahatahdzil, St. Michaels and Tolani Lake. Three staff members assisted at the Nakai Hall Distribution Center.

ONNL traveled to Los Alamos, New Mexico to obtain 55 boxes of donated books; Flagstaff, Arizona for books from Toys for Tots. Rod Consalvo donated the books to the Navajo Nation Library.

ONNL traveled to Cove Community Library and Newcomb Community Library to deliver donated books.

ONNL completed an annual statistical report to the Arizona State Library.

Program Manager attended an Arizona Tribal Libraries Planning meeting held at the Arizona State Library. The planning committee will have a strategic planning session in April. A follow up meeting was on Wednesday, March 10, 2010.

Staff attended a workshop on implementing the upcoming 2010 Summer Reading Program, and assistance was provided at Navajo Nation Science Fair.

Office of Monitoring, Evaluation, and Technical Assistance/School Facilities Repair/Replacement (OMETA/SFR/R)

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<td>$439,898.00</td>
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<td>$73,097.00</td>
<td>30%</td>
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OMETA program director was appointed by Secretary of the Interior to represent NN on the NCLB Negotiated Rulemaking Committee for BIE-funded school facilities and construction.

OMETA provided technical assistance to Winslow Residential Hall Board of Directors on their roles and responsibilities, micromanagement and excessive board travel. Training included: NN Ethics law, Election Law of NN, and public laws under the federal and state governments.

OMETA provided TA to Shiprock Associated Schools, Inc. in the second quarter. The Administrative Review was shared with the administrators and staff on March 08th.
Administrative review were done at the following schools in February and March of 2010: Little Singer K-8 made AYP; Grey Hills Academy 9-12, made AYP; Shiprock Associated Schools K-12; Northwest High School made AYP; Atsa’Biya’a’zh made AYP last school year.

OMETA conducted training on Reauthorization requirements to the Governing Board members of Shonto Preparatory School.

OMETA provided technical assistance to Sanostee Day School regarding new school construction. Sanostee will get their new school this year.

OMETA provided training at Shiprock Associated Schools, Inc. on the reauthorization requirements with Board members and Administration.

OMETA received all reauthorization applications from 20 Grant schools and 1 Contract school. The reviews were completed on March 30th. The Departmental review is scheduled for March 31 with the Education Line Officer from each agency. Reauthorization of 21-schools are as follows:

- 3 years reauthorization 11 schools
- 1 year reauthorization 8 schools
- 6 months reauthorization 1 school
- Retrocession 1 school

OMETA staff is preparing Summary Reports for April 8-9 NNBOE meeting.

Technical Assistance was provided as follows:

- Navajo South Education Line Officer for Administrative Review of BIE Schools
- Administrative Review of Pine Hill School’s Transportation Department.
- Navajo Area South Education Specialist Cheryl Qumoyosie on Special Education PIAP.
- Meeting on Jeehdez’a with the NN Superintendent.
- OMETA staff interviewed a person for the Sr. Education Specialist position.
- Conducted Administrative Review for technical assistance to schools up for Grant Reauthorization. In the Navajo South Area: Alamo Navajo Schools, Inc., Ramah Navajo School Board, Inc., Dibé Yazhi Habitiin Olta, Inc., Na’Neelzhiiin Community School, Inc., and Shiprock Association Schools, Inc.
- As member of School Improvement team, conducted reviews at Rock Point, Shonto, Jeehdez’a, Rough Rock and Chilchinbeto.

Provided Technical Assistance to Wingate HS Support Services Dir. on Contract. Total TA provided this quarter is 194 times.

OMETA staff is still keeping apprised on the Bureau of Indian Education implementation of the System of Support.

The senior education specialists are assigned an Agency to monitor and work in partnership with other departments of the Department of Dine Education such as the Office of Dine Science, Math & Technology (ODSMT), Office of Dine Culture, Language & Community Services (ODCL&CS) and North Central Accreditation Association (NCA) known as School Improvement Teams (SIT).

Michelle Begay, Suspected Child Abuse and Neglect (SCAN) Program Manager with BIE has negotiated with the Navajo Nation Public Safety/Police Department and Navajo Nation Social Services to prioritize SCAN reports. The Navajo Nation Council has passed a resolution during the summer to begin this protocol. Presently, there are still problems with the response time by the Navajo Police. Several SCAN reports have been received by the staff of OMETA.

OMETA has been reviewing, revising and streamlining the reauthorization process over the last several months. It has been presented to the Navajo Nation Board of Education and will be presented to the Navajo Nation Education Committee for their review and approval.

Successfully provided technical assistance with on-site work sessions with Flagstaff Residential Hall, Leupp School, Chilchinbeto Community School, Little Singer Community School, and Greyhills Academy toward completing their required applications to continue grant status.
Richfield Residential Hall successfully completed their re-authorization application and submitted their original application.

Under federal and tribal laws, background clearances have been required for all employees and governing board members of Grant and Contract schools; however from “compliance reviews” many schools and governing boards are in “non-compliance” year after year.

Status of on-going Projects:
- Continue to focus on schools that are plagued by programmatic deficiencies and in need for administrative improvements.
- Work with schools that are in restructuring through School Improvement Team.
- Complete Technical Assistance to those schools scheduled for Grant reauthorization.
- Continue to work with schools on audit reporting.
- Monitor schools closely to insure background checks are completed.
- Pursue the importance of establishing a Special Education monitoring position for the K-12 Special Education Programs within the Navajo Area.
- Work on documents needed to implement plans for establishing a State Education Agency.
- Work with Restructuring Schools to participate in the Navajo Nation School Improvement effort and to enroll in the FOCAL as well as UDP programs.
- Per Education Committee directive, OMETA is revising the Grant Reauthorization Manual. The Elections Office, Ethics Office, and Division of Social Services need to provide their input.

Office of Navajo Nation Scholarship & Financial Assistance/Teacher Education (ONNSFA/TE)

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<th>Number of vehicles</th>
<th>FY 2010 personnel</th>
<th>% used</th>
<th>FY 2010 operating</th>
<th>% Used</th>
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<tbody>
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<td>$1,464,445</td>
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ONNSFA is in the midst of its fiscal year, January-December. The Bureau of Indian Affairs awarded the Navajo Nation Higher Education Contract at $11,311,132.00, which is a $265,572 increase over last year’s budget and budgeted as follows:

- $351,950 supports four T1 lines to Agency offices as well as office supplies, equipment, vehicles, and insurance.
- $9,494,737 is budgeted to fund Chief Manuelito Scholarship awards and need-based financial aid. $4,747,685.5 is budgeted for the upcoming Spring 2010 Term and the remaining will be awarded for Fall 2010 Term.
- Expenditure of funds both in operating and financial aid budget for Federal Funds are at 66%, General Funds and Teacher Education Funds are at 44%. We are in the process of closing out the FY 2009 budget.
- ONNSFA has noticed significant increase of applications due to students applying online.
- The graph below indicates the numbers students served by each funding source:
The table below indicates the number of students awarded and denied for Spring 2010.

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<tr>
<td>Denials</td>
<td>5,589</td>
<td>319</td>
<td>5,908</td>
</tr>
<tr>
<td>Grand Total</td>
<td>9,882</td>
<td>691</td>
<td>14,844</td>
</tr>
</tbody>
</table>

- ONNSFA dedicates a significant amount of resources to improving its financial aid application process, maintaining consistency in the application of scholarship policies, and entering data. The next major project will be improving our customer service.

**Office of Special Education and Rehabilitation Services (OSERS)**

<table>
<thead>
<tr>
<th>Office</th>
<th>FUNDING SOURCE</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY2010 % Used</th>
<th>FY2010 Operating</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>OSERS</td>
<td>Federal US Dept. of Ed</td>
<td>22</td>
<td>14</td>
<td>22</td>
<td>$1,200,000.00</td>
<td>46%</td>
</tr>
<tr>
<td>Growing in Beauty</td>
<td>Federal P.L. 102-117 IDEA Part B</td>
<td>13</td>
<td>09</td>
<td>10</td>
<td>$5,059,000.00</td>
<td>22%</td>
</tr>
<tr>
<td>Growing in Beauty</td>
<td>Federal P.L. 102-177 IDEA Part C</td>
<td>13</td>
<td>---</td>
<td>12</td>
<td>$935,600.000</td>
<td>29%</td>
</tr>
<tr>
<td>Food Service Vending</td>
<td>NN-General</td>
<td>01</td>
<td>---</td>
<td>01</td>
<td>$35,684.00</td>
<td>49.61%</td>
</tr>
<tr>
<td>Tuba City Industrial Laundry</td>
<td>NN-General Funds</td>
<td>04</td>
<td>01</td>
<td>04</td>
<td>$130,961.00</td>
<td>36.22%</td>
</tr>
<tr>
<td>Tuba City Industrial Laundry</td>
<td>Proprietary Funds</td>
<td></td>
<td></td>
<td></td>
<td>$30,000.00</td>
<td>50%</td>
</tr>
<tr>
<td>Trust Fund for Handicapped Services</td>
<td>Trust Fund</td>
<td>02</td>
<td>---</td>
<td>01</td>
<td>$450,000.00</td>
<td>93%</td>
</tr>
<tr>
<td>DES/AzEIP Initial Planning</td>
<td>Az Dept. of Security</td>
<td>03</td>
<td>0</td>
<td>03</td>
<td>$195,496.41</td>
<td>48%</td>
</tr>
</tbody>
</table>
• OSERS provided Vocational rehabilitation to 506 persons with disabilities and provided Independent Living Program services to 97 persons. Vocational Rehabilitation has 506 open cases, 93 new referrals, 81 cases closed, 130 eligibility certifications. 14 evaluation assessments were completed and 10 cases successfully employed.
• Independent Living Services has 97 current open cases with 24 new referrals, 16 eligible cases and 10 successful closures.
• OSERS generated $41,362.66 in comparable benefits for Vocational Rehabilitation and $3,650.00 for Independent Living to supplement direct services.
• Independent Living completed 10 home modifications for physical accessibility for clients with spinal cord injuries.
• OSERS vocational rehabilitation will be submitting a new five-year grant application with US Department of Education Rehabilitation Services Administration.
• NAU and San Diego State University are providing capacity building grant management training for tribal VR programs. The first training was in November 2009
• OSERS participated in the 2009 Annual Conference including tribal VR directors meeting on funding, annual reports, capacity building grant management training, and TA.
• OSERS submitted comments to the federal register on training and technical assistance center for Tribal Nations as it relates to the Rehabilitation Service Administration (RSA).
• OSERS coordinated with the Navajo Nation Advisory Council (NNCOD) in hosting a Disability Awareness Conference in Shiprock, NM. There were 216 participants. Sessions included: advocacy/rights, San Juan Center for Independence, vocational rehabilitation, early intervention, disability rights, housing, and transportation.
• OSERS met with AZ public schools on the Navajo Nation re: transitional services for high school students in special education and students with special needs, and parental involvement for post secondary education or employment services.
• OSERS staff serves on the newly established Technical Assistance and Continuing Education (TACE) advisory council for state VR agencies with San Diego State University and University of Arkansas TACE centers.
• OSERS attended and participated in the AZ, NM and Utah State Rehabilitation Council. Anna Joe, NM VR/IL Counselor Supervisor will serve on Utah SRC.

Early Childhood Intervention
• Arizona Early Intervention amended the contract with the Arizona Early Intervention, and as a result referrals increased with nine children referred for direct services.
• New Mexico early intervention Cooperative Agreement has also been signed with the state for direct services, effective October 01, 2009.
• MOU between the Navajo Nation NM GIB and NM Department of Health Family Infant Toddler program was completed and approved.
• EIP staff met with NAU Indian Children’s Program regarding service models and identified training needs to be implemented during the second quarter.
• OSERS hired a Developmental Specialist and Office specialist, and is currently advertising for Office Aide.
• EIP parent training coordinators conducted eight sessions with 371 parents on: Child Care, Disability Awareness, Individualized Education Plan, FACE, transition training and effective childhood transition, and cross training on natural environment.

Tuba City Industrial Laundry & Dry Cleaning and Food Service Vending
• Tuba City Industrial Laundry generated total revenue of $14,041.54.
• Two consumers successfully completed work adjustment training.
• Tuba City Industrial Laundry processed and delivered 12,602.05 pounds of linen with 326 customers. 22 new customers were served during the first quarter.

OSERS Food Vending Services
• Food Service Vending serves approximately 200 patrons per week.
Food Service Program generated $8,842.00 in revenue.

The Environmental Health Department renewed Food Handler’s permit.

Status of On-going Projects, Initiatives and Activities:

- A conference call was conducted with OYD on March 22, 2010 with the New Mexico Boys and Girls Club Alliance with updates from Government Relations with Federal Government and State Government. A proposed grant for $8,000.00 will be given to a Boys and Girls Club for high school diploma preparation.
- The OYD/Fort Defiance Agency continues construction of the new Fort Defiance Youth Center.
- The OYD/Crownpoint Agency has submitted proposals to the State of New Mexico and the Navajo Nation AML Program for funding of a gymnasium to the Youth Center. No response has been received to date.
- The Ft. Defiance BGCDN continues to participate in the Online Webinar Training for KidTrax. This training will help staff to purchase and implement the tracking of club members and their participation in the various club activities on a daily basis.
- OYD continues to collaborate, network and partner with other service providers: Health Promotion/Disease Prevention, Program for Self-Reliance, Social Services, schools and local businesses continue to play a major role in providing services at the local chapter/agency level.
- A Plan and Timetable to Reduce or Eliminate Under-Enrollment was created by the Office of Head Start to report on several program enrollment issues.
- Ninety-three (93) employees have been offered early retirement packages with over half being center level staff. Twenty-two (22) employees have opted for early retirement including fifteen (15) center level staff.
- The Tri-Annual Review for Navajo Head Start is to occur during school year 2009-2010.
- NEIS program with the DODE-Administration continues to provide daily technical support services on computer hardware and software trouble shooting for all 11 Department programs.
- NEIS program with the DODE-Administration continues to conduct Technology Users Group meeting to enhance staff with their technology goals and professional development.
- NEIS program with the DODE-Administration continues to develop the NEIS policies and procedures to the NEIS database users and network servers.
- NEIS program with the DODE-Administration continues to develop the DODE Internet Service Provider (ISP) project to address local and remote communication sites. Met with three vendors: AT&T, Frontier, and SCS Connect.
- NEIS program with the DODE-Administration is developing the proposed DODE Website using DotNetNuke software. This is in collaboration with NEIS staff and the Senior Public Information Office for Administration.
- OERS is currently working on New Mexico, Arizona, and Utah Public High School’s Reading, Mathematics, Language Arts, and Science averages for the School Year 2007-2008.
- OERS is currently working with the Grant schools that were given reauthorization during SY 2006-08 to collect missing data for their next Grant reauthorization.
- OMETA will continue on-going technical assistance and networking with the schools, parents, students, communities, and all programs that provide services to the schools and teachers toward serving the children of the Navajo Nation.
- OMETA will continue to:
  a. Focus on the schools that are plagued by programmatic deficiencies and in need for administrative improvements.
  b. Work with schools that are in restructuring.
  c. Work with schools that are in grant reauthorization.
  d. Work with schools that are behind in submitting financial audit reports.
  e. Closely monitor schools to insure background checks have been completed for new employees and school board members.
  f. Assist with monitoring as a team member of the Agency Support team (AST).
g. Pursue and advise the importance of establishing a position for Special Education to monitor the K-12 Special Education Programs within the Navajo Nation. Funds need to be sought for this position from Gloria Yepa, BIE Special Education Program Director.

h. Work on documents needed to streamline program monitoring activities and reporting system for the SY/FY 2008-2009.

- Per OMETA, Wide Ruins Community School, Inc.: Project number 03N2N (~$21 Mil). The project is at a standstill. The school is being considered for reassumption by BIE due to non-compliance issues.
- The ODCLCS program is implementing the mandates of the NNBOE and the Education Committee to provide classroom observation, technical assistance and training on the Diné language, culture, history, and government curricula to 24 reauthorized Grant/Contract Schools.
- The ODCLCS continues to implement the Joint Powers Agreement between the NN and New Mexico Public Education Department (NMPED) to coordinate and train Navajo Language Teachers in six (6) New Mexico public schools to implement the Oral Navajo Language Assessment Instrument.
- The ODCLCS continue to implement the MOA agreement between NN and NMPED to administer the Navajo language proficiency exam with background clearance and certification by NMPED.
- The ODCLCS continues to coordinate the Navajo Traditional Apprenticeship Project, and recruit apprentice(s) and practitioner(s).
- The ODCLCS continues to administer the exam for teachers to be certified in Navajo language and culture in the San Juan School District (UT). 330 tests were administered; 245 teachers passed. In UT, 10 tests were administered; all passed.

Status of Conditions of Appropriation for FY 2009:

D) The Department of Dine' Education Navajo Nation Head Start (Business Unit No. 109019/109007) shall resolve the audit findings set forth in the Navajo Nation Fiscal Year 2008 single audit report by the end of the 2nd Quarter of Fiscal Year 2010. If the audit findings are not resolved by the end of the second quarter of Fiscal Year 2010, the program managers of these Business Units shall not be permitted to participate in business travel outside the Navajo Nation and shall not be compensated for any such travel, until such time as the audit findings are resolved.

The Findings have been answered in the First Quarterly Report. The following outstanding issues this Quarter are hereby reported:

**Finding 08-17. Travel Expenditures:**
Status: Completed per Corrective Action Plan.

**Finding 08-18. Matching, Earmarking and Level of Effort**
Status: The union payment identified for use as matching cannot be used. However, there has been facility construction projects that may contribute to meeting the match requirement.

**Finding 08-19. Enrollment Levels:**
Status: Completed per Corrective Action Plan.

**Finding 08-20. Procurement, Suspension and Debarment**
Status: The issue is currently being reviewed with the National External Audit Review Center and the Navajo Office of Management and Budget concerning bid documentation. A formal response from the Department of Health and Human Service (DHHS) is expected soon.

**Finding 08-21. Subrecipient Monitoring**
Status: Completed per Corrective Action Plan.
Legislative Concerns:
1) The Department of Dine Education Office of Dine Culture, Language and Community Services (Business Unit No. 109005/N01170) shall visit each Navajo BIE-funded grant/contract schools throughout the school year to provide technical assistance in developing Navajo language curriculum with documentation of such visits when each school(s) are seeking reauthorization.

STATUS: Since 2007 and thereafter the mandate to implement Diné Language and Culture teaching set expectations of Grant/Contract Schools. The Office of Diné Culture, Language and Community Services has made visits to schools twice a year to assist schools with developing a language and culture based curriculum to create culturally relevant schools. To date, the ODCLC/S is working with the 35 Grant and Contract Schools on the Navajo Nation. Seven (7) of the schools are residential programs and not specifically academic programs but are using Diné language and culture activities as an enrichment in the residential programs. To date, 14 schools have developed a Culture Based Diné Curriculum and are implementing the program. The remaining 14 schools are in the process of developing a culture-based curriculum with one pending development. The ODCLCS will continue to assist the schools in development of Culture Based Curriculum and Creating Culturally Relevant schools.

2) The Department of Dine Education Office of Monitoring, Evaluation and Technical Assistance (Business Unit No. 109023) shall follow the established guidelines for monitoring each BIE-funded grant/contract school throughout the school year.

STATUS: The recommendations for solutions as noted above should be carried out. The recent plans to alleviate the OMETA program need to be clarified in order for OMETA to perform the tasks as authorized by NNEC legislation. If this plan is carried out, schools currently receiving technical assistance regarding polices, legislation and compliance will be curtailed to our Grant schools.

Outstanding Program Issues:
• The assigned Project Specialist, Valerie Pels-Kohut, of Office of Head Start is no longer assigned to Navajo Head Start. The newly assigned Project Specialist for Navajo Head Start is Donald Wyatt.
• OYD received $1 million from NAHASDA funding to provide crime prevention activities for youth from low-income households. However, due to the internal processing at NHA the sub-agreement has not been received by OYD.
• The Tuba City OYD Youth Center, which was built in the 1970’s, is closed as ordered by Risk Management Department and Navajo OSHA. Staff continues to use the Teen Center.
• The Huerfano Youth Center is partially re-opened and provides after-school activities.
• Crownpoint OYD was vandalized. The repairs were made; the center is open again.
• The Superintendent initiated a school improvement plan requiring OMETA, ODSMT, NCA, and ODCLCS to visit each restructuring school every month to provide technical assistance. Fifteen schools are identified. Implementing this plan has created a logistical situation for OMETA.
• As of this report, the Indirect Cost rate for JOM of 18.05% for FY 2007 offered by National Business Center (NBC) to the Nation is pending acceptance by B&F and IGR Committees and execution by President Shirley.
• The JOM Program made efforts to pool the FY 2004-05 and FY 2006-07 unexpended funds but the Navajo Nation Finance advised strongly that the subcontractors funding will continue as a “continuous stream of funding” utilizing First in First out (FIFO) with all unexpended funds. Again the JOM Program desires to close and pool the FY 2008-09 unexpended funds but JOM Program was unsuccessful. Keeping track of prior year’s unexpended funds is made difficult because NN Finance will not allow closure of the prior years.
• Numerous JOM Subcontractor budget transfers were initiated during this quarter to complete the expenditure of unexpended funds. The NN Division of Finance reversed the subcontractor’s unexpended funds back into their budget using First in First out method. The NN Division of Finance continues to operate on “continuous stream of funding using First in First out with all unexpended funds to date. The program made a decision to pool the unexpended funds of December 31, 2009 and redistribute the funds back to the subcontractors. The NN Division of Finance did not want to reconcile and did not allowed the JOM Program to pool the unexpended funds.

Problems/Recommendations:
• The joint meeting of the Education and Human Services Committees has been postponed three times. Officers of the Head Start Parent Policy Council have travelled to attend but there have been no meetings and costs have been incurred for their travel.

• Board Vacancies: Navajo Nation President needs to appoint a Teacher Representative and Navajo Traditional Culture Representative.

• Education Committee has clarified their authority by inserting Title 2 into Title 10 recently; however, overlapping authorities from the Department of Justice, President’s Office, ONLR and other entities continue.

• OMETA, NCA, DCLCS, ODSMT continue to meet and refine their service delivery as it relates to each program’s Plan of Operation and the Goals and Objectives of seeking State Education Agency

• The Contract Support Cost policy must be funded at 100% in future years. The BIE is offering only a token amount of funding to PL93-638 contracts to comply with the US Supreme Court decision.

• The "internal transfer" of JOM money by BIA officials in Washington, D.C. to other TPA programs and BIA central office priorities is not in line with TPA principles. Education is highly rated by tribes and JOM was identified at the top of the TPA priority list for TBAC.
I. PROGRAM INFORMATION

Attorney General: Louis Denetsosie
Deputy Attorney General: Harrison Tsosie
Telephone No.: 928-871-6345
Facsimile No.: 928-871-6177

Departments:
- Employment Sub-Unit: Henry Howe, Assistant Attorney General
- Economic/Community Development Unit: Luralene D. Taphe, Assistant Attorney General
- Tax Unit: Marcelino Gomaz, Assistant Attorney General
- Natural Resources Unit: Anthony Aguirre, Assistant Attorney General
- Human Services/Government Unit: Paul Spruhan, Assistant Attorney General
- Water Rights Unit: Stanley M. Pollack, Water Rights Counsel

II. BUDGET/PERFORMANCE INFORMATION

A. Funding and Expenditure.

<table>
<thead>
<tr>
<th>Program</th>
<th>Funding Sources</th>
<th># of Personnel</th>
<th># of Vehicles</th>
<th>FY2010 Personnel</th>
<th>% Used</th>
<th>FY2010 Operating</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attorney General</td>
<td>GF/CO</td>
<td>37</td>
<td>5</td>
<td>1,493,470.31</td>
<td>49.13%</td>
<td>136,081.04</td>
<td>48%</td>
</tr>
<tr>
<td>Prosecutor</td>
<td>GF</td>
<td>29</td>
<td>0</td>
<td>511,185.00</td>
<td>33%</td>
<td>277.00</td>
<td>80%</td>
</tr>
<tr>
<td>Juvenile Justice</td>
<td>GF</td>
<td>13</td>
<td>4</td>
<td>162,724.00</td>
<td>34%</td>
<td>30,377.00</td>
<td>63%</td>
</tr>
<tr>
<td>Navajo-Hopi Legal Services Program</td>
<td>GF/CO</td>
<td>5</td>
<td>0</td>
<td>255,458.00</td>
<td>30%</td>
<td>141,336.29</td>
<td>93%</td>
</tr>
<tr>
<td>(* ) Fixed Cost Litigation</td>
<td>GF/CO</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,488,055.51</td>
<td>96%</td>
</tr>
<tr>
<td>(**) Water Rights Litigation</td>
<td>Special Revenue</td>
<td>7</td>
<td>1</td>
<td>334,036.54</td>
<td>85%</td>
<td>3,621,761.04</td>
<td>61%</td>
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<tr>
<td>(***) Historical Trust Asset Mismanagement Litigation</td>
<td>Special Revenue</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>20,982.78</td>
<td>99%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>91</td>
<td>10</td>
<td>2,756,873.85</td>
<td>240.13%</td>
<td>5,438,870.66</td>
<td>540%</td>
</tr>
</tbody>
</table>

(* ) Fixed Cost Litigation. This is a continuing account since 1993 to present.
(*** ) Historical Trust Asset Mismanagement, Resolution CN-57-06. This is continuing account.

B. Budget/Performance Information (attached).

C. Statistical Information.


<table>
<thead>
<tr>
<th>Attorney General</th>
<th>Requests for Services</th>
<th>Services Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Branch</td>
<td>425</td>
<td>336</td>
</tr>
<tr>
<td>Legislative Branch</td>
<td>08</td>
<td>02</td>
</tr>
<tr>
<td>Judicial Branch</td>
<td>03</td>
<td>02</td>
</tr>
<tr>
<td>Tribal Entities</td>
<td>09</td>
<td>08</td>
</tr>
<tr>
<td>Non-Tribal Entities</td>
<td>02</td>
<td>01</td>
</tr>
<tr>
<td>Total</td>
<td>445</td>
<td>349</td>
</tr>
</tbody>
</table>

To provide legal services to the Navajo Nation Three Branch Government, including the Council, Divisions, Chapters and Entities.

Please Note: The formal Request for Services (RFS) does not include work completed by attorneys and advocates where time is spent in meetings, court appearances, negotiations, preparation for litigation, business calls, correspondence and internal departmental administrative/management issues.

2. Prosecution Cases.

| District | Cases Received | Cases Filed | Cases Closed | Cases Pending |
|----------|----------------|-------------|--------------|---------------|---------------|

...

<table>
<thead>
<tr>
<th>District</th>
<th>District Cases Received</th>
<th>Cases Filed</th>
<th>Cases Closed</th>
<th>Cases Pending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alamo</td>
<td>10</td>
<td>2</td>
<td>234</td>
<td>22</td>
</tr>
<tr>
<td>Aneth</td>
<td>3</td>
<td>2</td>
<td>11</td>
<td>39</td>
</tr>
<tr>
<td>Tohajiilee</td>
<td>30</td>
<td>10</td>
<td>118</td>
<td>84</td>
</tr>
<tr>
<td>Chinle</td>
<td>31</td>
<td>27</td>
<td>4</td>
<td>32</td>
</tr>
<tr>
<td>Crownpoint</td>
<td>78</td>
<td>58</td>
<td>17</td>
<td>60</td>
</tr>
<tr>
<td>Dilkon</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Kayenta</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>Ramah</td>
<td>13</td>
<td>4</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Shiprock</td>
<td>73</td>
<td>30</td>
<td>249</td>
<td>476</td>
</tr>
<tr>
<td>Tuba City</td>
<td>110</td>
<td>3</td>
<td>87</td>
<td>1,195</td>
</tr>
<tr>
<td>Window Rock</td>
<td>188</td>
<td>117</td>
<td>108</td>
<td>138</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>549</strong></td>
<td><strong>263</strong></td>
<td><strong>835</strong></td>
<td><strong>2,061</strong></td>
</tr>
</tbody>
</table>

To provide legal service for juvenile delinquency, children in need of supervision, and abused or neglected children within the Navajo Nation jurisdiction.

4. Navajo-Hopi Legal Services Program (Tuba City, Arizona).

<table>
<thead>
<tr>
<th>TABLE E</th>
<th>Table E</th>
<th>Opened Cases</th>
<th>Closed Cases</th>
<th>New Open Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>285</td>
<td>24</td>
<td>46</td>
</tr>
</tbody>
</table>

To provide legal services to Navajo (and potential Hopi) individuals affected by the Navajo-Hopi Settlement Act of 1974, including legal matters related to: 1) ONHIR construction of relocation housing; 2) problems arising with homesite leases; 3) livestock impoundment activities of the BIA and the Hopi Tribe; 4) Hopi harassment of Navajo residents of the HPL; 5) complaints of relocatees now living at New Lands; 6) assisting residents of the HPL who have signed Accommodation Agreements with the Hopi Tribe; and 7) assisting applicants who have been denied relocation benefits by ONHIR.

III. SIGNIFICANT ACTIVITIES

On March 12, 2010 the Water Rights Unit of NNDOJ completed the negotiation of a water rights settlement between the Navajo Nation and the State of Arizona that provides for the financing and construction of a Western Navajo Pipeline from Lake Powell to Tuba City and Cameron. The Agreement is with the State of Arizona, affected water users in Arizona including the General Arizona Water Conservation District, Salt River Project, Arizona Public Service, Little Colorado River Water Users, and the Hopi Tribe. WRU and the Navajo Nation Water Rights Commission will engage in a process of informing the Navajo public and Navajo Nation Council standing committees about this settlement before presenting the document for approval by the Navajo Nation Council. A more comprehensive report is given below by the WRU.

The Investment Committee approved Term Sheets to complete casinos and bingo halls at Upper Fruitland, Tse Da Kaan, Chinle and Pinta Road on March 26, 2010. Department of Justice attorneys assisted in advising and drafting these documents.

The United States Department of Justice, with the support of the Obama administration and leadership from the U.S. Attorney General’s office, have agreed in principle to discuss the possibility of negotiating the claims for financial mismanagement of the funds that were the subject of the Arthur Anderson audit of the 1990s. If these talks go forward, this will be the first phase of three part discussions among the parties. OAG, Nordhaus and the U.S.D.O.J. will meet during the Federal Bar Association conference on April 8, 2010 to further these discussions.

On December 28, 2009 the Attorney General filed a petition with the Special Division of the Window Rock District requesting the appointment of a special prosecutor to investigate and prosecute criminal and ethical violations, and bring civil actions, related to the OnSat and BCDS matters. In addition, the Attorney General asked that the special prosecutor be authorized to investigate and prosecute violations of federal and tribal laws in connection with discretionary fund abuses that were reported in the Navajo Times beginning in September 2009. The Special Division approved a contract with Special Prosecutor Alan Balar and Mr. Balaran has now undertaken his duties.

A summary of major cases handled by the Department follows, along with the significant accomplishments.
1. *Navajo Nation v. United States*, U.S. Court of Federal Claims No. 06-945L. This case is referred to as the “Trust Asset Mismanagement Case”. The Nation filed its Complaint against the U.S. in the U.S. Court of Federal Claims on December 29, 2006 claiming various violations of fiduciary trust duties owed to Navajo Nation by the U.S. resulting in monetary losses and seeking indemnification from the U.S. because of it. The period of time covered by the Complaint is August 14, 1946 to the present.

Pursuant to requests to the Court filed on behalf of the Navajo Nation, the Court entered a Confidentiality and Protective Order (CAPO) on May 11, 2007 and a Record Retention Order (RRO) on September 10, 2007 (modified by the Order of November 30, 2007 and amended on July 11, 2008).

By agreement of the parties, the case was referred to Senior Judge Eric G. Bruggink to conduct Alternative Dispute Resolution (ADR) proceedings (Order entered October 10, 2007) and the parties negotiated an ADR CAPO (entered February 5, 2008) and an Agreement Governing ADR Proceedings (ADR Agreement) (effective March 18, 2008) to govern the conduct and production of records within the ADR proceedings.

As a result of these Orders and the ADR Agreement, and pursuant to the requirements of Rule 26 of the Court’s Rules of Procedure, the parties have been involved in the identification and review of records relevant to the issues in the case. During this informal discovery process, and as required by the Court’s Rules, the Navajo Nation attorneys have compiled and provided the U.S. with an inventory of Navajo Nation repositories containing relevant records.

Contemporaneously, the U.S. has provided indices and inventories of active and inactive relevant records to the Nation's attorneys for Agency records from the BIA Navajo Regional Office, the BIA Navajo Regional Realty Office at Window Rock, AZ, and the BIA Fort Defiance Agency, among other Agency offices.

In addition to the foregoing, experts have been engaged to analyze relevant financial information and to construct a computerized litigation assessment and damage calculation program which will provide the foundation for proving federal liability to the Court of Federal Claims.

2. *Navajo Nation v. United States*, U.S. Court of Federal Claims, Washington D.C. The Navajo Nation filed a breach of trust and inverse condemnation action against the United States for imposition of the Bennett Freeze by Commissioner Robert L. Bennett in 1966. The complaint alleges damages of $50 million. This action was dormant until the Bennett Freeze was lifted by court order in December 2006. The parties have been engaged in discovery, and only recently the U.S. filed a motion for summary judgment arguing that the only damages that can be proven by the Nation are economic damages resulting from failure or refusal by the United States to approve projects submitted for approval in the former Bennett Freeze pursuant to the Navajo-Hopi Settlement Act. The U.S. bases its motion on grounds that the government has no money-mandating fiduciary duty to the Navajo Nation under the Navajo-Hopi Settlement Act, and that the Court lacks jurisdiction because the statute of limitations has run. Oral argument was heard by the Court of Federal Claims in Albuquerque, New Mexico on January 8, 2009. On February 27, 2009, the Judge granted summary judgment in favor of the United States on the Navajo Nation’s breach of trust claim, stating that he found no money mandating fiduciary duty on the part of the government and directed additional briefing on the question relating to the statute of limitations. After additional briefing, the Court ruled the statute of limitations issue adversely to the Navajo Nation and dismissed the case. In summary, the Court of Federal Claims ruled against the Navajo Nation on both the breach of trust and inverse condemnation claims. After extensive discussion with outside legal counsel, the Department determined it best to appeal only the decision on inverse condemnation, as the other case was severely weakened by the Navajo I and Navajo II decisions. Outside counsel for the Navajo Nation filed a notice of appeal on the inverse condemnation issue on September 12, 2009.

3. *Navajo Nation v. Peabody, et al.*, U.S. District Court for the District of Columbia, No. 99-469-EGS. This matter, referred to as the District of Columbia RICO case, involves several claims against Peabody, Southern California Edison, and Salt River Project based on the Federal Racketeering Statute and interference with the Secretary’s trust duty in connection with the 1987 Peabody Lease Amendments. Salt River Project has been dismissed but the Nation has yet to release Salt River Project from possible appeals of the order of dismissal. During August 2009 the parties entered into active discovery phase. Discovery with the exception of expert discovery and some Department of Interior depositions will conclude in February 2010. The Nation’s contract attorneys, Ropes & Gray, have worked to conclude document discovery with defendants and responded to a series of third party subpoenas issued to law firms and businesses who worked for the Navajo Nation during relevant time periods. The attorneys are continuing their efforts to prepare for trial and have worked to identify trial witnesses, exhibits and to refine the theory of the case. The Navajo Nation must now designate a Rule 30(b)(1) witness, an expert who will speak authoritatively on the royalty and damage issues and whose testimony will bind the Navajo Nation. Lead counsel will be amending the complaint, with the concurrence of OAG, to...
remove the RICO claim. A report on this recommendation was presented to the Intergovernmental Relations Committee on March 8, 2010. The new law firm of lead counsel Sam Buffone is BuckleySandler LLP of Washington, D.C.

4. Black Mesa Coal Lease Re-opener Negotiations. Under the 1987 amendments to the Peabody coal leases, the Nation and Peabody agreed to re-open the royalty provisions every ten years. The last ten-year agreement expired on March 14, 2007. Since 2007, the Nation and Peabody have been negotiating new royalty terms of Lease 8580 (Navajo lease) and Lease 9910 (Former JUA Lease). This negotiation is now complete and the final documents have been prepared for presentation and approval by the Resources Committee and the Navajo Nation Council. On December 22, 2009, the Navajo Nation Council voted not to recall the royalty adjustment approval legislation, which had been tabled, and directed that the legislation will be brought back again in the Spring Session, after a work session is held on the Peabody leases. OAG, DNR and Minerals Department provided a presentation on April 1, 2010 and recommended that the Navajo Nation Council approve the royalty adjustment.

5. In the Matter of the Disposition of the Mohave Generating Station, California Public Utility Commission (CPUC). The Navajo Nation intervened in this proceeding filed in January 2002 in which Southern California Edison (SCE) sought the approval of the CPUC to either decommission the MGS or to approve $58 million for pre-engineering studies to install pollution control equipment and to retrofit the MGS. This case has not finally been disposed of by the CPUC although SCE has abandoned its efforts to reoperate MGS, after MGS closed on January 1, 2006. Intervenors in the CPUC proceeding include the Navajo Nation, Hopi Tribe, Peabody Coal Company, Salt River Tribe and a host of non-governmental entities or NGO’s including the Sierra Club, Black Mesa Trust and other local environmental associations. Operations at the MGS and the Black Mesa Pipeline (slurry pipeline) ceased on December 31, 2005 after a failed negotiation by the interested parties to enter into new coal and water supply agreements. On June 10, 2009 SCE announced its decision to decommission the plant.

The Navajo Nation has submitted a claim to the CPUC for an award of sulfur dioxide credits to compensate the Nation for the harm to its land, resources and economy resulting from the operation and closure of the Mohave Generating Station.

In September 2009, the CPUC held a prehearing conference with the assigned Administrative Law Judge. Prior to that meeting, the parties, including the Navajo Nation, submitted written prehearing conference statements on September 10, 2009. The parties unanimously suggested that before proceeding to evidentiary hearings, the CPUC should address the legal issue of whether it will allocate any SO2 allowance proceeds to the Navajo Nation, the Hopi Tribe, SCE ratepayers, or other stakeholders. On September 22, 2009, the Administrative Law Judge issued a second amended scoping ruling adopting this suggestion and stating her intention to rule on the pending legal issues. The Administrative Law Judge also extended the deadline for concluding the proceeding eighteen months to March 2011. The Navajo Nation is awaiting a ruling on these legal issues.

6. Navajo-Hopi 1934 Land Dispute Issues. Since the settlement of litigation between the Navajo Nation and the Hopi Tribe, the Department of Justice and outside counsel have been engaged in the following activities: (1) efforts to repeal 25 U.S.C. Section 10(f), the statutory freeze; (2) coordinating with the San Juan Southern Paiute Tribe’s attorneys to have the Secretary of the Interior recommend the approval of the Navajo Nation-San Juan Southern Paiute Treaty to the United States Congress; and (3) coordinating the agreed-upon eagle study with the Hopi Tribe and the U.S. Forest Service. The Department of Justice and the Division of Natural Resources are also cooperatively addressing matters of enforcement and implementation of the Compact.

On May 8, 2009 President Obama signed into law an act of Congress repealing Section 10(f) of the Navajo-Hopi Settlement Act.

For any Indian reservation to be established in Arizona, an act of Congress is required. The Navajo-Paiute Treaty setting aside some 5,000 acres for a Paiute reservation was signed in 2000, but thereafter the parties negotiated an “Addendum” in 2004, which would support the Paiute Tribe’s effort to take a parcel of land near Bellemont, Arizona into trust for gaming purposes. Since that time, the Paiute Tribe has abandoned its hope of taking the Bellemont parcel into trust and the Addendum has become a nullity. Since the Paiute change of plan, the Navajo Nation and the Paiute Tribe submitted the Treaty to the Department of Interior for review and approval. The Secretary on review has indicated that he has no objection to the terms of the Treaty and settlement but will not approve the settlement until Congress has enacted legislation approving a reservation for the Paiutes. No bill to approve the Treaty and settlement has been introduced. The San Juan Southern Paiute Tribe at present is incapable of making governmental decisions due to internal disputes over which of three claimants is the rightful Chairperson of the Tribe.

In November 2009 the Paiute Tribe made another request to the Attorney General for a further extension of the stay on litigation of the Southern Paiute case in the Ninth Circuit Court of Appeals. The Attorney General agreed to an extension up to June 30, 2010. Further extensions of time are required to allow time for Congress to pass the legislation setting aside the Paiute reservation agreed to by the Nation in the Navajo Nation-Paiute Treaty.
Navajo Nation Fish & Wildlife, with DOJ, continues to work on the proposed eagle study with the U.S. Fish & Wildlife and the Hopi Tribe.


a. Owelty. On September 30, 2008, the U.S. District Court for the District of Arizona entered judgment on the owelty claim in favor of the Hopi Tribe in the amount of $426,750.00 plus prejudgment interest from April 18, 1978, until paid. The Nation has requested reconsideration of this matter as the judgment is inconsistent with earlier rulings entered by the Court.

b. Post Partition Rent. On December 31, Judge Carroll of the United States District Court of Arizona entered an Order re 1990-95 Homesite, 1979-05 Grazing and 1986-95 Farmsite Rental determinations and pre and post-judgment interest granting in part and denying in part the tribe’s pending motions for entry of judgment and denied a United States motion for summary judgment. In essence, the Court order enforces and awards pre-judgment and post-judgment interest to the Hopi Tribe on certain Homesite and Farmsite Rental determinations through 1989 and grants in part and denies in part motions to enforce other Homesite, Farmsite and Grazing Rental determinations through 1995. The department and outside counsel must make a decision quickly whether to appeal the judgments that are final or to pay the rents. A report on the Court’s decision was given to the Navajo Hopi Land Commission on February 2, 2010.

Judge Carroll entered a final judgment in favor of the Hopi Tribe against the Navajo Nation in the amount of $279,311.53 for HPL farm rents for the period 1979 to 1985 and for 1979-1995 HPL homesite rents in the amount of $1,069,389.24 on March 26, 2010. The bill will be presented to the Controller for payment of this amount, as well as prepayment of other amounts. Prepayment will prevent interest from accruing.

The last BIA determination of rents for Navajo use of the HPL was in 2000. The Bureau of Indian Affairs is at present re-assessing all rents through 2000 and will be submitting further determinations to the Navajo Nation for payment. The Bureau is also beginning to make assessments for the post 2000 period. Notwithstanding the lack of determinations the Nation will remain liable for the Navajo use of the HPL under the terms of the 1974 Settlement Act.

8. Gaming Activities.

a. Gaming Enterprise. The Navajo Nation Gaming Enterprise opened its Fire Rock Casino operations on November 17, 2008 in Churchrock, New Mexico. On November 19, 2009, the Fire Rock Casino celebrated its first year of operations which has been a successful year.

b. The Gaming Enterprise made its first payments pursuant to the Loan Agreement on loans received from the Navajo Nation Land Acquisition Fund. Due to the current banking crisis, it appears the Navajo Nation may have to fund any additional developments of Class III or Class II gaming facilities.

c. The Department of Justice is taking an active role to gain site control over the proposed Casino sites near Leupp and Upper Fruitland. The Gaming Enterprise reports that the Leupp site should be ready to proceed as early as February 2010.

The Department of Justice is also providing legal assistance to the Investment Committee which will finance the Navajo Nation Gaming Enterprise casinos at five locations on the Navajo Reservation. The financing arrangements will provide competitive returns to investments managed by the Investment Committee.

d. New Mexico Gaming Compact. The Navajo Nation-New Mexico Gaming Compact is due to terminate at midnight on June 30, 2015. A negotiating team was formed to develop an outline of the Nation’s position regarding the negotiation of a new compact with the state of New Mexico. After letters were exchanged between the parties to begin negotiations, Governor Richardson informed the Nation that he did not desire to renegotiate the Navajo Nation–New Mexico Gaming Compact during his remaining term.

e. The Office of the President and Vice-President has been successful in their quest to recruit a new director for the Gaming Regulatory Office. The successful candidate has been confirmed by the Navajo Nation Council to serve in this capacity.

9. Desert Rock Energy Project. On July 31, 2008, the U.S. Environmental Protection Agency, Region 9, issued a prevention of significant deterioration permit (Permit) to the Desert Rock Energy Project. The Permit authorizes Desert Rock to build a new 1500 megawatt coal-fired power plant near the existing BHP Navajo mine. After issuance of the Permit, various environmental
groups and groups opposed to the project initiated an administrative challenge to the decision of the U.S. Environmental Protection Agency. The State of New Mexico is also participating in the challenge to the issuance of the draft air permit.

On September 24, 2009, U.S. Environmental Appeals Board (EAB) issued a Remand Order to the US Environmental Protection Agency (EPA). The Remand Order is based on two independent justifications. First, the EPA requested a voluntary remand during the proceedings and the EAB found no reason to deny this motion. The EAB reasoned that a remand to address issues which needed additional attention by the EPA would lead to administrative and judicial efficiency. Secondly, the EAB determined that the administrative record is inadequate to support the Region’s decision not to consider the Integrated Gasification Combined Cycle in step one of the Best Available Control Technology analyses.

The proponents of the Desert Rock Project submitted an application to the federal government seeking funds to install Carbon Capture and Sequestration Technology on the proposed plant. This application was unsuccessful.

The Navajo Nation needs to take a more active lobbying and politicking role if it desires to build the proposed Desert Rock Energy Project. This project has been stalled by the federal departments responsible for permitting and EIS compliance.


11. **E-Rate.** As a result of the Special Review of the Nation’s involvement with Onsat Native American Services conducted by the Auditor General in 2007, the Nation has been unable for the past three years to participate in the E-Rate Program, which heavily subsidizes internet connectivity in rural areas. The Nation has subsequently authorized two additional investigations of our E-Rate involvement, and has demonstrated to the Federal Communications Commission that we are committed to full compliance with E-Rate Policies and Regulations. In addition, the Attorney General on December 28, 2009 filed a petition requesting the Special Division of the Window Rock District Court to appoint a special prosecutor to investigate and prosecute any legal violations in this matter. Therefore, we are hopeful of partial reinstatement in 2010, and full reinstatement into the E-Rate Program in 2011.

Labor and Employment Unit

This Unit represents the Nation before the Office of Hearing and Appeals, the Labor Commission, and the District Courts in cases involving appeals of disciplinary actions against present and former employees, and the defense of unlawful workplace claims. The Unit also advises departments, programs and chapters concerning interpretation and enforcement of the Personnel Policies and the necessary foundation for supportable disciplinary actions.

Water Rights Unit

12. **Little Colorado River (LCR).**

a. Litigation **(In re the General Adjudication to Use Water from the Little Colorado River System and Source, Civil Case No. 6417, Superior Court for Apache County.)** This general stream adjudication was filed in 1978. The Arizona Supreme Court has issued numerous decisions arising out of this case and the Gila River Adjudication, but the trial court has yet to adjudicate a single water right. The law firm of McElroy, Meyer, Walker, & Condon (Scott McElroy) is working with Bidtah Becker and taking the lead on the litigation.

i. Litigation has commenced on two “Hopi questions,” which are matters that can be litigated prior to litigating the substance of the Hopi Claim.

(1) The first issue is whether the Hopi Tribe and the United States acting as trustee for the Hopi Tribe are precluded from claiming a right to water from surface streams that are located within the Little Colorado River Basin but do not traverse any part of the Hopi Reservation. On March 2, 2009 the Court granted the Navajo Nation’s Motion for Summary Judgment precluding claims by the Hopi Tribe from water sources that were not on or adjacent to the Hopi reservation. The court did not rule that adjacency is a requirement of a water right, but it held that in this narrow case, the Hopi Tribe may not claim water off-reservation if the only access to such water would require intruding onto lands owned by the Navajo Nation. The Hopi Tribe's Motion for Reconsideration was denied August 26, 2009, and the Hopi Tribe has filed an interlocutory appeal.

(2) The second issue is whether the claims to water rights asserted by, or on behalf of, the Hopi Tribe in this adjudication have priority of “time immemorial” or are otherwise senior to the claims of all other claimants. We will file a motion for summary judgment motion asking the court to rule that the Hopi Tribe does not have a seniority over the Navajo Nation and that the appropriate standard to apply to determine the rights of the Navajo Nation and the Hopi Tribe to shared resources is equitable apportionment.
(3) A briefing schedule has been set to address Catalyst Paper's issues concerning attributes of water uses related to the Hopi Tribal Industrial Parks.

ii. Meanwhile litigation has begun on the Hopi claim. The Arizona Department of Water Resources has filed a Preliminary Hydrographic Survey (PHSR) for the Hopi Reservation.

b. Settlement Negotiations. Because the Little Colorado River Basin is part of the Lower Colorado River Basin, whatever water rights the Navajo Nation would have in the LCR would be part of an overall Colorado River entitlement. Consequently, the settlement discussions concerning Colorado River have merged with discussions concerning LCR. These issues are addressed in the Colorado River discussion below.

13. Colorado River.

a. Litigation. (Navajo Nation v. United States Department of the Interior, CIV 03 0507 PCT PGR.) This lawsuit seeks declaratory and injunctive relief against the Department of the Interior for failing to adequately protect Navajo interests in the Lower Basin of the Colorado River. Various parties from the States of Arizona, California and Nevada intervened in this matter. The parties have agreed to stay the litigation in order to pursue a negotiated resolution of the underlying claims of the Navajo Nation for water from the Colorado River within the Lower Colorado River Basin, including the Little Colorado River Basin. The federal court entered an order on October 13, 2009 extending the stay until April 13, 2010. We anticipate requesting another 6-month extension based on developments in the negotiations discussed below.

b. Negotiations. On March 12 the attorneys for the parties completed a draft Settlement Agreement. The Settlement Agreement is consistent, excepting minor modifications, with the Agreement in Principle discussed below. There are additional pieces of the settlement that need to be completed that will be included as exhibits to the Settlement Agreement. Some significant documents that are in various stages of completion include draft state legislation designed to provide the same groundwater protections that are in the draft Settlement Agreement prior to ratification of the settlement by Congress, the water delivery contracts with the United States, and abstracts of existing water uses. Together with the Water Rights Commission we briefed the Resources Committee on the anticipated completion of the Settlement Agreement on March 4. We are seeking the best approach for informing the Navajo Nation Council of the terms of the Settlement Agreement and presenting the Settlement Agreement to the appropriate committees prior to submitting the Settlement Agreement for consideration by the Council.

i. Agreement in Principle (AIP). The attorneys for the negotiating parties entered into an AIP on March 28, 2008 concerning the basis terms of a settlement. The AIP includes the following provisions:

(1) Colorado River Mainstem Water. The Navajo Nation would receive 31,000 acre-feet per year of Colorado River water made up of the following:

(a) 11,000 acre-feet per year of Central Arizona Project (CAP) Non-Indian Agricultural water firmed to CAP Municipal and Industrial water for one hundred years;

(b) 2,000 acre-feet per year of Fourth Priority Colorado River firmed for one hundred years; and

(c) 18,000 acre-feet per year of unfirmed CAP Non-Indian Agricultural water.

(2) Little Colorado River Water. The Navajo Nation would have the right to utilize all of the unappropriated water in the Little Colorado River (approximately 160,000 afy, but this water is generally “flood flows” and is difficult to capture.

(3) C-Aquifer Management and Regulation. The Navajo Nation would have the right to withdraw up to 60,000 afy of water from the southwestern portion of the reservation and the right to unlimited withdrawals elsewhere, subject to the availability of water.

(4) N-aquifer & Washes. As part of the settlement, the Navajo Nation and the Hopi Tribe have developed a wash management plan that is incorporated in the Settlement Agreement.

(5) Water Infrastructure. The settlement would be conditioned on the development of three water projects:

(a) Ganado Ground Water Project.

(b) Leupp Ground Water Project.
(c) Western Navajo Project. A project to deliver water from Lake Powell to Western Navajo communities from LeChee to Cameron, including a lateral to Tuba City and to Hopi lands.

(6) Other Provisions. Other provisions deal with rights of the Navajo Generating Station to the use of water from Lake Powell, protection for Peabody Western Coal Company for use of N-Aquifer water, and resolution of all water rights of the Navajo Nation including those associated with the Big Boquillas Ranch.

(7) Settlement Funding. Off-budget funding for the settlement would come from three sources:

(a) $100 Million from the Reclamation Fund to be authorized in the Navajo San Juan River settlement legislation.

(b) Funding from the Lower Basin Development Fund authorized by the Arizona Water Rights Settlement Act of 2004.

(d) Funding from the President's Emergency Plan for AIDS Relief (PEPFAR). In August 2008, Senator Kyl inserted language into the PEPFAR bill for the authorization of $1 billion to be used for water infrastructure projects in Indian Country that are included in Indian Water Rights Settlements (Title VI of PEPFAR, also referred to as the Emergency Fund for Indian Safety and Health ("EFISH")). Since that time Senator Kyl has urged the parties to expeditiously conclude their settlement discussions. Many other settlements are currently competing for the PEPFAR monies.

ii. Upper Basin Issues.

(1) Arizona Upper Basin Claims. We initiated discussions to settle the Nation’s rights to Upper Basin Colorado River. The draft Settlement Agreement does not address these claims.

(2) Navajo Generating Station. On May 5, 2009, various environmental groups filed a petition with the National Park Service requesting Certification that Visibility Impairment at Grand Canyon is Reasonably Attributable to NOx and Particulate emissions from NGS. On August 28, USEPA issued an Advanced Notice of Proposed Rulemaking (ANPR) prefatory to making a determination of what emissions controls constitute best available retrofit technology (BART) for NGS and FCPP. On urging from the power plants, the Navajo Nation and Hopi Tribe, the comment period on the ANPR was extended until October 28. Subsequently, USEPA extended the deadline, only for Tribes, until December 28, and then again to March 1, 2010. After meeting with USEPA and management of both NGS and FCPP, representatives of the Nation, including NNEPA and the Division of Natural Resources, have come to a consensus on the Nation’s position on the ANPR. Kate Hoover drafted the Nation’s comments with input from several DOJ attorneys and Jill Grant, contract lawyer with NNEPA, which were submitted on March 1. After reviewing the comments received, EPA will issue proposed federal implementation plans for both NGS and FCPP. The proposed rule will have an additional 60-day comment period.

a. Subflow Proceedings, Contested Case No. W1-103. The Navajo Nation monitors this action but is not an active participant.

b. State Trust Lands, Contested Case No. W1-104. The Arizona Land Department has asserted federal reserved rights for the state trust lands. The Gila River and LCR courts are considering this matter as a consolidated contested case with Case No. 6417-100 in the LCR. The Navajo Nation is an active participant in this litigation. Briefs were filed by Scott McElroy and Alice Walker concerning the Special Master’s Report, which was favorable to the Navajo Nation. McElroy and Walker also filed responses to objections filed by the State Land Department and other parties. A hearing on the objections is scheduled for April 25, 2010.

c. De Minimis Water Uses, Contested Case No. W1-105. The Special Master is in the process of organizing a contested case to address the issue of whether certain small water used can be summarily adjudicated. Again, the Water Rights Unit will continue to monitor these proceedings to ensure that there is no adverse impact on Navajo water rights elsewhere.

d. Interlocutory Review, No. WC-07-0001-IR. On February 19, 2010, the Arizona Supreme Court affirmed the Superior Court’s approval of the final decree for the Gila River Indian Community’s water rights settlement. While the Navajo Nation not initiate the appeal, it was a party to the appeal.

e. Settlement Discussions. The Navajo Nation’s rights in the Gila River Basin (state appropriate rights associated with the Big Boquillas Ranch) will be abstracted and confirmed as part of a Lower Colorado River Basin settlement with Arizona.

15. San Juan River.
a. Litigation (*New Mexico v. United States*, No. 74-184, Dist. Ct., 11th Judicial District, San Juan County, New Mexico). The New Mexico Supreme Court has appointed Court of Appeals Judge Jim Wechsler to preside over the San Juan River Adjudication.

i. La Plata Irrigation Uses. Adjudication has commenced. The Navajo Nation has filed briefs in support of the positions taken by the State Engineer.

ii. Ute Mountain Ute Claims. The Ute Mountain Ute Tribe filed its claim for 9,300 a/fy with a March 2, 1868 priority date, predating the June 1, 1868 priority date for the Navajo Nation in the San Juan settlement. On August 4, 2009, the Court entered the Preliminary Scheduling Order for the Adjudication of the Water Rights of the Ute Mountain Ute Tribe. The adjudication of those claims must commence not later than March 30, 2020.

iii. Navajo Nation Claims. The United States must file a Hydrographic Survey concerning uses on Navajo Lands by October 1, 2010. This work has been ongoing; however, the Hydrographic Survey and a Statement of Claim on behalf of the Navajo Nation will likely be required to be filed by December 31, 2010.

iv. Approval of the Navajo Settlement. On September 2, 2009, the State of New Mexico, the Navajo Nation and the United States (“Settling Parties”) filed Joint Motion for an Order Governing Initial Procedures for Entry of a Partial Final Judgment and Decree of the Water Rights of the Navajo Nation (“Joint Motion”) to request a process for proceedings to approve the Navajo Settlement with the State of New Mexico. This matter was referred to the Special Master by Order of Reference, October 7, 2009. The Special Master held hearings on the Joint Motion on November 17, 2009 and March 8, 2010. Pleadings filed by the Navajo Nation since the First Quarter Report include:

2. Response of the Navajo Nation to the Request for Agenda Item for Water Right Owners, March 5, 2010;
3. Settling Parties Suggestions Concerning Special Master’s Proposed Order, December 15, 2009; and

(5) The Settling Parties are presently revising their proposed Notice for commencement of the Navajo Settlement Proceedings. The Special Master is expected to issue a Final Report and Proposed Order on April 8, 2010 and a hearing will be held by Judge Wechsler on May 7, 2010 concerning this matter.

b. Settlement.

i. The Omnibus Public Land Management Act of 2009 was signed into law by President Obama on March 30, 2009. Title X.B. – the Northwestern Rural Water Projects Act authorizes the Secretary of the Interior to execute the Settlement Agreement with the Navajo Nation and the State of New Mexico.

ii. The next phase to implement the settlement is to revise the Settlement Agreement and Settlement Contract so that they conform to the Settlement Legislation. A Federal Implementation Team has been designated and the Navajo Nation and the State of New Mexico are working with the Team to prepare the necessary documents, including the appropriate decrees, the settlement agreement, and the water delivery contract. The revised Settlement Agreement is currently being reviewed by the United States.

iii. We plan to have the revised Settlement Agreement ready for the Navajo Nation Council’s consideration at a Special Session following consideration by the Resources Committee and any other Committees as designated by the Speaker. In an effort to fully advise the Council about the changes in the revised Settlement Agreement, the Water Rights Commission with the assistance of the Unit has presented briefings to numerous Council committees and the Western Agency Caucus.

c. Other. Numerous other activities affect Navajo interests on the San Juan River:

i. San Juan River Recovery Implementation Program. Stanley serves as the Navajo Nation’s representative on the Coordination Committee. During the past quarter the Coordination Committee revised the basic Program Document in an effort to address perceived conflict of interest issues by the researchers for the Program.

ii. Navajo-Gallup Water Supply Project. The Secretary of the Interior issued a Record of Decision on October 1, 2009 approving the construction of the Project. President’s FY 2011 includes funding to complete the preconstruction studies.

iii. Animas-La Plata Project.

1. Farmington to Shiprock Pipeline. Construction has begun on this pipeline, and the pipeline is more than 25% complete.

2. Operation and Maintenance of ALP features in Colorado. All sponsors of the ALP, including the Navajo Nation through the Council, have approved and executed the Intergovernmental Agreement among the sponsors of the ALP to create a non-profit association to operate and maintain the ALP in Colorado. The IGA may need to be amended for purposes of establishing the Association’s 501 (c) (3) status.
(3) Transfer of Operation and Maintenance from the U.S. Bureau of Reclamation to the Operating Entity. The Transfer of O&M Agreement was executed by the Association and BOR.

(4) Water Delivery Contract. The Navajo Nation and Reclamation have been negotiating the water delivery of the ALP water as part of the Settlement Contract for delivery of NGWSP water and NIIP water.


   a. Subproceeding regarding the past and present claims of the Acoma and Laguna Pueblos. Currently, the parties are adjudicating the historic uses of the Pueblos of Acoma and Laguna. The Navajo Nation, while an objector to the Pueblos’ past and present claims, is not an “active participant” in this subproceeding.

   b. Navajo Nation Claim. The United States is conducting the hydrographic survey of the Navajo Nation lands. The United States informs Water Management and the Unit when it is conducting its survey on Navajo lands. No survey work was conducted this past quarter.


   a. Lead Case. The Court granted the United States’ motion to limit the temporal aspect of this case.

   b. Zuni Claim. The Nation has retained Hydrosphere, Inc., now AMEC, an engineering firm, as an expert. The first subproceeding concerns Zuni Past and Present Permanent Works. On July 30, the subproceeding parties exchanged Initial Rule 26 Disclosures. The United States submitted its expert reports in November, 2008, and the Zuni Tribe submitted expert reports in March 2009. The State of New Mexico must served its expert report in March of this year. The Navajo Nation, if it chooses to server an expert report, will need to do so by May of this year.

   c. Navajo Nation Claim.

      i. On May 21, 2008, the Court issued a Scheduling Order regarding the Navajo Nation Subproceeding. In February 2011, the United States will file the Nation’s claim. In April 2011, the Nation will file a supplemental claim. The first trial of the Navajo Nation subproceeding will be the domestic, commercial, municipal, and industrial claim. The expected date of trial is May 12, 2014. These dates are pushed back from the original schedule. We hope to take advantage of the delay to determine whether or not the Nation has actual groundwater conflicts with the Zuni Tribe. The purpose is to minimize conflict between the two tribes.

      ii. The United States has nearly completed the Hydrographic Survey and claim for Navajo Nation lands. We expect an initial draft in April of this year.

18. Utah Water Rights. The settlement discussions have progressed to the point that we are currently drafting a settlement agreement. We met with representatives of Utah by teleconference on January 7, February 3, and March 9. Our next teleconference is scheduled for April 21. The basic framework of the settlement agreement is largely complete. There is still work that needs to be done on defining the water delivery projects that will be a part of the settlement. We continue to push for the designation of a federal team to participate in the negotiations. President Shirley and the Governor of Utah sent letters to Secretary Salazar renewing our previous requests for the appointment of a federal team.

19. Permit Applications within the State of New Mexico.

   a. City of Gallup Groundwater. (In the Matter of the Application by the City of Gallup for Permit to Appropriate Ground Water and for a Plan of Replacement within the Gallup Underground Water Basin of New Mexico, Hearing No. 99-003, OSE File Nos. G-22-S-58, et al.). The City of Gallup applied to the New Mexico State Engineer to develop groundwater from an area east of the City near the Continental Divide. The Navajo Nation is one of the Protesting parties to the application and we have reached a proposed settlement with the City. The Attorney General executed this settlement under his authority as contained in his Plan of Operation. See 2 N.N.C. § 1964. Pursuant to this authority, the Natural Resources Division Director and the Resources Committee has been consulted. The settlement has been executed and the Navajo Nation has withdrawn its protest pursuant to the Settlement Agreement.

   b. Augustin Plains Ranch, Application NO. RG-89943. Augustin Plains filed an application with the New Mexico State Engineer to appropriate 54,000 acre-feet of groundwater in Catron County for use in Catron and Socorro Counties. The Alamo Chapter is
in Socorro County. We filed a Protest.

c. San Juan Water Commission. The SJWC filed an application with the OSE seeking to appropriate additional water on the theory that the ALP, as a result of downsizing, has been deauthorized. We filed an objection with the OSE. The OSE denied the application and the SJWC has appealed that decision. We filed a motion with the District Court on the Nation’s behalf, seeking leave to appear as amicus curiae. Under the San Juan settlement, any San Juan River water that becomes available would be split between the Nation and the SJWC, and we argued that the SJWC’s application is therefore contrary to the terms of the Settlement Agreement executed by the State of New Mexico.

d. Western Refining. Approximately 20 years ago, the precursor to Western Refining filed an application to appropriate groundwater for its then named Giant Refinery. The Navajo Nation objected. The case became active this quarter and after Water Management’s review, we decided to withdraw our appeal. Nevertheless, we hope to be able to work with Western on developing a watering point at the gas station or refinery for use by citizens of the Navajo Nation.

Natural Resources Unit

20. Uranium Contamination – Rare Metals Related Sites. Rare Metals UMTRCA Site. Like the other five UMTRCA sites on Navajo land, the Rare Metals UMTRCA site is unlined and could pose a risk of contamination of ground water in the N-Aquifer. Similarly, at Shiprock, there is evidence that the Many Devils Wash is contaminated with nitrates, sulfates and uranium directly attributable to the Shiprock UMTRCA site. There has been little progress in moving the federal government to accept that there are substantial environmental issues related with the five Navajo UMTRCA sites on Navajo land, therefore the Department of Justice is considering possible avenues of moving the United States to action. One possible avenue is litigation, which has commenced in the case of Rare Metals-related sites. Litigating against the U.S. will, of course, be expensive and protracted.

21. Tuba City Open Dump. On October 24, 2008 we received the Final Summary Report from Brown and Caldwell, the El Paso Natural Gas Company contractor who conducted the Water Sampling Program in the Tuba City area in accordance with the Cooperative Agreement between the Navajo Nation and EPNG negotiate by this office and entered into on June 25, 2007. The Report continues to show radio-active related contaminants above the U.S.EPA maximum contaminant levels (MCL’s) at the two Herbert Chief wells and one of the springs (LeChee) located in the area. There appears to be an “expert” disagreement regarding the nature and extent of the threat posed by the documented groundwater contamination.

The Hopi and Navajo experts believe that the radioactive contamination in the groundwater is an imminent and substantial threat to human health and the environment because it is migrating toward a number of Hopi springs in the immediate vicinity. The Hopi and Navajo experts include Mark Miller, a hydrologist employed by Daniel B. Stephen & Associates out of Albuquerque. Daniel B. Stephens & Associates is the Hopi contractor. Mr. Miller has been doing work in this particular area on behalf of the Hopi Nation for over ten years. Dr. Bill Walker is the primary outside Navajo Nation consultant. He was instrumental in establishing the evidentiary link between the Highway 160 site and the Rare Metals processing facility. Additionally, we rely on Henry Haven who works for Navajo EPA, has a Masters degree in Geology and is working on a Ph.D. in that field from Northern Arizona University. All of these people believe 1) there is a connection between the Rare Metals processing facility and the radioactive groundwater contamination beneath the Tuba City Open Dump, and 2) the contamination beneath the Open Dump poses an imminent and substantial threat to human health and the environment. While the federal agency experts acknowledge the existence of the groundwater contamination beneath the Open Dump they are not convinced that the contamination represents an “imminent and substantial” threat to human health or the environment.

This stalemate, together with other related factors, led the Navajo Nation to decide to join, as a party, in the litigation initiated over a year ago by El Paso Natural Gas in the U.S. District Court for the District of Columbia naming numerous federal agencies as defendants.

22. The Highway 160 Site. The appropriation bill for Fiscal 2009 included five million dollars for remediation of the Highway 160
site, across the highway from the Rare Metals UMTRCA, which was apparently used by El Paso for dumping uranium tailings and other contaminated equipment and materials. The Navajo Nation Environmental Protection Agency will undertake the task to remediate the site as quickly as possible, using these funds. It is recommended that transfer of the funds be accomplished through an amendment to the Cooperative Agreement between the Navajo Nation and the Department of Energy to allow for the money to be passed through to NNEPA for purposes of remediating the site. DOJ and NNEPA will meet with the USDOE on April 3, 2009 to discuss this matter.

23. **Northeast Church Rock Site.** The National Remedy Review Board in San Francisco is considering the USEPA’s proposed action to clean up the NECR site. Review by the Board is required for all remedies where the projected cost will exceed $30 million dollars. The remediation alternatives are set forth for the NECR Engineering Evaluations/Cost Analysis (EE/CA) and these alternatives range from on-site capping to total offsite removal outside of Indian Country. It is anticipated that USEPA will sign the “Action Memorandum” on NECR environmental remediation sometime this summer. There will be Interim action taken this summer that will involve consolidation of off-site contaminated materials onto the NECR site itself and stabilization of the contaminated waste bluff located within a few hundred yards of Navajo residences.

24. **Tronox Bankruptcy Litigation.** On January 12, 2009, Tronox, Incorporated, and a number of related companies filed for bankruptcy under Chapter 11 of the Bankruptcy Code in the Southern District of New York. This is a significant matter to the Navajo Nation in that a number of years ago Kerr-McGee attempted to divest itself of potentially billions of dollars in environmental liabilities by transferring the liabilities to Tronox. Many of these environmental liabilities relate to former Kerr-McGee uranium mining and milling operations in Navajo Indian Country.

In early August 2009 both the Navajo Nation and the United States Environmental Protection Agency filed Proofs of Claim in the bankruptcy proceeding concerning former Kerr-McGee uranium mines in the Lukachukai and Eastern Agency areas. The Navajo Nation also filed a Proof of Claim regarding the former Kerr-McGee uranium mill at Shiprock. In a separate action filed in the bankruptcy court Tronox has sought recovery against its former parent company, Kerr-McGee, and against the company that later purchased Kerr-McGee, Anadarko, claiming, among other things, fraudulent misrepresentation in the transfer of these environmental liabilities to Tronox.

The Navajo Nation, through the Navajo Department of Justice, is now actively engaged in settlement discussions with the United States Department of Justice, numerous state environmental claimants and Tronox in hopes of reaching an agreement on the percentage liability share that each of the environmental claimants will have against Anadarko and Kerr-McGee, both of which are economically viable companies.

Human Services & Governmental Unit

25. **EEOC v. Peabody Coal Company,** (United States District Court of Arizona). The EEOC originally filed this case against Peabody Western in 2001, claiming that the Navajo preference in employment provisions in the 8580 and 9910 coal leases between the Navajo Nation and Peabody are violative of Title VII as discrimination based on national origin. Peabody defended on the grounds that the Navajo Nation was an indispensable Rule 19 party which could not be joined and that the issue was a non-justifiable political question. The district court, Judge Mary H. Murguia, agreed on both counts. The EEOC then successfully filed an appeal in the Ninth Circuit, which reversed Judge Murguia on both counts. See **EEOC v. Peabody Western Coal Co.,** 400 F. 3d 774 (9th Cir. 2005). Peabody filed a petition for certiorari with the U.S. Supreme Court, which was denied. Subsequent to the denial of cert, the EEOC joined the Navajo Nation as a Rule 19 defendant. Upon being joined as a defendant, the Navajo Nation filed a motion to dismiss on various grounds, including lack of subject matter jurisdiction, failure to state a claim, and failure to join the Nation and the Secretary of the Interior as indispensable Rule 19 parties. Oral argument was had on September 18, 2006. Judge Murguia issued an opinion in favor of the Navajo Nation on September 30, 2006. The EEOC has appealed this decision to the Ninth Circuit. The Ninth Circuit held oral argument on September 22, 2008. The Nation has submitted a supplemental brief in support of its position. The parties have now been awaiting a ruling from the Court for more than a year.

26. **EEOC v. Bashas' and Navajo Nation,** No. 2:05-CV-02382. **EEOC v. Bashas' and Navajo Nation,** No. 2:05-CV-02382. This matter is being handled by the Frye law firm. This was filed on August 17, 2005. The Navajo Nation filed a motion to dismiss almost identical to that filed in **EEOC v. Peabody Western and Navajo Nation** on April 5, 2006. Prior to the EEOC’s having filed a response to that motion and in response to its requests for discovery, we filed a motion to stay the Bashas’ proceedings pending resolution of the Peabody Western case. This motion was filed on June 6, 2006. On December 14, 2006, Judge McNamee issued a helpful opinion which stayed the case pending resolution of the **EEOC appeal in EEOC v. Peabody Western and Navajo Nation.** Thus, there is no current activity in this case.
27. *Salt River Project v. Lee*, U.S. District Court of Arizona, No. CV 8028-PCT. Plaintiff SRP has filed a complaint seeking to enjoin the Navajo Nation, during the term of the 1969 lease, from applying the NPEA or enforcing the Act against them or their contractors (Headwaters) at NGS or otherwise regulating, through tribal proceedings, the “operations” of NGS by SRP. Plaintiffs sought an injunction enforcing the same, and were granted their motion for an expedited briefing and hearing schedule, which was to be argued in an evidentiary hearing on March 31, 2008. The order scheduling this hearing has now been vacated. The basis for the Court’s granting of an expedited briefing/hearing schedule was the Labor Commission’s refusal to stay the underlying grievants’ (Thinn and Gonnie’s) hearings. Due to conflicts, NDOJ secured the services of Phil Higdon, from Perkins, Coie, Brown and Bain to represent all the named Navajo government named defendants, the ONLR Director, the Labor Commissioners, and members of the Navajo Judiciary. The court set arguments on cross motions for summary judgment for January 5, 2009. On January 13, 2009, the Federal Court issued a decision dismissing the complaint on grounds that SRP had not sought a remedy with the Secretary of Interior as required under the lease documents. The Federal Court later denied SRP’s motion to reconsider that decision. SRP has filed a notice of appeal to the Ninth Circuit Court of Appeals. After oral argument on February 10, 2010, the Ninth Circuit reversed and remanded the case for further proceedings in the District Court. Litigation will commence again once the appeal mandate is received.

Tax Unit

28. *In Re Krystal Energy Co. Inc.*, U.S. Bankruptcy Court for the District of Arizona, No. 01-00166 ECF-SSC (*Krystal Energy Co. Inc. v. The Navajo Nation*, Adversary No. 01-171.) This is a case in which Krystal Energy filed for bankruptcy and filed an adversary proceeding against the Navajo Nation challenging a tax assessment issued by the Office of the Navajo Tax Commission wherein the Bankruptcy Court dismissed the claim. Krystal appealed the Bankruptcy Court’s decision to the Federal District Court. The District Court issued a decision affirming the Bankruptcy Court. This decision was then appealed by Krystal to the Ninth Circuit Court of Appeals.

In 2004, the Ninth Circuit Court of Appeals issued a decision reversing the lower courts. The Ninth Circuit Panel in reversing the Bankruptcy Court and the Federal District Court held that Congress waived the sovereign immunity of an Indian tribal government under the U.S. Bankruptcy Code.

A petition for rehearing en banc was filed on March 5, 2004. The Ninth Circuit denied the petition for rehearing en banc on April 6, 2004. A petition for a writ of certiorari has been filed with the U.S. Supreme Court. The Supreme Court denied the petition. This matter is now back in the Bankruptcy Court. Krystal filed an amended complaint on July 25, 2006. We filed an answer on August 28, 2006 to the amended complaint. In our answer, we raised a statute of limitations affirmative defense.

Krystal recently filed a motion to amend their complaint to add claims for breach of contract, violation of due process, unjust enrichment/estoppel, violation of automatic stay and injunctive relief. We filed our response to their motion to amend and application for preliminary injunction on January 5, 2007. A hearing was held where the Court allowed Krystal to amend their complaint. The Court denied Krystal’s application for injunctive relief which sought the permission of the Court to allow Krystal to operate oil and gas leases on the Navajo Nation.

We filed a motion to dismiss Krystal’s Second Amended complaint on grounds of sovereign immunity, failure to exhaust available administrative remedies, and failure to join a necessary and indispensable party. On May 23, 2007, the Court dismissed the claims for breach of contract, violation of due process, unjust enrichment/estoppel. We are currently in the discovery process. Krystal filed a motion for summary judgment seeking a determination for violation of the automatic stay for failing to turn over the equipment on the oil and gas leases. The Bankruptcy Court granted partial summary judgment to Krystal on the turnover of equipment located on two oil and gas leases. We provided an accounting of the property on February 15, 2008. We appealed the order on the turnover of property to the Federal District Court in Phoenix. The District Court affirmed the decision of the Bankruptcy Court on appeal. The case is continuing with discovery and valuation of the lease equipment.

Navajo-Hopi Legal Services Program

29. *Litigation/ Administrative Hearings*

a. Administrative Advocacy/Office of Navajo and Hopi Indian Relocation (ONHIR)/Eligibility Determinations

Pre-hearing conferences for self-represented clients began November 13, 2009, and are held every two weeks at ONHIR offices in Flagstaff. The majority of the applicants appearing pro per are individuals with whom we have made contact but have declined to represent. These individuals are unlikely to be found eligible. The latest ONHIR statistics show 1,629 have submitted applications
in the aftermath of the Noller Herbert decision and 1,071 remain to be examined. One new applicant was certified this quarter, but she had not asked NHLSP for assistance.

Pre-hearing conferences with ONHIR and NHLSP began December 14, 2009 and are continuing once or twice a month. Hearings were to begin January 22, 2010, but the incredible six-day snowstorm that blanketed Northern Arizona during mid-January prevented some clients from travelling. Hearings began officially February 5, 2010 and continued on February 26. Thus far, seven hearings have been held. Eight are currently scheduled for April, with others on the calendar every two weeks.

ONHIR reports that 384 possible eligibles remain to be contacted. Our two agencies have discussed further outreach efforts to include publication of the names in area newspapers as well as on KTNN. ONHIR has offered to organize the names into Chapter affiliations so that the reading of common names will more likely result in appropriate contacts.

ONHIR has published its application process in the CFR consistent with the federal Paperwork Reduction Act; comments can be submitted until March 28, 2010. Once OMB approval is gained, ONHIR will set a deadline for the receipt of applications which will likely be this summer. ONHIR Executive Director Christopher Bavasi has advised NHLSP that despite the setting of a deadline for applications, AA signers wishing to apply for relocation benefits for the first time will be provided the opportunity should an ONHIR-Hopi Agreement be signed.

For anyone who believes he or she may qualify as a 1974 resident and head of household by HPL move-off, ONHIR will distribute a written application which must be completed and mailed back; the application is also available at www.onhir.gov. Individuals may schedule an appointment with ONHIR employee Joe Shelton for help in filling out the application; they can also walk-in.

Benefits remain $127,000 for a family of four or more and $119,000 for a family of three or less. In addition to these funds, each family receives several thousand dollars for infrastructure such as water, power, and septic. The benefit amounts are reviewed annually.

Late Applicants. NHLSP’s group of approximately 120 “post-86” or “late applicant” cases will now be evaluated under ONHIR’s Policy Memorandum #14 criteria. As a result, both new applicants and those that applied in 2005 will be certified if they were legal residents of the HPL as of December 22, 1974 and heads of household by date of move-off.

New Applicants. NHLSP is representing 38 new applicants; 47 others have been contacted by letter, with a representation decision by NHLSP yet unmade.

Rejected Appeals and Waivers. Because of the large number of new applicants, NHLSP is reviewing its pool of 112 rejected appeal cases as we have time. We are searching for those cases showing both eligibility and “good cause” for late appeal. Factors which contribute to “good cause” include an applicant’s age and education; whether physical, mental, educational or linguistic limitations contributed to the applicant’s lack of understanding concerning appeal procedures; the length of the late appeal; and whether ONHIR gave the applicant incomplete, misleading or confusing information on how to appeal. We are targeting individuals who speak little or no English.

b. Accommodation Agreement Since March 31, 2000, no HPL residents have been permitted to relinquish their Accommodation Agreements, although thirty or forty residents have approached either NHLSP or ONHIR in the last six years to do so. The draft agreement permitting additional relinquishments is currently in the hands of the Hopi Tribe, but no recent progress has been made. Now that a new group of three judges have been appointed to the Hopi Appellate Court, perhaps this agreement can move forward. NHLSP’s Principal Attorney recently wrote Hopi General Counsel Scott Canty for an update on the agreement’s status.

c. Relocation Housing Construction and Repair. Post-Builder’s Warranty Claims NHLSP has 3 open housing repair cases. We continue to receive requests for assistance because of client’s concerns with the construction of their replacement homes. We are asserting the obligation of ONHIR to make repairs beyond the warranty period in cases where latent defects can be demonstrated.

d. Federal Court Litigation We believe that the new Policy Memorandum #14 will eliminate the filing of many federal appeals on cases which have already been heard. No federal cases were filed this quarter and no appeals are pending.

VII. COMMITTEE/COMMISSION/BOARD ACTIVITIES

Pursuant to a resolution passed by the Navajo-Hopi Land Commission in February, we are researching the eligibility of 49 post-86
cases already heard but for which the statute of limitations has run. Thus far, we have reviewed 25 and believe 5 would be eligible. A memorandum with a recommendation will be sent to the President’s Office when the project is completed. It is hoped that ONHIR, faced with a recommendation from the President and legal authority which NHLSP will provide, will agree to waive the federal six-year statute of limitations and certify those late applicants eligible under *Noller Herbert* criteria but whose statute has run.

**IV. STATUS OF ON-GOING PROJECTS, INITIATIVES, COA’S**

A. Securing Financial Independence. The Office of Attorney General continues to support tribal departments and tribal enterprises and corporations in the ongoing effort to secure financial independence for the Navajo Nation. Most recently the Department assisted the Investment Committee with advice and legal services in finalizing Term Sheets to finance five new casinos and bingo halls to be constructed by the Navajo Nation Gaming Enterprise.

B. Promoting Mutually Respectful Partnerships. The Department continues its involvement in negotiations with the state, federal, tribal and surrounding local governments on a number of issues, including Intergovernmental and cross-commission agreement, dispute resolution, and water rights. The department reviews all Intergovernmental Agreements, Memorandum of Understandings and Memorandum of Agreements.

**V. STATUS OF ACTION PLAN (A, B, & C LISTS).**

A. List. The Attorney General enjoys a close working relationship between DOJ, the Office of the President/Vice President (OP/VP) and the Navajo Nation Council. Deputy Attorney General Harrison Tsosie has been available to cover the Division Director meetings with OP/VP. The Attorney General personally schedules meetings with OP/VP on vital issues. DOJ readily assists and works with the Navajo Nation Washington Office. DOJ is monitoring legislation that affects the Navajo Nation with the assistance of NNWO.

B. List. The DOJ does assign particular attorneys within each of the Department Units to each of the Divisions. There have been increasing requests by the various executive departments to assign an attorney to work only with that department. The Chapters also submit numerous requests to DOJ for legal services and the requests are coming in at increasing pace, especially with regard to gaming and personnel matters. There has been a tremendous increase generally in Navajo preference in employment litigation before the Navajo Nation Labor Commission and the Department’s attorneys are devoting substantial time to defending these cases, at the expense of time that could be spent on program matters. DOJ has one attorney and one advocate assigned full time to address NPEA matters.

**VI. OUTSTANDING PROGRAM ISSUES**

A. The proposed approved FY 2010 Navajo Nation budget does not include the pay raises given to attorneys of the Department of Justice in FY 2009. As a result, the attorneys and advocates in the NNDOJ are only funded at 80% of their salaries for FY 2010. The attorneys will all continue to work at 100% availability until the funds run out, on the assumption that the remaining 20% will be covered by a supplemental appropriation. The available funds will run out July 2010.

B. To maintain their standing with the Navajo Nation Bar Association and the state bar associations, the attorneys and advocates within the Department have incurred personal expenses to travel to the NNBA Annual Conference and other conferences to comply with mandated continuing legal education standards. Under the FY 2010 budget, attorneys will not have enough funds to cover their travel and conference fee expenses and will again have to incur them out-of-pocket. Any supplemental appropriation should also cover these costs.

C. Information technology. We have completed the IT network transition from workgroup computing with local PCs as file servers to a Windows Business Network. The WBN is a domain-controller based system that integrates our new server systems, networking, client PCs, services, printing, security, and users into a single integrated computing environment. We have standardized all systems using one operating system, moved all local PC file server data onto HP Proliant DL380 Business Computer Servers, initiated daily backup using an HP automated tape robot, and installed a new client security system where all users are required to use a secure logon and password. The units within the Department continue to optimize use of the local network by enhancing its capabilities to streamline completion of documents and establishment of a brief bank.

We programmed all client computers and laptops onto the Windows Server system (domain controller). We programmed Microsoft Outlook 07 to use Microsoft Exchange 2003 as an internal messaging system. We also set up user home folders that are backed up daily. We installed Symantec Endpoint Protection version 11 on all computer systems. SEP is our network protection.
package (antivirus) for local computers. We insulated the IT section windows in order to provide better cooling and cut power consumption costs. This also cut the amount of airborne dirt and dust coming into the section. We also have consolidated the last of the remaining legacy hardware. These items will be returned to NN Property stores for recycling. We have updated about 50 percent of our network documentation.

NNDOJ attorneys will begin keeping track of their time for FY 2010 in order to justify award of indirect costs to cover salaries and other expenses of the Department. The Department must keep records of time expended by attorneys working on federally funded programs and these hours will be used to form the basis for the indirect cost percentage. The Office of Attorney General has implemented a spreadsheet to be used by the attorneys to compile the information on a bi-weekly basis. Ultimately, it is hoped that time billing software will be utilized to carry out this new task.

VII. PROBLEMS/RECOMMENDATIONS

A. Budget Concerns. The Department of Justice, including the Office of the Attorney General, the Office of the Chief Prosecutor, the Juvenile Justice Program and the Navajo Hopi Legal Services are all underfunded for FY 2010. As an example, the Attorneys and Advocates in the Office of the Attorney General are funded for only 1664 hours in 2010. Based on the hours funded, the Office of the Attorney General decided to work 80 hours per pay period until the funded hours expire. If additional funds are not secured, the Office of the Attorney General will need to lay off all attorneys and advocates by mid July, 2010.

For the Office of the Prosecutor, the current allocation for FY 2010 only covers personnel salaries and benefits but does not provide for any operating costs and expenses. If the budget deficiencies are not addressed, the Prosecutor’s Office will have to close Aneth, Tohajiilee, Alamo, Ramah and Dilkon offices. The Juvenile Justice program has similar constraints in their appropriation for FY 2010.
The Navajo Nation
DIVISION OF COMMUNITY DEVELOPMENT
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

I. PROGRAM INFORMATION

Division Executive Director: Arbin Trujillo
Division Deputy Director: Stanley Yazzie
Telephone No.: 928-871-6810
Facsimile No: 928-871-7040
Web Address: www.nndcd.org

Departments:
Capital Improvement Office Casey Begay, Department Manager II
Community Housing & Infrastructure Chavez John, Program Supervisor III
Design & Engineering Services Vernon Clshin, Department Manager II
Rural Addressing Claudeen Tallwood, Program & Projects Specialist
Solid Waste Management James Benally, Senior Environmental Specialist
Local Governance Support Centers (5)
Navajo Nation Chapters (110)

II. ACCOMPLISHMENTS

A. ADMINISTRATION
1. Completed collection of Internet reports from chapters from first quarter of FY 10.
2. Completed approximately 74% of SteadyState hard drive updates for chapters.
3. Two technicians successfully completed the Cyberterrorism training.
4. Helped NN Broadband Team to successfully submit application for Round 2 NTIA BTOP broadband stimulus funding to provide public computers for chapters, senior centers, and head starts.
5. Received notification that another BTOP broadband stimulus funding application that the NN Broadband team had worked on with NTUA had received funding for $32 million for middle mile fiber and wireless broadband connectivity at chapters.

B. CAPITAL IMPROVEMENT OFFICE
1. CIO met with Division Director on periodic basis for updates and reconciliation of New Mexico projects that are on MIGA I (Force Accounts) and MIGA II (Commercials) and amendment for projects possible initiation of MIGA III for projects that are on SB 182.
2. CIO staff had fifteen (15) meeting this quarter, on the ICIP, $30 million projects, administrative agreements, NM projects reconciliations, etc.
3. Attended the Eastern Navajo Agency Council Delegates – Intergovernmental reports, discussion and development of a strategic approach to maximize New Mexico Capital Outlay Projects on the Navajo Nation at Fire Rock Navajo Casino.
4. Attended the Northwest Caucus of State Legislatures Emergency meeting on Navajo Nation Capital Outlay at Santa Fe, NM
5. Staff travel to Santa Fe (IAD) eight (8) times to reconcile the listing for the NM projects for Legislative Session.
6. CIO continue to meet with OOC to close out the MIGA I, MIGA II expenditures and projects that are expiring June 30, 2010.
7. CIO Staff attended the TCDC Worksession at Route 66.
8. CIO Staff meeting with PPS on the ICIP, $30 million Project, Administrative Agreements, Weekly report/itinerary and close outs.
9. Recon meeting with Finance, CHID, DES, CIO and DCD regarding the processing of the PRs that are listed under master agreement #1 and #2.
10. CIO met with Division Director on the possible merger of DES and CIO programs.
11. February 15, 2010, CIO Department Manager II was delegated to oversee the DES.
12. CIO/DES staff meeting to keep abreast of the projects that are under DES, e.g., MIGA II and $30 Million projects.
13. Developed and processed four (4) JVAs for advertisement of two (2) Senior Engineering Technicians, Principal Engineering Technician and Administrative Assistant for DES.
14. Developed and processed the JVA for the Archaeologist position under CIO.
15. Hired an Archaeologist on a temporary basis to assist with archaeology duties and responsibilities while the position is being advertised.
16. Four (4) staff received their Purchase Card, still awaiting for orientation/training.
17. Department Manager II attended Eastern Navajo Agency Council Meeting at Mariano Lake Chapter and Northern Navajo Agency Council meeting.
18. Processed a budget revision for Tsin Ya Nai Kidi Bathroom Addition Project and hired eight (8) temporary employees to continue work on the project.
19. Had Recon Meeting with IAD regarding the MIGA I MIGA II in Santa Fe, NM.
20. CIO met twice with CHID regarding the procedures of developing of a budget revision and processing of employment documentation for hiring of force accounts. Under Becenti Chapter, six (6) temporary employees were hired to work on the bathroom addition project. Under Beclabito Chapter, four (4) temporary employees were hired to continue work on the bathroom addition project. Under White Rock Chapter, two (2) temporary employees were hired to begin work on the bathroom addition project.
21. Department Manager II attended two (2) ARRA meetings.

**ARCHEOLOGY DEPARTMENT:**

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CHINLE AGENCY:
1. Be cognizant of the fact that our region (agency) was impacted with extreme weather conditions which forced the chapters to declare their state of emergency. Which in this quarter the chapters were forced to work to meet the need of their constituents at the local and remote areas.
2. Via coordination meetings at chapters/LGSC thirteen (13) chapters were provided information/instruction for updating their ICIP.
3. Sixteen (16) chapters were provided the information/instruction via emails, verbal reminders, phone calls and memo's to update their ICIP.
4. Attended one (1) CSC/OS Coordination Meeting in February at Many Farms Chapter.
5. Conducted and assisted with two (2) ICIP training in January & February.
6. Received summarized training on laptop usage.
7. Attended two (2) CIO staff meetings in WR.
8. Collaborated/submitted $30 million projects, tabbing of seven (7) project folders for review/acceptance.
9. Collaborated/submitted the 2010 ICIP for review/acceptance.
10. In regards to the ICIP, chapter resolutions or letters are needed to substantiate the chapters projects priority list and are currently in pending status. Upon receiving them they will be forwarded/inserted in their respective program.

EASTERN NAVAJO AGENCY:
NO REPORT SUBMITTED

FORT DEFIANCE AGENCY:
REPORT SUBMITTED WAS INCOMPLETE

NORTHERN NAVAJO AGENCY:
NO REPORT SUBMITTED

WESTERN NAVAJO AGENCY:
1. Conducted one (1) Navajo Utah Commission and CIO monthly project coordination meeting to discuss capital outlay projects.
2. In the process of closing out thirty-six (36) completed projects under general fund allocations.
3. Trainings were conducted in various areas to implement chapter budget into the new WIND System, any and all projects loaded on to the system our department can worked with these projects in the near future working with their local chapters and other service providers. The real-time site can be user friendly and the access to any information that needs to be obtained. During the past few months the program and project specialist have been attending the Wind Training in Albuquerque, New Mexico, this training involves all new funded project of the Navajo Nation, we as the field agent will need to input project data in order to fill the project authorization, the project packet is usually scanned and issues a number and when it is on the screen we need to give it a project name and a description of the project, when the documents are loaded into the computer on the wind system than at that time we can forward the project authorization to CHID or the Design and Engineering Department to proceed with the contract and construction.
4. The Birdsprings Senior Center is in the final phase of the design development, Randy Ewers, Inc., is in the process of completing the advertisement for contract.
5. Last two months, Navajo Mountain chapter and the administration have been updating their priority projects. The proposed projects have been placed in the ICIP Wind System with the requesting resolution to reaffirm by the local community.
6. For the Leupp Chapter House addition, DES submitted a request to contract LAM Construction to complete the project, the contract is still in the 164 review process.
7. For the Cameron Senior Center, the parking lot and the side walk projects has been completed with AZ-DES funds. The short fall of general fund was advertised for contract, but the vendor that was awarded the contract was cited, DES is in the process of re-advertisement.
8. The Tuba City Veterans Parking Lot project was completed in November, 2009. DES/CIO is waiting for the final report from the contractor for close out.
9. Of the four (4) Oljato Chapter projects (bathroom and kitchenette addition) under Utah Navajo Royalty Holdings Fund, two (2) projects is under construction and projected to be completed during the summer.
10. The Tonalea Chapter (Yah ee Tii Power Line Extension Project) is project ready. An electrician was hired to do correction on failed inspection site, right of way funds was paid to NTUA for cost estimation of 40 homes.

C. COMMUNITY HOUSING & INFRASTRUCTURE DEPARTMENT

1. Administration
   a. Attended five (5) Department Directors meeting to exchange information and to provide program updates, status of projects and issues and concerns.
   b. Conducted twenty-two (22) Program staff (CDBG & CHID) and field staff meetings to discuss project management, program issues/concerns, recommendation for improvements, staff development, application process, close out timelines, and to provide additional information on the operation of the Division.
   c. Attended 0 Transportation & Community Development Committee; 0 Intergovernmental Relations Committee; 0 TCDC Housing Subcommittee and 0 Navajo Nation Council meetings.
   d. Staff attended the following Orientations, Workshops, Conferences and Trainings during this quarter:
      1) Conducted a Staff Development Workshop at Route 66 Casino on December 28-30, 2009 in Albuquerque, NM.
      2) Attended a WAP/ARRA Workshop on January 14-15, 2010 in Fort Defiance, AZ.
      3) Attended the BIA Audit Training on January 26-27, 2010 in Albuquerque, NM.
      4) Attended the TCDC Workshop on February 08-09, 2010 in Albuquerque, NM.
      5) Attended the BIA FY’2010 Budget Training on February 11-12, 2010 in Albuquerque, NM.
      6) Attended the ICDBG Post Award Orientation on February 18-19, 2010 in Flagstaff, AZ.
      7) Attended the ICDBG Grants Management Training on March 02-04, 2010 in Phoenix, AZ.
      8) Attended the NAHASDA Negotiated Rule Making Session on March 09-10, 2010 in Scottsdale, AZ.
      9) Attended the CHID Strategic Planning Session on March 24-26, 2010 in Flagstaff, AZ.
      10) Attended the National American Indian Housing Council’s “Executive Director’s” Training in Tucson, AZ.
      11) Attended the BIA/NN FY’2012 Budget Formulation Session on February 08-09, 2010 in Albuquerque, NM.
      12) Attended the “Single Audit, Resolution and Management Systems” Training on January 26-27, 2010 in Albuquerque, NM.
      13) Attended the “Tribal Consultation Session” on January 12, 2010 in Phoenix, AZ.
      14) Attended the WAP Basics for Administration Training on February 24, 2010 in Phoenix, AZ.
      15) Attended the Weatherization Session on March 03-04, 2010 in Fort Defiance, AZ.
      16) Attended the Weatherization Boot Camp Training on January 11-15, 2010 in Phoenix, AZ.
      17) Attended the “Executive Director’s Meeting” Session on March 23-24, 2010 in Tucson, AZ.
   e. Attended 0 meeting with PWT, Real Times and the Core Team to discuss the Project Management System, Web Application & Integration of the Project Management System and the Restructuring Task.
   f. Attended forty-seven (47) Coordination meetings with DHUD, ARRA, NM/IAD, NTUA, I.H.S., BIA, Chapters, CIO, NHA, Agency Councils, NN Departments and other entities.
   g. Completed the move of the former Housing Services Department staff next to CDBG Program.
      Now CHID staff is in one section.
   h. Met with NHA three (3) times to review and discuss issues on audits, project delivery and eminent issues.

2. Community Housing & Infrastructure Dept. (CIO Projects):
   CHID has taken over the responsibility of processing MOA’s for all CIO powerline extension, bathroom addition and housewiring projects:
   b. Pre-Construction meetings were conducted on the NM/CIO Bathroom Addition projects at the following project sites: Littlewater, White Rock and Becenti.
d. There were two (2) final inspections for Bathroom Addition conducted on CIO project at the following locations: Pinedale and Torreon. There was one (1) final inspection for Powerline Extensions conducted on CIO projects at the following locations: Thoreau.

e. Three (3) projects were closed out at the following locations: Pinedale & Torreon B/A and Thoreau P/L.

f. Preliminary Assessment was conducted on the Tsayatoh Housewiring projects to serve 19 households. Also the project start date is pending for the Tsayatoh Chapter Addition that will be used as a computer room.

g. Various meetings were held with NM/IAD and NN/CIO regarding NM-CIO bathroom addition and powerline extension projects. The bathroom addition projects were saved and legislation is completed and accepted by the Navajo Nation and New Mexico Indian Affairs Department.

h. Continue the outreach services to Chapters and NN Programs whom have been requesting for program information or presentations at their convenience and locations including weekends.

3. Community Development Block Grant:

a. There was two (2) final inspection conducted on the CDBG project at the following location: Chilchinbeto and Rock Point P/L. There were no final inspections conducted on NAHASDA bathroom addition projects.

b. There were two (2) pre-construction meetings conducted for the following project sites: Cornfields and Tolani Lake/Leupp P/L.

c. The CDBG Field staff conducted project monitoring for CDBG and NAHASDA projects at the following sites: Torreon, Oljato, Dennehotso, Chilchinbeto, Kinlichee, Rock Point, Mexican Water/Red Mesa, Chinle, Tsai/Leupp/Wheatfields and Littlewater.

d. Project assessments were conducted during this quarter at the following project sites: Steamboat, Red Valley, Chinle, Dennehotso, Kinlichee, Oljato, Rock Point & Tsai/Leupp/Wheatfields for Powerline Extension projects and Mariano Lake, Coyote Canyon, Sanostee & Littlewater for NAHASDA Bathroom Addition projects.

e. Received from DHUD the FY’2009 ICDBG Award Letter dated January 26, 2010 in the amount of $5,500,000 for 4 powerline, 1 Substation Upgrade and 1 waterline extension projects.

f. Researched, compiled and completed the environmental review record process for the B-09 Tonalea & Chinle P/L; B-08 Inscription House, Indian Wells & Oljato P/L and B-07 Mexican Water/Red Mesa P/L projects. The concurrent notice was published in the local newspaper to request for release of funds from HUD. Form HUD-7015.15 (Request for Release of Funds) was prepared and sent to DHUD for HUD-7015.16 (Authority to Use Grant Funds).

4. Housing Improvement Program:

a. HIP is currently operating on FY’2008 unexpended funds to continue with the operations for all administrative and construction activities. All staff, permanent and temporary, has been extended to April 30, 2010.

b. The Environmental Specialist has completed the environmental assessments and clearance for the ARRA’s twenty-two (22) applicants. Reports for the “Categorical Exclusion, Biological Compliance” were submitted to BIA Navajo Region Office to approve the NEPA requirements. The Environmental Specialist will continue to compile the environmental assessments for the regular FY’2009 clients.

c. The contract with GEOMAT to conduct compaction soil testing has been approved and the contract number was issued for the FY’2008 projects. All eight of the FY’2008 projects are on-going at 49% complete per unit. The Electrician and Plumber started on the electrical rough-in and plumbing work. FY’2008 construction activities have started the site prep, foundation and footing for two projects in Pinon and Low Mountain.

d. HIP application enrollment began on January 01, 2010 and will continue through October 31, 2010. This is being coordinated by the HIP Central Office staff with the five (5) Agency offices for fiscal year 2011. The five (5) Agency offices are encouraged to continue to visit Chapter Houses to provide application assistance to individual(s) and families needing housing assistance.

e. HIP is continuing to meet with IHS and NTUA to coordinate the new housing units infrastructure (powerline, waterline and sewer/septic) systems connection.

f. HIP and ISA, L.L.C. (Leon Shirley, Architect) continues to have monthly construction coordination meetings to provide construction activities update reports.

g. The request for Geotechnical services for soil and compaction testing is advertised for the upcoming ARRA projects.
h. Bureau of Indian Affairs, Navajo Regional Office released the FY’2009 budget allocation in the amount of $1,072,806 and was received at Contract & Grants Office on September 15, 2009. Proposed to construct ten (10) projects.

i. HIP management staff will continue to make home visits to FY’2009 regular and ARRA selected applicants. Each client are being informed about the “demolition” requirement of existing homes and relocation when construction begins.

5. Weatherization Assistance Program:
   a. Met several times with Department Manager and ARRA Program Manager regarding the Weatherization’s projects; program issues; concerns; upcoming grants; ARRA funding; accounting section; energy audits-assessments; equipment; personnel; training; data sharing; partnership, etc.
   b. NWAP Program Supervisor attended the Operation Snowfall 2010 emergency meeting and worked with the Emergency Operation Center, Logistic Section at the NN Training Center.
   c. NWAP Senior Carpenters completed (11) out of (11) Arizona Public Services projects within the Tuba City area under the FY’2008 APS projects.
   d. Prepared NWAP-Department of Energy Grants Application which completed the 164 review process. This was passed by the Transportation and Community Development Committee on March 11, 2010 and Intergovernmental Relations Committee on March 15, 2010.
   e. Conference call was held on February 05, 2010 between Department Manager, ARRA Program Manager & NWAP Program Supervisor and Jono Sher & Carole Gates from Department of Energy regarding the ARRA Grant Application and Comprehensive Plan.

6. Weatherization Assistance Program - ARRA:
   a. The NN-WAP Application (DE-FOA-0000220) was completed by DOE on March 03, 2010 with several areas of deficiencies that needed correcting and resubmitted. Correction and additions were made to the application and resubmitted to DOE on March 19, 2010.
   b. The $8,161,335 (90%) Budget was resubmitted to the OMB on January 28, 2010 utilizing the 21.60% for Indirect Cost instead of the .050%.
   c. The final budget revision were made and resubmitted to OMB for FMIS entries. The entries are pending the approval of the DOE Comprehensive Plan. Therefore, the $906,815.00 (10%) of the $9,068,150 is currently utilized for program set and operation.
   d. Family/Home Assessments:
      - ENA: 297 Applications, 88 Screened, 31 Qualified & 5 Homes Assessed
      - CAN: 371 Applications, 37 Screened, 22 Qualified & 15 Homes Assessed
      - FDA: 659 Applications, 295 Screened, 205 Qualified & 40 Homes Assessed
      - SRA: 278 Applications, 37 Screened, 11 Qualified & 3 Homes Assessed
      - TCA: 381 Applications, 15 Screened, 0 Qualified & 1 Homes Assessed
      - Total: 1,986 Applications received

7. NAHASDA Construction:
   a. The NAHASDA Construction projects have completed a total of 22 homes. Four (4) homes were completed in July 2009 in Alamo. The NHA has assigned one staff to close out all invoices by December 31, 2009.
   b. The FY’2005 for Planning only is about 100% completed with the environmental studies being approved by NHA Environmental Office. Sixteen (16) clients have been approved as construction/shovel ready under the FY’2005 in both AZ and NM scattered site. No development funds at this time and these 42 clients are in construction ready status.

D. DESIGN AND ENGINEERING SERVICES

1. During the second quarter of Fiscal Year 2010, DES has prepared the following project service deliveries:
   - Mariano Lake School
   - Monument Valley Tribal Park
   - Lake Valley Senior Citizen Center
   - Shonto Multi-Purpose – certified chapter
   - Leupp Chapter
   - Lupton Multi-Purpose
   - Upper Fruitland Veterans Addition
   - Beclabito Senior Citizen – Design Development
   - Teesto Senior Citizen – Design Development
2. **DILKON JUDICIAL COURT FACILITY:** Additional $1.0 million has been appropriated for construction of the court facility. Currently, construction is at 88% complete and infrastructure is at 95% complete. Greenburg Construction Company has Construction Management at Risk contract. Project coordination with Navajo Nation Judicial Administration and Division of Public Safety.

3. **TUBA CITY VETERANS PARKING LOT:** The Scope of Work was to complete the existing driveway entrance to the facility and to design and build a new parking lot. The contract CO8092 was completed and awarded to Coe Van Loo-Red Road Construction JV to design and build the parking lot. On Nov 24th, the asphalt had been laid, parking stalls painted, concrete curb & gutter, drainage spillway, culvert and drainage swale were complete.

E. **LOCAL GOVERNANCE SUPPORT CENTER CHINLE AGENCY**

1. During the 2nd Quarter a State of Emergency declared by the Navajo Nation to deal with the heavy snowfall and the hardship it caused. An incident Command Post was set up in Chinle at the Apache County and the Chinle Command Post organized and a Response Team put together. The team consisted of representatives from the Local Governance Support Center, Navajo Nation Chapters, Department of Public Safety, Health Representative Program, Indian Health Unit from Chinle and Tsailé, Apache County, Division of Transportation, Public Schools, Navajo Tribal Utility Authority, Emergency Management and Fire Department. Daily Planning Meeting and Briefings occurred to identify resources; weekly meetings were set up to share and exchange information regarding the types of services available to individuals and families needing emergency assistance. It was stressed that Safety, Communication and coordination was very important as we prepared for emergency service delivery. Throughout Chinle Agency, Apache County, Navajo Division of Transportation and BIA Roads Department cleared roads for accessibility. Emergency medical assistance was provided to the high risk dialysis patients and elders were rendered. Food and Water were distributed. Livestock Feed and Hay were also distributed to livestock owners. For warmth, firewood, coal and blankets were delivered to households. Several Chapter Houses opened 24 hours a day to provide shelter and a hot meal for travelers stranded in inclimate weather and road conditions. Throughout 2nd Quarter, programs/chapters compiled reports; Daily Cost Summary Report, Emergency Assistance/Services Distribution Report and supporting. The State Emergency Department is scheduled to be onsite to review documents to determine reimbursements.

2. Chinle Agency Council held their Agency Council Meeting on Saturday, January 2, 2010 at Round Rock Chapter. Besides the normal agency council agenda items, the agency council entertained a lengthy discussion on the Navajo Nation Council Reduction from 24 to 88 and the Reapportionment Plan.

3. Chinle Agency Local Governance Support Center conducted Quarterly Form 2 Reviews (Performance Reviews) on January 5-6, 2010. All Chinle Agency Chapters continue to struggle with reporting Quarterly Performance data using the WIND System. Four (4) Chapters continue to be in non-compliance status as they neglect to submit Monthly and Quarterly Financial Reports.

4. The Department of Personnel Management conducted Desk Audits of ten (10) Chinle Agency Chapter Community Services Coordinators (CSC) back in November of 2009 and December of 2009. The Desk Audit was requirement of FY 2009 Condition of Appropriation to determine class specification of CSC and supervision of CSC. We continue to await a response from the Department of Personnel Management.

5. 2010 Census is full swing. Questionnaires were mailed out and Census Workers are awaiting follow-up.

6. In response to the Condition of Appropriation that requires the Local Governance Support Centers to submit Letters of Assurances, the Local Governance Support Centers and representatives from various chapters met on February 23-24, 2010 to strategize a “Fast Track FMS Action Plan.” The Action Plan was put together to be introduced to the non governance certified chapters to use to plot their implementation activities. The Chinle Agency LGSC Office has introduced the FMS Fast Track Action Plan to the following Chinle Agency Chapters:
   - Whippoorwill Chapter on March 3, 2010
   - Chinle Chapter on March 8, 2010
   - Tselani/Cottonwood Chapter on March 22, 2010
   - Blue Gap Chapter on March 28, 2010

7. Meetings regarding amending the Navajo Nation Procurement Code continued throughout the quarter. There were discussions about raising the limit from $5,000.00 to $50,000.00 for non governance certified chapters to procure goods and services, and to justify raising the limit, the Department of Justice requested copies of Contracts that Chapters negotiated during Fiscal Year 2009 to determine whether it was feasible.

8. On March 24-25, 2010, the Office of Rural Addressing conducted an orientation to Chinle Agency and Western Agency Chapters in Flagstaff, Arizona. Orientation entailed identifying roads, naming roads and streets, plotting information on map and developing a list of names and addresses of residents to compile a
Master Street Addressing Guide. The group toured a Public Safety Answering Point at the Coconino County Communication Center.

9. Status of Personnel this Quarter:
   a. Blue Gap/Tachee Chapter - Community Services Coordinator position is vacant. Vacancy is being advertised.
   b. Black Mesa Chapter – Office Specialist position is vacant, a temporary Office Specialist is occupying position. Four (4) applicants have been referred to the Chapter for interview. The Chapter interviewed and no selection made, chapter requested re-advertisement. Vacancy is being advertised.
   c. Chinle Chapter – Both Community Services Coordinator and Office Specialist remain vacant, chapter hired temporary Community Services Coordinator and Office Specialist personnel while positions are being advertised. One applicant was referred for the vacant CSC position, interviews were conducted and an offer of employment was made, applicant accepted position, therefore will commence employment on April 12, 2010.
   d. Nazlini Chapter – Both Community Services Coordinator and Office Specialist are vacant. Referrals have been received and interviews are scheduled.
   e. Rough Rock Chapter - CSC position remains vacant. Interviews have not been set up.
   f. Chinle Agency Local Governance Support Center – Senior Planner and Community Involvement Specialist remain vacant. Referrals have been received for the Senior Planner position, interviews will be set up.

F. LOCAL GOVERNANCE SUPPORT CENTER EASTERN NAVAJO AGENCY
1. On January 13, 2010 the LGSC staff completed the Strategic plan with Mr. Patrick Keptner.
2. The Senior Planner completed the review of the Land Use Plan for Manuelito Chapter on February 18, 2010. A meeting with the Chapter Officials is still pending.
3. The LGSC conducted a Project Meeting on February 19, 2010 at Smith Lake Veterans Building with all the Eastern Agency Chapters.
4. On February 12, 2010 the newly selected CLUPC members of Churchrock Chapter was orientated by the Senior Planner.
5. Also on March 23, 2010 the Planner assisted the Accountant in orientating the newly selected Office Specialist and met with the Chapter Officials, CLUPC members and temporary PEP worker on the CLUPC and Finance.
6. Provide Financial technical assistance to Pinedale, White Rock, Iyanbito, Thoreau, Ojo Encino and Manuelito Chapters; mainly in the area regenerating all financial ledgers, bank reconciliations and Financial Statements.
7. Conduct hands on training on implementing budgets with Iyanbito, Standing Rock and Chichiltah Chapter at LGSC office.
8. Conduct for Tax Liabilities and Cash Receipts Journal reporting and procedures of data inputting for all revenues, during the monthly CSC meeting.
10. Attended the MIP training with ITG Software Solution in Albuquerque, NM. After going through with the training, I would like to recommend 10 Chapters and they are Baahaalii, Casamero Lake, Lake Valley, Littlewater, Mariano Lake, Pinedale, Pueblo Pintado, Tohajiilee, Torreon, Whitehorse Lake and White Rock Chapter.
11. Local Rural Addressing Work session: On February 10 and 11, 2010 LGSC conducted rural addressing work session in coordination with Navajo Nation Addressing Authority department for all Eastern Navajo chapter’s LRAC members and representatives. The Rural Addressing is a pre-requisite towards the development of a Navajo Nation E911 Emergency Communication Services System to establish a most efficient and effective emergency response to save lives. With this the expected task for twenty-eight (28) chapters are requested to submit field Data on roads and structures accompanying chapter community map mark ups by May 28, 2010. A survey form was distributed to each chapter’s to provide updates on each chapters’ RA activity status. Crownpoint Chapter CLUPC members were orientated on March 22, 2010.
12. Chapter Infrastructure Capital Improvement Plan (ICIP): On March 24, 2010 all chapters were informed of the upcoming plans for ICIP:
* A multi year-six year plan and,
* Updated every year for the state of New Mexico and the Navajo Nation
* Provides information to the Navajo Nation, State and other funding entities to assist or obtain funds for identified projects
* NMICIP and NNICIP for FY 2010 were successfully met by each chapter.
* Each chapters’ infrastructure plan will need updating with community’s input by conducting community assessment, updating of capital inventory to see if they are okay, need renovation, addition, replacement or disposal. More importantly the current project summary needs to be update.

13. New Mexico Projects:
   Chapters are reminded of the timelines and purposes for each projects listed under one of the two Master Agreements needed to be implemented and closed in accordance to the plan. Assure all required documents are updated such as Quarterly Reports and invoices.

14. Tribal Infrastructure Funds (TIF): Awarded chapters are requested to submit SOW by March 26, 2010 to IAD Capital Outlay Unit. Questions contact Rebecca Martinez at (505) 476-1612. Or visit IAD website at www.iad.state.nm.us for guidelines. Mr. Elmer Johnson, PPS could also assist. It is important to involve your resources to complete your SOW.

15. LGSC Modular Building - AIA Contract is in the SAS process, currently at DOJ for review. LGSC is looking forward to a very nice modular building with eight offices with a large conference room and other necessary accommodations such as kitchen; file room, janitor room etc. Preliminary plans are in order for the welcoming of the new building with a traditional blessing and celebration.

16. Census 2010: Currently Census 2010 hired for the Census Numerator operation team and actually beginning the data collecting on-site. The Numerator Quality Control personnel are being assessed and orientated to merge into the activity. It is requested of the Navajo Nation to every chapter to accommodate the Census 2010 at your chapter and be in supportive for an accurate count as Navajo Nation is standing behind to make a visit to the last home as far as to the sheep camp. An accurate count is a mean of more dollars.

17. The chapters were informed of the Navajo Nation in the process of amending the Navajo nation Procurement Act and its Rule and Regulations. Since then some chapters were involved with several work sessions. And this topic regarding the “Micro Purchase procurement” was shared with all the CSC to provided sample copies of the agreements to Department of Justice to arrive with a solution that will be workable for non-governance certified chapters. Currently; the following chapters provided sample copies of their agreements processed for their needed services; Torreon, Whiterock, Casamero Lake and Becenti.

G. LOCAL GOVERNANCE SUPPORT CENTER FORT DEFIANCE AGENCY

1. OMB Performance Criteria FORM-02 assessments and evaluation of all twenty-nine (29) chapters was conducted by the delegated Sr. Program Project Specialist during the week of January 4, 5, 6, 7 and 8, 2010 on-site with the chapter staff. The objective was to make a determination whether or not the chapter administration implemented the goal statements and performance measures as approved by the chapter membership. After compiling all of the assessments, each chapter was rated according to: (1) not met; (2) met, and (3) exceeded. Based on our findings, most chapters did not meet or met their goals; and some were not able to meet the standards they set for their chapters. The performance criteria FORM-2 was sent to Office of Management and Budget along with the rating of each chapter. It is the responsibility of the chapter administration to share this information with their elected officials.

2. The work session with Transportation Community Development Committee was to provided updates on all programs and departments with Division of Community Development regarding FY 2010 COA’s, audit issues, WIND system development, Projects, , Budget Instruction Manual for Capital project, National Impacts and Opportunities, LGA Amendment, NN Procurement Act amendment along with micro purchase for non-governance certified chapters. The TCDC Work session was on February 8th and 9th, 2010 at Route 66 Casino near Albuquerque, New Mexico. This work session gave us a review of what has been accomplish and how problem area are being resolved, and alternative recommendation were made by committee to assure that we stay on the path meeting the Division goals and objectives.

3. The five agencies has come together to develop a plan of action on Five Management System - Fast Track system to get chapters LGA governance certified before 3rd quarter of FY 2010. The fast track system is to get commitment from the Chapters Community Services Coordinators and Chapter Officials to move forward an obtain certification, also to meet our FY 2010 COA #12 to complete and provide letter of assurance for non-governance certified chapter. In collaboration with all agencies, we came to conclusion that the only method is to bind the CSC and CO to put aside some days to complete and submit their request for LGA certification approval. Fast Track FMS Work session was held on February 23rd and 24th at Embassy Suite in Flagstaff, Az.

4. The Navajo Department of Justice is currently revising the NN Procurement Act, and one of it is micro purchase for non-governance certified chapters with a ceiling limit of $10,000 to minimize the red tape to get small purchase accomplish. LGSC office are requested to submit small contracts that were done in FY 2009 for DOJ review to increase the ceiling limit $10,000 to $20, 000 requested by chapters, and with the submittal of these contracts will determine if it is feasibility to increase the limit. NN Procurement Act amendment and
insert of micro purchase clause for non-governance certified chapters was held on March 4th at the Dept. of Justice, and DOJ will continue to collaborate with LGSC.

5. The Office of the Auditor General, LGSC was instructed to refine the language of how will it be implement of the six (06) audit findings and recommendations through a Corrective Action Plan that submit by December 24, 2009. The Local Governance Support Centers from all five (5) Agencies met again in Flagstaff, Arizona on February 24th, 2010 to redefine the language of the Corrective Action plan. The task was difficult in some areas because the audit recommended some drastic changes or restructuring of LGSC. In order to accomplish this, all stake holders are to be consultant with, coordinate, support and changes even amendment. The audit calls for realignment for equal services to the chapters of each LGSC offices, create a sixth LGSC office, aligning the LGSC plan of operation with LGA where currently LGSC roles and responsibilities conflict with LGA. These radical change to give all of the monitoring and reporting of chapter funds back in the hands of the chapter officials in compliance with LGA – elected officials duties and responsibility. End of the day, a redefine language were made and ready for submittal the following week to Office of the Auditor General.

6. There are 25-students currently enrolled in the Governmental Accounting and Computer Applications course as a COHORT program for Spring semester 2010. These classes was initiated to enhance skills for employees (Community Service Coordinators/Office Specialists) and elected officials at the chapter level, to be able to understanding the financial processing and reporting; and have the knowledge to operator computers and its software which is basic skills and part of their daily function at the chapter. In Fall 2009, we had the 25-students who have accomplish with success and understanding of the two courses that were offered, and graduated and earned six (06) credit hours. The course will continue to be offered to those interested to chapter staff and officials.

7. There will be two chapters ready to submit a letter requesting for LGA certification in the 3rd quarter. Our office scheduled on-site field review with chapter mentioned, and provided feedback to the chapter as to what deficiencies were cited and chapter will addressing the deficiencies with the established timeline.

8. Kayenta Chapter sanction status has been lift by Budget & Finance Committee on February 2, 2010; the LGSC Fort Defiance Agency has made an official memorandum to revert the chapter back to LGSC Western Navajo Agency; and processed the chapter 10% fund withholdings for years to be released to Kayenta Chapter. In regard of no Community Services Coordinator the chapter has been doing extremely well as far as implementation of its Corrective Action Plan. This is because the Chapter Office Specialist is a very talented individual who should be commend for stability by maintaining a strong Chapter’s internal control policies in checks. The position for the Community Services Coordinator has continued to be vacant, and being advertised under LGSC - Western Navajo Agency program.

9. The LGSC office collaborated with the Fort Defiance Chapters through telephone and e-mail communication to handle and organized their emergency situation in January 20th through February 14th, and some to February 21st. The assistance their community members with woods, coals, main road clearance and some to resident home where snow were deep, including basic food needs. Most of the chapters obtain relieved from other entity such as county, state and federal with hay, woods, and foods. The chapters are thankful with their assistance especially those that don’t have much funding to assist their community.

10. The Fort Defiance chapters obtain Strategic Planning work session for a three days by LGSC office in the month of March 2010 (1st week were for District 7 and District 17 chapters; 2nd week District 18 chapters; and 3rd week District 14 chapters). The work session is a stepping stone for chapters to identify their mission, vision and value of their community; direction by setting short/long term goals/objectives which gives them ability to monitor and evaluate their success of accomplishing utilizing timeline in the coming year for the chapters.

H. LOCAL GOVERNANCE SUPPORT CENTER NORTHERN NAVAJO AGENCY

1. The Sheep Springs Chapter has conducted their AFOG election on March 23, 2010. The election result was 64 in favor and 23 opposed. A total vote of 87 was the result. The certification of the election will be within (10) days.

2. The Tse Daa Kaan Chapter has met with the Fire Rock Casino Management on future construction, designs, and labor market for the potential Casino at Tse Daa Kaan Chapter. A job Fair will be conducted in April 2010. Public Education and Hearing will be conducted this Saturday, March 27, 2010.

3. Tis Soh Sikadd Chapter has changed supervision and handled a contract to establish reservoirs for the community for their livestock ponds.

4. LGSC Program has conducted several trainings for Community Services Coordinators, Managers and Chapter Officials. The training was on procurement, personnel grievance process with personnel department.
5. Fast Track Certification Training Package was assembled at the Flagstaff Workshop to prepare chapter for certification to meet the Condition of Appropriation in June 30, 2010. LGSC Program is issued Letter of Assurance for this project.

6. Fourteen (14) Chapters received individualized Strategic Plans and ongoing activities are planned for the rest of the chapters to establish Strategic Plans, so that Chapters will have a plan that they can use as guide for future development of the community.

7. Strategic Plan Project was explained at the Agency Council on March 20, 2010. The Agency Council is now familiar and will be implement these plans at the local level.

8. Aneth Chapter has continued to expand their services and coordination with United States Department of Agriculture for Utah Chapters.

9. Emergency Coordination was handled by our CIS, Shiprock Police Department and our Chapter Governments. The coordination was successful and organized between LGSC and Emergency Management.

10. Emergency Reimbursement orientation was also conducted by Emergency Management with LGSC and was relayed to the Chapter Governments. All Northern Agency submitted their documents for reimbursements.

11. Senior Planned and CIO Project Manager sponsored a project meeting with the NM State Capital Outlay Personnel and State Representatives on all project nearing their deadline date of June 30, 2010. A quarterly meeting is scheduled for all New Mexico Chapters on project status and coordination between the funding agency and Chapter Governments.

12. LGSC Program has conducted three (3) Community Services Coordinators and Managers meeting to update all new information coming from the Central Government and Division of Community Development.

13. Tolikan Chapter has submitted its FMS to Department of Justice and the Attorney has reviewed and corrected personnel and procurement sections. This review and acceptance will now become a format for all Chapters to use; the extensive review of this FMS made this a good format to use for future FMS policies.

14. Several Chapters, Upper Fruitland, Red Valley, Shiprock and Mexican Water were audited in this quarter. We have not received any feedback from this audit. Once we received the audit, corrective action plan will be established and implemented.

15. All Chapters were assembled and LGSC Program assisted the chapters to organize and submitted their W2, W3, and W4 to IRS.

16. Coordination with Risk Management on Chapter Insurance Coverage for facilities, vehicles, personnel, etc was updated and new insurances were purchased and enforced by chapter administrations.

17. A Land Use Planning work session was conducted at Upper Fruitland Chapter to update and focus on the components and post certification subjects, such as Chapter and Zoning Ordinances were explained in detail as the next step towards master, and comprehensive land use plans to be developed and implemented. All Northern Agency Chapters are certified and working on land withdrawals and Administrative Complexes for consolidate services in a community level. The Administrative Complex will establish Fires Stations, Rescue Units, Ambulance services and Police Sub stations.

18. LGA amendments are still on going project for the agency and the Coordinators are meeting with their officials to make recommendations and changes to the current legislation for improvements to have a better organized legislation. The Legislation has been in practiced for 12 years since its passage.

I. LOCAL GOVERNANCE SUPPORT CENTER WESTERN NAVAJO AGENCY

1. Operation "Snow Fall", January 21 - February 26, 2010: The LGSC/WNA Office participated in the Incident Command Center as lead agency for Distribution with the EOC-ICC-Tuba City Command Center. This task was very strenuous on current staff as it required numerous man hours, during the regular tour of duty and after hours. These extra hours translated into overtime and compensatory time for non-exempt employees. Our tasks involved distribution of hay, bottled water, MRE's, can food, and donated food from various charitable organizations. These supplies were delivered to Chapters and thereafter Chapters were responsible for deliveries to individuals and families in need. For the purposes of the emergency operations, EOC-ICC-Tuba City took care of the following Chapters; Bodaway/Gap, Cameron, Coalmine, Kaibeto, LeChee, Tonaleta, Tuba City, Inscription House, and Navajo Mountain. The incident command center was coordinated with Holbrook FEMA Office, DCD - Mr. Mitchell, Window Rock ICC, Coconino County Officials, and local resources. This was a great experience and enjoyed working with everyone. THANK YOU ALL who participated. LGSC/WNA was able to hire five (5) temporary laborers to assist with delivery and loading and unloading supplies.

2. Bodaway/Gap Chapter Strategic Planning Meeting, January 7, 2010: Strategic meeting was held with the Officials to discuss Veterans Funds, FMS, CAP update. Chapter staff continues refining the FY 2010 Expenditure Reports and reconciliation. LGSC will need to review the Chapters FMS binder.
3. January 19, 2010 - Navajo Utah Commission: Red Mesa Chapter, the purpose of attending this meeting was to be introduced to the WIND system by Denise R.E. Copeland, Principal Archaeologist from Shiprock Capital Improvement Office. It was a mini training for Navajo Mountain and Oljato Chapter. The LGSC office has implemented regular meetings with staff to encourage teamwork and sharing of responsibilities. These meetings

4. February 9, 2010 - CSC Meeting/Work Session, Flagstaff, I attended the first day of this session and sat in on the IRS/Tax training portion. There was valuable information that received which I was not aware of, for instance the W-2’s that the Chapter staff is responsible for completing for their workers.

5. Joint Powers Agreement (JPA) Meeting, January 28, 2010; February 18, 2010, February 25, 2010: LGSC, DCD, SWMP, Chapters (Tonalea, Bodaway/Gap, Cameron, Leupp, Tuba City, LeChee, Kaibeto) met to discuss the possible renewal of the JPA with all parties. The issues surrounding the renewal are cost. Currently the Navajo Nation is paying 70% of the cost and it has come to a point where the Navajo Nation is unable to afford 70% of the cost. The Coconino County also is faced with a deficit and attempting to slim down their 30%. Some of the meetings have been devoted to strategic work sessions and healthy discussions about how to curve the cost and come up with unique strategies to pay cost share. The latest meeting resulted in requesting from the Coconino County to come up with a itemized cost break down so that we can determine where each line item is being spent. Also certain line items that are not a part of the JPA will need to be removed from current costs that the County is paying for such as proper disposal of oil, refrigerators, other white goods. There will be continued meetings regarding this issue.

6. WNA District III Work Session & Meeting March 5-6, 2010, Flagstaff, Az: The Bodaway/Gap, Cameron, Coalmine and Tuba City Chapters meet to discuss and strategize on priority projects for their respective areas. In addition Council Delegates provided key information to present officials, and information provided were used to assist the District III Officials with further planning. Also Mr. Mitchell, DCD Director, provided an update of the division activities and presented some key topics which District III Officials agreed to get back to. Other items of discussion included: Tuba City Sales Tax 6% increase, business site leasing initiatives, etc.

7. CSC Work Session, March 15, 2010, LGSC Office provided a work session on budgets for the Chapters. The FMS fast track plan was also shared with Chapters and there was a lot of input by the Chapters that were welcome and it was widely accepted as a very needed initiative. LGSC accountants presented budget assistance on sight to help staff understand the importance of the internal control process. CSC meetings are held monthly.

C. LAND USE PLANS: Refer to Attached CLUPC Chart

- Functions of the CLUPC have been taken over by Connie Adson, Community Involvement Specialist, who has been properly orientated by Wilford Lane prior to his resignation from LGSC. Ms. Adson is available to conduct presentation on CLUPC for respective Chapters and she attends meetings.
- February 24, 2010 - LeChee Chapter CLUP was very short, the Rural Addressing office did not attend either due to an emergency so they had to turn around at Kayenta and return to Window Rock. A meeting has been re-scheduled by M.C. Baldwin on March 24, 2010 at the Rural Addressing Work Session.
- March 17, 2010 - Tonalea CLUP Meeting/Work Session; new members of the CLUP committee request LGSC to introduce the CLUPC Fast Track model so they can use the model in getting their CLUP certified in a timely fashion. A training session has been scheduled for April 9, 2010 from 9:00 am to 5:00 pm at the Tonalea school library.

J. RURAL ADDRESSING PROGRAM

1. Rural Addressing Coordinator and Technicians have participating in the LGSC Rural Addressing Work session with Eastern, Western/Central Agency, and outcome of these work sessions was successful.
2. On going meetings with Frontier regarding the Data Base and also their involvement with the service plan.
3. SDR has been assisting our department with the Service Plan; the service plan will be finalized by March 31, 2010 with Mr. Cowboys and Mr. Yazzie signatures.
4. San Juan Utah County road maps are 97% completed by all (7) seven chapters.
5. Our office continues to assist walk in clients for letters of resident, which is now a requirement for driver’s license. Average of walk in about 2 -3 per month.
6. Working with Bio Terrorism and EPI department of Division of Health on additional resource’s and funds. Bio Terrorism will be assisting us with temporary staff; we are working on job descriptions for RA Techs and Office Specialist also additional equipments. Our office needs to submit quotes for mapping/GPS equipments.
7. We will be working closely with LGSC; Chapters, Emergency Management and Public Safety.
8. MOU’s:
   • Bernalillo County is in placed with the Navajo Nation.
   • San Juan County is in placed with Navajo Nation.
   • San Juan County/Utah is in placed with Navajo Nation.
   • Socorro County is in placed with Navajo Nation.
   • Cibola County MOU has been review by DOJ and signed off by the Office of the President, I will be
     seeking a sponsor for the MOU and counsel’s approval.
9. Rural Addressing/GIS:
   • NNAA/Rural Addressing Technicians are compiling list of addressable points and how many land lines
   • Continue to met with NDOT Emerson Tracey on road/street signs.
   • Rural Addressing Technicians Carrie House and Clarence Begaye continue to provide chapters with
     hands on training to those that are assigned to address within their community which have been very
     effective.
   • RA Techs have been traveling to San Juan and San Juan Utah chapters to assist on the maps and ensure
     that these maps are sent to Rick Bailey and Contact One.
10. Public Safety:
    • Meeting with Mr. Sampson Cowboy, Division Director for Public Safety and he recommended minor
     changes as his officers changed titles as well as districts on the service plan.
    • JVA has been submitted to NN Personnel as Communication Director/Management, Personnel will be
      advertising for the position.
11. NDOT:
    • NNAA/Rule Addressing Coordinator M.C. Baldwin and RA Tech Clarence Begaye conducted a
      presentation at the NDOT conference in Mesa, Az.
    • Mr. Jeff Swan the consultant for NDOT had not provided the installation and maintenance guidelines
    • Our office has not received any updates for the road signage funding from NDOT, Mr. Baldwin is still
      working on contacting Mr. Platero to see who he appointed as our contact person.
    • Rural Address Technician will continue to participate and provide assistance as needed to NDOT.
12. Tohajiilee Structure and Road Signs Project is 99% completed:
    • Tohajiilee has reported some changes (residents move in and move out) NNAA staff will be scheduling
      themselves to update and address the changes.
    • Mr. M.C. Baldwin will be updating the second quarter for the MSAG with Bernalillo.
13. Contact One:
    • Contact One is currently building the DATA base and deliverable for the Navajo Nation Rural
      Addressing office.
    • Once the Data base is delivered then Frontier will begin verifying the phone numbers and funds need to
      be identified to have the Data Base rest with Frontier.
14. LGSC meeting:
    • Continue to have work session with LGSC Club-C and LRAC members and it was very successful,
      everyone had a better understanding of the Rural Addressing initiatives.

K. SOLID WASTE MANAGEMENT PROGRAM
1. Program personnel provide public education on proper solid waste management and recycling practices to 6
   chapters, 3 schools (7 seven classes), New Mexico & Navajo Nation agriculture seminar, Navajo Nation Fair
   Parade Committee (3 presentations), Navajo Nation Homeland Security & Emergency Management
   Conference, as well as participations in other chapter related functions. Approximately 325 individuals
   attended these public education forums at the following chapters, organizations, and activities:

<table>
<thead>
<tr>
<th>Chapter/Agency - Schools</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinehichee/Ft Defiance</td>
<td>District 1 Council Meeting</td>
</tr>
<tr>
<td>Naschitti/Ft Defiance</td>
<td>District 12 Grazing Committee Meeting</td>
</tr>
<tr>
<td>Tohatchi/Ft Defiance</td>
<td>NM &amp; NN Agriculture Days</td>
</tr>
<tr>
<td>Wide Ruins/Ft Defiance</td>
<td>Twin Lakes Elementary School Parent Seminar</td>
</tr>
<tr>
<td>Sheep Springs/Northern</td>
<td>NN Homeland Security &amp; Emergency Mgt Conference</td>
</tr>
<tr>
<td>Red Mesa/Northern</td>
<td>Adopt a Park Clean Up</td>
</tr>
<tr>
<td>Hilltop Christen School</td>
<td>NN Fair Parade Committee (3)</td>
</tr>
</tbody>
</table>
8. St. Michael's Indian School (3)
9. Twin Lakes Elementary School (3)

The Program has throughout the quarter, promoted proper solid waste management and recycling practices by disseminating brochures, flyers, and posters. These brochures, flyers, and posters were disseminated throughout the Nation to chapters/communities, schools, and other organizations.

2. Program personnel conducted a Solid Waste Management Plan workshop for Northern Navajo Agency’s Cove and Red Valley Chapters on March 4th and 5th, 2010, at San Juan College West, Kirtland, NM. The workshop consisted of the following topics: Current Waste Management Collection Programs on the Navajo Nation; Solid Waste 101—Why Should We Manage Solid Waste; Building a Successful Program – What Steps Should I Take?; Integrated Solid Waste Management Planning; Funding a Solid Waste Program; and Planning and Siting a Convenience Center.

The Program’s personnel also provided six chapters a workshop on Siting a Convenience Center during its presentation at the 2010 Navajo Nation Homeland Security and Emergency Management Conference at Buffalo Thunder, Pojoaque, NM. Topics covered included the following: Public Support and Participation; Definition of a Solid Waste Convenience Center; Transfer Station verses Convenience Center; Landfill verses Illegal Dump Sites; Planning and Siting a Convenience Center; Siting Criteria; Convenience Center’s Design and Operations; and Facility’s Oversight.

3. The Program had proposed to assess Ft Defiance’s five established transfer stations for recycling opportunities this quarter but due to initiatives undertaken jointly with New Mexico Recycling Coalition and other concerned entities, chose to assess Eastern Navajo Agency’s four transfer stations instead.

Program personnel along with New Mexico Recycling Coalition (NMRC); McKinley and Cibola Counties; Gallup, Grants, and Milan municipalities; McKinley and Durango Paper Mill Company; Waste Management of New Mexico; and other communities lacking recycling facilities and concerned groups explored and proposed to utilize Northwest New Mexico Regional Solid Waste Authority’s (NWNMRSA) Gallup and Cibola County Transfer Stations, and the Red Rocks Landfill as recycling facilities. The proposal will allow chapters in the Eastern, Ft Defiance, and to some extent Chinle Agencies to use this proposed regional recycling centers.

The Program will continue to dialogue and interact with NMRC, San Juan, Cibola, and McKinley Counties, Waste Management of New Mexico, and Farmington, Gallup, Grants, and Milan municipalities to provide Navajo communities to participate in recycling activities to lower their transport and disposal fees of their generated solid waste materials as transportation and disposal fees continue to increase yearly.

4. The Program has reviewed, identified areas of concerns, omissions, and sections to be rework or deleted on the Nation’s Solid Waste Management Plan. The Program drafted and is finalizing its proposal to be submitted to US EPA 3rd quarter.

III. STATUS OF ON-GOING PROJECTS

A. ADMINISTRATION

1. Broadband Stimulus – The NTIA grant office provided notification that the joint Navajo Nation-NTUA application was awarded $32 million in funding for middle mile fiber and wireless broadband connectivity.

The Navajo Nation broadband team also submitted a Round 2 funding application for the Public Computing Centers program to provide computers for chapters, senior centers, and head starts.

2. Gates Foundation – Existing contract with Bear Data Systems was modified to change the source of funding from E-rate to broadband stimulus in concert with Round 2 broadband stimulus funding application for public computer centers at chapters, senior centers, and head starts.

3. Budget web application project – Planning is underway for any necessary changes to the budget web application for the upcoming 2011 budget cycle. Additional funding will be needed for any additional work.

4. WIND project – Currently RealTimeSites has substantially completed the development of the ICIP, Project Authorization, mapping, and profile under the existing contract tasks. Significant data entry of live data into the several modules has occurred, and working with RealTimeSites on any issues that come out of activities. Still need additional data entry of Project Authorization documents in order to test functionality of Project Administration. Once data entry issues have been worked out, training activities to introduce the additional modules to end users can begin.

5. Videoconferencing with Chapters and Agency offices – Currently, DCD has installed some videoconferencing equipment but due to changes that DIT needs to make to their network infrastructure, it is not yet possible to have Chapters and Agencies connect to the videoconferencing equipment for videoconferencing sessions. DCD might need to use third-party videoconferencing hosting services to accomplish this, but the added cost would defeat the intent of cost savings.
6. COA #17: Direct deposit policy memo has been issued to chapters and DCD departments. The policy is currently in effect with checks for two pay periods being mailed out according to the new policies.
7. COA #18: Electronic submission of timesheet memo has been issued. Electronic submission of timesheets has begun to be submitted. There are ongoing issues with page sizes and quality of scans but are being addressed.
8. Chapter Internet services reports – FY 2010 second quarter reports are beginning to come in.
9. Tech support activities – 32 computer tech support cases were opened. 15 computer tech support cases were closed.

B. CAPITAL IMPROVEMENT OFFICE
1. WESTERN NAVAJO AGENCY:
   Twenty-six (26) projects are still being constructed, pending, shortfalls or close to completion, and twenty-five (25) projects are completed and ready for final close-out.
   Dennehotso Multi-Purpose/ Senior Center is 99% complete.
   For the Greasewood Flats project with IHS Water Line Extension project the chapter is recruiting certified electrician and plumber to complete the project and meeting the deadline of July, 2010. IHS will begin running water line project from Baby Rock area.
   Continue to provide technical assistance to Former Bennett Freeze Recovery and chapters with projects that are having problems with procedural steps, closing out of projects, proposal submission, up-dating documents and completing scope of work, legal notices, project site visit and monitoring their projects.

C. COMMUNITY HOUSING AND INFRASTRUCTURE DEPARTMENT
1. Continue monitoring CDBG, NAHASDA, BIA and other federally assisted projects
2. Project Status Report – (See attached Project Status Reports)
   a. CDBG Projects
   b. BIA/HIP Projects
   c. Weatherization Projects
   d. NAHASDA Projects

D. DESIGN AND ENGINEERING SERVICES
1. ALAMO DISTRICT COURTHOUSE PARKING LOT: DES is currently packaging all pertinent information related to the project packet for SAS process. After negotiations it has been awarded to Coe Van Loo, L.L.C.-Red Road Construction JV to design and build the parking lot according to master site plan provided by Design & Engineering Services. Currently being packaged with several other projects for SAS.
2. BLACK MESA HEADSTART: DES is providing procurement technical assistance to select architectural/engineering consultant for construction documents and bid/award. Scheduling Short Listing for A/E firms for interview presentations. Packaging contract for SAS process. Awarded to LAM Corporation for $118,000.00.
3. BIRDSPRINGS SENIOR CITIZEN CENTER: Randell Ewers Architect (REA) will prepare bid documents for conceptual design site preparation and infrastructure drawings, which will be bid out to modular building manufacturers. Packaged SAS document for processing. Consultant Services of $167,000.
4. BREADSPRINGS CHAPTER PARKING LOT: NM state funds have been on the chopping block so funds have been an issue where contract is being awarded to Coe Van Loo, L.L.C. – Red Road Construction JV to complete the parking lot according to the design by Inna Bah of Farmington, NM. MOA has been developed to allow Design & Engineering Services to be the lead agency and for NNDOT to release Fuel Excise Tax to be used to complete the parking lot.
5. CROWNPOINT LGSC SUPPORT CENTER: Budget submitted to Department of Justice on March 3, 2010. Some site clearing was done.
6. HARD ROCK MULTI-PURPOSE FACILITY: Sole Source Contract being awarded to Ryan Smith, Flagstaff, AZ. Multi-Use Facility contract pending easement approval for water crossing from Hopi Land Acquisition. AIA B101 in Draft Development.
7. OAK SPRINGS CHAPTER HOUSE RENOVATION: SAS #21844 has been revised by DOJ and was forwarded to Leon Shirley LLC for final review and signature. Leon Shirley, LLC has obtained insurance coverage for AIA B105-2007. Currently, awaiting reassurance from DOJ that the years of coverage are sufficient for the project. Notice to Proceed issued to Leon Shirley, LLC for design.
8. TSAILE/WHEATFIELDS SENIOR CITIZEN CENTER: Chapter went through the Short Listing Process and are currently undergoing negotiation with LAM Corp. Amount: $1,250,000.00, Design/Build contract.
9. TWIN LAKES SENIOR CITIZEN CENTER PARKING LOT: Project under control by NDOT and negotiating with Iinaa Bah Construction Co. Construction documents are completed.

10. TUBA CITY DETENTION CENTER: DES is providing technical assistance to Public Safety.

11. WHITE HORSE LAKE HEADSTART: Main facility is 100% complete. New Scope of work (Phase III) is to add new kitchen and equipments. The addition is completed and NM State funding is supposed to be used for the drainage around the existing building.

12. WHITE ROCK CHAPTER RENOVATION: Awarded to LAM Construction Co. for $525,000.

13. COPPERMINE CHAPTER HOUSE: Project Bid Advertisement exceeded Bid Date of July 17, 2009.

14. CRYSTAL SENIOR CITIZEN CENTER: Construction bid awarded to Arviso Construction Co., funding available of $50,000 and $30,000 from NDOT. Total $80,000 awarded to Arviso Construction. Ready for contract development. Contract AIA 105 in S.A.S. process.

15. FORT DEFIANCE SENIOR CITIZEN CENTER PARKING LOT: DES is currently packaging the SAS packet for processing after awarding the project to Coe Van Loo, L.L.C. – Red Road Construction JV to design and complete the asphalt parking lot. All necessary documents are being compiled for SAS.


17. MEXICAN SPRINGS FOOD DISTRIBUTION WAREHOUSE: SAS #23259 at Department of Justice in draft contract with D. Sloan Architects using AIA B105 contract.

18. MEXICAN SPRINGS MODULAR BUILDING: Chapter is relocating existing gas line before site clearing work can begin.

19. NAHODISHGISH SENIOR CITIZEN CENTER PARKING LOT: DES is currently packaging the SAS packet for processing after awarding the project to Coe Van Loo, L.L.C. – Red Road Construction JV to design and complete the asphalt parking lot. All necessary documents are being compiled for SAS.

20. NN VETERINARIAN CLINIC: SOQ/RFP advertised. Addendum one sent out to 11 A/E Firms. Project walk thru set for June 29, 2009 at 10 a.m.


23. ST. MICHAEL’S MULTI-USE FACILITY: Providing technical assistance for plan review from Rick Bennett Architect, plans at 50% complete. To attain 100% completion procurement process must be implemented for compliance. RFP prepared for Public Advertisement. Preparing for negotiation of A/E Services with Rick Bennett.

22. TEESTO SENIOR CITIZEN CENTER: Contract for A/E Services awarded to David Sloan Architects. Notice to Proceed to start the Design Development stage. Chapter and Senior Citizen Center have approved a floor plan for the project.

23. THOREAU SENIOR CITIZEN CENTER: Project completed.

24. PINEDALE CHAPTER SEWER SYSTEM: Procurement of Engineering Services through Bid Advertisement complete. Under contract negotiations with Red Mountain Engineers, Santa Fe, New Mexico, for full design and construction documents for two-cell lagoon and facility wastewater lateral lines.

25. Mariano Lake Community School:
   Project is 99% completed which encompasses new Library, Gymnasium, renovation/improvements and utilities.
   • Project status is awaiting OFMC.BIA – Office of Safety & Risk Management for acceptance and issuance of “Certificate of Occupancy” and proper close-out documents and procedure.
   • Project completed Pre-Exit Audit Conference on March 26, 2009, with KPMG Auditors. Preliminary findings to be addressed/and or Corrective Action Plan required for resolution.
   • Purchasing furniture and equipment.

26. Bennett Freeze Recovery:
   The Contract for the Former Bennett Freeze was extended to the end of February 28, 2009, but needed more time to close out the project, so OMB & BIA agreed to end the contract on May 31, 2009.
   Revised executive summary for president’s review and consultant is from Arizona State University.

E. LOCAL GOVERNANCE SUPPORT CENTER – FORT DEFIANCE AGENCY
   • WIND-Chapter Budget – EXHIBIT “B”
   • Conditions of Appropriation Status: EXHIBIT “C”
   • OMB FORM 02 EXHIBIT “D”
F. LOCAL GOVERNANCE SUPPORT CENTER – NORTHERN NAVAJO AGENCY
See PROJECT REPORTS.

G. LOCAL GOVERNANCE SUPPORT CENTER – WESTERN NAVAJO AGENCY

1. 2010 Census Update
The program is located next to the LGSC office, and they have provided orientation to Chapters and at meetings.

2. Navajo Nation Enhanced 9-1-1:
February 12 & 25, 2010 - Utah Rural Addressing conference call on updated information given by M.C. Baldwin for the Utah chapters on rural addressing. *January call cancelled due to Operation Snowfall. March conference call is scheduled for the 31st at 9:00 am.

3. Former Bennett Freeze Recovery Plan
There has been very little activity on this matter this quarter. LGSC office has not been involved in any meetings since May 2009 with the Relocation Office.

H. SOLID WASTE MANAGEMENT PROGRAM

1. Program personnel will continue to provide public education forums on proper solid waste management and recycling practices utilizing public presentations, brochures, flyers, posters, airwaves, work shops, and its website, promote viable operation and maintenance of solid waste disposal systems, assist chapters/communities with recommendations and technical support to plan, design, and implement solid waste develop community plans for their solid waste management programs. Additionally, Program personnel will continue to seek and request for external funding for its landfill and illegal dump site closures, as well as for viable alternative solid waste disposal options.

2. Program personnel will continue to interact with the Bureau of Indian Affairs, Indian Health Service, Navajo EPA, and other concerned federal, state, county, and tribal entities to coordinate their respective activities in resolving solid waste issues and concerns/problems on the Navajo Nation and its neighboring communities.

3. The Program’s Cost Sharing Agreement was designed to promote local responsibility for chapters to develop and implement a Solid Waste Management Program for their general population to become familiar with proper solid waste disposal and recycling activities. The Program provides presentations to clarify the protocols required to enter a Cost Sharing Agreement. Accordingly, the Program along with McKinley County, are assisting Baahaali and Chichiltah Chapters in opening their convenience center. Most of the required tasks have been completed. The group is finalized its Professional Service Agreement for R&M Electric of Gallup, NM, and is going through the Section 164 Review Process. Once the electrical power is installed, Jackson Compaction, Inc., of Albuquerque, NM, will deliver and install the trash compactor. The grand opening of the group’s transfer station is set for April 22, 2010. The Program will continue to seek and assist chapters to develop and implement their own proper solid waste disposal and recycling activities.

IV. OUTSTANDING PROGRAM ISSUES

A. ADMINISTRATION

1. New networking equipment (network switches, UPS, wireless access point, etc) is badly needed at chapters.

2. Training is needed for Google apps, videoconferencing, and e-government apps

B. COMMUNITY HOUSING & INFRASTRUCTURE DEPARTMENT

1. For FY’2007 CDBG/NAHASDA Bathroom Additions projects, the delay in starting the construction is NHA-GMD requesting for 100 year Flood Plain Assessment under the environmental review. Once resolved, the construction can begin in the next quarter. Still no response to our request for time extension from NHA.

2. Conduct home assessments and re-survey certain home assessments for the NAHASDA/NHA and ICDBG projects

3. All NM Projects were placed on Freeze Status. Personnel were laid off as of October 30, 2009. Expected to be reinstated by March 15, 2010.

4. Processing payment on NM State funded projects without deliverables is an issue that needs to be address. This is contrary to payments based on progress.
5. Prepare justification for time extension on the FY'2007 NAHASDA Dennehotso Powerline Extension project and submit to NHA Grants Management for approval. The current expiration date is June 30, 2010. This is to complete the Floodplain Delineation issue and bathroom addition project to get ready for electric service entrance inspections to be conducted by Kayenta NTUA.

6. Need to develop a policy to address the subject of Successorship for houses that are constructed, renovated, weatherized, repairs, etc. to be used when the original homeowner ceases to be the principal homeowner. A revised policy is needed that is relevant to the Housing Program. A meeting needs to take place to address this.

7. Close out reports for NAHASDA FY'98 is pending; FY'99 is in draft form; and FY'00 is also pending. NHA will request to the Auditor's to conduct an audit on the FY'01/02/03 NAHASDA projects for close out. A meeting took place to accept the NN A-133 as the official audit for NHA.

8. HIP does not have the planning funds to do NEPA requirements for the regular FY'2009 and ARRA applicants.

9. The contracts timeline extensions with LSA, LLC have not been processed due to lacking insurance requirements by the NN-Risk Management Program. The contracts expired on December 31, 2009.

10. HIP submitted PCQ's for three (3) position titles: Planner/Estimator, Accounting Technician and Administrative Assistant to oversee the ARRA funding. DPM approved two positions but they changed the Administrative Assistant to an Office Specialist.

11. NWAP-ARRA budget for $8,161,335 needs approval as soon as possible.

12. NWAP daily activity logs are incomplete and staff needs to conduct follow-ups on program activities.

C. DESIGN AND ENGINEERING SERVICES

1. USDA Project Cost Sharing: Contract issues, reluctant to transfer funds regarding their projects. No Indirect Cost application. Direct payments being made to contractors with no accountability or verification of construction progress. Addressed on September 2, 2008.

2. The success of the data management system depends on the combined efforts of all departments of Community Development. If the departments don’t combine their knowledge and expertise, the data management system will be a disconnect service to everyone, mainly the chapters. Implement by directive to utilize the existing e-mail and webpage system for communication to provide program budgetary savings.

3. Department of DES is overloaded with projects and requires proper pre-planning requirements which are absent for authorization status and documentation.

4. Department Project Manager’s need continual training on WIND application for project record keeping, budgeting, project profiles, and tracking.

5. The American Economic Recovery and Reinvestment Act of 2009 in the amount of $787.2 Billion have impacted priority projects through interjection of submittal deadlines and grant application preparations. Cost estimates, project verification and substantiation are critical for manpower assignments, often overlapping responsibilities.

D. LOCAL GOVERNANCE SUPPORT CENTER CHINLE AGENCY

1. One Chinle Agency Chapter is awaiting CLUP Certification, that is Tsaile/Wheatfields Chapter.

2. Sixteen (16) Chinle Agency Chapter remain non-certified Chapters: Low Mountain Chapter’s FMS Manual was submitted to the Office of the Auditor General. Tselani/Cottonwood Chapter has completed final review of the Manual and is ready for LGSC field test.

E. LOCAL GOVERNANCE SUPPORT CENTER NORTHERN NAVAJO AGENCY

1. Personnel Issues with Chapter Governments has been cumbersome and complex at times. The overlapping conflict of authority and responsibilities continues to be a problem area. We continued to explain the role and responsibilities under the Section 1001.

2. Funding for LGSC Program is real low and hinders program operation, we use our travel funds to provide technical assistance to the chapters on FMS works session to get the chapter officials familiar with their FMS, land use planning work sessions are held to provide guidance on land use planning, then we conduct monitoring and audit visits for accountability at the chapter level, all these duties and responsibilities takes a lot travel budget. We have held a central location for these trainings to reduce excessive travel.

3. Several Chapters has not attended the CSC meetings based upon supervisors’ lack of encouragement and travel restrictions with their budgets. The Coordinators and Managers miss out important valuable information coming from departments, programs and Division of Community Development.

4. Rural Addressing has completed its coordination and retrieve maps and turned them over to Rural Addressing Department.
5. Census coordination is starting to come to LGSC Program and will be coordinating with them for smooth operations.
6. Chapters are slow in turning in necessary documents regarding financial activities for our report and compliance issues. One Chapter is now under pending investigation with the White Collar Crime Unit and Prosecutor's office.
7. Two employees at the chapter level are not sufficient and adequate for extensive services to the community. Two more staff will be ideal for chapter governments. Accountant and Project Manager Position will be very beneficial to Chapter Government Operations.

F. LOCAL GOVERNANCE SUPPORT CENTER WESTERN NAVAJO AGENCY
1. Personnel Issues with Chapter Governments has been cumbersome and complex at times. The overlapping conflict of authority and responsibilities continues to be a problem area. We continued to explain the role and responsibilities under the Section 1001.
2. Funding for LGSC Program is real low and hinders program operation, we use our travel funds to provide technical assistance to the chapters on FMS works session to get the chapter officials familiar with their FMS, land use planning work sessions are held to provide guidance on land use planning, then we conduct monitoring and audit visits for accountability at the chapter level, all these duties and responsibilities takes a lot travel budget. We have held a central location for these trainings to reduce excessive travel.
3. Several Chapters has not attended the CSC meetings based upon supervisors’ lack of encouragement and travel restrictions with their budgets. The Coordinators and Managers miss out important valuable information coming from departments, programs and Division of Community Development.
4. Rural Addressing has completed its coordination and retrieve maps and turned them over to Rural Addressing Department.
5. Census coordination is starting to come to LGSC Program and will be coordinating with them for smooth operations.
6. Chapters are slow in turning in necessary documents regarding financial activities for our report and compliance issues. One Chapter is now under pending investigation with the White Collar Crime Unit and Prosecutor's office.
7. Two employees at the chapter level are not sufficient and adequate for extensive services to the community. Two more staff will be ideal for chapter governments. Accountant and Project Manager Position will be very beneficial to Chapter Government Operations.

G. SOLID WASTE MANAGEMENT PROGRAM
1. The Program finalized it Job Vacancy Announcement and will advertise its vacant Principle Engineering Technician’s position through DPM middle of next month and have the position filled by end of May.

V. PROBLEMS & RECOMMENDATIONS

A. CAPITAL IMPROVEMENT OFFICE
1. ARCHAEOLOGY:
   a. Need additional information for the NNCIO web site for project information.
   b. Need one digital projector

B. COMMUNITY HOUSING AND INFRASTRUCTURE DEPARTMENT
1. Navajo Office of the Controller (Contract Accounting) not responding to federal requirements on financial reporting, close outs, audits and other requests for U.S. Department of Housing and Urban Development. The Financial Status Report (Form 272) is due 15 days after quarter ending, but is always late.
   Recommendation: Develop a Quarterly meeting with Office of Controller to remind them of due dates and what needs to be addressed. (Completed)
2. Programs with obtaining consent for Rights of Ways on Indian Allotment. There are five projects within the Eastern Navajo Agency pending ROW. BIA Realty is mandating that appraisals be conduct and disclose the market value to the landowner for consideration.
   Recommendation: Continue to meet with BIA Realty in addressing this manner. If this is not resolved by January 31, 2008, we will have no choice but to recapture the funds and use for other eligible activity. (Not Resolved)
The CDBG Staff attended the BIA Realty Conference to get a better understanding of the process for Lease and Right-of-Way on Indian Allotments on March 06-07, 2006.

Met with Larry Rogers to get an update on the issue. He will assist in expediting the ROW process for Torreon and Counselor Powerline Extension projects.

CDBG met with Jemez Electric to get an update on the issue. They will assist in expediting the ROW process for Torreon and Counselor Powerline Extension projects.

Met with Torreon Chapter, Counselor Chapter, CIO, BIA and Eastern Navajo Land Commission and developed an Action Schedule Plan to follow. Follow-up meetings will be scheduled on a monthly basis to monitor the progress. The two communities have completed the housewiring and currently conducting archeological survey. The next scheduled meeting is set for March 31, 2008.

A meeting was conducted with Torreon Chapter, Counselor Chapter, CIO, BIA and Eastern Navajo Land Commission on May 21, 2008 to review the project’s progress. Recommendation is to have one more meeting and if progress is not resolved regarding the right-of-way, funds will be reprogrammed for other eligible activities.

The Counselor project was deleted and CDBG will only proceed with the Torreon project. The Subgrant Agreement was developed for approval but delayed due to New Mexico funds.

The Counselor Powerline Extension project was recommended to be funded under the ICDBG ARRA funds but was denied. Alternative funds are being considered by the CDBG staff.

3. Need to have the Eligibility Technicians do more of conducting field outreach to increase the number of applicants for FY’2011.


5. Request for funding from the NN General Funds to be utilize for matching and leveraging of funds and just to have it readily available when other funding sources inquire about it on our part for future projects.

6. There is lack of communication and coordination within the Navajo Weatherization Assistance Program.

C. DESIGN AND ENGINEERING SERVICES

1. Majority of the projects undertaken lack comprehensive Capital project funds to meet the chapter/program & sponsor needs. Navajo Nation Council on March 21, 2008, passed override veto of legislation which would have provided $12.0 million for Capital project funding. Project shortfalls remain a continuous problem causing incompletion of projects. Projects lack pre-planning and/or proper prerequisites causing project implementation delays, i.e. some projects do not have land withdrawals or Utility Infrastructure prior to constructing the facilities. Local governance requires their participation.

2. Continue working within the restraints & confines of the programs funding requirements. Funding entities include States of New Mexico, Arizona; BIA, HUD, NAHASDA, Navajo Prep-School and Abandon Mine Lands, NAOAA & USDA.

3. The SAS 164- Administrative Review process is not adhered to in proper time review by departments according to Title II. SAS sponsors are breaking the law causing program burden & unwarranted demands. Contract awards and project set-backs are the end-result.

4. The department has an insufficient budget to meet the demands and needs for adequate project delivery services to chapters, programs, and overall projects due to additional project loads and being the only entity in plan of operation with authority. (See attached budget request).

5. Projects are experiencing untimely payments and delays in monthly progress payments to contractors causing a “sore-eye” to the Navajo Nation. Division of Finance requires a re-visit on how checks are processed and their understanding in due amounts in an orderly and timely manner and in accordance to new 9000 Capital Outlay Budget requirements.

6. The current Global and U.S. Market is affecting construction cost by escalating bid prices as high as 50% additional. The Navajo Nation also by geographical isolation is affected by additional costs contributing to project delays and shortfalls. The current economic downturn is positive in terms of competitive construction resource pool; however, this is hampered by Navajo Preference in Employment crippling participation. An exempt status should be considered for a short-duration time span to allow maximum bid proposals for cost comparisons.

7. The revised FY 2009 Capital Appropriations Budgets will impact in project delivery response to approximately 22 various projects from April – September 2009 project assessments.

D. LOCAL GOVERNANCE SUPPORT CENTER – EASTERN NAVAJO AGENCY

1. LGSC program lacking office space and causing some disruption to LGSC providing technical services to chapters. The SAS had been at DOJ for over two weeks now. Perhaps Division contact DOJ to encourage the staff to expedite the review process.
E. LOCAL GOVERNANCE SUPPORT CENTER – NORTHERN NAVAJO AGENCY
1. Regional Planning needs to be implemented to reduce costly developments for Community services, infrastructural developments, recreational facilities, solid waste stations, cemetery plots, livestock range management, traffic circulation between communities. Road grading and pavement is really needed during winter season.
2. District Meeting Stipend should be reestablished to have the Officials meet together to discuss district issues among leaders and community issues and problems and recommend solutions. They can also develop partnership among themselves to produce projects that will benefit their communities. A district need can be identified and channel to the Agency Council and routed to the Agency Caucus meeting for strategic plan for Navajo Nation Appropriations for Northern Agency needs.
3. Agency Council Plan of Operation needs to be restructured to have better organized goals for agency. Priorities needs be established and uniform for future needs and development.
4. Chapters need to learn about how to develop a business plan for their community for future economic goals in the community. The road to self sufficient goals is already there, but extensive training is needed in economic developments.
5. A great need for youth facilities is obvious, because of the rising concerns with drugs and vandalism. A recreational activity in the community is needed and more funds should be directed for youth programs to make healthy communities in our agency. Presently, there are no recreational programs in existence at the chapter level. The Division of Community Development needs to develop a proposal for massive recreational plan for 110 Chapters.

F. LOCAL GOVERNANCE SUPPORT CENTER – WESTERN NAVAJO AGENCY
1. LGSC Office is short staff and everyone has to take on additional work, this has caused stress and work overload on existing. As a result time that should be devoted to assisting Chapters is provided at the office doing administrative work.
2. LGSC office is still consuming a lot of time traveling; it takes 3 hours to travel to Window Rock, if a trip is made to Window Rock that is 6 hours out of a productive work day traveling. It takes roughly 2-3 hours to travel from one end of the Western Agency Chapters to the other end, and this time is not included as part of the productive work day. As a result staff within our agency has to endure longer work hours because of the distance to between Chapters and communities. This distance hardship is not experienced by any other agency just Western Navajo Agency.

G. RURAL ADDRESSING
1. Our Office continues to operate without an Office Specialist.
2. Our two Rural Addressing Tech have been multi tasking with all areas of addressing so I continue to request for additional staff.

H. SOLID WASTE MANAGEMENT PROGRAM
1. The Program purchased its GPS unit and its accompanying software and a license for its GIS ArcView software a number years ago to import collected data from its GPS unit to produce individual and collective landfills and/or illegal dump sites for a given locality. The purchased and older versions of the GPS’s Pathfinder Office and GIS’s ArcView software are not compatible with Windows’ XP or Vista operating systems and can not be updated like other applications, and therefore the software needs to be replaced with software compatible with the Windows’ Vista operating system to enable the Program to download and produce maps depicting un-permitted landfills and illegal dump sites.
   The Program recommends it purchases a new GPS unit and accompanying software. The Program recently had its application for an ArcEditor with four licenses approved. These licenses will be issued to the Sr. Environmental Specialist (1), Environmental Specialist (1), and the Principal Engineering Technician (2) as these individuals will be required to edit or approve the collected data and maps.
2. The Program’s fiscal obligations to cover the operations and maintenance cost for the Joint Powers Agreement with Coconino County, AZ, and San Juan County, NM, continues to significantly impact the Program’s ability to plan, design, and close landfills and illegal dump sites Navajo Nation wide.
   The Navajo Nation’s Solid Waste Regulations, Part IV – Standards for Solid Waste Landfill Facilities, Section 401 - Scope and Effective Date, Paragraph A. Scope and Effective Date mandates that landfills that received solid waste materials on or after October 9, 1993, must comply with these regulations, however, the regulations do not apply to landfills that have stopped receiving solid waste materials before October 9, 1991. The regulations also
stipulates that landfills that received solid waste materials after October 9, 1991, but stopped receiving solid waste materials before October 9, 1993, are exempt from all the requirements of these regulations except the final cover requirements as specified in Section 406. The final cover requirements must have been installed within six months of the last receipt of solid waste materials and the cover must be maintained pursuant to the criteria existing at the time of closure. Otherwise, failure to complete cover installation within the six month period are subjective to all the requirements of these regulations, including closure, ground water monitoring, financial assurances and post closure care. Paragraph B. Delay of the Effective Date and Exemption for Small Solid Waste Existing Landfills also stipulates that the effective date of the regulations for small existing landfills and permit requirements have been extended until October 9, 2005.

Inasmuch, the Program has been successfully addressing landfills and illegal dump site closure projects with external funding, however, these funding sources are no longer viable to address these projects. Additionally, the Division’s given fiscal yearly baseline budget amounts are insufficient to adequately address the combine amounts of the JPA and landfill and illegal dump site closure projects the Program is tasked to perform within the same fiscal year(s). With the effective date in FY05’s 1st Quarter, and the Program’s continued inadequate yearly fiscal funding and scarce external funds, the Program will continue to be unable to meet the regulations’ compliance or mandated effective date.

To effectively address and comply with the Navajo Nation’s SW Regulations, the Program needs to have its funding increased for its landfills and clean closure projects and create a no year budget account for the Program’s 6500 Contractual Services sub-account as landfills and clean closure projects requires 1½ to 2 years to complete. To facilitate the increase funding for its landfills and clean closure projects, the Division and Program need to explore a different funding mechanism to fund the JPAs with Coconino County, AZ, and San Juan County, NM.
## VI. BUDGET INFORMATION

<table>
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<tr>
<th>Account</th>
<th>Program Name</th>
<th>Original Budget</th>
<th>Revised</th>
<th>Actuals</th>
<th>Encumbrances</th>
<th>Available</th>
<th>Available %</th>
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<td>376,439.45</td>
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<td>329,170.00</td>
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<td>LGSC Western</td>
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Grand Total: $5,938,461.00 $6,013,539.48 $2,244,258.79 $-169,579.20 $3,938,859.89 34.50%
I. PROGRAM INFORMATION
Division Executive Director: Allan Begay
Telephone No.: 928-871-6544
Facsimile No: 928-871-7381

Departments:
Support Services Raymond Nopah, Chief Financial Officer
Business Regulatory Ernest Pahe, Department Director
Project Development Anthony Perry, Department Manager
Real Estate Henry Saltclah, Department Director
Tourism Thomas Boyd, Department Manager
Small Business Development Wilson Gilmore, Department Manager
Aneth RBDO Margaret Dee, Program Manager I
Chinle RBDO Arthur Hubbard, Program Manager II
Eastern RBDO Albert Lee, Program Manager
Ft. Defiance RBDO Libby Valteau, Program Manager II
Shiprock RBDO Randolph L. Sells, Program Manager II
Western RBDO Tincer T. Nez, Sr., Program Manager II
Whippoorwill RBDO Anthony Little, Program Manager I

II. Budget/Performance

<table>
<thead>
<tr>
<th>Office</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY2009 Personnel</th>
<th>% Used</th>
<th>FY2009 Operating</th>
<th>% Used</th>
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<td>Administration</td>
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<td>250,485</td>
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<td>45%</td>
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<td>RBDO-Aneth</td>
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<td>RBDO-Whippoorwill</td>
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<td>RBDO-Shiprock</td>
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<td>RBDO-Tuba City</td>
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<td>Tourism Development</td>
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<td>476,949</td>
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<td>701,051</td>
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</table>
A. Program Performance Results (Budget Form 2) – *SEE ATTACHMENT “A”*

**III. ACCOMPLISHMENTS**

**ADMINISTRATION DEPARTMENT:**

**Division of Economic Development Administration:** Lack of financing for small and large businesses on which the Division is working has restricted development. This includes ARRA funding, which does not include ample grants for financing businesses. The Federal Government focus is on loans, loan guarantees, and bond financing for business development. All of these sources require payback. In response to this dilemma, substantial resources are being spent on developing a tax exempt bond packet financing of non revenue generating projects such as infrastructure development for businesses. The Navajo Nation bonding capacity is being proposed for use in this initiative.

Examples of such businesses are the Nahatadziil Shopping Center and the Church Rock Latex Gloves projects. The first needs $6.0 million to complete, matching $2.0 million allocated from the General Fund. The second project needs $7.0 million to complete, matching $4.3 million from the General Fund, EDA grant, and the State of New Mexico. Neither project qualifies for tax exempt bonds, but infrastructure development for these projects do qualify for tax exempt bond financing. Care has to be taken to ensure that only qualified activities are financed by this type of financing.

The second source of project financing are the above referenced loans, loan guarantees, tax credits, and private investments. These are offered by the SBA, USDA, BIA, and CDFIs. CDFIs offer new market tax credits. An example of construction ready projects that will use a mixture of financing sources are the Tohajilee Creamery and the Shiprock Hotel. The first project financing need is $29 million. The hotel project requires $12 million. Both projects have a mixture of financing other than bonds, predominantly because both are revenue generating and are bona fide businesses in which private financing plays a major role.

All four projects are construction ready.

Therefore, the Division’s continuing work focuses on determining which projects are eligible for tax exempt bonds and which need to use the other sources of financing referenced.

90% of projects proposed for bond and other financing are projects that were listed in the proposed 2004 $500 million bond packet that was not approved. 10% of this listing are projects that have been developed by the Division since 2004.

Interface with the Navajo Nation Controller continues, to finalize the bond packet, which is targeted for the NN Council summer session at the latest.

In terms of other initiatives, the Division staff, particularly the CFO, is heavily involved with the creation of the Community Development Finance Institution (CDFI). This entity was approved by the NN Council, but the organizational work continues, including the creation of a Board of Directors, and ensuring that the entity is certified by the Department of Commerce. Among the services that a CDFI provides is the ability to attract investors in projects, using new market tax credits as an incentive. Therefore, investors can gain a 39% tax credit over 7 years.

The BCDS issues have not been resolved, in terms of liabilities. A tax attorney offered his services to work for pay, on the tax issues with the IRS. However, there are no funds available in the Division’s budget to allow for this work. A request was also made to earmark BIDF resources that were loaned to the NDOJ for site specific feasibilities for casino sites. However, no response has been received from NDOJ on this request to redirect these funds to hire both the tax attorney and a corporate attorney to deal with the BCDS issues. The Division’s position is still that Dineh Development Corporation still hold BCDS as a subsidiary.

**SUPPORT SERVICES DEPARTMENT**

A. **Investments**

DED 2nd 2010 Qtr Rpt
1. No Investment disburse this quarter.

B. Loan Disbursed:
1. Commercial, Industrial and Tourism Development (CID) – None.
2. Small Business Loan – None; Micro-Enterprise Loan - None

C. Loans Reviewed:
1. Commercial, Industrial and Tourism Development (CID) – None
2. Small Business Loan – (1)-$75,000; Micro-Enterprise Loan – (2): $10,000, $10,000

D. Escrow:
1. $950,000 in escrow deposits for 04 projects.

E. Financial:
1. Quarterly BIDF Financial Status Report for Period ending December 2009 – 1
2. Financial Status Report provided to DED Management – 168
3. Hotel Occupancy Tax information for Tourism Development – 1
4. Quarterly Sales Tax Return to Tax Commission – 1
5. As-requested FMIS reports for DED offices – 60
6. Review financial requisitions for fund availability – 36
7. Requisition processing assistance to central offices – 107
8. Various requisition follow-up on behalf of offices – 144

F. Legislation:
1. Approved, “Commercial, Industrial, Tourism Development Operating Guidelines EDCJ-01-10,
2. Approved, “Commercial, Industrial, Tourism Development Investment Operating Guidelines, BFCM-PENDING-10,
3. Approved, “Navajo Community Development Financial Institution”

G. Reports:
1. Five-Year Capital Development Plan, Presented to the Economic Development Committee,
2. Expenditure Report – Sheepspring Visitor Center Project

H. Training: Accounts Receivable Module Training – FMIS, seven (7) division staff attended.

I. Presentation:
1. Audit Corrective Action Plan Meetings, January 7, January 14-15 and January 27, 2010
2. Participant, Micro Loan Procedures development meetings February 16, February 24 and March 3, 2010
3. Facilitator, Navajo Community Development Financial Institution, February 18, February 25, 2010
5. Five-Year Economic Development Plan, participant throughout the quarter

J. Information Technology:
1. Technical assistance to 14 DED offices (% difference over last quarter):
   - LAN : 11 (-15%)
   - Wireless : 07 (+40%)
   - Computer : 29 (-28%)
   - Printers : 14 (-26%)  
   - 61 (-21%)
2. Division Network - Hardware. Three proposals received to submit a purchase requisition for software and hardware to deploy new equipment for network upgrade and improvement of the Central office’s local area network.
3. Division Network - Software. Cost estimates received to upgrade to Window 7 for DED’s desktop computers. Currently awaiting cost estimates for volume license purchase proposal for MS Office for the Division.
4. Windows Server 2003. Updating the Shiprock’s local area network The active directory keeps failing and requires additional technical work with the assistance of Symantec technical group.

K. Quarterly Preventative Maintenance, Inspection: Replacement of air filters, water filters, V-belts, adjustments, alignment, leveling with the pulleys, soap test all gas component and connections, adding Anti-bacteria solutions, cleaning heating chambers and general check for proper operation of each units –electrical, drainage, canisters, reprogram settings of all surveillance cameras, check exterior main unit for Freon leaks, direct drive motor and check the proper operation of unit and room thermostat.
There are other components and fixtures that are monitored and inspected daily, such as: Water heater, circulating pump, faucets, drainages, valves, thermostat, and electrical; components/-connections and making sure they are operative condition.

- HVAC Lennox Units – 9
- Libert Unit (IT Server Room) – 1
- Air Handling Unit – 1
- Elevator – 3
- Surveillance Cameras (23) – Daily
- Fire Extinguisher (26) – 3

I. General Maintenance: Due to several severe snowstorms we had in January and February 2010, I hired two temporary workers to clean snow off sidewalks, and parking lots by using shovel, gas-operated snow thrower and personal tractor and truck. We replaced some leaking faucets, install jumbo roll toilet tissue dispensers, replace bulbs on streetlights, exterior and interior light fixtures. We inventory all maintenance and janitorial supplies and equipment inventories on janitorial, electrical, grounds maintenance and office supplies, restock Xerox papers, clean and shovel snow off sidewalks, walkways and parking lots. Generally assist DED staffs with whatever works they need assistance with and to make available for any other work that may arise. There are several works that are pending, which will be address as soon as the needed parts and supplies come in.

M. Other Maintenance: Some lavatory faucets were replace in janitor closet, men and ladies restrooms and employee break room. There was an oversight during the construction of the building. The utility faucets for the janitor rooms were starting to leak and we try to locate where the shut off valve were and couldn't find it. When the building was constructed it indicate there were no shut off valves install for individual faucets and other plumbing fixtures in case it needs to be work on separately. Therefore, we have to shut down the entire main water supply and drain the entire water system just to replace a fixture. We are planning to install some individual shut-off valves for emergency purpose.

N. Daily, Weekly & Monthly Inspections:
1. Refuse Disposal: Navajo Sanitation comes bi-weekly to pickup out refuse, garbage, dermis and trash and dispose of it at a proper location.
2. Fire Extinguisher: The fire extinguishers are inspection on a monthly base, which is schedule on the last week of each month.
3. Elevator: The elevator is inspected monthly by ThyssenKrupp Elevator Company from Albuquerque, NM. They come and services the elevator by check, inspect the hydraulic pump, the controls, check all the safety features and clean out the hoist compartment underneath and on top of the elevator. However, we have encounter one malfunction due to power outage but it was corrected the same day. We do have a maintenance agreement in place ThyssenKrupp Elevator Company, where we need to contact them for any emergency.
4. Surveillance Cameras: The surveillance cameras are being monitor on a daily base. We are considering installing additional cameras for some of the blind spots, such as maintenance shop, break room, conference rooms and hallways.
5. Pest Control: PDI Pest Control services is render from April thru September of each year to come and exterminate the interior, exterior and the trees, scrubs and other plants within the Karigan Building and grounds.

O. Annual Inspection and Services:
1. Fire Extinguisher: Gallup Fire & Police Equipment came and took then the additional 13 Fire Extinguishers to perform Hydrostatic test, which needs to be done every 6 years according to NFPA Codes. They also took all 25 fire extinguishers to be services and inspected and brought 25 fire extinguishers in place of the other that needed services and inspected. The chemical from the extinguishers are usually emptied and refill back with newer chemical and they are re-tagged and brought back to Karigan Building
2. Fire Sprinkler System: The fire sprinkler system for Karigan Building was also inspected and retagged. They were in good operative condition and the PSI was sufficient in case it is needed in the future.
3. Fire Smoke Alarms and Manual Pull Station: They were also and there were several that were in trouble mode, which was immediately corrected.

P. Other Maintenance:
1. Damper motors, Fire Alarm, Smoke Detectors and Fire Sprinkler Systems: Due to insufficient funds we have not replaced the 44 damper motors for the HVACs. However, we had SimplexGrinnell from Albuquerque came out to reset, inspect and rewire some smoke detectors that were in troubled mode, especially the one in the HVAC ducts. They came out to troubleshoot some smoke detectors that were continually going off and staying in trouble mode and not resetting accordingly. They had to rerun new wires from the HVAC units to the inline smoke detectors inside the HVAC ducts. They reset and reprogrammed the Fire Alarm.

2. Fire Sprinkler Systems is also inspected in conjunction with the Fire Extinguishers. It is tested by activating the fire alarm and flushing the systems out and retagged afterward. For FY2010, funding needs to be allocated into the budget to purchase all or half of the damper controls components. Damper motors are very sensitive and can malfunction due to power surges (power outages), wear and tear.

PROJECT DEVELOPMENT DEPARTMENT

A. The planning process for the Ganado Shopping Center is complete and the Department is awaiting funding for architectural and engineering services and for construction of a 30,000 square foot building.

B. The Department retained EHS, Ltd. of Flagstaff, Arizona to provide an infrastructure site assessment for 6 Navajo communities. The 6 sites are proposed retail sites that require an assessment on infrastructure capacity for the development of a convenience store, laundromat and other businesses. The Department requested the assistance of NTUA to provide additional utility information on four additional sites. These 10 sites are part of the joint effort with Navajo Nation Oil & Gas to pursue ARRA funding on the store. The final copy is pending from EHS, Ltd.

C. The Department provided technical assistance with land withdrawal process with the Naschitti Chapter to rescind an old survey and relinquish 3.5 acres of land for commercial development.

D. The Department concentrated its work to develop agreements, obtain oversight committee approval and finalize documents relevant to the Navajo Area Indian Health Service land withdrawal of 64.279 acres of trust land and finalize a subsequent Tribal Trust Lease Agreement for development of Kayenta Health Care Facility and staff housing at Kayenta, Arizona. The Economic Development Committee approved the land withdrawal through Legislation No. EDCF-03-10 on February 3, 2010.

Subsequently, the Trust Land Lease between the Navajo Nation and Department of Health & Human Services, Indian Health Services was approved by the Health and Social Services Committee; Economic Development Committee; and the Intergovernmental Relations Committee of the Navajo Nation Council. The Intergovernmental Relations Committee provided final oversight approval on March 8, 2010. The Trust Land Lease was provided to the Department of Health & Human Services-Indian Health Services Headquarters in Washington, D.C. on March 11, 2010. A fully executed lease agreement from Indian Health Service will be completed by March 31, 2010.

E. The Department awaits the final audit and tax preparation for the former Karigan Property Owners’ Association before records are obtained and the financial accounts are closed. The final actions and documents will be completely closed within the next quarter.

F. Initial request for procurement on Western Refining, Inc., dba: Giant Industries – White Cone Store is in process. The company requests to modify their lease for novation and address the gas tax issues. A final modification will begin the approval process once procurement clearances are obtained.

G. The work by the Contractor, Smith and Sons, for NahataDziil Shopping Center Phase I Infrastructure Development is in progress. The storage tanks for the wastewater treatment plant are being fabricated and are to be shipped to the project site by mid-April. Environmental Hydrosystems and the Project Representative continue to monitor the work to assure compliance with project plans.

Contract Modifications for Smith and Sons, Environmental Hydrosystems and DJ Inspection service extending the term to April 29 were submitted for the signature of the Navajo Nation President.

The Department contacted the Office of Navajo Hopi Indian Relocation (ONHIR) for a final determination on the 3.66 acres exception parcel. The Department had been notified that the tract was not Navajo-owned and no work
was to be performed on the site. As a result, the wastewater treatment plant was relocated. The Department requested that ONHIR and the Bureau of Land Management (BLM) to review the records and land survey concerning the exception parcel. ONHIR and BLM, subsequently, issued a statement that there was an error in the original land survey and that the tract is Navajo Trust Land. The error was corrected and the Infrastructure work will continue onto the parcel and complete the drainage system. ONHIR has retained a service for the archaeological survey on the 3.66 acre tract.

Representatives of the Department, NTUA, Architect and Engineer met February 24, concerning electrical power for the shopping center. NTUA is to provide a cost proposal to extend the electrical line to the site.

The Department is in discussion with supermarkets as an Anchor Tenant for the shopping center. The completion of the A&E for Phase Building Construction Plan will proceed with a prospect makes a final commitment.

Sandia Oil Company was notified that the Phase I work is near completion. The company is to construct a gas station, convenience store and fast food restaurant on the shopping center tract.

H. The Navajo Nation Shopping Center, Inc., submitted a business site lease (BSL) plan to the Division of Economic Development Review Team for Business Site Lease. The Team is to meet with NNNSCI on April 7 and 8. The Team met with NahataDzil Commission Governance (NDCG), December 2009, regarding their BSL Plan and recommended revisions. The NDCG did not show for the February 23 meeting and has not submitted a revised document. To'Nanees'Dizi Local Government submitted a BSL Plan that was distributed to the Review Team. Additional information was requested and the meeting with the local government is scheduled for April 22 and 24.

I. The Department negotiated and finalized a “Development Agreement” with Navajo Partnership for Housing (NPH) to design, construct and market an additional 25 housing units within the Karigan Estates subdivision.

J. The Department negotiated and finalized a “Development Agreement” with Navajo Housing Authority (NHA) to design, construct and market 23 townhouse units within the Karigan Estates subdivision; infrastructure; community and economic development projects.

K. The Department assisted the Dennehotso Development Group in researching alternate solutions to provide an adequate water supply for the proposed Desert Meadows and Yazzie Estates subdivision.

L. The Department received approval from EDA on the plans and specification of the bid documents for the Church Rock Industrial Park’s construction of the manufacturing and incubator facility on January 19, 2010.

The Driveway Permit was approved for the manufacturing and incubator facilities by NM DOT District Office but the Navajo Nation has to conduct the archaeological clearances and environment report for the State.

The Department prepared and submitted a quarterly report to the New Mexico Indian Affairs Capital Outlay Section on the Capital Outlay Grant on March 25, 2010. Copies of this report were sent to the Capital Improvements (CIP) Office and the CIP office I Crownpoint, NM.

The Department provided assistance to Continental Divide Cooperative with the right-a-way process with the U.S. Army for the Church Rock Powerline Project.

M. The Department prepared a Business Site Lease for lease negotiations with Design Data Solutions for an industrial building in the Fort Defiance Industrial Park. No response from prospective tenant.

N. On January 8, 2010, NOVA Corporation called and withdrew their business site lease application. The Department stopped the ordered of the Archaeological Survey and Report from Navajo Archaeological Department for NOVA Business Site Lease within the NAPI Industrial Park. The Department also stopped the ordered of Survey Plat and Legal Description from Red Valley Survey for NOVA Business Site Lease within the NAPI Industrial Park. And stopped the order of the Environmental Review Report and Summary from JR Analla EA Services for NOVA Business Site Lease within the NAPI Industrial Park.
O. The Department prepared the Business Site Lease for lease negotiations with NTUA New Markets II for Chinle NTUA District Office. The Department ordered the Environmental Review Report and Summary from JR Analla EA Services for NTUA New Markets II Business Site Lease within the Chinle Industrial Park.

P. There is no response from the President’s Office or from President Joe Shirley on his meetings with the Pueblo of Zuni’s Governor on the negotiations of the land division of the former Fort Wingate Army Depot Project. The Department assisted the Navajo Nation MOU Team in the submission of 20 restoration projects for the Natural Resource Injury Process with the State of New Mexico regarding the Fort Wingate Army Depot. The Pueblo of Zuni submitted no projects. Two work plan reports were provided for Fort Wingate MOU Team staff for the comments for the clean-up at the former Fort Wingate Army Depot.

Q. The Department prepared and submitted a quarterly report to the Economic Development Administration on the Public Work Grants on January 15, 2010. An approval was received from EDA on the plans and specifications of the bid documents for the construction of the manufacturing and incubator facility on January 19, 2010. The Bid Opening is scheduled for March 25, 2010.

R. The Department continues to provide assistance to inquiries by phone, email and personal visits. Three (3) inquiries were made and assisted within information and answered questions and site visits. The companies were: Skia Pharmaceuticals, (New Lands Building, Sanders, AZ); Bryan Halona, Manufacturing Wood Pelts, (Navajo NFPI) Building, Navajo, NM); and BP Solar via Navajo DPA, (New Lands Building, Sanders, AZ).

S. The Department attended Cabinets Southwest, Inc., Board of Directors meeting representing the Navajo Nation at its February 2010 meeting. The Department assisted Raytheon at the Indian Day activities at the NM Legislature and displaying the use of the Tribal Infrastructure Funds of $2 million. Serve as the NM Rural Alliance Board of Director’s Secretary at its monthly meetings.

T. The Department participated in preparing project listing for bond financing and Five Year DED Plan. Staff met with the Economic Development Committee Sub-Committee and the Controller concerning the bond financing steps and requirements.

U. The Department continues to provide assistance to the Division, RBDO offices, Ganado Chapter; and provide individuals on planning and development activities and process. Staff participated in interview panel with Fort Defiance Regional Business Development Office. Staff also assisted to coordinate meeting and review initial documents for the proposed future development of a convenience store and gas station at Jeddito, Arizona.

V. Staff participated to develop the “Corrective Action Plans” needed in accordance to the audit of the Business & Industrial Development Fund. Staff also participated in development of projects needed to finalize the proposed bond financing initiative.

BUSINESS REGULATORY DEPARTMENT

A. Business Regulatory Department will finalize and submit the Navajo Business Opportunity Act Rules & Regulations to the Economic Development Committee for approval. The Navajo Business Opportunity Act is going through the SAS process and will be presented to the Economic Development Committee during their regular meetings.

B. Business Regulatory Dept. with the Navajo Nation Department of Justice will continue to amend the Navajo Corporation Code to reflect present day conditions and practices relative to the legalities and filing apparatus of the Navajo Nation. The Legislation included Limited Liabilities Companies, Limited Uniform Partnership Act and Limited Partnership Act.

C. Business Regulatory Dept. is in the process of completing the forms for the LLC, LUPA and UPA Legislation. The process is still ongoing.

   1. No. of Bid Openings, Pre Bids, RFP, etc.: 79
   2. No. of Public Education Sessions on NBOA, etc.: 08
3. No. of Certification/Re-certification: 85
4. No. of SAS packets Reviewed/Cleared: 177/169
5. Dollar Amt. of SAS Reviewed for 2nd Quarter Fy’10: $46,540,772.85
6. No. of UCC Recorded: 19
7. No. of UCC Terminations: 04
8. No. of UCC Assignments: 0
9. No. of UCC Continuations: 18
10. No. of UCC Amendments: 01
11. No. of UCC Search Request: 0
12. No. of NCC Annual Report Filed: 98
13. No. of New Corporations: 19
14. No. of NCC Searches: 03
15. No. of Certificate of G.S.: 12
16. No. of Amendments to Articles: 04
17. No. of Change of R.A.: 0
18. No. of Voluntary to Dissolve: 0
19. No. of Technical Assistance: 187
20. No. of Meetings/Presentation/Workshop: 02
21. No. of Measuring Devices Inspected/Certified: 40
   Small/Large Scales: 02  Conveyor Belt: 0
   Livestock Scales: 0  Weigh Bin Scales: 0
   Fuel Dispensers: 32  Platform Scales: 0
   Out of Orders: 0  Truck Scales: 0
   Rejected: 11  Follow up/Invest.: 0
   Public Sessions/Presentations: 0
22. BRD deposited $3,169.50 into the General Fund during this period.

**NAVAJO TOURISM**

1. Antelope Point Resort and Marina Project – during the second quarter there were 125 employees, of which 56 Navajo employees performing marina and related operations, administrative and management positions. The Antelope Point Holdings, LLC (developer/operator) has invested over $40 million for construction and marina operations.
2. There is a proposed 13,200 sq. ft. (10 each, 24 ft. x 55 ft. units) steel dry boat storage facility in design and engineering stage at a cost of $248,523.00.
3. Estimated Fiscal Year 2010 first quarterly payments due to the Navajo Nation:
   - Business Site Lease Rental Payment  $75,000.00
   - Navajo Nation Sales Tax  11,000.00
   **$86,000.00**
4. There were only no visitors/boaters visited the marina for boating this quarter. Entrance Fee Booth for the season closed for the season on October 19, 2009 and will reopen in April 2010.
5. The construction of Sheep Springs Welcome Center project the building portion is 85% complete. Bureaucratic process stalled the arrangements for funding/budgets stalled the completion of the contract to implement the earthwork, paving of access road and parking areas, concrete curb and gutter, sidewalk, connection of water and sewer lines to existing system including bids to complete the remaining finish work.
6. The Division of Natural Resources sent a draft letter to Regional Director, Navajo Region Office/BIA regarding Title Opinion Concerning Quit Claim Deed form the State of Utah for Tract II – Section 32, situated near the Navajo Nation Monument Valley, Navajo Nation (Utah). The purpose of the letter is for Navajo Regional Office to accept the Quit Claim Deed conveying the property into trust status. Quit Claim Deed conveys the full fee simple absolute title to the land to United States in trust for the Navajo Nation. Upon the final completion of the land transfer the 20 acre tract a procurement process will be begin to initiate and finalize a business site lease for operation and management of the Welcome Center facilities.
7. Co-op marketing with Arizona Office of Tourism (AOT) EZ Marketing Grant: Ads were placed in San Diego Magazine, ½ Page; AOT Monthly E-Newsletter (1,000 word editorial w/photos, emailed to 300,000
subscribers); AAA Arizona Highroads, ½ Page. Additional non-co-op ads were placed in Leading the Way, The Wisdom of the Navajo People, Jan., March, ¼ Page and Feb. ½ Page; AZ Drive Guide, ½ Page w/editorial & additional photos.

8. The N M Tourism Dept. reduced the Indian Country, Region I budget to $45,000. Printing new brochures. Fulfillment postage paid by Farmington CVB and Gallup/McKinley Co. Chamber. Acoma is creating a network of tour packages with surrounding tribes and communities.

9. Seven travel writers are booked for the AZ Rocks Spring FAM Tour. The Navajo Nation portion is scheduled for April 13-15. The tour, partially funded through an AOT grant, operates on a co-op basis with Williams, Hopi & Page.

10. This quarter, reports from writers who participated in previous AZ Rocks tours show we benefitted from stories in four major publications, with circulations of 150,000; 485,160; 516,127; and 1,248,558; and with values totaling well over $100,000.00; and three stories in web publications.

11. The Sunday Times in London will run our video from travel website. This coordinates with a Navajo Nation feature that ran in The London Sunday Times paper on February 28.

12. A new video player has been installed on the DiscoverNavajo.com homepage that displays all six new Tourism videos.

13. We have changed e-newsletter carriers to an AZ based company. The heading has been redesigned to reflect our new image. A March E-Newsletter has been sent to over 4,660 addresses. The main story tells visitors about a dozen free things to do on the Navajo Nation. Total opened: 42%; Total click-thru’s to the website: 58.3%.

The following chart demonstrates the unique (first time) visitors to the Navajo Tourism website.

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<th>Apr</th>
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*Website was down for over one week

Efforts demonstrate a clear increase in website since 2006.

Update: January visitation was up 74%, February visitation was up 55% over 2009.

14. A 2-year Navajo Calendar has been created in-house using the photos from the 2009 Discover Navajo Photo Contest. Tourism will print 1,000 calendars for distribution. Calendars can be sold online (along with the posters) to recoup some of the printing costs.

15. A cooperative agreement between Navajo Tourism Department and Allegra Print & Imaging was made for the development, publishing, and distribution of the 2010 Discover Navajo Visitor Guide. There will be no exchange of funds by either party. Tourism will provide editorial and photos as available and have total oversight of the project.

16. “Recommend Newsletter” newsletter included Arizona feature story with a positive review of Discover Navajo website. Emails sent to 44,000 opt-in travel agent and industry professionals,


18. The Arizona Office of Tourism was assisted to provide a complimentary tour for a journalist named Andrea Guthman, her husband and two children from Chicago. They spent the night at Spider Rock RV campground and toured Canyon de Chelly. They also toured Monument Valley and spent the night at The View Hotel. Her article will be titled “Taking Your Kids on a Monumental Road Trip,” and it will be printed in a magazine called Chicago Parent Magazine. Her article will be about authentic Native American travel experiences in Arizona.

19. The Arizona Office of Tourism was assisted to provide complimentary accommodations, meals and tour of Monument Valley and Canyon de Chelly for three individuals from Paris, France. The individuals are Marie-Helene Fraisse who is a travel writer for Geo Magazine, which is one of the leading monthly travel consumer magazines in France and has a circulation of more than 308,000 and a readership of more than 4.6 million readers. Ms. Fraisse also produces a weekly travel program called “Tout un Monde,” which goes on air every Sunday – it is the number one radio program on culture. The other individuals include a sound engineer and photographer. They plan on visiting the Navajo Nation in April.

20. Presentations about “Tourism Opportunities on the Navajo Nation and Tourism” to students at the University of New Mexico Gallup branch, Window Rock Elementary School and Dine’ College. Students said they learned a lot.
about tourism on the Navajo Nation and didn’t know there were a lot of opportunities to start a tourism business and about places to visit on the Navajo Nation.

21. Two articles were written about the Navajo Nation as a result of a travel writer familiarization tour called the Pop Icons Press Trip in April 2009. The articles were written by David Dunn and Andrew Copestake and printed in Profile Magazine and Gay Times. The equivalent ad value for the article in Profile Magazine was $14,728 and the equivalent value ad value of the article in Gay Times was $43,574.

**REAL ESTATE DEPARTMENT (RED)**

A. Business Site Lease Transaction (16)
   1. New Business Site Lease:
      a. Western: 1-TC WIM #33
   2. Lease Modification:
      a. Chinle: 1-CH-97-106
      b. Chinle: 1-CJR Prop#32
      c. Western: 1-TC-88-177
         Western: 1-TC-88-120
   3. Revocable Use Permit: None
   4. Emergency Operation
      a. Chinle: #1-Dilcon TP
      b. Ft. Defiance: #2-Tohatchi AOS
   5. Termination: None
   6. Other EA, MDR, Land Withdrawal, Return BIA
      a. Ft. Defiance: #21 BSL Record
      b. Ft. Defiance: #20 BIA return
      c. Shiprock: 4-BSL record
      d. Shiprock: 1-MDR SR 82-92
      e. Western: 1-EA Kayenta IHS
      f. Whippoorwill: #003-BIA return

B. Accounting Section
   1. Collected fee (7)
      a. New Lease Application Fee: $300.00
      b. Lease Modification: $200.00
      c. Revocable Use Permits: -0-
      d. Emergency Operating Permit: $150.00
      e. Rental/Lease Payments: $169.88
      f. Insurance/Cash Bond: $819.88

C. Archaeologist/Environmental Section
   1. Nine (9) Cultural Inventory Report and/or AIRS review have been initiated for the following projects.
      A. To’ohajiilee Chapter Creamery
      B. Tuba City 100 acres Commercial Tract
      C. Western Regional Bus. Dev. Ofc Bldg .93 acres Commercial Tract
      D. Tees Nos Pos, Water Park Resort
      E. Chinle RBDO Blue Sage Venture
      F. Ft. Defiance RBDO Commercial Tract One
      G. SR Shiprock RBDO - Willard Frazier Tract
      H. Chinle RBDO – Blue Sage Ventures, LLC
      I. Chinle RBDO – Giant Four Corner, Inc
   2. Five (5) Environmental Reviews have been completed.
      A. Proposed Replacement of Kayenta IHS Medical Facility located in Kayenta, Arizona.
      B. Proposed Arviso Construction Company located in Iyanbito, New Mexico.
      C. Renewal of BSL for the Giant Four Corners, Inc., dba. “Rock Point Trading Post” located in Rock Point, Apache County, Arizona.
E. Proposed Express Dollar for Navajo Shopping Center Inc., located in Window Rock, Arizona.

D. Appraisal
1. Marshall & Swift: The Appraisal Section will begin calculating improvements costs on properties managed by the RED. Calculations will cost $20 per calculation. That is $660.00 for the 33 leases that the Department currently manages. As of today, the Department is still guaranteed a free trial offer. In the future, when the Department begins to manage more than 57 leases, then it would then be cost efficient to purchase the software from Marshall & Swift. The current price for the software is $1,146.00 per year.

2. Nine (9) appraisal reports reviewed. They are as follows:
   A. Ajay Madhvani, 1 AC, Tuba City, $9,000
   B. Ajay Madhvani, 1 AC, Tuba City, $9,100
   C. Travis Engelage, 4.94 AC, Rock Point, $15,800
   D. Ajay Madhvani, 4.94 AC, Rock Point, $20,000
   E. Richard Hix, 5.55 AC, Counselor, $50,000
   F. Richard Hix, 5.55 AC, Counselor, $33,000
   G. Ajay Madhvani, 3.02 AC, Chinle, $10,500
   H. Travis Engelage, 0.92 AC, Tuba City, $8,200
   I. Ajay Madhvani, 1.94 AC, NAPI Industrial Park, $4,800

3. Eight (8) comparable leases (MDR / market rent analysis) completed. They are as follows:
   A. 4.94 AC, Rock Point (Trading Post), $16,796
   B. 1 AC, Tuba City (Cavesa), $5,552
   C. 1.44 AC, Fort Defiance (Nizhoni Hair), $10,504
   D. 5.55 AC, Counselor (Trading Post), $28,805
   E. 3.02 AC, Chinle (Dine Bi Ghan), $10,622
   F. 3.99 AC, Chinle (Blue Sage), $5,453
   G. 0.92 AC, Tuba City (Barney), $5,231
   H. 16.22 AC, Chinle Industrial Park, Parcel 7 (NTUA), $58,087
   I. 1.94 AC, NAPI Industrial Park, Lot 9A (Dinetahdoo), $4,200.

E. Compliance
1. On-site compliance visits performed (30)
   a. Red Mesa Express at Sawmill, AZ
   b. Ft Def. Indian Health Board Inc, Ft Defiance, AZ
   c. Pic-N-Run at Leupp, AZ
   d. Dine Bii Association of Disabled Citizens at Tuba City, AZ
   e. Old Red Lake TP at Tonalea, AZ
   f. Nizhoni Inc. at LeChee, AZ
   g. Kew Bennett at Kaibeto, AZ
   h. RCC Partners at Kayenta, AZ
   i. Shonto Trading Post at Shonto, AZ
   j. Black Mesa T.P. at Black Mesa, AZ
   k. USA, Dept. of Health at Thoreau, NM
   l. Red Mesa Express at Steamboat, AZ
   m. Red Mesa Express at Klagetoh, AZ
   n. Sandia Oil Co. at Tsaile, AZ
   o. Native Land Solar & Wind Energy Power, Inc. at Lechee, AZ
   p. Foutz Enterprises at Shiprock, NM
q. Tsinnies at Shiprock, NM
r. Samual Woods at Shiprock, NM
s. Silver State Co. at Shiprock, NM
t. Little Water T.P. at Little Water, NM
u. George Begay Towing at Cottonwood, AZ
v. Debe Niista Engineers & Consultant, Inc. at Shiprock, NM
w. James Perry & Dea Autry dba JWP Pro. At Shiprock, NM
x. CJR SR Properties, LLC dba SR Laundromat
y. Counselor TP at Counselor, NM
z. Rainbow Bridge Treatment Center at Lechee, AZ
aa. Aneth Community Development, Inc. at Aneth, UT
bb. Western Indian Ministries, Inc. at Tuba City, AZ
c. Danny & Karen Barney at Tuba City, AZ
dd. Joe & Dorothene Edison at Tsaile, AZ

d. Lease Documents reviewed for compliance & requirements
a. Nizhoni, Inc. TC-07-0002
b. Dine Bii Assoc. CH-08-0003
c. Pic-N-Run TC-08-0004
d. Kew Bennett TC-08-0005
e. George Begay CH-08-0006
f. Mexican Springs Comm. FD-08-0007
g. First American CU FD-08-0008
h. Tom & Karen Yazzie FD-08-0009
i. Lorenzo Fowler TC-08-0010
j. Colleen Yazzie CH-08-0011
k. Victor Beck CH-08-0012
l. Shane Chance SR-08-0013
m. Navajo Nation Gaming EN-08-0014
n. RCC Partners, LLC TC-08-0015
o. Valerie Allen CH-08-0016
p. Red Mesa TP SawM FD-08-0017
q. Historic BitaHochee FD-08-0018
r. USA Dept. of Health EN-08-0019
s. Steamboat TP(Red Mesa) FD-08-0020
t. Klagetoh TP (Red Mesa) FD-08-0021
u. Sandia Oil Co. (Tsaile) CH-08-0022
v. NativeSolar & Winds TC-08-0023
w. Native Broadcast Ent. FD-08-0024
x. Foutz Arts, Inc. SR-09-0025
y. Little Water Express SR-09-0026
z. Orville & Darlene Tsinnie SR-09-0027
aa. FD Ind. Health Board FD-09-0028
bb. Samual Woods (Dibe Nitsaa) SR-09-0029
cc. Aneth Comm. Dev. Corp. SR-09-0030
dd. James Perry dba JWP Prop. SR-09-0031
e. CJR SR properties, Inc. SR-09-0032
1. Inventory all equipment in real estate department at the end of December.
2. Update and maintain on all database forms for contract compliance officer
3. Create a Webpage for RED still need to be put up.
4. Review and gave corrects of several plats.
   A. Jeddito Commercial Development
   B. Dilkon Trading Post
   C. Vernel Oliver Business Site
   D. KTBA Radio Station
   E. Kaibeto Market Tract
   F. Parcel of lying within Tract C of a Boundary Map of Church Rock Industrial Park.
   G. Anna Kemner
   H. Chinle Alco Tract
   I. Dinetahoo Business Tract
   J. Kew L. Bennet Business
   K. Tsinnie's Gallery
5. Help Fort Defiance RBDO on locating a brass cap.
6. Help James Patterson, District Attorney explain the different on Navajo Nation Trust Land and Navajo Nation Fee Land.
7. Print a land status map for State of New Mexico.
8. Was subpoena to court on March 9, 2010.
9. Chinle RBDO request a training in Legal Land Description. Reply to request, and did the training on March 19, 2010.

SMALL BUSINESS DEVELOPMENT DEPARTMENT

A. Meetings Attended:
1. Economic Development Committee Meetings: Three (3)
2. Chapter Meetings: Three (3)
   a. Chinle District 10 Grazing Committee Meeting
   b. Lechee Chapter CLUPC meeting
   c. Aneth Chapter Meeting
3. Economic Development Committee/Sub-Committee Meeting: Two (2)
4. Department Managers Meeting with Administration: Two (2)
5. Program Managers Meeting with Regional Business Development Offices: Five (5)
6. Department Meetings with other Offices: Eight (8)
   a. Grace Boyne, Consultant to provide Staff training.
   b. Youth Services & Design & Engineer on Ft. Defiance Ball Park.
   c. "External Funding Sources" in Albuquerque.
   d. Allan Begay, Pete Deswood & Francis Redhouse, Council Delegate on Tecnospos Business site
   e. DOJ, Ray Nopah on Fund Management Plan for DED
   f. New Mexico Economic Development Department in Albuquerque.
   g. Grace Boyne for RBDO Staff trainings.
   h. Alex Rachak on reservation wide Rest Rooms development.

B. Reviewed and surnamed Legislative Documents for the Regional Business Development Offices.
1. BUSINESS SITE LEASES:
   a. SAS No. 3807 (Western RBDO); Approving a Lease for Blue Sage Ventures, LLC., located at Tuba City, Navajo Nation (Arizona).
   b. SAS No. 3817 (Western RBDO); Approving a Business Site Lease for Barney Enterprise, LLC to be located in Tuba City, Navajo Nation (AZ).

2. LEASE MODIFICATIONS:
   a. SAS No. 3823 (Whippoorwill RBDO); Approving a Lease/Sub-Lease Modification for William Singer, Giant Four Corners, Inc., dba: Dilkon Thriftway, located in Dilkon, Navajo Nation (AZ).

b. SAS No. 3826 (Whippoorwill RBDO); Approving a Lease Modification with Navajo Nation Oil and Gas, dba: Chevron Gas Station, BSL#C-03-126, located in Blue Gap, Navajo Nation (Arizona). Modification is to novate the existing Business Site Lease to the Navajo Nation Business Site Leasing Regulation of 2005.

c. SAS No. 3827 (Whippoorwill RBDO); Approving a Lease Modification with Michael Nelson and Associates, Inc., dba: Navajo Westerners, BSL#FD-86-127, located in Dilkon, Navajo Nation (Arizona). Modification is to novate the existing Business Site Lease to the Navajo Nation Business Site Leasing Regulations of 2005.

3. LEASE NOVATIONS:

4. LAND WITHDRAWALS:
   a. SAS No. 3814 (Whippoorwill RBDO); Approving a Land withdrawal for 10 Acres for the Jeddito Commercial Site, located in Jeddito, Navajo Nation (Arizona).

5. INTRA-GOVERNMENTAL LAND USE AGREEMENTS:
   a. SAS No. 3792 (Northern RBDO); Approve an Intragovernmental Agreement (in lieu of a BSLA) between the Northern Regional Business Development Office and Navajo Transit Systems to designate 2.21 acres of land in Montezuma Creek, Utah for development of a Navajo Transit System Substation.

6. PROFESSIONAL SERVICE CONTRACTS:
   a. SAS No. 3815 (Shiprock RBDO); Approving a Professional Service Contract between the Navajo Nation and Gipson Investments, Inc. To Appraise the CJR Business Site, located in Shiprock, Navajo Nation (NM).

b. SAS No. 3803 (Eastern RBDO); Approving a Professional Service Contract between the Navajo Nation and TLS janitorial & Maintenance of Vanderwagen, NM, for the amount of $2,267.20 to provide Janitorial Services at the Eastern Regional Business Development Office, Church Rock, Navajo Nation (NM).

c. SAS No. 3812 (Western RBDO); Approving a Contract AXIA Real Estate Appraisers. The Appraisal is for the possible development of a Burger King and Convenience Store in Cameron, Navajo Nation (Arizona).

7. CONTRACT MODIFICATIONS:
   a. SAS No. 3427 (Eastern RBDO); Modification No. One – Professional Service Contract No. C08022 between the Navajo Nation and Big and Bighorse Engineers to Complete Master Planning for a 14-acre site; and Architectural Design and Engineering Services for the Crownpoint Wellness Center at Crownpoint, NM.

b. SAS No. 3725 (Whippoorwill RBDO); Approving Modification One (01) to Professional Service Contract No. C08165 with Ironhorse Environmental Services, Inc., Modification is to extend the term of the contract to June 30, 2010, instead of March 31, 2010.

C. Technical Assistance

1. Project Development; Assisted Project Development Department in transmitting three (03) Legislative documents (SAS No’s 3806. 3804 and 3805) to the Office of the President for Signatures;

2. Support Services Department; Assisted in devising two (02) forms to track Compensatory Time and check retrievals.

CHINLE REGIONAL BUSINESS DEVELOPMENT OFFICE

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<th>Number of Loans reviewed and renegotiated payment agreement:</th>
<th>Number of SAS (BSls and Permits) submitted for approval:</th>
<th>Number of SAS Small Professional Service Contracts submitted</th>
<th>Number of SAS Small Business Loans submitted for approval:</th>
<th>Number of Micro-Loans approved:</th>
<th>Number of Jobs created:</th>
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DED 2nd 2010 Qtr Rpt 14
B. Workshop/Training/Chapter Presentations:

1. Staff attended the following Chapter Meetings, Planning Meetings, CLUP Meetings, and Others:
   a. Many Farms Chapter Planning and Zoning Committee: Staff reported on the functions of our office, division, and the new Navajo Nation Business Site Lease Management Plan. A few comments were made by the Chapter Officers regarding their desires to have more business developed in the community of Many Farms and to make use of some of the vacant business sites that are not being used.
   d. Nazlini CLUP Meeting: gave a presentation on the functions of our office, division, and the new Navajo Nation Business Site Lease
   e. Meeting with Chinle Chapter: Program Manager provided presentation on the Navajo Nation Business Site Lease Management.
   f. Staff scheduled six (6) clients to meet with the Business analyst of the Northland Pioneer College Small Business Development Center. The clients were assisted on their business plans and other meetings are planned to finalize the business plans.
   g. Attended the Chinle Chapter Government Project Update Meeting. Staff presented the status on the ongoing projects in Chinle chapter’s area.
   h. Attended the Tselani/Cottonwood Chapter Planning Meeting and updated the chapter officials about the former Gorman’s Trading Post, former Black Mountain Trading Post, Judy Toadlena’s proposal, and Dine Towing.
   i. Attended the Rock Point Chapter Planning Meeting. Staff presented what the Chinle Regional Business Development Office goals and objectives and its services. Twenty participants attended the meeting.
   j. Attended the Round Rock Chapter Planning Meeting. The presentation included the introduction the Chinle RBDO, the goals and objectives, and its services.

2. Our office sponsored the following workshops:
   a. “How To Certify Your Business With The Navajo Nation” and “How to Incorporate Your Business”.
   b. Co-sponsored a workshop with the NAU/CAIED on Small Business Record Keeping.

3. BSL/Permit/Certification Transactions:
   b. Deswood D. Yazzie- dba: Canyon Jeep Tours, submitted Letter of Intent and his business plan to obtain a business site lease for a 1.0 acre tract of land next to Holiday Inn. We are processing his business site lease application.
   c. Rosenfelt & Buffington, PA, Injury Law Center Business Site Lease will be terminated and relinquished back to the Navajo Nation.

4. Business Proposals/Plans/Application for Compliance,
   (The following clients are developing their business plans):
   a. Paton Tso- Business plan for application of loan for his Stucco business in Chinle, AZ.
   b. Robert Ben and Jamison Ben- Business plan for application of loan for their General Construction Contracting business in Whippoorwill, AZ.
   c. Julian Parrish- Business plan for application of a loan for Graphic Designing business in Tsaile, AZ.
   d. Michael Garrity- Business plan for application of business site lease at Lukachukai, AZ.
   f. Judy Toadlena- Business plan for business site lease for a proposed Family Dollar Store in Cottonwood, AZ.
   g. Irene Bahe- Business plan for application for business site lease for Tax Service business in Chinle, AZ.
h. Jones Lee- Business Plan for application of loan for Roofing Construction business in Rock Point, AZ.
i. Maria Begay- Business plan for application of loan for food catering business in Chinle, Az.
j. Ernest Cooke- Business plan for application of loan to purchase printing equipment for Bison Trail Embroidery.
k. James Tsosie- Business plan for application of loan to purchase equipment for Tsosie’s Backhoe Services.
l. Raenelle Nez Making application for business sites in Chinle to start her Child Day Care business.
m. Allan Beazer- Making application for business site lease for former Injury Law Center site. Also, other applicants are considering the site so first come first serve who submits a complete New Lease documentation.

n. Giant Four Corners, Inc./Western Refining – Applicant submitted application for a new lease for the Rock Point Trading Post site. The application will be presented to the DED Approving Committee on April 5, 2010, for consideration of approval.
o. Blue Sage Ventures, Inc.- Applicant submitted application for business site lease for 3/3 acre site in Chinle, AZ. The application will be presented to the DED Approving Committee on April 19, 2010.
q. Frontier/Navajo Communications, Inc. – Submitted application for business site lease for their site in Chinle, AZ. Plans are to complete the New Lease procedures by May 21, 2010, and have Lease in their hands by June 1, 2010.
r. Crossroads Convenience Store – Submitted application for business site lease for convenient store in Tsaile, Arizona. Plans are to present the proposed Lease to the DED Approving Committee, have the President sign the Lease by May 21, 2010, and the Lease in the hands of the Lessee by June 1, 2010. Anticipated permanent jobs are six (6) and twenty-five (25) temporary jobs.
s. Novation for Navajo Oil & Gas business site lease (Chevron) in Chinle, Arizona – Pending initial meeting with Rueben Mike and to receive a Letter of Intent.

5. SBL & MELP loan Packages and Others:
a. SBL and MELP Loans- No SBL and MELP Loan Packages were submitted in this quarter.
b. Speedy Signs- Speedy is seeking funding source to submit loan application.

6. Temporary/Permanent Jobs:
a. No temporary or permanent jobs were provided this quarter.

7. Other Responsibilities:
a. Developed a Five Year Plan for securing funding for infrastructure and capital improvements. Plan was recommended to the Economic Development Committee and we are working with the Committee’s Sub-Committee finalize the plan. Plans are to secure approval of the Navajo Nation Council for bond financing or for a loan of the Five Year Plan.
b. Improve the Chinle RBDO Program Performance Assessment Report despite facing the funding cutbacks.
c. Provide technical assistance to individual(s), chapters, and other organizations in business start ups, existing businesses, leases, and expansions.
d. Align with local chapters initiatives and plans in economic developments.
e. Develop a good working relationship with the commercial and industrial businesses as well as other governmental offices.
f. Perform cost estimations, recommendations, and strategic planning for business site cleanup work and site improvements.

EASTERN REGIONAL BUSINESS DEVELOPMENT OFFICE

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<th>Number of Loans reviewed and renegotiated Payment Agreement</th>
<th>Number of SAS (BSL’s Permits) submitted for Approval</th>
<th>Number of SAS Professional Service Contracts submitted for Approval</th>
<th>Number of SAS Small Business Loans submitted for Approval</th>
<th>Number of Micro-Loans Approved</th>
<th>Number of Jobs Created</th>
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B. Completed the land withdrawal, through EDC resolution, of 10.00 acres of Navajo Nation Trust Land within the Crownpoint Chapter, New Mexico for economic development purposes in the Crownpoint community.

C. Approved a small business micro-enterprise loan request for Navajo painting contractor Curtis Morgan of Morgan’s Painting, located in Fort Wingate, New Mexico.

D. Utilizing funds from Mariano Lake Chapter, secured an agreement with Jim Analla – EA Services to provide an environmental assessment and archaeological clearance for the old Mariano Lake Trading Post business site at Mariano Lake, New Mexico in the Eastern Navajo Agency.

FT. DEFIANCE REGIONAL BUSINESS DEVELOPMENT OFFICE

A. Loans Reviewed & Renegotiated Payment Agreement:
   1. Reviewed loan package from Navajo Nation Hospitality Enterprise for the amount of $1,700,000 for construction of a 9,650 sq. ft. office building in Window Rock. The department requested more documents to complete the package.
   2. The loan package for Yanabah Tea Company in the amount of $120,000 is pending for final approval. Additional documents were received and attached to loan packet. Mr. Warren and Verna Lyons is the owner of Yanabah Tea Company. The loan is for operating capital to develop to product of Navajo Tea distribution throughout the country and possibly worldwide.
   3. January 12, 2010 – Met with Lafe & Kristen Damon regarding re-submittal of their BIDF Loan Package. The DED Approving Loan Committee on March 10, 2009 reviewed the loan packet and requested for additional collateral from Mr. & Mrs. Damon. The loan request was in amount of $150,000. At a later date Mr. & Mrs. Damon withdrew their loan request.
   4. February 17, 2010 - Ryan Wilson, Ganado, AZ, picked up loan application for small business loan.

B. Business Site Leases & Permits:
   2. Romero Brown, aba: Dine’Bi Ghan Development, Inc.; Received a proposed Business Site Lease for operation of Denny’s Restaurant on a 3.3 acre in Chinle, AZ.
   3. Navajo Nation Oil and Gas: Staff assisted NNOG on novation of two of their Business Site Leases for Texaco in Tse Bonito, NM and Chevron Station in Tohatchi, NM.

C. Number of Jobs Created:
   1. KM Computer Consulting: After receiving certification, the company hired one (1) employee.

D. Business Preference Certifications:
   1. Staff assisted Kelley Morgan (KM Computer Consulting) with certification to provide computer/troubleshooting services.
   2. Staff assisted Mardy Manning (Auto Styles & Truck Accessories) with certification to provide window tinting and truck accessories to the Navajo Nation Fleet Department. Mr. Manning has established business in Gallup, NM.
   3. Assisted Marvin Murphy, Iyanbito Chapter, with a Navajo Preference Certification packet. Mr. Murphy is looking at opening a survey business.

E. Other Projects/Activities:
   1. Submitted a payment for Henry Thomas, Red Valley Survey to resurvey That’s-a-Burger business site in Ft Defiance, Arizona. Our office received the land description from Office Youth Services, Ft Defiance, Arizona, that the business site lease maybe encroaching onto their development site.
   2. Attended a meeting with Richard Begay, NTUA Engineer, and Laverne & Darrell Bennett in reference to a business site lease in Ft Defiance, Arizona.
   3. Staff met with Calvin Castillo, BIA Roads, Harold Wauneka, Council Deleg, Yvonne Billison, Office of Youth Services, regarding a road clearance on the northeast side of the Presbyterian Church in Ft Defiance. The road is within the property of the Presbyterian Church and was verbally approved by the Pastor.
   4. Staff attended the RES Conference 2010 in Las Vegas, NV. Over 2,800 registered participants for the event which is held annually to bring tribes together for economic development in Indian Country. Three days of information on how to start a business, getting SBA 8A certified for government contracting and
procurement to provide goods and services to the federal government with other entrepreneurs to promote
economic development.

5. Elizabeth Stoney, Land Board Member from Ojo Encino Chapter requested information on business site
leases and requested a presentation on How to process Business Site Leases from our Program. She indicated
Eastern Regional Business Development Office is not providing them with assistance.

6. Staff met with Laverne & Darrell Bennett regarding the Indian Health Services Sanitation Clearance and
NTUA utilities that will be going into the business site.

7. Staff met with Alton J. Francisco, CET BIA – Division of Transportation, regarding an “Application for
Permission to Construct Driveway within BIA Right of Way” for Nizhoni Hair Salon, Ft Defiance, AZ.
Need approval for the clearance from the Navajo Area Office in Gallup, New Mexico.

8. Program Manager assisted with BIDF Corrective Action Plan

9. Program Manager assisted with revision of Micro-Enterprise Loan Program (MELP) Loan Process &
Procedures.

NORTHERN REGIONAL BUSINESS DEVELOPMENT OFFICE

A. Summary of Performance

<table>
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<tr>
<th>Quarters</th>
<th>Number of training &amp; presentations provided:</th>
<th>Number of BSLAs/Permits Reviewed &amp;/or Submitted for Approval:</th>
<th>Number of PSCs, ERs &amp; Certifications Submitted for Approval:</th>
<th>Number of Technical Assistance with plans, proposals, certifications, etc.:</th>
<th>Number of Loans Reviewed for Approval:</th>
<th>Number of Jobs Created:</th>
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<td>2nd</td>
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<td>2</td>
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B. Visitors and Technical Assistance Provided: 52

C. Business Site Lease (BSL) Applications

1. Navajo Transit System, contact: Lee Bigwater

D. Business Preference Certification Applications;

1. Issued & Assisted with 2 Certification applications; 2 reviewed
   a. LGS Construction, contact: Luke Sagg
   b. Interlinx Solution, contact: Corey Johnson

2. Technical Assistance with Business Proposals/Plans/Loans
   a. 3 Assisted with Business Plans
      1) Monument Valley Waste, contact: Wilson Gray
      2) Proposed Coffee Shop, contact: Cameron Nakai
      3) Navajo Transit System, contact: Lee Bigwater

E. Business Loans and Financial Plans

1. Micro Enterprise Loan Program (MELP) Applications: One (1)
   a. 1 MELP Application - Aneth, UT contact: TNez

F. Business Industrial Development Fund (BIDF) Applications: One (1)

1. Aneth, UT contact: TNez

G. Signature Authorization Sheet (SAS) Process;

1. SAS No. 3792; Intra-Governmental Land Use Agreement for NTS Substation in Montezuma Creek, UT.

2. Former Baby Rocks Trading Post business site Environmental Review request submitted to Real Estate
   Department (RED) on 4/14/2009; still pending after eleven (11) months.

H. Meetings/Seminars/Workshops Attended

1. Actual Meetings/Training Attended
   a. Meeting with BIA, NTS & Huddleston
   b. Meeting with NTS RE: IGA site
   c. Dennehotso Planning Meeting RE: community projects
   d. Meeting with ACDC & Bob Eaton RE: Utah Professional Plaza 3rd Wing
   e. NRBDO staff meeting RE: program updates, planning
   f. Meeting with CAP Task Force RE: DED Audit CAP Project at Chinle RBDO
1. Program Managers Meeting
2. Dennehotso Projects Coordination RE: community projects including Desert Meadows
3. Project Meeting RE: Desert Meadows with Denali’s Report
4. Meeting with ACDC RE: UPP building update
5. Meeting with CAP Team RE: Audit Response
6. Navajo Nation Opportunity Day
7. Meeting with Curtis Heeter/Aneth Court RE: Community Pilot Project
8. Dennehotso Projects Coordination Meeting RE: On-going projects, Desert Meadows
9. Community Housing & Infrastructure Department.-Dennehotso Project:
10. DED Management Meeting RE: 5 Year Plan
11. RFP Prospectives Meeting RE: Ratherford sites
12. Meeting with NTUA RE: Chapter Utilities Coverage
13. Meeting with ACDC RE: UPP building update
14. Meeting with RM Chapter RE: Recreational Complex
15. Meeting with MELP team RE: MELP P&P
16. Meeting with Dennehotso IG RE: Dennehotso Projects
17. Utah Rural Economic Development Conference
18. Meeting with ACDC RE: UPP building update
19. Meeting with Curtis Heeter/Aneth Court RE: Community Pilot Project
20. Meeting with Rocky Mountain Power RE: Utilities Projects
21. CLUP Meeting Re: CLUP projects planning
22. Dennehotso Commercial Development
23. Meeting with MELP team RE: MELP P&P
24. Meeting with Project Management & NNOG RE: Desert Meadows in
25. SAS Signing Party Re: NTS Intra-Governmental Land Use Agreement
26. Aneth Chapter Meeting RE: NRBDO Program Presentation
27. Meeting with Division of NR, RMP, NTUA, N-Chapters RE: ROW
29. Coordination Meeting RE: Community Development Projects

**SHIPROCK REGIONAL BUSINESS DEVELOPMENT OFFICE**

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<th>A. Number of Loans Reviewed and Renegotiated Payment Agreements:</th>
<th>B. Number of SAS (BSL’s and Permits) Submitted for Approval:</th>
<th>C. Number of SAS (Professional Service Contracts) Submitted for Approval:</th>
<th>D. Number of SAS (Small Business Loans) Submitted for Approval:</th>
<th>E. Number of Micro-Loans Approved:</th>
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</table>

B. Workshop 02/25/10: Individual Development Account by Edgar Tohtsoni
C. Self-employment-Stanford Jones, Stan Jonsey Welding
D. Self-employment-Bertina Cadman, Waterbird Catering
E. Professional Service Contract, Gipson Investments, Inc., for Business Site Appraisal, Shiprock, NM, SAS #3815
F. Dinétahdoó Cultural Resources Management Business Site Lease, SAS #3828
G. Five (5) Temporary Construction Jobs created for CJR Shiprock Properties, LLC Laundromat Construction Project
H. PSC Contract – Environmental Assessment addendum.

**WESTERN REGIONAL BUSINESS DEVELOPMENT OFFICE**

A)
1. No. of Loans reviewed & renegotiated Payment Agreement
   a. 4- BIDF Loan reviewed but disapproved loan.
   b. 1- Micro Enterprise Loan reviewed and submitted approval on 3-18-10.

2. No. of SAS BSL’s and Permits submitted for Approval
   a. SAS-3807, approving a business site lease for Blue Sage, LLC. Business to be located in Tuba City, AZ.
   b. SAS-3817, approving a business site lease for Barney Enterprise, LLC. Business to be located in Tuba City, AZ.
   c. SAS-3783, approving a business site lease for Western Indian Ministries, Tuba City, AZ.

   a. SAS 3712, approving a PSC for Axia Real Estate Appraisers to provide an appraisal for Burger King in Cameron, AZ.

4. No. of SAS Small Business Loans submitted for Approval
   a. None

5. No. of Micro-Loans Approved
   a. None

6. No. of Jobs Created
   a. One job was created by Yazzie Welding, NNOC.
   b. Two jobs were created by LW Electric, NNOC.
   c. Two jobs were created by Kelly Curry, NNOC.

B. Bittersprings commercial site is 4.0 acres in Bittersprings, Arizona west side on US Highway 89. SAS 3772, NN President approved ARRA funding ARRA EDA proposal package for $900,000.00 12-3-09. EDA application was submitted to EDA, Seattle, Wa. On 03-01-10. Project was put on 5 year plan for Bond Financing as an alternative to funding source.

C. Chilchinbeto commercial and industrial (13.0 ac.+ site for infrastructure in Chilchinbeto, Arizona. SAS 3773, approving ARRA funding of ARRA EDA proposal package for $1,800,000.00 was approved in January 2010 and submitted to EDA, Seattle, Washington on 03-01-10. Project was put on 5 year plan for Bond Financing as an alternative to funding source.

D. Coalmine Mesa commercial & light industrial site is 14.52 + acres & 18.93+ acres, Coalmine, Arizona. SAS 3770, approving ARRA funding for ARRA EDA proposal package for $1,445,000.00 was approved by NN President on 12-03-09 and submitted to EDA, Seattle, Washington on 03-01-10. Project was put on 5 year plan for Bond Financing as an alternative to funding source.

E. Kaibeto Commercial & Tourism Land withdrawal, 8 ac./Site C & 10 ac./Site D, 80 acres & 120 acres, Kaibeto, Arizona. TCRBDO did not include the 10 acres in the ARRA Economic Stimulus grant application due to lack of supporting documents.

F. Kerley Valley commercial & light industrial site (22 acres), Tuba City, Arizona. SAS 3771, approving ARRA funding for ARRA EDA proposal package for $5,220,000.00 was approved by the NN President in January 2010 submitted to EDA, Seattle, Washington on 03-01-10. Project was put on 5 year plan for Bond Financing as an alternative to funding source.

G. Shonto Junction Commercial/Industrial site, 10 acres @ Junction 98 & 160, Shonto, Arizona. NN Oil & Gas is interested in establishing a gas & convenience stores on Shonto commercial site. Shonto Community Governance and Project Development is working with Navajo Oil & Gas on the ARRA funding package.

H. TCRBDO Office Building Project, 8,000 sf, .93 acres, Parcel A, Block 4, Tuba City, Arizona. Contract no. C07731 was closed out. Contract no. CO7942 (7942-OC) for GPS, Inc. for land survey on the propose access road into Tuba City RBDO property & to provide a topography survey on .93 acres of the proposed property & the propose
access road with turn out from Peshlakai Drive was completed in November 2009. SAS 3769, approving ARRA funding for $2 Million for construction project on Tuba City RBDO proposed was signed by the NN President on 12-03-09 and submitted to EDA, Seattle, Washington on 03-01-10. Project was also put on 5 year plan for Bond Financing as an alternative to funding source.

I. Our office is working with Blue Sage Ventures, LLC, the company intends to construct a 30,000+ square foot facility for an Alco Store in Tuba City, Arizona. Blue Sage will build building and lease to Alco for a retail variety store. Alco expressed interest in hiring mostly Navajos. Tuba City will benefit by providing jobs, increase sales tax revenue & increasing revenue for the Navajo Nation.

K. Shawn Redd dba Redd/LiChee Corporation signed Settlement Agreement between the Navajo Nation. SAS 3748 a Mutual Termination of Lease on BSL No. TC-04-218 was approved by DED Approving Committee Committee, but not submitted for BIA approval due to a BIDF delinquent amount after the Settlement Agreement was approved.

M. Our office served six (6) Chapters which LeChee Chapter, ToNaneesDizi Chapter, Hardrock Chapter, Chilchinbeto Chapter, and Coalmine Chapter on economic development planning. Attended the District 3 Council meeting in Flagstaff, Arizona.

WHIPPOORWILL REGIONAL BUSINESS DEVELOPMENT OFFICE

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B. Conducted # of workshops/training/Chapter presentations:
1. Whippoorwill CLUP-Professional Service Contract Procurement
2. Indian Wells Chapter & ABC, Inc.-Presentation of Economic Study
3. Pinon Chapter & CLUP-Corporation Procedures
4. Indian Wells Chapter/CLUP/Dilkon NTUA-Project Developm’t.- by ETD,Inc.
5. How to Start A Biz on the Rez
6. Pinon Chapter/CLUP-Community Commercial Sites/Process for Lease
7. Entrepreneurship: Is it for you?
8. Internet Opportunities for Navajo Businesses

C. Meetings Attended Chapter, Planning, CLUP, Others
1. Hard Rock Chapter Planning Mtg
2. Coordination mtg w/Teesto Planner
3. NN Snow Emergency Coordination
4. Pinon Chapter Planning/CLUPC mtg
5. Pinon Chapter & ALCO
6. Jeddito Chapter mtg
7. Indian Wells Chptr/NTUA mtg
8. Pinon Chapter Planning Meeting
9. Pinon CLUPC meeting
10. MELP Task Force Meeting
11. Coordination mtg w/ETD, Inc & Indian Wells
12. Coordination mtg w/NNSC & RBDO
13. Indian Wells Planning Meeting
14. Whippoorwill Spring CLUPC

D. Documents submitted for Administrative Review Process (SAS Documents):
1. SAS 3814—Land Withdrawal proposal has completed SAS review, currently seeking sponsorship to present to EDC for approval during April 7th regular EDC meeting.
2. Emergency Operating Agreement completed and distributed to client, Matilda Haskan, former Dilkon Trading Post. Term is one year with option to renew for another year.
3. SAS 3825—Professional Service Contract Modification for Ironhorse Environmental Services, Incorporated Contract No. . Extending the terms of contract from March 31, 2010 to June 30, 2010; due to the harsh winter weather conditions, consultant has been unable to perform services as stated on the scope of work.

E. Assisted twenty-five (25) new clients.
1. Robert Ben Low Mountain Incorporation Inquiry
2. Thompson Joe Whippoorwill Coffee/Auto Shop Inquiry
3. George Begay Cottonwood Business Cards
4. Max Denny Whippoorwill Resolution Assist
5. Peter Sage Low Mountain Information/Inquiry
6. Art Jim Whippoorwill Information/Inquiry
7. Gabriel Jones Whippoorwill Information/Inquiry
8. Sam Honie Black Mesa Information/Inquiry
10. Miyuki Tulley Blue Gap Workshop info.
11. Marilyn Bainbridge-Kady Blue Gap Inquiry
12. Patrick Ashley Chinle Loan/Biz info
13. Carolyn Ben Pinon Business Start Up inquiry
14. Ben Halwood Pinon Information
15. Louise Sheppard Hard Rock Update information
16. Nora Yazzie Blue Gap Micro Loan inquiry
17. Dekovan Begaye Blue Gap Source Listing
18. Vincent Yazzie Hard Rock Mission Lease
19. Marie Gladuo Tuba City Rocky Ridge Store inquiry
20. Ed Flores Pinon Subway Promotion
21. Tomasita James Whippoorwill Loan Packet
22. Ruby Yazzie Pinon Business Inquiry
23. George Willie Whippoorwill Information
24. Tommy Tso Jeddito Information
25. LeRoy Jimmy Smoke Signal Low Mountain Site

D. EXISTING CLIENTS: 20 clients - Refer to A, B, C Listing
IV. STATUS OF ON-GOING PROJECTS, INITIATIVES & COA’S

SUPPORT SERVICES DEPARTMENT

A. Audit(s). Office of Auditor General BIDF Audit Report 10-06 “Corrective Action Plan” to be reviewed by the Budget and Finance Committee for their approval.
B. Audit(s). Working with KPMG, LLP for BIDF transactions for period ending December 31, 2009.
E. Network. Purchase network hardware to upgrade division’s capability for inter-office server-to-server connectivity.
F. 5-Year Plan. Prepare legislation, planning documents and financial analysis and discussion to implement the plan.
G. NCDFI. Continue work with Shareholders for implementing: Director appointment, CDFI application to IRS, and recruiting NCDFI CEO.

PROJECT DEVELOPMENT DEPARTMENT

A. The Department assisted the Administration with various projects and activities and representations.
B. The Department provided on-going technical assistance with chapters, division and staff.
C. The Department continues to coordinate with Navajo Housing Authority in addressing HUD concerns.
D. Continue to coordinate the dismantling of the former NFPI particle board plant
E. Continue to provide technical assistance to the Division staff, Navajo Nation Chapters and private individuals.

TOURISM DEPARTMENT

A. The Scenic Byway Program has been officially transferred to Navajo Nation Division of Transportation effective February 03, 2010. Files and pertinent information will be transferred during the third quarter.
B. Complete the construction, operation and management agreements or leases for Monument Valley and Sheep Springs Welcome Centers.

REAL ESTATE DEPARTMENT (RED)

A. Conducted training go certified chapters on the FY 2008 Business Site Regulations to three chapters: Sheep Springs, Newcomb & Naschitti Chapters
B. Conducted training at Chinle RBDO on Legal Land Descriptions, Appraisals Process, Archaeological clearance process.
C. Pending EA on the proposed ALCO General Store located in Chinle, Arizona.
D. Pending EA on the proposed Denny’s Restaurant located in Chinle, Arizona.

SMALL BUSINESS DEVELOPMENT DEPARTMENT

A. Division of economic development five year capital improvement plan.
   1. Sub-Committee of the Economic Development Committee; Projects (shovel ready) have identified by agencies; Presentations by Departments and Programs have been made to determine the Projects by Priorities.
B. Training Initiatives for the Regional Business Development Offices
   1. Program Managers and Economic Development Specialists, devised a course for training sessions for Program Managers and Economic Development Specialists;
      a. Employee Performance Appraisals; A course for the Program Managers on how to properly assess an employee’s job performance;
      b. Management and Leadership Skills; Instructing the Program Managers on how to be an effective and productive Manager.
   2. Office Specialist; Identified training sessions for the support staff (Senior Office Specialists, and Office Specialists;
a. Professionalism; A course for the support staff on how to communicate with tact and professionalism in the work place.

CHINLE REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Chinle
1. Quincy Natay-The Chinle RBDO has recommended that Mr. Natay’s project be included on the project ready list to obtain funding for the renovation and cleanup costs. The existing building need to be refurbished and the storage yard in the back need to be cleaned up.
2. Irene Bahe is still planning to relocate her tax service business to the former Injury Law Center business site. Continue to provide her with technical assistance to complete her business plan.
3. Chinle Chapter, CLUP, and Agency Meetings- Attend chapter meetings, CLUP Meetings, and Agency meetings in support of initiative towards economic development.
4. Blue Sage Ventures, L.L.C. –SAS Process and Lease Approval for a new business site lease is anticipated by April 5, 2010. Environmental Review from Navajo Real Estate Office is pending for some survey corrections and continued being processed by Mr. Larry Manuelito.
5. Navajo Communications, Inc. – Client is working on a new legal survey/description and the Chinle RBDO is working on procurement clearances. Approval is anticipated by the middle of May 2010 or sooner.
6. Denny’s Restaurant – This proposal was finalized and transferred to Fort Defiance RBDO on February 8, 2010, upon request by Romero Brown, client and per request of Department Manager.
7. Emmett Bia will need to submit a Letter of Intent to Novate his lease in Chinle, Arizona which is being subleased to Giant Four Corners, Inc. Sublessee wishes to novate and modify the sublease to eliminate the dual gasoline taxes being paid by the company.
8. Fleming Begay/(and his late wife, Helen Begay, deceased), will need to submit a Letter of Intent to Novate his lease in Chinle, Arizona which is being subleased to Giant Four Corners, Inc. Sublessee wishes to novate and modify the sublease to eliminate the dual gasoline taxes being paid by the company.
9. Woody’s RV Park & Campground – former Valley Store Trading Post needs clean up.
10. Applicants, Alice and Lilly Woody are working on a business plan and financial projections together with designs and plans for an RV Park & Campground. A letter drafted for Program Manager’s signature to the Tourism Director requesting technical assistance for planning and designs. Hopefully, a response will be made from Tourism in March/April 2010. The former Industrial Development Specialist, Jack Anderson, was instrumental in giving direction and recommendations. He is presently retired from his position at Tourism Office.
11. Ferrellgas Company officials in Liberty, Missouri, expressed in applying for a new lease on the existing site and indicated they would submit a Letter of Intent. This project is for a new lease and is pending this letter of intent for a new business site lease under the new Business Site Lease Management Plan. Business is without a lease since the prior lease expired.

B. Lukachukai
1. Michael Garrity- Completing business plan for application of business site lease at Lukachukai, AZ.

C. Many Farms
1. The former Many Farms Laundromat business site was put on the Five Year Plan for cleanup and site improvement. Have an applicant who is interested in the site if it is cleaned up.
2. The former Jack and Jill Café business site is on the Five Year Plan for cleanup and site improvement.
3. The former Ernest Claw’s is on the Five Year Plan for clean up and site improvement.
4. Giant Four Corners, Inc./Western Refining submitted a Letter of Intent requesting novation and modification of business site lease No. CH-82-74 in Many Farms. Anticipated approval will be the end of the third quarter.

D. Nazlini
1. The former Nazlini Trading Post is on the Five Year Plan for demolition and cleanup.

E. Rock Point
1. Giant Four Corners, Inc./Western Refining – New Business Site Lease submitted to SAS Process and Lease Approval by the DED Approving Committee is projected by April 5, 2010.

F. Tsaile/Wheatfield
1. Crossroads Convenience Store – New Lease package to be submitted for SAS process to DED Approving Committee for approval. Plans are to have the approved Lease in the hands of the Lessee by June 1, 2010. Project was added to the Five Year Plan for infrastructure developments.
2. Tsaile Laundromat & Carwash proposal by Mr. and Mrs. Joe Edison need to determine which Lease they will utilize. Approval was granted by the Economic Development Committee August 16, 2006, utilizing the Lease approved by the Navajo Nation and BIA. The other option is to use the new Lease under the NN Business Site Lease Management Plan which would require negotiation of a new Lease and present to the DED Approving Committee for consideration of approval. Projected completion date for the Lease will be the first part of the fourth quarter.

3. Rita Thomas is interested in a business site lease at the former Wheatfield Lakeside business site. However, the site has NEPA environmental concerns that need to be addressed before Lease can be considered. Environmental clean-up should be completed by January 2011.

G. Cottonwood
1. Alberta Gorman-Bahe is seeking approval of the former Gorman Trading Post business site. Site was added to the Five Year Plan for funding of a new water supply, wastewater, and gas lines.

2. Judy Toadlena plan to make application for a business site lease for a proposed Dollar General business. She is working on her business plan.

EASTERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. T’iis Tsoh Mini-Mart: Eastern RBDO continues to work with the Alamo Chapter, School Board and tenant, Sandia Oil Company, on securing a new wastewater system that will allow Sandia to open the Laundromat. A contract is currently in place with JEL & Associates to complete the design & engineering of the new sewer lagoon. Partial construction funds are in place once designs are complete and phase I construction bidding may be begin soon after. ERBDO and the Alamo Chapter will continue seeking additional funding to complete the project.

B. Interstate 40 Corridor Feasibility Study: No funds available for ERBDO to complete the project. Considered an incomplete closed-out project due to fraud.

C. Iyanbito Business Site: Awaiting an Environmental Review approval from Real Estate Department for this lease. The lease will then begin the SAS Review process for approval.

D. Eastern Navajo Office and Retail Complex: The Project is in the preliminary development phase with all the necessary land clearances completed. Funds from the New Mexico State Legislature have been utilized to develop a Master Plan for this 10-acre project site. This Master Plan includes the planning & design of infrastructure, including utilities and roads for the site. Construction will follow when funds are secured. The Master Plan project is now complete. The project architect also provided design plans for the Wellness Center and is working on design plans for the Office Complex, which will be utilized to seek possible ARRA funding.

E. Crownpoint Business Development Project I: The project site is a ten-acre tract, adjacent to the Crownpoint Shopping Center, a prime area for retail development. The land survey and archaeological clearance and environmental assessment have been completed. The land withdrawal recently completed the review process and was approved by the Economic Development Committee. The proposed development includes; a restaurant, storage space, car wash, lube & oil shop, and possibly a hotel. Various individuals are interested in developing these businesses. This 10-acre tract has been advertised as available for lease in media outlets starting in January 2009. However, no formal responses.

F. Mariano Lake Business Site: This is one of the proposed (10) convenience store project sites. A local entrepreneur plans to develop a light manufacturing business and trading post at this site, and is working on developing a business plan and seeking funding options for this project. An updated land survey is complete, but an updated archaeological clearance and environmental assessment are needed. Mariano Lake Chapter will utilize its funds for these clearances. This project is part of the proposed C-store proposal project that will be submitted for potential ARRA funding.

G. Churchrock Convenience Store: The project will be located on the Churchrock Industrial Site. The land survey, archaeological clearance and environmental assessment for this project are completed. The client submitted a final business/financial plan for the project. An A&E firm is working to assist with planning, design & feasibility services. Construction funds are also being sought at this time. This project is also a part of the proposed C-store proposal that will be submitted for ARRA funding.

H. Chichiltah Business Site: The project involves the development and construction of an electrical contractor shop on a one-acre site in the northwest corner of NM State Highway 602 and McKinley County Road 6. The land survey, archaeological clearance and environmental assessment are completed. The land withdrawal process is now in progress. Once the appraisal is completed, the business site lease agreement will be processed for approval.

I. Counselor Business Site: ERBDO is working with Red Mesa Trading Company on completing a business site lease for the Counselor Trading Post and Rentals. The land survey, environmental assessment and archaeological clearance and appraisal have all been completed. A re-drafted lease was submitted to Red Mesa for their review, and they will provide us comments on the GMAR. Soon after, we plan to begin the SAS review process on this lease. Currently,
an Emergency Management Agreement (EMA) with Red Mesa Trading Company to manage the Counselor Trading Post and lease properties is still in effect. The property is located on Navajo Nation Fee Land recently purchased by the Navajo Nation for Counselor Chapter. ERBDO will initiate a master plan with the Chapter once the land purchase completion letter is received from Land Administration and when funds are secured.

J. Crownpoint Checkerboard Refuse Disposal Business Site: The Project is assisting an existing business secure a 2-acre site for a formal business site lease. An attempt to use an existing driveway for the business was not given consent which has caused delays in the project. ERBDO and client are working with N.M.D.O.T. to develop another driveway. Once this is completed, ERBDO will begin the land assessments and clearances. Once the land clearances are completed, the lease agreement will be initiated and should be completed in the 2nd quarter of FY2010

K. Crownpoint Auto Repair Business Site: ERBDO is working with client on a business site lease located on BIA Administrative Order Land. A land survey, environmental clearance, archaeological clearance and appraisal have been completed for this site. Eastern RBDO is now in the process of completing a Master Permit for the site. The Navajo Nation can then negotiate a Sub-Permit (BSL) with the lessee for the site.

L. Crownpoint Business Development Project II: The project is within preliminary development phase of a 4.27 acres former business site. The site was divided up into 4-small parcels. The re-survey of the site is complete and it was advertised for development in January 2009 however, no response. ERBDO is in process of seeking funds to complete the archaeological clearance and environmental assessment.

M. Highway 550 Corridor Project: This Project consists of seven (7) Chapters (Counselor, Whitehorse Lake, Torreon, Ojo Encino, Pueblo Pintado, Nageezi and Huerfano). A market and economic feasibility study has been completed for this region and the study has identified prime business sites for economic development. For Counselor Chapter, as stated under “I”, the preliminary development phase is still in progress. The Nageezi and Huerfano Chapters have initiated their planning in developing a Poultry Production Plant, however this project is at a standstill and these two Chapters want to work with the Shiprock RBDO. The Torreon, Ojo Encino and Pueblo Pintado Chapters have been working directly with the Tourism Office on their tourism projects relating to the Chaco Canyon Historic National Park and periodically, technical assistance is provided to these three chapters. ERBDO has provided technical assistance to the Whitehorse Lake Chapter and the preliminary development phase for their project will be initiated when land is identified for business site development and some funds are identified and secured. The project cost for the preliminary and planning phases are approximately $500,000.

N. Joint Venture with Navajo Nation Oil & Gas: This project involves the design and development of ten (10) C-store/gas station sites throughout Navajoland, in conjunction with Navajo Nation Oil & Gas Company and Project Development Department. The potential sites are; Churchrock, Crownpoint, Mariano Lake, Ramah, Shonto, Leupp, Naschitti, Lupton, Dennehotso, and Ojo Amarillo. The Eastern RBDO is involved in gathering clearance and infrastructure documentation from the chapters and RBDOs in order to assess if each project is shovel ready. The first application for ARRA funding will be submitted on March 30, 2010.

O. Other Projects: Other ERBDO projects that are being worked on, but don’t have the same priority as Items A through O are listed as follows:

1. Old Smithlake School Business Site Lease
2. Crownpoint Land Acquisition for Economic Development Purposes
3. Prewitt/Baca Economic Development Projects
4. Thoreau Commercial Development Projects
5. Crownpoint Executive Order Land Business Leases
6. Crownpoint Infrastructure Development Project
7. Manuelito Economic Development Projects

P. Small Business Development (Technical Assistance/Feasibility Study/Training): The ERBDO is continuously providing services to clients with technical assistance in business start-up, business retention, business plans, business site leasing, loan packaging and individual development accounts. These services are provided on an individual basis or during workshops. Numerous Chapters are assisted with identifying funds for economic feasibility studies and master planning in their local areas, and various organizations are partnering with ERBDO to implement entrepreneurial training. A workshop was recently completed and a new workshop series is being developed, which will begin in the spring of 2010. These workshops focuses on training and educating Navajo entrepreneurs by providing basic knowledge in operating and managing a business.

FT. DEFIANCE REGIONAL BUSINESS DEVELOPMENT OFFICE

A. Joe R. Mora, Inc., Burnside, AZ – During Ganado Chapter’s Quarterly Meeting held in Albuquerque, NM on March 2, 2010 a report was given indicating no type of potential business is interested. Therefore, the Chapter official will
work closely with Patrick Sandoval, Chief of Staff with Office of the President and Vice President, in getting a potential hotel and restaurant business.

B. **Ganado Plaza, Ganado, Arizona – Sandia Oil, Inc.** – The Business Site Lease package is put on hold by Sandia Oil Company, Inc., due to unresolved water and sewer issues at the proposed Ganado Plaza. Numerous meetings have been conducted with the Chapter Officials, Council Delegates, NTUA, and BIA Roads to resolve the water and sewer issues. A meeting regarding water and sewer issue was scheduled on March 2, 2010, but Chief Executive Officer, Doug Adams with Sandia Oil, Inc. had an emergency that day. Mr. Adams informed our office on March 16, 2010 that he is scheduled to meet with Sage Memorial Board and Chief Executive Officer next week.

C. **Nizhoni Hair Salon, Ft Defiance, Arizona – Laverne Bennett** – The Business Site Lease is submitted to Real Estate Department (RED) for archeological clearance. RED informed the program that once the ground dries up the Archaeological Technician will complete the request and provide a clearance letter for Historic Preservation signature.

D. **Lincoln Electric Corp, Ganado, Arizona – Dave Lincoln** – Lincoln Electric is proposing development at the former McCray site in Ganado, Arizona. A chapter support resolution has been approved and submitted. Out program is requesting for updated survey of the site.

E. **Denny’s Restaurant, Romero Brown, dba: Dine’ Bi Ghan Development, Inc. Chinle, Arizona** – a business site lease is being proposed on 3.03 acre tract of land in Chinle, Arizona. On February 8, 2010 the Ft. Defiance RBDO was assigned this project. Several clearances are missing and our program is in the process of obtaining them.

F. **J&V Trading Post, Tohatchi, NM** – Staff met with Tohatchi Chapter Officials on March 3, 2010, to discuss options regarding the Tohatchi Post Office which is due to expire soon. Due to Lessee’s serious delinquent account, our office is unable to renew the business site lease. On March 12, 2010, staff met with Tohatchi Area of Opportunity & Services, Inc. to discuss the possibility of TAOS to temporarily obtain lease so the Postal Services will continue.

G. **Coyote Canyon Trading Post, Coyote Canyon, NM** – Staff met with Coyote Canyon Chapter on March 2, 2010 to discuss possible land withdrawal north of Navajo Route 9 in Coyote Canyon. There is about 10 acres available for withdrawal to build a gas station, convenience store, and laundry mat.

H. **Chapter Outreach:**
   1. **Ganado Chapter:** Staff attended a Quarterly Meeting with Ganado Chapter in Albuquerque, NM on March 2, 2010. The purpose of the meeting was to provide updates on the current business site leases and get reports from the proposed business owners. Tony Perry, Dept. Manager with Project Development Department reported that he met with CEO with ALCO. ALCO is proposing development at the following sites Tuba City, Kayenta and Chinle.
   2. **Klagetoh Chapter:** A small business workshop was conducted on January 9, 2010 at the Klagetoh Chapter. The training was attended by 15 people including the Chapter Officials and Council Delegate, Orlinda Smith-Hodge. The topics covered were, Preparing for Business Ownership on the Navajo Nation, Business Plan Writing, Marketing, and Legal Structures. Another workshop on “How to write a Business Plan” is scheduled for March 27, 2010.
   3. **Steamboat Chapter:** Staff assisted Liz Johnson of Cornfields Chapter with land withdrawal process.

**NORTHERN REGIONAL BUSINESS DEVELOPMENT OFFICE**

A. **Aneth Chapter**
   1. Navajo National Bank (NEW) proposed in Montezuma Creek, Utah on 24+ acres withdrawn for commercial development; still is pending incorporation filing by the sponsor and still no activity from sponsor as of 12/16/2009. Contact: Mark Maryboy INACTIVE FILE
   2. DKM Car Wash (new BSL) proposed in Montezuma Creek, Utah with completed appraisal and business plan; pending selection of a new site west of Highway 262 due to gas right-of-way and drainage issues but NO interest displayed by sponsors. Contact: Andorra Holly or Parnell Thomas INACTIVE FILE
   3. Todacheenie Mechanic Shop (new BSL) proposed in Montezuma Creek, Utah (within the Commercial Site tract) with completed legal survey; is STILL pending completion of business site lease application and business plan. Contact person: Howard Todacheenie INACTIVE FILE
   4. Aneth Chapter Bingo Hall and Restaurant (new BSL) proposed in Montezuma Creek, Utah pending agreement between the State of Utah and the Navajo Nation and Aneth Chapter. Inactive file listing due to no activity by sponsor. Contact: Mark Maryboy INACTIVE FILE
   5. Mussi Café (new BSL) pending land relinquishment by the State of Utah to the Navajo Nation and business plan submittal by Elaine Topahe. Division of Natural Resources is still proceeding with negotiations before finalization of the land relinquishment.
6. Riverside Country Store and Gas Station (NEW) proposed in Montezuma Creek, Utah - pending return of the Business Site Lease application and Business Plan by the sponsor including selection of a suitable location; still no activity from sponsor as of 12/16/2009. Contact: Mark Maryboy INACTIVE FILE.

7. Utah Dineh Professional Plaza in Montezuma Creek, Utah on 5.32 acres business site. Contact: Aneth CDC, Victor Dee, Executive Director; is now:

8. US Postal Service tenant referred to lessee Aneth CDC.

9. Navajo Transit System Substation in Montezuma Creek, Utah on 2.21 acres. Contact: Lee Bigwater, Department Manager III.

B. Dennehotso Chapter

1. Baby Rocks Convention Center (NEW) proposed in Dennehotso, Arizona is pending:
   b. Pending Environmental Review by RED and HPD.

2. Desert Meadows Development Site proposed in Dennehotso community has been finalized and submitted for USDA funding for fuel station, convenience store and laundromat. Contacts: Katherine Benally/Council Delegate and Asa Begay, CLUP President/Dennehotso Chapter

C. Mexican Water Chapter

1. Teec Nez Iah Giant Store (current BSL) owner seeking business site lease termination pending completion of NNEPA UST cleanup by the owner. Contact: Ray Horton


D. Oljato Chapter

1. Oljato Trading Post BSL in Oljato, Utah was verified by BIA as a legitimate BSL. Evelyn Y. Jensen, lessee, reports that the trading post business closed in 2004 due to negative earnings but operates a horse touring business from the site intermittently. This BSL is pending resolution with Ms. Jensen regarding change from a trading post business to a touring business, is pending a response from Lessee to modify or terminate lease due to noncompliance with GMAR payments. Certified letter sent to Lessee.

E. Red Mesa Chapter

1. Red Mesa Recreation Center proposed initially in 1994 is reopened with a chapter resolution; pending business site lease application and business plan completion, and seeking capital funding. Contact: Herman Farley

F. Teec Nos Pos Chapter

2. Former Teec Nos Pos Arts & Craft Store (terminated BSL) proposed now for the chapter to produce a resolution for a different business purpose at this location; pending remodeling to be coordinated with Teec Nos Pos Chapter. Contact: Roy Kady with Teec Nos Pos Chapter

3. Frank’s Grocery and Fina Station (NEW) proposed for sale awaiting the results of the ongoing appraisal to establish sale and annual rental values. Sponsor will set a sales negotiation meeting as soon as possible. Contact: Joseph Wilson

4. Teec Nos Pos Travel Center-Restaurant and Hotel, and Truck Stop (NEW) new business site lease application and business plan pending with the prospective owner. Pending capital funding. Contact: Floyd Kurley.

5. US Postal Service (Existing) tenant agreement is pending a response from USPS.

6. Four Corners Water Resort & Heritage Center (new BSLA) proposed by the Whitehorse Corporation to build a water park and resort (hotel, spa and etc) along with a cultural center on an estimated 60 acre site. Contact Wesley & Cedric Bileen

SHIPROCK REGIONAL BUSINESS DEVELOPMENT OFFICE

A. Received four quotations from four consultants to conduct addendum to original EA for Desert View Funeral Home located in Shiprock, New Mexico. Packaging the professional Service Contract for SAS process.

B. Montano Enterprises, New BSL-add additional land for wrecking and salvage yard. Clients working with Accounts Receivable to analyze their accounts in order to update delinquent account.

C. Ayani Neez, Inc., New BSL-renegotiate rental rates should be completed by April 2010.
D. Shiprock Trading Post, BSL cancellation-pending cancellation document from BIA Real Estate Office.
E. Harry Franklin, Sr., Sublease Modification-Lessee waiting on sublease modifications to be signed-off by BIA; then negotiate with Giants Four Corners to obtain Lease Assignment.
F. Sheepsprings Express, New building construction-plans, designs, contingent upon highway 491 construction.
G. Sanostee Trading Post, BSL termination-pending Sanostee Chapter support resolution requesting to return business site to chapter. Met with Chapter President and he assured the office a support resolution is forthcoming.
H. Shiprock Office Partners, LLC, Lease Modification-waiting on Lessee and Surety to sign off on lease modification document to be process thru SAS.
I. Red Rock Retailers, LLC, DBA: Shiprock Quick Stop; New BSL-collecting documents to obtain a new lease contingent upon BIA cancellation document.
J. Mettler & LeCuyer, P.C., New BSL-collecting documents to obtain a new lease.
K. BIA BSL #SR-86-104 Jeffrey S. Manning That’s A Burger; To novate upon Bank’s consent.
L. BIA BSL #SR-04-188 AMMJ, Inc. DBA:The Rock Storage: To novate upon Bank’s consent.
M. BIA BSL #SR-07-193 AMMJ, Inc. DBA: Car Wash: To novate upon Bank’s consent.
N. Proposed Novation of BIA Lease #SR-07-193, Home for Women and Children #1:Procurement clearances process.
O. Proposed NN BSL Home for Women and Children #2: Appraisal requested.
P. Proposed NN BSL Toadlena Trading Post, Mark Winter: Upon procurement clearances, will issue Revocable-Use Permit.
Q. Proposed NN BSL Shiprock Navajo Fair, Inc.: Survey requested; upon procurement clearances, will issue Revocable-Use Permit.
R. Proposed NN BSL Roy Badonie Mobile home Park: Upon BIA relinquishment of land, will proceed.
S. BIA BSL Truck & Travel Center: Upon BIA’s review, will determine next action.
T. BIA BSL Jimmie Garnenez, Sr.: Upon GMAR delinquent account clearance, will re-survey and modify. NN EPA put on FY’10 List for UST Geophysical Investigation.
U. Paid $2,000 for the completion of a feasibility study for Floyd Kurley, Hotel project in Shiprock, NM.
V. Working with MELP taskforce to complete policies and procedures.
W. Working with taskforce members to complete projected projects for 5 years.
X. Working with BIA Realty Office to resolve business site lease issues.
Y. Arnold’s Conoco – Working with client to assemble lease package. Client requested assistance from NNEPA to remove USTs.
AA. CJR Shiprock Properties (Strip Mall) – Working with client to assemble lease package.
BB. Design Data Solutions – Working with client to assemble lease package.
CC. Lester Wilson & Irma Henderson – Business Site Lease is at BIA pending a judgment of responsibility for UST clean-up at business site and water rights claim by applicant
EE. White Mesa Materials – Submitted Business Site Lease to BIA for approval. BIA waiting for insurance documents. Requested letter to show cause from BIA.

WESTERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Business Site Lease (BSL) for clients @ RBDO
   1. Anderson, Michael
   2. Barney, Danny
   3. Bitsoie, Julie
   4. Bigthumib, Tracy
   5. Black Mesa Shopping Center
   6. Blue Sage Ventures L.L.C.
   7. Begay, Myra A.
   8. Edward Cheatwood (Foundation)
   9. Giant Four Corners (Tuba City)
   10. Harris, Tincer & Lisa
   11. Holgate, Carol H.
   13. Keetso, Gerald & Leslie
   14. Martinez, Deborah
   15. Martinez, Deborah

New Lease
Operating Expired Lease
New Lease
New Lease
New Lease
New Lease
New Lease
New Lease
Lease Amendment (Acreage)
New Lease
Revocable Use Permit
Lease Modification – Rental
Lease Termination
Lease Modification
Collateral Assignment of Lease
16. Martinez, Deborah  
   New Lease
17. Maverick Helicopter Tours  
   New Lease
18. Mike, Richard (Cameron)  
   BSL Assignment
19. Mike, Richard (Kayenta)  
   BSL Modification
   New Lease
21. Redd, Shawn  
   Mutual Termination of Lease
22. Southwest Trading Log Homes  
   New Lease
23. Talsaft, Daniel & Matilda  
   Lease Amendment (Acreage)
24. Tsingine, Walter  
   New Lease
25. Tuba City Express  
   BSL Renewal
26. Western Sunshine, Inc.  
   Unilateral Lease Termination
27. Alex Riggs, Sr.  
   Revocable Use Permit
28. Alvin Tso  
   Settlement Agreement
29. Western Indian Ministries, Inc.  
   Lease Agreement
30. Wood, Sam  
   Conditional Use Permit

B. Land Withdrawal Transactions
2. Gap – commercial, 100 acres. NN RED is doing the archy. survey/report.
3. Tuba City – commercial, 1 and ½ acres - pending
4. Kaibeto Chapter – commercial/tourism, 10 acres & 8 acres. Chapter working on master plan w/ NAU.
5. Veteran’s Memorial Park – Completed.
7. Tonalea Chapter – Land Withdrawal completed. Chapter seeking funding for master plan.

C. BSL and Land Withdrawals approved by NN President’s Office
1. Lease for Western Indian was approved by NN Vice-President on 1/05/10.
2. NN Real Estate & BIA BSL Pending
3. Tauna Ashcroft, Crossroads T.P., Inscription House, Arizona, Lease Modification (Novation) (recording at BIA)
4. Crossroads Convenience Stores, Inscription, Arizona, BSL Assignment (recording at BIA)
6. Giant Industries, Inc., Tuba City, Arizona, BSL Assignment (recording at BIA)
7. Giant Industries, Inc., Tuba City, Arizona, Lease Modification (Land survey) (recording at BIA)
8. Junction Enterprise, Inc., Cameron, Arizona, Lease Modification (Novation) (recording at BIA)
9. Junction Enterprise, Inc., Cameron, Arizona, Lease Modification (Rental) (recording at BIA)
10. Red Mesa Trading Co., Inc., Gap T.P., Lease Assignment (recording at BIA)
11. Thriftway Marketing Corp., Tuba City, Arizona, BSL Modification (Novation), (recording at BIA).
12. Thriftway Marketing Corp., Tuba City, Arizona, BSL Assignment (recording at BIA)
13. Lorenzo Fowler, old Cowsprings T.P., Tonalea, Arizona, new Lease (& recording at BIA)
   a. Roy & Marlene Walters, Cameron, Arizona. Lease Modification (Novation)
      (recording at BIA).
   b. Western Sunshine, Inc., Cameron, Arizona. Unilateral Lease Termination
      (recording at BIA)
14. Western Indian Ministries
17. Unilateral Termination of Lease no. TC-96-159 between the Navajo Nation & Royal Churchill, dba Chief Propane, Kayenta, Arizona (at BIA for signature of Secretary of Interior)
18. Unilateral Termination of Lease no. TC-04-216 between the Navajo Nation & Dine Propane, Inc., located on Shonto Commercial & Light industrial site (at BIA for signature of Secretary of Interior)
19. Lease Modification (Novation) of Lease no. TC-86-109 for Stan & Maxine Patterson, Kaibeto, Arizona
    (recording at BIA)
20. Lease Assignment for Lisa & Tincer Harris, Kaibeto, Arizona (recording at BIA)

D. BSL – Approved by BIA for recording - Completed
1. Kew L. Bennett-BIA notified office that BSL was recorded on 2-23-10.

E. NBP Certification or Recertification Approved and Completed
2. Kelly Curry, Tuba City- New Certification.

WHIPPOORWILL REGIONAL BUSINESS DEVELOPMENT OFFICE

A. BSL/Permit Transactions Reviewed & Package:
5. Rocky Ridge General Store – Mutual lease termination ceased until lessee comply to current tank inspection and compliance letter is issued.

B. Business Proposals/Plans/Site Development/Contracts Assisted:
1. Beck’s Traders – Base lease distributed by Real Estate Department. Sub-lease agreement w/USPS being reviewed by our office.
4. Former McGee’s Trading Post – Received an update from Ms. Freida White of Navajo EPA, project is still on the listing for site assessment sometime in April 2010 to August 2010.
5. Former Low Mountain Trading Post – Ironhorse Environmental Services, Inc. was selected for clean-up project. No work has been done due to the harsh and unexpected weather conditions. Ending date being modified to complete June 30, 2010. SAS in process.
7. Navajo Oil & Gas Company - BSL No. CH-03-126, dba: Blue Gap TP has been submitted for lease modification. SAS 3827 has been initiated for novation.
8. Indian Wells Junction Commercial Development – ABC, Inc. completed the Market Feasibility Study and presented to Whippoorwill RBDO and Indian Wells Chapter Officials. Study is positive and the Chapter is determine to complete site development.

C. Business Certification/Corporation Packages:
1. Robert Ben, Dineh Concrete Company, Inc.-assist with research for pricing and testing material and other licensing requirements.
2. SAS#3825-Professional Service Contract for Ironhorse Environmental, Inc.
3. SAS#3826-BSL Novation for NN Oil & Gas, Inc.
4. SAS#3827-BSL Novation & Lease re-newal for Micheal Nelson Assc., Inc.
5. SAS#3823-BSL Modification for Giant Four Corners, Inc. Dilkon Store.

D. Loan Package Completed:
1. None completed, however, 2 is pending completion. Several clients lost interest when they found out how much paperwork it will take.

E. Number of Jobs Created:
1. Navajo Nation Oil & Gas-Blue Gap 9
2. U.S. Postal Service – Pinon 3
3. Rocky Ridge General Store - Hardrock 2
4. Hoosh Dooh Dii To Development, Inc. - Whippoorwill 2
5. Giant Store – White Cone 13
6. Mustang Store – Dilkon 9
7. True Value – Dilkon 5
8. Church's Chicken – Dilkon 8
9. Historic Bitahochee Trading Post, Inc. 1
10. Barton’s Southwest Builders, Inc. – Dilkon 2 (Perm.) 8 (temp)

Total: 62
V. STATUS OF ACTION PLAN (A,B & C LISTS)

SUPPORT SERVICES DEPARTMENT
A. Developing FY2010 Second Quarter Work Plans by each individual staff.

PROJECT DEVELOPMENT DEPARTMENT
A. Continue to administer the development of New Lands Shopping Center, Ganado Shopping Center and Rubber Gloves Manufacturing Facility and other projects.
B. Continue to provide technical assistance to the DED staff, Navajo Nation Chapters and private individuals.

SMALL BUSINESS DEVELOPMENT/REGIONAL BUSINESS DEVELOPMENT OFFICES
A. For A,B,C Priority list, refer to Attachment “B”

VI. OUTSTANDING PROGRAM ISSUES

SUPPORT SERVICES DEPARTMENT
A. Misuse or overuse of Request for Direct Payment (RDP) requisition by management and staff when use of Purchase Requisition is more applicable.
B. Fleet Management Vehicle Citations. The general public notifies Fleet Management of Navajo Nation vehicle alleged traffic infractions, which more or less has not deterred frequency of Fleet Management reports to the division. Most public reports are unsubstantiated and often result in additional work to justify or counter the public’s claim of an alleged traffic infraction. Program is not certain as to whether Fleet management’s Public Claim Program is effective to the Navajo Nation.

PROJECT DEVELOPMENT DEPARTMENT
A. Continue to plan and develop the economic development projects and activities although lack of adequate funds.
B. Although the Department is one of the most efficient and productive Department within the Division of Economic Development, the Economic Development Committee was very negative and critical of the Department staff and accomplishments during the Fiscal Year 2009 Budget process. This has affected the morale and working relationship with the committee and Division Director. Several Conditions of Appropriations and Legislature concerns were placed upon the Department. The Committee and Division Director should be more supportive of the Department and Staff.
C. The Department of Justice has involved Design and Engineer Service into the preparation of AIA documents and contracts for architects, contractors, engineers and it has delayed the start of various projects and designs and constructions.
D. Delay in the processing of contractor’s pay requests has delayed the shopping center infrastructure work. The companies fabricating the equipment require an advance payment before the work begins. The contractor’s payroll for the employees was also delayed.

SMALL BUSINESS DEVELOPMENT DEPARTMENT
A. The Small Business Development Department continues to assist the Regional Offices with financial aid for their various economic development related projects, since the programs were not sufficiently funded.

CHINLE REGIONAL BUSINESS DEVELOPMENT OFFICE
A. We need the policies and procedures for the BIDF Loan Programs, MELP and small business loan, amended as soon as possible.
EASTERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Because of insufficient FY2010 Budget for proposed projects, ERBDO is continuously seeking outside funding sources to supplement tribal budget.

FT. DEFIANCE REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Staff involved with Division’s five (5) year Economic Development Plan by Agency.

NORTHERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. ENVIRONMENTAL REVIEWS submitted to RED take a long time.
B. Current Office Building
   1. Dilapidated restrooms need repairs

SHIPROCK REGIONAL BUSINESS DEVELOPMENT OFFICE
A. No actions on pending Leases by BIA Real Estate Office.
B. BIA leases needing action are years overdue, such as GMAR delinquencies, compliances, etc.

WESTERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. BSL Management Plan is still being addressed by Program Task Group.
B. MEJLP Guideline is still being addressed for revisions by Task Group.
C. Lack of funding for program and projects.

WHIPPOORWILL REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Professional Service Contract w/iina ba, inc. (Environmental Study) completed and paid out.
B. Beck’s Traders’ business site lease has been distributed by Real Estate Dept. and client is preparing to submit annual rental payment.
C. Emergency Operating Agreement issued to Matilda Haskan, formerly known as Dilkon Trading Post. Survey discrepancy was resolved.

VII. PROBLEMS/RECOMMENDATIONS

PROJECT DEVELOPMENT
A. Timely payments for services are required to implement the planning and development process. Delayed payments have detrimentally affected the business relationships with clients.
B. A need for more funding for development projects continue to exist and possibly identifying a source of revenue stream of economic development projects and activities.
C. The SAS process to approve and execute contracts and agreements is still time consuming that ultimately affects the planning and development process.

TOURISM
A. The state of the national economy may result lesser number of visitations to the Navajo Nation this tourist season which may affect FY’2010 projected HOT revenue.
B. Continue to work with the Scenic Byway and Enhancement projects. Begin dialogue with NM chapters and NM Scenic Byway Coordinator to bring those roads that are on the Nation on the Navajo Scenic Byway project list.
C. Tourism staff to initiate a campaign to promote a positive image and productive department within DED, the Nation and domestic audiences.

REAL ESTATE
A. The lease database continues to be updated with information from cooperating departments, such as Project Development, Tuba City RBDO and Shiprock RBDO. This information is vital because it assists in the possible re-adjustments of appraisals done by fee appraisers and provides a more accurate view of the commercial lease market on the Nation.

B. An initiative has been taken by the Appraisal Section to use a free trial offer from Marshal & Swift to begin calculating building costs for improvements on leased properties that the Department currently manages.

SMALL BUSINESS DEVELOPMENT DEPARTMENT
A. Fleet Management continues to issue warnings to Programs for various reasons. Though vehicles were not in use at the time, anonymous individuals are reporting vehicle abuse to Fleet Management Department. It has become a bothersome issue that Personnel are now utilizing their private vehicles to conduct Navajo Nation business.

CHINLE REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Several chapters are experiencing hardship with grazing permittees not willing to relinquish any land for commercial development. The chapters have Community Land Use Planning Committees but they are also at the mercy of the grazing permittees.

B. Continue to attend Chapter Planning Meetings, Community Land Use Planning meetings, Agency meetings, and other meetings to promote economic development in the local communities.

C. Continue to schedule workshops, trainings, and seminars.

D. Continue to make presentations on the NN Business Site Lease Management Plan to Chapters and their CLUP members as well as to the general public.

EASTERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. The new protocol for AIA contracts by DOJ is an impediment on progress of projects.

B. Match funds are needed for projects in the RBDO areas. ERBDO recommends EDC members be more aggressive in securing tribal funds for DED projects, as seed or leverage funds. This includes undesignated unreserved funds available during council sessions.

NORTHERN REGIONAL BUSINESS DEVELOPMENT OFFICE
A. ENVIRONMENTAL REVIEWS. No clarity as to why ERs are delayed, and an efficient communication protocol regarding ERs should be implemented.

B. Office Building: The Facilities Management lack funding to proceed with necessary restrooms repairs and to proceed with a grant application for restroom renovation, and/or to apply for capital improvement with the Navajo Nation Bathroom Additions Program.

C. Fleet Management: Memorandums addressed to Fleet Management Department Director in response to reported alleged vehicle violations were repeatedly lost in their office and had to be re-submitted several times.

SHIPROCK REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Contacted BIA Real Estate Office for status of pending Leases.

WHIPPOORWILL REGIONAL BUSINESS DEVELOPMENT OFFICE
A. Problem 1; Lack of funding to implement projects.
   Recommendation 1; None since prior recommendations were not addressed.

B. Problem 2; Lack of training
   Recommendation 2; DED needs to send their personnel to training, using Mr. Allan Begay’s budget.

C. Problem 3; Quarterly Meeting is not being in the near planning.
   Recommendation 3; Quarterly Meeting is needed to regroup to ascertain that BSL regulations are being implemented uniformly throughout each RBDO and to reinforce guidelines.
The Navajo Nation  
DIVISION OF GENERAL SERVICES  
Second Quarterly Report—Fiscal Year 2009  
(January – February – March 2010)

I. PROGRAM INFORMATION
Division Executive Director: Virgil Brown, Jr.  
Telephone No.: 928-871-6311  
Facsimile No: 928-871-7620  
Web Address: www.dgs.navajo.org

Departments:
- Air Transportation Services  Adriel Heisey, Director
- Information Technology  Harold Skow, Director
- Employee Housing Program  Kimberly Houston, Program Supervisor I
- Facilities Maintenance  Marcus Tulley, Department Manager III
- Fleet Management  Ben Manuelito, Jr., Department Manager III
- Insurance Services  Jefferson Tsoosie, Department Manager III
- Navajo Nation Telecommunication & Utilities  Pearl Lee, Program Manager I
- Navajo Transit System  Lee V. Bigwater, Department Manager III
- Records Management  Darren Tungovia, Program Supervisor I

II. BUDGET / PERFORMANCE INFORMATION:

A. Funding and Expenditure

1. Division of General Services B Administration:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY= 2010 Personnel</th>
<th>% Used</th>
<th>FY= 2010 Operating</th>
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2. Air Transportation Services Department:

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<tr>
<td>Proprietary/Total</td>
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<td>762,313</td>
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<td>23</td>
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<td>Total</td>
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<td>1,421,984</td>
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<td>4,909,708</td>
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<tr>
<td>Total</td>
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<td>484,041</td>
<td>44%</td>
<td>6,095,448</td>
<td>35%</td>
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<td>External - ARRA</td>
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<td>0</td>
<td>0%</td>
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<td>1,325,499</td>
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10. Records Management Department:

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<td>424,280</td>
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B. Program Performance Results (*BUDGET FORM 2 ~ ATTACHMENTS*)

III. ACCOMPLISHMENTS:

A. Division of General Services B Administration:

1. The Division Director assisted and advised all three of the Insurance Services Department’s offices with many tasks, meetings, and planning pertaining to the following: As of January and March 2010, Navajo Nation Insurance Commission members and Employee Benefits Program have been instrumental in presenting to Navajo Nation Council to approve our request for the contract extension for HMA, Inc., an additional three years. This began in October of 2009.

2. The Division Director participated and helped with “Operation Snowfall 2010” with the Command Staff of Emergency Operation Center. Including my staff from the different departments and offices for their efforts with many contributions for services to our people of the Navajo Nation. Thank you staff for taking on this mission! (*Attachment Division of General Service’s report of “Operation Snowfall 2010”*).

3. The Division Director was very involved with the staff of Department of Information Technology’s performance audit with the Office of Auditor General and a consulting firm. The staff of DIT will began soon implementing the recommendations of the performance audit depending on factors that will enable us to carry out those changes for the future.

4. The Division Director continues to attend many activities and meetings this quarter on and off the Navajo Nation on behalf of the Division of General Services and one particular special assignment completed with the Office of the President and Vice-President and Division of Community Development. Including working on weekends and attended some evening meetings.

5. The Division Director continues to work professionally with all of the offices and departments of the Division and also advises, directs and supports all of the programs and departments to meet expectations, goals and objectives for this quarter. In addition, the Division Director continues to have a very good working relationship with other divisions, legislative offices, standing committees, other entities within the Navajo Nation and companies we do business with off the Navajo Nation.

6. The Division of General Services administration staff to maintain excellence on the following: daily operations, duties and responsibilities, completing all tasks and other important business on behalf of the division.

7. In conclusion, the Division strives to be the best with all of different services we provide for the Navajo Nation and our people.

B. Air Transportation Services Department:

1. Midlife hot section engine inspections were completed on both engines of one airplane.
2. Fuel control units on both engines of one airplane were overhauled.
3. Phase Inspection of one aircraft was completed.
4. The 10,000-cycle inspection of one aircraft was completed.
5. Aircraft Maintenance Technician/Aircraft Pilot Stuart Ott attended training and achieved renewal of his airplane mechanic FAA Inspection Authorization (annual requirement).
6. Aircraft Pilot Adriel Heisey attended and successfully completed his annual pilot recurrent simulator training.
7. The Government Services Committee approved a resolution (GSCJA-02-10) authorizing an increase in the department’s Internal Service Fund by $300,000 for the purpose of accomplishing the 10,000-cycle and midlife hot section engine inspections on one airplane. These inspections will be completed in May 2010.

C. Department of Information Technology (DIT):
1. DIT submitted for funding in the amount of $13,880,140.00 from the American Recovery and Reinvestment Act (ARRA) of 2009, 2nd Round grant, Department of Agriculture-Rural Utilities Service: Broadband Technology Opportunities Program (BTOP), Public Computer Center (PCC) category. The goal is to help expand public access to broadband service and enhance broadband capacity at the Chapter Houses, Headstart Centers, and Senior Centers on the Navajo Nation. Using Metro-Ethernet technology, 89 Chapter Houses are slated to be connected with 5MB lines. To accommodate the anticipated traffic, another aspect of the plan is to upgrade the existing line coming into DIT to OC3 capabilities. Of this amount, $10,931,249.00 was requested from the federal organization and $2,948,891.00 is deemed as matching funds from the Navajo Nation.
2. In the Fall of 2009, a document was drafted, signed and recognized by all Branches and Programs within the Navajo Nation that acknowledged and gave authority to DIT as the lead agency in all Navajo Nation Information Technology projects. With many new opportunities for funding information technology projects upcoming, this will ensure proper technological growth for the NN.
3. Provided support services for the NN desktop environment. The services include hardware and software installation, diagnosis and correction of hardware and software problems, upgrades, maintenance, system analysis and recommendations, system administration, and ensuring an optimal performing Desktop environment for the NN. 152 calls responded to.
4. Provided support services for the NN network environment. The services include hardware and software installation, upgrades, and maintenance, system analysis and recommendations, system administration, and ensuring 99% uptime of the NN network. 165 calls responded to.
5. Provided support services in server maintenance, Database development and maintenance, Website development and maintenance, Software production and maintenance and administrative duties associated with software changes. 447 calls responded to.
6. DIT assisted with the Emergency Operation Center (EOC) - Operation Snowfall 2010. We provided technical support for IT components on a 24/7 basis. We also created a website, an FTP site and a database for data entry purposes, a total number of 905 records were entered.
7. DIT developed a Corrective Action Plan (CAP) in response to the audit findings by Joseph Eve consulting. The CAP was forwarded to the Auditor General’s Office. Certain aspects of the CAP are currently being realized as reflected in the timelines set forth in the plan.
8. DIT provided IT support for the Reapportionment Hearings scheduled by the Navajo Nation President’s Reapportionment task force. We attended 9 hearings within the Navajo Nation reservation boundary and one off reservation.
9. DIT assisted in installation of 100 data drops of category 6 cabling, this project is in conjunction with Shiprock Judicial and Law Enforcement. DIT installed an industry standard cabling system for the project. The system consists of category 6 data network drops between the MDF closets and office locations. All jacks were terminated with flush or surface mount wall plates at the workstation areas. DIT tested all 100 drops of the category 6 cables as a permanent link test with a Fluke DTX 1800 tester. This will be the cabling infrastructure for the new rollout of the Shiprock Case Management system.
10. DIT personnel attended week long Cyber Security training at the Navajo Nation Education building. The training was sponsored by the University of Arkansas System on Cyberterrorism Defense Center. The CDI course utilized a blended learning approach that balanced classroom lecture, hands-on laboratory exercises and online supplemental material. The training course taught participants how to combat cyberterrorism and how to preserve and collect critical evidence/evidence logs.
D. Employee Housing Program (EHP):
1. Completed housing renovation at four (4) housing units.
2. Installed alarm systems at three (3) housing units.
3. Installed double panel storm window at two (2) housing units.
4. Navajo Labor Relations conducted a session on “Navajo Preference Employment Act” on March 12, 2010 for staff.
5. EHP assisted in conjunction with “Operation Snowfall” emergency relief coordinated by the Division of Public Safety.
6. With the approval of the oversight, Government Services Committee, EHP increased the FY’2010 Program Budget by $100,000 for a total of $700,000. Therefore, the program added a Maintenance Technician position.
8. EHP staffed filled in potholes within the residential areas of Morgan Boulevard and Chee Dodge Drive.

E. Facilities Maintenance Department:
1. Continue with mandatory safety meetings for the quarter, on a bi-weekly basis to ensure worksite safety practices and working environment.
2. Continue with winterization, routine and preventive maintenance schedule; 34 roofing repairs were completed due to the snow storms.
3. Utility services were disconnected, due to a new trailer for the Chinle Prosecutors office.
4. Pest Control contracts were being advertised and bided by staff. Proposals were published in the Gallup Independent on March 3, 6, 10, 2010. Bid review will be March 24th at the FMD office. Services are for May 3 through September 23rd for 262 buildings throughout the Navajo Nation.
5. A total of 16 vandalisms and break-ins were reported cross the Nation mounting repair costs in excess of $45,000. Repaired 3 major vandalisms and break-ins at the WR Airport, FD Air Quality and Water Resources buildings.
6. FMD participated in the 2010 Operation Snowfall. 400 cords of fire wood were hauled and delivered to Crownpoint and Window Rock; 78 tons of black coal from the Peabody Coal Mine in Black Mesa were delivered to Window Rock; and snow removal in the WR and FD areas. Total of 980 overtime man hours were donated to the relief efforts.
7. Staff completed renovation of the FMD’s office building and adding 6 individual office spaces, larger conference room and reception area.
8. FMD’s Heavy Equipment Crew completed drainage improvements and grading to parking lots in the Tuba City, Kayenta, Chinle, Window Rock and Fort Defiance areas.
9. A total of 8 new employees were hired, however, 4 positions are still vacant and awaiting advertisement and interview process to be completed.
10. Staff participated in the Pre-bid conferences at Kayenta and Window Rock for Energy Audit Grants.

F. Fleet Management Department:
1. The MVRB Sub-Committee consisting of three members reviewed 145 Navajo Nation Vehicle Abuse/Misuse Complaints. The MVRB issued twelve Notices to Appear for the January Meeting, three for February, and eight-nine for March; 104 Notices to Appear were issued to Supervisors and affected employees due to lack of response on NN Vehicle Abuse/Misuse Complaints previously filed.
2. The Fleet Safety Committee met in March and leadership role was taken over by the Vice-Chairman, with the next meeting scheduled in April. Review of Plan of Operation and Fleet Safety Rules and Regulations will be on the agenda to determine validity.
3. Each of the Fleet Service Centers participated in Operation Snowfall 2010 and assisted the Department of Emergency Management with 4WD vehicles, procurement of snow tires and tire chains. Each Service Center had extended hours of operation to provide preventive maintenance and any unscheduled maintenance requirements for personnel responding and assisting with the Operations. Fleet was responsible for ground transportation with Logistics and attended a number of meetings, during normal work hours and after work hours, including the weekend meetings. Vehicle recovery was provided for those vehicles that were
stuck due to the inclement weather conditions; even Fleet Wreakers got stuck. Ground conditions were favorable when frozen.

4. The Auto Body Shop repaired the rain gutters on the office windows, upper and lower office windows due to the seepage and delay from Facilities Maintenance for repairs. However, Facilities Maintenance repaired the heater in the paint booth.

5. Chinle FSC completed fuel leakage test for January, February and March, including the AGS at Kayenta. Two Fire Trucks were towed to Roberts Truck Service in Bloomfield, NM for repairs that could not be provided by the Service Centers. Continue taking surplus vehicles to WR for disposal either through auto or other employee sales.

6. Crownpoint FSC completed fuel leakage test for January, February and passes. During the Snowfall Operation, the east parking lot was set up as a distribution point for hay and wood with coordination from the DEM personnel. No. 3 fuel dispenser was solved and the blown circuit breaker was repaired, while the mechanical computer for gallons and pulse switch for the pump was replaced. Facility Maintenance installed two doors to entrance of office and new door fixtures. Three vehicles were vandalized on February 27 & 28, 2010.

7. Shiprock FSC completed fuel leakage test for January, February and March and passed. Met with DEM and Shiprock Police District to improve emergency response calls within the community. Participated in Operation Snowfall 2010 and assisted the DEM with delivery of food and hay to snow bound residents. Orientated personnel on safety equipment and with safety items and automotive tools. Replaced the sliding entrance gate with replacing new roller wheels. Transported damaged vehicles to the Auto Body Shop for additional preparation of damage estimates.

8. Tuba City FSC completed new patrol vehicle replacements for the TC Police District; Assisted Property Management in relay of unsold vehicles to WR for transport to Manheim Auto Auction, Albuquerque, NM. Removed 300 gallons of used coolant as a result to Fleet Safety Inspection, also removed scrap metal debris at a no cost to Fleet Management.

9. Window Rock FSC completed fuel leakage test for January and February and a passed. A waiting area was constructed by Facilities Maintenance and also assisted with constructing a wall in the oil storage room for office and custodial supplies. Purchased and installed a new alignment machine, personnel were trained on equipment by Hunter, Inc. WR Fleet assisted with Operation Snowfall 2010, and with DEM assigning two technicians to operate the snow cat, and two technicians on stand-by service for preventive and unscheduled maintenance for vehicles. There were eight vehicles retrieved from area locations due to snow or mud conditions and towed by the service center. Mud/Snow tires were procured for the operation and mounted on several vehicles; the dump truck and backhoe were also used to assist in the operation. Conducted thirty-four vehicle inspections and condition reports, with twenty-three vehicles transported to Manheim Auto Action in Albuquerque, NM for sale. Eleven vehicles were reported as Misuse/Abuse Complaints due to over mileage from last preventive maintenance.

G. Insurance Services Department (ISD):
1. Preparing for the next Retreat for all Insurance Services Staff in the month June 2010.
2. Navajo Nation Insurance Services Commission convened on December 04, 2009 and passed Insurance Commission Resolution #IC-DEC-02-09 Approving the Insurance Participation. Six (6) out of 7 submitted the next deadline and approved by NNIC.
3. Worked with Committees regarding Loan to Navajo Nation.
4. Navajo Nation Workers Compensation Law Revision Meeting; Present before Navajo Nation Government Service and Budget & Finance the Audit Findings from Workers, Risk, and Safety; Employee Benefits Summary Plan Document Meeting; Quarterly Reports for Insurance Commission and Division; Annual Reports for Insurance Commission; Reserve Claims Meeting for Workers Compensation and Risk Management; and Risk Meeting on Auto Physical and Liability.
5. Hired a new Employee Assistance Counselor for the Navajo Nation – Dasray Francisco on March 15, 2010; in dealing with human problems such as emotional/behavioral, family and marital, financial, and personal problems. She is currently not certified for alcohol and/or drug, in the meantime, this will be outsourced to Alliance until Ms. Francisco is certified.
6. Employee Benefit Program (EBP):
   a) Our accomplishments this quarter has tapered down. We continued to assist the Retirement Office in implementation of the Special Retirement Plan that encompasses the Pre-65 Retiree Health Plan. The program is continuing it efforts to
conduct presentations and communication meetings at the agencies, departments, and program level.

b) All program staffs are involved in trainings for professional development. All staffs have completed the JD Edwards “Oracle” trainings on the upgraded version and all have passed their tests.

c) HMA Contract Extension: The legislation to extend HMA’s Contract for an additional three years was presented to the Navajo Nation Council. The Navajo Nation Insurance Commission presented the legislation during which it was tabled. The Council requested a work session to discuss many questions and issues. This work session is scheduled for March 31, 2010.

d) We have attended several meetings with the OPVP, DGS, ISD and NNIC regarding the Emergency Management’s request for a loan from Risk Management, and Workers Comp. Reserve Fund. After having developed the SAS document and presenting to the BFC, they did not approve the emergency loan arrangement.

e) The Hay Group, Inc., completed their evaluation, review and assessment of the NNEBP and made their report to the Navajo Nation Insurance Commission.

f) HMA and NNIC had apparently met and approved a change in Life Insurance carriers from Mutual of Omaha to Met Life with an effective date of March 01, 2010. EBP was not notified until three days prior to the effective date and created problems of notification requirements. After several meetings and conference calls with HMA, we are going forward with implementations and are working with HMA to iron out some outstanding issues to ensure appropriate coverage for employees of the Navajo Nation Government including the enterprises and entities.

g) The program is conducting a complete review of the plan document-SPD. This effort comes after the 2009 updates in the dental plan that was being reviewed by DOJ who determined a complete revision of the plan document is necessary.

h) The program has served 3001 clients during this quarter, 28 orientations/presentations were conducted.

7. Employee Assistance Program (EAP):
   a) AP referred to Alliance. No utilization reports at this time.

8. Safety Loss Control Program (SLCP):
   a) Safety conducted 23 of 24 planned safety awareness presentations: met 96% of objective.
   b) Safety conducted 34 of 60 planned building inspections: met 57% of objective.
   c) Safety conducted 226 of 120 planned loss assessment: met 188% of objective.
   d) Safety conducted fourteen (23) safety training to programs and an overall total of 337 employees.

9. Risk Management (RMP):
   a) RMP has finally completed negotiating the broker agreement with AJGallagher and has obtained approval from the Insurance Commission to award the new contract beginning January 1, 2010 through December 12, 2012. Next presentation for approval will be to the Government Services and Budget & Finance Committees. Contract has been enhanced to include performance guarantees by the Broker.
   b) Exposure Summary Packets continue to trickle in from Departments/Programs within the Government. If claims are reported and an exposure summary has not been completed and/or premiums have not been paid, we are taking the position of denying any auto physical and property claims. If liability claims are filed against those programs, we MAKE them complete the exposure summary and pay the premiums before we respond to any third party demands.
   c) A great deal of time was spent working on the corrective action plan developed by the Program in preparation of obtaining approval to remove the sanctions imposed on the Program. A presentation was conducted to GSC and B&F as well as the Insurance Commission and the Auditor General. Although only a few committee members attended the worksession, the session went quite well and I believe the Program educated those in attendance and provided information as to the implementation of the CAP.
   d) The Program conducted policy reviews with AJG, DOJ, Mason Law Firm and Keenan. Our review consisted of the General Liability, Auto Liability, Casino General Liability and Casino Auto Liability, Property and the Crime policy for the
Casino. The Program also conducted a policy review with the Casino representatives to review their insurance policies.

e) The 2011 renewal process has started. An enterprise meeting was conducted and all renewal packets/information was disseminated to the Enterprises and orientation conducted to those who would be completing the packets. Only a few individuals were new to the process so the renewal process should go pretty smoothly this year.

f) Trainings were conducted for insured participants regarding maintenance of boiler systems, HVAC systems and electrical maintenance. Hartford Steam Boiler conducted these sessions, which were free to our insured and provided these sessions with the overall goal to promote loss control in those systems. It is common knowledge that if a loss occurs that involves these systems, the losses can be very expensive, therefore loss control is very important.

10. Workers’ Compensation (WCP):

a) The program is continuing its work on revising the Workers’ Compensation Act with the assistance of Bob Aurbach, DOJ Consultant. The provisions that were reviewed are Sections from 1001 to 1045, with the exception of 1005 and 1006 as these sections would include the recommendations from the Office of the Controller. Also, section 1010, Administrative Conference/Hearing Process and 1011, Final Appeal were placed on hold due to the length of the sections. Completed a DRAFT Return to Work and Safety to be included as “NEW” upon completion of the Act.

H. Navajo Nation Telecommunication & Utilities (NNTU):

1. Telecommunications section processed 1,546 service requests which included new installations, line moves, programming, disconnections, reported telephone numbers to Frontier and AT&T, technical assistance to customers and additional information related to telecommunication.

2. The Utilities Section staff successfully assisted with utilities service request for the following, Uranium Workers, Leupp Fire & Rescue, Chinle and Fire & Rescue Services; Approved processing of the work orders for Employee Housing Program, T/C Youth Development, Resources Enforcement, Department of Agriculture/Veterinary Clinic and Water Resources; also, NNTU request for HVAC assessment by Design & Engineering.

3. The following FCC Licenses are in progress, seven for NDPS radio repeater site, and increase radio coverage in the seven districts; and three requests for NN Fire Department radio repeater sites.

4. The Radio Section removed and installed 38 radios for the new NDPS vehicles with assistance from NCC Systems/Frontier Communications.

5. NNTU staff assisted the Emergency Operations Center during the Operation Snowfall 2010. They assisted with telecommunications and utilities services and other minor clerical duties.

6. Issuance of NNTU Strategic Planning Goals and Objectives to Division and NNTU staff and completion of various steps in reaching goals encompassing the following: Creating a Positive Work Environment; Facilitating & Managing DGS Strategic Plan; Improving Governance through partnership; Maintaining Long-Term Facilities Plan; Maintaining Professional & Qualified Workforce; Maintaining a sound Financial Management and Promulgation Effective Laws & Regulation.

I. Navajo Transit Systems (NTS):

1. Ridership for January was 9,065; February ridership was 9,344; and March was 9,204, with a total of 50,045 riders of NTS.

2. A discussion of the RFP for a new Transit Facility was done with Jacob Engineering and ADOT.

3. Chinle Transit Facility utilized a storage facility for the distribution of fuel, food, livestock feed and other emergency supplies for Operation Snowfall 2010.

4. Replaced vinyl on NTS billboards.

5. AZ Department of Transportation Intergovernmental Agreement submitted.

6. NM Department of Transportation memorandum of Agreement in place.

7. ARRA Contracts for NM, AZ and UT are all in order and funds will be expended.

8. Submitted Bus Specification for NM and AZ ARRA Funds to purchase transit style buses.

9. NTS signed the Land Lease Agreement for UT Navajo Transit Facility Development.
10. Purchased of mid-size passenger bus, 30-37 passenger, delivery by April 2010; and a 12 passenger shuttle van.

J. Records Management Department (RMD):
1. The RMD’s policies and procedures manual is 85% complete, pending Office of the Attorney General’s review and approval, Legislative review and approval.
2. The Duplicating Service Program has submitted to General Accounting & Office of Management & Budget the Duplicating rates and projections for FY’11, which will include additional services, and amending the Plan of Operations, as well as the Fund Management Plan, identified as an expansion in services.
3. Program Supervisor has been assigned to the Navajo Nation Business & Identification Card Program Taskforce Committee, to provide assistance in the areas of technical support, interpretation, and the development of NN standard policies to implement for all NN employees of the Executive, Legislative & Judicial Branches.
4. Program Supervisor also assigned to provide support to the Division of Human Resources, to assist in the development of Corrective Action Plan for the Department of Veterans Affairs by the Division Director, Andre’ Cordero.
5. Approved request for assistance to the US Census 2010 initiative to provide shredding services; agreement with David Skeehan, Regional Director for the Southwest US Census Bureau, till the end of FY’2010.
6. Records Management Training held at the Dine’ Education Center-Auditorium on February 16, 2010, which was successful in participants.
7. Third Transaction of microfilming has been completed by the New Mexico Historical Records Advisory Board; 20 boxes containing Advisory Council Resolutions from 1983 to 1992, and the Budget & Finance Committee Resolutions from 1960 to 1977.
8. Rearranging of the shelves at the Records Warehouse in Fort Defiance; lower deck is complete allowing for more room and professional presentation of the files and records stored for the departments. Completion of inventoried and inspected files for accuracy for the Purchasing Card Section and NN Telecommunications & Utilities.
9. One copier installation for the Navajo Nation Emergency Operation’s Center/Logistics Operation 2010 Snowfall at the Staff Development & Training Center. Also, one for the Office of the President/Vice-President, due to multifunctional unit.
10. Met with DIT in developing the department’s website; with a focus on information and user-friendly applications that would be accessible online. An agreement for services was initiated by DIT, anticipated completion is May 28, 2010.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA’S:

A. Division of General Services (DGS) B Administration:
1. For, FY’2010 no Conditions of Appropriations nor Legislative Concerns for this Division.

B. Air Transportation Services Department:
1. A recent interest on Phase II of Airport reconstruction by NDOT.
2. Re-paving of the Airport parking lot is on hold; this project is directly tied to the Phase II Airport reconstruction project.
3. Replacement of the WR Airport Lighting System is set to occur this spring.
4. No COA's have been directed for Navajo Air Transportation Department.

C. Department of Information Technology:
1. NNDIT and NNTU have submitted an application to convert existing network services from the Federal Governments FTS 2000 program to the Federal Governments new NETWORX contract network services for the Navajo Nation. Currently we are working with different IT departments to solicit their ideas on the type of network services they need for their divisions and departments. The goal is to convert to the new program by the beginning of 2010.
2. NNDIT is in the process of requesting Internet Numbers from the American Registry for Internet Number (ARIN) organization for the Navajo Nation government and chapters.
3. Convert all Head Start sites and agencies to the Navajo Nation network or to DSL services
from Frontier Communication.

4. Continuous training of DIT employees on the latest technology through the use of SKILLSETS on-line training.
5. Perform planned backup & recovery process & procedures for WSSP 2003 and servers.
6. Develop MOSS 2007 website & migration of SharePoint 2.0 to SharePoint 3.0.
7. Continue maintaining and developing SharePoint portal, Websites, and Servers. (Ie, Navajo, NNITS, DIT, DGS, Judicial and NEMS.)

D. Employee Housing Program (EHP):
1. Installed an alarm system at (1) housing unit per tenant request, if any.
2. As workload permits, installed double panel storm windows at (2) housing units.
3. No COA’s imposed.

E. Facilities Maintenance Department (FMD):
1. FMD will continue to provide routine maintenance to tribally owned buildings to ensure the safety of employees and a healthy work environment for daily, uninterrupted operations of the NN Government throughout the Navajo Nation to the greatest extent feasible and within the available resources and funding.
2. FMD will continue to coordinate and work with the NN Telecommunications & Utilities Department to implement and install energy efficient lighting systems for all tribal buildings. The department will also be conducting building assessments to determine energy efficiency and provide recommendations on improvements utilizing Grants made available to the Navajo Nation.
3. FMD’s safety program will continue to enforce and provide safety trainings. Including to implement safety measures to ensure a safe work place and employee safety. Employees to be certified in First Aid, CPR, OSHA Safety Standards and Fire Extinguisher use
4. FMD will continue conducting building assessments on all tribal buildings to assess their building needs and determine occupancy rate and safety working conditions. Report will assist us to determine which needs to be replaced to ensure the safety of the employees occupying the buildings. We have several aging buildings that need to be assessed for safety and continued use.
5. Provide technical support towards the planning and implementation of the following projects as needed:
   a) Comply with Navajo Nation Consent Decree to provide repairs and maintenance to all NN Correctional facilities 24/7.
   b) Local Empowerment Programs
   c) Implementation of preventive maintenance programs for all tribally owned buildings and facilities to prolong the life and use of the buildings.
   d) Development of building standards, designs and building codes.
   e) Standardization of all building materials and equipment.

F. Fleet Management Department:
1. Wright Express Fuel Card usage is being monitored for unauthorized transactions.
2. Regular Motor Vehicle Review Board meeting scheduled each month.
3. Regular Fleet Management Safety Committee meetings scheduled each month.
4. Regular daily and monthly Underground Storage Tank record-keeping and tank tightness testing for U.S. and NN EPA requirements.
5. Continue vehicle service maintenance agreements with third parties.
7. Fleet Service Centers continue to be updated on the RTA fleet management software for work orders and other fleet data uses.

G. Insurance Services Department (ISD):
1) RMP: CAP is being implemented regarding the Audit conducted on the Program/Department. Although the Department was sanctioned, the Program is continuing to proceed with completing the CAP. All items of the CAP have been partially/fully implemented.

2) SLCP: SLCP updated corrective action plan and waiting on response back from OAG EBP.

3) The program is continuing with our daily activities, on-going projects and initiatives.

4) Our activities and interactions with HMA has been strained due to issues relating to their contract extension and the recent event of changing life insurance carriers. Most of their activities are with the Division, the Commission and the President’s office. Again, we are not having our weekly conference calls and meetings with HMA. Most interaction is through the email and occasional phone call to address some issues that needs immediate attention. The overall working relationship looks bad on their performance.

5) Premium payment from some enterprises continue to pay late, however, all are very understanding and are working with us by establishing a payment plan. We have brought down the numbers to two enterprises who are working on clearing their records.

6) The program is continuing with orientations, setting up information booths to promote the program services, offering a question and answer services to help our communication efforts to the Agencies and local offices, departments and programs in addition to continuously updates, changes in benefits and other activities.

7) The Benefits’ staff will continue to look at certification programs to improve their knowledge of Insurance programs.

8) WCP: Two of the six Audit Findings remain as outstanding corrective issues with the Auditor General.

9) Conduct a cost-benefit analysis on obtaining excess workers compensation insurance versus maintain a surplus fund balance for catastrophic quotes.

STATUS: A Cost-Benefit Analysis was developed by Charles Gruber, President of SGRisk, Inc., consulting actuary for the Workers’ Compensation Program and Robert Aurbach, consulting Workers’ Compensation for the Navajo Nation through the Department of Justice. Additionally, the Program applied for a Stop Loss Insurance Policy quotation through Maloney & O’Neill, Broker. The Program submitted an application and received a quotation for a Self-Insured Retention-Per Accident at $1,500,000 with a Specific Limit of $10,000,000 and minimum premium of $98,956. This report will be forwarded to the Office of the Auditor General for review and status.

10) Website for Workers’ Compensation Program.

H. Navajo Nation Telecommunication & Utilities (NNTU):

1. Navajo Nation Broadband Build Out. First Round Application Funding-Navajo Nation (NTUA) awarded $32 million grant from NTIA to build fiber networks with microwave towers on the Navajo Nation. The Second Round Application Funding-NNTU assisted in development of application requirement for Public Computing Center funding under the ARRA of 2009. Application requested 3.2 million for public computing center at chapter houses, headstart center, senior center and workforce offices was submitted on March 15, 2010.

2. Energy Efficiency Community Block Grant (EECBG). The US Congress appropriated $3.2 billion for EECBG as part of ARRA 2009. The NN received $6,079,400.00. NNTU will receive designation of $1,321,285 for energy auditing assessment and retrofits for selected NN buildings and $100,000.00 for Energy Conservation Awareness education activities. Also, NTUA issued Request for Proposal for energy audit assessment and held Pre-bid Opening Site Visit on March 18 & 19, 2010. NNTU develop budget for $100,000 for awareness activities including personnel position job description for advertisement by NTUA.

3. Utilities Initiative. Continue to implement an energy management program for the NN Government; and continue to complete energy audits on NN commercial building along with written reports which included energy analysis, findings and recommendations.

4. NN Governmental VoIP Implementation. NNTU, DIT and NNTU VoIP Consultant held meetings with Frontier Communication representatives to discuss Frontier VoIP offerings, pricing and questions related to their proposed VoIP Government Service contractual agreement. Also, staff assisted DIT with the site visits Division of General Services
departments in the WR & Ft. Defiance are to perform site assessment of their IT network as part of the tasks required for the first implementation of voice over IP (VOIP).

5. Arizona Legislative Initiative. Program Manager participated in meeting with AZ Legislators, Senator Albert Hale, Representative Tom Chabin, Representative Chris Descheene and NNTRC members to discuss legislative action plan for access to Transaction Privilege Tax distribution funding; and attended Native American Causus meeting to receive information and discuss TPT.

6. NNTU Green Building. NNTU Proposal secured commitment from NM Senator John Pinto to assist in designating 15 acres of land from the New Mexico Land Commission for construction of NNTU building to be located near P&M North Mine entrance off of Highway 264.

7. Transition of General Service Administration (GSA) FTS 2001 Telecommunication Services contract to GSA Networx contract. Telecommunications services and network equipment bid were reviewed and in process of finalizing decision; Receiving webinar presentation from Verizon, Qwest and AT&T regarding Networx service offerings; and Networx Fair Opportunity Decision to be issued in the coming week.

8. Increasing Two Way Radio Coverage. NNTU’s Radio Technician continues to work with NN departments, NN Chapters and other agencies to increase the two way radio coverage on the NN.

I. Navajo Transit System (NTS):
1. AZ Capital Purchases, G27 vehicle approval is pending at ADOT.
2. Assessing and developing a maintenance management system at NTS.
3. Continue to work on fixed route expansion for Utah Navajos.
4. Continue marketing/advertising for future charter services.
5. Update marketing and operations plan.
6. Continue to seek funding for replacement of six bluebird charter buses.

J. Records Management Department (RMD):
1. Submitted a request to the Navajo Nation Property Management Department to secure additional building space. The Navajo Nation Supreme Court Office in Butler Building No. 2 will be vacating the premises due to them securing additional office space; the Records Management Department submitted an official request to acquire those offices for Records Management and Duplicating Service use – Pending Action.
2. Records Management Department Strategic Plan. This is an on-going initiative. This document has been finalized and has been implemented on October 01, 2009. The content of the document are time sensitive and is a “living” document where the action steps of the document are frequently monitored, reviewed, assessed and implemented. Reassessment is done quarterly and modifications are made as needed.
3. Records Management Department Policies and Procedures Manual. A core team of the department section leaders has been established to begin the researching and development of a draft policies and procedures manual for the Records Management Department of the Navajo Nation. This will be a universal standard for the Navajo Nation Government with supporting legislation – anticipated completion and implementation set for October 01, 2010.
5. Department Re-structuring. Based on the re-evaluation of the duties and responsibilities of each position a new organizational structure will be developed and included in the proposed revision of the Plan of Operations to focus service delivery on effectiveness and efficiency.
6. The vending copier at Administration building #1 to be upgraded with a new WC5050 unit at the Warehouse #1. Pending approval of quotes and financial process.
7. Records Retention and Disposition of the Office of the Chief of Staff – services to commence on March 29, 2010 at 9:00 a.m. – this project is to inventory, archive, scan and store all documents of the Chief of Staff office, from January 2003 to present (March 2010) the time frame will soon change from March 2010 to January 2011. This is retention of the Shirley Administration for the Navajo Nation.

V. STATUS OF ACTION PLAN (A, B, AND C LISTS):
A. Division of General Services (DGS) - Administration:
   1. DGS departments/programs continue to address outstanding A, B, C Lists.

B. Air Transportation Services Department:
   AA@ List #6: Develop a business plan for aircraft usage for the purpose of generating additional revenues. Status: Plans and scheduled activities over the next 100 days are:
   1. The department will continue its in-house Aircraft Maintenance Program and comply with all Airworthiness Directives, Service Bulletins and Calendar Items that apply to the Nation’s aircraft. This has allowed all three aircraft to be easily returned to service after completion of their Phase Inspections.
   2. The department has attempted to work with and provide the NDOT all assistance Window Rock Airport improvements. NDOT has not communicated with Air Transportation in our request for assistance and project is stalled.
   3. The Navajo Air Transportation currently has two of its three Aircrafts in service. The third Aircraft is out of service while a major aging aircraft inspection and midlife engine inspections are carried out. This aircraft is expected to be returned to service in May 2010.

C. Department of Information Technology (DIT):
   AA@ List #1: DIT is continuously working on the foundation of a Navajo Nation information technology plan that will cover all aspects of the Navajo Nation government. Status: Strategic actions include:
   1. Revision of Resolution CJY-34-92.
   3. Pursuing external funding for IT purposes.
   AB@ List #4: Formulation of Navajo Nation Information Technology policies and standards.

D. Employee Housing Program:
   Explore the possibility of designating NAHASDA funds for employee housing as a source of funding. – Land Survey Completed.
   Status: **NAVAJO HILL DRIVE DEVELOPMENT**: Completed Land Survey with Navajo Land Administration. Pending – Request for technical assistance for environmental and archeological survey with Archaeology & Historic Preservation/Division of Natural Resources. As soon as the site clearance and survey are completed, EH P will proceed with a budget package for HUD, Section 184 Loan Guarantee Program.

E. Facilities Maintenance Department: Not affected by A, B, C List
   1. Status Report on funding appropriations is provided in prior Quarterly Reports. No additional funding were received by our department.

F. Fleet Management Department:
   1. Chinle FSC continues preventive maintenance service agreement with Kayenta, A and limited minor maintenance. Pricing guidelines and input into the RTA system will occur.
   2. Consideration of the Paperless Shop software is pending awaiting installation of terminals.

G. Insurance Services Department(s):
   1. Risk Management, as stated previously, the Action Plan completed by the Program and is being implemented and followed.
   2. Safety Loss Control Program “B” List #3 and #4 completed. The proposed newsletter interrupted by lack of safety personnel, but still in the plan. The “C” List, seeking for adequate office space for Window Rock Safety Office is complete.

H. Navajo Nation Telecommunication & Utilities (NNTU): Not affected by A, B, C List

I. Navajo Transit System (NTS):
   AB@ List #3: Establish a marketing strategy for the Navajo Transit System. (Note: Look into partnerships with various businesses to place advertisements on NTS vehicles.)
**Status:**


**J. Records Management Department:** Not affected by A, B, C List

**VI. OUTSTANDING PROGRAM ISSUES:**

A. Division of General Services (DGS) - Administration:
   1. As reported in previous quarterly reports, the issue of inadequate office space continues to be a problem with the Division of General Services

B. Air Transportation Services Department:
   1. The Director's duties are being performed by one of the Aircraft Pilots while the Department of Personnel Management revises the Classification Specification for the position.
   2. The Department is operating one pilot short of full staff due to the Director's Retirement in December 2009. This occasionally imposes limits on the number of flights that can be scheduled. No advertising, recruitment or hiring can take place until the Department of Personnel Management completes its action on the Director's position.
   3. Air Transportation has a critical need to open an Aircraft Maintenance Technician position and significantly increase the starting pay grade in order to attract qualified applicants.
   4. The WR Airport's old and dilapidated runway lighting system is in need of replacement.

C. Department of Information Technology (DIT):
   1. No instructions for a Disaster and Recovery Plan in place for People Soft System; this is the main application that the NN uses for its financial system. Should a catastrophic event were to occur, there would be no valid backup to recover data.
   2. Have issues with utilizing remote desktop connectivity from outside the Navajo.org domain to local drives and then connecting to the SQL server.
   3. DIT needs to perform planned backup of servers.
   4. DIT network needs to ensure network availability and optimal functionality for mission critical applications. Organizations are becoming more dependent on their data network support new platforms and technologies. It is critical to have a stable and robust network backbone to support these technologies. DIT currently has a network device at least 5 to 10 years old, that the equipment and support for this system will no longer be supported by the vendor. DIT needs to invest in upgrading all the core network equipment to continue the fast past network traffic and support for the NN government network. This is critical and needed in the next 2 years to continue to be the NN government and network.

D. Employee Housing Program:
   1. Continue to upgrade water system with pex water system.
   2. Continue to upgrade housing units with double pane window replacement, roof renovation, driveways and patios.

E. Facilities Maintenance Department:
   1. With FMD's aging equipment, there are 3 heavy equipment over twenty 20 years old and in dire need of replacement. The equipment are now experiencing multiple mechanical problems and have been placed on inactive status. As a result, this has limited our services to the NN.
   2. NN Building Status – There are a number of tribal buildings in deplorable and unsafe conditions. Mostly, modular or trailers converted into office spaces; NN needs to establish building standards to monitor the unsafe conditions.
   3. NN divisions, departments and programs should be required to purchase their own building materials for services outside the FMD's Plan of Operation to limit the strain on the department's budget. Additionally, our department is being strained by the numerous renovation requests to aging buildings. The NN needs to adopt a policy on building use to prolong the life of the building. Especially, modular or trailer offices.
   4. The FMD needs to be provided copies of the construction and shop drawings and documents
for newly acquired and/or constructed buildings. This would also apply to modifications made after purchases or construction.

5. Our department repaired several building break-ins and vandalism this quarter. A letter was issued to Mr. Sampson Cowboy, Division Director of Public Safety, requesting to increase Police Patrol in the high volatile areas.

F. Fleet Management Department:
1. Generator for all FSC contemplated but remains incomplete.
2. Chinle FSC has been working with Facilities Maintenance on corrections of some building repairs identified in a recent safety inspection.
3. Pavement need at all FSC to accommodate parking, vehicle storage for fueling and vehicle service purposes.
4. WR FSC issued Purchase Requisition for installation of concrete foundation and electrical service for two about ground storage tanks. Purchasing requested that a contract be initiated through SAS Process, which is delaying the project, as a proposed Scope of Work had to be released for quotation, within three contractors offering quotes.

G. Insurance Services Department (ISD):
1. To prevent “Breach of Confidentiality” – regarding claims and health issues, the Program needs to relocate to an area where confidentiality is maintained. Because of the Navajo Nation Privacy Act, we are bound to provide confidential areas to discuss claims with claimants adjudicate claims and house the claim folders themselves.
2. Issues are the same as the other programs on CONFIDENTIALITY, OFFICE SPACE AND MOST IMPORTANT IS GAIN SUPPORT FROM OUR OVERSIGHT.
3. Enterprises and the Nation are slow on reporting building renovation or new facilities to Risk Management, in order for Safety Loss Control to inspect and conduct property valuations to determine appropriate coverage.
4. Employee Benefits needs a computer to replace for Senior Counselor, system is slow and recommends a laptop for travel.
5. WCP – Audit Report #05-01 – Previously approved of the B&F Committee by a Resolution recommended of the Office of Auditor General approved the sanctions of 10% of Operating Budget for the Insurance Services Department/Worker's Compensation Program. The sanction continues to this day. Finding II is unresolved at this point in time, this concerns the workers’ compensation funds also known as Surplus Fund or Reserves.
   a) Finding I: Items 1 & 2 are completed and implemented as reported to the B&F Committee on 09/25/08.
   b) Finding II: (1) & (2) Incomplete – On going issue with $10,000,000.00 surplus fund is still unresolved. The Program is working on plans to continue the surplus fund as a Catastrophic Fund. The NN has no financial strategy despite the statement made by the Auditor General in recommending to the program to adhere to the financial strategy. previously, an Actuary Study stated the catastrophic is adequate. Studies and research continues on this item.
   c) Finding III: Items 1 & 2 are completed and implemented as reported to B&F on 9/25/08.

H. Navajo Nation Telecommunication & Utilities (NNTU):
1. NNTU needs a separate radio shop for installation and maintenance of equipment.

I. Navajo Transit System (NTS):
1. Navajo Nation Sales Tax, need source of funds to pay the back taxes, penalties and interest.
2. Experiencing a shortage of relief drivers, due to vacant positions and personnel issues.
3. FTA funding terminated December 31, 2009, need funds for three drivers positions.
4. Shortage of vehicles and the warranty issues with buses.
5. The Match Funds for State Grants, from the Navajo Fuel Excise Tax, has not been received.
6. NTS needs to get rid of the old buses.
7. NTS needs a new fuel storage tank with dispenser and retaining wall.

J. Records Management Department:
VII. PROBLEMS/RECOMMENDATIONS:

A. Division of General Services (DGS) - Administration:
1. Additional funding is a yearly recurring issue. DGS Administration is in need of additional office space, as are several other departments.
2. All departments are in need of additional funding and office space, some more critical than others, nonetheless, all are in need. As in the case of Navajo Transit System, they are in need of a new Building to become more efficient in all aspects of NTS; Insurance Services Department requires offices that can accommodate clients when educating benefits, handling worker's compensation claims, assistance consultation for rehabilitation services, though, most importantly confidentiality.
3. Including DIT, Department of Information Technology is also in need of a new building their current building is starting to buckle up underneath the foundation and along the side to the top of their roofing. The floors tiles are working their way lose, and will be exposing asbestos in the air, thereby, contaminating the employees and the surrounding areas.

B. Air Transportation Services Department:
1. The Department recommends that funding for engine overhauls of the Nation’s three Aircraft, estimated to be next due in 201, be set aside in the amount of $150,000 each year for the next six years.
2. Navajo Air Transportation would like NNDOT be encouraged by the Executive and Legislative Branches to pursue airport improvement projects for all six Navajo Nation Airports.

C. Department of Information Technology (DIT):
1. Problem – The NN needs to have all 3 Branches, the divisions, departments and programs contribute to the cost of providing the INTERNET pipe currently in place. Otherwise, disconnections will take place.
   Recommendation – Come up with plan to contribute with the cost of the INTERNET.

D. Employee Housing Program (EHP):
1. Problem – Pave back and side sections within the shop yard totaling (1) acre. This would allow for staff parking and proper storage of excess materials and property.
   Recommendation – Additional funds to accommodate pavement and gravel request is needed.
2. Problem – Potholes in NN Housing streets need to be re-patched and refilled.
   Recommendation – Additional funds to purchase equipment and supplies to repair streets.
   Recommendation – Contact Navajo Division of Transportation for street repairs.

E. Facilities Maintenance Department (FMD):
1. Problem – Safety Violations: Navajo OSHA has repeated cited our department for various safety violations.
   Recommendation - Have NOSHA provide safety trainings and provide technical assistance to remain in compliance. NOSHA is a government agency within the Navajo Nation. Therefore, should be required to work with all programs within the Navajo Nation in correcting their deficiencies rather than citing them for violations. NOSHA cannot enforce safety violations without an existing and approved building code.
2. Problem - The lack of building standards and codes has caused our department to be in violation of the Safety and Buildings codes.
   Recommendation - The Navajo Nation needs to adopt a Safety and Building Codes for enforcement.
3. Problem - Technical capabilities: Our department is not certified in all aspect of the building codes and trades.
   Recommendation - Provide more technical trainings for the staff to obtain certifications.
4. Problem - Lack of Funding: Several tribal buildings and offices lack the proper working environment. This concern has been on-going for several years and more funding is needed.
just to keep the buildings in occupancy standards.

Recommendation - Seek more funding from the Navajo Nation to improve these deplorable conditions. Also, restrict used building purchases or occupation thereof.

5. **Problem** - Increase in Vandalisms and Break-ins.

Recommendation - Require all department and offices to take own initiatives in making their buildings more secure, i.e. security cameras, alarms, key control, etc.

F. Fleet Management Department:

1. The Auto Body Shop’s roof is leaking and Facilities Maintenance was contacted for repairs, no response initiated yet.
2. The Chinle FSC’s identified two issues, one the tire machine has been going out of service, due to worn valves and seals, a new tire machine is needed. Secondly, the oil is leaking through seals, in the first bay lift and opposite, thus repairs will be needed after inspection by the vendor.
3. The Tuba City FSC continues to have issues with tire vendor supply to correct tire ordered, and substituting with different brands and tread design. Stipulated that vendors seeking to bid should have sizable tire inventory on hand for delivery. The Bulk fuel tank sump is in need of repair due to a hair line crack found and noted, estimated cost repair is at $22,694.
4. The Window Rock FSC received positive news on the vacant building (formerly Land Administration building). Some planning will be needed so that a proposed Scope of Work can be development for demolition and convert into a parking lot or facility for Fleet Operations.

G. Insurance Services Department (ISD):

1. **Problem** – NN departments/programs do not budget or plan a preventive maintenance program in their own buildings.
   
   Recommendation – Clean surroundings around work stations daily and monthly and around buildings.
2. **Problem** – Safety culture cannot exist without support from the organization’s senior management.
   
   Recommendation – Continue to educate Management, Legislators and employees. Safety Personnel needs to be trained and educated.

H. Navajo Nation Telecommunication & Utilities (NNTU):

1. **Problem** – Navajo Nation departments unwilling to work on getting their past due accounts settled with Frontier Communications.
   
   Recommendation – Cut services off in regards to two way communication until account is current.
2. **Problem** – Untimely processing of telecommunication invoices at the Office to the Controller.
   
   Recommendation – Continue to follow up with Office of the Controller and advise Division Director of the issue and request for assistance.

I Navajo Transit System (NTS):

1. More intense training on FTA Grants management specific to Tribal Transportation Program and TEAM Web.
2. Training in Construction funding process and procedures.
3. FTA Grand Funding after October 1, 2009.
4. Continue to work on plans for a new facility development, due to old building currently in.
5. With the new route expansion, need more maintenance personnel to continue with program operations.
6. Research for additional funding to accommodate a modern fleet, facility and additional staff.

J. Records Management Department (RMD):

1. Not Applicable
Division of Health

Anslem Roanhorse, Jr.
Executive Director
I. PROGRAM INFORMATION

Division Executive Director:   Anslem Roanhorse
Division Deputy Director:   Dr. Madan Poudel
Telephone No.:     928-871-6350
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Departments:
Epidemiology Center    Dr. Deborah Klaus, Director
Bio-T Program     David Nez, Department Manager
Management Information System   Roger Davis II, Systems Technician
Office of Planning, Research & Evaluation Roselyn Begay, Program Evaluation Manager
Navajo Area Agency on Aging Hank Haskie, Acting Department Manager
CHR/Outreach Program    Mae-Gilene Begay, Department Manager
Health Education Program   Philene Herrera, Program Manager
Breast & Cervical Cancer Project Sally Ann Joe, Program Supervisor I
Special Diabetes Project Betti Delrow, Acting Program Supervisor
Window Rock Wellness Center Paul Tso III, Coordinator
Behavioral Health Services Ray Daw, Acting Department Manager
Food Distribution Program Thomas Yellowhair, Acting Program Manager
Women, Infants, & Children Adele R. King, Program Manager
Environmental Health   Herman Shorty, Program Supervisor
New Dawn Program Harry Tom, Program Supervisor
Office of Uranium Workers Larry Martinez, Program Manager
Kayenta Public Health Nursing Linda Cothron, CHN Director

II. Accomplishments

Executive Administration

- The Indian Health Care Improvement Act Amendment of 2010: The Indian Health Care Improvement Act (IHCIA) was permanently reauthorized, on March 23rd, when the United States President Barack Obama signed the Health Care Reform Bill into law. There is no expiration date of the IHCIA—this is a true health reform! The Navajo Nation President and NDOH Executive Director had the distinct honor to represent the Navajo Nation at the Health Care Reform Bill signing ceremony in Washington, D.C.

- The Patient Protection and Affordable Care Act of 2010, a historic health reform bill includes the permanent reauthorization of the IHCIA which expired in 2000. Over the past decade, Tribal leaders and their staff, national tribal organizations and health advocates worked diligently and tirelessly to get the IHCIA reauthorized. The IHCIA is the key legal authority of the federal government’s trust responsibility to provide health care to nearly two million American Indians and Alaska Natives. The IHCIA was originally enacted in 1976 and reauthorized several times until it expired on September 30, 2000.

- The Navajo Nation relentlessly advocated for a permanent reauthorization and full funding of the IHCIA. The IHCIA protects the existing five Navajo health care facilities construction projects from any change in the construction priority system. The projects include: 1) Kayenta Health Center, 2) Dilkon Health Center, 3) Pueblo Pintado Health Center, 4) Bodaway-Gap Health Center, and 5) Gallup Indian Medical Center replacement. The IHCIA also authorizes a study to determine the feasibility of treating the Navajo Nation as a single state Medicaid Agency to provide services to Native Americans living within the boundaries of the Navajo Nation. A current authority of the State of Arizona as a permanent contract health service delivery area was reaffirmed. Another critical provision is the authorization for comprehensive behavioral health, prevention and treatment program. Another provision is the authorization for hospice care, assisted living, long-term care, and home-and community-based care to
be provided directly by IHS or tribes and tribal organizations. Furthermore, Tribal Epidemiology Centers, such as the Navajo Nation Epidemiology Center, will now have access to health data it needs to perform its mission.

- In 1999 prior to the expiration of the IHCIA, the IHS convened a National “437” Reauthorization Steering Committee composed of Tribal representatives from twelve IHS Areas and national Indian organizations to provide guidance and recommendations for the reauthorization. The National “437” Reauthorization Steering Committee worked with a consensus approach under a theme of “Speaking with One Voice”. This was the first time in which a federal agency consulted with Tribes in the development of a major piece of federal legislation. The Indian Health Care Improvement Act Amendments of 2000 was introduced in the second session of the 106th Congress. Over the past ten years, similar reauthorization bills were introduced and failed passage in a total of six Congresses before it passed in March 2010 in the 111th Congress. It was a long ten years of dedicated work to victory.

- The Navajo Nation pays a special tribute to the first Navajo Surgeon and Navajo Nation Vice President, the late Honorable Dr. Taylor McKenzie, who passed on in April 2007, for his dedicated service working on the reauthorization of the IHCIA. Dr. McKenzie represented the Navajo Nation on the National “437” Reauthorization Steering Committee and chaired seven of its eight subcommittees. Dr. McKenzie had great passion for the health care of the Navajo people and he was greatly respected by other Tribal leaders. He made countless trips to the Capitol Hill lobbying for the reauthorization of the IHCIA and remained committed to the end. The IHCIA reauthorization was one of his paramount duties as a physician and leader.

- In addition, the NDOH is grateful to many past and present Navajo leaders and tribal employees who must be acknowledged for their relentless advocacy efforts, including members of the Health and Social Services Committee, members of the Navajo Area IHS area and service unit health boards, members of the Navajo Area “437” Reauthorization Steering Committee, and Navajo Nation Washington Office and Navajo Division of Health employees who provided technical assistance behind the scenes conducting technical research and analysis, and developing Navajo Nation recommendations and positions to safeguard the Navajo interests and ensure access to quality health care for our people. The NDOH looks forward to implementing the new provisions and changes of the IHCIA and is committed to continue its advocacy efforts for funding of the reauthorized IHCIA.

- Federal-Tribal Consultation Sessions: On March 5th, the NDOH Executive Director was one of the three speakers on a cross-cutting panel on “The Impact of State Budget Reductions in Indian Country”, at the U.S. DHHS 12th Annual National Tribal Budget and Policy Consultation Session, in Washington, DC. The Executive Director spoke about how state budget deficits will result in decreased funding for Tribes and urban Indian organizations and disrupt access to Medicaid, Medicare and CHIP benefits, public health and prevention services, behavioral health, and other programs that require a State match for health and human services, including the program funded by federal block grants.

- On January 26 to 28, the OPRE program manager represented the Navajo Nation at the 4th Biannual CDC/ATSDR Tribal Consultation Advisory Committee Meeting and Tribal Consultation Session in Atlanta, GA. The TCAC collectively urged the CDC for an explicit inclusion of Tribes in various programs and offices, including the newly created “Office of State and Local Support”. TCAC urged CDC Director Dr. Thomas Frieden to add the word “Tribal” to the new office. Subsequently, the new office was renamed “Office of State, Tribal and Local Support”.

- Navajo Nation President designated the NDOH Executive Director as the primary representative of the Navajo Nation to serve on the IHS National Contract Health Service Workgroup. The national workgroup will review tribal input collected regarding the CHS reform and make recommendations for how to improve the CHS program, which may include changing the formula for new CHS funding increase. The national workgroup will begin its technical and complex work in April 2010.

- During the 2009 Federal Tribal Consultation Sessions at four separate locations and during its Health Advocacy Week, the NDOH submitted a total of 22 health-related issues. Some of those issues were addressed by the IHCIA reauthorization and through a 13 percent overall budget increase to the IHS FY 2010 Budget, including a $779 million funding for the Contract Health Service Program, of which $117 million is an increase over the base funding—this is the largest increase in CHS funding that will pay for medically necessary referrals for Native American patients. Another acute issue was to reduce obesity and weight-related problems for which the NDOH recommended the U.S. President to address the problem with a national campaign similar to the “No Child Left Behind” legislation and policy. Furthermore, the NDOH recommended action for authorizing funds for Indian tribes to implement preventive health programs specifically targeted at reducing the high rates of obesity among children and adults, and to increase educational awareness and prevention. In February, the NDOH was pleased that First Lady Michelle Obama launched the “Let’s Move” initiative, a national campaign to end childhood obesity.

- Indian Health Service Contract Health Service Program Reform: On March 15th, the NDOH submitted the Navajo Nation comments to IHS Director Yvette Roubideaux regarding the IHS Contract Health Service Program reform in which three major recommendations were offered, including: 1) a support for the current CHS program formula and recommends its continued use throughout the Indian Health Service; 2) a request for full funding of the entire States
of Arizona, New Mexico and Utah as the Navajo Area Contact Health Service Delivery Area; and 3) a request for the eligibility requirements for the CHS program to mirror the same requirements for IHS direct care services.

- **Technical Assistance to Correct Two Conflicting Navajo Nation Legislations:** In March the NDOH provided technical assistance to the sponsor of Legislation No. 0049-10, a member of the Health and Social Services Committee, to correct two conflicting legislations for two separate Indian Self-Determination Contacts that were approved by the HSSC and the Intergovernmental Relations Committee. The Legislation was approved by HSSC on February 5th and was recommended to the Intergovernmental Relations Committee for approval. Before the legislation was considered by the IGRC, the HSSC held a special meeting on March 8th to clarify any misunderstanding and potential adverse impacts that were speculated the legislation may cause on the existing 638 Healthcare Corporations, except the Fort Defiance as its contract had not commenced. Unfortunately, Legislation No. 0049-10 was withdrawn from the IGRC and it would have to be reintroduced by the same or another sponsor before consideration, pursuant to advice of the legislative counsel.

- **NDOH Strategic Planning:** On February 24 and 25, the NDOH held a joint strategic planning session in Albuquerque, NM. Three major common goals of the division and committee were thoroughly discussed, including the proposed Navajo Department of Public Health, the proposed Navajo Division of Aging Services and the Tobacco Legislation.

- **Navajo Department of Public Health Initiative:** Following the NDOH Strategic Planning Session in July 2009, a series of work sessions on the Navajo Department of Public Health Initiative were held which included health planners and certain program directors. A proposed Enabling Legislation for the initiative is about 90% complete for which a legislation bill sponsor will be retained who will submit it to the legislative counsel for bill development. It is anticipated to add the proposal to the 2010 Summer Session of the Navajo Nation Council.

- **Public Health Accreditation Board (PHAB) Beta Test Site Project:** The OPRE participation with the PHAB Beta Test is in progress and is scheduled to end on December 31, 2010. A contract with the Association of States and Territorial Health Officials was completed and a NDOH Accreditation advisory team was established composed of several program directors. The advisory team participated in monthly teleconferences and webinars. The Beta Test self-assessment will assist with identifying NDOH's strengths and components for improvement toward a public health accreditation which was completed during this quarter.

- **Funding Opportunity:** The U.S. Department of Health and Human Services announced a funding opportunity for a two-year HIV program. The purpose of the grant is to identify best practices to enhance HIV testing and to provide a more focused effort to address HIV/AIDS prevention in American Indian or Alaska Native populations. The OPRE and Health Education and HIV program staff met on March 29th and decided to apply for the grant. The funding cycle is two years at approximately $90,000 per year. There is a dire need and interest to pursue funding to provide HIV screening. This would elevate the Program's scope of work from primary prevention services to include secondary screening services. The Program staff will participate in work sessions to assist with a proposal development, including a work plan, project evaluation, organizational capabilities and qualifications, and categorical budget and budget justification.

- **Trauma System Development:** Planning continues to have the American College of Surgeons-Committee on Trauma (ACS-COT) conduct a consultation visit to the Navajo Nation before the end of the year. Plans are underway to provide a sub-contract this ACS-COT to do the services.

- **Activities of Federal and State Tribal Advisory Committees:** The NDOH Executive Director attended several separate meetings with the States of Arizona and New Mexico regarding the State General Fund budget shortfalls and to protect health and human services programs and services that are provided to the Navajo Nation and its population.

- **The NDOH received funds for CY 2010 in the amount of $27,254,301, for the 638 Master Contract. These funds support the following programs:** Health Education, Office of Environmental Health, Department of Behavioral Health, CHR, Kayenta Public Health Nursing and the Administrative Cost Center.

- **The planner assigned to the Navajo Division of Aging Services initiative attended three separate NAAA hearings on the Arizona Area Plan to listen to suggestions and needs by the elders as it pertains to the development of services with the proposed Division of Aging Services.**

- **Draft copies of several planning documents for the proposed Navajo Division of Aging Services were presented to the Aging and Long Term Care Advisory Planning Committee on March 18th.** The documents include an Enabling Legislation, Master Plan of Operation, the overview of proposed services, options for organizational structure, positions and cost.

- **The Navajo Nation Human Research Review Board (NNHRRB) approved 10 new proposals and 67 returning presentations. There were a total of 7 serious adverse events and none was related to any of the research studies. There were a total of 12 manuscripts approved.**
To date, there are a total of 1,299 studies entered into the database—both research proposals and manuscripts. Of the total 1,027 are closed studies and 272 remain open studies. The serious adverse events entered are 190 and CPAs entered is 1,865. The CPAs consist of quarterly, annual and final reports; continuation requests; change of principal investigators; consent forms; dissemination plans or modifications to protocols or consent forms; and dissemination plans.

Through the request of the NNHRRB, a public meeting was held on March 18th at the Red Mesa Chapter House regarding unregulated water quality within the Aneth, Red Mesa, Teec Nospos, Sweetwater and Mexican Water Chapters. The presenters were from CDC, Dine College-Dine Environmental Institute, DINEH Project, Navajo EPA, Brown & Caldwell Management Group, Navajo Nation Department of Water Resources, IHS and the Navajo Tribal Utility Authority. An assignment was given to a group of people to collaborate with different entities to develop plans, dissemination of information and recommendations for solutions to the water contaminants.

Healthcare Facilities Construction Steering Committees: After seven separate meetings with the IHS, Kayenta steering committee, various Navajo Nation divisions and Kayenta council delegates, a total of 64,279 acres of land withdrawal for the Kayenta Health Center was approved. Additionally, the Navajo Trust Land Lease was approved and pending signature of the Navajo Nation President; once signed it will be filed with the Navajo Regional Bureau of Indian Affairs for recording. A right-of-way for utilities is being processed by the NTUA. A right-of-way for the access road to the project site is currently under discussion. Once the access road is resolved, the project will proceed with the infrastructure development construction. To date, the Kayenta project has received a total of $19 million. The U.S. President’s Fiscal Year 2011 budget request includes $10 million for the Kayenta project.

The planner assigned to the proposed Dilkon Health Center project has met with the Navajo Department of Water Resources and the Bureau of Reclamation three separate times to strategize on how to address the projects water need. Through the meetings, it was agreed to develop and support two options as follows: 1) a Southwest Navajo Rural Water Supply Project to serve a wider users which is estimated to cost about $64 million; and 2) to drill a well and transport water from Leupp to Dilkon solely for the proposed health center. Furthermore, the planner secured five chapter resolutions from Districts 5 and 7 chapters supporting the Leupp-Dilkon Water Supply Project.

The planner assigned to the proposed Pueblo Pintado Health Center is also assigned to provide technical assistance to the proposed Gallup Indian Medical Center replacement project. The planner visited 13 chapters to share draft resolutions for designation of community representation to the GIMC steering committee. The Office of Engineering Services of Dallas, TX initiated the Phase II Site Selection & Evaluation Report for the GIMC project. The IHS Headquarters Office designated $300,000 to cover the necessary site studies that are required to be included in the SSER Phase II Report. The funds have not been released to the Navajo Area IHS yet.

The Navajo Area IHS Facilities Management completed the housing verification survey for the proposed Pueblo Pintado Health Center and forwarded a report to the Office of Engineering Services of Dallas, TX. The survey verifies available housing in the service area for the project. In most cases, housing is in demand and what is available is for specific clientele, such as Navajo Housing Authority, BIA and others. The Site Selection & Evaluation Report Phase I was on hold pending the housing survey for more than a year. Upon approval of the Phase I report and acquiring the necessary approval, the project will proceed into the Phase II SSER. The steering committee will be working with Navajo Area IHS Project Manager to verify the local land users for the top three recommended sites for the project to avoid problems in the future.

In February, the Bodaway-Gap Steering Committee met with the Tuba City Regional Health Care Corporation and Tuba City School District to discuss a proposal to lease the Gap Primary School facility by the TCRHCC to establish a temporary field clinic, for health care services of the Bodaway-Gap Service Area. The Tuba City School District officials indicated the Gap Primary School enrollment was operating at full capacity; therefore, the school would not be able to lease or rent a portion of the facility. Additionally, in March, the planner and steering committee members attended a planning meeting for a transition from the Indian Self-Determination Contract to a Compact status. The 638 Corporations agreed to prepare a legislation bill for presentation to the Navajo Nation Council during their summer session.

Novel H1N1 Influenza Surveillance for Navajo Nation: Due to winter emergency activities, the NEC focused on monitoring the pandemic, participating in conference calls with the CDC (Centers for Disease Control & Prevention) and updating NDOH staff.

NEC continues to assist the NDOH HIV/AIDS Program to revise its HIV/AIDS policy, including development of a Navajo HIV/AIDS surveillance system to develop a more comprehensive and complete HIV/AIDS surveillance system on Navajo Nation.
NEC staff met with a demographer at the University of New Mexico’s Bureau for Business and Economic Research (BBER) to begin discussing ways to more accurately estimate the number of people living in Navajo Nation. At this meeting, we were informed that this year’s US Census may under-count rural populations. So, the NEC has begun working with UNM’s BBER demographer and the NM Tribal Liaison to explore methods to better count Navajo Nation residents.

In March 2010, the Navajo Nation Human Research Review Board (NNHRRB) approved publication of a report which presents health data about Navajo women and their infants living in New Mexico. The NEC will print and distribute this report during the next quarter. This report is the result of a joint project between the New Mexico Department of Health’s PRAMS program and the Navajo PRAMS Workgroup, headed by NEC staff.

NEC staff attended a workshop in March that offered presentations and discussions around cancer, cancer screening and tribal issues related to cancer.

NEC staff attended the Annual Conference of the Association of Maternal & Child Health Program to learn more about maternal & child health issues and ways to improve the health of mothers & children.

**Breast & Cervical Cancer Prevention Project**

- On February 09, 2010 Program staff attended the IRB Meeting to present the final edition copy of the Cancer Glossary which was approved for distribution.
- The “2009 Navajo Nation Rodeo Cowboys Association (NNRCA) Awards Banquet” was held on February 20, 2010. Three BCCP Program staff promoted Breast Cancer Awareness at this event.
- On March 4 -5, 2010, staff attended the 2009 Native American Cancer Leadership Institute. The conference emphasized how cancer is a growing health concern in Native American Communities.
- On February 10, 2010, the Chinle Case Manager attended a meeting along with the Quality Control person, Mammography Technician and Women’s Health Coordinator to strategize ways to increase mammogram screening.
- This quarter, there are no abnormal mammograms at FDIH. There were a total of 51 normal mammogram reported and forwarded to the BCCP Case Manager.
- Two staff participated in the American Cancer Society Lobby Day on March 02, 2010 in Phoenix, Arizona. The purpose of their participation was to visit with our State Representatives and State Senator to present cancer related health needs on Navajo Nation.
- The Tuba City Case Manager attended the STD Collaboration meeting on February 25th, 2010. The meeting was held to share statistics of STD’s in the urban areas and neighboring Native reservations. Information was provided on the impacts STD has on the health status of society and to urge prevention education to the younger generation.

**Community Health Representative Program**

- A Pre-Construction Conference was held on March 2, 2010 between the Contractors, NAIHS and the program. The contract regarding the eight projects the CHR Program was discussed and Contracting Officers were assigned to the projects. Dates were provided when the projects will start and end. Presently, the program has (5) Repair by Replacement projects and (3) Maintenance Improvement projects which are funded under ARRA.
- The program participated in the recent 2010 Operation Snowfall. The field staff provided assessments, provided follow-up to high risk clients, delivered food, wood, coal, etc.

**Food Distribution Program**

- Assisted 28,647 eligible participants with commodity foods and completed 190 tailgate food deliveries to various chapter houses during the quarter.
- Program has provided Nutrition Education using commodity food to 7,405 participants.
- Central Office FDP Senior Office Specialist and 4 Food Warehouse Supervisors attended the 19th Annual WAFDPIR Region Conference in Reno, NV on March 6-10, 2010.
- Programs assisted with 2,700 food packages totaling 34,828 pounds with contracted price value of $37,834.20 during 2010 Operation Snowfall.
- Program ordered a new 2010 Freightliner Services truck utilizing $147,687 of the ARRA funds and $4,853 of program administrative funds.

**Navajo Health Education Program**

- Teen Pregnancy Prevention – attended the “Parent’s Speak Up” with Tuba City Native parents to become empowered by nurturing and educating their children through healthy open communication through culture-influenced activities and positive role modeling. A meeting was held with western area schools where sessions on
Abstinence Only, Puberty Awareness, Human and Sexual Reproductive Health Education classes for youth/students were held; a total of 458 people were served.

- The Program expects to introduce the HIV Code at the summer session of the Navajo Nation Council. The legislation will be addressed by the program during the 3rd and 4th quarters.
- Native American HIV Awareness Day activities are scheduled in Tuba City, Window Rock, and Gallup. Activities planned are community HIV screening, counseling, behavior modification, STD/HIV/AIDS awareness, and alcohol and drug use interfering with judgment and decision making. Health agencies from the counties, state, tribal, community based organizations and federal staff will participate in the events.
- There were 72,515 people received public health (HIV) education service, specifically, school health recorded 888 (1%) students/parents/school administrators; community health had 71,458 (99%); worksite reported 169 (2%) employees at employee health fairs, screening and/or presentations; and patient health education had 0 (0%) people in attendance.
- There were 56,502 people received public health education services, specifically, school health recorded 8,499 (15%) students/parents/school administrators; community health had 44,509 (79%); worksite reported 2,087 (4%) employees at employee health fairs, screening and/or presentations; and patient health education had 1,407 (3%) people in attendance. For this quarter, public education efforts focused on Emergency Preparedness, Pandemic Influenza, H1N1, Cover Your Cough, Hand washing, HIV, and Carbon Monoxide prevention, too.
- Staff trained in NIMS assisted during the 2010 Snowfall Operation. Approximately, 13,790 people were assisted from the central EOC to the seven Police District offices. The estimated total amount the Program spent on the Operation was $58,621.42; this includes purchases of food at the EOC and selected District sites, Overtime payment of non-exempt staff, GSA fuel, GSA vehicle usage, and estimated cost of office supplies.

Kayenta Public Health Nursing Program
- KPHN staff participated in writing and printing of NLCG.
- Initial Vision and hearing screening completed in all KSU schools, re-screening this quarter.
- Abstract accepted for poster presentation at “Cancer, Culture, Literacy” conference.
- Tribal staff joined for community flu vaccine clinics.
- Emergency response provided with PHN, CHR, HE staff.
- Staff attending Native H.O.P.E. training, prevention of suicide, violence.
- Meth training planned, staff will participate.

Navajo Area Agency on Aging
- A number of NAAA employees accepted the early retirement program offered by the Navajo Nation. Their service to the Navajo Nation Government is regarded as exemplary dedication.
- Foster Grandparents Program submitted contract renewal documents for FY 2011 operation. The contract covers a course of 15 months, which is three months over the normal expiration of the contract. NAAA successfully negotiated an extended three months in order to realign with other NAAA contracts.
- Five public hearings on FY 2011 – 2013 PSA Region VII Area Plan were conducted in March 2010. Public hearing activity is a mandatory requirement of the Older American Act of 1965 and is an integral part of Area Plan planning requirements.
- NAAA and NDOH participated in the 2010 New Mexico State Legislation; wherein, the office garnered enough legislative support to save (10) projects amounting to $1,716,555.00, the program lost (26) projects amounting to $1,174,832.25 and (34) new capital Outlay Projects were unaffected by the NM Legislative de-authorization. The total amount of new projects equals $3,464,370.
- NAAA participated in “2010 Snowfall Operation”; with the intent of keeping Elders from harm and to prevent injury and physical illness resulting from severe weather conditions.
- A delegation of NAAA/NDOH staff traveled to San Francisco, California to testify before the Administration on Aging on the reauthorization of the Older Americans Act and to present other issues and concerns affecting NAAA and American Indian Elders.
- NAAA implemented breakfast meals programs for elders at several centers using ARRA funds.
- Key NAAA management personnel received training on the DES-DAAS AIMS (Aging Information Management Systems) and the Analysis of Service Eligibility.

New Dawn Program
• At this time NDP are performing administrative task in updating and organizing our program brochures to be distributed. The program obtained price quotes on fruit trees, vegetable seeds, and vegetable/flower seedlings. There will also be hiring of temporary employees assist throughout the spring and summer months.
• At each agency NDP office people request information on the next distribution of fruit trees, shade trees, vegetable seeds and seedlings. They also received some information on gardening such as seed & planting techniques, irrigation methods, pest control and harvesting of crops. There are a total of 52 clients that received services.
• At the Tuba City Agency NDP office distributed fruit trees, vegetable seeds/seedlings and shade trees to 18 people. Prior to receiving these items they were educated as to how to plant and care for each seedlings, seeds, fruit and shade trees.
• There a total of 79 clients that we contacted for the second quarter of Jan., Feb., & March 2010.

Office of Environmental Health
• OEH was involved the monitoring of environmental health and safety activities at and during: Tolani Roping Classic, Tolani Lake, Arizona, March 5-7, 2010.
• Continue to participate in the planning of the NN Pan Flu Core and H1N1 Core Response.
• Continue participation in the Tribal Bio- Terrorism Collaborative Core Team Meetings within Arizona Department of Health Services.
• Continue to assist and participate in the historic initiation of the first Tribal R.S.S. as well as preparation for a full scale exercise from the state of Arizona in the Chinle area.
• Continue participation in the issues related to contaminated water in the Box Canyon Area of the southwestern portion of the Nation.
• Program continues to receive complaints and issued referrals for action. These include (but not limited to) Huerfano Chapter & Youth Program: – Compliant: use of propane gas heater within a gym. The matter was referred to Safety/Loss Control for follow-up. Compliance achieved and issue resolved. Wherthill Swimming Pool, Kayenta, AZ: – Non Compliance issues, Compliance Schedule Developed and resolution in progress. Ft. Defiance Community Services Building: – Order of Closure Issued by NOSHA & working to obtain an authorization to resume operation. Hogback and Upper Fruitland Senior Citizen Centers: – Order of Closure.

Office of Navajo Uranium Workers
• Radiation Exposure Screening Program through the Northern Navajo Medical Center collaborated with the ONUW prioritizes former elder, ill workers. Approximately 45 miners have been screened through RESEP.
• ONUW is scanning and archiving files and is utilizing the Digital Imaging System.
• The total DOJ RECA, DOL Parts B & E and the DOJ Downwinder compensations awarded to clients this quarter amounts to $1,559,595.58.
• ONUW caseworkers are doing outreach bi-weekly at Kayenta and Churchrock Chapter Houses.

Navajo Special Diabetes Project
• 2010 Grant Application was approved. NSDP (Navajo Special Diabetes Project) received the Notice-of-Award on 3/5/10 for 3/5/10 to 12/31/10. Total award is $6.4 million.
• Office Buildings are near completion to be set up and to accommodate the field personnel at Chinle, Kayenta and Dilkon. The buildings are expected to become operational by this summer.
• Hard Rock Wellness renovation project. The renovation of the old Chapter House will enable approximately 5,141 community members to use the building as a wellness center.
• The Dilkon Wellness Center is expected to be operational by this summer. Approximately 13,075 individuals will benefit from this center.
• The NSDP initiated 100,000 Pound Weight Loss Challenge. The challenge “Just for the Health of it” is to sign up as many people as possible to lose weight across the Navajo Nation.

WIC Program
• Two Breastfeeding Peer Counselors attended the 3rd National Conference of State, Territory, Tribal Breastfeeding Coalitions in Arlington, Virginia in January 2010 where they shared the Navajo Nation Healthy Start Act of 2008 (Worksite Breastfeeding Legislation).
• The WIC Director participated in the Western Region WIC Program Directors’ Meeting held at the USDA Western Region Federal Building in San Francisco, CA. USDA staff cover topics on: Categorical Participants, Retention Issues

- Altarum Institute of Portland, Maine conducted a 3-day assessment at five Navajo Nation WIC Clinics on clinic environment, clinic flow and staff observation. This project is in conjunction with the Participant Centered Education (PCE) which is mandated by USDA.
- The WIC Program Vendor Management staff conducted seventy-nine (79) vendor site reviews at Navajo Nation WIC authorized vendors throughout the Navajo Nation and border towns.
- The WIC Program held their Nutrition Education Conference March 15–18, 2010 in Albuquerque, NM. The training is mandated by USDA Supplemental Nutrition Program on “Participant Centered Education (PCE).

Department of Behavioral Health Services

- The Navajo Regional Behavioral Health Center (NRBHC) hired on a Clinical Specialist to provide clinical oversight of the Men's Residential Unit and a Registered Nurse applicant was interviewed and is recommended for hire.
- Planned and facilitated meetings and tours of the NRBHC treatment facility with representatives from media agencies for publicity purposes.
- Developed the Navajo Regional Behavioral Health Center FY’2010 Budget.
- Met with representatives from NM HSD/MAD, CYFD, and BHSD to discuss sustainability and maximizing access to Medicaid reimbursements for all NRBHC treatment units, including Adolescent residential, Adults residential, and Outpatient.
- To start billing for Medicaid services provided, the NRBHC Office of Intake staff participated in an online facilitated (WebEx) training to use the web-based claims and billing package (Networkers) operated by OptumHealth New Mexico (OHNM). There was also an onsite meeting at OHNM Region One Office to discuss operational details of claims and billing for Medicaid and other NM fee-for-service (FFS) funding streams.
- The Shiprock Outpatient/Intensive Outpatient services decided to fully integrate its co-occurring, traditional, and faith based recovery processes (treatment) and has adjusted its assessment process to ensure that it is client centered with a holistic approach.
- At an Annual Community Round Dance opportunity avail itself to give prevention education and information to 685 individuals and 175 prevention materials distributed.
- The first treatment cycle for the NRBHC began in February, 2010 and will continue until May 2010 and master treatment schedules were developed by identifying all groups including an educational component through contact with the Dine College GED Program for clients.
- Dr. AJ Ernst, Project Director of CSAP Native American Center for Excellence provided technical assistance & support for the NRBHC Health Services Administration regarding the healing/treatment services for persons with co-occurring disorders.
- Implemented an (MOU) with Navajo Technical College to provide substance abuse intervention and counseling for its students and per the agreement. 32 students were referred to receive services.
- Ft. Defiance OTC-FAS implemented a comprehensive curriculum designed to provide FASD Certification and Continuing Education Units to allied health professionals.
- Ft. Defiance-FBIP is working to set up some Christian Counseling Trainings for the FBIP Counselors. They also received Bibles, Study Bibles, and literatures for program.
- ARRA funding for Maintenance and Improvements at Shiprock; Chinle; Kayenta; Page and Crownpoint agencies were approved for $266,655.00
- ARRA funding for a “Repair by Replacement” (Modular Building) in Tuba City has been approved for $830,000.00

III. STATUS OF ON-GOING PROJECTS, INITIATIVES & COA’S

Dilkon Steering Committee

- The Bureau of Reclamation strongly recommended reconsideration of the DHCSC’s prior resolution advocating for the C-Aquifer water to be exclusively for the DHC and advocate rather for a Southwest Navajo Regional Water Supply Project.

Navajo Epidemiology Center

- NEC staff continued to lead meetings with the Navajo Cancer Workgroup in order to finalize the 1st-ever Navajo Cancer Report, which is approximately 95% complete.
- NEC staff continued to work with the Utah Department of Health to find a way to obtain Navajo vital records from the state.
Injuries (i.e., unintentional, intentional, motor vehicle-related) constitute the leading cause of death among Navajos in Navajo Area. The last NAIHS injury report is outdated. The NEC awaits a draft of this important report. When a draft becomes available, NEC staff will review the report and provide feedback regarding the data, the analysis results and the implications of the report.

Community Representative Program
- The program will continue to work with the Boston PACT project on developing MOA.
- The program will provide CHR PCC Refresher trainings for staff in 2010. A total of two trainings will be held for personnel.

Food Distribution Program
- Proposed contract for the Mexican Springs warehouse renovation is at DOJ for review and surname prior to submittal to the OPVP for signature.

Navajo Health Education Program
- Teen Pregnancy Prevention: Greyhills Academy High School (GAHS) staff, Health Education staff are planning to have a “Dating/ Domestic Violence Prevention Conference” in April 2010.
- Teen Pregnancy Prevention - Community partners, including Health Education staff brainstormed over the “Al ts’e - Wait Healthy Youth/Teen Day” at TCHS and GAHS in May 2010 to be held right before Prom. It will feature an essay and poster contest winner for the youth who attend.
- Teen Pregnancy Prevention - scheduled to conduct an Abstinence/Consequences of Risky Behavior class and “Healthy Teen Relationship” class in Tuba City and Kayenta.
- Exploring alternative office space for the Fort Defiance staff for five (5) months. St. Michael's professional building cost nearly $54,000/year. The Ft. Defiance Community Health building is closed. Assistance is needed to locate a building to re-establish the work station and direct services.

Kayenta Public Health Nursing Program
- Various community health fairs throughout service unit.
- School vision and hearing screening repeated as necessary.
- Child protection team, domestic violence, high risk pediatric committee meetings.
- Meeting with NDOH as member of NTAG, also part of legislative preparation team, planned expansion of NDOH programs is ongoing.

Navajo Area Agency on Aging
- NAAA still addressing the OAG audit findings. Seven problem areas remain outstanding and require resolution for ‘sanction’ to be lifted. Removal of the sanction will normalize General Fund appropriations.
- NAAA/NDIT is continuing to create a comprehensive, computerized data collection/transmission system in order for accuracy and reimbursement to stabilize and gain acceptable sustainability.
- NAAA FY 2011 – 2013 PSA Region VII Area Plan is (90%) completed. Completion of public hearings will finish the planning process to submit the Plan before the May 1st deadline.
- Initiation of Denture Project for elders in Western Navajo Agency. Each agency is allocated funds for (20) individuals.

New Dawn Program
- New Dawn Program will continue to disseminate program information at each agency by participating in health fairs, science fairs, and health events.
- Continue to conduct workshops on: horticulture and food preservation.

Office of Navajo Uranium Workers
- Continue registering and filing claims on behalf of miners, millers, down winders, ore-transporters and where applicable, to their survivors.
- Assisting clients with Energy Employee Occupational Illness Compensation established through the Department of Labor for medical benefits and Federal Workman’s compensation.
- Compiling statistical data on Navajo Uranium Workers registered with the ONUW.

Navajo Special Diabetes Project
The University of Utah is conducting an evaluation of organizations that are supported with SDP funds and the contract expired at the end of December 2009 but, with a no-cost extension, the contract was extended to March 31.

In collaboration with the Navajo Head Start Schools, NSDP identified and selected several sites for placement of new playground equipment. The equipment enables children to become more physically active to address the prevention of childhood obesity.

**Department of Behavioral Health Services**

- Crownpoint OTC continues to support its ongoing collaboration and coordination among its resources and service providers, including Judicial Departments.
- DBHS continues the initiative to provide awareness regarding under-age drinking.
- Ft. Defiance-FASD’s Surveillance Project with University of Arizona Department of Pediatrics received a grant entitled “Surveillance of Fetal Alcohol Syndrome (FAS) Utilizing the Infrastructure of Existing Surveillance Program” future studies and research promises will apply for the Navajo Nation Review Board application.
- The Navajo Nation FASD project continues to serve on the American Indian/Alaska Native/Native Hawaiian Expert Panel and National Association of FASD State Coordinators.
- Ft. Defiance- Faith Based Program is almost finished with its Bridge Ministry Guidebook, Power Point, and Banners addressing Christian Counseling
- The New Mexico Reinvestment contract will continue to monitor the work of the consultants who are already providing services regarding their schedules and workloads.
- The Navajo Specialized Traditional Project will proceed on completing a Follow-up with Cultural Preservation to obtain permit.
- Once the Pregnant Women/Children contract is in place, NRBHC will proceed with hiring a Social Worker on temporary status while the position is being classified as a new position.

**IV. STATUS OF ACTION PLAN (A, B, & C LISTS)**

**Dilkon Steering Committee**

- The Phase II SSER is pending completion and awaiting an acceptable water utility plan for incorporation into the PHASE II SSER.
- The POR is being reviewed by IHS Headquarters.

**Kayenta Public Health Nursing**

- One remaining vacancy in KPHN staff. Program is re-organized to function in teams.

**Navajo Area Agency on Aging**

- NAAA has not fully completed the 2004 Audit findings.
- NAAA/NDOH OPRE is working on establishing a ‘Division’ for Navajo elders.
- NAAA will continue processing NMALTSD Capital Outlay projects.

**Department of Behavioral Health Services**

- Crownpoint OTC’s Total Community Approach Youth Treatment Care Coordination is refunded through OptumHealth New Mexico to provide treatment services to youth ages (13-24).

**V. OUTSTANDING PROGRAM ISSUES**

**Dilkon Steering Committee**

- The Scope of Work regarding the use of the $500,000 has been resubmitted to IHS. The $500K will then be transferred to NAIHS and it is unknown if this transaction has occurred.

**Community Health Representative Program**

- All CHR PCC data should be entered daily but due to not being fully connected to the RPMS continues to be problematic with Kayenta, Shiprock and Tuba City. These programs need to be connected to the RPMS.

**Navajo Health Education Program**

- The program needs to have office facilities addressed to provide quality services to the public.

**Kayenta Public Health Nursing**
Salaries are not structured appropriately for staff members that are required to carry a professional license to practice.

Navajo Area Agency on Aging

- Resolution of 2004 OAG Audit findings.
- Constant breakdown of vehicles hinders service delivery. This will be presented to the Navajo Nation Fleet Management Department and the Motor Vehicle Review Board.
- Arizona DES-DAAS retracted the OAA Title IV, subtitle B LTC Ombudsman service. Absence of an Ombudsman will directly impact Tribal elders residing in care facilities. NAAA is developing a corrective action plan to restructure the Ombudsman program.

New Dawn Program

- An outstanding issue is to try to keep our administrative work to 5%.

Office of Environmental Health

- Continue to provide monitoring, surveillance, and enforcement, more so now that spring is here.
- Continue to conduct our routine food handler’s training sessions and accommodate special food handler’s training session requests for special groups/interests. (see (a) above)
- Monitors, surveillance, & enforcement of environmental health & safety of complaints or referrals received of environmental health and safety issue and concerns.

Office of Navajo Uranium Workers

- An issue is for ONUW Caseworkers must prove “Proof of Presence” for Downwinder claims and deceased former uranium workers’ to identify their beneficiary survivors
- The U.S. Department of Labor (Part “E” whole Body impairment claims) is “A link between the covered employment exposure and medical condition established”. The Act requires a finding of causation and significant factors which aggravated, contributed to the uranium worker’s illnesses.

Navajo Special Diabetes Project

- Certification of the NSDP field staff in their area of specialty so they can fully utilize their skill, talents and capability.
- The Order of Closure of the Fort Defiance Community Health Building remains closed until further notice. The WIC Program had to vacate the building with 35 NDOH staff and is currently serving WIC clients at the Fort Defiance Chapter House.

Department of Behavioral Health Services

- Tuba City OTC Clinical services have been disrupted due to the building being closed due to the problems with our boiler.
- Crownpoint OTC’s service delivery is outstanding and our staff is providing treatment services but they have no office spaces, as well as, a Group Room.
- Ft. Defiance- FBIP is concerned with where it fits in with the newly developed integration plan and want to remain in the Special Projects section in order to improve the quality and effectiveness of faith based program.

VI. PROBLEMS/RECOMMENDATIONS

Dilkon Steering Committee

- Request Dilkon chapter for additional acreage to increase the land size for the DHC and staff quarters although it may require amendments to the planning documents.

Navajo Epidemiology Center

- NEC attempted to hire staff and found that the hiring process has been very long and has often failed. RECOMMENDATION: The NEC recommends that NNDOH be allowed to directly hire staff for NNDOH technical positions
- Slow Navajo Financial Processes. RECOMMENDATION: The NEC recommends that Navajo Nation put in place mechanisms that will expedite the processing of funds from external sources.

Food Distribution Program
• Lack of approved Indirect Cost Rate for the Navajo Nation, which prevented our program from spending all of our FY-2009 funds. NN Office of the Controller needs to get an approved IDC rates as soon as possible. Need to get (HSSC) to approve a legislative action to identify budget savings to pay some outstanding bills from prior years.

Kayenta Public Health Nursing
• Salary levels for Registered Nurses and other licensed medical professionals MUST be increased to be commensurate with what the industry demands.
• Need for additional nursing staff. The present staff is exhausted, all available positions are filled but KPHN needs to establish a minimum of 3 additional RN positions.

Navajo Area Agency on Aging
• NAAA received word from AoA/DES-DAAS that NAAA LTC Ombudsman program has been retracted pending implementation of a Corrective Action Plan. RECOMMENDATION: NAAA compose and implement Corrective Action Plan to restate the Ombudsman Program.
• NAAA Corrective Action Plans for remaining 2004 OAG audit findings is incomplete. RECOMMENDATION: NAAA timely initiate corrections to lift ‘sanction’ status.
• The NN Design and Engineering is selective as to which organizations to assist; i.e., the higher cost projects out do projects that have less or inadequate funds. RECOMMENDATION: Seek legislative avenues to have the Design and Engineering to provide technical assistance to NAAA regardless of project cost.

Department of Behavioral Health Services
• NRBHC facility has encountered challenges due to no phone lines. RECOMMENDATION: Work with appropriate entities to address this issue.
I. PROGRAM INFORMATION

Division Executive Director: Andre Cordero
Telephone No.: 928-871-6375
Facsimile No: 928-871-6377

Departments:
Personnel Management Bernadette Bernally, Human Resources Director
Staff Development & Training Fred Silverfox, Training Manager
Navajo Workforce Development Roselyn Shirley, Department Manager III
Navajo Veterans Affairs David Nez, Department Manager II
Retirement Services Rodger Martinez, Retirement Plan Administrator
Office of Navajo Labor Relations Reynold R. Lee, Program Manager II
Office of Broadcast Services Kee Long, Program Manager I
Navajo Office of Vital Records Leonard Benally, Vital Statistics Manager
Navajo Occupational Safety & Health Administration Timothy Bitsie, Program & Projects Specialist
Office of Navajo Women & Families Marie E. Begay, Program Supervisor I
Department of Child Support Enforcement Pierette Baldwin-Gumbrecht, Program Supervisor I
Navajo Nation Band Lance Todakonzie, Band Director

II. BUDGET PERFORMANCE INFORMATION:

a. Funding and Expenditure:

<table>
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<tr>
<th>Department</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicles</th>
<th>FY 2010 Personnel</th>
<th>% Used (Exp)</th>
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b. Program Performance Results (OMB Form 2 Program Performance Criteria)

### III. ACCOMPLISHMENTS

#### Department of Personnel Management (DPM):

- The DPM staff initiated a NNPP Manual amendment project. The staff is currently compiling information and documents specific to which policies require amendments. Also, gathering relevant legislation, legal opinions and survey results that will assist with this endeavor. Thus far, we have had several meetings and plan to continue meeting on a weekly basis.

- Attended several meeting with the Navajo Head Start Program to discuss the issues and concerns regarding the position vacancies, the efforts being made by DPM and Head Start to fill the direct service positions, the reclassification of the Head Start Teacher, Head Start Bus Driver and Head Start Cook positions, the minimum qualifications of the Head Start Teacher positions and furlough issues. DPM and Head Start will continue to work on developing and implementing procedures and processes to expedite the recruitment and implementation of reclassification actions; and to ensure that various personnel actions are addressed in accordance with applicable policies and procedures, i.e., furloughs, reclassifications, transfers, layoffs, etc.

- Attended several meetings with the Office of Management and Budget (OMB) and the Office of the Controller to discuss Navajo Nation Council Resolution CS-29-09 and how it affects the use of the personnel lapse funds for step increases for eligible employees in fiscal year 2010. There were various interpretations of the legislation and as a result OMB requested clarification from the Department of Justice (DOJ). Although, DPM, OMB and OOC issued a memorandum stating that the programs are responsible for all costs for step increases, there are a large number of general funded programs who do not have funds available to cover the step increases for their eligible employees. Several months have past with no written response from DOJ to OMB's request.

- Ms. Aprell Emerson, HR Adjudicator was given Special Assignment to supervise the Background Investigations Office staff and oversee daily operations of the office by Ms. Bernadette Bernally. The Background Investigations Manager position requires reclassification to eliminate the Employee Relations functions therefore, the position is vacant.

- The Background Investigations Office has received background check requests from the AmeriCorps Program – Department of Navajo Veterans Affair, Department of Dine Education, Accounts Payable and the Borrego Pass School. The AmeriCorps Program funding was discontinued therefore their background checks are inactive. With the working efforts between the Background Investigations Office and Department of Public Safety – Information Management Section the BIO staff was able to conduct and complete 55 tribal background checks for the Borrego Pass School.

- In February a Background Investigations Task Force Meeting was held. The task force members were informed of Mr. Herbert Clah Jr. retirement in December and Special Assignment was given to Ms. Aprell Emerson, HR Adjudicator. Updated reports were given regarding the new HR Records Clerk, Ms. Marlene Jones, the approved Background Investigations Office Plan of Operation, continued efforts to work on the fund management plan and procedures, background check requests, adjudication activity, and BIO Presentations. BIO Task Force Member Mr. Orlando Bowman communicated that he and Mr. Clah were working on projects for the Background Office and would like to continue to work on those projects with the assistance from Ms. Aprell Emerson. The projects include establishing a resolution for the Background Investigations Office to be the point of contact directly to the FBI or AZ DPS. This resolution would have all departments and programs with the Navajo Nation go through the Background Investigations Office for fingerprint card submission. In addition, work on establishing a Memorandum of Agreement with the FBI or
AZ DPS to send fingerprints cards directly to their office. One effort to move forward with these projects is to do an AZ DPS site visit and meet with persons in command to initiate an agreement. The task force did not meet for the month of December and January due to inclement weather. A total of 10 staff from various departments attended the meeting. The meeting was facilitated by Ms. Aprell Emerson. Some of the topics that were discussed: OBI new employee, Plan of Operation, Fund Management Plan, and background checks OBI has done along with some concerns.

- On February 11, 2010, the Employee Relations Section (ERS) did a presentation to the Shiprock Agency LGSC Chapter Officials and Community Services Coordinators on Discipline of Employees and the Grievance Process. The event was well attended by the CSC.

- EIG section completed a cleansing of the PeopleSoft database relative to former employees that have been inactive for longer than one year and have a balance in either annual or sick leave. We started with 1,250 employees on February 18, 2010 to 95 employees on March 2, 2020. We forwarded a list to Payroll for employees that have an annual leave balance of 10 or higher.

- EIG section also completed a cleansing of the PeopleSoft database relative to former employees that have been inactive for less than one year and have a balance in either annual or sick leave. We started with 600 employees on March 18, 2010. We forwarded a list to Payroll for employees that have an annual leave balance of 10 or higher. EIG worked with Mr. Stanley Smith on all of these projects.

**Staff Development & Training Department (SDTD):**

- A total of 85 NN employee participated in training; 75 training sessions were offered; 786 Training Request forms were submitted and processed; 3 New Employee Orientations were held this quarter
- Monthly and Quarterly computer & Soft Skills training schedules are completed and distributed.
- The SDTD has been working to actively seek an alternative site due to facility issues. To date, the SDTD has been able to visit five business leasing sites in Gallup, NM. Continued collaboration occurs as the search continues.
- A new SDTD sign has been erected by Facilities Maintenance Department and the graffitied sign has been removed.

**Navajo Department of Workforce Development (NDWD):**

- Each workforce center has been prioritizing veteran’s preference in WIA and ARRA employment and training programs. More veterans and eligible spouses are participating in our programs this quarter. Recruitment and enrollment efforts for veterans are coordinated with the agency veteran’s services offices and will continue to be emphasized.
- The NDWD Administration Office hosted the WIA New Mexico Native American grantee meeting in Window Rock, AZ on March 4, 2010. Program Directors and staff traveled from their pueblos, villages, and reservations to share common issues regarding WIA funding and the many challenges rural communities face.
- The FY 2009 Single Audit began in early February 2010 with an entrance conference for 12 external funded programs. An orientation session was provided by KPMG and the Navajo Nation OMB for federally-funded grantees at the Navajo Nation Museum & Library Conference Center. NDWD is funded 99% by federal funds.
- The NDWD Rapid Response and Dislocated Worker Team coordinated and hosted two Career and Job Fairs on January 22, 2010 in Window Rock, Arizona and March 11, 2010 in Gallup, New Mexico. Approximately 310 individuals visited with 73 employers and training institutions during these job fairs. NDWD field staff provided on-site job search assistance and program information services.
- The implementation of expenditures approval was completed for the PY 2009 WIA Grant Award for the State funds in the amount of $3,155,371. The program guidelines and budget allocations will be issued before end of this quarter.
- Identified unspent ARRA funds were re-programmed into direct training costs to serve more eligible Navajo participants with Work Experience activities. A total of 270 youth and 100 adults are planned to be employed for a period of between 320 hours and 500 hours reservation-wide. The start date of this temporary employment is March 29, 2010 and ending on July 2, 2010.
- The submission of payment vouchers for program participants, directly into the FMIS, is improving timely payments to students who are attending schools in Phoenix, Albuquerque and locations in Utah. We are receiving fewer complaints that payment requests are being delayed or misplaced. The training institutions receive payments for the students and disburse WIA payments to the students to ensure accountability.
The organizational development work group met twice to initiate the planning and development of the centralization of certain components of the NDWD department. The plan of operation and organizational charts are being revised.

Each workforce center is emphasizing Work Readiness activities for their participants. Work readiness is a required UDSOL performance goal we must meet. The GIS Counselors have monthly work sessions to discuss needed improvements in their assigned job functions and develop a work readiness curriculum that will prepare our participants who are below minimum skill levels, to attain proficiency and to prepare them for the workforce.

The Bridge Pre-Apprenticeship Training Program graduated 17 NDWD program trainees in the carpentry pre-apprenticeship trade on March 19, 2010 in Farmington, NM under the guidance and tutelage of the Southwest Carpenter's Union. These graduates are now ready to join the regular apprenticeship training program to work in permanent union jobs in the Farmington, NM area. In a Memorandum of Agreement with The Bridge, NDWD provided the tuition and support services costs for these students.

NDWD is ready to assist referrals of prospective applicants for the casino construction projects that are underway. The Navajo Nation Gaming Enterprise will be sharing vacancy listings with our workforce centers to hire qualified Navajos in these jobs.

The ARRA policies and procedures for post-secondary education scholarships was implemented effective February 1, 2010. Scholarship funding is $550 for part-time students to $1,100 for full-time students.

Department of Navajo Veterans Affairs (DNVA):

- The Central Office Administration formed a team to devise a process to resolves corrections cited in the Auditor General's report. The process involves the development of a monitoring team that is designed to check the progress of the corrective actions at each of the agency and central office level.
- A new Department Manager was hired to carry on the mission of the department. Expectation includes a clean audit during the next fiscal quarter, re-training and re-directing employee expectations, reviving projects that are in stalemate, and initiating new ideas to serve the customers.
- Turned over keys to the house to three Veterans in the Western Agency. The homes were built with NAHASDA funds under the administration of Navajo Housing Authority. A subcontractor built the homes in six months. Eleven more units are being proposed for veterans under this agreement with NHA.
- DNVA staff attended the Five (5) Agency Commanders’ Meeting at Church Rock Chapter House on March 13, 2010. The meeting was well attended by various commanders, officers and representatives of 110 Chapters of the Navajo Nation. DNVA staff shared information on the status of the Corrective Action Plans to resolve sixteen (16) areas of Audit Findings by the Office of Auditor General.
- DNVA staff and Veterans’ Organization Commanders training conducted at Chinle Holiday Inn conference room on March 4-5, 2010, to resolve, and clear 16-areas of audit findings by Office of Auditor General.
- On Mar. 24, 2010, the DNVA CAP Monitoring Team came to the Chinle Agency DNVA to conduct an internal evaluation and the final progress review indicated the following: The team determined that work still need to be done to prepare for the upcoming re-audit by the Auditor General’s office. The team recommended increasing accountability through better communication, more IT Trainings, and personnel changes to comply with Corrective Action Plan.
- DNVA Chinle Agency supported the first official meeting of the Central Navajo Veterans Organization at Chinle agency BIA Education Conference Room and the main issues were Veterans Registry; Navajo Veterans Act; Military Service Credit (a Resolution requesting the 21st Navajo Nation Council to Enact A Legislation to count the years of military service along with government service for retirement purpose.; Election of CNVO Representatives: Johnson Claw, Commander, and Clarence N. Gorman, Vice-Commander; Disbursement of Navajo Veterans Trust Fund in the amount of the $3,600 per chapter; Eleven (11th) Annual ‘Fact Finding” trip to Washington, D.C. on November 11, 2010; the Establishment of CNVO Auxiliary which will consist of Surviving Spouses, Dependents, Gold Star Mothers and Blue Star Mothers; and most importantly the need to expand twenty (20) to sixty (60) acres for VA Cemetery; and acquiring at least three (3) acres for VA Community Based Outreach Clinic by April 01, 2010.
- The Chinle Agency Veterans Service Officer was assigned to Western Navajo Agency for office coverage for one day. During the temporary duty at Tuba City Agency office, the VSO assisted
eleven (11) veterans with numerous issues and concerns; such as, the difference between Federal and State VA Benefits including the Navajo Nation VA Services which are not considered benefits and entitlements. It was determined that most of veterans organization leaders were unsure of the Fiscal Year 2004-2009 Navajo Nation Veterans Trust Fund’s pending status, and a possible sanction of Fiscal Year 2010-2011 DNVA Allocations due to Auditor General’s Findings.

- The Chinle Agency Veterans Service Officer and the Central Navajo Veterans Organization’s Honor Guards attended Funeral Service for USMC Lance Corporal A.J. Yazzie of Chinle Agency / Rock Point Chapter whom was killed in action (KIA) on Feb. 26, 2010. More than 600 people attended the military funeral in three (3) communities: Farmington, New Mexico; Sweetwater, Arizona and Rock Point, Arizona.


- NAHASDA Housing Program Memorandum of Agreement has been executed for the 11 housing units allocated to Eastern Agency DNVA. The two Veterans selected for these units will be re-certified to see if they still qualify by income and family size. On-going NAHASDA funded veterans housing units include seven whom are at (7) veterans 60% completion. Currently the waiting list is at 90 veterans within the Eastern Agency.

- Two houses are being constructed utilizing Self Help Housing Program funds under Fiscal Year 2010 within the Eastern Agency with one in Manuelito and the other in Mariano Lake Chapter. These units were at a stand-still do to the weather condition. The first phase of construction activities commenced on the unit in Manuelito. The house Mariano Lake is at 10%.

- A two bedroom house is being built by Indigenous Community Enterprises (ICE) at Manuelito, New Mexico. They will begin construction in the spring. This is a NAHASDA funded project and being implemented in coordination with NHA.

- The Eastern Agency Senior Carpenter provided technical assistances as follows: one veteran in Ramah, New Mexico with cost estimation of housing and plumbing material. The Veteran is in the process of building his own house. Assisted one disable veteran in building storage shed in Becenti, New Mexico. Assisted one veteran in Becenti, New Mexico with recommendation on building a straw bale house.

- **As of 3/4/2010**, the Navajo Nation has a total of 9,218 registered veterans. Eastern Navajo Agency has a total of 2,172 registered veterans. Eastern Agency veterans registered in two agencies is at 167. Veterans registered in three agencies are 16. Letters were written to all veterans requesting them to register with only one agency. Verification will be with Chapter voter registration card.

- For the second quarter, Ft Defiance Agency DNVA had 480 veterans (374 Male/ 106 Female) and visitors come into our Fort Defiance Agency Veterans Office as 105 Veterans marked as Walk-In and 375 Veterans did not mark as Walk-In.

- Ft Defiance Agency DNVA assisted 132 veterans with Trust Fund assistance, emergency hardship, and housing materials. Assisted with 78 veterans under the Carl T Hayden Traditional Ceremony for actual assistance or provided information. Assisted 60 veterans under the Honor Guard Detail either for request or pick up checks. Assisted 45 veterans with request for military records/DD214. Assisted 79 veterans to apply for Self-Help Housing materials. Assisted 13 veterans who came in for VA Benefits. Assisted 1 Veterans who came in for question on AmeriCorps program.

- Ms. Arlene Largo, Senior Office Specialist from the Eastern Agency Veterans Office is assigned and providing technical assistant to the Fort Defiance Agency Office with records management, budget management, operating supplies and Trust Fund.

- Fort Defiance office is considering moving to the Youth Development Office whom is moving to their new office. The Chapter is in support of the Veterans Office to taking over the site, building, parking lot, and the additional land adjacent to it.

- The DHR Division Director and the Shiprock Agency Senior Carpenter conducted assessment on the housing project sites on March 17, 2010.

- Shiprock Agency DNVA conducted Veterans Trust fund management and utilization orientation with the Veterans Organization Officers on March 19, 2010.

- Shiprock Agency DNVA provided a detailed report to the Human Services Committee on the trust fund allocation on March 22, 2010.
Western Agency DNVA assisted 17 Veterans with $2,939.34. The request for financial assistance within this quarter is still being carried out by utilizing the veterans' trust funds and chapter veterans' supplemental funds.

Met with Janie Kewnvoyouma, Clinical Social Worker with Northern Arizona VA Health Care System regarding veterans in the area who may have PTSD. She will be serving the Tuba City and Moencopi Area. She requested to use our facilities every Thursdays to meet with prospective clients with PTSD. She has been here at our office but no clients have come to see her for services.

The Western Agency DNVA assisted 8 veterans with $55,748.74 under Self-Help Housing program including complete home, partial and renovation assistance. And, registered five (5) Veterans that processed out of the Military and were provided information on program services.

Western Agency DNVA met with the other agencies to come up with a format in Microsoft Excel called the Veterans Statistics Overall to replace a Veterans Database.

Department of Retirement Services (DRS):

Most of the month in January, DRS staff worked extensively on the Special Retirement Program, now retired employees, the total SRP Packages given out was 875 who were eligible and 268 did take advantage of the opportunity of the SRP; 334 said “No” to the benefit and 607 did not respond, so they continue to work. Staff is still very busy updating the files on the system.

DRS traveled on March 11-12, 2010 to attend and participate in the Navajo Nation Investment Committee held in Albuquerque, NM. The meeting was on the First Quarter Investment Performance by RV Kuhns, possibility of fund replacement and reevaluating the funds for the Navajo Nation 401(k) funds.

Office of Navajo Labor Relations (ONLR):

Zachary Construction Corporation. They provided updates on their projects. Work was completed at Challa Power Plant with 620 employees of whom were 93 % Navajos. Zachary is also developing a training center in Page to assist workers at Navajo Generating Station overhauls. Laborers will be put through apprenticeship training and eventually become journeyman. Zachary invited ONLR to visit their training facilities.

February 11, 2010 – At the request of Division of Social Services, Director and Gil Damon, LCO conducted a workshop at Drury’s Motel in Albuquerque from 9:00 A.M. to 3:00 P.M. In addition to the NPEA discussion include disciplinary actions, documentation and the “Navajo Nation Healthy Start Act of 2008”.

February 25, 2010 – Director and two LCO’s conducted interviews for Shiprock and Tuba City LCO’s. Meredith Thomas was selected for Tuba City and Dave DeVore for Shiprock LCO.

March 7, 2010 – At the request of Ben Bennett, Fort Defiance Chapter President, and Director attended a special meeting regarding the proposed conversion of Ft. Defiance IHS Hospital to a 638 contract hospital. There were over 200 people in attendance. The chapter passed a resolution to have the hospital board cease work on the 638 contract until their concerns and questions were answered.

March 12, 2010 – Director conducted an NPEA workshop for Navajo Nation Employee Housing program. The staff had numerous questions and stated the workshop was very informative.

March 23, 24, 25, 2010 – Director and Gil Damon, LCO conducted workshops for Navajo Area Agency on Aging employees. There were 20 attendees each day and numerous questions were answered with regard to disciplinary actions, documentation, harassment, intimidation and discrimination.

December 22, 2009 – National Ironworkers Training Program for American Indians applicant called ONLR to confirm that he will be attending the NITPAI Class 128 beginning March 1, 2010 and has made the necessary transportation arrangement to Broadview, IL. He will be taking the Greyhound bus from Gallup, NM on February 28, 2010.

January 8, 2010 – NITPAI applicant called ONLR to confirm that he will be attending the NITPAI Class 128 beginning March 1, 2010 and has made the necessary transportation arrangement to Broadview, IL. He will be taking his own transportation to Broadview.

March 19, 2010 – CEA received notice from NITPAI Application Approval for Class 129. All three (3) referred individuals were placed into Class 129 for training. All were notified and now making necessary transportation arrangements to Broadview, IL.

Eastern Agency LCO was temporary Assignment to the Sub-office (Shiprock): The LCO was temporally assigned to cover the Shiprock ONLR Office effective January 05, 2010 and ending when a Labor Compliance Officer is hired. During the assignment the LCO assessed all of the pending cases and made decisions with respect to whether they had merit. Most of the pending cases were closed due to the 180 days
coming up, thereby the LCO issued a Notice of Right to Sue for those cases that were pending for five months or more; and continued to process the remaining cases. (Note the accomplishments of this LCO for that office will be present in the Shiprock ONLR’s Quarterly Report).

- February 24, 2010 - LCO took part in interviewing several applicants / candidates that applied for the Tuba City and Shiprock Labor Compliance Officer position. After the assessments were completed Ms. Meredith Thomas was selected for the Tuba City position and Dave DeVore was selected for the Shiprock position. Both individuals selected started their respective positions the following Monday, March 01, 2010.
- Temporary Assignment to assist the newly hired Labor Compliance Officer, Shiprock Sub-office: The LCO was temporarily assigned assist in an On-the-Job Training of the newly hired LCO, Mr. Dave DeVore starting March 02, 2010. The LCO orientated the new LCO on investigation process (notice to the respondent; Letter of Inquiry, subpoena, etc); Pre-construction meetings (reports such as the Manpower, Certified Payroll, etc.); etc. The duration of the assignment was contingent on the needs of that office with respect to how well the new LCO is effectively proceeding with his duty and responsibility as a LCO. (Note the accomplishments of this LCO for that office will be present in the Shiprock ONLR’s Quarterly Report).

Office of Broadcast Services (OBS):
- The first Performance Quarterly Report (October-November-December 2009) was submitted to the Federal Funding Agency at National Telecommunication Information Administration (NTIA) as required for federal funding. The report was submitted on January 25, 2010 for NTIA/PTFP Grant No. 04-02-09016 Period Ending December 31, 2009.
- A Professional Services Contract between the Navajo Nation and Advance Tower Services, Albuquerque, N.M., was executed on October 22, 2009 to furnish and install a 190’ Nello and self-supporting tower at Dezza Bluff (K38AU). Funds from Account: K083015-9144 “Joint Powers Agreement” between the Navajo Nation and the State of New Mexico in the amount of $100,000 will be used to fund this project.
- On October 27, 2009, two Navajo Nation Council sub-committees enacted an Intergovernmental Relations Resolution stating The Navajo Nation “hereby approves and authorizes acceptance of a grant award in the amount of $748,473 from the United States Department of Commerce-Public Telecommunication Facilities Program to the Navajo Nation Office of Broadcast Services for an award period of October 1, 2009 through March 31, 2011”, and the Navajo Nation “hereby authorizes the President of the Navajo Nation to execute the grant award as approved herein”.
- On December 7, 2009, a tribal financial work session was conducted to set up the “Summary of Program Budget” and to clarify the matching amount of $187, 119 as contained in the grant. The Navajo Nation Financial Services Departments; Purchasing, Office of Management and Budget, and Capital Improvement Office all participated. The Program Budget will be set in place with the tribe’s Financial Management Information System *(FMIS). (Will need account numbers as soon as OMB releases it to us)
- On December 16, 2009, Consultant, Advance Tower Services completes geotechnical report and site plan for Dezza Bluff (K38AU). The site visit was done before the winter weather completely shuts down access to Dezza Bluff. Accessibility to this mountain site is projected until snow thaws out in early April, 2010. A revised construction schedule was also attached.
- The construction phase will begin with the Window Rock transmitter/Piney Hill microwave site, since they already have infrastructure such as tower/shelters and the hardware in place. Objective is to replace existing analog equipment and replace them with digital components. We will have this site on line by July 2010. Shiprock site will be upgraded in the month of August 2010. Complete construction of all sites is December 2010.
- A submittal of pertinent documents were submitted on the status of the transmitter land sites to the funding agency as required in the fund award conditions on March 24, 2010. Louis Denetsosie, Navajo Attorney General, and Mike Halona, Department Director of Navajo Land Administration both assisted in this matter.
- The 190’ transmit tower was ordered by the contractor from the manufacturer, and will be truck to the Dezza Bluff location in May 2010 for installation.
- A back up option to relay the microwave signal from Dezza Bluff to Shiprock, NM is being explored. The program manager attended the Sanostee Chapter regular meeting (3/16/10) and did a presentation on the Low Power TV system and will follow up during this summer a request to withdraw land near the Little water Trading Post to construct a 180’ tower. The land is located on Sanostee Chapter boundaries. The chapter officer was receptive and advised to work closely with the chapter’s grazing officials.
- NNFO BROKEN CIRCLE; Meeting Jan. 21st, Auditions Jan 22nd & 23rd, 2010 in Shiprock Boys & Girls Club, Shiprock, NM; Meeting/Location Scout Jan. 24th, 2010. Over 220 Individuals auditions & call back
from event. 2 of 4 auditions in 2009 & 2010 conducted & planned for 2010 Film. Mark Gould , Director; Richard Holcutt, Executive Producer; Will Tsosie, Navajo Consultant; NNFO-LLee; Pyn Francisco, Casting Talent Mgmt. conducted coordination, meeting, auditions. Film-True story of Dine men murder 1970’s Chokecherry Canyon near Farmington, NM slated to shoot in Spring/Summer 2010.

- PCC Grant: Assisted in the Public Computer Center Grant with workgroup in the sector of Public Information including summary plan on the public information outreach for grant & services with NNOBS head partner in media & public information network. Also, completed outreach strategy expense summary that will afford public information officer, operation, equipment & advertisement budget for PCC grant is approved for NN. NNOBS will house this PIO.
- NN Emergency Snowfall Operations: Lorie Lee, MPS, Assisted in Jan & Feb as assistant Public Information Officer for the Operation Snowfall 2010 with Selena Manychildren, PIO with NN Emergency Management for entire duration of operation. Including: website design & administrator, audio & video recording, press release, information dissemination for public & media, interviews, photos, reporting & site visits. Assigned as certified for ISC & NNEMS level for PIO under NNOBS, DHR & OPVP.
- Daily airing of NNRN programming was confirmed with KRMH Aneth radio station. Request was accepted, Mr. Lawrence had radio technician Mike Cross contact Flora Benn to work out technicalities for audio transfer.
- SLA contract was finalized and signed/authorized for NNOBS website development. Contacted and corresponded with Nelson Billy, Program Analysis Supervisor from DIT. Mr. Billy drew up the SLA contract. Ongoing planning meetings with Nelson Billy and Alex Yazzie, website developer. Website plans were included in the final version of SLA.
- NNTV Production had set up with Utah television stations email contact to add to the distribution list. Provide the declared state emergency information provided by 2010 operation snowfall from Navajo emergency operation center. We provided pictures requested from Kevin Turner, KSL assignment manager from KSL TV in Salt Lake City of snowfall in Window Rock, AZ.
- Per the request of KGHR radio station we cross train their employee Jennifer William during the week of 01-19-10. I provided training on our video editing station and radio room audio editor.
- Plans for Navajo Nation Radio Network are completed. The Greyhills Academy committee met on February 4, 2010. We discussed what kind of service we provided and came up with several solutions to our request by bring KGHR radio station to join our NNRN. To include we received confirmation from Rhiannon Curley from KHAC radio to add them to our NNRN. With this information we have added two outlets to our Radio Network.
- We added Red Mesa School district radio station KRMH. They have joined our Navajo Nation Radio Network. I developed new radio program flyer.
- 02-16-10 Eastern New Mexico University KNEW-TV Station, introduction to Duane Ryan, Chief of KWNM-TV Broadcast Engineer, and tour of broadcast facility, production room, Control room and Communication room. Jeff Burmeister, KENM-TV Director of Engineering gave tutor and tour of KENM-TV microwave room and architecture of video, audio and data streams from production, controls to RF transmission. 02/17/09 Eastern New Mexico University KNEW-TV Station, Mr. Richard Rivera gave presentation on stage lighting using Express computerized studio lighting and audio board…. Production/Director Richard Rivera, on camera HD camera focus, handling straight and angle shots, camera pedestals controls and maneuvering 3-camera in productions….Extended our cordial departure to Mr. Duane Ryan, Jeff Burmeister, Orlando Ortega and Richard Rivers for their comprehensive, considerate and courtesy educational tour of KENM-TV operations and broadcasting services.

**Navajo Office of Vital Records (NOVR):**
- The Office of Contracts and Grants worked on getting the fiscal year 2009 accounts extended to expire on 12/31/2010 which enables the Office to use the unexpended funds carryover to purchase, install, and set up the urgently needed Unified Threat Management (UTM) security appliances to refresh the aging Cisco security devices at the central and five agency offices. All the Cisco equipment will be sent to the vendor when the appliances are operating satisfactorily to complete the migration.
- With assistance of the Navajo Department of Justice Attorney, Mr. Paul Spruhan, the Office had a mini-workshop on Navajo nation privacy act and a refined enrollment guideline for the office to use. This replaces the disclosure form currently used and all clients now must complete an application for services. Applicants
who do not have a parent on the base roll will now go before the Enrollment Screening Committee for enrollment approval or disproval. This will also close pending enrollment cases from years back.

**Navajo Occupational Safety & Health Administration (NOSHA):**

- On January 12th, the NOSHA program conducted an Informal Conference regarding the Citation and Notification of Penalty for Woodruff Construction Company from Flagstaff, Arizona. The Citation and Notification of Penalty was issued at the Window Rock High School Teacherage Housing construction project site in Ft. Defiance, Arizona. During the informal conference an informal settlement agreement was made between NOSHA and Woodruff Construction Company representatives. The settlement agreement was reviewed and approved by Mr. Paul Spruhan, Assistant Attorney General; Office of the Attorney General and signed by the NOSHA program on January 14, 2010.

- On January 21st – February 8th, the NOSHA program was assigned additional duties (“Operation 2010 Snowfall”) to provide assistance, primarily to ensure that volunteers and Navajo Nation resources adhere to occupational safety and health regulations, as declared by the Navajo Nation President. The NOSHA program was delegated with responsibilities to provide manpower and assistance relative to safety issues and concerns that may arise at the Emergency Operations Center (EOC) located at the Navajo Nation Training Center and the Distribution Center (Nakai Hall) in Window Rock, Arizona. The primary duty is to maintain a safe and healthful workplace and to provide safety orientations for Navajo Nation personnel and volunteers who were providing their services in the relief efforts. This was accomplished by the enforcement and compliance with occupational safety and health standards for General Industry and Construction Industry.

- On January 29th, the NOSHA program staff conducted an on-site assessment on Nakai Hall, Building #2436 (Distribution Center). The purpose of the assessment was to ensure that the building was in compliance with applicable general industry’s occupational safety and health standards. On February 1st, an on-site assessment report was provided to Mr. Ray Russell, Department Manager; Navajo Nation Parks and Recreation Department (NNPRD). The main concern in reference to the assessment was the indoor air quality and lack of Personal Protective Equipment (PPE’s) for Navajo Nation personnel and volunteers. On February 8th, Mr. Russell provided to NOSHA an Abatement Plan for Nakai Hall (Distribution Center). Corrective actions have been followed through by NNPRD. On February 9th, the NOSHA program provided a final assessment report to Mr. Johnny Johnson, Incident Commander, EOC; the main concern was of the inadequate facilities for EOC and the Distribution Center, creating safety hazards such as overloaded electrical system, water leakage of roof, inadequate heating/ventilation systems and not providing an adequate supply of Personal Protective Equipment (PPE’s). The EOC general staff (including safety personnel) attended the Daily Briefings by providing written and oral reports on all safety issues and concerns that were observed and encountered in reference to buildings, heavy equipment, PPE’s and the lack of security.

- On February 3rd, the NOSHA program conducted an Informal Conference regarding the Citation and Notification of Penalty for Crestline Building Corporation (Contractor) from Las Cruces, New Mexico. The Citation and Notification of Penalty was issued at the Navajo Housing Authority (NHA) Chaco River Housing Project in Shiprock, New Mexico. During the informal conference, both Parties were unsuccessful in agreeing amicably to the violations of the Citation. Mr. James Zion, Attorney; represented the Contractor and requested to forward the case to the Office of Hearings and Appeals (OHA). The hearing is scheduled on, Thursday, March 25, 2010. Mr. Jerome Clark, Attorney; Office of the Attorney General (DOJ) has represented NOSHA. On March 25th, the NOSHA program received a favorable resolution; wherein a pre-hearing conference between NOSHA and CBC was negotiated and agreed upon. The Contractor’s wish is to continue to provide construction services to the Navajo Nation and recognized the authority of the NOSHA Act and NOSHA Program.

- On February 4th, the NOSHA program conducted an Informal Conference regarding the Citation and Notification of Penalty for the Navajo Nation Facilities Maintenance Department. The Citation was issued referencing unsafe working conditions at the newly-constructed carpenter’s storage shop in Ft. Defiance, Arizona. During the informal conference a settlement between NOSHA and Facilities Maintenance Department was amicably agreed upon. On February 10th, the NOSHA provided a written Informal Settlement Agreement which was acknowledged by Mr. Marcus Tulley, Department Manager III. In addition, Facilities Maintenance Department agreed to and will; implement a Safety Committee; the committee shall then incorporate written safety programs and training applicable to the type of work for each employee. Receive consultation and technical assistance by NOSHA, upon request by Facilities Maintenance Department. Facilities Maintenance Department shall provide written monthly updates to the NOSHA program, commencing March 2010, consecutively for six (6) months. The updates will include written safety policies and procedures established to conform to Subchapter 5 of the Navajo OSH Act of 2000. On March 8th, the
NOSHA program received a written follow up report from Mr. Tulley. The NOSHA program staff reviewed the written report and satisfied with the information on bi-weekly safety meetings, the established Safety Committee to provide worksite inspections and to establish safety policies. The Safety Committee and other staff also attended a 5 day/30 Hour OSHA compliance course.

On February 12th, notice was placed at the entryway of Staff Development and Training Department (SD&TD); wherein indicating the office has electrical problems and to notify Facilities Maintenance Department, prior to entry. No information was provided to NOSHA of the closure and who issued the closure. Contacts were made with Mr. Herman Begay, Building Maintenance Supervisor; on this date to obtain updates regarding the closure and to request an electrician to troubleshoot the electrical condition. On February 17th, the NOSHA program issued an Order of Closure to the SD&TD (Building #2740) at approximately 2:45 p.m. The Closure restricted all entry with the exceptions of Facilities Maintenance personnel who assessed and repaired the electrical problem. Mr. Leonard James, Electrician; was onsite, prior to the Closure to identify the electrical problem. On the same date; the NOSHA program provided a correspondence to Mr. Marcus Tulley, Department Manager in reference to the Order of Closure to the SD&TD. The information was being provided to his office for immediate attention and for corrective action. In addition, NOSHA requested copies of previous (electrical) work orders with detailed information. On February 18th, a correspondence was provided to the NOSHA program from Mr. Shawnevan Dale, Senior Safety Technician, Safety Loss Control Program. Mr. Dale apparently conducted an inspection on the Training Center to ensure a safe working environment. According to his report the electric system were overloaded throughout the building. On February 19th, the NOSHA program staff attended a meeting with Facilities Maintenance personnel in reference to the electrical problem in ST&TD. According to Facilities Maintenance, the electrical system was severely overloaded; to prevent further problems and potential fires, the Training Center staff needs to remove all of the Ground Fault Circuit Interrupters (GFCI) and extension cords connected to electrical equipment, including removal of all non-essential equipment - portable electric heaters, refrigerator. On February 22nd, the NOSHA program staff attended a meeting with Training Center staff, Facilities Maintenance Department personnel in reference to the electrical problem inside the building. Mr. Leonard James, FMD, Electrician; identified the electrical problem situation and he temporarily made the repairs. Until such time a permanent electrical wiring and repairs are complete by a certified electrical contractor. Mr. Marcus Tulley, Department Manager III; recommended to abandon the building due to electric problem and suspect Asbestos Containing Material and Lead Base Paint. On the same date; at approximately 5:00 p.m., the NOSHA program received a telephone call from Mr. Cordero requesting to lift the Order of Closure on the Training Center and he also provided a correspondence indicating to establish office cubicles in Room C and continue to utilize Room b as well. The reception area will be transition to a storage area and both restrooms will also remain open. And pursuant to discussion and recommendation today, the East office cubicles will be subject to be condemned as well as Room A. On the same date; the NOSHA program issued an Authorization to Resume Operation on the Staff Development and Training Department addressed to Mr. Cordero.

On March 2nd, the NOSHA program staff attended a scheduled meeting at the Navajo Nation Office of the President/Vice President conference room. The meeting was in reference to mold issues and concerns that Executive staff endured for several years which is the presence of mold that was discovered on several occasions with no solutions to address the problem. Representatives from Facilities Maintenance Department, Safety Loss Control Program, Risk Management, Navajo OSHA and Dr. Deborah Klaus, Director; Epidemiology Center attended the meeting. Mr. Dave Becenti, Building Inspector; informed the group that Navajo Nation insurance does not cover for mold remediation and Mr. Patrick Sandoval, Chief of Staff; was provided a copy of the Property Loss Report form to complete and submit to Risk Management Department if considered and approved Mr. Becenti will commence with the building assessment. Mr. Marcus Tulley indicated that Facilities Maintenance Department is not able to handle the project may have to contract out the assessment and renovation project. Ms. Onesalt provided update information on mold in the workplace, health effects, prevention, remediation plan and mold remediation and cleanup methods.

On March 3rd, the NOSHA program staff conducted an on-site assessment on the Navajo Nation programs occupied in the Staff Development & Training Department, Building #2740. The Navajo Nation programs that occupy office include the Office of Hearing and Appeals, Office of Navajo Nation Labor Commission, Department of Personnel Management, Office of Navajo Telecommunications & Regulatory, Employee Assistance Program and the Fort Defiance Agency Department of Child Support Enforcement. The assessment was conducted pursuant to the request from Mr. Cordero. On March 8th, NOSHA Programs and Projects Specialist generated a comprehensive assessment report and submitted to Mr. Cordero. NOSHA program has recommended the Risk Management Department and the Safety/Loss Control Program for
their assistance in determining the structural integrity of the building and to conduct further assessment to identify Possible Asbestos Containing Material (PACM) and lead-based paint present in the building. To summarize the report, NOSHA program deems that the building is unsafe for continual occupancy due to the dilapidated condition of the offices, overcrowding, and unsafe electrical system. On March 11th, Programs and Projects Specialist and Ms. Onesalt attended a meeting at the request from the Chief of Staff, Mr. Patrick Sandoval. The meeting was in reference to the Training Center assessment report. Mr. Sandoval informed the Directors and Program Managers that are occupying office spaces in the Training Center that there are no vacant offices available to relocate; however to commence corrective action plans in accordance to NOSHA’s assessment and recommendations due to liability issues and concerns.

Office of Navajo Women & Families (ONW&F):

- Continue providing walk-in clients with protection orders, information and referrals. Perform radio presentation. The program is happy to have a volunteer assisting with office work including answering telephone calls, folding brochures and other work assignment.
- January 21, 2010, Program Supervisor gave a radio recording with the Navajo Nation Radio Network. The topic presented was on Safety and Preparedness for the Cold Weather. Our Ancestors long ago had a practice to storing food for the cold winter. They dried meat, squash, steamed corn, dried wild onion and spinach. Wood and brushes were stored for the cold winter. The family did not forget one another; they helped and shared with food. Today a lot of this unity is fading away and a very few families still carry the tradition of harmony, support and love. As parents, grandparents and relatives, we should always remember our way of life and that is to love and share amongst ourselves.
- January 22, 2010 Program Supervisor and Ms. Irene Tully, Navajo Women Commissioner from the Eastern Navajo Agency attended the Human Services Committee meeting at the Navajo Nation Council Chamber North Conference Room scheduled at 10:00 A.M. The committee acknowledged the elimination of the Office of Navajo Women & Families on March 31, 2010, and they were concerned about the closure of the program and what is the basis of the impact of the program. For that reason, the committee suggested and recommended to hear from the Davison of Human Resources Administration on Friday, January 22, 2010. They also suggested inviting all the Navajo Women’s Commission because they are appointed by the Navajo Nation President Shirley, and confirmed by the Navajo Nation Government Services Committee.
- Ms. Christine Stick, Policy Analyst with New Mexico Indian Affairs Department, Santa Fe, New Mexico called on January 26, 2010 regarding issuing a Senate Bill of the ONWF’s Fund Application for funds, and she will send it to the ONWF. Senator John Pinto will sponsor the Senate Bill.
- Program Supervisor assisted the Department of Emergency Management with office assistance; also assisted with donating cases of bottled water for families in need.
- February 16, 2010 Office Specialist attended the Records Management Training at Education Auditorium from 8:30 a.m. to 12:00 p.m. Some topics covered were Storage, Retrieval, Transfer and Printing Services. The goal is to learn the necessary basics of records storing and how to better manage overall records.
- February 18, 2010, Program Supervisor received a telephone call from an individual regarding some financial assistance. She called from Birdspring, Arizona. She is single mother with two young children. She is on Food Stamp, and she is in need of help pay for her utility expenses. Program Supervisor referred her Council Delegate and Speaker’s Office for financial assistance. Also referred her to DSS –General Assistance in Tuba City, Arizona.
- February 18, 2010 Program Supervisor received a telephone call from an elderly lady from Leupp, Arizona. The elderly lady is requesting for financial assistance to pay for gas so that she and her daughter can travel to Tucson, Arizona to tend to their small child’s medical care. The young child was diagnosed with cancer. A referral will be submitted to her Council Delegate Leonard Chee as well as Speaker of the Council for financial assistance.
- February 18, 2010 Program Supervisor received a telephone call from an individual from Holbrook, Arizona regarding some information on U.S. Passport. Information can be obtained from the Navajo Nation Supreme Court Administration in Window Rock, Arizona.
- February 22, 2010, met with an individual from Ganado, Arizona regarding her sick mother who was admitted in Sage Memorial Hospital. The mother is a little over 80 years of age and she has been in and out of the hospital for pneumonia. Program Supervisor told her that by having the experience caring for her elderly folks was a big task, but in reality, it is a wonderful memorable task. Taking good care for your parents is most rewarding. Nursing home may be good, but keeping your love ones at home is most rewarding.
• A Referral Agreement between Navajo Family Health Resource Network and Navajo Nation Office of Navajo Women & Families shall be effective from July 1, 2010 to June 30, 2012. This agreement between two programs existed for more than several years. The Navajo Family Health Resource Network shall provide periodic training for the Office of Navajo Women & Families staff, such that they are able to recognize indicators of need for family planning services; able to discuss the possible benefits for family planning with a prospective NFHRN client; able to develop Educational Protocol so that current information is available in areas concerning birth control, sexually transmitted diseases and other family planning topics; able to make written referrals either directly to family planning clinics or to Family Planning Counselors who may then contact the prospective NFHRN client. The Navajo Nation Office of Navajo Women & Families shall provide periodic training for NFHRN staff, such that they are: Able to recognize indicators of need for Office of Navajo Women & Families Program services; Able to discuss the possible benefits of such Office of Navajo Women & Families services with a prospective Office of Navajo Women client; Able to make written referrals either directly to various Office of Navajo Women & Families program or respective staff who may then contact the prospective Navajo Nation Office of Navajo Women & Families client. The Office of Navajo Women & Families has been cooperating and collaborating with Navajo Family Health Resource Network, Inc. in regards to serving Navajo families. The Referral Agreement between the two parties has been executed to continue the working relationship to better serve Navajo families.

• February 23, 2010 Program Supervisor called Ms. Christine Stick, Policy Analyst, of the New Mexico Indian Affairs Department regarding the status of Senate Bill No. 196. Apparently the Senate Bill #196 did not go through because of the budget that is so bad. There were bills that Senator Pinto sponsored that did not pass. As of this date, there is no telephone call from Senator Pinto. Left a message for the update.

• February 23, 2010 Program Supervisor met with a staff at the General Accounting regarding journal voucher. The ONWF assisted Tuba City All-Around Sports, LLC with funds. Apparently, the program charged to not budget the Media Account. A correction will be made by debit consultant account and credit Media/Advertising account.

• February 23, 2010 Program Supervisor received telephone calls from Navajo Women Commissions regarding the NWC meeting for March 5, 2010. Program Supervisor requested her activities for period February 22 through February 26, 2010. The response was why the weekly report is being requested. She understood her PO on Quarterly Report.

• March 1, 2010 the Program Supervisor wrote a memo to the General Accounting regarding journal voucher. The ONWF assisted Tuba City All-Around Sports, LLC with funds. Apparently, the memo cannot be accepted and a budget transfer will clear the transaction. The memo will serve any purpose; except to process a budget revision to OMB.

• March 3, 2010 the Program Supervisor did a radio recording with the Navajo Nation Radio Network. Topic covered were the ONWF program services, Domestic Violence Prevention and Welcoming the Spring Season. On Domestic Violence, it affects almost in every home, of our job performance, affects our communities and it occurs behind doors and remains closed doors. The cycle has to stop somewhere. Just because you grew up around violence, does not mean you have to perpetuate the problem. We all know wrong from right. Encouraged the Dine’ families who have grown up in a home where there was domestic violence to realize that you have a choice to make a difference for your family. Choose not to abuse; instead choose to communicate calmly with your family.

• March 5, 2010 the Office Specialist referred a family from Dilkon to seek assistance from a Private Attorney for charges that they would like to file against the Navajo Police Department for rape. The Office of Navajo Women & Families is not allowed to interfere with an Internal Investigation within the Police Department. The Federal Bureau of Investigations will handle this situation.

• March 16, 2010 An elderly lady came in inquiring how she can assist her niece whom she think is being held in her home against her will, and that her niece is married and has three children. The niece brought in her children to visit her aunt over the weekend and she seemed happy. She didn’t say anything about being abused. Inform the lady that the niece is an adult and she can go to the closest social services program in Ganado, Arizona. The Office of Navajo Women & Families currently does not have a counselor to assist with counseling; however, the program can assist client with protection order/retraining. The second problem the elderly lady brought up was that her nephew told her that he was sexually abused when he was a young boy and he never told anyone, and he is currently suffering from the incident. The incident was never reported. Again informed the lady to report it to DSS in Ganado, Arizona. Told the lady that there is professional help from the U.S. Public Service Mental Health.

• March 16, 2010 a former client came in and just wanted to give thanks to the Office of Navajo Women & Families for the assistance rendered to have her home running water. The lady’s home is located near the
Wide Ruins, Arizona, and there are homes both sides of her home that receive running water, and she was left out. She approached her chapter, and she was never received the assistance. The Office of Navajo Women & Families attended the Planning Meeting and Chapter Meeting to have her put on the priority list to get running water. There were documents from her doctors from Ft. Def. Public Health Service-Office of Environmental Health as well as one from Gallup Indian Medical Center. These documents supported her request for running water (Bathroom additions & plumbing. Now she enjoys her home with running water.

- March 16, 2010 a lady came from Chinle, Arizona requesting for assistance with counseling and referral. The lady said she has been married over forty years, has eight adult children and grandchildren, two are handicapped. She and her daughter take care of the handicapped adults with feeding and the hygiene care. The lady is suffering mentally because she just found out that there is child support order against her husband. Her husband was informed that he has a seventeen year old son. Apparently her husband knew all about it, and he never told his wife. Informed the lady that the son’s mother has the right to file for child support and the child support program works with the required application including the DNA testing’s, etc. to make sure the father is the son’s father. The subject matter is kept in the confidentially state; it is only between the CSE Program and the deadbeat father. At the end of the meeting, the lady expressed her feeling that she was feeling really down, depressed. I advised her to seek a professional help at the U.S. Public Health Mental Health Program. She said that she has been there for help in the past. She was advised to go back and continue to receive help.

- March 22, 2010 an individual called regarding her income tax. She was told that she cannot claim her 16 year old child on her income tax. She thought that as long as her son is in her care, she can claim her son. I asked if she contact any one of the income tax preparers, and she said she did. I told her to read the 2010 Income Tax manual.

- March 25, 2010 Program Supervisor attended the Navajo Nation 401(k) Saving Plan from 1:30 P. M. to 3:00 P.M. This is a private consultation with Wells Fargo 401 (k) representative. Program Supervisor is planning to retire on July 2, 2010.

- March 25, 2010 Program Supervisor received a telephone call from an individual from Leupp, Arizona that she received some fund for her family trip to Phoenix, Arizona. The family is taking the grandchild to a medical doctor for surgery.

**Department of Child Support Enforcement (DCSE):**

- January 7 - Received Award Letter for Second Quarter of FY 2010 in the amount of $962,035 from Office of Mandatory Grants, Washington, D. C.

- February 19 – Conference call with OCSE Regional Office IX, J. P. Soden and John Bausch, OCSE; Program Supervisor and Agency Case Management Specialists, regarding topics including; impact of lower FY 2010 NNDCSE budget, “in-kind” child support, plans on increasing percentage of obligated child support cases and decreasing receipts not distributed or refunded reporting, legal pleadings process with OHA, requiring Assignment of Child Support Right from Custodial Parents in Interstate cases, plans for review of the NN Child Support Guidelines, updating IRG on the OCSE website, reporting on OLDC, use of PSOC, and any impact the weather may have on the operation of our program, training plans and needs, or any impact recent NN Court ruling may have on our cases. An on-site visit was tentatively scheduled for the week of July 19, 2010.

- March 12 – To address concerns with inadequate process server, Central Administration has recently contracted with three process servers, is establishing an in-house process server, and requested NNDOJ to finalize a pleading for Service of Process by Publication. A total of eleven (11) individuals responded to an advertisement for Process Servers published in the Navajo Times on February 18 and 25, 2010. Pursuant to NN procurement policies, and based on their past experience and current Process Server certification from NN Courts; three individuals were selected to provide services under professional services contract with NNDCSE. A permanent position has been identified for designation as an in house process server in accordance with 9 N.N.C. §1705. NNDCSE has requested approval of alternative work schedule from DPM in accordance to NNPPPM, for this position. NNDOJ has not provided the requested pleading which was requested approximately one year ago.

- Program Supervisor met with Fort Defiance CMS regarding corrective action to address NOSHA’s findings of unsafe conditions at the Staff Development and Training Building. Immediate action was taken to address all the findings: a Work Order Request was submitted to Facilities Maintenance to repair 13 hazardous findings, on March 24 staff are scheduled to attend a Fire Safety Training, the file room was cleared for safe conditions.
• NNDCSE continues to collaborate with NNDOJ and OHA for hearings, and obtain signature of Hearing Officer for pleadings. Pleadings for a total of 248 cases received legal review and were forwarded to Office of Hearings and Appeals for signature on pleadings; 109 were signed and returned. 80 Administrative hearings were scheduled for 1st Quarter FY 2010, at all 8 NNDCSE offices. In March, two additional “Orders of Instruction” were issued to NNDCSE from OHA. The orders of instruction are intended to establish standards and uniformity for processing of child support documents submitted to OHA.

• Division Director and NNDCSE staff met with OHA to discuss OHA request for NNDCSE to fund two additional positions, furniture, equipment, supplies, travel, telephone expense, and training for OHA. NNDCSE agreed to assign a full time position, develop an MOA, and consider requests based on availability of funds. Due to limited funds, NNDCSE could not fully meet the requests. NNDCSE and OHA agreed to continue efforts to obtain additional funding as child support cases comprised 99% of total OHA caseload during 2nd Quarter of FY 2010.

• March 24 - T-1 line at the new Kayenta office location was successfully configured resulting in ATLAS availability for all the staff. Success is due to complex joint efforts made from NNDIT, Frontier Communications, NN Utilities and Communications, Kayenta Township, and NNDCSE.

Navajo Nation Band (NNB):

• The Navajo Nation Band was invited to and participated in the Commemoration of the 65th Anniversary of the Iwo Jima Flag Raising on February 20, 2010 in Sacaton, Arizona. According to the local veterans, this was also the first time ever that a band has participated in the annual parade. In addition to the parade, the Navajo Nation Band provided musical entertainment at the finish to welcome the rest of the parade participants and during the luncheon following the ceremony.

• The band's appearance in the Sacaton event resulted in two verbal invitations from veteran's events. One was from Phoenix, Arizona on Tuesday, March 23, 2010 for the Sunrise Memorial for Our Fallen Heroes event at Piestewa Peak. Although it was short notice a request was made to Mr. Ernest Martinez for consideration in future events. A second invitation is for the Native American Indian Days event in Browning, Montana. This event is scheduled for July 8-11, 2010. Mr. Keith Heavyrunner of the Blackfeet Nation, Veterans Office, is the contact for this event.

• The 2nd Quarterly Rehearsal was held on Saturday, March 27, 2010 in the DNA Legal Services Building from 10 a.m. - 3 p.m. A potluck luncheon was included as well. The rehearsal was held to prepare members for participation in the 4th Annual Diné Music Festival, Saturday, April 3, 2010, in Chinle, AZ.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COAS:

Department of Personnel Management (DPM):

• DPM needs to develop an action plan for FY 2010. This will include several tasks and initiatives that are outstanding, such as policy amendments. Although, DPM is still underfunded and understaffed, the services DPM provides seem to continually increase. This places an added burden on DPM staff. Programs continue to expect the same services even though their organization continues to grow, an example, the recently created Navajo Division of Transportation.

Staff Development & Training Department (SDTD):

• Progressive objective are to plan, develop, & continue to conduct training function at the training center and schedule on-site training services. SDTD will continue to schedule routine utilization of classroom usage. SDTD will continue to generate funds through the Fund Management Plan.

• SDTD added two new training modules which focus on the topic “Confidence Building and Self Esteem” and “Weaving Family and Work Together”.

• SDTD continues to collect on an outstanding bill incurred by 2010 Operation Snowfall in the amount of $33,881.07.

Navajo Department of Workforce Development (NDWD):

• The Denny’s Restaurant training initiative has been put on hold indefinitely. Mr. Romero Brown, Principal Developer of the project has indicated the Navajo Nation has been unable to secure a business site lease in the Chinle, AZ area for the proposed Denny’s Restaurant.
The NDWD Planning and Marketing Unit are collaborating with the NN Division of Economic Development, Dine Power Authority and the Navajo Green Economy Commission to develop a list of ‘green jobs occupations’ that will be needed on Navajo alternative energy projects. The goal is to educate and train a Navajo workforce to be ready for green job occupations in the near future. The nearest training facilities for these ‘green’ occupations are in Denver and the California area. One of the NDWD goals is to implement a green jobs training program closer to the Navajo Nation with the assistance and expertise of local junior colleges and universities.

NDWD and the Program for Self-Reliance (PSR, formerly TANF) are collaborating on a 'pilot training project' for licensed Child Care providers or workers in the Chinle and Tuba City areas. Approximately 20 child care trainees from each of the two agencies will undergo 6 months of training through Northland Pioneer College to become state-licensed child care providers. After completion of this project, PSR intends to expand this training program in the Shiprock and Crownpoint communities.

Department of Navajo Veterans Affairs (DNVA):
- Docustore Inc. will be installing a new Server unit in the new Eastern Agency office. The vendor will be notified on when to install the server. Also request a refresher training for our clerical staff on records management, e.g. electronic filing.
- Eastern Agency staff met with Navajo Technical College staff on a proposal to have the CAD Class develops the housing blueprints three bedroom size housing units.
- Eastern Agency staff met with staff from Workforce Development reference program under ARRA The staff from workforce have (5) slots to employee veterans at the present time. This employment would last for 500 hours at an hourly rate of $7.49 per hour. There are other options that they can assist with such as training, purchase of tools, and Safety glasses. More information will be provided at the Orientations in April 2010. Four (4) veterans have been referred to this program and will be utilizing them on housing construction site.
- During the quarter the department provided technical assistance to (5) veteran organizations. The organizations are as follows: Whiterock, Rocksprings, Huerfano, Thoreau and Pinedale Chapters. Topics included: Trust Fund Budget and new documents implemented for financial assistance.
- The Capital Improvement Office has informed the Eastern Agency Veterans Office that they have the Parking Lot project on their priority list, and is going through the SAS process.

Department of Retirement Services (DRS):
- Continue coordination with Employee Benefits/Insurance Services Department on the listing of all Terminated employees who are on the different plans and other issues concerning benefits. This allows us to update term dates for all participants on the 401(k) Sponsorweb along with People Soft.
- Continue to enforce and orientate to the different committees members, Navajo Nation Council Delegates and Political Appointees regarding the Deferred Compensation and Deferred Retirement on new legislation regarding eligibility and payments of Deferred Compensation with the American Jobs Creation Act.
- Department of Retirement Services – Administration: Plan strategic planning to refocus and identify the programs goals and objectives which will ultimately lead to additional staff and review their job duties and responsibilities. Status Report: Scheduling to the strategic planning session in the spring of 2010 and possibly have a report completed by June of 2010.
- FMIS/HRIS Project: Continue to remedy the problems associated with the reconciliation of the Payroll files and the employee and employer 401 (k) and the Roth 401 (k) plan, contribution that are submitted information in place for compliance with the federal law. Status Report: The FMIS/HRIS software is currently in upgrade status. The upgrade is for FMIS Tools to be implemented. Testing in the Development Environment has shown no difference in operation for the 401k reporting or reconciliation with payroll. The reporting and data entry will continue to use the same processes.
- Special Retirement Program (SRP): Implement the Special Retirement Program as approved by the Retirement Plan Administration Committee and the Budget and Finance Committee Legislation Tracking No. 0579-09 on October 6, 2009. Status Report: Implementation of the Special Retirement Program (SRP) took effect after final approval by the Budget and Finance Committee with legislation Tracking No. 0579-09. The DRS staff has provided numerous presentations and work sessions on the special retirement in the five agencies and in the Window Rock specifically at the Navajo Nation Museum. Based on the current employees, individual SRP packets were sent out to 875 plus eligible participants. The SRP (Early retirement) window period started on November 1, and ended on December 15, 2009. The DRS staff is currently finishing up the incomplete Election Form for the SRP. The final number of employees taking the SRP will not be known until sometime after January 4, 2010.
• Navajo Nation Annual Retiree Recognition and Luncheon: Planning of the annual Retiree Recognition for 429 new retirees, who are included from Special Retirement Plan, are to be recognized for the years of service under the Navajo Nation government. The event is an annual celebration to recognize and give appreciation to each individual for an outstanding job. We are planning an all day event on April 9, 2010 and luncheon at the Gallup Inn & Suites in Gallup, New Mexico. Invitations were mailed to the retiree with a RSVP date to response. We are excited to see actually how many will attend the event.

• Restatement of the Plan Document for the 401(k) Saving Plan. Due to several changes in the Federal Law, the IRC and the Department of Treasury ruling have made it necessary to amend and restate the Navajo Nation 401(k) Savings Plan, Plan Document a customize policy and provision to administering the 401(k) Plan in compliance with all federal laws. Status Report: A first draft of the restated plan document and related material are ready for presentation to the Retirement Plan Administration Committee for review and approval. And, final approval will be by the Budget and Finance Committee at a later scheduled date.

• LGA Certified Chapter: Continue to assist the Certified Chapter through the Local Government Act of the Navajo Nation with their retirement benefit plans in accordance with the law. Status Report: Currently there are ten (10) certified chapters and four (4) of the certified chapter are continuing to participate in the Navajo Nation 40l (k) Saving (Defined Contribution) Plan. DRS will continue to strive and encourage the chapter to participate in the plan and contribute to the plan fund in a timely matter.

• Restatement of the Plan Document: DRS and the Retirement Plan Administration Committee will revisit the rules and regulations to administering the Deferred Compensation/Retirement plan as a non qualified retirement plan in accordance with the Internal Revenue Code. Status Report: During the 3rd quarter, DRS and the committee would have to review the plan provision of the Deferred Compensation/Retirement plan.

Office of Broadcast Services (OBS):

• The Office of Broadcast Services is proud and honored to now have its own land tract to conduct its business and expand its telecommunication and broadcast services after 36 years of leasing office space since 1974. DNR-12147/WR Land Tract was passed on 12/29/08, and was finally finalized by the Bureau of Indian Affairs on March 24, 2010. We whole heartily thank the Navajo Land Administration, the NEPA, Historic Preservation, the Resources Committee, Navajo Nation Council, and eventually the Bureau of Indian Affairs Reality Office.

• The program manager conducted an update report to the Navajo Nation Telecommunications Regulatory Commission Monthly meeting at the Shiprock Diné College on March 18, 2010. to report about the US Department of Commerce funding to upgrade the Navajo Translator Project.

• We have Phase II of the Navajo Nation Translator Upgrade Project scheduled, and the need to submit another funding request to the US Department of Commerce during the next call for applications, hopefully in the fall 2011.

• NNBOBS NTIA Grant: Procurement & process of purchase orders, sole source process documents, receiving reports, expenditure reports to be continue as priority with the assistance of Mr. Richard Mitchell, Electronics Technician & under the supervision of Mr. Kee Long. Maintain finance oversight of the grant capital expenditures & administration.

• NNFO: Working with current German Production for Monument Valley area; Japanese for Antelope Canyon, Broken Circle for spring/summer events, MGM Studios for Bisti, NM area, Norman Patrick Brown for film projects expected to be filmed in 2010 (2), Police department TV Series when Production company is selected for filming in 2010 spring & summer.

• NNFO: Broken Circle: Audition 4 of 4 held with coordination with Directional Entertainment & NNFO will be conducted in April 2010 in Albuquerque, NM due to large Native American/Navajo actor & actress present. Mainly, to foster coordination & support with conducted meetings with NNFO & Production with NM Film Office, NM Vision Makers Program, Albq. Film Office planned. Contact has been made & coordination for event date & schedule pending.

• NNRN: Working on a MS Access which is a program that provides excellent data, which will provide host, date, radio stations, date recorded, date distributed, guest with department information and total hours of distribution.

• Flora and Electronic Technician discuss fiber optics connectivity project from Navajo DIT to Broadcast Services, inform her, the approach would be meeting with Patrick Sandoval, OP Staff Assistant and Harold Skow, Director of Navajo DIT. Also have materials listing and possible contract for labor to extend fiber cables from Navajo DIT to Broadcast Services.

• NNTV: Need to complete Purchase Order to Thermobond for Dezza Communication Shelter, the internal design for electrical and cable routing can be specified.
- NNTV: Road to Dezza Radio site should be inspected in April, 2010, start making preparation to improve the road for semi-truck to haul foundation for the tower. If road improvements are required expenses will be paid for services.
- Professional Service Contract: Greg L. Best on his cost of services on Dezza tower and radio project, Mr. Best clam his estimate $47,750.00 fee is acceptable compensation for this type of work comparable with any Microwave Radio Engineering work.
- NN Emergency Management: April 12th 78 13th NNEMS & NNBTP will conduct exercise including Public Information section on April 12 and 13, the State of Arizona Department of Health Services and others will stage a statewide Strategic National Stockpile Exercise (SNS). The Navajo Nation Division of Health/Bio-Terrorism Preparedness Program and Navajo Area Indian Health Service including the Navajo Veterinarian and Livestock Program. NAIHS will set up an Emergency Operation Center in the lower level conference room of their facility in St.Michaels. Set up and prep starts on April 9th. State and local responders will be sharing information setting up the scene prior to the actual two days of the exercise, April 12 and 13, 2010.
- MR: Developing a worksheet of all interviews, date, time, host, etc. On-going webpage development, ongoing.

Navajo Office of Vital Records & Identification (NOVRI):
- The program automation is an on-going project in its tenth year that started on January 1st, 2000: Since then we have had three successful contract renewals and the current contract will expire in December 31, 2012. The Office uses Progeny, a tribal membership data management software, which has 313,852 records as of Friday March 26, 2010, and of this total 283,064 are enrolled members who are ¼ Navajo blood quantum and greater. The current version of Progeny is 8.5.22.03 and updated this quarter.
- All the offices are primarily issuing Certificates of Navajo Indian Blood and the BIA Form 4432 to clients for various government program benefits like Food Commodities, Housing, Schools, hospital updates or possible employment with the Bureau of Indian Affairs for Indian Health Services. The information resides on the central server and at times the bandwidth gets congested as more users get on the network slowing down the research/verification necessary to process clients in a timely manner. There was less clients during this quarter due to the inclement weather conditions.

Navajo Occupational Safety & Health Administration (NOSHA):
- Provide monthly New Employee Orientations for Navajo Nation employees on Workplace Safety.
- Provide consultation and technical assistance to employers in regards to compliance with occupational safety and health regulations.

Department of Child Support Enforcement (DCSE):
- All NNDCSE offices have begun implementing the nine (9) Goals and Objectives for Calendar Year 2009 as outlined in the Department Profile. All goals are intended to result in meaningful changes toward more effective and efficient operations.
- Implemented cross training for support staff and case workers to maintain cases for resigned case worker and for support staff to maintain soft closures sections. Implemented regular staff meetings and a zero tolerance policy for missing case files and misfiling of documents.

Navajo Nation Band (NNB):
- Saturday, April 3, 2010 – The Navajo Nation Band will be participating in the 4th Annual Diné Music Festival in Chinle, AZ. This is an all-day event beginning in the morning rehearsing in a mass band including up to seven (7) high school bands representing the Navajo, Zuni and Hopi tribes. In the afternoon, a few NNB members will be conducting workshops in their principal instrument. The evening concert will have performances by each band, special guest performers, and end with a mass band performance.
- Continue to conduct and complete the majority of band member information updates within this quarter. This began with the March 27th rehearsal.
- Assess and compile equipment and inventory within this quarter for purchasing information and purposes.
Schedule and coordinate the distribution of uniform white Levi trousers and official Navajo Nation Band blue long-sleeve T-shirts to eligible band members.

Begin contacting event coordinators for information and scheduling of performances.

Monday, May 31, 2010 – Memorial Day (Holiday) events, local Window Rock area. Tentative participation by the Navajo Nation Band pending expected invitation by veterans groups/programs.

Saturday, June 5, 2010 – Scheduled Annual 3rd Quarter Navajo Nation Band Rehearsal & Potluck, Location: TBA, Window Rock, AZ.

Week of June 1-6, 2010 – Navajo Nation Treaty Days events & activities are unknown at this time. Possible parade event on June 5th.

V. PROBLEMS/RECOMMENDATIONS:

Department of Personnel Management (DPM):

In January there have been concerns that have been raised regarding Navajo Head Start background checks. The Education Committee and the Human Services Committee were under the impression that the Background Investigations Office was handling Navajo Head Start background checks. According to Peggy Nakai, Legislative Advisor with the Education Committee stated Shiprock Navajo Head Start is behind in background checks for their employees. DPM Staff informed the joint Committees that the BIO is not conducting Head Start background checks. There was a meeting between Department of Personnel Management and Navajo Head Start on February 11, 2010. One of the discussions was about the background checks. The question was asked if Navajo Head Start will turn over background checks to the Background Investigations Office. Mr. Spencer Willie stated Navajo Head Start will handle their own background checks. An official memorandum should be addressed to Ms. Bernadette Bernally from Mr. Spencer Willie that Navajo Head Start will not utilize the Background Investigations Office services for background checks.

Mr. Andrew Tah, Superintendent of Schools – Department of Dine Education issued a memorandum November 2009 to Program Directors & Employees of Department of Dine Education advising education employees to comply with a background investigation with our office. Since this memorandum was issued only one (1) individual has complied and their background check has been completed and adjudicated. Recommendation: Report to Mr. Tah only one person has complied with the background check. His request may need to be restated to his employees.

The Department of Behavioral Health Services has not been submitting completed Background Investigations Forms and tribal background checks to our office. We have over 200+ incomplete background checks for DBHS employees. We cannot continue with the investigations unless the ‘Background Check Release Form’ is submitted to our office. Recommendation: Inform the new DBHS Director of the problems we are experiencing and request the completed BIO forms be submitted to our office as soon as possible.

Did a report for contracts that are ending on 02/28/10. This report is utilized for automation requests by programs that have an end date of 02/28/10. Some of the Navajo Nation programs are not aware of their end date until this report is shared with them. These reports that are shared with the programs also give them information on the employee’s pay rate.

Some PAFs are being process without PC Analyst reviewing the document. This causes problems on the position title in the position entry and organization entry. Need to work with Stanley Smith to create a report to reconcile these titles. EIG was given a list of all the PAF that needs review by the PC Analyst.

The Navajo Occupational Safety and Health Administration (NOSHA) conducted an on-site assessment of all offices occupied by Navajo Nation programs in the Training Center (former lodge) due to problems experienced by the Staff Development and Training Program and their findings of the affected offices were that this building is unsafe in accordance with General Industry’s occupational safety and health standards. The report included the findings, OSHA regulations and abatement recommendations which include the security bars on the windows at the CPO, poor weatherization around windows creating dust accumulation, exit door obstructed with excessive storage material creating hazards and rodent infestation, ceiling lights do not have protective covers and no update portable fire extinguisher. Prior to the assessment it was brought to our attention that the main problem with the building was asbestos. Subsequent to the assessment, verbal notice was provided that all programs occupying space in this building would need to be relocated; but later we were informed that no one was moving. The asbestos problem remains a major concern for the health and safety of the employees although there is no mention of this problem in the NOSHA report. In addition, although several requests have been previously made by our office to Facilities Maintenance and NOSHA, no repairs have been completed by Facilities Maintenance to correct the problems and no follow up was conducted by NOSHA to correct the fire exit problems. DPM is recommending that the Division of Human Resources and the Office of the President and
Vice President contact the Division of General Services and NOSHA to make the requests submitted by this office to correct the NOSHA findings a priority if we are to remain in this building.

**Staff Development & Training Department (SDTD):**
- SDTD has a concern over the SDTD building. It is important that we vacate our building as consideration will be made to possibly have the building maintained. During this time, no other program shall occupy the building as our intent is to return to our historic building site upon renovation.
- SDTD will continue to work with the Division of Human Resources in setting forth a plan to make training opportunities available for the Department Directors within the Division of Human Resources.

**Navajo Department of Workforce Development (NDWD):**
- NDWD leased-purchased a new tri-modular building to replace the dilapidated 20-year old building that previously housed WIA operations. The contractor is unable to remove the old building due to no title on file at NN Property. A title is required to obtain state permission to transport the old buildings to a temporary storage location so the new building can be brought in and the utilities hooked up. This is causing a very lengthy inconvenience to our participants who need access to the computer center for tutoring or job search on the internet.
- The Executive Order on off-Navajo Nation travel is hampering our staff’s efforts to make timely and routine follow-ups of our participants who are in training in schools away from the reservation. This includes meetings in nearby border towns with WIA partners that require an off-reservation travel request.

**Department of Navajo Veterans Affairs (DNVA):**
- The Local Veterans Organization and Agency Veterans Organizations are experiencing problems with conducting business due to a lack of quorum each time a meeting is scheduled.
- Some veterans want full explanation on why the Trust Fund is on “hold”. Recommend that we compose a letter of explanation to share with them.
- There is still a problem with 8 million dollars supplemental funding at the Chapter level. Recommend a meeting with the Controller to provide for a resolution.
- Traditional Ceremony Assistance was worked on now, the VSO’s met on the subject and all confirmed that additional clarification is needed and we need to schedule some type of meeting with Medicine Man Association both Arizona and New Mexico side. The New Mexico side of the Medicine Man Association needs to be informed.
- Eight (8) chapters out of 19 Chapters in the Shiprock agency are not spending their Veterans Trust funds. For the FY 2010, expenditure is $20,081.00 and the balance is $48,318.20; however, the Shiprock VA Office will continue to assist the chapter veterans’ organization to expend the funds by providing technical assistance.
- The Tuba City Veterans Office is short-staffed; it needs a prompt recruitment of vacant positions to improve operations.
- Capital Outlay Funds $50,000 and $20,000 for Arch Clearance and Surveys – Both funds are on hold pending results from the 2010 New Mexico State Legislation Session in Santa Fe, New Mexico. DNVA needs to meet with Capital Improvement Program to assess the situation. It is believed that funds allocated in the amount of $20,000 have been reverted back to the State. No information on the $50,000 allocation at this time. There is a possibility that the $50,000 has been saved. Veterans are awaiting Archaeological Clearance and Surveys to be done on their home site lease.
- DNVA has been working on a Data Base for the past (5) years until it was put on hold due to a legal challenge that the gathering of data may infringe upon the rights of individuals. It is recommended that it is put through legal review as soon as possible.
- Four (4) Proposals were submitted by the Eastern Agency Veterans Office for American Recovery and Reinvestment Act funds. Eastern is mainly concerned with one proposal that is for Housing Construction in the amount of $3,404,866 for thirty-six (36) shovel ready projects, (30) carpenters, (1) Electrician, (1) Plumber and equipment. The Agency recommends a response on this project.
During the quarter we have been recruiting applicants for the AmeriCorp Program, and came up with four (4) applicants, but the program is on hold pending correction to audit findings. It is recommended that this project be re-instated as promptly as possible.

**Department of Retirement Services (DRS):**

- Internet Services: Previously, the Internet was unavailable at certain times of the month. Due to technical issues with DIT, the Internet would be slow or not available. Status Report: The department has implemented the DSL Internet as a backup and still is using the T-1 line provided by DIT as Primary Internet service. T-1 line is wireless and the access point is located at the NN Sports Center. When power is shut off or lost at the Sports Center, we lose Internet connection and access to NN service. When the power is cut off, the usage and services is affected and is not displayed until the department staff informs each other. There are antennas at both points of origin, which allow connection, but if the connection alignment is slightly off, then we will lose any services provided. DIT is aware of situation.

**Office of Broadcast Services (OBS):**

- Flora Chapito & Richard Mitchell went to Navajo DIT to talk with Harold Skow & Elrena Mitchell extending fiber optics to OBS facility. We now have NTUA right-of-way consent to install fiber optic cable from Navajo DIT to OBS using NTUA service poles. Recommendations, expedite the fiber optic cable installation.
- Meeting with Kee Long and Lorie Lee, discuss Greg L. Best, Broadcast Services Consultant on the scope of work on Phase 1 Navajo Nation digital TV translator service project. Per Kee Long contact Greg L. Best, a reasonable and itemized cost of his services would be appreciated on Scope of work, the budget is estimated to be $47,750.00 for his professional service. Recommendation, Consultant itemized list of estimate cost projection for NNTV.
- Lost Internet and VoIP to OBS building, call Navajo DIT Benneke Gorman, he out of office left message with office specialist. The Internet and VoIP is down reminder of business day, system restored at 9:00 AM at OBS building, what cause the Internet and VoIP is crash is a mystery. Recommendation establish our own WebServer with Firewall.
- Took Winona House’s new HP PC to Navajo DIT for maintenance, her new HP PC display blue screen and PC kept rebooting. Possibly cause by virus, Virginia White PC and mine PC has virus, only solution is to quarantine viruses. Recommendation set up our own File Server with antivirus software.
- Need to purchase Video Switcher and statistical Multiplexer the OBS, the National Broadcasting Association (NAB) Convention in Las Vegas, NV., April 10-15, 2010. Recommendation attend to NAB, meet with television, video and audio technology that will assist with Navajo Television program.
- Missing equipment(s) are not being recorded and no police reports are being issued. Such as the mini recorders, (2) Portable Heater(s), etc, 11-22-09: Flora reported to the staff that the Panasonic HI-FI Super VHS recorder, Model AG-7351 was notice missing. No police report on this.
- Problem with one of our repaired Beta player, tape got stuck in deck we need to return to repair center and have them extract tape.

**Navajo Office of Vital Records & Identification (NOVRI):**

- The program computer systems are reaching their end of life stage and will need to be upgraded to generation eleven systems in the second quarter. The main server has reached its storage capacity and the Windows 2000 server network operating system is limited in accessing larger storage media. There is an also increased inquiry on when the tribal identification cards will be implemented and which will also require storage in the terabyte capacity to store the picture files.

**Department of Child Support Enforcement (DCSE):**

- The FY 2010 Budget for the Crownpoint Office has a limited allocation for office/operational supplies and technical services such as for DNA testing.
- A request was submitted to Central Office for a possible agreement with the Navajo Nation Judicial District to waive fees for NNDCSE staff in obtaining copies of certified court orders from the courts, however, no response has been received from the courts.
• Ft. Defiance Agency staff needs more training on the ATLAS system. Staff continue to work on the CBT training modules on a daily basis. CBT test scores will be provided to the state for their review to determine the areas that staff need training.

• No resolution with Qwest regarding problems with the phone line and phones: cannot transfer incoming calls from the main line to the workers, the phone is not activated in one workstation and we need an additional line for the front reception area, the reception on the phone is very poor on certain extensions (50/50) when it will be good or bad), and the fax line list wrong number on the confirmation sheet. **RECOMMENDATION:** Have made contact with Qwest representative again to resolve matter. Qwest is still not making any effort to meet with me or the Program Supervisor as I had requested. The office is paying for services not rendered by Qwest.

**Navajo Nation Band (NNB):**

• An approved FY 2010 Navajo Nation Band Performance & Rehearsal Schedule is needed to distribute to band members. Lack of information on normally scheduled performances has caused members to complain.

• A few band personnel and non-band associates continue to test the band administration regarding conduct, rules and regulations. A comprehensive Band Handbook needs to be approved and distributed to every band member for their information and quell future problems.

• Options for rehearsal space and locations are limited. The Navajo Nation Museum turned down our request for facility usage pending a problem that was not the responsibility of the NNB program or DHR. DNA Legal Services have been accommodating but that may change in the near future.

• The budget is more than halfway expended and the band has not begun the active performance season that occurs during the 4th Quarter of July, August and September. More funding is needed to continue to supplement the full per diem and round-trip mileage per performance and/or rehearsal per each eligible band member. Without funding the band will have to lower mileages and/or cut performances.
I. PROGRAM INFORMATION

Division Executive Director: Arvin S. Trujillo
Division Deputy Director: Frederick H. White
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Facsimile No: 928-871-7040
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Departments:
Abandoned Mine Lands/Uranium Mill Tailings Remedial Action (AML/UMTRA) Madeline Roanhorse, Department Manager
Agriculture (NNDA) Leo C. Watchman, Jr., Department Manager
Archaeology (NNAD) Linda Laughing, Acting Manager
Fish and Wildlife (F&WL) Gloria M. Tom, Department Manager
Forestry (NFD) Alexious C. Becenti, Department Manager
Historic Preservation (HPD) Alan S. Downer, Ph.D., Department Manager
Navajo Land (NLD) W. Mike Halona, Department Manager
Minerals (MIN) Akhtar Zaman, Department Manager
Parks and Recreation (P&R) Ray Russell, Department Manager
Resources Enforcement (DRE) Leonard G. Butler, Department Manager
Water Resources (DWR) Raymond A. Benally, Department Manager

II. ACCOMPLISHMENTS

Administration
Division programs successfully completed emergency services for “Operations Winter Storm” by establishing the Incidental Command Post at Nakai Hall where supplies were stored and delivered to surrounding communities throughout the Defiance Plateau and Chuska Mountains. Departments engaged human resources to support the Emergency Management Program and the Emergency Operations Center and heavy equipment and vehicles to insure lives were protected;

The renewable energy team has been engaged in establishing a wind power generation project at Big Boquillas Ranch through the Navajo Tribal Utility Authority. The team met with the Navajo Relocation Commission and staff in regard to the Paragon Ranch Solar Energy Project proposed by Matinee Energy from Nevada. Also, the team has been meeting with Sempra Energy, IPP and Cameron Chapter regarding renewable energy on Grey Mountain in Arizona;

Division supervisors were provided the basics of strategic planning at the quarterly supervisors meeting in January 2010. Department Managers were given the opportunity to do presentations on various aspects of the strategic planning and budgeting process;

Division participated in the annual budget meetings with the Bureau of Indian Affairs in regard to the 2011 fiscal year. Presentations were provided with regard to the Navajo Nation priorities and program priorities within the division including water management, monitoring, water development, heritage, big game management, historic preservation, forestry, agriculture, roads and other programs;

Agriculture
Navajo Veterinary Program at the three offices in Chinle, Shiprock and Window Rock provided 341 individuals various services to their animals including equine, canine, feline, bovine, ovine/caprine and other animals. A total of 389 animals were treated.
The Veterinary program provided 43 educational seminars and presentations at meetings to over 1,184 individuals regarding various topics related to animal health, safety and care.

The Veterinary program has received extensive support from the International Fund for Animal Welfare (IFAW). Ms. Kendra Wapaha, Outreach Coordinator for the Navajo Nation Puppy Adoption Program traveled to Mexico to the headquarters to visit programs that are implemented such as the sheltering facilities.

Dr. Kelly Upshaw, veterinary clinic manager in Window Rock has been very active in helping the new Feral Horse Task Force establish itself and to provide recommendations on what solutions can be provided for the issues.

Ms. Glenda Davis, program manager participated in the Advanced Animal Disease Traceability Program meetings in Kansas City, Mo. She continues to provide leadership in the premise registration system, animal identification and animal disease traceability program.

Archaeology
On December 29, 2009, Navajo Nation Controller, Mark G. Grant, approved $85,839 for NNAD’s Enterprise Account base ceiling amount for the second quarter, Fiscal Year 2010. Appropriation was approved by the oversight committee. This allocation allowed NNAD to extend our field staff for another quarter, January to March 2010.

NNAD completed 16 cultural resource inventory reports during the month of January 2010; cultural resource inventory reports were submitted to the Navajo Nation Historic Preservation Department-Compliance Section for review.

On December 3, 2009, NNAD staff met with Kelly Mortenson, Assistant Director/NEPA Coordinator, OEHE-DSFC, Indian Health Service, Navajo Area Office, to request that NNAD receive request for cultural resource surveys for Indian Health Service projects. NNAD agreed to decrease our fee schedule slightly for Indian Health Service. NNAD received 3 scattered waterline request forms for the Western Agency and 1 scattered waterline request form for the Fort Defiance Agency.

On December 17-18, 2009, NNAD held a Strategic Planning meeting at NNAD NAU Bilby Research Center, Flagstaff, Arizona. NNAD staff identified our critical issues and completed the critical issue analysis. On January 7-8, 2010, the staff met at NNAD NAU, evaluated each of NNAD's priorities (in measurable form) and compiled our priorities for the FY2010 Masterplan. NNAD appreciates Mr. Fred White's involvement in our department's strategic planning process.

Navajo Tribal Utility Authority (NTUA) selected NNAD as the #2 prime contractor to conduct cultural resource services. This agreement was approved by the President of the Navajo Nation and Walter W. Haase, General Manager, NTUA, on January 13, 2010.

On January 13-14, 2010, NNAD staff attended DNR Supervisory Meeting in Gallup NM. NNAD reported our accomplishments for the first quarter, FY2010.

The White Sands 50,000 acres survey in Alamogordo NM ended on December 31, 2009. This survey project started August 20, 2009 for Christopher Goodwin and Associates, Inc. Invoices have been submitted to Accounts Receivable for August.

Prepared scope of work and budgets for the Navajo Nation Historic Preservation Department for the following road projects: Navajo Route 9652(1): White Rock Road, San Juan County NM; N164 (1) 2 & 4, Navajo Mountain Chapter, San Juan County UT; Navajo Route 6486(2): Lower Laguna Creek, Navajo County, Arizona; Navajo Route 6910(1)1 &2, San Francisco Wash, Leupp Chapter, Coconino County, Arizona and N19 Toadlena road project. The final budget for N19 was submitted to NNHPD for approval. The final budget for N6486 has been submitted to NNHPD for further approval. Met with NNHPD staff on December 3, 2009 to discuss road projects, NNAD fee and curation policy.

Neomie Tsosie, Supervisor Archaeologist, NNAD NAU has updated NNAD NAU’s website. Website needs to be updated to provide information pertaining to NNAD and also to gain additional projects.

Abandoned Mine Lands

AML Projects
Dineh AML Maintenance Project is 100% complete. The project included four sites from Eastern Agency areas; two coal sites, one gravel mine and one uranium site. Final Inspection was completed on January 12, 2010.

Public Facility Projects (PFP)
Tsaile/Wheatfields Chapter Headstart Renovation – Construction is 100% complete and the Final Inspection & training took place on March 18, 2010, with Design and Engineering Services and Chinle Head Start.
Phase II of the Steamboat Powerline Extension has been final inspected and lines were tested; the electrical services have been in operation since March 18, 2010. Training took place on March 22, 2010 for residents with NTUA and Steamboat Chapter.

Navajo AML/UMTRA Public Relations

March 8, Navajo AML conducted a presentation and show-n-tell on the AUM Atlas’ to the American University students out of Washington, D.C. The students are on a Navajo Nation tour and focusing on the uranium mining legacy. A Health Physicist orientation and field tour of Cameron, AZ, were completed on March 11, 2010.

March 9, Navajo AML received two referrals for the Senior Public Information Officer Position No. 948511. Interviews are scheduled for April 8, 2010.

AML/UMTRA Administration

January 23-29 and February 1-19, the Window Rock, Shiprock, Tuba City (vicinity), provided equipment, vehicles, and staff to deliver water, food, wood, coal, and hay to remote Navajo families as declared by the Navajo Nation. Work was performed in conjunction with the Department of Emergency Management, Community Health Representative, local chapters, and the Division of Natural Resources. Assistance was based on the staff’s own available time and while completing AML routine assignments for projects. The operation was a success and much appreciation was rendered by communities. Additional assistance went to the following operations in the Northern Agency of Naschitti, Sheepsprings, Aneth, Sweetwater, Red Mesa, Huerfano, and Nageezi and Western Agency of LeChee, Inscription House, Navajo Mountain and Bodaway Gap communities.

February 22, AML prepared letters and supporting documents regarding the dismissal of AML’s FY2011 funding to congressional delegates. March 25, the letters have been finalized and are awaiting the final supporting documents for the president’s signature.

March 1, Navajo AML/UMTRA has filled the vacant Network Specialist Position with a transfer. Mr. Gilbert Largo, comes to the AML/UMTRA from Navajo Telecommunications & Utilities. Staff welcomed him and look forward to a positive working relationship.

March 1-5, Glendale, AZ, Navajo AML/UMTRA held their strategic planning meeting resulting in the development of five KSA’s and one CIA. Participants, presenters and guest were from the Office of Surface Mining, BIA, NTUA and the Navajo Nation President’s office.

March 6-10, Phoenix, AZ, staff participated in the Waste Management Conference and Symposium.

March 10-11, Santa Fe, NM, staff completed a presentation to Office of Emergency Management.

March 15, Shiprock, NM, selected staff met at the Shiprock AML to discuss the plans for the upcoming DNR EXPO, promotional items for Public Relations activities and booth designs.

March 16, Santa Fe, NM, staff met with New Mexico AML on our Partnership efforts regarding Diamond #2, Amcoal, Health Physics, DNR EXPO, and the Southwest Partnering meeting.

March 17, Cerrillos, NM, Navajo AML in partnership with New Mexico AML toured and discussed the upcoming field activities of the DNR EXPO. A tour will be conducted in partnership with NM AML program.

March 18, Shiprock AML met and discussed the Blue Gap Health Physics data and provided information to Mr. Dave Taylor, Navajo DOJ/Navajo EPA Attorney. AML requested a meeting with Navajo EPA on the Action Items.

March 18, Shiprock AML, Health Physicist gave presentation to Joanna Williams a NAU student on the Navajo AML Reclamation/UMTRA Department.

March 22, Monument Valley, UT, UMTRA staff participated in the Quarterly Navajo/Hopi/DOE meeting. The meeting include participation from Navajo EPA.

March 23, selected Navajo AML staff participated in the Traditional Arrowhead Protection Prayer. The prayer focuses on the department and funding issues.
March 23, Navajo AML Health Physicist invited Ms. Diane Malone, Navajo EPA, Environmental Department Manager and her staff to participate in the Morrison II Value Engineering (VE) tour scheduled for March 31 in an effort to continue partnership coordination. Navajo AML would like to obtain input from Navajo EPA staff.

March 23, Columbus, OH, one staff attended the OSM NTTP training on Bonding: Administrative and Legal Aspects.

March 25, the Standard Operating & Procedures Documents are about 90% complete. Staff is currently working on Environmental Monitoring procedures and Soil and Water sampling procedures. Upon completion the current procedures will be available at each AML office.

At the request of Dave Taylor, NN DOJ, Health Physicist completed follow-up on the radiological survey for Blue Gap/Tachee Chapter House and NA-0701. A formal letter identifying concerns by Mr. Taylor is forthcoming as well as scheduling a meeting with the Chapter.

March 30, selected staff continued with the Traditional Blessing and Offering Prayer in the Chuska Mountains. This prayer is also for the department and funding issues.

Forestry

**Forest / Cooperative Services Program**

One Forest Services Officer attended the St. Michaels Chapter meeting on March 21, 2010 where discussions were to determine the feasibility of establishing a helispot at the old Summit Campground area. There were no results for this request.

One Forest Services Officer attended a meeting between the Division of Natural Resources and the Department of Emergency Management. This meeting was called to discuss the Snow Fall 2010 Operations and the possibilities of Departments being reimbursed for purchases made and the cost reimbursement from FEMA. There are no positive results from this meeting.

One proposed homesite lease area was checked in the Tsaile/Wheatfields area. The results from this proposed homesite lease check are still pending.

Forest Service’s Officers responded to 288 calls for service, ranging from checking personal/resale forest product permits, performing routine patrols to investigating illegal forest product harvesting and attending meetings.

**Timber Management**

Due to not being able to get into the field, all field staff assisted other Department programs with their projects and initiatives. The GIS Analyst within this program assisted a number of Department staff with computer hardware/software issues and questions.

The Analyst has also produced a number of project maps for field staff to utilize, such as a fuelwood area harvesting map, the Oak Ridge Timber Sale map (with allotments) and another Tohnitsa Timber Sale map.

The Analyst has been working on editing the Big Boquillas Ranch vegetation map for accuracy. This map will be utilized for the purposes of the development/finalization of the Big Boquillas Ranch Woodland Management Plan, a component of the overall Ranch Management Plan.

**Reforestation**

The Reforestation Program of the Department continues to perform general maintenance duties in and around the greenhouses and botanical garden.

Assisted the USFS, Apache-Sitgreaves National Forest with reforestation concerns and to provide them with an update on the seedlings that were grown for them. The Program is currently working on the logistics to deliver these seedlings to the Forest. The Program worked with an interested individual from the Chinle Community to look at and into landscaping concepts for the community.

The Program continued to address the concerns of greenhouse operations with the White Mountain Apache Tribe.

**Woodland Management**

The woodland management crew hauled in and restocked the woodlot with 41 truckloads of unsplit, dry firewood. This will eventually be sold to the public. In addition to hauling in firewood, the crew also loaded 0.7 cords of ponderosa pine, 16.8 cords of juniper and 0.1 cords of oak for a total of 221 customers.

Issued 7 right-of-way tree harvesting permits to IHS and NTUA for their infrastructure development projects.
Woodland management staff tallied trees on three separate proposed right-of-way projects. These projects were two NTUA projects, one Scattered Waterline Project and one project on Black Mesa Mine area, and NECA’s N4/810 road project.

**Compartment Examinations**
The forest inventory and pole marking staff are assisting the Woodland Management crew in the harvesting of firewood.

**Maintenance and Construction**
This Section has been assisting other Programs with their projects.

**Forest Product Permitting**
The Navajo Forestry Department issued 1,267 personal and commercial use forest product permits/tags to both enrolled Navajo Nation and Non-Navajo individuals. These forest product permits allow an individual to gather firewood for personal and resale purposes, harvest fence posts and transport wood that has been harvested to another location.

**Other (meetings, etc.)**
The Department conducted several internal meetings.
One general staff update meeting held with staff on the happenings on the Navajo Nation.
Three Forest and Woodland Regulation revision meetings.
One meeting with the BIA, Navajo Region Foresters to begin discussions on the Navajo Forestry Department’s FY2011 PL93-638 Contract Statement of Work. Both entities are looking at making some recommended changes for FY2011, utilizing the FY2010 SOW.

Two staff members attended the Centennial National Indian Forestry Conference in Phoenix, AZ. These individuals attended several breakout sessions addressing timber appraisals, funding and overall direction of forestry in Indian Country.
Forest Manager attended the Big Boquillas Ranch Management Plan Team meeting in Flagstaff, AZ. This meeting was called for the development of a SLOT analysis for the entire process of developing a Ranch Management Plan.
Forest Manager provided a presentation on wildland fires and preparedness at the Department of Emergency Management Conference in Santa Fe, NM (Buffalo Thunder Resort). This presentation topic was only attended by four people, and I would not recommend that the Department provide another presentation at this type of conference due to the lack of interest/attendance.

Forest Manager and Forest Services Program Manager attended the Annual BIA, Navajo Region Branch of Fire Management Cooperators meeting in St. Michaels, AZ. The attendance at this meeting was very low; as a result the meeting was cancelled. The Department representatives were able to discuss the issue of wildland fire investigators with the Fire Management staff.
Forest Manager and Research and Development Program Manager met with the BIA, NRO Regional Forester to discuss some funding issues and alternatives to address several concerns of the Navajo Forestry Department. These concerns will be discussed with the Division of Natural Resources leadership and during this time, the alternative ways to address these concerns will also be presented.

**Fish & Wildlife**
The Director and other Department personnel met with Larry Voyles, Director, Arizona Game and Fish Department to discuss AZDGF comments to the Big Boquillas Ranch access agreement and frustrations with AZDGF personnel participating in the Big Boquillas Ranch management planning team. A negotiation team was formed consisting of the Directors of the Arizona Game and Fish Department, Assistant Director for Field Operations, AZDGF, Director of Navajo Fish & Wildlife and Deputy Director of Navajo Natural Resources. A meeting is set for March 31, 2010.

Department personnel attended a meeting with the Big Boquillas Ranch management planning team. The Deputy Division Director, DNR, facilitated the development of a SLOT analysis for the ranch. Upon completion of the analysis, a Critical Issue Analysis was conducted on one major issue that was developed – lack of a management plan. Additional goals were set for the Navajo Nation Department of Agriculture to complete certain sections of the natural resource inventory and management plan. The next meeting of the management team is set for July 2010.

The Director received official notification from Matthew Holdgate, Zoo Curator, of his intention to resign in May 2010. Mr. Holdgate plans on returning to graduate school. Recruitment efforts were initiated to solicit interest in the position from local and national sources.

The Director updated the Department’s FY-2010 Master Plan and submitted to DNR.
The Design and Engineering Department completed another version of the floor plan for the Department’s new building. Discussion was also held on the next phase of the project: Architectural and Engineering Phase. The Department will have to secure at least $200,000 to complete this phase of the project.

The Department, in coordination with the Navajo Guide Association, held its annual Sportsmen’s Expo. Approximately 238 people attended the Expo at the Navajo Nation Museum. Additionally, a Sportsmen’s Banquet was held and several hunt permits were auctioned off. The highlight of the auction was a Navajo Special Mule Deer Permit was auctioned for $21,500.

The Director provided Annual Youth Hunt sponsorship awards to the Arizona Desert Bighorn Sheep Society and the Phoenix Chapter of the Safari Club International. These two organizations are major contributors to the Annual Youth Hunt.

Annual Youth Hunt fundraiser meal was held at the Sportsmen’s Expo and $559 was raised. Another fundraiser was scheduled for Raptor Day on March 27, 2010.

Natural Heritage Program staff completed a helicopter survey of golden eagle territories and logged in 1,800 miles of flying in four days. The prey base component of the golden eagle study is also commencing and ten rabbit transects were established. Night time rabbit surveys will commence in April.

The Natural Heritage Program is installing a new server and new computers. The Natural Heritage Program successfully negotiated with the Indian Health Service to comply with the Migratory Bird Treaty Act by reiterating a restriction of not removing pinyon-juniper trees during the breeding season.

The Animal Control Program completed a draft Standard Operating Procedures document for the Program. The draft is undergoing internal Department review.

The Animal Control Program conducted community enforcement projects at Montezuma Creek, Red Mesa Chapter and Teec Nos Pos School. Patrols in these communities focused on compliance and enforcement of Navajo Nation Animal Control laws, picking up stray and unwanted animals and public education.

Animal Control Officer Craig Tsosie assisted DRE Ranger Yazzie in addressing a complaint involving animal cruelty. The dog was malnourished on a short chain. The dog was confiscated by Officer Tsosie and the dog owner was cited for animal cruelty. The dog owner was attempting to get his dog back and it was discovered he was a felon and had a warrant out for his arrest. The dog owner was arrested.

The Wildlife Law Enforcement Program conducted two Hunters Education Courses in Ganado, Arizona and Ramah Chapter. A total of forty-one (41) individuals successfully completed the courses. Course topics included safe and ethical hunting principles, firearm handling and safety, wildlife management and conservation, and wildlife laws and regulations.

Wildlife Conservation Officers Benally and Sandoval successfully completed a Backcountry Tactics and Training course in Carlsbad, NM.

USFWS law enforcement personnel met with Wildlife Conservation Officers to coordinate law enforcement activity regarding the selling of eagle feathers.

The Navajo Department of Transportation provided interdepartmental assistance to the Navajo Nation Zoo by renovating the access road and parking lot.

The Navajo Nation Zoo continues to educate the public by providing tours and presentations. Zoo staff gave tours to Shiprock Headstart, Chinle Junior High, Native American Bahai Institute and Crownpoint Community School. Staff also performed outreach at Broadcast Services and at the Sportsmen’s Expo.

The Navajo Nation Zoo seeks to be part of the community by serving as a worksite for individuals from various agencies. This month, 03 workers from the Navajo Nation Workforce Development, Office of Youth Development and Window Rock Probation and Parole assisted at the Zoo.

The Navajo Nation Zoo renewed its certification with the U.S. Department of Agriculture; the annual inspection will take place this summer.
Thanks to community support from BHP Billiton Community Investment Fund, the Navajo Nation Zoo developed a new educational poster for school groups.

Department activity was low due to personnel being assigned to the 2010 Snowfall Emergency activity. Personnel were assisting with field/medical contacts, delivering supplies to families and chapters, search and rescue operations, operations at Nakai Hall and at the Emergency Operations Center.

Department personnel attended a meeting with the Chief of Staff office to provide an update/clarification regarding proposed over flights near the Little Colorado River and the Grand Canyon. The Chief of Staff advised he would convene additional meetings later in the following month.

The Department held its annual strategic planning session in Albuquerque, NM. The FY-2011 Work Plan and Master Plan were completed by each Section. Additionally, field trips were held to the Bosque del Apache National Refuge, Sevilleta National Wildlife Refuge, Rio Grande Zoo, Sandia Lakes and Albuquerque Animal Shelter. A Department awards dinner was also held and employee performance awards were given to the following employees: Employee of the Year-Archie Mull, Zoo Maintenance Worker; Supervisor of the Year-Kevin Gleason, Wildlife Law Enforcement Manager; Outstanding Performance Awards for Administration-Michael Deswood, Predator Control Officer; Animal Control-Sorsha Snyder, Animal Control Officer; Management/Natural Heritage-Ferlin Begay, Fish Culturist; Wildlife Law Enforcement-Tytus Sandoval, Wildlife Conservation Officer.

Department managers attended the BIA 638 Contract Budget Formulation Workshop. Presentations were given by 638 Contract programs on their accomplishments. Additional information was provided on the budget formulation process. The Director met with Department programs to discuss the FY-2010 Work Plans and Master Plans. Each program was provided an update on the progress of objectives contained in their Work Plans and Master Plans. Each employee was provided an opportunity to discuss status of projects they were responsible for and to discuss barriers or issues related to program performance. No major issues were identified. Program meetings were convened with the Navajo Nation Zoo, Wildlife Law Enforcement, Management and Animal Control.

The Director provided an internal training session for Department employees on the Morrisey Planning Process. The training session was conducted in preparation for the annual strategic planning session.

The Director provided Annual Youth Hunt sponsorship awards to the Arizona Desert Bighorn Sheep Society and the Phoenix Chapter of the Safari Club International. These two organizations are major contributors to the Annual Youth Hunt. The Animal Control Program was highlighted in a Fort McDowell newspaper entitled, “Yavapai News”. Last month, Animal Control personnel provided field training for the Fort McDowell Police Department in animal control field techniques. Senior Animal Control Officer Stacy Daw assisted the Shiprock Police District when a drunk driver skidded off the road into a snow drift on Navajo Route 134. The driver was not injured and arrested.

Wildlife Manager continued discussions with the Arizona Game and Fish Department to negotiate bighorn sheep management options. The AZDGF is interested in acquiring some sheep for a test transplant in Arizona; in exchange, the AZDGF will fund some bighorn sheep management projects.

Natural Heritage Program Acting Manager successfully negotiated changes to the procedure of data requests and project review with the Indian Health Service. The changes will assist in expediting the processing of environmental documents which were habitually being submitted to NHP with expired data responses.

The Natural Heritage Program purchased a new server and two new computers for Program staff. The old server is now out of service.
The Wildlife Law Enforcement Program reported fishing is fair at Wheatfields and Tsaile Lakes. Trout being caught are ranging from 15 inches to 18 inches. All other lakes have very little fishing activity.

Four Navajo Nation Zoo personnel contributed a total of 180 hours to the 2010 Snow Emergency by assisting with field and chapter house deliveries, working at the EOC and at Dispatch, and working at Nakai Hall.

Historic Preservation Department
Administration-Nearly ALL HPD staff participated in an HPD-wide staff retreat and staff development program at Fort McDowell. Immediate improvement in behavior and performance for many staff was evident. Program Managers continue to participate in the follow up coaching from the Fort McDowell Retreat/training. There is a vast improvement in communication within and among programs and staff. CRCS shown remarkable improvement in communication and has made real strides in improving execution. Roads has improved communication and improved focus on execution. Forestry has improved communication and execution.

638 Program Managers and Department Senior Management participated in the BIA federal budget formulation meetings at Route 66 Casino.

(CRCS)
CRCS conducted its first annual contractor meeting on March 03, 2010 at the Navajo Nation Museum to review the revised HPD Permit Package & to address concerns that we have with contractor reports. Over 100 consultants attended. Comments were overwhelmingly positive.

Staff attended document storage training and met with a document storage software vendor. Ron Maldonado, Tony Joe and Timothy Begay gave a presentation to met the Navajo Human Rights Commission in St. Michaels, AZ. The commission is particularly interested in the protection of sacred sites on and off the Navajo Nation.

ROADS
Ora Marek-Martinez, Supervisory Archaeologist, attended Management Skills Training, entitled Management Skills for New Supervisors within Tribal Organizations, January 25-26, Las Vegas. As a first time supervisor, Mrs. Marek-Martinez learned essential supervisory and management skills which will enhance her abilities and make her a more valuable asset to the program/department/division.

CHACO
The Chaco Program hosted an event at Newcomb to witness the Spring Solstice Sunrise. The alignment between the Newcomb Great House and nearby hill is perfect at the Spring Solstice Sunrise. The event was attended by HPD staff and members of the UNM Dine Club.

MUSEUM
The revised Plan-of-Operation for the Museum was approved by the Government Services Committee and the Museum is now a Department within DNR.

TCP
Timothy Begay and Curtis Yazzie completed in a six day wilderness first aid training in Moab, Utah. Tony Joe and Timothy Begay traveled to Phoenix, AZ with Evil Way chanter Ronald Largo to meet with the Bureau of Indian Affairs, Garry Cantley to mitigate the return of a Jish that has become the object of a dispute between both entities. As a result of the meeting the BIA will initiate the administrative procedures to repatriate the jish to the Navajo Nation. Timothy Begay and Vice President Shelly met NM state legislators and Spanish Land Grant families to discuss the Families concerns about the Mount Taylor Cultural Property designation. As a result of this meeting the Land Grant families dropped their objections and the legislators withdrew proposed legislation that would have overturned the designation.

Land
On behalf of the Navajo Nation, staff paid property taxes in the amount of $64,074.93 to various state entities in Utah, Arizona and New Mexico;

Department provided resources for the 2010 Emergency Snow Project. NLD Staff assigned at the Window Rock, Chinle, Crownpoint and Kayenta distribution center during the emergency.

Fee to Trust Project: Individual topographic maps on each parcel for the fee to trust conversion project on all Navajo Nation fee lands in Township 18 North, Range 7, 8, 9 10 West, McKinley County, NM. The individual parcel maps were
compiled using the GPS data/coordinates collected during the site inspections and assessments of each parcel within the Sims/Carrica Ranches in the Whitehorse Lake Community. Also, presentation was given at a joint work session to the Eastern Navajo Land Commission, Resources Committee and Navajo Hopi Land Commission on the present environmental issues and budget shortfall on the mandatory requirements for the fee to trust project.

Navajo Eastern Land Initiatives: Title section attended several meeting with the Eastern Navajo Land Commission to address different issues on the NELI proposal in the Eastern Navajo Agency. The proposed land exchange for the Executive Order No. 709, BLM proposal and the present NELI proposal (south of Highway 550) do not correspond in acreages. Therefore, it is anticipated that further negotiation needs to happen before any consideration is given by the governmental entities.

Big Boquillas Ranch: Title section attended several meeting with the Big Boquillas Ranch Management Planning Team to discuss fostering partnership for multiple uses, interim access agreement, rangeland inventory, livestock tally, coordination of GIS information and mineral interest ownership and participated tactical planning with the planning team to complete a SLOT analysis by categories to identify short-term results and an overall plan implementation of the management plan.

Fort Wingate Army Depot: Title section attended a presentation on a summary of preliminary evaluation of natural resources data for the Fort Wingate Army Depot, which included potential restoration projects/alternatives, assessment plan, potential NRDA activity, habitat equivalency analysis, environmental concerns, ground water and cultural issues. Presently, there is an on-going proposal of restoration planning phase into the restoration implementation phase within the FWDA installation.

H & H Property: Council approved the purchase of H & H Property in Thoreau, NM, which consists of 306 acres of raw land. Check for the purchase was delivered to Gallup Title on 3/17/10. Preparing to close in April 2010.

BIA Road Project N-368, Hogback Pipeline Project: The contract program has received a right-of-way map and instruction to commence field clearance. The contract program found out that the right-of-way would affect a grazing area, one farmland and San Juan chapter. The field clearance on grazing areas is complete and only one farmland and a chapter-withdrawn resolution is needed

- Completed SAS packet for Raymond Educational Foundation gift of land packet for review and will submit to RC & NNC.
- Received RFP for appraisal services from Bruce Closser for the Snowbowl Resort, Nation needs to decide if there is still an interest.
- Completed scanning and label boxes for all Sand & Gravel files previously stored at the old Land Office. Presently, scanning Electrical Distribution Line files, Business Site Leases for Fort Defiance and Tuba City Agency. Approximately 400 files have been scanned.
- Completed and submitted the 2010 Application for Agricultural or Grazing Land Status to the McKinley County Assessor's Office.
- Start receiving service line agreements (SLA) applications for the Western Navajo Agency (WNA) but many, if not all appear to be deficient in some form or another.
- Deposited over $72,675.77 into general fund or/and escrow accounts received for payments made for land use.
- Routed over (14) applications through the 164 Review process or the administrative review process.
- GIS completed over 200 Map Prints\Creations
- GIS completed over 60 Work orders
- GIS Assisted Emergency Management:
  - Maps for 2010 Operation Snowfall
  - Created templates of the reporting, linked all computers to shared files
  - Took Lead in GIS/Mapping for the ECO and Nakia Hall Distribution during Snowfall 2010 and printed location maps for all distribution sites
  - Setup Network to ECO and Nakia Hall
  - Completed installation of the DS3 internet and connected to DIT’s backbone Navajo.org
  - Created out going portals to have ECO use our web mapping system
  - Created Web-Based Map to allow the command center to access NLD maps.
  - Worked with DIT to setup database to capture all the product and transport logs.
  - Compile reports for daily and weekly reports for the transporting of all items
  - Created tracking system for Operation Snow Fall, sent out to all distribution sites to use as there reporting system
- Plotting GPS locations from Incident Forms, tried to implement a GPS data collection process but was not considered because ECO said it was unnecessary, until towards the end of project they understood how important it was.

GIS – DNR Conference
- GIS completed the Poster and Brochures for the 2010 DNR Conference/Explo, posted draft agenda for the Conference on web site. NLD contacted (56) possible sponsor. GIS created layouts and completed the schedule and agenda for conference. Setup design for the badges and posters for sponsors
- NLD ordered new Software and Hardware to upgrade systems utilized by NLD and DNR.
- Set up three (3) additional scanning systems for temporary workers.
- Title section attended the Cooperative Agreement meeting on grazing, range inventory, unauthorized occupancy and BLM grazing allotments to provide our input.
- Title section attended the Chevron Mine meeting at Navajo Region to discuss the purchase of the Section 8, (allotment land), land uses and deadlines for the closure mine.
- **Total Number of Clients Served at Agency Offices:** 6,451
- **Total Number of Land Surveys completed:** 177
- **Total Number of Drafting Services completed:** 179
- **Total Number Home-site Surveys Certified, Approved and submitted to BIA:** 541
- **Total Number of Home-sites Finalized/Approved received from BIA:** 660
- **Total Number Closed-Out Pending Surveys:** 805
- **Close-Out Pending Archaeological Surveys:** 250
- **Total Files Scanned into Data Base:** 9,261

Mission Sites:
1. Finalized /Approved Mission Site Permits for operation on Tribal Trust Lands:
   - The White Water Community Church in Naschitti, NM
   - LDS Church in Dennehotso, AZ
2. Permits forward to BIA Agency Office for Regional Directors approval/signature:
   - The LDS Church (Echo Cliffs Branch) in Bittersprings, AZ
   - Mountain View Baptist Church in Chinle, AZ
   - The Door of Hope (Pure Heart Bible Church) in Kaibeto, AZ
   - Mountain View Baptist Church in Lukachukai, AZ
3. Permits in the SAS process for review:
   - Hadaandlii Fountain of Life Church – Huerfano, NM
   - Cedar Mesa Church of God – Sweetwater, NM
   - Faith Bible Community Church-Tolani Lake, NM
   - Harvest Time Church of God-Kayenta, AZ
   - Standing Rock Church of God-Standing Rock, AZ
4. Delinquent Mission Site Rental Account:
   - Delinquency letter will be sent to the Window Rock Christian Center, which is seriously delinquent on their mission-site rental account, which requires immediate response for collection to avoid revocation of the permit.

- Title Section provided customer service to Thirty-Seven (37) tribal clients and outside organizations in researching and retrieval of land records.
- Counter-offers made to L-Bar Ranches and requested input/support from DRN department
- The RFP appraisal proposal was received for the Arizona Snow Bowl.
- Notification letters sent out land users at PWCC for distribution of escrow payments.
- Draft Affidavit of Statement for Laura Edsitty, a resident of Black Mesa who was diagnosed with cancer. Her wishes for her children included in the Affidavit. Provided a copy to Department of Justice for review to be finalize

Staff assisted with the Reapportionment Project by providing data and designing voting districts based on actually 2000 census data. Several maps were developed to show different districts for (24) council delegates representation.

Minerals
The department staff evaluated and negotiated the following right-of-ways (ROWs) and revocable use permits. The highlights include:

- Negotiation continues with the Arizona Public Service Company (APS) for resolution of the consideration for the Four Corners Power Plant (FCPP) site lease and ROWs and other issues. A meeting was held on February 23, 2010 to continue the negotiation. The Nation’s consideration is the major issue that remains to be resolved.
- Enterprise Field Services (EPS) has mapped and calculated the length of all their ROWs acquired from El Paso Natural Gas Company. Pursuant to the 2005 Agreement with EPS, the Nation received payments.
- An agreement was reached with Western Refining (Western) for the crude oil pipelines ROWs to be extended up to March 31, 2015. Western will pay a significant amount of cash at the approval of the ROWs by the Resources Committee (RC) of the Navajo Nation Council (NNC). The Navajo Nation Department of Justice (DOJ) has reached a settlement on legal issues pertaining to the Nation’s jurisdiction and assignment. The package is being compiled for the departmental review process and RC’s approval.
- Discussion continues with Nacogdoches Oil and Gas, Inc. (Nacogdoches) for the renewal of their ROWs.
- Processed a ROW application for BHP Navajo Coal Company (BHP) which will be used for the extraction of 1.7 million tons of coal within their coal mining lease. It was approved by RC on October 8, 2009.
- Reviewed and processed two electrical distribution line ROW for Jemez Mountain Electric Cooperative (Jemez). Cortez Pipeline Company (Cortez) CO2 ROW application was approved by RC on February 26, 2010. The Nation received $190,606.42 from the project.
- Reviewed and processed a ROW and a temporary construction easement for San Juan County, Utah. Discussion continues with the Public Service Company of New Mexico (PNM) regarding a master agreement for the renewal of all their electrical transmission line ROWs. Discussion continues with the New Mexico Gas Company (NMGC) regarding the renewal of expired natural gas ROWs.
- Reviewed and provided comments on a road ROW project submitted by the San Juan county, Utah. Aneth Plant site lease extension agreement with Chevron North American Exploration & Production Company (Chevron) for the environmental clean-up operation was approved by RC on February 11, 2010. The Nation received $173,232.00 from this project.
- Reviewed and submitted comments on nine ROW applications for tele-communication sites for Frontier Communications (Frontier). Outstanding issues with Frontier were brought to the attention of RC.
- Reviewed and submitted comments on an electrical distribution line ROW for the Navajo Tribal Utility Authority (NTUA) to serve Navajo Agricultural Products Industry (NAPI). RC approved the ROW on February 26, 2010 and accepted the Minerals Department’s recommendation to assess $1.14 million consideration for 20 years.
- Reviewed and processed four RUPs.
- Reviewed and processed a co-location application by Smith Bagley to use Transwestern Pipeline Company’s (TWPC) tower in Klagetoh, AZ.
- Reviewed and processed an electrical distribution line ROW for the City of Farmington, NM to serve a Navajo resident.
- Comments were provided on another electrical distribution line ROW project for NTUA to serve the NAPI area.
- Discussion continues with Conoco Phillips Company (CPC) regarding water well sites ROWs.
- Reviewed and processed a road ROW application submitted by the Ramah Chapter.
- Reviewed and processed nine Applications for Permit to Drill (APDs).

Department staff also evaluated, recommended and negotiated mineral exploration and development of renewable energy proposals including the following highlights:

- The Navajo Nation Council (NNC) approved a Coal Bed Methane (CBM) Operating Agreement with the Navajo Nation Oil & Gas Company (NNOGC) on October 21, 2009. This is a major project and has the potential of generating substantial revenues for the Nation. The Nation has received the $4.0 million bonus payment. The Regional Director, Bureau of Indian Affairs (BIA), Navajo Region, needs to approve the agreement. Comments were provided to the BIA to address their concerns.
- We processed a sand and gravel (S&G) lease application submitted by Recon Oil Company (Recon). It took several months of periodic review to accept the mining and reclamation plan.
- Reviewed and addressed the deficiencies on an S&G lease application submitted by Weemuniche Construction Authority (WCA). Reviewing company’s response to the deficiencies.
- The Minerals Department has formally agreed to 1,760 acres size initial drilling block within Echo House Mesa Operating Agreement with NNOGC and Genesis/ST Oil. A letter was submitted to BIA on March 25, 2010 to extend the final solution of drilling block size by February 19, 2012.
- Reviewing response to S&G lease application deficiencies submitted by Dibe Niista LLC (Dibe).
- Reviewed and submitted comments on a Resource Authorization Permit (RAP) for Peabody Western Coal Company (PWCC) for providing Red Dog material to a Graveling Partnership.
- Providing assistance to the Navajo Energy Task Force (NETF) on renewable energy projects.

Department staff also reviewed surface coal mining permits and revisions; participated in coal mining inspections with the U.S. Office of Surface Mining (OSM) and the Bureau of Land Management (BLM). Highlights include:

- OSM Inspections: 45
- BLM Inspections: 05
- A meeting was scheduled to be held in November 2009 with OneOk Partners LLC (OneOk) regarding facilities to be returned by the Nation for finalizing reclamation plans for the Black Mesa Pipeline, inc. (BMPI). This meeting did not materialize and the new date is not yet set.
- McKinley Mine does not intend to mine Area 16. They have no market for the coal. A meeting was held with Chevron Mining Company officials and the BIA to discuss closure issues.
- Review mine permit applications, modifications and revisions.
- A meeting was held with OSM to discuss budget issues.
- Continuing work on the Navajo Nation Reclamation Code (Code). The Nation has retained the services of Ms. Jill Grant (Consultant Attorney) to assist with the Reclamation Code.

Parks and Recreation
2010 Snow Fall Operation:
Division of Natural Resources assigned Navajo Parks and Recreation Department to oversee the operation and management of the Nakai Hall Distribution Center for Navajo Nation Emergency Operation Center – Logistics Operation. The Operation (from January 26 to February 26) processed a total of 378 truckloads of materials delivered to 12 Chapters and snow affected areas in District #18. During the high peak operation, the Nakai Hall Distribution Center transported a total of 9,863 gallons of water; 71,689 lbs of potatoes, 320 truckloads of wood; 2,648 bags of coal; and 1,177 bales of hay. The Operation was scaled down on February 16 due to funding issues and diminished requests. The temporary and assigned staffs were instructed to return to their respective departments; operation was officially closed on March 19, 2010.

Department continued improvements at Monument Valley Navajo Tribal Park by doing the following activities:

- **Monument Valley Tribal Park Visitor Center Interpretive Exhibits**: Navajo Parks and Recreation Department opened the doors for operation of the Visitor Center on February 15. The Navajo Code Talkers exhibits and displays are reinstalled in audio visual room with the assistance of Circle of Light Foundation.
- **MVTP Bronze Sculpture Contract Services**: Navajo Parks and Recreation Department issued a contract modification number 1 for a term of contract extension in January. The contractor is Dee Jay of Provo, Utah. The term of contract extension is for 90 calendar days. The contract services is to produce bronze sculptures and a bronze Navajo Nation seal for Monument Valley Tribal Park gateway project in the total amount of $81,000. The Contract Modification One was signed by the Navajo Nation President on February 26, 2010. According to the contractor, the bronze sculpture is ready for final review and approval for release.
- **MVTP RV Resort and Campground**: Navajo Parks and Recreation Department issued a Request For Proposals (RFP) for the Prospective Lessees interested in partnering with the Navajo Nation to construct and operate a RV Resort and Campground within the Monument Valley Navajo Tribal Park. This project is part of the Phase Two MVTP Development Project. Four (4) Prospective Lessees attended the mandatory pre-proposal meeting and site tour on February 26 and two (2) Proposals were received by Proposal due of March 12. The Review Team reviewed and evaluated both Proposals and determined that both met the minimum requirements/qualifications; thus, the Team recommended to the Department Manager to conduct Proposal Discussions and Negotiations. The selection will be made in April.

Antelope Canyon near LeChee/Page, Arizona and Lake Powell is a primary attraction that is being improved through the following activities:

- **Antelope Canyon Visitor Center**: In 2006, Navajo Parks and Recreation Department issued a Request For Proposal for the Architecture and Engineering (A & E) to design the Antelope Canyon Visitor Center in Le Chee, AZ. Subsequently, the department with its consultant ETD, Inc. (Project Management) selected and awarded LAM Corporation of Gallup, NM for the A & E contract work. In 2007, the Contractor completed the A & E plans and designs per the 2003 International Building Codes. Due to lack of funds, the construction portion of the project was on hold. The department revisited its Strategic Plan in December 2009 and determined to reprioritize its project based on projects that will provide “economic benefit or return”, i.e. generate new or enhanced revenues and park
maintenance or improvement projects. Therefore, the department selected to fund the construction project from the Fund Balance Account. The construction project is to run six (6) months.

- The department received LAM Corporation’s scope of work and a proposal cost to provide independent professional services in areas of architectural and engineering services. LAM Corporation will perform building code updates and design revisions to ensure the department is in compliance with building code requirements. The building code update and design revisions will include architectural services to update the existing construction documents to the 2006 International Building Code, The Mechanical, Plumbing, Electrical and Structural codes. The updated codes will be provided for the current facility design/construction designs documents. The department manager has identified funds from department 2010 Enterprise Fund Business Unit 915001 and Fund Balance Account. The draw down from Fund Balance requires oversight committee review and approval. Contract amendments with LAM and ETD are required.

- Antelope Canyon RV Park Request For Proposals—In 2008, Navajo Parks and Recreation Department received a grant for architect and engineering services under USDA Rural Development for the Antelope Canyon Tribal Park Visitor Center Project. Prior to the award of the USDA grant, the department completed an architectural and engineering services on the Visitor Center project. Thus, the department requested to keep the grant and use it for other park improvement projects. Subsequently, USDA approved the department’s request to use the grant for a Marketing Feasibility Study for a RV Resort and Campground. The study consists of a marketing feasibility, an environmental assessment, a business plan and a legal land survey. This project is budgeted in the FY 2010 department budget.

In addition the following park areas received attention through the following activities:

- Four Corners Monument Water and Wastewater Systems—Navajo Parks and Recreation Department issued a Notice to Intent Award Contract to Chee/Northstar to provide construction services for the Four Corners Monument Tribal Park New Water and Wastewater System Project in the amount of $52,919.88 for 30 calendar days. The SAS Package is in the review process. The document was reviewed and signed by Office of the Controller and it is now pending Department of Justice review.

- Little Colorado River 2nd View Point NEPA Compliance Work—Navajo Parks and Recreation Department’s Consultant ETD, Inc. completed the archaeological survey and report, and the biological and Threatened & Endangered Species surveys and reports. ETD, Inc. is now preparing the Environmental Assessment Report. Contract Modification is required for ETD, Inc. to proceed with the work.

Other accomplishments include the following planning events:

- Event Coordinators: Treaty Day Celebration and Navajo Nation Fair—Navajo Parks and Recreation Department held a combined Fair Coordinators’ Meeting on March 9, 2010 for both Treaty Days Celebration and Navajo Nation Fair. An overview of the Finance Manual was given to the Coordinators particularly with the new procurement request form. The Special Events suggested that the Coordinators complete their requests and budgets to avoid last minute finance processing. It was also conveyed that Purchase Orders, if any, would not be issued in Coordinator names, unless they are department staff; The Event Coordinators discussed finalizing the Traditional Games with information gathered from Bluff, UT Organizer on March 8, 2010 with an impending meeting with Navajo Mountain on March 17, 2010. Included in this discussion was finalizing Essay Contest for school-age students, the display of Treaty items at Gorman Hall, and Story-telling Format in Gorman Hall; and Navajo Nation employees serving as Event Coordinators requested for a memorandum from the Office of the President to allow individuals to serve as Fair Coordinators.

Media Marketing Campaign /Activities—Navajo Parks and Recreation Department issued four (4) feature stories/articles for DNR newsletter and general press release; Press release on the Treaty Days Celebration was submitted to Navajo Times, Arizona Native Scene, Farmington Daily Time, Navajo Hopi-Observer and the Gallup Independent. In addition, information was shared with radio broadcasting stations: KTNN, KGAK, KNDN, Farmington, NM, KBAR Pine Hill, NM and KGUP, Tuba City, AZ; 2010 Treaty Days Celebration and Navajo Nation Fair activities were discussed with Phoenix based PBS/Channel 8 and KTVK-TV Channel 3 for 2010 promotional/marketing, a proposal response is pending; Promotion print materials (poster, Fliers and Tabloid) are in development for the Treaty Days Celebration; and

Billboards are being developed by Pageantry World
Resources Enforcement
Administrative duties covered overseeing the operation activities during the recent snow operations. Department personnel were on standby and some deployed as early as Friday and Saturday before the emergency was declared on Monday. Operations were handled by the individual districts with Sgt. A. Nez coordinating activities within the department. The operation ran smoothly with minor problems encountered. Districts made three lives saved, two in central and one in western districts. Three snowmobiles were deployed with drivers. Our congratulations go out to sergeants Nez, Phillips, and Jim, for their tireless efforts overseeing the operations in the field during the winter snow emergency.

Lt. J. Dover had a life save during a medical assist on the 26th February after there was a report of a woman who was choking and had lost consciousness. Upon arrival Lt. Dover was able to keep the patient breathing for about 30 minutes until the ambulance arrived to stabilize her. Within a short time she was airlifted to Flagstaff trauma center directly from the scene. Acute alcohol overdose and possible prescription medication overdose are suspected.

Orientation for new recruits and officers was carried out at Ft. Defiance. Topics ran the gamut of Ranger duties, emergency operations, title three livestock laws, department priorities and authorization and department budget.

Administration attended the strategic planning session in Flagstaff AZ for department critical planning.

The total number of calls for service within the easter district is (695) according to the Cody Records System. The District Rangers issued 49 Livestock Inspection Certificates. The report count for individual Rangers are broken down as follows:
- Ranger Sgt. Randall Jim has 79 calls for service for the quarter.
- Ranger Jeremy Grondin has 46 calls for service for the quarter.
- Ranger Jimmy Boyd has 55 calls for service for the quarter.
- Ranger Ericson Yazzie has 143 calls for service for the quarter.
- Ranger Lorenzo Lapahie has 222 calls for service for the quarter.
- Ranger Recruit Pearl Tsosie has 56 calls for service for the quarter.
- Ranger Recruit Merlina Roanhorse 29 calls for service for the quarter.
- Ranger Lt. Raymond Smith has 27 calls for service for the quarter.

Ranger Sergeant Randall Jim got to do a presentation at the request of the Arizona State Bar in Tucson, Arizona. Presentations requested were all relevant to livestock and domestic animals. The state bar members that attended and took the course on the webcast attained four hour for continuing legal education. Sgt. Jim was part of the faculty.

Water Resources
Safety of Dams-Staff attended 2012 Navajo Nation Emergency Management Conference, Santa Fe, NM Mar 8-12, 2010. Information with regards to recent actions initiated by NN Emergency Management was disbursed to attendees. Participants completed the Federal Incident Command System Overview training program. In addition staff received training in compiling Memorandums of Agreements between tribal entities and Types and Uses of Personal Protective Equipment.

Staff participated in the 2012 Red Lake Dam Emergency Action Plan Tabletop Exercise held in Red Lake, NM. The tabletop exercise was conducted by the Bureau of Indian Affairs and included members of the community, farm board, chapter officials, emergency officials from the tribal, county, state and federal levels. Exercise included an overview of the emergency action plan, the roles and responsibilities of all identified parties, dam owner’s responsibilities versus downstream officials responsibilities.

Operations and Maintenance Section
1. Tsaile Dam Ice Breaking was done 20 times in this quarter as follows: March 1, 5, 8, 12, 15, and 19; February 1, 5, 8, 12, 19, 22; and, January 1, 4, 8, 13, 15, 20, 23, 25, 2010. Due to the presence of ice accumulation, staff performed routine maintenance that included breaking ice around the pressure transducer for the Early Warning System located at this site and also around the 12” and 16” siphon pipes.

2. Tsaile Siphon Start up, March 10, 2010. Navajo Nation Safety of Dams staff started the 12” siphon due to rising water surface elevations. The water surface elevation reached the restriction level and water was subsequently released into the downstream channel.

3. Red Lake Onsite Visit with Bureau of Indian Affairs, March 10, 2010. Staff accompanied Bureau of Indian Affairs personnel to inspect dam conditions at the request of Mr. Omar Bradley to ensure that seepage issues were monitored
with respect to increase inflow into the reservoir. This site visit was coordinated with both programs.

4. **Asaayi First Fill**: Ongoing. Modifications to Asaayi Dam were completed in 2009 to mitigate the dam safety deficiencies with the outlet works and the toe drain system. Various portions of the dam embankment and structures that have been newly re-constructed may be experiencing operation loads for the first time. First filling is a period when the loads will be applied in a controlled fashion such that the stresses in the embankment caused by the reservoir can be applied slowly, allowing the embankment to adjust as necessary. To verify that embankment performance is consistent with design assumptions and expectations, heightened monitoring of the embankment and foundation and data evaluation are necessary. Monitoring and visual inspection will occur daily (including weekends) and is projected to run through the 1st of June May.

5. **Monitoring and Visual Inspections**
   Staff conducted 76 dam monitoring and visual inspections. These inspections included collecting piezometer readings, gathering weather station data and visually assessing conditions at each of these dams and noting maintenance deficiencies.

**Early Warning System Section**

The Early Warning system is a radio communication network that collects data on weather, reservoir water surface elevation, and alarm status. The system is built on the Rugged software platform and a majority of the sensors have reached life expectancy. Overall pre-maintenance activities include cross-referencing Navajo Nation Safety of Dams data against that acquired by the National Safety of Dams Monitoring Center. Currently the system is undergoing an overhaul in the following areas:

- **Rewiring** - the old wiring is either insufficient or incorrectly installed. Short circuits and poorly connected wiring may result in incorrect or no data transmittal. Wiring placement can also produce poor connections. 
- **Replacement of sensors** - The sensors for weather collection have reached their intended life span. Replacement or recalibration is needed to ensure accurate data collection.

The following summary is a list of actions that have been taken or require future attention for specific EWS locations:

**Ganado Dam**
- Field Assessment and Maintenance, 3/12/2010:
  Performed troubleshooting services on the radio and modem card.
- Field Assessment and Maintenance, 01/12/2010:
  Checked site integrity, access, and security, assessed storm damage to cables, pole masts, and building. Checked Early Warning System’s data operations, power voltage, and radio transmitter signal.

**Red Lake Dam**
- Field Assessment and Maintenance, 03/9/2010:
  Resurveyed the water surface elevation for resetting of the restriction level in the Early Warning System.

**Round Rock Dam**
- Field Assessment and Maintenance 03/19/10:
  Checked Early Warning System’s data operations, power voltage, and radio transmitter signal.

**Blue Canyon Dam**
- Field Assessment and Maintenance, 02/10/2010:
  Replaced existing battery with new battery.
- Field Assessment and Maintenance, 01/06/2010:
  Checked site integrity, access, and security, assessed storm damage to cables, pole masts, and building. Checked Early Warning System’s data operations, power voltage, and radio transmitter signal.
- Field Assessment and Maintenance, 01/04 & 08/2010:
  Conducted operations check on radio transmission per request by Bureau of Indian Affairs Safety of Dams Program - Chuck Nixon.
  Checked system’s data operations, power voltage, and radio transmitter signal. Checked site integrity, access, and security, any storm damages to cables, pole masts, and building. Checked Early Warning System’s data operations, power voltage, and radio transmitter signal. Radio poll signal failed, checked radio harness, radio transmitter, antenna signal and cable. Replaced the system modem card.

**Asaayi Dam**
- Field Assessment and Maintenance, 02/11/2010:
Replaced existing battery with new battery at Stream Gage.
Field Assessment and Maintenance, 02/16/10:
Placed pressure transducer back into reservoir for assessment and first fill monitoring preparation.
Field Assessment and Maintenance 02/17/10:
Performed troubleshooting services on Early Warning System in preparation for upcoming first fill monitoring.

**Todacheene Dam**
Field Assessment and Maintenance 02/16/10:
Checked site integrity, access, and security, assessed storm damage to cables, pole masts, and building. Took photos of dam and the reservoir. Checked Early Warning System’s data operations, power voltage, and radio transmitter signal.

**Window Rock Dam**
Field Assessment and Maintenance, 01/12/2010:
Checked site integrity, access, and security; any storm damages to cables, pole masts, and building. Checked Early Warning System's data operations, power voltage, and radio transmitter signal.

The Navajo Nation Water Resource Commission conducted several meetings to assess water rights and advise Navajo Nation entities as to direction the Nation needs to take to protect and secure water resources for the long term. Meetings conducted include Navajo Nation interest in New Mexico San Juan River Adjudication; San Juan River Settlement Congressional Legislation; New Mexico Zuni River Adjudication; New Mexico Rio San Jose; Utah San Juan River; Arizona Little Colorado River; and, the main stem of the Colorado River, Arizona Gila River and operational budgets. The NNWRC gave an update to the Resources Committee on March 4 about the proposed Arizona agreement that will be going eventually before the full council.

After approximately 10 years of negotiations, staff from Navajo and State of Arizona Participants negotiated and signed the proposed final draft of the Arizona Water Settlement Agreement for review and approval by appropriate Navajo and State leadership.

The Navajo Gallup Conjunctive Groundwater Plan was developed and will be the basis for project funding over the next ten years.

The Water Resources staff and Bureau of Reclamation completed the final draft of the Navajo San Juan River Secretarial Water Contract.

The contract is in place for the Tohajiilee Waterline Design Study. The kick-off meeting was done with the Army Corps of Engineers, local chapter and Tetra Tech.

Staff participated in the Project Construction Committee to work on the Project Design Criteria and to develop a sequencing plan for construction of the Navajo Gallup Water Supply Project (NGWSP). The NIIP siphon is being drained for the upcoming inspection. Staff developed a decision document for the NGWSP NTUA connection plan. NMED conveyed $690,000 million TIF grant agreement for Cutter Phase 5 analysis to NDWR. Staff met with the City of Gallup to discuss the Gallup water supply options.

The Navajo Team met, developed and provided another draft settlement agreement to the Utah State team. Staff met through a conference call with the State to update the draft agreement.

The NGWSP received $7 million for the construction of the Cutter Lateral Phase 2 pipeline and the contract was awarded to BRB.

The RFP for the Torreon well and waterline was published.

In January the National Park Service completed the FONSI for the LeChee Intake and the President signed the new Secretarial water contract for more than 900 acre-feet of water for the use in the LeChee area. Staff are working on the Preliminary Engineering Report for a USDA proposal.

Staff met with NAPI and NTUA on possible water connections for a french-fry factory. NNDWR drafted a NAPI - NTUA water treatment and conveyance contract.

Staff drafted a decision document on selecting a Cutter Lateral Alignment along Highway 550 and along Largo Canyon. The TIFF application for $800,000 was approved.
The Water Management Branch (WMB) surface water section currently maintains a cluster of monitoring networks for the Navajo Nation. This consists of 11 Automated Weather Stations, 5 Stream Gages, 9 Snow Courses, 20 Recording Rain Gages, 135 Rain cans and monitoring wells. It is the section’s goal to accurately collect, reduce and analyze climate data. The Stream Gauging Data Base continues to be updated with the most recent stream measurements and field visits along with achieved data. All Stations have been serviced and data downloaded.

1. Snow survey data – The crew continued the snow surveys. The snow pack was 200 percent of average.

2. Precipitation - It continues to be a struggle to successfully collect all precipitation data from all routes due to vehicle availability and climate challenges. The Precipitation Data Base has been updated with the most current data collection. Water Year 2009 Precipitation Records are complete.

3. WMB has an Early Flood Warning Non-Master Base Station connected the Safety of Dams radio network and is able to monitor stream flow at real time. In February the stations were serviced and data was downloaded.

4. Drought - The February Monthly Drought Report was completed. This winter had above average precipitation and above average temperatures. These winter storms have improved the drought status. Conditions improved slightly due to heavy snow fall, 200 percent of average. The forecast shows an El Nino with above average precipitation and above average temperatures during the winter.

5. Climate – Real time climate data collection through NOAA’s effort in modernizing 1,000 stations in the Historical Climatology Network (HCN) has been confirmed for Navajo Nation sites at Chinle and Chaco Canyon. This regional system of ground-based observing sites will collect climate, weather and water measurements. NOAA’s goal is to have both networks work in tandem to feed consistently accurate, high-quality data to scientists studying climate trends. The Chinle site is operational.

The NNDWR is coordinating the Army Corps Section 520 Flood Plain delineation work. The Army Corps completed the Section 520 ground control for the flood plain delineation aerial photography for Fort Defiance, Kayenta, Tuba City, Chinle, Tohatchi, Leupp, Many Farms, Shiprock Crownpoint and Ganado.

The NN Safety Of Dams First Fill Monitoring has begun at Asaayi Dam Construction Project and will continue until the water flows through the spillway.

Weeminuche Construction Authority (WCA) was provided a notice to proceed for non-site work at Captain Tom Dam Construction Project on October 23, 2009. As a follow-up a Pre-construction meeting was held at Gallup BIA NRO Office on October 29, 2009. Other activities include the following:

1. The Control house reinforcement drawings were completed by BOR on November 6, 2009;
2. The BOR design drawings are being modified to remove the conduit section upstream of intake structure;
3. BOR reviewed BIA designs for erosion protection and submitted comments;
4. The BOR original budget was $900,000 with no contingency funds. Due to design changes, the BOR revised budget is now $1,650,000;
5. The BOR expenditures for the project to date is $1,642,120, 99.5% of budget; and,
6. BOR is preparing revised draft schedule for completing all remaining activities. Revised Work order agreement is being done by BOR Dam Safety Office and these documents will be sent to NRO BIA in February.

The Water Construction and Technical Branch has been providing direct services to local communities. The following are bullet of accomplishments:

Manuelito – well is completed. Rehabilitation of Double D Veterinarian Well, near Tse Bonito, NM is completed. Rehabilitation of 4 wells are completed in Leupp, well #5T329. Shiprock, well #13T529, Houck, well#17T349 and in Chinle,
well #10T558. New Shiprock building: Electrical wiring of the building is completed. Completed rehabilitation of 1 earthen dam in Dilkon, R Billie dam.

**Equipment Repairs** - Repaired and maintained 58 pieces of equipments used for drilling, construction, repair and maintenance purposes.

**Transportation** – Fort Defiance - transported (3 loads) of gravel from Gallup Sand and Gravel. Transported dozer to buried site and cleared snow. Dilcon – transported excavator and make sump behind boarding school. Kinlichee – check road to jobsite to assess site. 2010 Snowfall Operation: Emergency response: At the following chapters: Jeddito, Ganado, Pine Springs, Oak Springs, Hunters Point and Blue Canyon. Transported heavy equipment to clear roads to residents, distribute food, coal, sand bags and transported hay to most chapters.

Program received $1,450,000 Million from United States Environmental Protection Agency (USEPA), one (1) Million for Safe Drinking Water Hauling Pilot Project and Feasibility Study and $450,000 to drill an exploratory well west northwest of Leupp for domestic use.

2010 Snowfall Operation: Emergency response: Transported heavy equipment to clear roads to residents, distribute food, coal, sand bags and transported hay to most chapters. Emergency operation was conducted through all staff at Fort Defiance Headquarters and all Field Offices.

Met with BIA on February 05, 2010 regarding livestock water related projects including drilling of new wells, construction of waterlines extensions, storage tanks, rehabilitation of existing livestock water facilities, a new building and equipment to accomplish the task in the former Bennett Freeze area. A proposal requesting funds in the amount of $3,690,000 has been submitted to BIA Navajo Region Regional Direct.

The Water Code Administration has completed the following activities:
- $50,000 five-year permit fee payment received from U.S. Dept. of Energy (DOE) through three-party agreement with AML/UMTRA.
- Staff researched and obtained data from comparable well sites to be used in designing two proposed livestock well drilling projects south of Bluff, Utah on the Navajo Nation.
- Staff and TCOB assisted Apache County in completing new well disinfection record.
- Staff conducted final permit assistance for one new Highway 491 contractor in locating water sources/watering points for the Table Mesa to Little Water section of construction.
- Staff completed permitting 6 cathodic well drilling permits for the Loftis Company in relation to the major El Paso gas lines across the Nation.
- Staff transmitted/issued permission to Resolute Natural Resources to decommission a capped, leaking, and formerly used artesian well (Utah well 09-235).
- Staff did a field evaluation for a proposed agriculture well and NRCS project relating to Gerald Maryboy in Gothic Creek, UT.
- Staff assisted three Highway 491 contractors in locating water sources/watering points for the Table Mesa to Little Water section of construction.
- Staff provided a service to NDOT and its contractors for watering points to serve the parking lot projects for the San Juan, Beclahbito, Cove, and Lake Valley Chapters.
- One staff served as a judge for the Navajo Nation Science fair.
- Staff facilitated the NNGE major pre-development meeting for 2010 in Gallup at Fire Rock.
- One staff member provided several days’ direct assistance to Operation Snow Flake for February.
- All of first quarter’s commercial water use bills were posted.
- Finalization of agreement with USDOE and AML/UMTRA on a single “lump sum” filing fee of $50,000 covering all ongoing and new permits through 2013.
- Staff came to an agreement with NECA on a compliance accounting process that allows closer monitoring of water used and fees paid.
- Construction phase completed for Apache County Chinle well.

**On-going Projects and Activities:**

*Abandoned Mine Lands/Uranium Mill Tailings Remediation Action Program*

**On-going Projects**
Dineh AML Maintenance Project – This project involved four sites from Eastern Agency areas; two coal sites, one gravel mine and one uranium site. The project is 100% complete. Final Inspection was completed on January 12, 2010. Final Close-outs are pending. (This project will be removed from reporting in April 2010)

Morrison II AML Maintenance Reclamation Project – Value Engineering (VE) work is scheduled to begin March 31, in coordination with Navajo EPA. On March 24, mine site visits to Mexican Water and Tse-Tah AML areas were completed. Navajo AML will be contacting Navajo Archeology for survey and reporting to comply with NEPA.

Window Rock NAML Parking Lot – Contract cost negotiation with the contractor was completed March 8. Navajo AML and Red Road Construction agreed on a construction cost within budget. Navajo AML will fund the fence portion of the project and NDOT funds will be used to construct the parking lot. The contractor proposed some minor changes in the scope of work for more cost efficiency. Professional Engineer, Kent Delph is reviewing these changes and will submit approval soon. Contracts are being developed for SAS package.

RAMS GIS Database Development: – The GPS data collected from the MSAT assessments were forwarded to TerraSpectra to incorporate into the GIS database. This was to be utilized during our planning meeting as a worksession. Mr. David Brickey, TerraSpectra, gave updates on the GIS database, new technology, introduction to other staff on performance and goals.

Maintenance Surveillance Assessment Team (MSAT) – Preliminary MSAT meeting on projects and early discussions on the upcoming planning meeting were held. MSAT staff developed KSA’s and CIA’s, analysis of the AML work and development of new CIA’s for the planning meeting.

Navajo EPA & Abandoned Uranium Mines (AUM) – Another VE is scheduled for March 31, with an open invitation to Diane Malone, Navajo EPA, and her staff to participate.

RAMS – Conference call to discuss planning on the Washington, D.C. trip, as well as updating the RAMS tribal/state request. D.C. trip may include Navajo, Arizona and US Army Corp.

On-going UMTRA Projects

Administrative – Navajo UMTRA is working with Office of Contracts and Grants to finalize closeouts and prepare budget for carryover of FY2009.

Monument Valley UMTRA – Staff conducted site visit and inspection at the phytoremediation plot and ground water uranium assessment areas and to also identify the area where ore source was found. Arrangements will be made to identify the size and depth of contamination.

Tuba City UMTRA – Staff conducted an internal LTSM inspection at the disposal cell on March 23, 2010.

Tuba City Well Drilling – Navajo EPA developed contract documents for the proposed drilling of monitoring wells in Tuba City. The SAS is awaiting an account number from Navajo UMTRA. Due to the specifications within the Modification to the Cooperative Agreement, a carry-over is necessary.

Tuba City Highway 160 Site Environmental Remediation – Awaiting final account numbers from the Office of Contracts and Grants.

Shiprock UMTRA – A brush fire started on the floodplain on March 18, Shiprock staff monitored the situation and made contacts with DOE and Stoller personnel and gave updates. There was no major damage to the equipment in the floodplain. On March 17, staff met with Robert Hayes, Shiprock District Grazing Committee, on institutional controls (IC) and to obtain permit holder listing within the floodplain and Many Devils Wash. Staff participated in the annual environmental sampling activities during March 24–25, coordinating with Cassie Gautheir and David Miller, DOE/Stoller, on the development and review of the radon and TLD data for the site prior to finalizing the report. Coordinating with Tracy Ribeiro of DOE the additional information for the proposed IC areas within Many Devils Wash necessary to further discussion with the grazing committee member. Finalize memo to Navajo EPA / DOJ for review and response to the proposed IC Environmental Covenant for the site.

Mexican Hat UMTRA – On March 18, staff conducted Long Term Surveillance Monitoring (LTSM) inspection of the disposal cell and down gradient ground water seeps during March 18, 2010.
Other UMTRA Areas – Staff participated in the departmental strategic planning meeting in Glendale, AZ, March 2–4 and continue coordination with Deborah Sullivan of DOE concerning the proposed cultural training scheduled for mid-June 2010 in Grand Junction, CO. Working with Bob Dar of SM Stoller concerning the acquisition of public relations materials for the upcoming DNR conference. Participated in conference call with Deborah Sullivan and Tracy Ribeiro of DOE on March 11, concerning the proposed training for DOE personnel.

On-going Public Facility Projects-FY 2008 PFPs

Chilchinbeto Chapter Infrastructure Development – Infrastructure into Commercial and Light Industrial Tract Project 13.23 acres. Phase I is 100% complete. **Phase II:** The balance of PFP funds remaining is $150K and will be use for Phase II Scope of Work.

Dennehotsso Chapter Multi-Purpose Facility – The project consists of a new multi-purpose building and facilities. The project continues to remain at 98% complete. The project is awaiting infrastructure (powerline) installation to the project site from NUTA. Upon utility connection, the building will be tested and inspected for the HVAC.

Hardrock Chapter Multi-Purpose Metal Building – The project consists of a new multi-purpose metal building. The contract is currently going thru the 164 SAS review process for approval. March 9, a site visit was conducted. The project is scheduled to commence in Spring 2010.

Sheep springs Chapter Tourism Center Parking Lot & Street – The facility’s utility infrastructure, sidewalks, and curbs are complete. No activity this month.

Thoreau Chapter I.H.S. Dental Clinic – Navajo Department of Justice staff has negotiated all necessary changes to the agreement with I.H.S. Attorney. A final agreement is expected in April 2010. SAS will begin at that time for $300K for the new dental clinic project.

Torreon-Starlake Chapter Senior Center – Two Phase Senior Citizens Center (SCC) by FY2010 using the design built method. On March 16, site visit the contractor was working on the building footings.

Whitehorse Lake, Pueblo Pintado, and Ojo Encino Chapters 2008/2009 Cutter Lateral Phases 1, 2, 3, 4 – The Whitehorse Lake, Pueblo Pintado, Ojo Encino Chapter in coordination with Water Management Branch (WMB) is constructing a new water transmission line located within their respective communities. Phase I of the project has begun and other phases are soon to follow. The chapters and WMB will submit monthly progress reports to Navajo AML. AML will assist with coordination and fiscal management.

FY2009 PFPs

Coyote Canyon Chapter House Renovation – Selective demolition is ongoing. Due to uncovering of old roofing and sidings of existing chapter, wood is deteriorated badly and is being replaced. New addition work is proceeding, new ducts are in place, plumbing work is continuing. Payments are up to date. Next coordination meeting is March 24, 2010.

Kaventa/Oljato Chapter Halchita: Water Treatment Plant Improvement (Water Pumping Station & Treatment Plant Project) – NN Water Management Branch and NTUA will renovate an existing NTUA Intake and water treatment plant facility located at Halchita, Utah. No activity this month.

Mariano Lake Chapter Water System Improvement (Phase I) – The project includes the installation of new waterlines and improvement to the water system located within the Mariano Lake Community. The remaining allottee has signed the consent form and SMA will advertise the construction this month.


Pueblo Pintado Chapter Cutter Lateral Phase II & VI Water Line (Eastern Navajo Water Project) – See FY2008 PFP: Whitehorse Lake, Pueblo Pintado, and Ojo Encino Chapters 2008-2009 Cutter Lateral Phase 1, 2, 3, 4.

Steamboat Chapter Phase II Electrical Power Line – Phase II completed. NTUA energized and tested the powerlines. Electrical services were operating as of March 18, and training was provided on March 22, to households and the Chapter. (This project will be removed from reporting in April 2010)
Teeec Nos Pos Chapter: Phase III Benally/Redhouse Power Line Extension – The project is nearing the environmental compliance and ROW. Project will commence in October 2010, and is scheduled to be completed by December 2010.

Teesto Chapter Senior Citizen Center – Navajo County has expressed interested in the sewer line extension and stated they may be able to assist with in-kind services when construction activities begin. AML put together a proposal for $400K to Navajo Nation at request of Navajo County, proposal information is for sewer line extension project for the new senior center building. ROW is needed for BIA road crossing for sewerline to connect to sewer lagoon outside chapter tract. NTUA has stated that all utility lines within chapter tract need a legal description, Chapter personnel are at odds with who is in charge of project, team players have changed from December 2009 to March 2010. Architect-David Sloan is at 45% complete with Design Development Phase, they are anticipating bidding project by May/June 2010.

Tsaile/Wheatfields Chapter Headstart Renovation – Construction is 100% complete. The final inspection with Design and Engineering Services, Tsaile Wheatfields Chapter, LAM Corporation, Arviso Construction and Chinle Head Start took place on March 18, 2010. Payments No. 3 and 4, were held up by AML with a memo to Design and Engineering Services due to miscalculations on Navajo Tax of 4%. Retainage will be released upon final reports/close-out by DES. (This project will be removed from reporting in April 2010)

Tiis Tsoh Sikaad Veterans Memorial Multi-Purpose Center – A public hearing was conducted by Shiprock AML and the drawings will be finalized this month with construction commencing in early April, 2010.

FY2010 PFPs

Church Rock Chapter, Powerline Extension – Although CDED has a contract and Notice to Proceed with the powerline extension project, issues continue to surface with Economic Development, Charlene Begay-Platero will not authorize a 3 Phase. The project begins three miles north of the Fire Rock Casino. The CDEC extension will go thru the Casino area. Fire Rock as requested to include a 3 phase in the area for future development. Economic Development has not authorized since the request was made one year ago. CDEC continues to strategize and reroute if Economic Development does not approve the request anytime soon. An additional $400K has been received from NM State. Project now has $1.1 million dollars for the powerline extension project in the Rehoboth/Sundance area. Efforts also continue with I.H.S., for slight upgrade to maintain pump station for waterline extension project for the same clients. AML continues to work with Gallup Joint Utilities for an agreement to serve clients within their jurisdiction, since exchange of clients occurred with CDEC.

Forest Lake Chapter, (Black Mesa Review Board), Bathroom Addition Project for 80 homes – Two preliminary project planning meeting were held since January 2010. No activity this month.

Gadii’ahi Chapter (Cudei), Home for Women & Children – Shiprock is preparing the Professional Services Contract.

Mexican Water Chapter, Multi-purpose Facility – No activity this month.

Nageezi Chapter, Multi-use Administration Building – Shiprock is preparing the Professional Services Contract.

Newcomb Chapter, Senior Center Expansion – Senior Center Expansion – The NM funds in the amount of $297K are currently being set up with account number. This funding is identified for A/E and construction services. AML will begin coordination activities with the Senior Center for the new addition to the south side of the existing building.

Red Valley Chapter, Powerline Upgrade to 3 Phase (Non-Coal) – No activity this month.

Tolikan Chapter (Sweetwater), Powerline Extension Upgrade (Non-Coal) – No activity this month.

Tse’Al Naoz T’l’l Chapter (Sansotee), Existing Powerline Upgrade – No activity this month.

Tselani/Cottonwood Chapter, Powerline Extension – No activity this month.

Two Grey Hills Chapter, Parking Lot and Van Shelter – Drawings are complete and coordination with San Juan County to take the lead on the project.

Whiterock Chapter, Electric Powerline Extension, Phase III – No activity this month.
PFP Technical Assistance (TA) / Project Development

- Iyanbito, proposal activities for 2011 funds for a Head Start building are being prepared.
- Meetings are being scheduled with NTUA for project updates Navajo Nation wide for new 2011 projects.
- Indian Wells Chapter, met to discuss proposed project of Multi-Purpose facility.
- Navajo Head Start is interested in obtaining construction funds from AML for various areas thru out the nation.
- Houck Chapter, proposing a new head start building for their community, is seeking technical assistance from AML.

PFP Partnering- No Activities this month

Fish & Wildlife

Develop funding options by end of 1st Quarter- a meeting with the Controller will be scheduled to determine loan options. The floor plan was updated by Design and Engineering. Additional discussions with D/E centered on funding strategy for architectural engineering phase where at least $200,000 is needed to complete this phase. Develop financing strategy for office furniture by end of 1st Quarter – no activity.

New Positions.

Predator Control Agent – position is being reclassified to Wildlife Conservation Officer-Western Agency. The position was classified by DPM and returned to the Department. The Job Vacancy Announcement will be submitted to DPM for the next vacancy advertisement cycle.

Receptionist – no activity

Data Entry Clerk – Senior Information Systems Technician position is being reclassified to Information Systems Technician. DPM responded by classifying to an Office Specialist. A meeting is being convened with DPM to discuss this classification along with others of concern.

Performance-based step increases.

1. Ensure 100% completion of Employee Performance Appraisals – appraisals are being updated as employee anniversary dates arrive.
2. Identify funds for increases – no activity.

Equipment acquisition.

1. Expand ADM storage area in warehouse – no activity.
2. Purchase additional equipment – welder, cutting torch, freezer, tools, filing cabinets, fire proof file cabinets, storage cabinets, and safe – no activity.

Policy Updates.

1. Listing of Department Policies by end of 1st Quarter – no activity.
2. Schedule/assign policy updates on a quarterly basis – no activity.

Animal Control Program Master Plan

Animal Control Policies and Procedures – (90% complete) a draft is near completion.

Animal Control Laws – (75% complete) draft laws were submitted to DOJ for review.

Establish one College Intern Assistant/Shelter from ODY or WFD – (10% complete) Fort Defiance and Crownpoint Animal Shelters will receive interns from Work Force Development in April 2010.

Establish three additional ACO positions at FD, CP, and SR Agencies - no activity reported.

Staff Development and Training - (10% complete) Personnel participated in the 2009 Foreign Animal Disease Disaster Training.

Public information/education materials, power point presentations for all staff – (45% complete) Personnel gathered public information materials and photos for the Power Point presentation. Staff also submitted equipment requests to purchase projectors for each Agency Shelter. The video “Rez Dog” will be available on the AC website of the Department’s webpage.
Develop plan to increase rabies vaccinations and license sales – (95% complete) Pet Licensing and Rabies Vaccination Policy was completed and submitted to the Director for final approval.

Firearms research and certification policy – (10% complete) The Firearms Policy is being replaced by a Tranquilizer Policy. All ACP personnel are covered under the WLE Firearm Policy.

Develop new and updated AC brochures and pamphlets – (30% complete) Personnel are researching literature in preparation of developing AC brochures.

Develop Pet Identification Form – (95% complete) Form is now ready for use.

Management/Research Master Plan

Bighorn Sheep Management

1. Evaluate the following projects:
   a. Complete 3rd transplant – no activity reported.
   b. Radio-collar additional sheep on Raplee Ridge – no activity reported.
   c. Capture and conduct pen study at the NN Zoo – no activity reported.
   d. Combination of a, b, c – the Wildlife Manager met with the Bighorn Sheep consultants to discuss their work plan for 2010 and their contract.
   e. Identify funding to implement next project – Management personnel met with the Arizona Game and Fish Department to negotiate bighorn sheep management options. The AZDGF is interested in acquiring some sheep for a test transplant in Arizona; in exchange, the AZDGF will fund some bighorn sheep management projects. These negotiations will be on-going.

Big Game Management

1. Host the annual Sportsmen’s Expo – (100% complete) the annual Sportsmen’s Expo was held March 19 and 20, 2010 at the Navajo Nation Museum. A Sportsmen’s Banquet was also held at the Quality Inn and several hunt permits were auctioned.
2. Develop a three year plan to complete a Mule Deer Management Plan – (10% complete) the Consultant made two public presentations on the planning project at the Sportsmen’s Expo.

Fisheries Management

1. Tsaile Lake Recreation Area planning – no activity reported.
2. Navajo Nation Fish Hatchery production – hatchery operations and maintenance activities are on-going. A second batch of eggs was received in December but was short. Another batch of eggs is expected in April 2010.

Infrastructure Development

1. Hatchery warehouse renovation – (30% complete) no activity reported this month.

Natural Heritage Program Master Plan

Develop infrastructure for digital conversion of records – (80% complete) the database is complete and staff will be trained after new computers are installed.

Complete Gunnison’s Prairie Dog Inventory – (95% complete) the draft final report will be completed by April 1, 2010.

Continue development of Little Colorado River Management Plan – (0% complete) no activity reported.

Establish NHP workplace – (80% complete) office renovations are continuing.

Wildlife Law Enforcement Master Plan

Law Enforcement

1. Update Standard Operating Procedures – (75% complete) Printing is complete and an orientation is scheduled for March 2010.
2. Complete review/approval by DOJ, Resources Committee and Public Safety Committee of revised 17 NNC Criminal Fish and Wildlife Laws – (35% complete) draft is complete and being reviewed by DOJ.
3. Complete review/approval by DOJ, Resources Committee and Public Safety Committee of revised 23 NNC Civil Fish and Wildlife Laws – (35% complete) draft is complete and being reviewed by DOJ.
4. Ensure WLE personnel meet 40-hour in-service training requirements – (50% complete) Two WCO’s completed backcountry tactics training in March.
5. Ensure WLE personnel meet 16 hours of semi-annual firearm requalification training requirements (30% complete) Next firearm training is scheduled for April 2010.
6. Certify at least two WLE personnel in Watercraft/Boating Safety Instruction (0% complete) Coordinating with the Arizona Game and Fish Department to provide certification instructor training for WLE personnel.
7. Update personnel on goals and objectives on a bi-monthly basis – (55% complete) A Section staff meeting was held in March 2010.
8. Secure funding for one Wildlife Conservation Officer in Western Agency – (80% complete) the vacant position will advertise in April 2010.

Wildlife Management
1. Participate in Hunt Proclamation development – (0% complete) No activity reported.
2. Assist with the Sportsmen’s Expo (100% complete) assisted with the Sportsmen’s Expo on March 19 and 20, 2010.

Customer Service
1. 26 bi-weekly fishing reports – (55% complete) Latest fishing conditions were updated at main office and on the website.

Navajo Nation Zoo Master Plan
(05%) Dine’ Family Farm
No progress reported.

(60%) Educational Activities
No progress reported.

(75%) Recreational Activities
Three out of four recreational projects have been completed: playground, water fountain/mister, grill/picnic area.

(50%) Renovate Mountain Lion Holding Pen
Demolition of all old components is complete and renovation plans have been determined.

(100%) Office Renovation
This project is 100% complete.

Historic Preservation
CHACO PROTECTION SITE PROGRAM ALL PROJECTS ON HOLD DUE TO STAFF RETIREMENTS
Project: USGS Corn project.
Status: HPD Portion of this project is 100% complete. USGS analysis is ongoing.

Project: Digital Archiving.
Status: Progress reported in Part V below.

Project: Cultural Affiliation Statement (2010 HPD Priority Project)
Status: The working draft of the statement has been completed.

CRCS
Section 106 Reviews: Maintain 30-day turn around on project reviews:
Status: CRCS staff maintained less than 30-day turn around time in August. Alan Downer will continue to monitor this critical function.

Project: ARRA Funded Road Pavement Rehabilitation Projects
Status: Continue to provide “clearance” documents for projects as we receive requests. (Nearly all projects have “clearances,” but BIA is systematically unable to find it’s copies.)

Project: Navajo-Gallup Pipeline
Status: Consultation continues.

Project: BHP Area V North
Status: Expansion has been put on hold for two years.

Project: Desert Rock Cultural Resources Treatment
Status: No new report.

Project: 491 Corridor “Clearance”
Status: Consultation on treatment plan has begun.

Project: Grey Mountain Wind Farm
Status: Report reviewed, comments provided to NNAD.

Status: No new report.

Project: Southeast Utah ARPA Case(s)
Status: Consultation with BLM and FBI continues.

Project: Ft Wingate Land Transfer.
Status: No new report.

FACMAN
Project: Proposed Demolition of Ten buildings within the Crownpoint Administrative Area.
Status: A site visit has been scheduled for Monday, March 29, 2010. Photographic documentation and Historic Cultural Property Inventory (HCPI) recording be completed at that time.

Project: Proposed Demolition of Building 643 on the Sanostee School campus.
Status: A site visit was conducted on Friday, March 26, 2010, to photo document and record the building on standard HCPI Forms.

Project: Determination of Building Eligibility for Twenty-Two (22) Buildings at Thoreau Boarding School.
Status: A site visit was conducted on March, 25, 2010, to photo documentation and record the concrete masonry unit (CMU) building on standard HCPI Forms.

Project: Determination of Building Eligibility for Thirteen (13) Buildings at Baca Community School.
Status: A site visit is scheduled for March 30, 2010, to complete photo documentation and completing HCPI Forms.

Project: Determination of Building Eligibility for Thirty-Three (33) Buildings at old Fort Wingate School.
Status: A meeting was held with Rose Duwynie, NRO Environmental Office, on March 25, 2010. The meeting was to clarify issues surrounding the proposed transfer of buildings to the Native American Indigenous Ministry. The meeting clarified the issues and presented HPD Facility Management with a clear understanding of what NRO Division of Environmental, Cultural & Safety Management is requesting for HPD facility Management

Project: Determination of Building Eligibility for Twenty-Two (22) Buildings at Thoreau Boarding School.
Status: Finalizing HCPI Forms for the twenty (20) non-historic buildings. As of this reporting period twelve (12) have been finalized. Buildings will be photo-documented as soon as snow melts.

Project: Determination of Building Eligibility for Fourteen (14) Buildings at Baca Community School.
Status: Finalizing HCPI Forms for the nine (9) non-historic buildings. Buildings will be photo-documented as soon as snow melts.

Project: Demolish building 251, Dormitory, at the Lukachukai Community School.
Status: A site visit is scheduled for December 21, 2009.

Project: Request to Demolish building 4 within the Tuba City Boarding School campus.
Status: Continue to wait on a decision from BIA Office of Facilities Management and Construction or NRO FACMAN on next steps.

Project: Proposed demolition of Building #1203 SAS
Status: Still awaiting a response from SASI.
Project: Proposed Coyote Canyon Trading Post Demolition
Status: Unchanged, awaiting resolution of land dispute.

Status: Project on hold.

Project: Navajo Nation Council Chamber Rehabilitation.
Status: Waiting on funds accounting from the Council staff.

Project: Proposed Coyote Canyon Trading Post Demolition
Status: Unchanged.

FORESTRY/NATURAL RESOURCES

Project: Toh nit tsa & Oak Ridge Timber Sales CRM
Status: Waiting for review and preparation of revised draft MOU by Robert Allen at DNR.

Project: Washington Pass Prescribed Burn Project.
Status: COMPLETE.

Project: Natural Resources Range Management Unit (RMU) Fenceline Survey.
Status: Remains on hold, land user boundary disputes remain unresolved.

Project: Mount Powell Wildland Urban Interface Project.
Status: COMPLETE.

Project: Gibson Peak (WUI) project.
Status: COMPLETE.

Project: Ganado District 7/17 Boundary Fence
Status: Draft report is under internal review.

TCP

Project: Protection Ceremony for HPD and Staff.
Status: The ceremony has scheduled to accommodate the chanter. Date is being held confidential.

Parks and Recreation:

**Canyon de Chelly** Navajo Parks and Recreation Department is process of establishing a Parks office in Chinle, Arizona to oversee and manage the campground within the National Park Service – Canyon de Chelly Monument area; Park Manager position was finally classified as well as Fee Collector position. The Park Manager position was advertised but no applications. The position will be re-advertized and fill position in April.

**Antelope Canyon Interpretive Project** The Navajo Nation President signed the Intergovernmental Agreement (IGA) for the Interpretive Project is between Arizona Department of Transportation and Navajo Parks and Recreation Department. The project provides for a brochure, information kiosk and gateway signage. The department can begin on the Kiosk structures, finalize construction plans for kiosks and signage and obtain environmental clearance. ADOT has requested for the environmental evaluation. The department, through its current contract, asked ETD, Inc. to perform the NEPA compliance work; quotes received from Navajo Archaeology to cultural survey. The department will request for categorical exclusion once the survey is completed. No activity this reporting.

**Little Colorado River Access Road** Navajo Parks and Recreation Department is proposing to make improvements at the First View Point at the Little Colorado River Gorge. The project consists of four (4) components: access road, waterless restrooms, vendor booths and site improvements (picnic tables, access fence line, trash pins, etc.). In consultant with the Cameron Chapter, the department is partnering with Arizona Department of Transportation (ADOT) on the rerouting the access road to the View Point. ADOT completed a conceptual design and preliminary cost estimates for budgetary purpose but the funding agencies now requires a construction ready project for consideration of funds.
The department met with ETD, Inc. and ADOT on project development funding: plan/design and NEPA compliance work. ADOT agreed to complete the plan/design in-house provided that Parks and Recreation Department undertakes the NEPA compliance work. The department continued to work with ADOT on completion of the design work.

**Little Colorado River Waterless Restroom** On January 8, one (1) Proposer responded to Parks and Recreation Department’s Request For Proposal Waterless Restroom Project at the Little Colorado River Tribal Park. The Review Team rejected the original Proposal due to determination of non responsive. The Contract Compliance Officer and Construction Inspector suggested to the Department Manager to invite contractor(s) from Navajo Business Regulatory Source List for cost estimate. The department worked with a Navajo General Contractor located in Phoenix, Arizona. However, based on follow-up on related projects it was determined that the contractor lack’s experience.

The department continued a search on-line for experienced company to do the work and found a contractor (CXT, Inc. of Spokane Valley, WA) who was interested. CXT, Inc. submitted reasonable a cost estimate – well below the budgeted amount of $200,000. The department is now negotiating with CXT, Inc. and the Intent to Award Contract is pending Contractors review and acceptance.

**Little Colorado River Vendor Booths** Navajo Parks and Recreation Department evaluated various types of booth construction and it was determined to do the project in-house. This project is part of the First View Point Improvement at the Little Colorado River Gorge. Develop designs, obtain material and schedule construction in March – April. Meanwhile, the department is processing procurement for the materials.

**Grand Canyon Overflight** NPS Grand Canyon is completing Environmental Impact Statement for the Special Flight Rules in the Vicinity of Grand Canyon National Park and adjoining Navajo Nation land over LCR and Marble Canyon. The Navajo Nation delegation must meet to review and response to NPS’s suggestion to the Navajo Nation October 2009 position. Historic Preservation Department (HPD) is the lead Navajo Nation representative on this initiative. Navajo Parks and Recreation Department developed options on NPS latest preferred and modified alternative regarding overflight rules over Navajo lands. A meeting was held with National Park Service (NPS) and Federal Aviation Administration to go over the Navajo Nation position on the Grand Canyon overflights. NPS requested a detailed economic development plan for areas impacted by overflight rule making. The respond to NPS must be made in a timely manner. The department is drafting a position statement for review and approval.

**Special Events Department** The Special Events of Navajo Parks and Recreation Department plans to establish a Special Events Department by First Quarter of FY 2010. The Special Events completed a Proposal Document and advertised a print ad for RFP to conduct a Feasibility Study for the proposed establishment of Special Events Department. Three (3) Proposers responded to the RFP and key staff opened and evaluated the Proposals. The department scheduled a Proposal Negotiation with the one Proposer in early January 2010. The Special Events staff also met with Office of Management & Budget on the proposed Plan of Operation and received valuable advice on the funding of the department and production of the two annual events.

The Special Events Section completed a draft Plan of Operation for the proposed Special Events Department and drafted provision and amendments for the Fund Management Plans for Fourth of July and Navajo Nation Fair Enterprise Funds pending the award and completion of the Department Feasibility Study. This initiative is on hold pending the completion of the Feasibility Study.

**III. Program Issues and Recommendations:**

**Archaeology**

NNAD continues to solicit external contracts with Tierra Right-of-Way, Office of Contract Archaeology-UNM, Navajo Nation Department of Transportation, Bureau of Reclamation, Logan Simpson Design, Inc., Paleo West, CPCESU and SWCA. SRI, Eco Systems and NTUA have approved agreements with NNAD. On November 17, 2009, the Resources Committee requested modification to the CPCESU contract and these modifications are pending. Proposed changes have been forwarded to Ron Heibert, CPCESU Director on December 7, 2009.

NNAD fee issue has to be compiled immediately; extensive amount of research is required and NNAD is currently working on this major task.

NNAD needs an update from NNHPD concerning their progress on issuing CRM permits in accordance with the Navajo Preference Law. Again, NNHPD selected 5 non-Navajo Preference/Non-Navajo Owned firms for their pool of contractors for road projects. NNAD continues to argue that almost 80% of projects are given non-Navajo Preference firms and non-
Navajo owned firms which result in 80% of CRM money are in Non-Navajo preference firms. Navajo preference and Navajo owned CRM firms can grow if NNHPD will stop issuing CRM permits to non-preference/non Navajo owned firms.

NNAD continues to struggle with HPD’s policies which have a direct impact on NNAD’s operations. Road Programmatic Agreement requirements are unnecessary and redundant in many cases. This process needs to be streamlined.

NNAD-NAU requested a meeting with Dr. Alan Downer, Department Director of NNHPD, to address issues on the Curation Policy. These issues must be addressed before NNAD can proceed with scope of work and budgets for 25 road projects. As of December 28, 2009, no meeting date has been schedule.

NNAD requested contract extension for N9010 Pine Springs road project in October 2009. An extension was granted by BIA during the latter part of January with the new contract end date of January 31, 2010. NNAD was only given a week to complete this task, therefore, NNAD requested another extension. NNAD is requesting an extension to complete the final deliverable for this contract which involves organization of all project records (field notes, reports, photographs, electronic files, etc) which will be turned over to Historic Preservation Department. Also, NNAD would like to conduct the final Popular Summary presentation to the K-6 students at the Pine Springs Elementary School. NNAD will resubmit another request with a revised Time Line Schedule.

NNAD continues to work with Bureau of Reclamation (BOR) regarding the Navajo Gallup Water Project. The project contractual requirement (Hubzone certification) is a problem because NNAD is a tribal government, therefore, does not qualify to be a small business. It would be great if NNAD secures this project.

Accounts Receivable has resolved their invoicing problem regarding non-capital projects. NNAD intends to work on these outstanding invoices and resubmit invoices that by-passed Accounts Receivable so they can be entered into FMIS. Due to discrepancies with FMIS, NNAD would like to submit non-capital invoices using our ledgers to recover expenses from clients.

NNAD is researching bad debt provision which is posted against our Enterprise Account at the end of each fiscal year; it appears that these entries are posted yearly (using same delinquent invoices) which is creating an enormous deficit on our Enterprise Account year after year. NNAD verbally discussed this journal entry with Sandra Oliver, Supervisor, Accounts Receivable and on December 8, 2009, NNAD documented our concerns regarding this journal entry via memorandum to Accounts Receivable, General Accounting and the Controller. No response from Accounts Receivable yet.

AML/UMTRA

ABANDONED MINE SITES—PLEASE REPORT ANY NEWLY DISCOVERED ABANDONED MINE SITES TO THE NAVAJO AML RECLAMATION/UMTRA DEPARTMENT. THIS WILL ENSURE THAT ALL AML SITES ARE INVENTORIED AND ADDRESSED FOR THE SAFETY OF THE COMMUNITY.

AML Funding Issue—The FY 2011 Federal Budget was release in February 2010 and OSM is proposing to eliminate funding for certified AML States and Tribes. Navajo AML is certified. To date, Navajo Nation President Joe Shirley has issued a press release opposing the elimination of all funds to the Navajo AML Reclamation Department and plan are to start lobbing efforts to congressional delegates for support to the Navajo Nation.

Fish & Wildlife-The Department submitted several PCQ’s to the Classification Section of Department of Personnel Management for reclassification/classification. Rather than facilitate the Department’s request, DPM has assumed the role of approval authority and oversight of internal Department organizational decisions. DPM has responded to these requests by informing the Department that these proposed reclassified positions are not necessary or they have made classification decisions that went against what the Department requested. The Director has contacted the Division administration and requested assistance in convening a meeting with DPM to discuss this issue. Attempts to convene this meeting are being delayed due to scheduling difficulties with all parties.

Historic Preservation, Forestry Program Funding will run out as of March 31. Unless the BIA provides a modification to the 638 contract to support this program, it will be wrapped up at the end of the month. In addition, the 638 Programs are inadequately funded which brings department to consider Possible Partial Retrocession. Department is still Unchanged by circumstances that warrant retrocession activities.

Land issues include the following:
- Two (2) additional positions budgeted in 2009 have not been established by Department of Personnel Management.
- Amend the Land Acquisition Policy & Procedures.
- Amend the Mission Site Permit Policy.
• All New Lands home-sites are on hold until BIA determines who will enter those home-site leases into BIA TAAMS data system.
• No enforcement capability, Program does not have staff to address or resolve issues in a timely manner.
• The owner of Raymond Education Foundation property and Cameron Chapter has been inquiring on the gift of land. Robert Allen requested for a land certificate on the property, confirming if the land is within or outside the reservation.
• Need storage space for maps/records
• BIA is returning home-sites for petty reasons.
• Project Review Section is experiencing applications bypassing their office on a more frequent basis. This may be due to our Program’s inability to process applications in a more timely manner because of the already growing pile of backlogged applications.
• Project Review Section is experiencing more requests for services and is finding it difficult to handle due to lack of staff or resources.
• The contract program has not conducted any fieldwork due to contract funds not approved. The contract program is still waiting for their contract to be approved and is pending at Navajo Region, Bureau of Indian Affairs.

Minerals continues to have challenges as follows:
• The positions of Petroleum Engineer and Environmental Engineer and Principal Geologist are being advertised but so far there are no responses. The Executive Director, DNR, should take up the issues relating to the Department of Personnel Management (DPM) “pay scale” for technical and professional positions with the President’s office. Otherwise, the shortage of technical staff will deprive the Nation of maximizing its revenue from minerals and energy projects and its control over the minerals exploration, development and production. The Principal Geologist retired December 31, 2009 and currently we are getting technical staff assistance from NNOGC for the time being. There is no permanent staff to evaluate oil and gas development potentials or to oversee the O&G lease operations.
• Navajo Land Department (NLD) must initiate the transfer of patented and unpatented copper mining claims in the vicinity of Coppermine Chapter, AZ to trust status.
• As a result of DNR’s strategic planning meeting to discuss collaborative projects, all departments under DNR agreed to collaborate on a centralized data management project under NLD. Hopefully, this project is underway.
• We are very concerned that the Nation is not exercising any jurisdiction in the New Lands Area. Leases/permits are issued by the Navajo-Hopi Land Commission, Flagstaff, AZ, without adequate consideration and reclamation requirements.
• The Nation needs to take a firm position without any ambiguity on coal mining on the Nation. Several national and local environmental protection organizations are opposing coal mining and they have tied up mine permit approvals by OSM by filing lawsuits that have no merits.
• The NNC tabled the proposed legislation and then failed to recall the legislation for amendments to PWCC’s two coal mining leases royalty reopener amendments. The Nation will not receive the stipulated bonus payments until the agreements are approved by the NNC and the Secretary of the Interior. Because the legislation was not recalled in a special meeting on December 22, 2009, the Nation may even have to return $3.5 million to PWCC, which was paid in 2007.

Water Resources TCOB Program has heavy equipment needs. The unavailability of equipment continues to hamper progress and delivery of services.

The NM San Juan River Settlement Legislation was signed into law. It will be a challenge to get Reclamation and the Federal team in gear. Staff are attending meetings on the Water Contract, the NGWSP Project Construction Committee, NGWSP Operations, and Conjunctive Groundwater.

Senator Kyl indicated that he will not support the C-aquifer Management Plan developed by the Navajo Nation and the State Parties. Without that piece in place the settlement agreement has stalled. A white paper was sent to the Senator explaining the proposed settlement.

USDA Rural Development applications for grants require median household income to be below 50 percent of State average. Many Navajo Chapters do not meet that requirement. However, there population is less than 50 percent of per capita median income. This result is due to the shortage of housing on the Navajo Nation. If the Agency can not address this rule, it may require a legislative fix.
The “999” personnel classification was not considered by NN council since the sponsor was at a water rights negotiation meeting when the proposed legislation came up a day earlier than anticipate.

Update of Final Draft Water Code Revision is at 100% level and nearly ready for DNR Director’s internal review. There is a technical problem, however, with the age of the WORD file the revision is in. We require N.N. Information Technology assistance to stabilize the information and the edit file it is in. A “clean” (both digital and hard copies) of the revision will be delivered after the I.T. action and minor edits are made. Subsequent action is solely a DNR Director decision.

The technology-based permit management program was delayed last year due to contractor withdrawal from active negotiations. Staff are now progressively working with the N.N. Information Technology office to develop a system entirely in-house.

Dispute resolution process development has received more attention. An Alternative Dispute Resolution (ADR) and Mediation training session will be participated in this year by all staff.

Expanded inter-agency cooperation and support activities are progressing, especially with Navajo Tribal Utility Authority, Navajo Division of Transportation, Apache County, Navajo County, Resolute Natural Resources, Dine Power Authority, BIA Region, BIA Office of Facilities Management and Construction, Navajo Nation Environmental Protection Agency, Office of Navajo-Hopi Indian Relocation, N.N. Facilities Maintenance, N.N. Historic Preservation Department, N.N. Archaeology Dept., and the U.S. Department of Agriculture’s Natural Resources Conservation Service, N.N. Police Department, N.N. Rangers, Eastern Navajo Land Commission, the N.N. Gaming Enterprise, BIA Realty Offices, Chapters, and all Agencies.

The renewed mandatory item of “Staff Development” implementation plan is proceeding again this year, comparable to last year. Individual consultations with staff are finished, some training has already been taken, and additional individual training attendance is being scheduled. Staff goals are to expand knowledge, productivity, effectiveness, and self fulfillment.
The Navajo Nation
DIVISION OF PUBLIC SAFETY
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

I. PROGRAM INFORMATION

Division Executive Director: Samson Cowboy
Telephone No.: 928-871-6581
Facsimile No: 928-871-7087

Departments:
Law Enforcement    Bobby L. Etsitty, Acting Chief of Police
Criminal Investigation    Robert Platero, Acting Chief of Criminal Investigations
Corrections     Delores Greyeyes, Department Manager III
Emergency Medical Services   Henry Wallace, Department Manager III
Fire & Rescue     Larry Chee, Fire Chief
Emergency Management    Johnny Johnson, Department Manager I
Highway Safety     Mabel Henderson, Program Manager I

II. BUDGET/PERFORMANCE INFORMATION

a. Funding and Expenditure

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<th>Funding Source</th>
<th>Number of Personnel</th>
<th>Number of Vehicles</th>
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<th>FY 2010 Operating</th>
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b. Program Performance Results (Budget Form 2 attached)

III. ACCOMPLISHMENTS

Law Enforcement:

Chinle District:

a. Throughout this quarter, the Police Chaplain, in coordination with the Talbot House assisted a total of 158 families with food boxes and two families were provided temporary shelter. In addition, the police chaplain continues to provide counseling services to law enforcement personnel.

b. The District successfully held its Toys-4-Tots Drive throughout the Christmas season by providing toys for the needy children throughout the chapters the district serves.

c. The District in coordination with Apache County and the CHR Program activated the Incident Command Post (ICP) for emergency operations during 2010 Snowfall Operation. A total of thirteen personnel were assigned to assist Incident Command with daily missions. The ICP was activated on February 22, 2010 to March 9, 2010.

d. To further strengthen community relations, district personnel met with local schools to discuss law enforcement responses and roles at school settings. Working relationships were established and regular meetings will be scheduled. The next meeting will be held on April 5, 2010 and the Chinle Districts Criminal Justice members will be attending.

e. On March 16, 2010 a meeting was held in regards to the new Public Safety Facility in Chinle, AZ. Three prospective locations have been proposed and additional meetings will be held with all involved parties (council delegates, chapter officials, BIA, DPS personnel, and community members). This is an accomplishment that would not have been possible without the tireless efforts of a Chinle Police Sergeant.

Crownpoint District:

a. Police Captain attended Core Management meeting on January 31-February 1, 2010. This meeting was in regards to the STAR School grant project to provide a status report as to the task of the Navajo Police Department.

b. Police Captain attended meeting with a Safety and Security Supervisor at N.A.P.I on February 19, 2010. The supervisor was newly appointed and requested a meeting with Navajo Police to appraise district of their plans and issues regarding security and theft of N.A.P.I equipment and to establish a partnership in addressing these issues.

c. Police Captain attended a meeting at Fire Rock Casino on February 18, 2010. The meeting was called by Project Safe Neighborhood; various organizations were represented such as McKinley County Sheriff’s Office, District Attorney Office, United States Attorney’s Office, and school officials from Wingate High and Mid Schools. The meeting was held to provide updates regarding the grant and the tasks.

d. On February 15, 2010, Police Captain attended meeting hosted by Metro Dispatch in Gallup regarding 911 and working relations with Metro and Crownpoint district dispatchers.

e. On March 9-11, 2010, Police Captain attended a Child Protection Symposium in Indian Country in Santa Ana, NM. An action plan was developed for Eastern Navajo Agency. There were three areas represented from the Navajo Nation; Window Rock, Chinle, Crownpoint and each area developed an action plan.

Dilkon District:

a. District provided quality services to the communities within the southwest area of the Navajo Nation through the means of vigilant security checks and thorough investigations as well as actively participating in meeting department goals and objectives.

b. District continues to provide guidance to personnel to improve performance on a professional level. The district works with personnel in achieving optimal professionalism as commissioned officers and communication specialist.
c. District continues to hold periodic sobriety checkpoints. Public services provided such as checkpoints, attend staff and community chapter meetings and provided police assistance and/or shift coverage to other police districts and law enforcement agencies.

Kayenta District:

a. On February 22, District Lieutenant met with Kayenta Community School Official regarding the signing of a Memorandum of Agreement (MOA) between Kayenta Police District and the school. The school is pursuing a grant to combat truancy and other student related issues. The lieutenant and school officials signed a temporary Agreement in order to allow the school to apply for the grant.

b. On February 25, District Lieutenant and Sergeant met with the Sheriffs counties of Navajo, Apache, Coconino, Arizona, and San Juan (UT) to discuss their request to acquire cross commissioning so they can provide law enforcement services to the Navajo Nation portion of the counties. Division Director and Public Safety member were in attendance to provide information on process and status of pending MOA’s. Continued meetings will be scheduled to pursue efforts to establish a cross commissions to increase law enforcement services to all counties and Navajo Nation.

c. On March 4, District Lieutenant, District Sergeant and Corrections Supervisor met with Construction Project Superintendent to discuss plans for a modular office building for police district to replace the twenty-eight (28) year old dilapidated building that is currently housing the staff. A draft plan of the building was developed and the cost listed. This plan will be included in the proposal to obtain funds for the modular building.

d. On March 12, District Lieutenant attended a meeting with representatives from various Navajo Nation programs (Peacemaking, Child Protective Services, and Behavioral Health) to review the Memorandum of Agreement (MOA) between various schools (Starr School, Chilchinbeto Day School, Shonto Preparatory School, Little Singer, and Barrego Pass) to provide police presence to prevent violence, intimidations and class room instructions to students on Navajo Nation laws. Select individuals clarified the functions of each program and services provided. The meeting was very productive due to clarification of responsibilities of each program.

Shiprock District:

a. During the latter part of December, the district conducted Toys-for-Tots and completed the delivery of toys to 200+ families within the communities.

b. On January 7, District Captain and select personnel attended a Domestic Violence Process Serving Task Force Meeting in Farmington, NM. Updates were provided to the various programs within the Court Process Services, including the Private Court Process Services. An agreement was made to provide the Office of the Prosecutor with a Budget concerning $100,000 dollars for the district.

c. On January 11, District Captain attended a Command Staff Meeting and an AMBER Alert meeting with NPD Commanders and AMBER Alert Representatives. The meeting was in regards to the AMBER Alert Program for the Navajo Nation. It was determined that Navajo Nation still needs to develop an agreement with KTNN and States’ Department of Transportation to release any emergency information regarding any AMBER Alert episodes.

d. During the latter part of January into February, District Captain was extremely involved in the NNEOC - Operation Snowfall. Assistance was provided to families throughout the communities and collaborative efforts were made by all NN programs. The district assisted over 6,100 families during this time of emergency.

e. On February 5, District Captain and ‘Acting’ Lieutenant attended a meeting in Shiprock, NM regarding the new Shiprock Multi-purpose building. The meeting was to educate us as a community in how we should approach the various concepts of Bid, Design, and Build under the BIA model. A tour date has been scheduled to view the Salt River Indian Tribe’s recently built facility in Scottsdale, AZ.

f. On March 4, District Captain attended a meeting with Whitehorse High School in Montezuma Creek, UT in regards to the selection of a police officer assigned to be School Resource Officer (SRO). The school was excited and willing to send the officer to the necessary SRO Program training. In accordance with the agreement, the school will provide the officer with an officer, supplies, equipment and vehicle. Another meeting is to be schedule to specifically address the unsafe vehicle provided to the officer by the school.
**Tuba City District:**

a. District personnel attended meetings for the new Police Department Building and a final meeting is scheduled on March 30 in Window Rock, AZ to discuss the final proposal of the design. Construction for the relocation will be set in April at that time the department will move to the relocation site. The groundbreaking for the new facility is scheduled for July 2010.

b. The district conducted assessments during the 2010 Operation Snowfall within Western Agency. The Incident Command Center was established at Eubanks Conference Room, Tuba City, AZ. All High Risk individuals were checked primarily the elderly, medical needed individuals, and small children. Several people were rescued and taken to the hospital for medical treatment. This operation was a success and accomplished with no fatality incidents.

c. The district in cooperation with the FBI and Metro Flagstaff, AZ were able to obtain additional funding to purchase ten (10) tasers for district personnel. A check was issued to taser instructor at Internal Affair to purchase tasers.

d. The district received five (5) new police vehicles (pickup trucks) which were distributed to the supervisors within the district. However, one (1) commissioned personnel was issued a new vehicle when the originally assigned vehicle was damaged.

**Training Academy:**

a. During this quarter, the CODY Jail Module Training for all Correction Personnel was held at Navajo Police Training Academy.

**Window Rock District:**

a. The district conducted assessments during the 2010 Operation Snowfall. The district established Incident Command Center for Window Rock area. The police officers assisted people in remote areas by providing food, water, wood and hay.

b. On March 11, the district raised money for Special Olympic by police officers participating in “Tip a Cop” event at Quality Inn in Window Rock. Participants included police officers, criminal investigators, presidential security, resource enforcement officers, sheriff deputies, and dispatchers. The amount raised from the event was over one thousand dollars. The event was covered by Gallup Independent and Navajo Times.

**Information Management Section:**

a. IMS continues to provide technical assistance as well as indirect involvement with police department CODY effort; to include addressing CODY issues from police districts. There are nine positions identified as vacant.

b. Background Check (Toyei)-(Primary three issues) 1. PSA radio spot regarding new IMS procedure. 2. NN Head Start assistance with NPD criminal/traffic record. 3. NN Museum Archivist did on site IMS Toyei visit.


d. IMS Actions (top 3 for the quarter): January- Meeting with NDSS on draft MOA; February – Coordination of NCRLE Cyber training; March – Meeting with Gallup Metro Dispatch for training initiatives.

**Criminal Investigations:**

a. NDCI participated in the FY-2010 Contractual Budget discussions at Route 66 Casino, Albuquerque, NM. Representatives from Division of Public Safety and Bureau of Indian Affairs exchanged budgetary information (accomplishments, needs, etc). Other tribal contractual programs were involved. DCI, Police Department, and Department of Corrections collaborated in compiling information of their respected program for a 15 minute presentation.

b. NDCI completed its five year contract (2004-2009) and has been granted and assigned a new contract on a three year basis. NDCI is estimating a $738,370.00 contractual FY-10 shortfall in personnel cost.
c. NDCI addressed twenty medical examinations for all district programs which have consisted of full autopsies, toxicology’s, pronouncements, transports and external examinations. The intent is to develop and establish program policy to effectively document all examinations for accountability purposes.

d. The Dzilna’odili Public Safety Sub office building frame has been erected and currently the interior wiring and walls are being installed. The contractors are on schedule with a projected completion date for fall of 2010. Upon a warming climate the exterior areas (access road and walkway) are pending schedule for installation.

e. NDCI is continuing to cooperate with the OIG and BIA audits of equipment and administrative concerns. The BIA monitoring review report has been discussed by the respected programs and a working group has been formed to develop and implement a corrective action plan. The BIA/OLES is receptive and assisting in providing technical assistance. The working group is meeting and compiling program documentation of the BIA/OLES. NDCI is communicating on a regular basis with tribal property in regards to the audit.

f. NDCI is continuing to work with NNDOJ in preparing a report to submit to BIA/OLES concerning Domestic Violence discrepancies. Thus far a response has been compiled by NNDOJ. NDCI is serving as a tool for NNDOJ.

g. NDCI is attempting to organize a review session with the district supervisors of the proposed DCI Plan of Operations and Standard Operating Procedures. It is the programs intent to submit the documents the SAS process for consideration.

h. NDCI Dilkon and Crownpoint reports that the developments of the two modular buildings remain at a standstill pending funding for infrastructure connections. It is our understanding that the BIA is attempting to place these buildings on their property inventory listing for potential funding.

i. NDCI Shiprock and Window Rock have participated in meetings with AUSA, FBI and Navajo Nation Prosecutors Office to discuss jurisdictional concerns regarding major crimes. This issue developed as a result of the Homicide Investigation in Navajo, NM. To date, each criminal extradition process has been conducted individually. Meetings have been requested with the NNDOJ, but nothing has substantiated.

j. NDCI Shiprock and Window Rock have participated in the “Project Safe Neighborhood” project. Several initiatives were executed to include a “Warrant Roundup” of individuals with outstanding state and federal warrants which targeted 135. The partnership is comprised of tribal, state, and federal law enforcement neighboring agencies.

k. NDCI Shiprock organized a Medical/Legal Death Investigation course for personnel. The objective is for personnel to become further knowledgeable and certified in death investigations and to submit an effective Death certificate after their examination is completed to the respected parties involved.

l. NDCI Tuba City and Crownpoint representatives are continuing to be actively involved in discussions of the proposed Public Safety/Judicial Buildings. A proposed floor plan has been disseminated and responses have been returned to the design team.

m. NDCI personnel have been participating in discussions with the Division of Social Services on the revision of plans of operations for certain related programs and the Navajo Indian Child Welfare Act. The revision process is projected to be a 4-5 year process.

Corrections:

a. The Judicial/Public Safety Task Force has continued to meet to complete the schematic designs for Tuba City and Crownpoint districts. The programming was completed in November 2009 and in December 2009. The target to have the construction documents completed is June 2010 and submitted for BIA review. Construction is proposed to start in August 2010.

b. The American Recovery Grant funding was finally approved and submitted for entry into the FMIS system during the month of January 2010. The entire process from the point of receiving the grant through approval took four months. The environmental and archeological studies were submitted to USDOJ in November 2009 and thus far only Kayenta Detention Center and the Dilkon Renovation studies have been returned. Kayenta will need to update their study. Dilkon NEPA was approved.

c. In January 2010, during the Navajo Nation Council Winter Session a sixty (60) million dollar loan was approved with a majority vote of the council. This loan will allow for the building of the Tuba City Law
Enforcement and Courts to be built at the same time as the detention center. This will also facilitate the construction of the Crownpoint Judicial/Public Safety Center at the full cost of $38.6 million.

d. Much of this quarter was taken up with work sessions and meetings to develop the designs for the Tuba City and Crownpoint Judicial/Public Safety facilities. This included a national meeting sponsored by the Bureau of Justice Assistance in Phoenix, AZ at the end of February 2010. Many of the workshops were helpful for grantees to understand the federal reporting requirements, reviews and other technical assistances. Each of the grantees had an opportunity to present their projects and status reports.

e. The department participated in the 2009 KPMG audit this year and for the third year in a row there have been no findings for the department. The department has developed a policy to ensure that all officers and supervisors meet all 93-638 requirements.

Emergency Management:

a. Due to the heavy winter storm during this quarter, the program participated in 2010 Operation Snowfall. All districts participated in setting up Incident Command Post across the reservation and assisted families who lived in remote areas. The program delivered food water, wood, hay, coal, grain and salt blocks to the families. The programs and volunteers who had taken training in Incident Command System (ICS) and the National Incident Management System (NIMS) brought valued results.

b. Shiprock DEM participated in revising the Navajo Nation All Hazard Plan. The staff was given assignments in financial and donation management in the Support Function Annex and compiling ready-references in the Partnership Annex. The assignments are well done and ready for presentation to the Navajo Nation Division Director.

c. In March 2010, DEM held the “2010 Homeland Security and Emergency Management Conference” at Buffalo Thunder Resort in Pojoaque, NM. There were numerous participants from various places that participated in the conference. Extensive information was provided to the participants as well as informative presentations from different resources that will benefit the communities and hopefully alleviate some problems they may encounter in their area.

Fire and Rescue:

a. Operation/Training Section: NFIRS statistical information is produced from the NFIRS database which is a fire incident reporting system. This software and hardware platform are located at every fire station and all raw incidents are inputted from daily station activities to monthly training; also included are minor to major fire rescue incident activities and reproduce via NFIRS for collective availability.

b. The department educated approximately 951 people in fire safety and CPR/First Aid. There were a total of 20 fire prevention classes conducted during this quarter. These classes included Fire Safety and Fire Extinguisher training. There were 15 CPR/First aid classes conducted during this quarter.

c. The department supervised nine fire drills this quarter by individual fire stations. In addition, a total of fourteen fire inspections were conducted by individual fire stations.

d. The department continues to conduct fire code inspections and work with OSHA, Risk Management Safety, and Design & Engineer offices due to the fact that requests are made on weekly/monthly basis to inspect facilities owned by the Nation. This effort is done to comply with the Uniform Fire Codes standards as the Nation has and will continue to inspect all facilities to provide better and adequate working environments for all employees.

Emergency Medical Services:

a. During the early part of the quarter, the department held a meeting with NTUA regarding the electricity poles, transformers, and the wire hookups for the two new office buildings. The utility poles and the electrical lines were installed later in the quarter. In addition, the department had bid opening regarding the steps, ramps, and sidewalks for the new buildings. Three local buildings submitted their bids.

b. The department participated in 2010 Operation Snowfall. The department assisted throughout the entire operations.

c. The administrative continues to work on the Navajo EMS General Orders. It is ready for final review and submittal to the Office of Personnel Management.
d. The department participated in the “2010 Homeland Security and Emergency Management Conference” held at Buffalo Thunder Resort in Pojoaque, NM. The department set up an informational booth and provided information to participants.

Highway Safety:

a. The department completed the proposal for new building infrastructure and submitted to the BIA office Washington DC, Division of Transportation for funds.

b. Expenditure of Generating Revenue Plan for the Department was approved by the legislative sections and is now being practiced. The department is starting the Expenditure of Revenues to cover cost for the program.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA'S

Law Enforcement:

Chinle District:

a. District will continue to increase mobile patrolling throughout the residential areas and all routes leading to the Chinle Community. Patrol personnel not only enforce traffic violations, but apprehend individuals for DUls, Navajo Nation warrants, and Seatbelt enforcement.

b. District personnel will continue to give presentations to the youth, general public, and business establishments on Gang Awareness, Youth Violence, Traffic Safety, and Crime Prevention.

c. Chinle Police Officer and Police Chaplain will continue to coordinate with Chinle Agency Chapters and Pinon Health Center to assist with food boxes and clothing for the elderly and the needy.

d. Chinle Police Officer and Police Chaplain will continue to coordinate with Pinon Unified School District, Whippoorwill Housing Project, and Chinle Chapter Land Commission to obtain housing units for Chinle Police District personnel.

e. Police Chaplain and district D.A.R.E officers will continue to coordinate with Chinle Agency Schools with presentations/classes in regard to behavior, school policies, Navajo Nation law, and G.R.E.A.T. program. Thus curbing student suspension and expulsion rates.

f. To ensure district communication, Chinle District holds bi-weekly Supervisor’s meetings. District supervisors were briefed on district budget, solutions to reduce pending reports, vandalism of Navajo Nation vehicles, morale improvement, and issues with DOC.

g. The district will continue to stress to commissioned personnel to complete all pending reports. Personnel will continue to review pending lists and submit reports to District Records Section for filing and release to the public.

Crownpoint District:

a. The establishment of an office for police officers use at the Alamo School is being negotiated with the School Board in exchange for services of one officer to serve as School Resource Officer for two days a week up to the end of the school year. The Memorandum of Agreement is pending review by Department of Justice.

b. The Socorro Cross Commissioning has been finalized and the district will provide cultural, traffic and Criminal Code training to Socorro County Deputies.

c. The projects for the Eastern Agency Justice Center, Dzilna'odilii Police Sub-office and development of the To'hajiilee Police Sub-office are on-going.

d. The district established a Selective Enforcement Team consisting of four (4) police officers to conduct checkpoints, saturation patrols, seatbelts, child restraints and gang/drug enforcement.

Dilkon District:

a. District continues to recruit to hire additional police officers, public safety telecommunications operators, and recruits.

b. District continues with traffic enforcement, goals and objectives to meet the public safety mission statement.
Shiprock District:

a. The Shiprock Building Steering Committee submitted letter to the Navajo Land Office to conduct and complete an updated A & E and Survey Site Study for the current Boy’s and Girl’s Club to transfer the land over to Public Safety and Judicial to complete the building of the new Multi-Purpose Building in Shiprock, NM.

b. K-9 Team, School Resource Officers, and Training Coordinator were reassigned under the District Commander to enhance effective and efficient relations with the public.

c. District Captain continues to work with San Juan Partnership to provide outreach programs to the communities and the chapters.

d. District Captain continues to coordinate with the Dine Ba Hozho Committee to develop significant outreach programs and training to the public and police officers. The committee is interested in sending two (2) police officers to Environmental Design Training to coordinate Neighborhood Watch type programs in the Shiprock District.

Tuba City District:

a. Regarding pending reports, the district is having the commission officers work on their reports when time permits. The shortage of manpower and increase in crime play a vital role in determining when officers work on their pending reports. Supervisors are having their officers work on their reports when calls for services slow down. Holidays, Events/Activities, First of the months, Special Assignments, etc., requires the officers to work longer hours which increase the officer’s pending reports.

b. The district commission personnel are required to complete their forty-hours (40) training requirements in order to maintain their certification as a peace officer. The training coordinator has scheduled several training for commissioned personnel. The Public Safety Telecommunications Operators and Administrative personnel will be included to attend trainings.

c. In regards to Officer’s safety, the district is revising the shift schedule in order to have enough officers available. This is a major priority for the district due to increase of crime and the suspect(s) are more aggressive and violent. The dispatchers are required to make sure officers are safe during their Tour of Duty. Officers responding to rural areas must have additional officers to assist. Officers not only assist their fellow officers but other agency officers (Sheriffs Dept., NN Rangers, Hopi Police officers, Hopi Rangers, etc) as well. Backup assistance is necessary especially for the areas we patrol.

d. The district has seen a rise of burglaries within the communities which officers need to be proactive by being more visible in the business and residential areas. The district has a shortage of manpower and the Security Officers (schools/hospitals) needs to assist with saturated patrols in areas where burglaries have taken place. The district will meet with the community to have them more involved in community oriented efforts such as neighborhood watch. The Drug Enforcement Team from Window Rock, AZ has done several undercover operations for the district. The district is working on starting a Tactical Operation Team for all High Risk situations in addition, re-activate the K-9 Program. The district budget is decreasing which dictates when the district could do.

e. The district will relocate from the current locations to the proposed location south of the Criminal Investigations building in Tuba City, AZ. The purpose of the relocation is due to the new Public Safety facility project that will be built on the current land tract. The Department of Corrections and Police Department were able to obtain land which will be utilized temporarily until the new facility is constructed. Personnel and equipment will be moved to the proposed site once the identified construction team develops the land and the sets up temporary trailers. All the required paperwork was submitted and the relocation is unknown as this time. The district has identified individuals who are assigned to work on this project. All utility companies have been notified and are ready for construction of electricity, sewer lines, water lines, etc.

f. The district is actively recruiting potential applicants for the shortage of manpower with the Tuba City District. There are very few officers with the district which puts more stress on the current officers we have in the field. The crime rate is rising and the main objective is to recruit more individuals to help patrol the wide range area within the Western Agency. The district currently has four (4) vacant police officer positions which need to be filled.

g. The district is working on ensuring the department is in compliance with the BIA 93-639 requirements. Personnel are updating their training hours, firearms qualifications, Medical examinations, etc., in order to
become in compliance with the BIA contract. Personnel are submitting their paperwork to the office specialist who in files the information in the folders with a copy being forwarded to Training Academy, Toyei, AZ and Personnel Section in Window Rock, AZ.

**Training Academy:**

a. Navajo Police Training Academy (NPTA) will continue to provide recruitment and background investigation to assist the districts in filling all their vacant positions when the hiring freeze is lifted. All basic recruit cadets will be scheduled to attend one of the Training Academies in the State of Arizona in accordance with their scheduled basic recruit training and allotted slots.

b. Renovation to the academy is a top priority, funding and grants have to be identified and applied for before any project is initiated.

c. Emergency Medical Technicians’ basic training is scheduled to commence at training academy on April 5, 2010 to May 7, 2010.

**Window Rock District:**

a. District is still working closely with Rock Springs Chapter to establish a Police Sub-station on New Mexico State Highway 264. This sub-station will be used in conjunction with Navajo Nation Social Services, New Mexico State Police, Navajo Police Districts and McKinley County Sheriff department.

b. Police District commissioned personnel continues working with chapters and school officials within Window Rock and surrounding areas.

c. The district’s Drug and Gang Enforcement Unit continues to meet with the Fort Defiance Meth Task Force on a monthly basis. They have established a working relationship with the Middle Rio Grant Narcotics Task Force, BIA Drug Enforcement office and the FBI. On January 14, Police Sergeant submitted an I.H.S. Injury Prevention proposal to area I.H.S requesting for $50,000 to obtain additional equipment and supplies.

d. The district’s Drug and Gang Enforcement Unit started a Graffiti Clean-up initiative with various departments and community resources so that there will be a clean-up of various communities on the reservation. The initiative is called “Operation Buff”.

e. The Supervisor of the Drug and Gang Enforcement Unit has started working with Karigan Estates homeowners in establishing a Neighborhood Watch program in the housing area. This program is now in its fifth month and the program has established a volunteer patrol section. The program continues to hold monthly meetings.

**Information Management Services:**

a. Development of NDPS/NDLE IT Plans: IMS will continue to pursue for a Strategic IT plan.
   a. IMS Plan of Operations is being considered for sponsorship by NN Council Delegate.
   b. IMS Strategic Plan is complete, 5/22/09 v5.0, however complementing parts “Information Technology Plan and IMS Manual” are pending.

b. Integrated Criminal Justice System Project: The efforts of this project must involve the NN primary criminal justice programs, law enforcement, judicial, prosecutor, and NDIT.
   a. Proof of concept for Shiprock District on going.
   b. API discussion with Cody is under review by Cody

   c. RMS Software Reporting Guide and Training (CODY): We will attempt to facilitate the concern for continued basic training applications, i.e., data entry, troubleshooting, supervisor approval process.
      a. No update information.

   d. ARCHIVING: Current efforts entail micrographics, proposal of microfilming of law enforcement reports, documents which will serve as long term storage resource. However, digital conversion is optional due to low costs.
      a. Digital conversion on-going with Dine’ Digital Services on court dispositional data and law enforcement data at IMS Toyei. Agreement to extend DDS contract for 12 months was approved however, no formal decision by NDPS Director.
e. AFIS T1 Data line: Ongoing effort to ensure active dateline, i.e., funding for basic TI and AFIS equipment maintenance. IMS continues to pay for TI line from fees collected from NPD reports and CHR’s.

f. RMS User Meeting: Plan to rejuvenate effort; primary emphasis on discussion of issues, trouble-shooting, training concerns, etc.

g. NCIC: Utah BCI is primary NCIC. WR District connection to AZDPS serves as backup for NCIC. USDOJ is planning UCR training in May (Abq, NM) and June (Washington DC) 2010.

h. NDPS/NDLE Sexual Offender Registry: DCI is lead for NDPS, IMS assisting with general database setup and recommendations with technical applications.

a. NDOT is preparing partial GIS mapping based on listing of sex offenders provided by IMS/NPD. We hope to have it at our next NNSOR meeting on 5/10/10.

b. NTORS agreement is under NDOJ legal review. Legal sub-committee is scheduled to meet on 3/30

i. NN Background Investigation Task Force (BITF): NN lead is Background Investigation Office (BIO) under the Department of Personnel Management. BIO and IMS/NPD is scheduled to meet with AZDPS on 4/23/10 in Phoenix, AZ to discuss non-criminal submissions from NN.

Criminal Investigations:

a. NDCI is continuing to participate in discussions regarding the efforts to combat crime with the Arizona Assistant United States Attorney’s Office. Ongoing meetings highlighting strategies to prosecute perpetrators of crimes are being addressed.

b. NDCI is cooperating with NNDOJ to update the Safe Trails Task Force agreements with the respected FBI programs (Arizona, New Mexico, and Utah) and the AUSA’s. The agreement has been in existence for over a decade. Some issues and concerns governing protocol and resources have been identified as concerns and must be reconsidered by all parties involved.

c. NDCI continues to communicate with representatives of the BIA OLES office in discussing the possibility of assisting in installation and renovation of modular buildings that will be utilized by our personnel in Crownpoint and Dilkon. The BIA has re-established the modular buildings on their property inventory list for funding purposes.

d. NDCI has been participating in discussions with various respected programs in development of a Sexual Assault Response Team (SART) that would be located at the various medical facilities on or near the Navajo Nation. In addition, DCI has been communicating with NNDSS discussing the possibility of developing and implementing a Navajo Nation Forensic Interviewing mechanism. This is ongoing.

e. NDCI has been involved in the design and development of the Navajo Nation Sex Offender Registration Program. The working group is concentrating on the implementation of the registration system. NDIC is coordinating an operation with the US Marshal Services to contact all convicted Sex Offenders residing on the Navajo Nation in the month of May 2010. An operation plan is being developed.

f. NDCI is continuing to assist in coordinating the development of Navajo Nation AMBER Alert program with Navajo Department of Transportation and the media industry. NDCI is researching the development of a MOA with the participating entities and the implementation design of the alert system. The national program is continuing to provide personnel training opportunities and technical assistance.

g. NDCI is continuing to collaborate with various programs to enhance services from the various departments in combating aggravated crimes. The individual districts are urged to maintain communications with these departments to gain support for various initiatives. This contributes to the overall public opinion of public safety services capabilities.

h. NDCI continues to strive for better working relationships with both government and non-government entities. It is our position that this will produce a more effective and efficient community effort in solving crime. This would include educating the general public of personal safety techniques.

i. NDCI has since been restricted of utilizing AZDPS Crime Lab because of lack of funds. As such, Criminal Investigators are improvising by submitting their traced evidence to the Indian Country Crime Lab located in Quantico, VA. Although, time is a variable with a one year turnaround time, but the analysis of evidence is being returned.
j. NDCI is assisting in coordinating a Training Course for Uniform Patrol with the Navajo Nation Chief Prosecutors office. Areas of emphasis are court room proceedings and trial protocols to include report writing. Invitations were extended to the respected AUSA offices for their participation.

k. NDCI is researching and intending to renovate and update program statistical information for all categories (mileage, case load, crime trend). This information will be utilized to provide an accurate portrait of the condition of the Navajo Nation and personnel accountability.

l. NDCI is attempting to solidify the internal ranking structure of the program which is being scrutinized by other programs.

Corrections:

a. The Shiprock District Judicial/Public Safety task force has been back to work full force to identify land for the Shiprock facility. The Shiprock chapter had identified and assigned forty (40) acres of land but due to extensive soil and environmental issues the committee has had to request for an alternative site. This site was identified to be the old ‘Boys and Girls Club’. This area is about fifteen (15) acres; the site has had a legal land survey, environmental assessment and clearances completed to be used for the club. Therefore, the site will need to be reassessed for use as a Judicial/Public Safety facility.

b. During this quarter, the Crownpoint District was able to obtain approval from the court and prosecutors office to release individuals arrested on warrants and those arrested with serious charges to be released. This ensures compliance with the consent decree over the weekend, holidays, and when courts are not in session. However, we still encounter overcrowding on a daily basis. A bigger facility is needed to accommodate everyone’s needs and better cooperation to stay in compliance with the decree. We will continue to pursue a new facility for Eastern Navajo Agency.

c. In regards to Tohatchi Youth Detention, NN Facility Maintenance has been contacted to correct facility deficiencies that are occurring and have been pending since 2004. Maintenance personnel is scheduled to visit the facility and see what is needed and if the facility has to purchase items to ensure the deficiencies are corrected. Facility Maintenance has been able to correct small minor deficiencies without any further delays.

Emergency Management:

a. DEM continues to provide training activities on response task duties and responsibilities. The goal is to achieve 25% or 26 chapters out of 110 total chapters to establish response teams. Chapters need to renew or test their emergency response plans.

b. DEM field staff continue to provide assistance to clients with hay, grain, salt block, wood or coal to community members whom are in need living in remote areas.

c. DEM field staff will continue to coordinate with other public safety personnel, resources, and establish the Chapter ALERT to respond to emergencies.

d. DEM field staff will continue to schedule the ICS, NIMS, and First Aid/CPR training for other programs and chapters for certification or re-certification purposes.

e. DEM field staff will continue to collect and compile Partnership Ready References and compile them for an annex to the Navajo Nation All Hazard Plan.

Fire and Rescue:

a. Due to new facilities being constructed, the department in collaboration with Navajo Design and Engineering will conduct initial and final fire inspections.

b. The initiative in recruiting more volunteer firefighters is ongoing and volunteers are essential in providing manpower during emergency calls. More manpower also reduces the amount of fatigue and stress on the firefighter when more personnel are available.

c. The districts recruiting efforts for more volunteer firefighters in producing more manpower to assist is turning some positive numbers, as a total of six new recruits were added to the department and going through in-house basic fire fighting training.

Emergency Medical Service:
a. The department will continue to meet with officials from San Juan County, Sandoval County, Pueblo Pintado and Ganado Sage Hospital regarding the establishment of Navajo EMS field offices within their communities. This continues to be on-going.

b. The department continues to follow up with the Department of Justice on the Memorandum of Understanding with Winslow Health Care Center, Winslow AZ. As of this reporting period, the department was informed by DOJ that another attorney is assigned to the division. The document has not been reviewed. There are nine Emergency Medical Service documents pending review and they date back to two years. This is a major hindrance and embarrassment for the department. The M-U-N-S are important and are required in certain instances. The department has repeatedly asked DOJ to respond and/or complete the legal reviews.

**Highway Safety:**

a. The department continues to conduct child car seat clinics. Public and parent education and awareness continue to address this issue. The department is working with I.H.S prevention office on public awareness regarding new legislation on Booster seat usage. The department submitted carry over request form the I.H.S contract in the amount of $35,000 (approved pending I.H.S. formal notification notice for process).

b. The department is working with Vice Presidents Office and Navajo Vital Records on a Tribal Identification card system for the Navajo nation.

c. The department is has a new work plan for employee identification cards for all Navajo Nation employees in conjunction with the Office of the Navajo Nation President and the Vice President's Office. A report was submitted per request by OPVP's office.

d. The department has expanded the schedule for Defensive Driving Courses to five agencies within the Navajo Nation. In addition, schedule car seat clinics in rural areas and locations.

e. The department is continuing to meet with I.H.S area offices in re-development of the Navajo Nation Safe Kids. The department is working on the plans of operation for the group to be recognized as a Navajo Nation working group.

f. Revise policies on Permit issuance for all Navajo Nation programs is at the final stage of approval with the Department of Justice.

g. The department continues to see additional funding for staff training, new office building, and operations.

h. The department is starting up CAPP (Children are Precious Passengers) classes for ticket reduction for car seat citation, providing education and enforcement to utilize seat belts and car seats.

i. The department is continuing with initiating SNAP (Safe Native American Passengers) and TOPS (Traffic Occupant Protection Strategic) training for the Navajo Nation Police Officers in all districts.

j. The department is working closely with the Navajo Nation Fleet office in tribal vehicle misuse, damages, and permits concerns in regards to enforcement strategies.

k. The department is working on revising and updating the NDPS website and the NDPS newsletter for staff notification and monthly updates.

l. The department continues to provide ongoing Public Service Announcements on Safety and Injury prevention.

**Internal Affairs:**

a. The department continues to schedule taser trainings at various districts. In addition, the department reviews and follows all Taser usage by certified NPD Police personnel.

b. The department continues to do background check of former police officers for reinstatement.

c. The department continues to conduct a variety of trainings for Department of Corrections, Criminal Investigations and Police Department.

d. The department continues working with the State of New Mexico and Arizona to ensure training officers meet the requirements.

e. The department continues to provide Sergeant at Arms for scheduled legislative council session (spring, summer, fall, and winter sessions).
f. The department developed standard of operating procedures regarding IA Investigation.
g. The department will assist Navajo Police Districts with Internal Investigation Cases at District level.
h. The department assigned Two Investigators to develop new IA Organizational structure and desk manual policy. In addition, the office has assigned One Investigator to assist with the development of new NDLE General Orders.

V. STATUS OF ACTION PLAN (A, B, AND C LISTS)

“A” List
a. Develop a comprehensive plan that supports and promotes communication and working relationship between various programs.
b. Response: On-going meetings have been held; Criminal Justice Summits, Resource Coordination meetings with Prosecutors, Judges, Probation Officers, Department of Behavior Health and Department of Corrections to address the much needed coordination and collaboration issues. Many of these issues expressed are related to lack of personnel at all levels including law enforcement, corrections, judicial and other providers. The demand for services is much higher than providers available to service the population in need of services.

“B” List
a. Status report of utilizing Automated Fingerprint Identification System (AFIS) by NDPS IMS.
b. Response: The AFIS still non-operational to lack of funding for upgrading cost. AFIS LiveScan has been returned to IMS from WR DOC. Funding request have been made to the BIA/OLES, Office of the 1st Lady-NN, Existing Grants of NDPS and Gaming funds; follow-ups have been made but no reply on request.
c. Status report of enhancing the IMS and Communications Improvement Project.
d. Response: Integrated criminal justice system effort with prosecutor, judicial, public defender and NDIT. IMS is part of an established project management effort with prosecutor and judicial. Proof of concept at Shiprock district is scheduled to go live in middle April. NNIJISP TOC meeting is scheduled for 3/29.

VI. OUTSTANDING PROGRAM ISSUES

Law Enforcement:

Crownpoint District:
a. The shortfalls in the budget will require some evaluation and redirection of planning to avoid any deficit. Additional funding will be needed to maintain services and manpower.
b. The hiring freeze imposed regarding shortfalls has impacted in the hiring of a District Lieutenant which a Patrol Sergeant is taken from shift supervision to act in capacity of that office until filled.

Dilkon District:
a. Dilkon district needs a new public safety building as well as a detention facility to eliminate relays and high mileages. Additional funding is needed for police equipment, overtime, training, and recruitment.
b. The district continues to have pending reports and will continually reiterate to commission personnel to complete therefore reducing the number of pending reports for the district.

Shiprock District:
a. The district needs new vehicles, police equipment, computers, and new vests for police officers. Additional funds are needed to purchase items.

Training Academy:
a. Navajo Police Training Academy will continue to provide the pistol and rifle firing range to police districts to meet mandated firearms qualification. There will be limited training provided by academy’s two (2) commissioned staff during this period.
b. Although there is a shortfall in our funding to hire anyone during this period each district needs to promote the NPD organization by participating at career day(s) and collect names of interested applicants.

c. The districts are having issues with a selected training coordinator; the coordinators are changed periodically creating miscommunication and prevent continuity. This issue continues with their recruiter/background investigator. There are trained officer/sergeant at each district but are not used to effectively promote the organization.

**Window Rock District:**

a. Relay problem between Window Rock and Dilkon Police districts is still continuing due to lack of personnel in local and substation areas. We tried using the Detention officers and Police recruits that are available to handle the relays between the two districts. There are numerous calls requesting for services from the public every hour within Window Rock area; the police officers are constantly tending to these calls on every shift. Dilkon district police officers request for relaying prisoners to Window Rock and this takes hours because they tend to other traffic within their district. Due to these situations that both districts encounter, there is no specific schedule of when to relay the prisoners from one location to the next. This is an on-going problem for both districts. Recommendation: Dilkon needs to hire Detention Officers to conduct relays and maybe have a temporary holding facility for the inmates.

**Information Management Services:**

a. Although there are many issues, the most prevalent one for the quarter is efforts to get additional personnel to IMS Toyei to assist with the processing of NPD criminal/traffic record. Justification memorandum is forthcoming to NDPM regarding (1) PRC and (1) Police ID technician.

**Criminal Investigations:**

a. NDCI submitted a ten month budget with a two month budget request, below the actual recommended amount which we believe with negatively impact investigative services. It is anticipated that already funding challenged district programs will become more selective in performing their duties and responsibilities which could be detrimental to an investigation.

b. The FY-2009 contractual budget is still in the pending for use list although DCI has submitted funding requests to NN Contract Accounting NDCI is still denied access. Because of this scenario NDCI has had to significantly reduce their operation which directly correlates with a reduction of investigations. Other cost saving initiatives have been initiated.

c. NDCI is stressing the necessity for all district offices to comply with mandated contractual requirements (medical examinations, training, background, weapon certifications). The emphasis is a program concern for effectively responding to re-occurring annual reviews.

d. All NDCI district programs have reservations in regards to the working relationship with their respected District Prosecutors office. Specifically, the submission of criminal complaints and related issues. The situation prose’s with little to no discussion with the Office of the Chief Prosecutor and the Attorney General.

e. The respected Assistant United States Attorney’s offices still have concerns regarding the effectiveness of police reports being submitted especially those reports that have the potential of proceeding to the federal level. Some district patrol programs are significantly backlogged. Their primary concern is poor investigative report documentation. In addition, other outside reports of SA incidents are not being properly submitted to NDCI, but circumvented directly to the FBI.

**Internal Affairs:**

a. Department continues to provide on-going policy development training and familiarization courses to various departments with Navajo Division of Public Safety.

b. Department request for training such as computer fraud, policies and procedures, update ruling on Internal Affairs investigations.

c. Department requests for a presenting officer for NDPS during grievance hearings.
VII. PROBLEMS/RECOMMENDATIONS

Law Enforcement:

Chinle District:

a. The district as well as Navajo Police Department as a whole needs to provide Level Three (3) body armor for all patrol officers to ensure protection. Several officers have outdated protective vests that need replacement. Funding through grants or other sources should be sought for the best body armor possible.

Crownpoint District:

a. The DUI Task Force proposal needs clarification as to the legal binding in the absence of 164 process review and account number.

b. A number of Memorandum of Understanding (MOU) and/or Memorandum of Agreements (MOA) have been directed to Department of Justice (DOJ) for review of legal sufficiency which no status reports have been provided back to the district whether they can be enacted and/or continued through the 164 process. When conducting follow-up, reasons given by DOJ representatives are that there are other documents that are of more importance and will be reviewed when time permits.

Dilkon District:

a. District has limited personnel and requests for additional law enforcement officers, equipment, operating supplies as well as additional funding to pay overtime and holiday pay. The district has a hiring freeze on positions that need to be filled such as three (3) police sergeants and two (2) police radio dispatchers.

b. District needs additional funding for non-commissioned personnel i.e. Public Safety Telecommunications Operators.

c. Maintenance Services (A, B, and C) are done on all units in Window Rock, Chinle, and/or Tuba City Fleet shop services. Purchase order provided at Cakes Chevrolet for oil change only, tire services need to be included.

Kayenta District:

a. The district is in need of a permanent facility to meet the growing needs of the staff and clientele. As well as needing more laptops for officers, an undercover vehicle and emergency lighting system for on crime scene and crash investigations.

b. Review policies of Navajo nation regarding refusal to give raises unless all employees submit appraisal forms request for increase and/or merit pay are submitted. The Navajo Nation Personnel should not penalize deserving employee with outstanding ratings that supervisors submitted on time.

Tuba City District:

a. The district has a decrease in the budget and the district is in dire need of supplies and equipment. The administrative assistant is keeping a close watch on the budget due to the constant changes that occur. In addition, the administrative assistant is working with fiscal section in Headquarters, Window Rock, AZ in moving money around to fulfill the needs of the district.

Training Academy:

a. Melted snow has caused more damage to academy roof as a result more leakage areas in various parts of the building (front lobby, hallways, multi-media room, basic training room, classroom #2, and mat room). Personnel will identify areas and repair during dry season and identify funding and submit proposal.

b. NPTA boiler is outdated and worn out parts are hard to replace due to the old parts being obsolete. NPTA firing range will need to be upgraded with continuing fencing and increasing the dirt mount for wall barrier. Need to continue to finding funding and submit proposal.

c. NPTA water well #4 is the only well that is functioning and supplying water to the facility. Need to continue to find funding and submit proposal to get well # 6 & 7 back in operation.

Criminal Investigations:

a. For FY-2009 NDCI was adequately funded through supplemental requests. For FY 2010 it is apparent that the program will struggle with ensuring that the district offices are effectively operating with supplies and
resources. NDCI receives only 8% in comparison to that of NPD’s budget. Increasing the general fund amount would greatly enhance our service capabilities.

b. An analysis of cost in regards to tribal expenditures rates should be conducted so that we can justify and explain the purpose of those cost to those programs that can provide supplemental support (vehicle use rate, insurances). It is NDCI interpretation that the expenditure rates are excessive.

c. NDCI has prepared and provided an accurate portrait of the cost expenses of the program to the BIA to include citing federal regulations governing salaries (personnel cost) and mandated policies. It is under considerations for supplemental funding.

d. NDCI is continuing to research and locate existing documentation to readdress the Safe Trails Task Force Agreement. As previously stated, the agreement is over a decade old and certain issues should be modified in order to effective serve the investigative programs to include serve as reference material for the BIA Monitoring Review discussions.

e. NDCI intends to develop and implement a standard operating procedures manual that will contain investigative responsibilities.

f. Advertise, select and establish a permanent Chief of Criminal Investigation for the purpose of continuity and stability. To date, the PCQ and the JVA is pending approval of the Executive Director.

Corrections:

a. Kayenta DOC has been having problems with inmate transport. Most of the serving inmates are transferred to Window Rock facility and due to personnel shortage at the Chinle and Window Rock facilities, the district has to transport the inmates all the way to Window Rock and back. This issue needs to be addressed.

b. During this quarter, Crownpoint DOC has been receiving requests from other departments for relays to hospitals, other districts, and from arrest locations. The problem is lack of manpower to fulfill the department needs and this causes a burden on DOC personnel. This issue needs to be addressed at the headquarters level to have the officers transport their inmates in for booking or medical clearances.

c. During this quarter, Crownpoint DOC had to shut down the facility due to no heating available for both male and female sides. Inmates were transported to Window Rock District until repairs were made and were returned once the facility was authorized to resume operations by the Office of Environmental Heath.

Fire and Safety Rescue Services:

a. Budget Needs- To address a major public safety need, our department needs a significant budget increase. As you can see, we requested significant amounts of funding with lobby efforts and yet we continue to be under funded. Many of our problems and the lack of fire/rescue/medical services can be resolved with an adequate budget. We are aware that it will not fix all our problems however; it will address our most oppressing problems improving manpower issues, funding for re-certifications, mileage cost, and operations cost as the calls continue to increase by the year. No travel budget has also put our operation and prevention section in a real bind, as we have travel on ‘out of pocket’ expense since the beginning of the fiscal year. In addition not paying Overtime for the firefighters. The department has made several fruitless attempts in requesting funds through SAS, justification to the office of budget and finance.

b. Responding to Incidents- Lack of department funding has put a huge strain on the operations section; some calls now have to be screened before a response is made. This is to reduce mileage cost for each vehicle assigned, reduce unnecessary wear and tear on vehicles, some calls are now being referred to counties and we project this will continue to no services to some areas of the community.

Highway Safety:

a. The department needs a new office building. In addition, the department needs more training for staff and support from administrative offices.

Internal Affairs:

a. Office of Internal Affairs needs to be part of Academy Curriculum for police academy and Advance Officers training.

b. Office of Internal Affairs needs to get a new office building for our department.

c. Department needs additional funds for mileage cost and purchasing new equipment.
I. PROGRAM INFORMATION
Division Executive Director: Cora Maxx-Phillips
Telephone No.: 928-871-6556
Facsimile No: 928-871-6278

Departments:
Block Grants & Special Projects Michele Jones, Senior Program & Projects Specialist
Central Account Section Brenda Tsosie, Principal Accountant
Child Care Development Fund Program Alfred Yazzie, Program Manager II
Title XIX – Arizona Long Term Care Antoinette Miller, Title XIX Liaison
Navajo School Clothing Program Ralph Atcitty, Program & Projects Specialist
638 Contract Administration Virgil Pablo, Senior Program & Projects Specialist
Management Information Systems Department Travis Platero, Senior Programmer Analyst
Dine For Our Children Juanita Francis, Senior Program & Projects Specialist
Title XIX – Development Disabilities Paul Shondee, Program Supervisor
Navajo Treatment Center For Children & Their Families Gerald Watchman, Acting Clinical Director
Navajo Children & Family Services Regina Yazzie, Program Director
Adoption Unit Lucy Laughter-Begay, Principal Social Worker
St. Michaels Office: ICWA Unit Lillie Reed, Principal Social Worker
CCDF Construction Unit Aquilla Martinez, Construction Planner/Estimated
Program For Self Reliance Roxanne Gorman, Department Manager III

II. BUDGET / PERFORMANCE INFORMATION

<table>
<thead>
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<th>Budget</th>
<th>Personnel</th>
<th>Operating</th>
<th>Total</th>
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</tr>
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<td>YTD</td>
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<th>$589,118</th>
<th>$238,126</th>
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<td>$589,118</td>
<td>$589,118</td>
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<td>39.19</td>
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<td>$291,029</td>
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Grand TOTAL  $436,098 | $153,020 | $589,118 | $589,118 | $238,126 | $197,972 | 55%       | $59,963 | $93,057 | 39%    | 291,029 |

Funding &Expenditure
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<th># of Personnel</th>
<th># of Vehicles</th>
<th>FY 2010 Personnel</th>
<th>FY 2010 % Used</th>
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<tr>
<td>Total</td>
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<td>$436,098.0</td>
<td>55%</td>
<td>$153,020.00</td>
<td>39%</td>
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Executive Office / Accounting Section

Block Grants & Special Projects
None provided.

Child Care & Development Fund (CCDF)
None provided.

Developmental Disabilities
None provided.

Dine for Our Children

<table>
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<th># of Personnel</th>
<th># of Vehicle(s)</th>
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<td>315,354</td>
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<td><strong>1</strong></td>
<td><strong>118,687</strong></td>
<td><strong>85%</strong></td>
<td><strong>315,354</strong></td>
<td><strong>87%</strong></td>
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MIS
None provided.

Navajo Children & Family Services

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<th>Program</th>
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Navajo School Clothing Program

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<th># of Vehicles</th>
<th>FY 2010 Personnel</th>
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<th>FY 2010 Operating</th>
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<td><strong>Total</strong></td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>$185,723</td>
<td>69.08%</td>
<td>$1,259,706</td>
<td>35.41%</td>
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Navajo Treatment Center for Children and Their Families

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<th>Fiscal Year</th>
<th>Funding Source</th>
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(IHS – Base (January-February 2010))
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**Program for Self-Reliance**

Only hard copy provided. Nothing to place on this report; no electronic transmission received, as requested.

**Title XIX-Long Term Care Services**

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<th># of Personnel</th>
<th># of Vehicles</th>
<th>FY2010 Personnel</th>
<th>% Used</th>
<th>*FY2010 Operating</th>
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<td>355,948</td>
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*The above budget figures do not include the Indirect Cost of $533,921*

Revenues Earned (Year to Date):
- October 2009: $196,775.22
- November 2009: $197,000.67
- December 2009: $196,200.31
- January 2010: $197,077.87
- February 2010: $195,844.60
- March 2010: $194,018.24

**TOTAL YTD:** $1,176,976.91

Approved Budget: $2,471,858.00

**638 Contract Administration**

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<th># of Vehicles</th>
<th>FY 2010 Personnel % Used</th>
<th>FY 2010 Operating % Used</th>
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**Chinle Regional Office**

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<th>No. of Vehicles</th>
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<th>% Used</th>
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<td>638 Welfare</td>
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### Eastern Navajo Regional Office
**Budget Period:** 10/01/09 – 09/30/10

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<th>OFFICE</th>
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<th># OF PERSONNEL</th>
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**Budget Period:** 07/01/09 – 06/30/10

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<td>3</td>
<td>1 Tribal</td>
<td>144874</td>
<td>61</td>
<td>51599</td>
<td>69</td>
</tr>
</tbody>
</table>

**Budget Period:** 01/01/10– 12/31/10

| PL.93-638 Admin. | Federal | 21 | 23 GSA | 831863 | 24 | 115999 | 39 |
| PL.93-638 CES    | Federal | 1  |        | 27753  | 0  | 17794  | 3  |
| PL.93-638 CWA    | Federal | 24 |        | 434400 | 29 | 18409  | 7  |

**Budget Period:** 10/01/08 – 9/30/2010

| 09' LIHEAP Federal | 4 | 0 | 33946 | 100 | 659968 | 100 |
| 09' LIHEAP Contingency Federal | --- | --- | --- | --- | 66462 | 60 |
| 09 CSBG Federal | --- | --- | --- | --- | 66290 | 92 |
| 10' LIHEAP (Contingency) Federal | --- | --- | --- | --- | 69163 | 0 |

**Budget Period:** 10/1/09 – 9/30/2011

| 10' LIHEAP Federal | 2 | 0 | --- | --- | 64731 | 40 |
| 10' CSBG Federal | 0 | 0 | --- | --- | --- | --- |

**GRAND TOTAL**

### Fort Defiance Regional Office

<table>
<thead>
<tr>
<th>OFFICE</th>
<th>FUNDING SOURCE</th>
<th># OF PERSONNEL</th>
<th># OF VEHICLES</th>
<th>FY 2009/2010 PERSONNEL</th>
<th>% USED</th>
<th>FY 2009/2010 OPERATION</th>
<th>% USED</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>6</td>
<td>2</td>
<td>292,813.00</td>
<td>44%</td>
<td>106,735.00</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>External Funds</td>
<td>'638 Administration</td>
<td>17</td>
<td>13</td>
<td>660,508.00</td>
<td>20%</td>
<td>190,238.00</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>'638 Welfare Assistance</td>
<td>14</td>
<td>15</td>
<td>265,919.00</td>
<td>29%</td>
<td>167,799.00</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>Arizona TXX</td>
<td>3</td>
<td>3</td>
<td>218,113.00</td>
<td>48%</td>
<td>70,869.00</td>
<td>36%</td>
</tr>
<tr>
<td></td>
<td>Promoting Safe and Stable</td>
<td>2</td>
<td>2</td>
<td>126,847.00</td>
<td>40%</td>
<td>45,344.00</td>
<td>30%</td>
</tr>
</tbody>
</table>
### Families

<table>
<thead>
<tr>
<th>Program Type</th>
<th># of Staff</th>
<th># of Vehicle</th>
<th>Total Budget</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Violence Prevention</td>
<td>2</td>
<td>1</td>
<td>88,743.20</td>
<td>40%</td>
</tr>
<tr>
<td>LIHEAP</td>
<td>2</td>
<td>0</td>
<td>48,541.00</td>
<td>38%</td>
</tr>
<tr>
<td>LIHEAP (Contingency)</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>LIHEAP Contingency</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>CSBG – FY 10</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>CSBG – FY 09</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>ALTCS</td>
<td>5</td>
<td>3</td>
<td>367,027.00</td>
<td>33%</td>
</tr>
<tr>
<td>NM TXX</td>
<td>1</td>
<td>1</td>
<td>27,472.00</td>
<td>64%</td>
</tr>
<tr>
<td>DEPP</td>
<td>1</td>
<td>1</td>
<td>42,405.00</td>
<td>34%</td>
</tr>
</tbody>
</table>

**Shiprock Regional Office**

<table>
<thead>
<tr>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicle</th>
<th>Total Budget</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>5 + 2T</td>
<td>1</td>
<td>363,246</td>
<td>63</td>
</tr>
<tr>
<td>DEPP</td>
<td>1</td>
<td></td>
<td>56,702</td>
<td>78</td>
</tr>
<tr>
<td>Family Violence</td>
<td>2</td>
<td>1</td>
<td>120,692</td>
<td>42</td>
</tr>
<tr>
<td>Title IV-B</td>
<td>2</td>
<td>1</td>
<td>62,376</td>
<td>37</td>
</tr>
<tr>
<td>AZ TXX</td>
<td>.05</td>
<td></td>
<td>36,242</td>
<td>77</td>
</tr>
<tr>
<td>NM TXX</td>
<td>3 + .05</td>
<td>1</td>
<td>36,242</td>
<td>60</td>
</tr>
<tr>
<td>UT TXX</td>
<td>1</td>
<td>1</td>
<td>192,202</td>
<td>62</td>
</tr>
<tr>
<td>638 Administration</td>
<td>15 + 2T</td>
<td>10</td>
<td>953,028</td>
<td>20</td>
</tr>
<tr>
<td>638 Welfare Assist.</td>
<td>17</td>
<td>11</td>
<td>375,496</td>
<td>36</td>
</tr>
<tr>
<td>CSBG</td>
<td></td>
<td></td>
<td>55,427</td>
<td>41</td>
</tr>
<tr>
<td>LIHEAP 09</td>
<td>4 T</td>
<td></td>
<td>648,109</td>
<td>54</td>
</tr>
<tr>
<td>LIHEAP-C’t 08</td>
<td></td>
<td></td>
<td>59,223</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>54</td>
<td>25</td>
<td>2,988,092</td>
<td>56</td>
</tr>
</tbody>
</table>

Comply with Assurance and Case Management Protocols: **Goal is to audit 30 direct service cases in each service category per quarter.** We exceeded the required 30 case reviews a month by 45 cases and completed all LIHEAP and CSBG cases (481 cases). These are performed at all level: special emphasis on complying with audit finding from prior reviews.

Establish Employee Knowledge, Skills and Abilities: **Goal is to timely conduct all employee performance appraisals in accordance with the employee anniversary date.** All performance appraisals have been completed on time. Eleven in the first quarter, twenty three (23) in the second quarter and additional six are due now and four more the forth quarter.

Maximize Fiscal Resources Through Collaboration with Internal/external Resources: case reviews include this issues. Referral to other resources continue on a regular basis particularly with financial assistance cases and for clients who need special services, 23 clients receive funds from Medicaid or special DD wavier to assist with cost of care. Four clients approved for IV-E assistance.

Accurately report Expenditures, balances and overall financial performance. **Goal = expend 25% of all appropriated funds per quarter.** The first two quarters we met the goal. We expect to meet the goals for the remainder of the year. We have an issue with DEPPA because of the vacant position that is not release by Personnel Department.

Implement community outreach/education activities, performance goals or other indicators that will be used to measure progress & contract compliance. We provided prevention awareness education at ten (10) communities with over 220 persons attending in one month. We anticipate exceeding these numbers the rest of the year.

### Western Navajo Regional Office

<table>
<thead>
<tr>
<th>Fund Source</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY 2009 Personnel</th>
<th>% Used</th>
<th>FY 2009 Operating</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>5</td>
<td>2</td>
<td>$269,387</td>
<td>45.23%</td>
<td>$112,640</td>
<td>33.11%</td>
</tr>
<tr>
<td>FVP&amp;SA</td>
<td>2</td>
<td>2</td>
<td>$ 88,743</td>
<td>45.45%</td>
<td>$ 31,949</td>
<td>9.47%</td>
</tr>
</tbody>
</table>
### III. ACCOMPLISHMENTS

**Executive / Accounting Section**

The Quarterly Financial Reviews for all NNDSS Programs were held as scheduled. These reviews aid in our expenditures utilization.

The Accounts Maintenance Specialist position was filled in the NNDSS Accounting Section.

The Principal Social Worker (QA) position advertised and received candidates for interview. Selection to be made next quarter.

The NNDSS continues to meet with all respective parties in movement towards finalization of the Navajo Nation Children's Code Revision project.

The NNDSS Budget planning has begun, substantial progress towards this move should be more evident in the next quarter.

The NNDSS continues to strive to meet with all respective parties in movement towards initiation of a Domestic Violence Code.

### Block Grants & Special Projects:

**Title IV-E Initiative**

<table>
<thead>
<tr>
<th>Receiving IV-E Subsidy</th>
<th>July</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foster Care</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Adoption</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Guardianship</td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>27</td>
<td>27</td>
<td>27</td>
</tr>
</tbody>
</table>

The statistic for the past three months has been consistent, we have received seven new potential cases for IV-E assistance. Home visits continue to be made despite also conducting the activities for the new Title IV-E Tribal Plan in which a CORE workgroup has been formed to address all the goal and objectives areas of the Development Grant.

The Development Grant Transmittal was received on March 4, 2010. We did not receive the award notice until early November 2010. A Development Grantee’s Meeting was held on March 1 and 2, 2010 in Washington, DC. We had eight Navajo Nation Title IV-E Core members attend this meeting, Cora Maxx-Phillips, Thomas Cody, Michele Jones, Laura Johnson-Nez, Travis Platero, Kandis Martine, Virgil Pablo and Brenda Tsosie. This meeting provided information on the requirements of completing a Tribal IV-E Plan.

Another request for a no-cost extension for the US DOJ/OVW Safety for Indian Women from Sexual Offenders Demonstration Initiative was initiated on February 8, 2010 for the project period to end on December 31, 2010. The USDOJ-OVW Program Specialists Kimberly Woodard and Kathy Howkumi conducted an on-site monitoring review on March 15 and 16, 2010 at the Home for Women and Children organization in Shiprock, New Mexico. The BGSP Director and NDSS Division Director meet with USDOJ officials for an entrance interview. The information
provided included the purpose of the visit and outcome of the review will determine if an extension will be granted to
the Navajo Nation to the end of 12/31/10. There continues to be one subcontractor, Home for Women and
Children in Shiprock, New Mexico. Currently, the grant period is to end on March 31, 2010, a no

For the Family Violence and Prevention Service Act (FVPSA) we did not receive a formal notice of grant award
(NOGA) by October 1, 2010 (the new FY2010), however the funds had already been deposited into the Navajo
Nation account. We continuously informed the funding agency for a copy of the award notice for several weeks before
finally receiving a faxed copy in late October. The Office of Management and Budget issued a “Transmittal” dated
October 05, 2009 which allowed expenditure of funds within the personnel line item only. This was due to the fact
that an Intergovernmental Relations resolution was required. This process was initiated and on December 29, 2009
OMB issued a second Transmittal that stated “Contract executed by the Navajo Nation President Office and IRG
Committee O.K. to expend budget”. This allowed Block Grants & Special Projects to issue Section 164 Review
Process for the following domestic violence emergency shelter providers. These subcontracts were signed by the
This allowed Block Grants & Special Projects to begin the reimbursement of services to these shelters.

1. Battered Families Services, Gallup, New Mexico, $220,000.00
   YTD Balance: 98%, Expended: 2% (through January 2010)
2. Family Crisis Center, Farmington, New Mexico, $300,000.00
   YTD Balance: 90%, Expended: 10% (through January 2010)
3. Northland Family Help Center, Flagstaff, Arizona, $ 100,000.00
   YTD Balance: 58%, Expended: 42% (through February 2010)
4. Page Regional Domestic Violence Services, Page, Arizona, $430,000.00
   YTD Balance: 73%, Expended: 27% (through January 2010)
5. Time Out, Inc., Payson, Arizona, $50,000.00
   YTD Balance: 23%, Expended: 77% (through February 2010)
6. Tohodenasshai Shelter Home, Kayenta, Arizona, $120,000.00
   YTD Balance: 6%, Expended: 94% (through December 2009)
7. Home for Women and Children, Shiprock, New Mexico, $100,000.00.
   YTD Balance: 28%, Expended: 72% (through January 2010) There was a delay in processing the seventh
subcontracted domestic violence emergency shelter. The President’s office signed the subcontract on February 19,
2010, and Contact Administration issued the official notification letter on March 01, 2010

A work session was held on February 17 and 18, 2010, in Monument Valley, Utah with the Victim Witness Advocates
to begin to work on finalizing the Family Violence Protocol within the Navajo Division of Social Services. A complete
overview of the grant was provided in addition to the purpose and scope of the program, budget and the problems
that are encountered at the NDSS regional offices in meeting the immediate needs of domestic violence victims and
their dependents. An additional work session was scheduled for in April.

A reporting work group was identified and the members included; Gracie Hubbell, Marie Jones and Terrilane Long.
The first meeting was held March 11, 2010 in Window Rock, attendance included Gracie Hubbell and Marie Jones.
The worksheet will account for unduplicated statistical data on a monthly basis, was developed and will be made
available to Family Violence field personnel. This will allow for timely submittal of the Annual Performance Progress
Report that is required by the U. S. Department of Health and Human Services. This past year there were problems in
gathering this data.

The FVPSA Contract Analyst attended the following work session, meetings and training:
1. March 18, 19, 2010 – Violence Against Family Act Review held in Camp Verde, Arizona. This work session was
   the second and I represented Ms. Michele
2. March 24, 25, 2010 – Tuba City NDSS’s Quarterly Meeting held at Hondah, Arizona
   I was invited to present FVPSA Guidelines to the Tuba City staff
3. March 29, 30, 31, 2010 – Grant Writing Training, Albuquerque, New Mexico

The Methamphetamine and Suicide Prevention Initiative Grant under the Navajo Area Indian Health Service was
accepted and approved for the Navajo Treatment Center for Children and their Families Program. The amount
awarded for two years is $404,432. However the first disbursement of funds was accepted until December 16, 2009 and the end of the first year project period was December 31, 2009. A second disbursement of funding will be done in next month or so in the amount of $202,216. The first semi annual report is due by March 31, 2010 for the period September 2009 through February 2010. The report is being completed and compiled by the NTCCF program.

The Title IVB Subpart 1 and Subpart 2 contracts have been fully executed and funds are being expended on all accounts.

The New Mexico TXX Protective Services Government Service Agreement is now fully executed and expenditures can be done on this award.

BGSP attended the New Mexico IGA meeting in Albuquerque, New Mexico for CYFD and Navajo Nation Programs on March 17, 2010,

AZ DES TXX Protective Services Intergovernmental Agreement continues to have problems with contractual language. NDOJ and AZ Attorney General's Office continue to work the contract language. This needs to be completed before the contract is finalized. Currently accounts are for PAF Purposed only.

The Federal FY 2010 LIHEAP and the contingency funds are in place and are being expended. Carryovers from FY2009 were allocated to the Regional offices.

LIHEAP has been selected as part of the Navajo Nation Single Audit for FY 2009. Audit activities started on March 15, 2010 and will continue until April 2010. Currently all information is being brought to the NDSS Central Administration for case file reviews. Thus far all information has been provided as requested from the Regional Offices.

Presentations have been chapters on the wood and coal projects include the following: Dilcon, St. Michaels, Burnham, Baca, Mexican Springs, Tohatchi, Nageezi throughout the months of January February and March.

The BGSP LIHEAP staff has attended a meeting with the Chinle Regional Office in reference to technical assistance for the LIHEAP/CSBG emergency funds for Emergency declaration on February 2, 2010.

CSBG funds are in place and are being expended.

The CSBG-ARRA 2nd quarter report was submitted on Jan. 01, 2010. The next report is due on April 1, 2010. Temporary worker have hired throughout the regional office to assist with the LIHEAP program. Positions include Caseworkers, Case Assistants, Carpenters, Laborers and office assistants. New Dawn and Water Resource have also hired temporaries within their department under the CSBG-ARRA.

The BGSP LIHEAP staff has attended and presented at the Homeland Security & Emergency Management Conference on March 09 through 11, 2010 in Albuquerque, New Mexico. Provided presentation on what type of funds Social Services has to assist with when it comes to an Emergency Declaration on the Navajo Nation.

A LIHEAP/CSBG orientation was done on March 24 and 25, 2010 for temporary staff hired under the CSBG-ARRA funds and staff that work on a day to day basis with the two programs. A lot of concerns and issues were brought up at the orientation which were answered based on the LIHEAP/CSBG Detailed plans and the guidelines

The Ombudsman and State Health Insurance Programs subcontract agreement has been terminated between Navajo Nation Division of Social Services and Navajo Division of Health / Navajo Area Agency on Aging for Ombudsman and State Health Insurance Program. Both programs had officially transferred back to the Navajo Division of Health on October 5, 2009 with all equipment and personnel.

BGSP Office Assistance Rachel Toledo has taken the lead on the Office Reconfiguration project for BGSP and Central Accounting. The Executive Staff have also decided to reconfigure their office set up as well. We are looking at a completion date of August 2010.
Child Care & Development Fund:
No report submitted.

Developmental Disabilities
No report submitted.

Dine for Our Children
CONNECT TO HELP CIRCLE - The Parent Leader has been successful in registering volunteer Helpers from Kayenta who want to help others as well as identifying and resolving immediate needs of its citizens. From October to December 2009, 82% of registered needs were met for 66 individuals and/or families of all ages. Several individuals who were helped during this time have offered assistance to others, clearly demonstrating the capacity of individuals and communities to help one another, even in this time of economic stress.

PRESENTATIONS FOR INSTITUTIONAL REVIEW BOARD - Presentations have been made to the Institutional Review Board. The IRB approved and supported the DOC resolution to conduct to studies across the Nation within the next 2 months. The 2 surveys will provide information on the gaps in services for special needs children across the Navajo Nation. Approximately 300 surveys will be conducted to gather information on several domains of health e.g., health insurance coverage, access to care, perceived health status, utilization of service and measurement of child health.

PROJECT COMING TO AN END – The NDSS Diné for our Children (DOC) project, funded by the Federal Human Resources and Services Administration, Maternal and Child Health Bureau, Children with Special Health Care Needs, will end on April 30, 2010.

MIS
a. Got all T1 lines with Frontier Communications paid for and preparing for installation. Cisco routers are also in route to complete implementation.
b. Re-classification of personnel is in process and funds will be combined with Principal Information systems Technician. These funds will be used to hire a Network Specialist.
c. Working to enhance General Funds, system processes and incorporate security measures.

Navajo Children & Family Services
1. Navajo Children & Family Services (NCFS), Indian Child Welfare Act (ICWA) Unit provided case management services to Navajo children who are in state court proceedings. Within the quarter, there were approximately 1,343 Navajo children who were provided services in 29 states. There were approximately 154 new ICWA notices received, of which 15 new cases were assigned to workers. There were approximately 11 children who were enrolled with the Tribe. There were approximately 08 children were reunified with his/her birth parent(s) and another 19 children placed with relatives for permanency. There were approximately 06 children placed in a certified Navajo adoptive home.
2. NCFS, Adoption Unit provided case management services to Navajo children and families under Title IV-B, Subpart II, Adoption, Promotion & Support Services (APSS) to approximately 90 cases. There were approximately 25 new cases assigned throughout the quarter. There was a total of 27 adoption applications mailed out to prospective adoptive parents. There are a total of 33 certified adoptive homes maintained, 08 homes have children placed with the family and are awaiting adoption to be finalized with the court.
3. All positions under Business Unit K090722 were funded through February 07, 2010, this is when the position funding was transferred to FY 2010 funding. (See comment under supplemental appropriation). Two (2) positions are pending appeal of reclassification with Navajo Nation Department of Personnel Management (NNDPM). The program anticipates utilization of these funds throughout FY 2010 for program operations. NCFS is utilizing the First In, First Out (FIFO) concept for expenditure of funds under the ICWA account.
4. For the BIA 93-638, ICWA FY 2009, Supplemental Appropriation (K090722), the program received in the amount of $445,503 in December 2009. The program requested an extension of Business Unit through December 31, 2010. There are five (5) additional positions budgeted to help alleviate the high caseload under
the ICWA unit under this supplemental appropriation, of which, three (3) positions are ready for advertisement, referral and selection of employees based on interviews.

5. For FY 2010 BIA 93-638, ICWA Unit, the budget is in the amount of $769,252.00, which consists of budgeting for 15 permanent positions and funds for program operations. The ICWA Unit currently has one (1) vacant position, which is pending reclassification with NNDPM.

6. The program in coordination with the NNOMB and the BIA NRO completed the FY 2012 BIA 93-638 ICWA budget request at a meeting held on February 11-12, 2010. The program participated and presented their FY 2012 budget request in the amount of $938,422.00, which is an increase from FY 2011. The justification for an increase in the budget amount is to hire an additional two (2) social workers that will help to alleviate the high caseload.

7. The program continued to maintain a government-to-government working relationship with the State of Arizona, Department of Economic Security (DES) and State of New Mexico, Children, Youth and Families (CYFD) by co-facilitating the quarterly Intergovernmental Agreement (IGA) meetings in the March.

8. The program held its annual Social Work Month recognition staff meeting. All program social workers were recognized for their hard work by providing them with embroidered computer bag and a luncheon.

**Arizona Parenting Skills Training Contract**

1. NCFS provided home-based parenting skills training (PST) services to 02 families during this quarter. Monthly reports were submitted to the contracting agency, Arizona Department of Economic Security.

2. A new Senior Social Worker was hired effective 03/15/10, services are being provided on a monthly. NCFS anticipates refunding of contract for FY10-FY11 through the State of Arizona.

**State of Arizona Public Safety Criminal Background Checks**

NCFS continues to process Criminal Background investigations for potential adoptive and foster parents under the contract with Arizona Department of Public Safety. The program has process a total of 119 fingerprinting cards for this quarter.

**Navajo School Clothing Program**

a. The NSCP has process eight (8) Emergency requests for clothing assistance as of 3/18.

b. The NSCP has packaged over 23,040 (not including add-ons and exchanges) as of 3/18.

c. The NSCP’s Request for Proposal for SY’ 2010-11 was advertised. Deadline: March 19, 2010

**Navajo Treatment Center for Children & Their Families**

a. The Navajo Treatment Center for Children and Their Families (NTCCF) has provided 706 client contact hours and 1,471 client consultation hours.

b. NTCCF has six (06) Family Therapists to provide outpatient mental health therapeutic services. Four (04) of the Family Therapists are state licensed. Three (03) Family Therapists are not state licensed; Two (02) Family Therapists have a Masters in Social Work preparing for licensure examination to become independently state licensed; and one (01) Family Therapist has a Masters in Education.

c. Ms. Mary L. Begay, MSW, LCSW, Acting Clinical Director continues to provide clinical group supervision every first Monday of the month with the clinical staff. Clinical group supervision consists of administrative updates, clinic updates and case reviews.

d. Counseling sessions are offered to individuals, couples, groups, families and aftercare.

e. All sessions are offered at school, home and/or at program clinic(s).

f. The program welcomes Ms. Melantha Morgan, Office Specialist with the Crownpoint NTCCF Clinic. Ms. Morgan was permanently hired effective January 04, 2010.

g. The program has made a permanent selection for the Treatment Coordinator position. Interviews were held February 03, 2010 and the interview panel selected Ms. Darva V. Kinlicheenie for the position. Ms. Kinlicheenie has accepted the offer of employment and will begin employment with the program April 12, 2010.

h. Mary L. Begay, MSW, LCSW attended a meeting with Safe Schools Project in Flagstaff, Arizona regarding the Memorandum of Agreement terms and conditions on February 01, 2010.
i. NTCCF Administration and NTCCF Clinical Staff attended a 5-Year Plan (2010-2014) work session in Flagstaff, Arizona. Ms. Cora Maxx-Phillips, Mr. Thomas Cody, Ms. Michelle Jones, Ms. Brenda Tsosie, Mr. Travis Platero and Ms. Charlotte Franklin participated and attended the work session.

j. NTCCF Administration staff attended the Arizona Health Care Cost Containment Services 275 Claim Attachments training in Phoenix, Arizona on March 08, 2010. Training consisted of third party billing. Attendees were informed of what a 275 attachment consists of. Medical Record Identification. Identifying a PWK. Converting a file to an electronic file. Requirement and timelines for processing. Attachment process on line.

k. March 10, 2010 Mary L. Begay, MSW, LCSW, Clinical Director provided case reviews at the Dilkon NTCCF Clinic.

l. March 13, 2010 Mary L. Begay, MSW, LCSW, Clinical Director will provide case reviews at the Chinle NTCCF Clinic.

m. March 16, 2010 Mary L. Begay, MSW, LCSW, Clinical Director provided case reviews at the Tuba City NTCCF Clinic.

n. March 30, 2010 Mary L. Begay, MSW, LCSW, Clinical Director will provide case reviews at the Kayenta NTCCF Clinic.

o. Program has completed the 1st Quarter (October, November and December 2009) Methamphetamine and Suicide Prevention Initiative quarterly report.

Program for Self-Reliance
Only hard copy provided; no e-mail transmission.

Title XIX Long Term Care Services

a. Operation Snowfall – The Program assisted with the Navajo Nation State of Emergency, Operation Snowfall. ALTCS program assisted in contacting ALTCS members that were high risk and in remote locations. Information was provided to the Chapters regarding the elderly that were in need of services. ALTCS also assisted in providing meals for the Command Operation Center volunteers.

b. Donations – The Program has been working with the Regional Offices, local entities and individuals trying to distribute the donations of used clothing that were received in November 2009 from the Arizona Blue Sky Flyers.

638 Contract Administration

Continued performance of ‘638 social services contract with no break in the social services delivery system. The 5-year ‘638 contract began January 1, 2006 and ends December 31, 2010.

b. Six additional students as referred from Navajo social services graduated from the pipe fitters / plumbers training. This is an achievement for the students.

c. A training was completed and will continue to occur on a revised reporting format of services rendered. This is critical information for the funding agency and for funding distribution purposes as being made in Washington D.C.

d. The ‘638 department successfully presented the “NDSS Professional Standards and Ethics” which basically reflects a social work protocol. The book was accepted and passed by the Health and Social Services Committee.

e. The ‘638 department director successfully co-chaired the Tribal/BIA Welfare Assistance Advisory Workgroup wherein steps were taken by the workgroup to change the perception of “welfare assistance” in Indian Country.

f. The ‘638 department developed an Annual Plan for CY 2010 for the ‘638 social services contract wherein specific program activities were listed with timelines for them to be completed and identifying workgroup members.

Chinle Regional Office
None reported.

Eastern Navajo Regional Office
The Division of Social Services continues to provide services and assistance to the Native American population and to various resources/vendors within the Eastern Navajo Region. Each Unit contributes by
maintaining/managing court hearings, case assignments, on call obligations, various meetings, daily intakes, protective services, transportation services, home maker services, financial assistance services and administrative services.

The DSS/ENRO began assisting with the Operation Snow Melt on January 27, 2010. During this time a total of 41 homes were visited and assisted with making roads passable, wood chopping, clearing of snow from front of homes and clearing a pathway to outhouses. The areas visited were Upper Chilchita, Pinehaven, Breadsprings, Manuelito, and Alamo. Program staff also assisted some chapters (Red Rock and Manuelito) with unloading of hay, coal, wood, and water.

The Family Financial Assistance Unit (FFAU) is still in the process of accepting and processing LIHEAP applications for assistance. To date, FFAU has expended approximately 50% of the allocated for heating assistance. LIHEAP staff has conducted presentations and application drives at the following chapters: Baca-Prewitt, Casmero Lake, Churchrock, Little Water, Mariano Lake, Pindale, Thoreau, Smith Lake, Standing Rock, and Whiterock.

The FFAU/Community Services Block Grant program is continuing to accept and process applications for individual and family basic needs and has expended approximately 54% of the allocated funding for CSBG. The FFAU/General Assistance program is also continuing to assist individuals with their basic needs (food, shelter and clothing). Staff are encouraged to seek and identify resources available to help clients become self-sufficient. Several in-house trainings have been held to improve ISP/Case Development. Sessions have also been held for the review of the 25 C.F.R. and the NDSS Case Management Protocol.

During this quarter, each DSS Unit has conducted monthly staff meetings to provide updates, training and address any concerns. Other resources such as the Social Security Administration, HELP-NM and Job Corps were invited to these meetings to provide information to the staff which helps to better serve our clientele.

**Fort Defiance Regional Office**

**Ft. Defiance Regional Administration:**

- January 26, 2010 Managers meeting at Karigan Day Care conference room with all of program managers.
- February 9 -12, 2010 Managers training/meeting in Albuquerque, NM.
- February 16, 2010 meeting with Navajo County, Dilkon NTUA, Dilkon Chapter, and Marie Keyonnie, ASO-‘638 Program re: problem with water line.
- March 5, 2010 Managers meeting at Karigan with program managers.
- March 9-10, 2010 HSS Committee meeting: presented on transition of Southwest and Fort Defiance. Committee approved new organizational chart and plan.
- March 18, 2010: was scheduled to be at CYFD training in Farmington, but directed to go to Camp Verde 3/18-19 for Family Act Review.
- March 23, 2010: met with Human Resource Director, Bernadette Bernally and Human Resource Analysis, Alberta Avery re: Layoff issues, with the transition of Fort Defiance and Southwest there were some layoffs, but we were able to place staff in vacant positions. There was one lay off. Mrs. Bernally will ensure that all of the applications that go to Personnel Office will be assessed and returned in a timely matter to alleviate possible layoffs.
- March 24-25, 2010: sent six (6) temporary LIHEAP workers, three (3) Office Specialist, two (2) permanent LIHEAP employees, and two (2) General Assistance employees to the Block Grants & Special Projects orientation on FY2010 Low Income Home Energy Assistance Program in Gallup, New Mexico

**Adult In-Home Care Program:**

- Staff provided in-home care services to their clients in their assigned communities. Services included housekeeping and personal care services in the home to enhance their quality of life that the individuals are not able to perform. Other responsibilities also included responding to referrals and completing intake documents, recertifying clients and attending meetings. Service providers also completed applications for assistance for their assigned clients.

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**Ft. Defiance Arizona Long Term Care Services:**
- The Ft. Defiance ALTCS invites resources such as Home Health Agencies and Community Representative during staff meetings, an on-going dialogue with Agencies to resolve any issues or concerns surrounding our member’s services.
- Few members received donated items such as clothing, blankets and food. Members are appreciative of these items.
- Case Managers assisted many members received home modification with walk in showers, grab bars in bathroom, and wheel chair ramps with safety rails through doctor’s referral and prescription.
- The Case Management Specialists continues on daily basis making home visit to conduct periodic case reviews to ensure that member continue to receive attendant/personal care by caregiver; and continuously monitor member’s safety and that they receive quality care.
- ALTCS staffs were unable to reach as many members in their community due to heavy snow and mud for case reviews. However, some case reviews were done via telephone but CMS still needs to make home visits to these members.

**Ft. Defiance Family Services Unit:**

**638 Administration**
- On March 16th, 2010 FD DSS staff attended the Social Work Activity and Luncheon at Gallup Inn in Gallup, NM
- Ms. Lucinda Morris, Regional Director, returned full time to her position.
- Continued attending Program Manager’s meeting and discussed budgets, lay off, and other office duties.
- Ms. JoAnne Shirleson, Case Management Specialist, retired on December 31st, 2009.
- PSW submitted monthly statistical reports to Lucinda Morris, RD and she provided overall copies for our files.
- Marcella Begay, CM has been on emergency leave for several weeks.
- PSW continues to supervise 1 Case Management Specialist: MB. She continues to follow DSS protocol and CMS standards & procedures. Re-certifications of cases are completed on timely basis. Intake and placements are completed by both workers.
- PSW continues to conducted staff meetings and case staffing. The cases are being transferred to case managers.
- RDO, PSW, DSS Central staff and various resources staff met with Window Rock Police Department, Family Court staff attorney and DOJ staff regarding court documents not being served to the respondent.
- On February 10th and 11th, 2010 All the Program Managers attended training with NDLR, DOJ staff regards to disciplinary actions procedures and grievance hearings in Albuquerque, N.M.
- On February 18th, FD, Ganado, Dilkon staff attended Social Work Connection training on STATS and other activities at BIA Conference Room.
- PSW, RDO, and Marlene VanWinkle met with Cora Maxx-Phillips and Virgil Pablo regards to establish a temporary CM to oversee Nursery and Group Homes clients.
- On March 8th and 9th Susie Wauneka, Quality Assurance staff conducted case audits.
- On January 13th, 2010 Program Managers attended 638 Meeting in Gallup, NM.

**Welfare Assistance**
- Business as usual where one staff, Case Management Specialist continues to provide case management services, Services to the court ordered home studies and hard to place children. The court ordered home studies continue to be referred to our office, often with only a month to complete them, leaving the Case Management Specialist overwhelmed, since she also has to carry child welfare cases.
- Case Management Specialist successfully completed three (3) Court ordered home studies. Received positive feedback from the Judges regarding the home studies. The home studies are complex and time consuming, often requiring extensive traveling. Have had to request for continuance with the court due to limited time to conduct the home studies. CMS has been very busy.
• PSW held bi-weekly case staffing with Permanency Worker.
• The Foster Care position vacant, however it was on hold due to budget cuts and layoff status.

Title XX (Arizona and New Mexico)

• FSU continues to provide CPS services by two staff. CPS responding to only P1 and P2 due to increased number of Intakes/reporting.
• PSW and CPS staff continues to attend the MDT and CPT meetings.
• PSW Co-Chairs both the MD& CPT meetings. FSU is still unable to get Cooperation from Criminal Investigation Section regarding Child Abuse investigation, their input is needed at the meetings.
• PSW continues to provide on-going staff meetings and case staffing.
• PSW and CPS staff in process of setting orientation training to NNPD (Police Officers). Training will include CPS roles and responsibilities, detainment process, etc.
• APS worker, Juanita Williams, currently carrying a case load of twenty eight (28) cases. She continues to work with various resources.
• APS worker continues to attend Elderly Task Force Meeting each Monday morning with Ft. Defiance PHS Social Services staff and various resources.

Victim Witness Program:
• Nia Francisco, Domestic Violence Community Worker, conducted presentation for Crystal, Hunters Point and Wide Ruins Boarding Schools. Presentation was on child/elder abuse and neglect and its reporting laws, also on unsafe and safe touching.
• Victim Witness Advocate continues to work closely with CPS and APS. Victim Witness files all TRO’s and provides follow-up.
• The month of April is recognized as “Child Abuse Prevention” month. Ms. Nia Francisco is setting up set up activities such as, walk, workshops, prayer, information booths, and candle light vigils with various resources. FDFSU had a good response from the community.
• Nia and Marlene provided parenting classes to Window Rock School District parents and staff.
• Ms. Althea James and Nia Francisco attended the Sexual Assault Training from March 9th and 10th in Albuquerque, NM.
• Ms. Althea James continues to attend case staffing and assist workers to conduct home visits with CPS and APS workers.

Promoting Safe and Stable Families
• On 02/25/10, PSSF Senior Social Worker received a promotion. PSSF worker position changed to Principal Social Worker.
• On 01/12/10, PSSF worker began the NASW/NHNU meetings. PSSF worker is the Co-Chair to NHNU. Meeting was held in Ganado, AZ.
• PSSF PSW continues to provide on-going training to FSU staff on PSSF protocol.
• PSSF PSW continues to attend MDT meetings, participates in case discussions, provides recommendation and advocates for PSSF referrals.
• On 01/26/10, PSSF PSW participated in meeting with Executive Director, Cora Maxx-Philips re: AIHC CMS position. PSW advocated for temporary worker to assist with AIHC cases. Request was approved pending transfer of 638 carry over funds from 2009. To date, temporary position not filled.
• PSW continues to schedule case staffing with CMS when necessary.
• PSW has eight (8) active cases with Family Preservation & Family Support Services
• PSW continues to receive referrals with six (6) pending referrals.
• PSW provides Family Preservation services after working hours.
• PSW continues to case staff new referrals and participate in family case staffing on behalf of active PSSF cases.
• Throughout the months of January and February, PSSF PSW provided NHNU meetings.
• PSW participates in all staff meetings and other administrative meeting as necessary. On 02/09/10-02/11/10 PSSF PSW participated in supervisor’s training in Albuquerque, NM.
• On 02/18/10, PSSF worker participated in the Social Work Connection Meeting in Fort Defiance, AZ.
• On 02/23/10, provided parenting training part I to parents of Tse Ho Tso Elementary School.
• PSSF worker selected by Central staff to participate in the Navajo Nation Child Welfare Implementation Project. First meeting held in Phoenix, AZ on 02/23/10-02/25/10.
• On 03/02/10, PSSF PSW completed parenting training part II to parents of Tse Ho Tso Elementary School. Parents appreciative for the training.

• On 03/10/10, PSSF PSW participated in conference call with Navajo Nation Child Welfare Implementation Project team. Reviewed meeting from 02/23/10 and scheduled next meeting time and location.

• On 03/16/10, PSSF PSW held the NASW/NHNU luncheon with the assistance of Marie Jim and FD Regional Administrative staff. Luncheon was a success and received many positive feedback on the luncheon, especially feedback on the guest speakers.

    Fort Defiance & Dilkon Financial Assistance Unit (FAU)

    General Assistance:
    This quarter General Assistance is under the Regional Director.
    Miscellaneous Assistance
    BURNOUT: There was no request made for burnout assistance this quarter.

    Low Income Home Energy Assistance
    • LIHEAP/CSBG scheduled a two-day orientation on FY2010 LIHEAP/CSBG model plan for temporary employees hired March, 24 -25, 2010.
    • CSBG. Services are being provided as prescribed. There are no issues disrupting service delivery.

    Ganado Family Services Unit:
    • Ganado Family Services Unit (GFSU) continues to coordinate with local government agencies on the welfare of children referred to MDT. Navajo Nation and federal law enforcement and U. S. attorney's office are also a part of the MDT.
    • GFSU has also begun coordinating with the Sage Memorial Hospital to implement a Sexual Assault Response Team (SART). Division of Social Services is usually one of the first responders in a sexual abuse case.
    • Coordination of services for our clients is also on going through referrals, case staffing, and prevention education.
    • GFSU staff participated in the emergency management assistance to community members. Clients called into our office and we were able to connect them so they could be assisted. Workers also communicated with command post when there were barriers to obtaining the assistance. Worker’s assisted the chapter in readiness, reporting, and had a successful outcome.

    638/SCCS:
    • Safety of children has been a concern to our workers due to prosecutor’s refusing to file, however, since Bernadine Martin became the Chief Prosecutor, there have been more court intervention to ensure safety of children.
    • GFSU has coordinated some staff development and cross training with other local resources.
    • Supervisor attended and received certificate of training for Navajo Preference in Employment Act. Understanding the act will assist me in maintaining quality supervision to subordinates. Also, received training from Department of Justice to correctly file disciplinary actions.
    • Principal Social Worker coordinated the Social Work Connection and presentations provided to staff on cultural awareness, maintaining positive health, and reporting correct statistics.
    • Principal Social Worker coordinated the Social Work Month activity with the PSSF PSW. The presentations helped the workers to learn about placing children in foster care and the impact of foster care. Also, workers learned stress management, and were appreciated by the speakers. National Association of Social Workers information was also presented so workers have an insight into ways the can influence change and positive outcomes for clients.

    Shandiiin Home for Youth:
    • Shandiiin Youth Home provided shelter, care, recreational activities, transportation, counseling, guidance, supervision and referral services to the female adolescents placed with the Youth Home Program. One adolescent received mental health services with Mental Health, Fort Defiance Indian Hospital.
    • Seven youths received services during the month of February 2010. Placement was at 03 as of February 28, 2009. Four youths were discharged from the Program in February.
      1. Long term/Short term placements (February): 03
      2. Emergency placements: 04

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Dilkon Family Service Unit
- Attended and participated in one Adoption Policy Revision Meeting in Window Rock, AZ.
- Attended and participated in three Program managers meetings.
- Facilitated 3 Dilkon FSU staff meetings.
- Attended and participated in 1-638 meeting.
- Attended and participated in 2 “Violence against Family Act” review team meetings in Flagstaff, AZ and Camp Verde, AZ.
- Attended an Arizona IGA meeting in Flagstaff, AZ.
- The FSU-PSW facilitated a meeting with local leaders on the Dilkon Modular building sewer and mud problems. Navajo Co. utility workers attended and they were selected to assess the sewer line for the back-up problems. Navajo Co. workers cleaned out the system and it appears to have corrected the problem. No sewer problem reported since the clean out.
- The FSU supervisor attended and participated in management trainings in Albuquerque, NM.

Intake & Protective Services
- The cases continue to be COSM compliant with ongoing case reviews by the supervisor.
- There is one TXX Protective Services Worker: Sr. Social Worker (Sr. SW).
- There is currently no DEPP worker for the Dilkon FSU office. This position was funded with General Funds and it was abolished when the SWRO Administration was abolished, as the administration was also funded with General funds. The TXX PS worker has been responding to Elder referrals, however, these referrals are sent to the Ft. Defiance FSU office for DEPP assignment.
- The PSSF Sr. SW was the primary intake person for the quarter with assistance from the 638-Case Managers, and on occasion the Family Violence Staff.
- The Protective Services Sr SW attended a Navajo/Hopi Unit NASW event/training in Gallup, NM.
- 121-intakes were completed and 4 court ordered home studies.

Case Management Services
- There are currently two 638 Program Case Management Specialist (CMS) with one primarily working on adult cases and the other working with children and adult cases.
- The cases continue to be COSM compliant with ongoing case reviews by the supervisor.
- The two CMS attended 3 Dilkon FSU Staff meetings.

Specialty Services
- There are currently five specialty workers: The PSSF Sr. SW, the Family Violence Victim Witness Advocate and the Community Involvement Specialist, and 2-638-AIHCS Home Care Workers.
- One specialty worker, AIHC-worker, attended the Navajo/Hopi Nations Unit NASW event/training in Gallup, NM.
- The specialty workers attended in participated in 3 FSU staff meetings.
- The PSSF Sr. SW currently has a case load and has been primarily doing intakes for the FSU.
- The Family Violence Community Involvement Specialist reported to have provided teen dating violence classes and domestic violence classes to a couple of schools in the community. CIS also reported completing a presentation to the White Cone Chapter Community at a Chapter meeting.

Financial Services Unit
- The Sr CW attended a 638 meeting in Gallup, NM.
- Three LIHEAP temporary positions were filled: office assistance, case worker, and a carpenter. The carpenter has vacated his position as of March 5, 2010.

Dilkon Arizona Long Term Care Services:
- The referral received are 3 (ALTCS) for this quarterly.
- This supervisor conducted audit on several difference service unit this Quarter: ALTCS 20.
- The supervisor conducted 0 employee appraisals for this quarter.
- The ALTCS programs all position are currently filled. The ALTCS Case Management has 4 positions and all are filled at this time employees.
- The ALTCS program currently employed a temporary Office Specialist for three months.
- The ALTCS Case Manager had one Staff meeting on January 28, 2010.
• The ALTCS Supervisor and ALTCS staff will be attending the quarterly Case Manager Meeting in Phoenix, AZ on April 29, 2010.

Shiprock Regional Office
No report.

Western Navajo Regional Office
Administration
a. January 5, 2010: Regional Director provided orientation on LIHEAP and CSBG intake process for Dine Forgotten People (DFP) organization and Dine Home Owners Association, Inc. (DHOA). Apparently, requests have been directed to NDSS Executive Director requesting that these organizations be allowed to perform intake for their community members. DFP workers completed some applications, but were incomplete and created double work for our employees. DHOA decided to go through another orientation before they start taking applications, which is a good idea.

b. January 7, 2010: Regional Director attended Ft. Defiance Regional Office supervisors meeting since NDSS reorganization was on the agenda to continue to discuss transition plan for some staff to be moving back to Leupp Sub-office effective February 1, 2010. The Sub-office lease agreement is still going through SAS process; however, Leupp Chapter is allowing staff to start moving their furniture and equipment in. Staff are expected to be completely situated by end of February 2010.

c. January 12, 2010: Regional Director and Accountant attended the quarterly financial review meeting in Window Rock. Overall, we have return some money back to funding sources again. The NN President’s Office, H/SSC committee and the NN Council do not want to hear programs returning funds back to funding sources. We have to do a better job of tracking monthly balances and make necessary adjustments to expand all funds this year. Returning funds is impacting our funds allocations.

d. January 13, 2010: Regional Director and GA staff attended and participated in the ‘638 Programs Meeting in Gallup, NM. In addition to update reports, we had work session on the use of Individual Self-Sufficiency Plan or Individual Services Plan (ISP) that currently being used and we also reviewed the BIA ISP. The group decided to field-test the BIA ISP and that Mr. Virgil Pablo, Director, ‘638 Contracts Dept., will be issuing memorandum authority field-testing.

e. January 22, 2010: The NN President in collaboration with NN Emergency Management Office declared State of Emergency for Navajo Nation. Since then, we have had numerous meetings including one on January 25, 2010, in Window Rock with management team. We were directed to work with our local Incident Command Post (ICP) Commanders and offer assistances with what resources we have. For WNRO, we have three ICPs we are working with; namely, Tuba City, Kayenta and Dilkon which covers Leupp, Tolani Lake and Birdsprings Chapters. NDSS staff have been assisting with clerical help at the ICP Center in Tuba City and the use of Tribal vehicles in transporting wood/coal, food items, clothing, blankets, and hay to drop off point at Chapters. We will continue to be on stand-by even though snow are beginning to melt in most areas; it is anticipated that hardship might continue for some families due to muddy conditions.

f. During the month of February 2010, NDSS/WNRO staff continues to be on stand-by for emergency operation, especially the first two (2) weeks of the month. The emergency operation has been scaled down drastically since then, but the State of Emergency on the Navajo Nation has not been lifted officially. NDSS/WNRO provided assistance by hauling food items, water, blankets, wood/coal and hay to chapter drop-off points and to residences.

g. February 10, 2010: Regional Director and Caseworker Supervisor attended and participated in the ‘638 Programs Meeting in Window Rock. Update report provided by ‘638 Contract Administration Dept. Director, reports from work group chairperson, and we discussed and reviewed the CY-2010 annual plan and assign work groups.
h. **February 17, 2010:** WNRO Supervisors Meeting. Regional Director provided update report from various meetings locally and at Window Rock level are shared with supervisors, reports provided by supervisors. Supervisors at times bring out issues and concerns relative to WNRO operations, we discuss and formulate corrective action plan or that assignments are made.

i. **February 24-26, 2010:** Susie Wauneka, MSW, QA Specialist, reviewed cases and concluded with exit conference. She pointed out current status of case files, her findings and areas of needing improvements. Her plans are to come up with some recommendations on case file set up and forms and identify training needs. These recommendations will be based on her review of cases at all regional offices.

j. **February 25, 2010:** Regional Director met with Ft. Defiance Regional Director and Eastern Navajo Regional Director in Gallup, New Mexico, to review and finalize the NDSS re-organization and transition plan. We are on the Heath & Social Services Committee agenda for presentation on Tuesday, March 9, 2010, at 9:00 AM. Meeting is at Tohatchi Health Clinic, Tohatchi, New Mexico.

### SERVICE DELIVERY:

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### IV. STATUS OF ON-GOING PROJECTS, INITIATIVES & COA'S

**Executive Administration / Accounting Section:**

The NNDSS Accounting Section continues to meet on a quarterly basis with the programs. The NNDSS streamlining of reviews and processes continue to move forward. The NNDSS continues to support attainment of new or renovation of buildings throughout. The NNDSS with NNDPS are meeting to establish combined efforts to ensure background checks and data input activities are shared.

**Block Grants & Special Projects:**

Efforts with Arizona Title TIV-E Initiative continues to have problems in communicating with the Arizona Children’s Information Library and Data Services (CHILDS). DSS MIS office is currently making efforts to put in new cables to upgrade the computer services in Tuba City office.

Issues with the Title IV-E Plan continues. A worksession has been set for March 31 through April 2 in Albuquerque, New Mexico for the CORE Group members to address the issues and concerns that have arise in the past several months.

The Project end date for the U.S. DOJ - Sexual Assault Project is March 31, 2010. Despite previous reports to not request for another extension, BGSP will be requesting for another no cost extension to end on December 31, 2010.

Statistics and financial reports for TXX (Arizona, New Mexico, Utah) will continue on a monthly basis.

The Wood/Coal Project initiative under LIHEAP will need to have an updated meeting with Chapter needs to be planned to try and get more chapter involve also at the same type invite private vendors to the meeting to work directly with the chapter or NDSS. Centralization of LIHEAP and completing Protocols and Plans continues to be worked on and will be presented to Executive office on the Pros and Cons of the initiative.
Under the CSBG Self-Sufficiency Plans: Negotiation need to be started with local colleges on training and certifications for our clients that are requesting for assistance in work and education related.

CSBG AARA: Negotiation with local chapter, colleges and other departments that can provide training and on the job training assistance to clients that either lost their job and needs to obtain a job.

The Block Grants and Special Projects Department will continue to have staff available to provide technical assistance and support in the areas of Title IV-B Subparts 1 and 2, Title XX (Utah, New Mexico and Arizona), Family Violence Prevention Services Act, LIHEAP and CSBG to the NDSS Departments and Regional Offices in the following areas: Personnel, Procurement, Administrative, and fiscal. And Continue to provide technical assistance and support to Sub-contractors: i.e. orientation on Invoice Payment, Monthly Reports and relevant Contractual issues/concerns in the areas of Family Violence Prevention Services Act and Sexual Assault Initiatives.

In addition, monitor all contracts activities under BGSP for compliance in accordance with all Assurances, terms of contract, all applicable Federal and State regulations and the Corrective Action Plans.

Review and complete outstanding fiscal and programmatic reports for the Title IV-B (Subparts 1 & 2) FVPSA, Title XX (Arizona, New Mexico, and Utah) LIHEAP, CSBG funded programs and Sexual Assault Initiatives. Reports are provided and submitted on annual basis to the U.S. Dept. of Health & Human Services and the U.S. Dept. of Justice.

BGSP will continue to submit monthly statistical and fiscal reports to the State of Arizona for reimbursements for Title XX Contracts (Arizona, New Mexico, Utah); enhance coordination and communication for efficient services to children and families. Began developing information to incorporate into the Family & Domestic Violence initiative in preparation for the New Year.

Ombudsman continues to visit nursing home facilities and assisted living homes to advocate for the residents’ rights and wishes.

Statistics will be reported on long term care facilities with the state of Arizona. Minor complaints are received but referred to the New Mexico and Arizona regional Ombudsman and have them take the lead in investigating the complaints. The monthly facility and data collection form will be forward to Arizona Department of Economic Security, Aging and Adult Administration office.

BGSP will seek other potential funding sources that will enhance and expand our existing services under the Division of Social Services.

The Wood and Coal Project Initiative have been reassigned to the Regional Offices and the proposals that are being submitted to BGSP are forward to the Regional Offices. The Regions were informed that they will handle all negotiations with the chapter that are interested in the vending project.

**Child Care & Development Fund**
None provided.

**Developmental Disabilities**
None provided.

**Dine for Our Children**
The Kayenta DOC/C2HC Liaison and SWI Manager have worked to identify ways in which C2HC could be integrated within an existing Kayenta 501C3. The individuals attending the meeting discussed this issue and identified the need to organize a Navajo Nation Non-Profit organization in Kayenta.

The Fort Defiance DOC Team would like to start Connect to Help Circle in their community.
MIS

a. Continue working on Title IV-E, ICWA case management initiatives.
b. Continue working on office restructure of cubical and CAT 6, phone and power responsibilities of communication and power needs of the central executive office.
c. Continuing ongoing project for installation of APC UPS Infrastructure, with new FY 2010 funds.
d. Installation of Barracuda web filter and SPAM filter on the external network.
e. Continue working with Title IV-E initiatives with national recourse centers, other tribes and federal government entities.
f. Working with the 638 Statistical work group on developing and collecting better data for statistical reports.
g. Continuing work with Program for Self Reliance’s (PSR) consultant (Ardham Technology Inc.) regarding a central switch migration and installation at the Shiprock, NM location. PSR has asked for help with project management since there is no lead on such project ventures.

Navajo Children and Family Services
1. The program will continue to work with Institute for Dine Culture and Philosophy in completing the contract goals and objectives. The contractor is about 90% complete with the parenting curriculum.
2. For 93-638, ICWA contract for FY 2013, the program will continue to work with NN OMB and the BIA, Navajo Regional Office in submittal of the program’s FY2013 budget request and justification. An orientation has been scheduled on April 01, 2010 at the Gallup Inn, which will be hosted by the Navajo Nation Washington Office.
3. The program continued to coordinate with the Department of Information Technology (DIT) on developing and implementing the program’s website.

Navajo School Clothing Program
1. The NSCP continues to seek a permanent site for office space and warehouse facility.
2. The NSCP is sharing its storage facility located near Fleet Management office, with Title XIX; office will be vacating by 3/31 – NSCP will be transferring and storing office supplies, equipment, and clothing items from the Gorman Hall.
3. The NSCP continues to collaborate and network with the DSS’ MIS Department in seeking a more efficient database system to utilize.
4. The NSCP’s Bid Opening is scheduled for Tuesday, March 23, 2010.
5. The NSCP will finish packaging the week of 3/29.
6. The NSCP’s final inventory to begin the week of 3/29.
7. The NSCP’s Packaging & Storage Facility at Gorman Hall will close by 4/9.

Navajo Treatment Center for Children & Their Families
a. Program continues to provide quality psychotherapy, child advocacy and community prevention education to Navajo children and their families
b. Participate in the Navajo Division of Social Services (DSS) Management meetings.
c. Program continues to schedule staff meetings to ensure communication regarding program updates, schedules and patient services.
d. Program continues to maintain partnership with other resources to exchange program information and extend services for collaborative treatment with patients.
e. Program continues to work closely with clinical providers in obtaining and maintaining their state licensure.
f. Program is in the drafting phase of developing a Memorandum of Agreement with Navajo Peacemaking and Safe Schools Project (Borrego Pass Day School, Chilchinbeto, Community School, Little Singer Community School, Shonto Preparatory School, Shonto Preparatory Technology High School and The Star School) whereby the program will provide outpatient therapeutic services. The program is pending a response regarding the fee for services. The next meeting is scheduled for April 15, 2010.
g. Program is pending the 1st and 2nd quarter funding of the Methamphetamine and Suicide Prevention Initiatives grant.

h. Program is in the process of finalizing the NTCCF Clinical Policy and Procedures Manual in accordance to HIPAA standards.

i. March 18, 2010, Ms. Mary L. Begay, MSW, LCSW, Acting Clinical Director and Ms. RaNaye M. Badonie, ASO met with Ms. Michelle Jones, Senior Program and Projects Specialist with the Block Grants and Special Projects for technical assistance with the Methamphetamine and Suicide Prevention Initiative.

Program for Self-Reliance
Only hard copy provided, no e-mail transmission.

Title XIX Long Term Care Services

a. ALTCS Enrollment Statistics: The current enrollment for the ALTCS Program is as follows. The ALTCS program has 1,127 members receiving Home and Community Based Services and 274 were in a residential facility for a total case count of 1,401.

b. Office Space: The ALTCS Program continues to work on the purchase of modular buildings for the Regional ALTCS Staff. Buildings will be purchased for Ft. Defiance, Chinle and Tuba City and Dilkon ALTCS Programs. A budget had been developed and funds have been transferred into a specific account to be used for the purchase, infrastructure and set up of the buildings.

b. Hoosh Dooh Di To Incorporated (HDDTI): The ALTCS office continues to work with the HDDTI in completing the construction of the Elderly Group Home in Whippoorwill, Arizona. DSS continues to work with the facility to ensure they meet all standards to ensure the waiver of licensure. This will ensure the collection of third party reimbursements from the Arizona Health Care Cost Containment System.

c. Navajo Nation Long Term Care Advisory Council: The ALTCS program continues to assist Division of Health with the development of the Division of Elderly Services. The Council was meeting on a monthly basis however, meetings are not happening as frequent due to the retirement of key staff.

638 Contract Administration

a. Plans for orientation and training of GA Caseworkers and GA Supervisors will continue regarding the collaboration and coordination of GA and Navajo Department of Workforce Development programs.

b. The ‘638 department continues to work with the MIS department and/or Department of Information Technology to develop an on-line invoicing system for vendor reimbursements.

c. The ‘638 department continues to have monthly ‘638 meetings in order to clarify issues in the ‘638 social services manual and where questions were brought forward on service delivery.

d. Plans are on the drawing board to go through another training phase of the ‘638 social services programs manual.

e. The ‘638 department plans to host a ‘638 “seminar” this year, similar to one that occurred in November 2007. BIA has committed to allot some federal funds for this seminar.

f. The ‘638 department director plans to visit all the regions again to re-re-orientate ‘638 staff on various topics related to the scope of the ‘638 social services contract.

Chinle Regional Office
None provided.

Eastern Navajo Regional Office
Recruitment is on-going to fill eleven (11) key vacant positions within the Eastern Region. These include: Sr. Information Systems Technician (SIST), three Sr. Social Worker (SSW), Principal Social Service Representative (PSSR), Victim & Witness Advocate (VWA), Sr. Social Service Representative (SSSR), and three Sr. Case Workers for the FFAU program.
The Family Violence Prevention program is continuing to promote and enhance community public awareness and prevention of family violence on Navajo children and families through community outreach and education activities at local communities, schools, and other special activities and campaigns. This quarter (9) presentations were given at chapter health fairs and school prevention awareness activities. The Community Involvement Specialist has been assisting with transporting of children for the Family Services Unit and assisting with presentations at the TIV-B/PSSF Parenting Skills Classes.

In January 2010, the Youth Home was changed to an emergency shelter due to the retirement of five key staff at the end of December 2009. Due to limited funding for Fiscal Year 2010, it became necessary to House Parent positions are pending re-classification to Youth Home Parent and the Program Supervisor II is pending re-classification to Principal Social Worker.

The Adult In-Home Care (638) Program provided monthly services to an average of 81 clients per month and received (18) new referrals this quarter.

The Family Financial Assistance Unit Low Income Home Energy Assistance Program (LIHEAP) received its funding in early December 2009. They started assisting families with wood, coal and propane for the winter months. This quarter a total of 643 individuals have been assisted with wood/coal; propane; electric payment assistance; and natural gas assistance.

Fort Defiance Regional Office
Ft. Defiance Regional Administration:
- To increase staff morale, cook-out luncheon is scheduled on monthly basis.
- On-going Social Work Connection meeting where resources such as DBHS, Veterans Office, etc. provides information on programs. With on-going meetings, we hope to improve coordination of services for clients and other programs.
- FSU continues to participate in the Criminal Justice Meeting to discuss concerns and improve our working relationship with the Prosecutor’s Office and Courts.

Adult In-Home Care Program
- There are no pending on-going projects, initiatives or COA’s with the Adult In-Home Care Program.

Ft. Defiance Family Service Unit
- To increase staff morale, cook-out luncheon is scheduled on monthly basis.
- On-going Social Work Connection meeting where resources such as DBHS, Veterans Office, etc. provides information on programs. With on-going meetings, we hope to improve coordination of services for clients and other programs.
- FSU continues to participate in the Criminal Justice Meeting to discuss concerns and improve our working relationship with the Prosecutor’s Office and Courts.

Ft. Defiance Arizona Long Term Care Program:
- On going case reviews and home visits within few distances this past two months due to weather condition that brought on heavy snow and much.
- Some of the case reviews conducted over the telephone to update and make services current. ALTCS staff will conduct home visits to complete these case reviews.
- Our office changed the staff meeting on a monthly basis, and case staffing as needed.

Dilkon Family Service Unit
Workers Transferred to Leupp FSU:
- All transfers/workers identified to transfer to the Tuba City Region were completed on February 1, 2010 with a TXX CPS worker, a SCCS worker-permanency worker, a 638 case manager, and a 638-financial worker. The FSU PSW, a SCCS-foster care worker, an AIHC-worker, and an intake worker completed their transfers earlier in January 2010. All personnel and equipment have been transferred and only the administrative official transfers of budgets and final memorandums need to be completed by Regional administration and central administration involved in the process. A total of 8-workers transferred to the Tuba City Region/Leupp FSU.

Intake and Protective Services, Specialty Services and 638-Case Management Services:
- COSM compliance is continually addressed daily to ensure that consumers receive quality services and that staff continually strive to remain in compliance. Staff is continually recommended for various trainings to improve their overall knowledge base in their scope of work, working with the community, working with colleagues, and for overall self improvement.
Two-CPS workers, 4-638 Case Managers, PSSF-Sr. SW, 2-SCCS workers, and 2-AIHC workers participated in a winter emergency event to address stranded homebound community members. Workers were paired in twos and assigned to a chapter with a vehicle to provide emergency assistance: wood delivery, hay deliver, food delivery, home visits, community assessments, and command center food preparations and planning. The emergency assignments for all workers were for 4-days beginning on a Monday and ending on a Thursday. The chapters that received assistance were Greasewood, Jeddito, Whitecone, Indian Wells, Teesto, Dilkon, and some Leupp area communities.

Financial Services:

- LIHEAP workers have expedited the certification process for all applicants for the winter season applicants. AIHC worker and a case manager were assigned to help with the application process during the emergency declaration. The FSU PSW delegated Beatrice Salabye, Sr. CW, to help expedite the certification review process so that consumers are able to receive the help that they need immediately.

Dilkon Arizona Long Term Care Program:

- The supervisor plans to start a monthly training if time permits and seeking out other options for training space and training for the staff.

Fort Defiance & Dilkon Financial Assistance Unit (FAU)

General Assistance

- Attending Program Manager’s, staff and upcoming Conferences, training to improve our coordination of services for clients and other resources.

Miscellaneous Assistance

- Nothing is planned to initiate any changes in Miscellaneous Assistance for now.

Low Income Home Energy Assistance

- Plan to initiate LIHEAP drive to utilize all the funding that is allocated to the Region, with the assistance of the temporary workers the region should be able to achieve our goal.

Ganado Family Services Unit:

- Ganado Family Services Unit (GFSU) continues to coordinate with local government agencies on the welfare of children referred to MDT. Navajo Nation and federal law enforcement and U. S. attorney’s office are also a part of the MDT.
- GFSU has also begun coordinating with the Sage Memorial Hospital to implement a Sexual Assault Response Team (SART). Division of Social Services is usually one of the first responders in a sexual abuse case.
- Coordination of services for our clients is also on going through referrals, case staffing, and prevention education.
- GFSU staff participated in the emergency management assistance to community members. Clients called into our office and we were able to connect them so they could be assisted. Workers also communicated with command post when there were barriers to obtaining the assistance. Worker’s assisted the chapter in readiness, reporting, and had a successful outcome.

Family Violence Program:

- Noting is planned to initiate any changes in Family Violence Program for now.

Shandii Home for Youth:

- The Youth Home was granted NAHASDA funds for FY2001 and FY2002 for the pre-engineering and construction phase of a youth home facility. 78% of the pre-engineering phase is completed. Funding from both grant years were recaptured by the Navajo Housing Authority. The project has being undertaken by Ralph Atcitty, Planner, NDSS.

Shiprock Regional Office

A. Child Protection Team (CPT) met the second Wednesday in Shiprock and second Tuesday each month in Blanding, Utah. One CPS staff conducts the Shiprock CPT meetings. One CPS Staff member participates in the Utah meetings for cases that involve residents in Utah. Specific cases are reviewed at these meetings and assigned workers attend.

B. A staff member facilitates the monthly Foster Care Review Board meetings. Currently we have ten licensed foster homes and new applicants are in process of for certification. Foster home recruitment and retention is a continuous process at various meetings.

C. Adult Protective Services holds a monthly coordination of services and case staffing the second Tuesday each month with local services providers. Major issue continues to be adults who refuse services.
D. The Domestic Violence Prevention staff members continue to provide a monthly education for court ordered and volunteers who need training on symptoms of domestic violence.
E. Three staff members are assigned to participate in three ’638 Program improvement teams.
F. We initiated an affirmative collaboration with the Peacemaker Program as an alternative to the regular court processes. Referrals continue as each worker assesses each case.

Western Navajo Regional Office

a. WNRO continue to do intake for Citizen Energy Corporation (CEC) energy assistance program. Initial contract ended December 31, 2009; however, we are being told that contract has been extended to March 30, 2010. We need formal notification on the contract extension and modifications made for our use and information. We have received FY-2010 LIHEAP and CSBG allocations. Intake has been implemented.

b. Regional Director and representatives will continue to participate in the ’638 Contracts Administration Department meetings and work group meetings. To continue to participate in Arizona and Utah IGA meetings, Quarterly PSSF staff meetings, quarterly NDSS/Department of Workforce Development MOU meeting and other coordination meetings with various programs.

c. We (NDSS/WNRO staff) will continue to participate in emergency response team meetings and on stand-by within WNRO services area. The Incident Command Posts at Tuba City, Kayenta and Dilkon will eventually close, but the Emergency Command Office in Window Rock will continue and will be working directly with Chapters. We will be working and coordinating with local chapters.

d. We continue to do intake for LIHEAP assistances. We have received notification of carryover funds and budget will be submitted. We received words that the Citizen Energy Corporation (CEC) energy assistance program has been received, currently awaiting formal Notification to commence intake.

e. Regional Director and representatives will continue to participate in the ‘638 Contracts Administration Department meetings and work group meetings. To continue to participate in Arizona and Utah IGA meetings, Quarterly PSSF staff meetings, quarterly NDSS/Department of Workforce Development MOU meeting and other coordination meetings with various programs.

f. WNRO is still the pilot project site for implementation of Title IV-E. Currently, there has been some changes to key player positions; namely, we have new Judge and Prosecutor at the Tuba City District Court who are our collateral partners. On the NDSS side, we have new supervisory Principal Social Worker who is charged with supervising the Title IV-E implementation. There is some setback, but eventually, we get these people up to speed.

IV. STATUS OF ACTION PLAN (A, B and C lists)

Executive Administration / Accounting Section

The NNDSS continues its efforts to promote the seven plans established for all Programs.

Block Grants & Special Projects
Title IV-E Specialist priority will be devoted to the Title IV-E Development Grants and the Title IV-E Plan. When the development grant is approved more time will be provided to the goals and objective to prepare NNDSS readiness to implement the IV-E program.

Child Care & Development Fund
None provided.

Developmental Disabilities
Not applicable.
Dine for Our Children
This quarter there are no outstanding program issues to report.

MIS
None provided.

Navajo Children & Family Services
None provided.

Navajo School Clothing Program
No response provided.

Navajo Treatment Center for Children & Their Families
To be submitted by the Division.

Program for Self-Reliance
Only hard copies provided, no electronic transmission.

Title XIX Long Term Care Services
Not applicable.

638 Contract Administration
No response received.

Chinle Regional Office
None provided.

Eastern Navajo Regional Office
Not applicable.

Fort Defiance Regional Office
Fort Defiance Regional Administration:
- When approved move ALTCS & Financial Program into vacated BIA building.
- Plan for FY 2010 2nd Quarter staff meeting.
- Update all of Program Manager’s EPAF.
- Reconcile all of statistical data and reports.
- Continuous assessment on the Southwest Region transition into Ft. Defiance Region.

Adult In-Home Care Program:
- Continue to provide In-Home Care services to eligible individuals who are at risk of institutionalization due to economic, physical or psychosocial reasons. To keep the individuals in their own home, to increase or maintain self-sufficiency by teaching individual daily living skills. To enhance the quality of life to the individuals who are unable to perform essential activities of daily living.

Ft. Defiance Arizona Long Term Care Services:
- Our office allows new Home Care Agencies to do their Home Care Program presentation during our staff meeting. Home Care providers are invited if their client(s) need case staffing.
- Our office works closely with Ft. Defiance Indian Health Services for referrals on ALTCS members for home modification, walk in shower w/grab, and wheelchair. Case Manager implements doctor’s prescription, by sending out quotes to two or three vendors. Once quotes received, Case Manager sends these on to Phoenix State AHCCCS for approval.
- Attend AHCCCS quarterly meetings in Phoenix for updates, follow ups, and information that impacts members served.

Ft. Defiance Family Services Unit:
Regional Director to advocate for a Case Management Specialist position. The one Case Management Specialist, Jennifer Johnson, is overwhelmed with court ordered home studies, CHINS cases, and regular CWA cases.

Need to meet with Window Rock Family Court Judges about Court Order home study investigations that are being requested within one month and it is not enough time.

Need of an Intake Worker for the Ft Defiance Office.

One (1) tribal vehicle still in the shop due to bad weather and getting stuck in the mud.

Fort Defiance & Dilkon Financial Assistance Unit (FAU):

- To enhance the General Assistance and Community Service Block Grant consumers to pursue further education and trainings to become self-sufficient.
- To obtain employment future stability.

Ganado Family Services Unit:

- Nothing to report

Family Violence Program:

- Nothing to report

Shandiin Home for Youth:

- Continue to provide shelter, care, recreational activities, transportation, counseling, guidance, supervision and referral services to the female adolescents placed with the Youth Home Program.

Dilkon Family Service Unit

Dilkon Arizona Long Term Care Service:

- The Supervisor will continue to review/audit the ALTCS Unit to increase the ability of their skills to maintain their files and keep their appointments with their clientele.

Shiprock Regional Office

None provided.

Western Navajo Regional Office

None provided.

VI. OUTSTANDING PROGRAM ISSUES

Executive / Accounting Office

The NNDSS continue to support and promote direct services activities throughout.

Block Grants & Special Projects

The State of Utah continues to put a hold on the Title IVE Initiative Agreement due to the new Fostering Connections legislation.

Issues with IDC under the Controller’s Office has started to impact the SAS Process causing a lot of delays for most of the contracts. Several meetings have been held to address the IDC issue on at least three contracts. This hinders the SAS Process.

Late submittal of statistical and data reporting continues to be a problem for the TXX contracts. Reports are not received in timely manner and greatly endangers NDSS’s continued funding. Reports are submitted late to the funding agency.

The FVPSA regional employees have maintained a stable retention, except for the NDSS Eastern Victim Witness Advocate. It is understood that Ms. Caroline Charley was hired in January 2010 and resigned on March 12, 2010 after her short employment with Eastern regional office. The Contract Analyst had suggested to NDSS Administration to pull this funding from Eastern Region and meet with Family Harmony of Crownpoint, New Mexico which currently works with victims of domestic violence and the courts.

Child Care & Development Fund
No response submitted.

**Developmental Disabilities**
No response submitted.

**Dine for Our Children**
This quarter there are no outstanding program issues to report.

**MIS**
1. Working on MIS management and action plan, for 2010.
2. Working on MIS policy and procedures for the entire division.
3. The MIS department needs consultant funds to complete projects with its infrastructure rebuilding. Projects such as, the UPS installation which requires a professional electrician and technical cabling expertise. Installation of the Cisco Core 4510 and cabling for the central DSS office.
4. Budge FY 2010 has a permanent Principal Information Technician position budgeted for, but is awaiting approval to utilize those dollars.

**Navajo Children & Family Services**
Issues were previously mentioned in program reports and will not be reiterated at this time.

**Navajo School Clothing Program**
1. The need for a permanent office space and warehouse facility.
2. The need for a simpler data base system, for use in the office and warehouse.

**Navajo Treatment Center for Children & Their Families**
   a. Methamphetamine and Suicide Prevention Initiative grant has not been awarded to Navajo Treatment Center for Children and Their Families due to financial documentation process.

**Program for Self Reliance**
Only hard copy provided, no electronic transmission.

**Title XIX Long Term Care Services**
   a. **Navajo Nation Home Care Providers** – The ALTCS Program continues to work with Home Care Providers in providing quarterly meetings to disseminate information. Although we cannot solve all the problems, if we open up lines of communication and provide information, we are hopeful we can develop a better working relationship with them. The ALTCS program will be involved in Tribal Consultations with AHCCCS. We are hopeful the new requirements AHCCCS is proposing to impose with eliminate some of the problems with providers.

**638 Contract Administration**
   a. Implementing the COSM: regional offices are not consistent in implementing COSM.
   b. Continue to track the FY 2010 federal appropriations bill in Washington D. C. in the interest of welfare assistance funding. Accurate, reliable and timely reporting of statistical data from one or two regional offices impacts the timeliness of reporting to the funding agency.
   c. There continues to be a need for adequate office space for social services staff on the Navajo Nation.

**Chinle Regional Office**
None provided.

**Eastern Navajo Regional Office**
None provided.

**Fort Defiance Regional Office**
No response submitted.
Shiprock Regional Office
No response submitted.

Western Navajo Regional Office
We need to timely amend the Citizen Energy Corporation (CEC) contract. Payments directly to wood vendors is creating bottleneck in getting people timely assisted.

a. The FY-2010 Arizona Title XX Contract has been under discussions and reviews by Navajo DOJ and Arizona DES officials for several months. This means that the FY-2010 Arizona Title XX Contract is not officially approved and in place, even though, Office of the Controller has allowed NDSS to utilize funds only for personnel. The concern is that we have some lapse funds in Personnel Cost line item such as LOWP for employees and one (1) employee has been on medical leave. We have less than four (4) months of operation left in the contract year and that Financial Services Department cut-off dates are fast approaching and if we miss the timeline for budget transfer cut-off dates, we will end up with lapse that we can not recoup. We will end up returning funds to the State this year.

V. PROBLEMS & RECOMMENDATIONS

Executive Administration / Accounting Section
The NNDSS continues to receive many telephone calls from clients regarding their case determinations or receipt of their monthly assistance checks. Recommendation: Directors and Supervisors need to stress the importance of maintaining contact with their clients.

Block Grants and Special Projects
The BG & SP Department will continue to work with the Executive Office, 638’ Contract Administration, Management Information System (MIS) and other departments to resolve and streamline our activities.

BGSP recommends we need to continue to meet with NDSS/Central Office Dept. Directors and supervisors to address realigning and streamlining administration.

BGSP recommends that Central Accounting staff meet with Regional Accountants monthly to reconcile fiscal records/activities to ensure expenditures.

There continues to be delays in obtaining statistical data from certain NDSS regional offices. These delays cause inaccurate reporting to the state agency and federal.

Child Care & Development Fund
No response submitted.

Developmental Disabilities
No response submitted.

Dine for Our Children
No outstanding program issues to report.

MIS
d. Problem: 638 General Assistance payment process is in need of an over haul. Security measures are needed to better audit users & cases within the system. Flagging of outstanding cases is needed for supervisors and 638 executive office.

e. With the merge of Southwest and Fort Defiance and Luepp with Tuba City regional offices. Mirroring those merger changes within the databases also needs to happen, to properly oversee accounts and reports.

f. Decisions need to be finalized on the direction of the Title IV-E case management course, wither to go with an open source or off the shelf product. All avenues of either options need to be fully analyzed and reported on.

Recommended Resolution:
a. 638 has request for a 2 week development project to improve security and auditing features within the GA payment system. A consultant will be selected and hired to analyzed and develop enhancement within the system. 
b. The mirroring of the regional office change within the database systems will need to closely planned and carefully changed in a phased approach. MIS is currently looking at what changes need to be immediately and to fully test the changes after they are made. This will affect General Assistance, Foster Care, LIHEAP and School Clothing.

Navajo Children and Family Services
No finalized Indirect Cost (IDC) Rate, which creates problems with charging of IDC to program budgets. Programs end up losing/returning funding to funding source because Navajo Nation Office of Management and Budget (OMB) - Contract Accounting disallows transfers of anticipated savings under this line item. It is recommended that NN OMB address this internal issue and come up with solutions to alleviate this problem for program spending.

Navajo School Clothing Program
a. Problem: Continue to need a larger storage facility/warehouse nearby.
   Recommended Resolution: Continue to search for resources.
b. Problem: Continue to need a simpler data base system for the office and warehouse.
   Recommended Resolution: Continue to search for resources.

Navajo Treatment Center for Children & Their Families
NTCCF recommends program to remain centralized as specialized treatment of trauma and substance abuse

Program for Self-Reliance
Only hard copy provided, no electronic transmission.

638 Contract Administration
a. Funding of the welfare assistance component of the ‘638 social services contract continues to be an outstanding and important concern not only for Navajo but for Indian Country. Lobbying through the tribal representatives is necessary.
b. Reporting of statistical data to the funding agency is a significant and serious concern. The reporting is directly tied to the Division’s MIS department and there continues to be lapses in reporting that result in incomplete data reporting. The program had to resort to manual reporting which should not be the case in this age of advanced IT.
c. There are still challenges in getting regional offices to comply with requirements in the ‘638 social services manual.

RECOMMENDATIONS:
Continue to lobby the U. S. Congress to the Bureau of Indian Affairs on the subject of welfare assistance and administration funding for 2010 and future years.

There is a need to staff the Division’s MIS department so that adequate programming can occur, especially in the area of statistical reporting. Numbers are very important at the federal government Washington D. C. level.

Continue to work with BIA and other resources for adequate office space in certain service locations of the Navajo Nation.

Title XIX Long Term Care Services
Home Care Agencies: The ALTCS Program continues work with the Home Care Agencies. Currently there are 31 home care providers that are registered with the Arizona Health Care Cost Containment System as providers of home care services.

Chinle Regional Office
a. Filling vacant positions of Early Retirees; applicants do not fill the qualifications.
b. Lack of funds to assist all applications taken during Navajo Nation’s Emergency Status.

**Eastern Navajo Regional Office**

The Eastern Regional Office is in dire need of MIS support to address problem areas which have a big impact on our service delivery. New computer and laptop systems that were purchased last year are still pending set-up and most recently a local computer service company was hired to complete set-up so that field staff can have the needed tools to complete field work. The Crownpoint FFAU sub-office needs installation of network printer, with having one computer and printer for utilization by four staff is causing a delay in the processing applications. Recruitment for this position has been difficult with retaining individuals that are hired.

Another problem is with Department of Personnel on our requests for assessment of qualification. The turnaround time is at times up to one month despite follow-up and requests for immediate assessment. Currently, there are 15+ pending assessments for the recent CSBG/ARRA Funds. The goal to have individuals employed by the 2nd or 3rd week of January has not been met as a result of the turnaround time for assessment.

**Fort Defiance Regional Office**

**Fort Defiance Regional Administration:**

- Fort Defiance’s never-ending search for better office, trailer or modular, for the Ganado Family Services Unit also continues. For years, they too have endured cold and hot weather, rodent and small animal infestation, vandalism, and overcrowded facilities. Currently, there are three employees in two small rooms and two in two other small rooms. There is no worker or client privacy and our staff turnover is high because of the unpleasant working conditions. On an average, the Region is expending an average of $6,000 per treatment for rodents to protect staff and clients from any effects of Hantavirus. This is money that could be spent on a building. The floorboards are weakening and basically, the building should be condemned. We will continue to search and lobby for a new building or a safe used one.

**Adult In-Home Care Program:**

- No problems or recommendations to report. All positions with the Program are filled.

**Fort Defiance Arizona Long Term Care Services:**

- Permanent Case Management Specialist has not been fulfilled.
- Suggestion: Advertise position to college students during their breaks, preferably majoring in social work, psychology or behavioral health or related field.
- One CMS retired and was replaced by a staff from the 638 program. This CMS is still in orientation. As part of her orientation, this CMS will be traveling off reservation to conduct case review at the nursing facilities as well as know other HCBS members living off reservation and become familiar with the members place of residency.
- Travel Authorization takes too long for approval and case reviews become overdue, sometimes severely past due.
- Suggestion: Case review is continuous routine, implement blanket TA.
- Lack of direct communication from the Administrative support staff either verbally or written notices. Often our office is the last to know about matters on budget, meetings, any internal information that also impacts the ALTCS program.
- Suggestion: Provide training in People Skills development, how to be courteous to fellow workers and public; and communication skills.
- Caseload ratio remains above 90% more than what is called for. CMS continues to keep case review updated; yet they still fall behind.
- Suggestion: Advertise for Case Management soon; open to recent graduate social services skills or related field.
- Past Due Case Reviews Off Reservation: The ALTCS program has about 53 members – eight out of 53 are HCBS and the rest in nursing facility. HCBS case reviews are every 90 days and for nursing facility every 6 months or 180 days. Over half of these cases are past due since October to present. The ALTCS program manager carries at least 22 caseloads in the nursing facilities. Two members reside in the Assisted Living and three in the home community base. The ALTCS supervisor puts together the other CMS due case loads for review rather than making trips 2 or 3 times in one month time to conduct off reservation case reviews. The ALTCS staff will alternate case reviews off reservation including conducting other case reviews for their peers.
• Suggestion: Allow ALTCS staff to conduct case reviews in the timeframe per AHCCCS policy and procedure and to be in compliance of the NNDSS-Contractual Agreement between the State of Arizona AHCCCS office and the Navajo Nation.

• TRANSPORTATION: Our office is requesting for two 2 additional vehicles due to one vehicle beginning to show wear and tear and one for long distance travel for case review/meetings.

• Suggestion: Request for a new vehicle through GSA 1) less cost to ALTCS program, 2) Quality service 3) Cost effective insurance plan

A New Office Building for the ALTCS Program:

• ALTCS program has been sharing office with the administrative staff, and it is a very congested place where there is no privacy (confidentiality) for members when they come in to see their case manager. The building is old, unsafe and fire hazardous by usage of excessive electrical extensions to operate office equipments and heaters. The ALTCS program needs to have its own building with a fenced in property for safety measures and to protect the building and tribal vehicles from vandalism. There is not enough room for client(s) in wheel chair whom visits our office. This is violation of handicapped services to people with disabilities and no parking space for the handicap, the wheelchair ramp is also beginning to show signs of deterioration – a safety issue.

Recommendation:

• The Navajo Nation to assist or advocate in seeking new buildings for all departments/divisions for environmental, health and safety reasons,

Ft. Defiance Family Services Unit:

• Regional Director to advocate for a Case Management Specialist position. The one Case Management Specialist, Jennifer Johnson, is overwhelmed with court ordered home studies, CHINS cases, and regular CWA cases.

• Need to meet with Window Rock Family Court Judges about Court Order home study investigations that are being requested within one month and it is not enough time.

• Need of an Intake Worker for the Ft Defiance Office.

Fort Defiance & Dilkon Financial Assistance Unit (FAU)

General Assistance

• Currently there is no Financial program supervisor, position was advertised and potential in-house transfer

• Directs Service complaints filed and remedial action taken by NDSS

• Policy development or legislative amendments

• Provide suggestions to resolve the concerns

Ganado Family Services Unit:

o Administrative and management challenges that impact direct services

o Our networking is problematic. Our intake system is connected to NNSS site and our connection to Central IMS is always disrupted. It is hard to track intakes and assignments using our IMS.

o Our office is over crowded. We have several staff sharing office space and it interferes with the confidentiality of information when there is more than one client being served. It is unsafe because are electricity setup is not suppose to have the amount of electrical use we currently have.

o Clients are crammed into one small waiting area and our hallways passage is limited due to file cabinets and boxes that we have no other space to store.

o Provide suggestions to resolve the issues

o Central MIS to coordinate with our Information Specialist to resolve the problems causing breakdown.

o Directs Service complaints filed and remedial action taken by NDSS

o Our issue filed with Executive Director has not been resolved regarding improving leadership and maintaining quality in management.

o As a supervisor, I cannot make recommendations for workers to receive much deserved step increases because our performance evaluations are not completed within the timeline.

o Policy development or legislative amendments

o Those administrators become consistent in following the Personnel Manual so worker’s evaluations are completed within timeline and our issues addressed according to protocol.

o Provide suggestions to resolve the concerns

Shandid Home for Youth:

• No problems or recommendations to report. All positions with the Youth Home are filled.

Dilkon Family Service Unit:
• Several Direct Services Staff continue to contact the Central Executive Office and the Ft. Defiance Regional Office with their concerns without consulting or addressing their issues and concerns with the FSU Supervisor. The Region Program Manager II was expected to address these concerns on 12/16/09, however, this did not happen. It is still recommended that the PMII address this concern with the staff.

• The two-Family Violence staff are concerned that the FSU intake process is not meeting their consumer needs, however, the FSU follows the COSM intake process and it seems to be working. There have been several meetings with the two workers in the past to address the concerns however, the workers are not happy with the response to their concerns. In addition, the two workers also are unhappy with the FSU PSW’s decision of not allowing travel and presentations at the border town dormitories, as the border town dormitories have more access to resources to on reservation communities and the two-workers are required to focus on reservation communities where there are limited resources.

• The FSU modular building is located in an area where rain water and melted snow accumulate causing severe muddy conditions limiting access to the building. Gravel and sidewalks for the building would greatly reduce this hazardous seasonal condition and alleviate stress for consumers and workers.

Dilkon Arizona Long Term Care Program:

• The ALTCS Programs requesting for more training on job related issues obtaining to their clientele.

• The ALTCS Program requesting for additional Case Manager.

• The ALTCS program is in need of an addition vehicle.

• All CMS positions are filled.

Shiprock Regional Office
No report submitted.

Western Navajo Regional Office

a. Kayenta sub-office has been closed since December 14, 2009, at the recommendation of the Office of Safety and Health Administration (OSHA) due to no heating in the office. The heater/cooler combination unit burned out during the week of December 7, 2009. A heater/cooler combination unit has been ordered and received by Facility Maintenance Department in Fort Defiance. Working crew is expected to be out this week to work on installing the unit. We hope to have all staff back in the office next week. Now, they are stationed at the prosecutor's office in Kayenta; other staff are generally out in the field daily, such as the Home Care Workers and direct service staff. Financial Assistance staff are on doing intakes at the chapter houses.

b. LIHEAP/CSBG intake responsibility should rest with NDSS. Getting other organization involved such as Dine Forgotten People and Dine Home Owners Association, Inc., is not doing us any good. Even though we go through orientations with these groups, the applications they turn in are incomplete, not properly supported with requirement documents, done in hasty-like manner and our staff have to redo applications or request for appropriate support documents

c. Recommendations: Dine Forgotten People organization and Dine Home Owners Associations, Inc., should refer potential applicants to NDSS offices. Let us do intake per our guidelines and plans. We do not discriminate and we do not give any preferential treatment to anyone.
I. PROGRAM INFORMATION

Division Executive Director: Tom Platero
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Web Address: www.navajodot.org

Departments:
Capital Projects Regina Clauschee, Acting Manager
Engineering Section Michele Morris, Acting Program Manager I
Transportation Planning Section Riley Wilson, Program Manager II
Road Maintenance Section Ray Barney, Program Supervisor
Airport Section Emerson Tracey, Program Supervisor

II. ACCOMPLISHMENTS:

- Navajo DOT was an active partner in addressing the needs of the Navajo Nation during the recent snow storms. We developed a comprehensive internal team that comprised of Navajo DOT staff. Maintenance has become a cornerstone of Navajo DOT operations. During this past quarter, the Road Department was able to blade, maintain and remove snow from 8,600 miles of road. The picture at the front of this report is one of our staff and equipment providing services when our Nation needed our services.

- Navajo DOT submitted 1,596.5 total miles of road inventory for the FY 2010 Indian Reservation Roads submittal. The submittal was a comprehensive undertaking by the Transportation Planning Program. Part of this process was to: collect data, hold public meetings throughout the Navajo Nation, update the Navajo Nation Long Range Transportation Plan, KTNN Road Inventory Public Forum and secure Transportation and Community Development Committee approval. The staff has again done an excellent job. It is essential that road inventory be a priority for Navajo DOT. Road inventory is the “key” to increased transportation funding for the Navajo Nation.

- Navajo Nation received $31million in Transportation Investment Generating Economic Recovery (TIGER) funds for the US 491 project. Presentation of award was made by Victor Mendez, Administrator for Federal Highway Administration. Navajo delegation included Office of President/Vice President, Transportation and Community Development Committee, Navajo DOT, NMDOT and New Mexico Congressional Delegation representatives. The anticipation is that these funds will cover 2 segments. New Mexico DOT will be the project lead but we will work collaboratively to ensure that the funds are expended for the project. There were over 1,400 applicants for TIGER funds and we were very fortunate to receive this funding.
Held quarterly Navajo DOT Division wide staff update meeting on January 7, 2010. Each quarter, all staff will get together to be provided updates and in-service.

Held quarterly Navajo DOT/TCDC/ARCs meeting in Kayenta on March 18-19, 2010. Focus of meeting was to give an update to all stakeholders on the progress of Navajo DOT. This is the second meeting of what will become a part of our reporting process back to local communities.

Arizona DOT provided an incident command training for Navajo DOT on March 24-25, 2010. As the transportation lead for the Navajo Nation, we must develop internal policies and procedures for addressing various transportation incidents that may impact the Navajo Nation. In the end, written policies and procedures must be established.

Transfer of Scenic Byways program has been completed from Division of Economic Development to Division of Transportation. This program was added to the Transportation Planning Unit. There is an immense opportunity to promote tourism on the Navajo Nation.

Flagger training was provided on March 29, 2010. As Navajo DOT evolves, we must ensure that technical/certification training is provided to staff. This training needs to be provided for all Navajo DOT staff.

The Navajo DOT transportation maintenance yards in Dilkon and Pinon are proceeding. The anticipated date for completion is set for late August 2010. When completed, these two yards will be the first of its kind on the Navajo Nation. There is a need to establish twenty of these yards across the Navajo Nation to ensure every area is covered for road maintenance needs.

III. STATUS OF ON-GOING PROJECTS & INITIATIVES:
• Fuel Excise Tax/Road Funds – A fund management plan is currently being updated to reflect the changes of the tax collected. Approval of the changes must be approved by the Transportation and Community Development Committee and the Budget and Finance Committee. After the fund management plan is updated, the FET Regulations must be updated reflective of changes to the fund management plan.

• US 491: Navajo Nation is in receipt of $31 million in TIGER funds. The funding is expected to complete two section of the corridor. There is still a shortage of $120 million dollars to complete the entire project. There is legislation that must be approved by the Natural Resources Committee to correct language in the legislation approving the ROW for the southern corridor of the US 491 project. To date, US 491 has been one of Navajo DOT’s most successful projects that incorporates true Government-to-Government partnerships.

• 93-638 Road Maintenance Program: This initiative is presently on hold as the BIA’s focus is to ensure the expenditure of all ARRA approved funds (IRR Road Construction and Road Maintenance). Navajo DOT has begun the process of direct funding from FHWA, which is inclusive of the Road Maintenance Program. SAS is pending at Department of Justice.

IV. STATUS OF ACTION PLAN/CONDITION(S) OF APPROPRIATION:

• Formalizing Partnerships: The transition of the Navajo Nation/Arizona DOT/Federal Highway Administration/BIA/Apache County/Coconino County/Navajo County partnership group of being administered by ADOT to Navajo DOT has been completed. The project lead now rests with the Navajo Nation.

• Supplemental Funding: Submitted four supplemental grant applications to New Mexico Department of Transportation for local government transportation funds. Again, the $31 million in TIGER funds for US 491 was received. Additionally, Navajo DOT has two supplemental 93-638 funding in process ($3.6 million for Road Maintenance Projects and $15.6 million for Navajo Transportation Complex).

• Condition(s) of Appropriation:
  - #22: All ARRA clearances for the Bureau of Indian Affairs ARRA projects have been completed. ARRA projects amounting to $47.26 million in road construction projects are cleared. Completion date by 1st Quarter. Project lead: Michele Morris, Environmental Specialist.
  - #23: Agency Road Committees are holding centrally located meetings. Completion date by 1st Quarter. Project lead: Riley Wilson, Program Manager II.

V. OUTSTANDING ISSUES/RECOMMENDATIONS:

• Navajo Nation Divisions and Departments do not fully understand the roles and responsibilities of Navajo DOT. Training needs to be provided. RECOMMENDATION: Hold a half-day orientation in May 2010. Orientation will be scheduled and provided.

• Navajo Nation Road Fund will transition from projected revenue to actual revenue to fund future projects. RECOMMENDATION: Initiate legislation to incorporate recommended changes from Division of Finance, Office of Management and Budget, Tax Commission Office and Navajo DOT. Legislation will complete process in next quarter.
Navajo Environmental Protection Agency

Stephen B. Etsitty
Executive Director
Program Information

Division Executive Director: Stephen B. Etsitty
Department Manager: Eugenia Quintana
Telephone No.: 928-871-6790
Facsimile No: 928-871-7655

Departments:
- Air Quality Program: Charlene Nelson, Environmental Program Supervisor
- Pesticide Enforcement & Development: Glenna Lee, Environmental Program Supervisor
- Radon Program: Vivian Craig, Environmental Specialist

Accomplishments

1. Finalization and submittal of a federal grant application for additional funding for the Radon Program in the amount of $90,000 in federal funding to be used towards funding an Environmental Specialist position in 2010.

2. As part of the continued work in the FWDA (Fort Wingate Depot Lands) lands transfer project, attended meetings with NMED, Department of Army, BLM, BIA Navajo Area Office, and other Navajo Nation programs as part of the FWDA MOU Team, related to NRDA (Natural Resources Damages Assessment) and contributed to developing a list of potential NRDA projects for submittal to NMED. The Navajo Nation is considered a trustee in the NRDA process for FWDA and the projects submitted for consideration will undergo another selection cycle consisting of prioritization, applicability in restoration to natural resources, and feasibility.

3. Responded to a citizen notice of intent to sue under the federal Clean Air Act regarding the Title V Permit for Peabody Western Coal Company. Ultimately, the suit was not initiated in federal court or tribal court.

4. Maintained a coordinated project with the USEPA, Office of Enforcement and Compliance Assurance (OECA), regarding multi-media inspections and potential sanctions at several schools on the Navajo Nation. This project continues to be on-going.

5. Several staffs were involved in varied aspects of the Navajo Nation declaration of emergency and contributed significant presence and hours at the ICC located at the Navajo Nation Training Center, Window Rock, Arizona.

A. Pesticide Enforcement & Development Program

1. Staff participated in six (6) conference calls, and attended three (3) meetings to receive and provide updates, and acquire related information regarding compliance inspections and worker protection standards.

2. Key Action Items
   a. The Program staff met with representatives from Navajo Agricultural Products Industry (NAPI) to discuss a training and certification class for all pesticide applicators that do work at NAPI. New Mexico Department of Agriculture Pesticide Program will conduct the classroom style training and will administer the exam. The training and testing is tentatively scheduled for April 2010 at NAPI.
   b. The Program staff and USEPA Region 9 began work on the FY 2011 work plan.
   c. The Program staff is taking initiative to assess and determine new priorities set forth in the FY 11-13 OPP/OECA Guidance.
   d. The Program staff met with other NNEPA Programs to try to plan a pesticide disposal event for Navajo Nation.
   e. The Program staff reviewed and processed two (2) Pesticide Use Proposal for the Western Navajo Agency BIA Natural Resources to control invasive species in Dennehotso and Inscription House.

B. Air Quality Control Program/Operating Permit Program
1. Peabody Western Coal Company submitted an appeal to the USEPA Environmental Appeals Board, appealing certain sections of the Title V Operating Permit that was issued on December 7, 2009, relating to environmental regulatory jurisdiction. NNEPA continues to discuss the appeal with Peabody in attempts to resolve the issues. NNEPA is reviewing PWCC EAB and Peabody’s proposed revisions to Title V permit.

2. Administrative amendments were made to the Title V operating permits that were issued to Transwestern Pipeline Leupp and Klagetoh compressor stations and ConocoPhilips Fractionating Plant on March 17, 2010.

3. Navajo Generating Station (NGS) Federal Implementation Plan (FIP) was promulgated by the USEPA on March 5, 2010, and the rule will be effective April 4, 2010. USEPA and NNEPA will reopen the permit which was issued on July 3, 2008 to incorporate the FIP.

4. Since the First Quarter 2010, NNEPA, Division of Natural Resources (DNR), and Department of Justice (DOJ) have been meeting regarding the Advanced Noticed of Proposed Rule (ANPR) for Best Available Retrofit Technology for Four Corners Power Plant and Navajo Generating Station to discuss economic concerns and environmental concerns, including impacts to the Navajo Nation, before finalizing joint comments which were submitted on behalf of the Navajo Nation on March 1, 2010.

5. NNEPA Air monitoring section is networking with USEPA and Tribal Air Monitoring Support (TAMS) in Tribal School Air Toxic Monitoring of which Nenahnezad School was selected among 63 other locations across the country, as part of imitative to ensure children are breathing healthy outdoor air. The school was selected because of its location near two power plants, San Juan Power Plant and Four Corners Power Plant, and other regional sources that also contribute to air pollution.

6. Fourteen consultation letters were issued to Navajo Housing Authority and ETD Inc.; and four open burn permits were issued to individual clients.

7. NNEPA and ERG worked on the finalization of the Final draft Emission Inventory report which was received by the NNEPA early in the 2nd Quarter. The report indicates data gaps for emissions sources such as pollutants from oil and gas operations, and data gaps that could be closed with the cooperation of several agencies on the Navajo Nation. NNEPA is planning a framework from which data sources can be organized to obtain the necessary emissions data.

8. OPP completed review of TransWestern Pipeline Leupp and Klagetoh compressor stations’ application for Title V permit renewal; current permits expire in September 2010.

9. Air monitoring reports shows all sites to be in compliance with the NAAQS for months of January, February, and March 2010. The NAAQS is 150ug/m3 for PM10 (24 hours) and 35ug/m3 for PM2.5 (24 hours). Nazlini and Fort Defiance are PM 2.5 ug/m3 sites.

10. Current activities:
   a. Title V permits for TWP Leupp and Klagetoh compressor stations are currently being drafted and proposed for review finalization in April 2010.
   b. The program is awaiting comments from USEPA to the submittal of the draft ozone QAPP submitted in October 2009.
   c. A QAPP for NO2 is being developed, will be reviewed internally, then submitted to the USEPA for review and approval.
   d. An MOU between NNEPA/Air Quality Program and Canyon De Chelly Park for locating a PM 2.5 monitor is ready for signature.

11. Ongoing project between Air Monitoring Section and NAU is conducting toxic and trace metal study at Shiprock Site.

12. Meetings:
   a. Second Quarter meeting with Project Officer for CAA section 105 will be in April 2010.
   b. Arizona Permit Manager’s Meeting, April 1, 2010.
   c. Second half of review progress of work plans with programs in May 2010.

13. Training: various Air Quality staff attended the following training:
   a. 4-Corners Damage Prevention Group training, March 9, 2010
   b. 8 hour HazWoper, March 12, 2010
   c. Opacity School, March 17, 2010
   d. Emission Inventory Systems, April 5-6, 2010.

C. Radon Program
   Staff participated in the following:
   1. Radon staff provided inputs on cultural settings for the Contaminated Structures Phase II project to maintain the risk exposure number of 24 so that USEPA will not lower the number to 17. This input was forwarded to the Navajo Superfund Program for inclusion in their set of comments on the matter.
2. Four (4) meeting regarding Contaminated Structures Project Phase II (CSPII) for Eastern Agency communities. These meeting include updates and progress of the access agreement from home owners and residential radiological screening.
3. Staff participated in three (3) conference calls to prepare for USEPA contractors arrival for home screening, background issues/concerns, sampling for USEPA arrival for March 30, 2010.
4. Staff contacted family members in Mariano Lake and Haystack area on the upcoming results from USEPA Region 9 of screening conducted in November 2009.
5. Environmental Specialist participated in a Tools for School webinar on “Real Schools, Real Challenges”.
6. Two (2) radon barriers installation completed for Contaminated Home Structures Phase I, one (1) at Cove, Arizona two (2) at Cane Valley, Utah.
7. Radon staff assisted USEPA Contractors with home visits on their screening in the Mariano Lake community in the month of January 2010.
8. Staff participated in the NNEPA Superfund and USEPA quarterly meeting on the Contaminated Structures Project II on update and objectives for the new FY 2010.

D. Key Action Items
1. Three (3) radon barriers installed for CSP Phase I completed. Homes not tested yet.
2. March 2010-Staff placed 48 e-perm radon chambers in the community of Church Rock Chapter, Red Valley, Oak Springs, and Tee No Pos.
3. The Radon program staff assisted the USEPA Region 9 with five (5) home visits to families in the Mariano Lake Chapter.
4. Radon staff took the visiting UCLA Environmental Planning students on a tour of the following locations:
   a. CSP Phase II in the Church Rock community.
   b. Red Water Pond Road
   c. Shallow Well On Becenti Trails
5. March 2010-Environmental Specialist attended a NSP Equipment Training on the Ludlum 222 unit and the SPA III which is newly purchased equipments that will be used for the Contaminated Structures Project II in the Eastern Agency.
6. Radon staff will assist with background checks and soil sampling in the Church Rock community on March 30 & 31, 2010.

1. STATISTICS (Inspections, Assessments)

NAQCP/OPP Inspections
There were no compliance evaluation inspections this quarter.

A. Citations / NOVs - #’s, type, location - No citations or NOVs issued by the NNAQCP.
B. Air Operating Permit Program received an excess emission notification on January 14, 2010 from Four Corners Power Plant at which Unit 4 exceeded emissions on January 1, 2010 from 09:06 to January 1, 2010 to 9:06 with total duration of one minute.
C. Air Operating Permit Program received an excess emission notification on January 26, 2010 from EPNG Dilkon office which occurred at Dilkon Compressor Station between 06:00 January 25th and 09:00 January 25th. The cause was within a unit’s multiple startups that caused exceedence in emissions which exceeded the required limit. Once it is started it goes back into equilibrium. This turbine unit is a Dry Lo NOx system which is designed for excess emissions. A written report of this event will be submitted to NNEPA within 10 days.
D. On February 15, 2010 Air Quality Control received a complaint from NNEPA Waste Regulatory Department’s Office Specialist that she received a complaint of an open burn in St. Michaels, AZ. The Air Program Office traveled to St. Michaels and found the Shi Heart Building burned to the ground and was informed it had burned on Friday, February 12, 2010 and there was debris still burning and the Fire Department was aware of the burned structure.
E. Air Operating Permit Program received an excess emission notification on February 18, 2010 from Transwestern Pipeline Klagetoh station at which there was an exceeded emission on February 18, 2010 due to emergency shutdown of low instrument air pressure due to a turbocharger starting and an air valve stuck open due to cold weather.

Reports: spills, emergency, etc.:
None

Pesticides Program Inspections
Twenty-five (25) non-agricultural inspections, three (3) market place inspections, and four (4) agricultural inspections were conducted by FIFRA credentialed staff of the Pesticide Program. There were no repeat violators.

Radon Program Inspections
1. Three (3) radon barriers installed for CSP Phase I completed. Homes not tested yet.

OUTREACH

Pesticides Program

- Thirteen (13) pesticide outreach were conducted at the following location:
  1. Tuba City Office of Diné Youth, Tuba City, AZ
  2. Ganado Unified School District Maintenance (four schools), Ganado, AZ
  3. Kin Dah Lichii Olta, Kinlichee, AZ
  4. Ch'ooshgai Community School, Tohatchi, NM
  5. Twin Lakes Elementary School, Twin Lakes, NM
  6. Ft. Wingate Maintenance (three schools), Ft. Wingate, NM
  7. Mariano Lake Community School, Mariano Lake, NM
  8. Navajo & Hopi Region Project Coordination Meeting, Ft. Defiance, AZ
  9. Noxious Weed Meeting, Ft. Defiance, AZ
  10. Shiprock Agricultural Days, Shiprock, AZ
  11. Ft. Defiance Facilities Maintenance Department, Ft. Defiance, AZ
  12. Navajo Partitioned Lands (Grazing Meeting), Window Rock, AZ

NAQCP/OPP Program Outreach

1. Updates provided to Coalmine Mesa Chapter on February 2010.
2. On March 22 & 23, 2010, the Air Monitoring and Operating Permit Program participated in hosting UCLA and UNM students.
3. On April 17, 2010, Air monitoring will be presenting at Eastern Agency Meeting (Crownpoint Chapter).
4. On April 21, 2010, Air Monitoring Section will be presenting at Central Agency Meeting (Low Mountain Chapter).
5. Air Operating Permit section will schedule a presentation at Nenahnezad Chapter next quarter.

Radon Program Outreach

1. Four (4) Outreach presentations conducted for 4th and 5th graders at Navajo Immersion School in Fort Defiance, AZ for January National Radon Action Month.
2. Two (2) Outreach presentations on the CSP Phase II for Eastern Land Commission and the Eastern Agency Grazing Committees.
3. One (1) Outreach Presentation to UCLA Environmental Planning students.

Issues and Recommendations

- NONE
The Navajo Nation
ENVIRONMENTAL PROTECTION AGENCY – CRIMINAL ENFORCEMENT DEPARTMENT
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

PROGRAM INFORMATION
Division Executive Director: Stephen B. Etsitty
Program Manager: Anderson Harvey
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Facsimile No: 928-871-7996

BUDGET INFORMATION

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ACCOMPLISHMENT:

The Criminal Enforcement Department preventative patrol in the following communities for environmental civil and criminal activities, including other criminal related activities.


Fort Defiance Agency: Whitecone community, Grease Wood community, Dilkon, Sebi Delkai, Ganado, Sawmill Community, Toyoni Community, St. Micheals, Hunters Point, Oak Springs, New Lands, Sanders, Querno Canyon, Klagetoh, Wide Ruins, Ganado, Wood Springs, Steamboat, Black Soil Road, Houck, Querino Canyon, Chambers, Sanders, Lzupp, Fluted Rock, Burnside, Kinlichee, Crystal, Narbona Pass, Window Rock, Summit and Fort Defiance community.

INVESTIGATIONS/ACTIVITIES:

NNEPA-Criminal Enforcement Department activities include criminal investigations, patrols; assistance; arrest and presentations totaled seventy-four (74) case log activities. Five (5) cases are still pending follow up investigations, Notice of Violations response, interviews and judicial adjudications, persecution reviews, filing of criminal complaints. Eight (08) Environmental laws and regulation
Presentations were conducted at Schools, Chapters, and Community activities. Sixty-one (61) cases have been resolved, adjudicated in tribal court, field contact corrective clean up measures, compliance with Notice of Violations, or closed with lack of substantial information, assistance to other tribal, Federal and State agencies and or law enforcement agencies.

NNEPA-Criminal Enforcement Department assisted with a complaint in Cottonwood, AZ reference to a stabbing incident at a local residence. The complainant had arrived at her resident and walked in on a male individual who had broken into her house. She fought off the suspect and she received laceration on her hands from a sharp metal object. Immediate contact was made with NDPS and EMS. NNEPA officer assisted with clearing the residence; attempts to locate the suspect who had run in an unknown direction were unsuccessful.

NNEPA-CED investigated a complaint of illegal dumping of potential hazardous waste which was in a white powder form in Dilkon, AZ area. During investigation, we were unable to determine where the waste had come from, but notified an Environmental Services from Mesa, AZ for immediate remediation of the site.

NNEPA-CED received a complaint reference regarding a tribal employee who allegedly received asbestos contaminated waste debris for driveway purpose from a Contractor who was suppose to transport all waste to a proper landfill off the Navajo Nation. During investigation, it was determined the construction activity was contracted with a Navajo owned business to demolish an old building and some or all waste debris were properly abated as required. However, a local tribal employee and the local chapter has requested for the some of the construction debris to be use as a parking or driveway which the contractor had agreed and dumped about 80 cubic yards of debris. Notice of Violations was issued to both the tribal employee and the Contractor and currently pending removal of all debris from the resident and Chapter House driveway.

Further, NNEPA-CED had investigated several minor complaints with other NNEPA departments which were resolved without incidences or notices of violations were issued and served for corrective actions by the responsible parties.

NNEPA-CED assisted NNDPS-Emergency Management during the 2010 Operation Snowfall. All officers had assisted within the logistic section of the operation and two officers had transported food, hay, welfare check and other assistance as required during the operation.

Initiatives and COA:

NNEPA-CED is working with the State of New Mexico and Utah Law Enforcement Training Academy to possibly obtain police certifications with both States. This initiative will assist the CED program during criminal investigation on non-Navajo within the Navajo reservation and better funding solicit efforts.

NNEPA-CED continues to provide assistance to the NNEPA-Air and Toxics Department, Resource Conservation and Recovery Program, Surface and Ground Water Protection Department. Request for assistance from these programs includes non-compliance response, response on tribal environmental violations, responsible generators on environmental related civil and criminal activities and environmental criminal investigations.

NNEPA-CED is continuing to provide assistance upon request to the Navajo Nation communities, Navajo Nation Department of Law Enforcement and the Navajo Nation Department of Resource Enforcement Department at all district levels within the Navajo Nation for investigations, Environmental related activities, security details and other selected assignments. This includes assistance to the United States Environmental Protection Agency Criminal Investigations, local and State Agencies.

Outstanding Program Issues:

One NNEPA-CED Officer successfully completed Arizona Police Officers Training Board required 40-hours of Firearms Instructor Training Program at the Arizona Law Enforcement Training Center in Phoenix, Arizona. The certified firearms training instructor is currently assigned to develop our NNEPA-CED firearms qualification requirements.

Per NNEPA-Criminal Enforcement Department policy and the Arizona Police Officers Standards Training Boards requirements, CED personnel had attain all firearms qualification, proficiency related trainings, legal updates on Use of Force training, defensive tactics training, CPR and other tribal and federal law enforcement/emergency trainings. CED personnel had attained the required annual certifications to better serve the Navajo communities in preserving and protecting tribal property and the safety of the Navajo Nation environment.
I. PROGRAM INFORMATION

Division Executive Director:  Stephen B. Etsitty
Department Manager:    Diane Malone
Telephone No.:     928-871-7692
Facsimile No:     928-871-7996

Departments:
Underground Storage Tanks   Warren Roan, Environmental Specialist
Leaking Underground Storage Tanks  Henry Haven, Senior Geologist
Superfund Program    Frieda White, Environmental Program Supervisor
Resource Conservation & Recovery Program Cassandra Bloedel, Environmental Program Supervisor

II. SIGNIFICANT ACCOMPLISHMENTS

A. Waste Regulatory Compliance Department (WRCD) Administrative activities involved oversight of four programs; RCRP, NSP, UST and LUST. The reports from the four programs are attached.

1) NNEPA staff met on January 7, 2010 regarding USEPA RCRCA issued to US BIA for various BIA schools in the Eastern Agency for RCRCA violations found during EPA inspections. BIA violations for review and preparation relative to NN inheriting BIA school facilities containing asbestos, Pb in paint, PCB in light fixtures, deteriorating pipes under fresh paint, etc.; NNEPA provide a team and assigned Air/Toxics Dept. Manager and Waste Regulatory Compliance Department Manager as contacts for this project in working with USEPA.

2) On January 19, 2009 at NNEPA office staff provided updates to NNEPA Executive Director on Highway 160 project. Staff provided: a) $300,000 for Hwy 160 Project was over bid by contractors and Henry is to renegotiate, b) use of Ludlum 2221 and Canberra equipment may be used at the 160 Project site, and c) at Black Falls, families may have to move as it is too costly to run water pipelines to their location unless NSP’s suggestion of collection boxes, PVC lines, and use of gravity flow from the tested natural spring is used, as it met the MCLs of SDWA.

3) NNEPA attended meeting on January 29th at the NNEPA Conference Room to receive information of the Emergency Snowfall Operation from the Executive Director with outcomes: 1) General Fund money was contributed from 4 accounts for meals on Saturday and Sunday at cost of $500, 2) Daily reports was initiated for cost recovery from FEMA with the 1st being filed today, 3) With the limitations of Federally Funded Staff and resources according to Terms & Conditions of each federal grant, the emphasis was directed to General Fund, and 4) Resources i.e. supplies was to be dropped off at Administration.

4) Navajo Nation received USDOE funding in the amount of $4.5 million for Highway 160 cleanup project; completed SAS review and signed by the Navajo Nation President in February 2010. NNEPA will be conducting the technical oversight and cleanup of the site. There is still a question regarding the work plan in regards to which standards will be used for clean-up levels. USEPA Standards or UMTRA standards? NNEPA and NNDOJ requested a meeting with USDOE to discuss this issue. NNDOJ believes that USEPA Standard should be used, because UMTRA regulations have expired for Rare Metals site.

5) On March 03, 2010, NNEPA and NNDOJ reps met with our Contract Attorney from Nordhaus Law firm. Our discussions covered the following: review of the issues, evaluate the tasks, focus on NNEPA’s position with respect to the Oil and Gas companies concerns with Contract Attorney informing that allotted land is like tribal trust and can be included for SMCRA funding. Representing the Petroleum industry were Mark Sheridan, Chris Neumann, Jim Vallena and Douglas Perce with Conoco Phillips, Mike Todd and Lori Keeter from Enterprise; Saida Ibrahimova from BP. The discussions included the actions items:
• NSP to check on the potential leak that cause odor at pipeline sites (Mercapton)
• Definition of the Reporting Regulations CERCLA or EPCRA
• Schedules for Public Notice for Release Reporting
• Synthetic gas need to check with NNEPA-UIC on what that is
• Can NN collect tariff from BIA
• Contract Attorney to draft where tariff may be use to cover uranium
• NSP to check SMCRA in eastern agency (Re: OGA)
• Comment to OGA on the draft MOU

Issues
• Mercapton is not stored on the reservation by El Paso, only in more populated area
• Contract Attorney remarked to OGA that the MOU which OGA drafted should not be all one sided
• CERCLA: OGA concerned that the propose TARIFF will be placed on few companies. They want the Petroleum Exclusions from NNCERCLA
• Release Reporting will go into effect as soon as the Regulations are final; which is about 1-2 years
• OGA wants the cost of the tariff. Contract Attorney says that NN cannot state that at this time, because we still do not have enough information.

6) In March 2010, NNEPA provided NNEPA Contract Attorney a list of Operating UST Facilities location that were unknown (Navajo Nation or New Mexico jurisdiction). The purpose for the listing is to coordinate with New Mexico under an MOU. The listing was finalized and submitted to USEPA to work with New Mexico.

7) Conference Call with US Environmental Protection Agency on March 19, 2010 to discuss and update on the Federal Navajo Uranium Legacy Five Year Plan. This is USEPA/NNEPA monthly conference calls. The discussion included the following:

• US EPA Coordination through NNEPA Superfund regarding all project activities, minimally one month in advance so that NSP may prepare and schedule in dates that don’t conflict with other projects.
• Five-Year Plan recommends surveying structures within ¼ of a mile of mine. Is this a new requirement when most of the contaminated structures are located within the ½ miles of mines. How do we use *imminent and substantial danger.
• Review the pertinent action items from the February 24th meeting with NNEPA and USEPA.
• Coordination on information pertaining to press/media inquiry.

B. UST Program Activities

1) For the month of January, February and March 2010 UST/LUST Fees Report in the following table.

<table>
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<tr>
<th>Date of Deposit</th>
<th>Ref Number</th>
<th>511001 (80%) Trust Funds Rev Total</th>
<th>511002 (20%) Special Rev. Total</th>
<th>Total Deposit</th>
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<td>01/13/10</td>
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<td>10-04</td>
<td>34,855.12</td>
<td>8,843.65</td>
<td>43,698.77</td>
</tr>
</tbody>
</table>

| Total           |            |                                  |                                | 185,339.39   |

2) UST Program activities for this quarter are as follows:

• Received several qualified applicants in March 2010 for Human Resources. NNEPA (UST) conducted interviews and selected a candidate for the Environmental Technician position funded under the Special Revenues. Two additional positions are up for advertisement as of March 30, 2010. Human Resources Personnel Department finally classified the positions and gave the program the positions numbers on March 19, 2010.
• UST Modular Building - The setting of the UST modular building has been pushed back to May and early June 2010. NNEPA still need to officially acquire the land to develop the site. However, UST Program proceeded with legal land assignment and provided bids for contractors to prepare the site. Program received bids from various contractors for the site preparation. As far as acquiring the land, we have most of the necessary information to move forward. The furniture is ordered to be delivered and installed on the week of July 12. That date is definite and cannot be rescheduled. All the federal accounts have been expended for the building and furniture. The program extended the contract to be modified at 20% with Business Environments to August 29, 2010 for the furniture (in SAS review), but the installation and delivery date of July 12 remains the same.

• Close out 2008 UST Inspections

• Select operating facilities for 2009 and 2010 inspections. Sites selected and schedules inspections began during the month of March 2010 and will continue on to August 2010. NNEPA/EPA Joint UST is scheduled for inspections in third Quarters of FY10. The first inspections of facilities began on March 09, 2010 in the Kayenta and Mexican Hat area.

• Records Retention Project is ongoing. Additional files were released for the project in February 2010. Program staff met with the contract personnel to provide updates of the project. Corresponded over the phone to arrange pick up of files, but did not follow through due to weather.

• V&S Digital Imaging did submit a new work plan and invoice to our program to continue with the scanning. The plan is set to complete the entire project.

• The contract for Contract Attorney of Nordhaus Law Firm has been signed, however, due to the slow process of budget input, has held up payments for work that she has provided for the program.

• Compliance and Technical Assistance - Correspondence from the following:
  o D&H Petroleum on Tohatchi Mustang and Tse Bonito Shell Station
  o Eastern RBDO on Arviso’s Conoco Crownpoint, NM
  o Western Refining on Thriftway Ft. Defiance, AZ & Lukachukai, AZ.

• NNEPA received a call from D&H Petroleum (contractor for Western Refining, INC) informing staff about a tank removal at NAV476 Mustang 7320 in Tse Bonito, NM. NNEPA initially received the call on February 25, 2010 about the removal of the USTs. The date of the removal is scheduled this Thursday April 1, 2010. This site is on Exhibit A of the Eastern Agency Agreement. We are not sure if D & H Petroleum had notified US EPA office of the removal, but the message to follow up and informed USEPA about the tank removal.

C. Leaking Underground Storage Tanks Program Activities

• Completed the Close out of LUST 01/08/10. Completed 1st quarterly report for 2010, updated USEPA Project Officer on the LUST Program activities for FY 09 geophysical and tank pull projects on the Navajo Nation. All of the reports for the sites were delivered to USEPA Project Officer.

  1. Tank pulls completed:
     - NAV # 381 Former Burnt Water Trading Post, Houck, AZ.
     - NAV# 441 Former Jeddito Trading Post, Jeddito, AZ.

  2. Completed Fourteen (14) site assessment geophysical surveys (waiting on written report at the following locations:
     
     NAV # | Site
     -------|------------------
     439    | Luther Sells Market Shiprock
     440    | Kerley TP Tuba City
     442    | Hard Rock TP (New)
     443    | Hard Rock TP (Old)
     445    | Pueblo Pintada
     039    | Old Warren TP Kayenta
     101    | Nenahnezad Yard Nenahneza, NM
3. FY 2010 NNEPA and USEPA- Discussion of sites for further work (federal funding)

For geophysical:
1. NAV062 Cowspring TP (NFA 2/7/2008). Need further site assessment for tanks.
2. NAV219 Palmer Mercantile (potential 3 abandoned USTs)
3. NAV423 Tohajilee Food Mart (suspect 2 USTs but Henry visited the site in 2007 and confirmed that this was not a service station)
4. NAV166 Cove TP (2 USTs may have been removed, check with Shiprock RBDO if they have closure report)

For site assessment/UST removal:
1. NAV391 Little Indian TP (2009 geophysical identified potential 2 USTs)
2. NAV188 Karrigan TP (2009 geophysical identified at least 1 UST, and potentially 1 more)
3. NAV443 Old Hard Rock TP (2009 geophysical did not detect UST, but there is a crushed UST on site that needs to be removed)
4. NAV101 NENAHNEZAD YARD (2009 geophysical identified 1 potential UST)
5. NAV440 KERLEY'S TRADING POST (2009 geophysical identified 3 potential USTs)
6. NAV394 OLJATO AIR STRIP (2009 geophysical identified at least 2 USTs, and potentially 2 more)
7. NAV190 Huerfano TP (2008 geophysical identified 3 USTs)
8. NAV267 Charlie and Mary's Bar (2007 geophysical detected 2 USTs)
9. NAV183 COPPERMINE TRADING POST (2 USTs not sure if removed, confirmed release in 2004)
10. NAV215 MEXICAN SPRINGS TRADING POST (may still have 1 UST, confirmed release in 2001)
11. NAV317 LEO ETSITTY RANCH (2007 geophysical detected 1 UST)

- NAV 307 Burnham Mine. NNEPA LUST Program started negotiations with Consol to start aggressive remedial actions on site in 2005 in January 2010. A petroleum spill occurred 17 years ago and that the site remedial efforts have been very slow to date. The company has excavated the petroleum contaminated soil and coal and is now land farming on site. There is no current activity now due to the weather. NNEPA will continue to monitor the remedial efforts.

- NNEPA bidded out the professional work for 9 monitoring wells using USDOE funds in February 2010. On March 29, 2010, a contractor was selected. Notification letter to all the bidders are forthcoming and contract package will be processed for SAS review and approval.

D. Superfund Activities

1) Contaminated Structures:

- In January 2010, NNEPA accompanied USEPA On-Scene Coordinator and Health Physicist, visited onsite residents at Mariano Lake and Section 23, and provided site survey data regarding USEPA’s site investigation in November 2009: Activities entailed 1) At Section 23, USEPA collected Model 19 uR/Hr measurements at selected locations of the private land owner’s homesite for calculation of the area’s risk, 2) At the Desiderio area which is located adjacent to Section 23, no one was home, 3) At Mariano Lake Chapter, representatives were informed of NNEPA’s/USEPA’s presence within their chapter area, and 4) At Mariano Lake Golf area, affected home residents were provided explanation of site survey data.

- In February, 2010, NNEPA teleconferenced with USEPA Region 9 OSC who provided the following: a) is in the process of deciding to clean or replace a mobile home at the Mariano Lake property, b) requested assistance to start the paperwork on the mobile transfer to a family property located in Thoreau, NM from Mariano Lake, c) plans to meet with concerned
Section 23 residents for a discussion regarding their data packets, and d) informed that his contractors will conduct internal home scans when USEPA returns in May 2010.

- NNEPA attended a meeting on January 26th to discuss the Contaminated Structure Projects (CSP) and outcomes of discussion are: a) to perhaps redirect the CSP work to surveying Navajo homes located within a ¼ mile radius of an AUM site, b) to develop a strategic plan with timelines for surveys so that appropriate assistance is provided to USEPA, c) to continue not to take USEPA's offer (through contractors) of home survey assistance due to expected limitations of only surveying homes located within a ¼ mile radius of an AUM site as indicated in USEPA's 5 year plan, and d) to offer home surveys on a voluntary basis to Eastern Agency chapter residents who suspect their home is constructed with radioactive waste materials although this is not viewed by USEPA as keeping within their 5 year plan.

- NSP next teleconferenced after the CSP meeting with USEPA’s OSC, regarding a) the Church Rock Summary Report with its background issue of using 24 hrs versus 17hrs to generate a different IL, b) additional risk documents and USEPA's risk assessment calculation to be forwarded to CSP for review, c) a teleconference to be scheduled with USEPA Health Physicist on the risk numbers, d) USEPA OSC to travel here on March 8th and mobilize in the field on the 9th and 10th for soils and XRF sampling at NSP's background locations, and e) planned

- In February 2010, NNEPA reviewed topics for the February 16th meeting in Crownpoint at the BIA Natural Resources Building where the Eastern District Land Board Members and Grazing Committee were presented the of a) CSP II work activities, b) Emergency Response activities at Mariano Lake and Section 23, and c) recommendation to be provided to the Grazing Committee and Land commission to use completed screen report information contained in the Desktop Survey prior to issuance of leases to families; They responded positively with a need to schedule a future session on how to use this information i.e. GIS data.

- NNEPA met for a Strategic Session on February 24th and generated the following six priorities: a) Define the Background, b) Validation of 2009 Screens within ¼ mile of an AUM, c) List of all structures within ¼ mile of an AUM, quantify to determine how many need assessment and were completed, and all to be mapped, d) Community Outreach for timeline of activities, e) Equipment to ensure team is trained, and f) Completion and Closeout of Church Rock Project.

2) Northeast Church Rock Mine Removal Project
- In January 2010, NNEPA participated in phone calls and emails to delay an NECR onsite visit to 1/11/10 which was required prior to determination of residents returning to their homes. NSP activities are as follows:

  o NSP conducted the onsite evaluation of the integrity of GE’s work, returned to NSP, and teleconferenced of results with outcomes where a) berms to direct flow of contamination to collection ponds were adequate, b) unnamed arroyo adjacent to NECR will be redone for correction to prevent overflow to residential area, c) residents will be allowed to return to their homes, and d) sparsely graveled road will receive more gravel.

  o NSP attended RWPR Meeting at Churchrock Chapter to inform that they would be able to return to their residences.

  o NSP met residences at the stepout area to unlock their storage bins located next to their homes.

  o NSP (MD) conducted a second onsite evaluation and found that a) the unnamed arroyo adjacent to NECR was corrected for (to prevent overflow to residential area), b) GE was demobilizing, c) while USEPA's contractor (E&E) was assisting families to return to their homes, they were halted by excessive muddy conditions causing vehicle to get stuck and families returned to their hotels per USEPA, d) IRA activities still lack fencing/revegetating to occur in late spring, working on NECR 1 Cell, and determining what to do with the Tree area, as they informed they cannot achieve cleanup to 2.24 pCi/g because of outcropping.

- NNEPA reviewed the Removal Site Evaluation (RSE) Report for the Red Water Pond Road (RWPR) located near the NECR mine site which provided work activities and sampling results of the RSE work conducted at the RWPR road in 2007 and 2009; received hard copies of the Bedrock Sampling and Analysis Work Plan, Work Plan Amendment for Evaluating Impacted Soils as part of the IRA work, and the final Removal Site Evaluation Report for RWPR; teleconferenced with USEPA and General Electric (GE) with outcome of NSP’s concern to be expressed only with USEPA regarding the 40 year
leached duration of radioactive chemicals at the NECR site, in which USEPA expressed thought that the current bedrock was not leached and could be separated visually as to which was mined waste and which was naturally occurring.

- NNEPA received confirmation from NNDOJ that the cleanup level at 2.24 ug/gm could not be changed for the site and that should the tree area be the only area to use a higher level because of T-NORM or NORM radioactive contamination, it would be for this small area only.

E. Resource Conservation and Recovery Program


- February 10, conference calls with NNEPA Contractor after review of his latest report with NNDOJ, WRCD Dept Manager and staff. Contractor was provided areas that needed revisions and supporting analytical data.

- February 18, NNEPA completed investigation into alleged additional site near the Highway 160 Site as a vicinity property. Two (2) sites were completed by RCRP manager and Superfund staff. Neither site held additional waste or radiation to support an additional site.

- February 19, Chemical Cleanup by Red J Environmental completed at Dilkon, Arizona with RCRP Staff and Superfund staff.

- February 26, meeting with NNDOJ, on final report by NNEPA Contractor, and conference call with Contractor.

- March 2010, NNEPA-RCRP continued technical support for the former Tuba City open dumpsite including groundwater sampling and meetings associated with the site, and the monthly inspection of the Highway 160 Site. Continued work with USDOE for the Characterization Sampling Plan for the Highway 160 Site. Provided 8 outreach presentations to Arizona, New Mexico and Utah Navajo Chapters. Staff participated in gathering additional information for the Highway 160 Site.
PROGRAM INFORMATION

Division Executive Director: Stephen B. Etsitty
Acting Department Manager: Yolanda Barney
Telephone No.: 928-871-7692
Facsimile No: 928-871-7996

Departments:
Water Quality/Navajo Pollutant Elimination Systems Programs    Patrick Antonio, Principal Hydrologist
Underground Injection Control   William Freeman, Senior Hydrologist
Public Water Systems Supervision Yolanda Barney, Acting Department Manager

ACCOMPLISHMENTS

A. Department Office:

The Wetlands Project 3 contract amendment with Ecosphere Environmental Services to define wetlands in the (3)satellite portions of the Navajo Nation will continue this fiscal year.

The FY2009 Exchange Network Project Contract was also started off with a kick-off mtg. on March 23, 2010. The contract was awarded to Tetra Tech, Inc.

Currently negotiating with US EPA to extend for one year and modifying the budget for the Navajo Nations FY 08 Exchange Network and the FY07 Exchange Network Grant.

Attended 6 meetings/conference calls: Wetlands Mapping Project extension and scope of work; Tetra Tech.’s award of $90,000 for the FY 2009 Exchange Project and kick-off of contract tasks; Managing US EPA Grants collaboratively with Navajo Nation OMB and OOC; On-going Efforts with URS Corporation On the Node-to-Node, FY08 Exchange Network and follow-up on the completion of the Network Implementation Projects.

Staff attended a URS webinar training, Intermediate Access 2007, a webpage design with Lumenbrite and a Tribal, Trust Territories and Insular Areas Administrative and Financial Guidance for Assistance Agreements two-day Workshop.

B. WQ/NNPDES Program:

GOAL: Continue to implement permitting, compliance and enforcement capabilities to protect water quality.

Task 1(a): Staff conducted 33 field investigations

Task 1(b): NPDES permit renewals: 12 activities including:

- USEPA public hearing in Kayenta, AZ on the reissuance of the NPDES permit for the Peabody Western Coal Co. Black Mesa Mining Complex
- Staff met on proposed removal of biosolids from BIA Wingate HS WWTF (NN0020958) with storage at the BIA Wingate Elem School WWTF; discussion with USACOE on sludge removal planned for the BIA Wingate HS WWTF
- Staff met with Chooshgai Community School on sewer lagoon upgrade and sludge requirements

Task 1(c): Conduct 4 NPDES CEIs and sent 8 past EI reports to USEPA Region 9

- Nacogdoches Oil & Gas Boundary Butte English Lease (NN0020133)
• Gouldings Lodge WWTF (NN0025178)
• Peabody Western Coal Co. Black Mesa mining complex (NN0022179)
• CEI report completed on the BIA Lukachukai School WWTF (NN0030339)
• 8 past EI reports sent to USEPA Region 9 CWA Compliance Office

Task 1(d): Conduct 11 storm water construction inspections

Task 1(e): Conduct 2 storm water industrial inspections

• submitted data on storm water inspections conducted during April 1, 2009 to September 30, 2009 to USEPA R9 CWA Compliance Office
• requested copy of recent SWPPPs from consultant for the Antelope Point Marina

Task 1(f): Conduct CAFO inspection at NAPI

• NAPI CAFO updated by NAPI; met NAPI staff who will taking over the CAFO facilities; discussion with USEPA R9 on NAPI feedlots; scheduling of conference call with NAPI; e-mailed NAPI info on scheduled conference call; conference call with USEPA and NAPI (new NAPI contact; plan to have operator of Cow Camp feedlot move to the unused Sheep Camp feedlot)

Task 1(g): Improve compliance monitoring & enforcement activities

• letter to Alamo Chapter and Alamo Navajo School Boarding requesting response to unauthorized discharge of wastewater from the Alamo Chapter sewer lagoon system
• letter to ADOT concerning non-compliance with 401 Cert (2008-0028WR), NNSWQS, and NNSWQS Certification Regulations concerning a pile of loose soil placed in Black Creek during project on I-40 bridge in Houck, AZ
• 2 meetings with COE, BLM and Ute Mountain Tue Tribe on Smith Energy oil spill (no significant channel disturbance to occur on NN portion of the spill)
• examples of NOV and other enforcement type procedures to 401 Cert coordinator who is interested in pursuing enforcement for violations of the NNSWQS Certification Regulations
• reviewed 24 DMRs for BIA Crystal Boarding School WWTF, BIA Hunters Point School WWTF, BIA Jeedeeza Academy WWTF, BIA Lake Valley School WWTF, BIA Lukachukai School WWTF, BIA Nazlini School WWTF, BIA Ojo Encino School WWTF, BIA Pueblo Pintado School WWTF, BIA Seba Delkai School WWTF, BIA Tis Nas Baz School WWTF, BIA Wingate High School WWTF, NTUA Chinle WWTF, NTUA Ganado WWTF, NTUA Kayenta WWTF, NTUA Navajo Townsite WWTF, NTUA Pinon WWTF, NTUA Shiprock WWTP, NTUA Tuba City WWTF, NTUA Window Rock WWTF, APS Four Corners Power Plant, BHP Navajo Mine, Chevron McKinley Mine, Peabody Western Coal Co. Black Mesa Mining Complex
• sent USEPA Region 9 CWA Compliance Office photos of sludge removal at BIA Ojo Encino School WWTF
• discussion with USEPA on DMRs and compliance history of the Cameron Trading Post WWTP as a result of a citizen complaint concerning the discharge from the plant which is NPDES permitted; sent jurisdictional info to EPA R9
• inquiry from USEPA contractor on DMR-QAs

Task 1(h): Participate in 4 monthly NPDES conference calls with USEPA

2. Navajo Nation 401 Certification program

Task 2(a): Determined 19 401/404 applicability including:

• NMDOT Bridge Project on NM 197 at Torreon Wash: internal discussion on issues related to the project; meeting at NMDOT District 6 office; NMDOT says NNEPA already cleared project; project is on allotted land which means EPA is the 401 Cert authority; NMDOT will be contacting USEPA
• (2x) NNDOT meeting on rock slides on N31 at Tohatchi (memo to NNDOT stating this emergency situation can allow CWA compliance after the fact); submitted mitigation recommendations to NNDOT on N31 and N9653
• reviewed the 404(r) exemption granted by Congress for the Navajo Nation Municipal Pipeline as part of the Animas-LaPlata Water Project
Task 2(b): Issued 6 tribal 401 Certifications

- ADOT Culvert Installations from Gap to Cedar Ridge (2010-0013TC)
- ADOT 160 Project at Tsegi (2010-0014TC)
- BIA N16 Road Project in Navajo Mountain
- NPDES Permit for BIA Lukachukai School WWTF (2009-0051WR)
- NPDES Permit for Chevron McKinley Mine (2009-0050WR)
- NPDES Permit for Nacogdoches Oil & Gas (2010-0052WR)
- discussion with HDR, Inc. & COE concerning ADOT bridge at Dennehotso

Task 2(c): Maintain 401 Certification database and entered 9 401 Certifications into database.

GOAL: Continue to implement the NNSWQS program

Task 3(a): Apply NNSWQS to other programs

- proposal to develop a Conservation Action Plan for the SJR Basin
- BIA Forestry inquiry on NN waterbodies
- plans by a coalition on a project in the Upper Laguna Creek watershed
- discussion with HDR, Inc. on impairment status and designated uses for Laguna Creek near Dennehotso
- proposed bridge project in the Cudeii Chapter
- put 2007 NNSWQS on NNEPA website after removing 2003 version

Task 3(b): Initiate preliminary process for the next triennial review of the NNSWQS

- added changes to be made to the list; need to check if concentration units are correct for organic numeric standards
- compiling list of proposed changes compiled since September 2007
- reviewed NMED.s proposed 303(d) list to determine if NN were mistakenly included and to determine WQ near NN waterbodies

Task 3(c): Implement NNSWQS management initiatives

4. GOAL: Continue to implement the NPS management program

Task 4(a): Oversee on-going NPS Projects

- Roanhorse Ranch: submitted End of Year Rpt on Roanhorse Ranch NPS project grant to USEPA R9
- Elkins Ranch: submitted Closeout Report on Elkins Ranch NPS project grant to USEPA R9
- Shaw Ranch: submitted Closeout Report on Shaw Ranch NPS project grant to USEPA R9
- Allen Ranch: USEPA R9 Project Officer inquiry on lack of drawdown for Allen Ranch 319 project grant (attempted to meet with Contract Accounting)
- Hardy Ranch: FY 2009 NPS 319 grant award passed by IGR Committee and now needs President Shirley's signature
- Austin Ranch: FY 2010 NPS grant application completed SAS
- meeting with NRCS-Grants to review expenditures and labor submittals from NN Ag Dept related to meeting 319 grant match & NRCS EQIP contracts (no submittals from NN Ag Dept since 2007)
- visited the NRCS Plant Center in Los Lunas, NM to photo the auger and other attachments that we need to do to our recently purchased tractor

Task 4(b): Develop & submit NPS proposal

- started formal SAS package for the FY 2010 NPS 319 grant application (Austin Family RMU) to President Shirley’s signature
- discussion with Oak Springs Chapter resident about possible 319 project on the south end of the Defiance Plateau

Task 4(c): Implement NPS management initiatives

5. GOAL: Continue to implement the WQ monitoring program

Task 5(a): Determine physical, chemical and biological conditions of waterbodies and evaluate them against WQ indicators
• developing sampling plan for FY 2010
• sampled Sanostee, Captain Tom Wash, Ojo Amarillo, Chaco Wash at N5, Chaco Wash at APS Ash Ponds, Chaco at N36, Chinde Wash
• measured field parameters at 3 points along the Chaco Wash, Chinde Wash above and below BHP mine, and Bitsui Wash below BHP mine
• collected field samples from several sites along and around Chaco Wash; sampled Bitsui Wash; recon of drainages in the upper Chaco watershed
• lab contract: received and reviewed 3 bids for analytical lab services PO/contract
• QAPP: reformatting program QAPP based on requirements from USEPA’s most recent Guidance for QAPPs; working on Project Description and Quality Objectives & Criteria sections; worked with lab on WQ criteria table; discussion with USEPA R9; prepared watersheds map using ArcGIS
• work on methodology for Colilert products
• NMED meeting in Farmington, NM to hear state plans this year for WQ monitoring along the SJR and its tributaries

Task 5(b): Maintain a WQ monitoring database

• updating old WQ database in order to analyze our WQ data until the new DBMS is fully functional and internal discussion on WQ database issues

Task 5(c): Prepare WQ assessment report involving designate use attainability determinations
• questioned USEPA R9 Project Officer on NN’s benefit from filling WQ assessment template table required from all R9 tribes collecting WQ data with 106 grant funding
• completed “Watershed Restoration Project Information” section of the USEPA WQ assessment template
• drafted Watershed Restoration Project Information as part of the CWA § 106 Tribal Water Quality Assessment Report Template
• discussion with USEPA HQ on assistance with indexing individual surface water reaches to use as assessment units
• commented on the program’s draft 2008 WQ Assessment Report
• commented on the program’s draft Moenkopi Canal WQ assessment report; sent to Hopi Tribe and NN Water Mgmt
• reviewed SJR data from USGS to see if effects from the old uranium mill are detectable at the stream gages
• reviewed SJR data from San Juan RIP and USGS to understand changes in parameters upstream and downstream of Cudei
• reviewing San Juan RIP data to see if there are any differences between the Shiprock and Four Corners sites

Task 5(d): Submit WQ data to USEPA

• submitted Watershed Restoration Project Information as part of the CWA § 106 Tribal Water Quality Assessment Report Template requested by USEPA
• discussed WQX and our program WQ database with consultant (URS)

Task 5(e): Revise WQ monitoring strategy if needed
• internal discussion on WQ sampling issues

Task 5(f): Conduct annual assessment of the WQ monitoring program, QAPP and WQ database, on-going activity

6. GOAL: Continue transition from a federal to a tribal NPDES program
Task 6(a): Obtain NPDES program delegation

• NPDES PSA: drafting letter for needed involvement by Historic Preservation and Natural Heritage programs

• NPDES TAS: need to pick up revised jurisdictional map at the NN Land Office

• processed contract modification for Nordhaus Law Firm
• reviewed proposed contract with TetraTech for ICIS-NPDES Date Exchange Proj under NEIEN grant
Task 6(b): Implement MOA between EPA and Navajo Nation

Task 6(c): Coordinate on permits, compliance and enforcement

- biweekly conference call with USEPA R9 NPDES point of contact on January 6, 2010, January 27, 2010 and February 18, 2010
- meeting on March 19, 2010 in place of biweekly conference call with USEPA R9 NPDES point of contact
- Advised of a new USEPA Region 9 NPDES compliance point of contact

7. **GOAL**: Continue to implement the WQ education and outreach program

Task 7(a): Conducted 16 presentations to students; Tsa Yi Gai HS (5x), Cuba HS (5x), Diné College (6x) and provided basic WW info to Navajo Technical College student working on a project paper

Task 7(b): Conducted 30 general public presentations

- Beclabito Chapter
- Cudeii Chapter
- Dennehotso Chapter
- Klagetoh Chapter
- Lukachukai Chapter
- Oak Springs Chapter
- Tóhááti Chapter farm board
- Alamo Navajo School Board, Inc.
- Chooshgai Community School
- NNDOT
- Navajo Engineering & Construction Authority
- Corps of Engineers
- Navajo County
- NN Emergency Mgmt Conference (3x)
- BIA Env. Services Branch
- BIA Branch of Roads
- BIA Forestry
- BIA Natural Resources-Western Agency
- Transwestern Pipeline Company
- El Paso Natural Gas
- BHP-Billiton
- WesPac Construction
- HRD, Inc.
- Diné Construction
- Ecosystems Management, Inc.
- Rositta Resources
- Teec Nos Pos, AZ Navajo businessman
- Canyon de Chelly grazing mgmt workshop

Task 7(c): Issue quarterly program newsletter by updating newsletter format for placement on program website being developed

8. **Continue tribal WQ staff training**

Task 8(a): Attend WQ-related, WET and other technical courses

<table>
<thead>
<tr>
<th>Name of Training Course</th>
<th>Training Site</th>
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<tbody>
<tr>
<td>EPA “Whole Effluent Toxicity Testing”</td>
<td>Gallup, NM</td>
</tr>
<tr>
<td>NNFWD “Biological Review”</td>
<td>WR, AZ</td>
</tr>
<tr>
<td>Nature Conservancy “San Juan River CAP”</td>
<td>Ignacio, CO</td>
</tr>
</tbody>
</table>

Task 8(b): Attend health and safety recertification

<table>
<thead>
<tr>
<th>Name of Training Course</th>
<th>Training Site</th>
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</thead>
<tbody>
<tr>
<td>Spectra “Annual HAZWOPER Refresher”</td>
<td>Phoenix, AZ</td>
</tr>
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</table>

Task 8(c): Attend EPA conferences/workshops

<table>
<thead>
<tr>
<th>Name of Training Course</th>
<th>Training Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPA “Green Casinos Workshop”</td>
<td>Chandler, AZ</td>
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</tbody>
</table>

Continue to provide technical assistance, grants management, and office administration

Task 9(a): Provide clerical/office administrative support
Senior Office Specialist is providing excellent clerical/office administrative support

Task 9(b): Provide CWA-related technical assistance

- Fly Ash: reviewed program WQ data and older USGS data related to possible contamination in Chaco Wash; reviewed USEPA report on the APS FCPP fly ash ponds; reviewed reports and program WQ data on possible fly ash contamination in the Chaco Wash; provided requested info to NNEPA Executive Director concerning article on “damages from coal ash waste sites” which included the APS Four Corners Power Plant
- US 491: working with NTUA on relocation of utilities within ROW; discussion with NMDOT on construction in Segment 7 & 8 and southern corridor and location of hot plant at intersection with N34
- Uranium Issues: reviewed latest annual performance report for the Shiprock UMTRA site; reviewed ground water data for the Shiprock UMTRA site; discussion with NNDOJ on upcoming conference call with USDOJ on potential lawsuit against Kerr-McGee regarding pollutants at the Shiprock UMTRA site; participated in conference call with NNDOJ & USDOJ regarding bankruptcy settlement against Tronox who is the former subsidiary of Kerr-McGee that is responsible for the Shiprock uranium mill; reviewed NNDOJ assessment of NN’s position regarding the Tronox bankruptcy proceedings; quarterly USDOE UMTRA meeting at Gouldings Lodge; discussion with Stoller on phytoremediation sites for the Shiprock UMTRA site along the western terrace and nearby floodplain
- Wetlands: requested price quote from NAU GIS Dept for compressing wetland imagery;
- Alamo Chapter Lagoon System: discussion JEL & Associates who are consultants assess problems with the Alamo Chapter sewer lagoons
- meeting on unregulated water sources in the Red Mesa area
- discussion with Klagetoh Chapter on N28 drainage problems
- meeting with NNDOT on N31 rock slides; BIA provided its recommendation
- discussion with BIA Project Manager concerning stockpile of sand outside the BIA Beclabito School complex as well as the school’s WWTF
- conference call with NMOCN regarding EPNG’s Gallup and White Rock compressor stations
- conference call with NN Superfund on upcoming RCRA inspection of the Navajo Times
- discussion with Integrated Vegetative Management Partners about noxious plant control on NN and need for a comprehensive management plan
- BIA Natural Resources meeting concerning invasive plants
- NN Gaming Team meeting regarding proposed gaming sites
- Nature Conservancy workshop in Gallup, NM on developing a Conservation Action Plan for the SJR Basin
- meeting with BIA Forestry on NPDES maps of NN waterbodies
- work with contract attorney on proposed NN SPCC Regulations
- discussion with BIA-Western Agency Natural Resources on plans by a coalition on a project in the Upper Laguna Creek watershed
- retrieved questionnaire from BIA concerning the upcoming Whole Effluent Toxicity Test training
- meeting with BIA OSMC in Albuquerque, NM concerning the work at the BIA Ojo Encino Day School
- meeting concerning a proposed bridge project in the Cadei Chapter
- received citizen complaint forwarded by ADEQ on the quality of the effluent being discharged by the Cameron Trading Post WW package treatment plant into the LCR; staff will review program WQ monitoring data and request DMRs from EPA R9
- discussion with Tohatchi Chapter farm board on removal of tamarisk at Chuska Lake
- meeting with Dennehotso Chapter, NTUA, NN Economic Development on proposed new school, laundromat, and WWTF for the Dennehotso community
- meeting at VP’s office on SJ CR7950 that leads to Chaco Canyon
- reviewed info on Nature Conservancy’s plans to develop a Conservation Action Plan for the SJR Basin; internal meeting on potential uses of funds from a Nature Conservancy project
- Lake Powell Cooperators Work Group meeting in Page, AZ
- discussion with BIA-Western Agency on upcoming meeting on the proposed Upper Laguna Creek Watershed Rehabilitation Project
- reviewed BOR WaterSMART funding announcement
- staff helping Dept. of Emergency Management with relief efforts for Operation 2010 Snowfall
- USEPA R9 WQS conference call

Task 9(c): Each staff perform required administrative functions; 11 activities for personnel, financial, and grants management.
Task 9(d): Submit application for FY 2011 CWA PPG

- comment on USEPA R9 “Indian Tribes Water Pollution Control Program Funding Initiatives”
- responded to USEPA R9 Project Officer concerns about federal database showing a balance of $1.4 million in PPG funds which is an issue during negotiations for FY 2011 funding
- responded to concerns from USEPA R9 Project Officer on the lack of spending for the current Wetlands grant funds
- submitted to USEPA R9 draft work plan and budget for FY 2011 CWA PPG
- submitted info requested by USEPA R9 Project Officer for use in FY 2011 CWA §106 funding negotiations

10. Quarterly reporting for self-evaluation and joint-evaluation of annual PPG performance

Task 10(a): Report on task status, expenditures, accomplishments, environmental results, and problems impacting performance. Staff submitted a first quarter and mid-year self-evaluation tables sent to EPA R9 Project Officer

C. PWSS Program

Enforcement: 16 activities

Staff attended an enforcement meeting to regarding enforcement against BIA schools, also discussed were other issue with BIA and NECA.

Staff finalized a 2009 BIA listing of missing Nitrate and Nitrites. Missing data were received from the BIA.

Staff continues to learn data entry and entered Nitrate/Nitrite data into DIME. Staff consulted with fellow PWSSP staff to learn the data entry process.

4 Notices of Violations (NOVs) were issued to owners/operators of public water systems.
- A Notice of Violation was issued to the Tohatchi Public School for noncompliance of the sampling requirements.
- Staff worked with Pine Hill School to submit required sampling data to PWSSP. A NOV was written to Pine Hill School Executive Director regarding their continued non compliance with the Total Coliform Rule.
- One CCR NOV issued to Fort Defiance Elementary School.
- Staff issued a Notice of Violation Monument Valley High School for bactee violations in 2009.

USEPA introduced the newer form of reporting noncompliance of the Safe Drinking Water Act. The newer method of identifying noncompliance is health related and each system is given a score of their noncompliance actions. The Enforcement Response Policy or ERP is a method that assigns the value of health related noncompliance. States and Tribes with primacy are required to address these systems by June 2010 and those systems that were not addressed will be turned over to the USEPA for enforcement actions. There are several public water systems on the Navajo Nation that are in noncompliance and PWSSP will need to ensure an administrative order to comply is signed and implemented by June 30, 2010. The systems in noncompliance who submit the necessary reports will be placed on a “return to compliance” status and will be taken off the ERP listing.

Staff required Pinehill School to prepare and distribute a public notice regarding noncompliance of the Total Coliforms, Nitrates, Rads, Disinfection by Products, Volatile Organic Compounds, Synthetic Organic Compounds, and Inorganic Compounds. PWSSP will issue a NOV for failure to conduct Total Coliforms and Nitrate/Nitrites sampling.

Potential reporting of water quality data is being addressed by staff. Water system owners/operators may be able to send their data electronically. EPA instituted a policy called CROMERR (Cross Media Electronic Reporting Regulation) that will need to be adopted by the PWSSP to ensure that electronic data is acceptable. Reports submitted to PWSSP should be in pdf format.

Staff required the Pinehill School to prepare and distribute a public notice stating that the school failed to sample according to the Navajo Nation Safe Drinking Water Act.

Prepared a land status map of Indian Ruins, Inc. and verified that the system is on Navajo Tribal Trust Land. Emailed ADEQ to announce upcoming inspections, but ADEQ stated that they had already inspected Indian Ruins, Inc. on May 5, 2009. Requested for a Inspection Report copy. Emailed ADEQ a Land Surface Ownership Map of Indian Ruins in PDF format to display the Indian Ruin wells were situated on Navajo Tribal Trust. Sent out a Public Water System Inventory to Arthur Ortega of Indian City and Karen Schell of Chee’s Indian Store. Removed Indian City and Chee’s Indian Store from the inspection schedule until we receive back the PWS Inventory form.
Sanitary Survey Inspections: 3 inspections

Staff began conducting inspections during March 2010. Staff conducted 3 inspections at the Fort Defiance Elementary School, the Chinle Elementary School, the Chinle High School, and the Teeh-In-Deeh Estates.

Design Review and Final Inspections

Staff researched cross connection and backflow prevention and the various device assemblies. This information will assist in helping PWSSP implement a data base on cross connection and backflow prevention programs on the Navajo Reservation.

Staff re-designed the Application for Approval to Construct Drinking Water Facilities, Fee Schedule for Operating Permit, Fee Schedule for Construction Permit, Permit Extension Request, Construction Completion Report, Operating Permit, and Application for Operating Permit forms using Adobe Live-Cycle Design.

Staff met with the Civil Engineering Section of the Navajo Tribal Utility Authority (NTUA) and discussed the PWSSP’s Design Review Program. An overview and purpose of the Public Water Systems Supervision Program and the Design Review Program was provided. NTUA asked several questions concerning their construction projects and what does NTUA need to do to comply with the construction permit regulations. PWSSP staff answered most questions from NTUA.

10 SAS documents (ROW) were reviewed and approved by the PWSSP with a statement of “new systems or extensions to existing systems will need to be permitted by the PWSSP and all project sponsors must comply with Navajo law.

Final Inspections: 8 final inspections conducted.

- IHS NA06Q25 West Mesa Sangster Waterline Extension in Tuba City, AZ.
- IHS Project NA-05-P42/D11 Coyote Canyon Extensions.
- NA-04-X74 North Tuba City Sewer System Upgrades
- White Mesa Extension
- NTUA regarding construction of 20 single family housing units for the [BIA] Leupp Schools, Incorporated.
- IHS Projects N98/D59 and Q62/D63 Ramah
- Ramah Chapter

Permits: 5 permits issued.

- Forest Lake Community Water System
- Borrego Pass Waterline Extension Project
- NA-08-Q95& RO4 AND NA-09-Q88 Littlewater, Crownpoint, Tsai Yanal Kedi Waterline Extension Shonto
- Saneneheck Waterline Extension
- Sawmill Waterline Extension Project

Review: 6 projects received for review.

- NA-07-Y12/Y13 Navajo Mountain Long Term Waterline Ext. Phase II
- Shadow Mountain Waterline Extension NA-6-Q42
- Monument Valley High School
- Sawmill and Shadow Mountain Waterline Extension Projects.
- NA-06-Q46/S56 Blueberry Waterline Extension Project, Shiprock Chapter
- NA-08-P43/S06 Twin Buttes North Waterline Extension Project

Administration

Staff attended the annual PWSSP strategic planning Session in Gallup, NM.

Staff, through a webinar session, conducted a re-submission of the Navajo Nation SDWIS upload files to the test database of the US EPA=CDX via the Navajo Nation Environmental Exchange Node.

Staff submitted the quarterly SDWIS (Safe Drinking Water Information System) upload to US EPA Headquarters via the Navajo Nation Environmental Exchange Node.

Staff conducted an interview for the vacant Senior Office Specialist position. The program filled the Senior Office Specialist position effective March 15, 2010.
Two staff were medically monitored for the year at the College Clinic in Gallup, NM.

**Operator Workshops and Training**

Staff are preparing for the Navajo Nation Drinking Water Conference scheduled for July 12-15, 2010

Staff sponsored an Operator Certification Board Meeting at Gallup, NM; staff completed minutes for the September 18 and 22, 2009 meetings. Redrafted forms for final approval from the board member.

Staff submitted a subscription to the Association of Boards of Certification that is needed to become members of the certifying entity for water operators.

Staff conducted a presentation conducted on Operator Certification, Backflow & Sampling to the Window Rock Unified School District facility maintenance.

Staff participated in an Operator Certification Board planning meeting with NTUA and NNDWR.

**Unregulated Water Sources**

Staff presented an overview of the water sampling event during 2003, 2004, 2006, 2007, and 2008 by both the USEPA and CDC. Staff presented at the Red Mesa Chapter. Currently, Water Resources is working on abandoning three well in the Red Mesa area. Participants will be providing updates on the differing projects that are being conducted by IHS, Dine College, NNEPA, DINEH Project.

Staff researched state, USEPA, and other PWSSP water hauling guidelines to draft and implement safe voluntary water hauling guidelines for industrial and everyday haulers of the Navajo Nation.

Staff attended a meeting at Leupp Chapter with the Forgotten People. The meeting was to address what departments should be involved to assist the Forgotten People to get the state of emergency declared by the Navajo Nation. Update on the Water hauling projects by NN Department of Water Sources. NNDOT was going to assess the road and develop a schedule to maintain the road when the water hauling project is going to start.

The PWSSP were providing information to the Department of Water Resources who are addressing the livestock water sources with elevated levels of arsenic and uranium. These livestock wells will be decommissioned and the Department of Water Resources will be working closely with the chapters to begin addressing these wells. Staff provided information and maps for the DWR’s use.

Staff prepared and submitted a quarterly report to the Institutional Review Board of the CDC’s activities for the 3rd and 4th quarters FY2009. PWSSP is working with CDC to finalize the document and submit a final report to the IRB. Staff will present information to the chapters and to the health boards as required by the IRB.

**Staff Training:** 19 trainings attended.

**Technical Assistance:** 17 technical assistances provided.

Staff provided an update on the status of the State of Emergency for Black Falls area at a meeting with the OPVP Chief of Staff.

Staff provided technical assistance to the system operator for the Black Mesa Shopping Center community water system (CWS), PWSID# NN04000308; the Canyon De Chelly National Park Service regarding monitoring and sampling requirements; NTUA regarding NTUA water sources that lacked monitoring for Dioxin, Diquat, Endothall, and Glyphosate; Arizona Department of Environmental Quality (ADEQ) regarding public water system identification number (PWSID#) for systems on the Navajo Nation; Ms. Clarita Lefthand-Begay, from the University of Washington, she is doing a project on unsafe drinking water at livestock wells on the Navajo Reservation; NTUA regarding discrepancies with some June 29, 2003, synthetic organic chemicals (SOC) results for Well #1 and Well #2 for the NTUA Ttec Nos Pos Community Water System; NN Department of Water Resources (DWR) regarding water quality data of PWSs in the “Red Mesa area;” USEPA, Region 9 regarding radiological results for the NTUA Smith Lake, Church Rock Regional CWS, PWSID# NN3500211; NTUA called regarding Total Coliform monitoring for the NTUA Ganado Regional Community Water System, PWSID# NN0403001; Ramah Navajo Utility Authority regarding a Notice of Violation they had
received, they would like to be familiarized with the policy and procedures that RNAU is to follow to become compliant and stay in compliance; and NTUA regarding the use of gray water.

Staff provided reminder emails to operators who’s certification are about to expire to renew their certification with the appropriate agency and to provide NNEPA with a copy.

**Wastewater**

The NN Domestic Wastewater Regulations were sent to Legislative Counsel requesting that they prepare the document for Resources Committee.

Staff participated in the PWSSP’s Wastewater Strategic Planning Session, held at the Navajoland Days Inn in St. Michaels, Arizona. First, there was an overview of the Navajo Nation Pollutant Discharge Elimination System (NNPDES) Program, types of wastewater responsibilities, inspections, databases, enforcement, etc. Next, the session discussed the development of the Navajo Nation Domestic Wastewater Program. Topics discussed during the session include personnel, funding/grants, database, design review, construction permits/fees, inspections, training, etc.

Staff prepared the wastewater regulations and placed in the SAS 164 Review process for consideration by the Resources Committee of the Navajo Nation Council.

Staff were requested to attend a meeting with Alamo Chapter’s consultant engineer about a future project on Alamo’s Wastewater Lagoon. The purpose of the meeting was to promote the upcoming Domestic Wastewater Program and Regulations on the Navajo Reservation.

**SWAP**

SWAPs and Susceptibility Assessments for BIA for the Shiprock, Fort Defiance and Chinle Agencies, for a total of 21 systems.

Staff are working with NTUA regarding the upcoming Monitoring Waivers.

Staff replied to the Hard Rock NTUA issue. Black Mesa also may be a good area for CDC to evaluate nitrate impacts, namely along the three major washes dissecting the mesa.

Staff continued assisting Mr. David Tallman, Leupp Navajo Nation Water Resources, regarding the hydrogeology of the area in question. Staff provided a map.

Completed update Susceptibility Assessment package.

Received official USGS letter from Dr. Margaret Hiza Redsteer for no asbestos mass deposits on the Navajo Nation.

Technical Assistance to Rosalind Martin, Operator, Ramona Smith Water Users Association, in regards to SWAP, VOC results missing from file, Sanitary Survey corrections, including, corrections since she had just recently submitted her EWSP, CCR, and an updated Site Sampling Plan.

Participated on a conference call with Jamelya Curtis and discussed the status of the workplan objectives. Ms. Curtis needed information on the SWAP data exchange (NEIEN).

Consulted with Andy Etsitty, Field Engineer, offered much advice and information on obtaining septic system data, legal and illegal-type waste pits. They have a HITS system inventory database that was developed almost one year ago. HITS, Home Inventory Tracking System. It=s fairly a new database with locational data of some existing projects, proposed projects, and investigations of those septic systems that are not OEHE designed (waste pits). I have written a draft official letter to Mr. Etsitty=s supervisor, Ms. Gretchen Tsosie, Gallup OEHE, requesting the sharing of the database information in regards to the location of each septic system, sewer lagoon, and waste pit or private-type septic system.

Staff worked on the Emergency Water Supply Plan, SWAPs and Susceptibility Assessments for BIA for the month of February.
Staff provided information to the Water Resources Management regarding Box Springs, other sourcewater assessment program and susceptibility assessments located near Box Springs.

Staff are reviewing each susceptibility assessment for NTUA wells that lack Diquat, Dioxin (2,3,7, 8 TCDD), Endothall, and Glyphosphate. Waivers were not given for these contaminants. An SOC waiver was given, however, not for these specific contaminants.

D. UIC Program

Database

PWSSP Prog Mgr and staff visited the Shiprock office to review the status of the new UIC database conversion. Staff and USEPA (Liz Janes) continue to fine-tune the UIC database in order to successfully automatically submit the UIC’s Form 7520 report to USEPA HQ. A transmittal regarding the current status was sent to the Acting S&GW Dept Director.

Staff, USEPA and the URS staff participated in a ‘webinar’ to update URS, the NEIEN consulting firm, re: the status of the new UIC database.

Administration

Staff provided comments to USEPA, re: their ‘webinar’ on the proposed UIC Grant allocation revisions. USEPA wishes to incorporate Class VI into USEPA’s funding with no increase in the total budget, thus reducing Classes I, II, III, and V available funds.

UIC hired a new Senior Environmental Technician.

UIC received an e-copy of USEPA’s FY09 End of Year Evaluation via the Acting S&GW Director.

Staff prepared the FY2011 workplan, the budget and application; routed the application through the SAS process.

Staff participated in a conference call with Ft. Peck on the UIC CO2 gas sequestration rulemaking (Class VI).

Staff received information from USEPA HQ re: the UIC Grant re-allocation due to the establishment of Class VI.

Permit and Program issues

Staff invoiced (second notice) Nacogdoches O&G that their annual service fee for 2010 ($800) is passed due.

Staff received a BLM-approved copy of Resolute’s (Craig Wright) P&A plan for their 7W43 RU injection well. This well is to be scheduled for P&A soon.

Staff participated in a conference call with USEPA re: Dugan’s aquifer exemption (AE) for the West Bisti #1 SWD disposal well. It was agreed that Dugan’s first draft of their application, including the 1/2 mile radius for the AE were acceptable to the UIC; Dugan (Kurt Fagrelius) was notified of same. USEPA e-mailed examples of the necessary document types for the review/recommendation process for an AE.

Staff contacted USEPA (Kate Rao) re: the adding of review and analysis of fall-off and step-rate tests to H-W’s consulting tasks; USEPA concurred.

Staff contacted Resolute (Craig Wright) re: the current status of the #G-22 McElmo Creek Unit well (conversion to production to injection needed to be determined).

Staff drafted a recommendation letter to USEPA and a public notice re: Dugan’s aquifer exemption application for their West Bisti #1 SWD injection well, staff e-mailed copies to EPA-Region 9 for their review/comments/edit.

Staff corresponded with USEPA and Lance/Western Gas re: possible release of their plugging bond at NW Cha Cha Unit. This unit has been conveyed to Anadarko and XTO Energy, respectively, since Lance/Western Gas’ ownership. XTO is to merge with
ExxonMobil in the near future. BIA may be delaying the transfer of ownership from Lance/Western Gas to the successor companies, thereby hindering the release of the bond.

Staff prepared and sent a list of operators that have transferred their financial assurance from USEPA to NNEPA, as of 1/19/10.

Staff e-mailed Resolute (Craig Wright, Vernon Winter) re: the current status of the #G-22 McElmo Creek Unit well (conversion from production to injection needed to be determined.

Staff received a call from BP America re: the recent MIT on their #259 SWD Gallegos Canyon Unit. This well requires repair and re-testing at the max injection pressure or the test cycle must be reduced from 5 to 3 years.

Staff contacted USEPA re: the adding of Task 3 to H-W’s (Jim Walker) consulting tasks. Task 3 is to handle NNEPA/UIC queries to the consultant that may not fall under Task 1 and Task 2 of H-W’s contract with USEPA. Task 3 allots up to 4 hrs/week to assist NNEPA/UIC in miscellaneous consultation that may, or may not, fall under Tasks 1 & 2 of the H-W/USEPA contract.

Staff requested any original financial assurance documents conveying the beneficiary from USEPA to NNEPA and, any annual injection reports that USEPA (Jim Harper) may receive.

Staff received Surety Bond Rider from Western Gas/Lance (Anadarko) changing the obligee/beneficiary from USEPA to NNEPA. This is necessary for the release of their bond currently held by USEPA. Staff contacted USEPA and Alliant re: continuity of financial assurance coverage for the unit by XTO (the successor company).

Staff signed and mailed back the Surety Bond Rider from Western Gas/Lance (Anadarko) changing the obligee/beneficiary from USEPA to NNEPA. This is necessary for the release of their bond currently held by USEPA and must be co-signed by USEPA. Staff continued communications with USEPA, Alliant and XTO re: the necessity of continuity of financial assurance coverage for the unit by XTO (the successor company).

Staff requested of XTO an update of future plans/well status for the five injection wells at NW Cha Cha Unit.

Staff continued communications with USEPA, Alliant and XTO re: change of the obligee from USEPA to NNEPA, a transfer of financial assurance coverage for the NW Cha Cha unit to XTO, and the subsequent release of Western Gas/Lance/Anadarko’s bond.

Staff with USEPA’s approval, e-mailed a copy of the HWG (Jim Walker) Aneth Report to Resolute for their perusal.

Staff contacted USEPA requesting the comments/edits that were incorporated by Dave Basinger on July 31 into the final HWG McElmo Creek and Ratherford Unit reports.

Staff provided XTO (Ft. Worth, TX) with an example of a Surety Bond that is acceptable to the NNEPA/UIC for their NW Cha Cha Unit.

Staff received from XTO an executed bond to replace the Lance/Western/Anadarko bond at NW Cha Cha Unit. A copy was sent to USEPA Reg IX (Jim Harper) for the subsequent release of the Lance/Western/Anadarko bond at NW Cha Cha Unit. Lance’s bonding agent (Dedee Kelley) was also notified by e-mail.

Staff continued to communicate with XTO (Aaron Austin) and Lance’s bonding agent (Dedee Kelley) re: bond transfer requirements at NW Cha Cha Unit.

Staff met with NOGC (Running Horse Pipeline) re: progress on their remediation/clean-up efforts @ the Aneth Pipeline Station, Montezuma Creek, UT.

USEPA (Dave Basinger) provided edits/comments to the public notice and “letter of recommendation” drafts re: the NNEPA/UIC’s proposed aquifer exemption for Dugan Production’s West Bisti #1 SWD.

**Staff issued 2 Permits**

The UIC requested and received from USEPA (Kate Rao) the final version of H-W’s report (text and tables) for the Aneth Area Permit.
Staff received the revised version of H-W’s AOR/Corrective Action Recommendations report for U.S. O&G’s White Mesa Unit area permit.

Staff finalized the Aneth Unit Area Permit, Statement of Basis, and Public Notice, posted it in the Farmington Daily Times, and distributed it for the 30-day public comment period.

Staff submitted the Draft Permit, Statement of Basis, and Public Notice for Resolute’s Aneth area permit to HWG (Jim Walker) for his editorial review under Task 3 of the USEPA/HWG contract.

Staff submitted the Appendices to Aneth Unit area permit to HWG for an editorial review under Task 3 of the USEPA/HWG contract.

Staff conducted 54 Injection Well Mechanical Integrity Tests: (MIT’s, Temp Logs, Step-Rate Tests, CBL): with one failed MIT

- Resolute #E-129 Aneth Unit, #P-17 McElmo Creek Unit, and #O-18 McElmo Creek Unit: all passed.
- Resolute #J-131 Aneth Unit, #L-21 McElmo Creek Unit, and #R-21 McElmo Creek Unit: all passed.
- Resolute #H-217 Aneth Unit and #19W32 Ratherford Unit: all passed.
- BP America #259 SWD Gallegos Canyon Unit. The MIT result is pending a re-test.
- Resolute: #F-13 McElmo Creek Unit; #21W67 Ratherford Unit; #G118 Aneth Unit: all passed.
- Dugan Prod. Corp. West Bisti #157, passed.
- Resolute #H-424 Aneth Unit, passed.
- Resolute #L-19 MCU, #J-19 MCU, #G-23 MCU and #20W12 RU: all passed.
- Resolute #11W44 RU, #16W43 RU, #17W12 RU, #07W14 RU: all passed.
- Dugan Prod. Corp. West Bisti Unit SWD #1; passed MIT @ < its max. injection pressure, an unscheduled MIT pursuant to T/A of this well as per NMOCMD requirements.
- Chaparral Energy #AR 8 Tocito Dome: passed.
- Resolute McElmo Creek Unit #D-13, #E-14, #F-15A, and #J-13; all passed MIT except #D-13; this well was immediately SI pending repairs or P&A as per the UIC’s SOP.
- Resolute McElmo Creek Unit #K-14, #K-12, and #H-13; all passed.
- Resolute #H-15 & #P-21 McElmo Creek Unit; #17W23 & #8W14 Ratherford Unit; all passed.
- Resolute #7W21 Ratherford Unit and #C-312 Aneth Unit; all passed.
- Resolute Aneth Unit #E-317 (T/A–Csg. Test Only) and #D-412; McElmo Creek Unit #G-18 & #I-18: all passed.
- Resolute McElmo Creek Unit #H-17, #J-15, #J-17, and #K-16; all passed.
- Resolute McElmo Creek Unit #I-14, #I-20, #I-23 and #K-24; all passed.
- Resolute McElmo Creek Unit #I-25, and #G-21A; Ratherford Unit #7W12, #13W22 and #13W44; all passed.

Staff witnessed 2 Plugging and Abandonment (P&A) of Injection Wells
- Dugan West Bisti Unit #125; P&A operations to continue on Monday, 1/25/10. P&A completed on 1/27/10.
- Resolute Resources #7W43 Ratherford Unit.

Staff witnessed 1 Pit Remediation/Groundwater Sampling by Western Refining @ the Aneth Pipeline Station, Montezuma Creek, UT.

Staff conducted 1 enforcement Action (Citations, NOVs, etc.) at the Western Refining (Anne Allen, Environmental VP) re: Western’s lack of cooperation with NO&G (Running Horse) in the remediation/clean-up efforts @ the Aneth Pipeline Station, Montezuma Creek, UT.

Staff conducted 2 Spill Report Inspections/Site Visits
- Resolute #G-22 McElmo Creek Unit and #7W43 Ratherford Unit and Rim SW 17E: #2 Monument (NN 18) to confirm their status. #G-22 MCU was inactive and not connected to any gathering/flow lines; #7W43 RU is still awaiting P&A; 17E: #2 was SI with a pump jack over the hole; not yet converted from producer to injector.
- five injection wells at XTO’s NW Cha Cha Unit.

Training: 3
- Staff attended extensive computer training (WORD, EXCEL, etc.) in Window Rock during March.
- Staff attended defensive driving course in Window Rock.
- Staff attended NN new employee orientation in Window Rock.

E. Conditions of appropriations: none
Navajo Gaming Regulatory Commission

Carleen Chino
Executive Director

FY 2010 - 2nd Quarterly Report
The Navajo Nation
GAMING REGULATORY OFFICE
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

I. PROGRAM INFORMATION

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Departments:
Investigation / Licensing    Lisa F. Tom, Licensing Manager
Audit      Milford Maloney, Audit Manager
Slot Compliance     Lena Poyer, Slot Compliance Manager
Enforcement     Sherie Schultz, Enforcement Manager
Surveillance     Jerome Tobish, Surveillance Manager

II. Staff

- The Navajo Gaming Regulatory Office (NGRO) is currently operating under the leadership of Ms. Carleen Chino as the Executive Director. Ms. Chino’s 4-year contract with the Navajo Nation was approved by the Navajo Nation Council on October 22, 2009. Ms. Chino took office on November 16, 2009.

- The NGRO staff consists of thirty-three (33) employees in the following departments: Administration, Information Systems/Technology, Investigations/Licensing, Audit, Slot Compliance, Gaming Enforcement and Surveillance. All NGRO staff are Navajo Tribal Members. A summary of activities for each NGRO department is included in this Second Quarter Report and titled separately hereafter.

III. Administration Department

- The Administration department is tasked with the responsibility of the overall coordination and establishment activities of the Navajo Gaming Regulatory Office. The Administration staff exists to provide administrative and clerical support to the following departments of NGRO: Investigations/Licensing, Audit, Slot Compliance, Enforcement, and Surveillance. Administration support is essential to allow the NGRO departments to focus and maximize their efforts in performing specific regulatory duties. The current Administrative Staff consists of Carleen Chino, Executive Director; Audrey M. Joe, Administrative Assistant; Glenna Grebb, Office Specialist; and Loren Begay, Office Assistant. Below is a summary of activities for this department for the second quarter of Fiscal Year 2010:

- The NGRO met with the Navajo Nation Gaming Enterprise Executive Management (NNGE) staff a total of eight (8) times during the first quarter. Discussions included the pending items such as: 1) preliminary discussions on Job Fairs to be held at TseDaaKa and Chinle; 2) the process of licensing Vendors & Gaming Employees; 3) internal issues between casino operations and the Tribal Gaming Office (TGO); 3) issues regarding the Wide Area Progressives (WAP) deduction and Revenue Sharing Payments; and 4) the 2009 external financial and MICS Audit of Fire Rock Navajo Casino.

- NGRO participated in four (4) Association of New Mexico Indian Gaming Commissioners (ANMIGC) meetings held at the Santa Ana Star Casino in Santa Ana Pueblo, Isleta Resort & Casino and Santa Clara Hotel & Casino in Espanola, NM. The ANMIGC meetings included discussions surrounding 1) the calculation of Net Win for Wide Area Progressives (WAP); and 2) Point Reduction Revenue Fees on Players Club Point accumulation. These issues are of continuing concern to some NM tribes when calculating Net Win as interpreted by the New Mexico Gaming Control Board.

- NGRO participated in the ATGRA meeting held in Tucson, AZ in January 2010. Discussions included updates to the NIGC MICS, Vendor Licensing, By-Laws and election of officers.
The NGRO approved 18 internal control modifications for various casino departments during this second quarter as recommended by the NIGC in the MICS audit conducted in 2009. Other approvals included marketing promotions, changes and movement of gaming machines, standard operating policies and procedures and bingo/table games promotions were also reviewed and supported.

Participated in other meetings in the second quarter and include discussions with: 1) NGRO attorneys for proposed Title II Regulations on Licensing, Title 31 Bank Secrecy Act; Gaming Revenue Distribution Plan; 2) met with the Arizona Department of Gaming and two Arizona tribes on issues regarding proposed additional process for licensing of vendors; 3) met with Alan Begay, Executive Director of the Economic Development Organization and Roy Dempsey (St. Michaels Chapter Delegate/EDC member) in regards to gathering information on submitting a proposal on the possible construction of a new home for NGRO and the process of possible land assignment from the St. Micheal's Chapter. A budget was submitted to the Controller, Mark Grant on March 15, 2010 for support on preliminary surveys; 4) Met with the Budget &Finance Committee & presented justification for a budget request, first quarter report, and an update on the NGRO's organization. The NGRO Management Team was introduced and educated on the process of budget presentations. The NGRO requested that funding be supported as the development of the NGRO continues to meet stringent timelines of opening up two gaming facilities by the end of 2010. This budget request included vehicles from the Navajo Nation Fleet for usage of travel between gaming sites and the NGRO; 5) met with Ms. Bernadette Bernally, Personnel Director in regards to pending nine (9) PCQs of NGRO job positions awaiting review for the last two months. It is of concern to get the NGRO fully staffed to properly continue enforcing the required gaming laws to protect the gaming assets of the Navajo Nation.

On February 16, 2010 meeting held with Chief of Staff Patrick Sandoval at the Fire Rock Navajo Casino. This meeting was more of an introduction of new NGRO staff and discussion of the future of gaming on the Navajo Nation and the Gaming Regulatory Office.

Met with Chief of Staff Patrick Sandoval and Ms. Michelle Dotson on March 3, 2010 and was provided an orientation of the Navajo Nation Government, culture and NGRO department expectations. Provided updates of the NGRO and issues of concern and support.

On February 23, 2010 reviewed compact compliance checklist between the NGRO, FRNC and the New Mexico Gaming Control Board State Gaming Representative & Auditors. Present were Fire Rock Navajo Casino Management and NGRO Staff.

Provided a presentation to the Rough Rock Regional Business Develop Organization and Americorps Group Organization on the Roles & Responsibilities of the NGRO. This presentation was held at the Rough Rock Chapter House.

Other trainings include: NGRO staff traveled to an NIGC MICS session in Phoenix AZ, a Cheats & Scams training in Las Vegas NV and a National Tribal Regulators Conference in Cabazon, CA during the months of February and March 2010; the NGRO also participated in the Navajo Nation Motor Vehicle Department Defensive Driving class. Training consisted of Navajo/ADOT rules and regulations as it pertains to tribal vehicles. Several NGRO staff members received their permit for driving tribal vehicles; the NGRO also participated in the Navajo Nation PCard Training held on March 8, 2010. Department Managers were allowed PCards for travel purposes only, to aid in delegated attendance on behalf of the NGRO.

IV. Information Systems/Technology Department

The Information Systems/Technology Department is new and was created to aid the NGRO in establishing a structure for the protection of information shared within the responsibility of the NGRO. Several issues identified as pending in the last quarter report were carried as best as they could within the second quarter as follows:

**Hardware**
- Purchased and configured 2 HP Proliant ML110 servers with dual core processing, 360 and 500 Gb of storage and 4,0 Gb of RAM. One server will be for the office Domain Controller (NGRO.NAVAJO.ORG) and the other will be for local Exchange Server (email).
- Purchased and configured HP Procurve switch 2524 with 24 ports 10/100 Mbps with a 1 Gb fiber output. Switch will provide connectivity for NGRO local network going out to the WAN (internet).
- Purchased and installed Cisco router for T1 connectivity to NGRO office, provides WAN connectivity such as the Internet, video conferencing and implementation of VoIP.
- Cleaned out and reissued out office laptops for NGRO employees. Performed diagnostic tests as well as virus scans and cleaned out useless programs preloaded or loaded by previous userS to assure optimum performance for new user. Made sure Microsoft Windows OS and Office software were authentic.

**Software**
- Purchased and installed Windows Server 2008 standard onto both NGRO servers and installed Windows Exchange 2010 on our exchange server. Implemented Active Directory for NGRO Domain Controller for pc and user administration.
- Installed Windows 7 OS and Office 2007 for certain pc’s at NGRO office in St. Michael’s and at Fire Rock Casino.
- Ran Windows Update and Anti Virus updates on all local pc and laptops in the NGRO office at St. Micheals and Fire Rock Casino.
- Validated all Microsoft OS and Office Suites software currently running in offices occupied by NGRO.

**Configurations/Integrations**
- Configuring and implementing a local area network for the NGRO office in St. Michaels’, AZ, equipment includes a Layer 2 switch which will link all computers/PC’s, printers together on one dedicated network. NGRO will be using IPv.4 for protocol. A Cisco router will be in place to provide connectivity to the Wide Area Network which includes the internet. 2 HP servers are in place for the NGRO Domain Controller and Exchange Server which is NGRO’s primary email server. NGRO’s Domain Controller will also act as a web server for the NGRO.NAVAJO.ORG domain.
- Initiated 3 phone line installs with NNTU and Frontier, also activated voicemail for all employees at the NGRO office, moved 6 phone lines for employees.

**Troubleshoot/Helpdesk**
- Troubleshoot PC’s in the NGRO office pertaining to many different issues (virus, slow performance, and upgrade of software, upgrade of hardware or replacement of hardware). Troubleshoot printer/fax issues (no connectivity, printer connection via network or local port).
- Troubleshoot phone lines in NGRO office such as static on lines during usage, voicemail issues, replacement of hardware.
- Confirming access to Fire Rock Casino VoIP, Layer 2 switch, and servers for management and administration. Currently working with Steve Hoskie on this. Pending.

**Current Hardware/Software Inventory for NGRO offices**
- 25 workstations which includes monitor, computer, keyboard, mouse.
- 8 network printers.
- 2 Servers which includes monitor, keyboard, mouse.
- 1 LAN switch
- 1 Router
- Windows Vista, Windows 7 OS running on all PC’s.
- Microsoft Office 2003, 2007 Suites running on all PC’s.
- AVG, Norton running on all PC’s for protection.
- Adobe acrobat, WinZip,
Points of Contact

- Victoria Begay, Account Manager (Frontier) - T1 installation for NGRO office.
- Steve Hoskie, IT Director (Fire Rock Casino) – Working on collaboration of Casino and NGRO infrastructure systems.
- Harold Skow, IT Director (Navajo Nation) – Collaboration of with Domain name and Website.
- Sandra Dalgai, Account Rep (NNTU) – Initiate trouble calls to Frontier for repairs and installations.
- Kean Volin, Account Manager (Hewlett Packard) – Rep for HP for all our hardware needs.
- Patrick O’Neill, Account Manager (CDW-G) – Rep for CDW-G for all our software needs.
- Steve Holland, Reseller (Hollands Computers) – Misc purchases for IT needs.

V. Investigations/Licensing Department

Each Gaming Regulatory Investigator is to conduct applicant/licensee interviews to obtain additional information, or an inconsistency of information received during the course of the applicant's background investigation, as well as new arrest information obtained from the licensee (72 hour notice). This quarter there were approximately 52 interviews conducted amongst the Licensing Team.

Employee Licensing Statistics:
- 40 – Temporary Licenses Issued (27 Key Employees, 11 Non-Key Employees, 2 Primary Mgmt Officials)
- 07 – Currently Pending Licensing
- 47 – Applicants Processed
- 26 – Inactive Employees (12 Key, 10 Non-Key, 4 PMO)
- 43 – Background Investigations Completed (13 Key/PMO, 30 Non-Key)
- 13 – Determination of Suitability’s sent to National Indian Gaming Commission
- 12 – Determination of Suitability’s sent to New Mexico Gaming Control Board
- 00 – Applications sent to Arizona Department of Gaming
- 00 – NGRO License Denials/Revocations/Suspensions (3 Pending Submission to Executive Director for Review)
- 00 – Notice of Revocations to NIGC/NMGCB

Vendor Licensing Statistics:
- 18 – Vendor Packages Mailed
- 02 – Vendor Temporary License Issued
- 00 – Vendor Background Investigations Completed
- 02 – Vendor Revenue totaling $2,000
- 00 – NGRO License Denials/Revocations/Suspensions

Fire Rock Employee Orientation

Gaming Regulatory Investigators provide a bi-monthly NGRO presentation in conjunction with the Fire Rock Navajo Casino Human Resources Department during the New Employee Orientation. Information is provided to new hires on the role and responsibilities of the NGRO as well as providing information in regards to licensing and ensuring compliance of all rules and regulations at FRNC. Investigators also answer any additional questions.

VI. Audit Department

The NGRO Audit Department has the following to report for the 2nd Quarter:

- The Audit Department drafted their Internal Policies and Procedures Manual. The draft manual is pending review and final approval by the NGRO Executive Director.
- The NGRO was unsuccessful in finding individuals to fill Gaming Auditor positions. Amendments to the reclassifications of the Gaming Auditor positions are awaiting a response from the Navajo Nation Personnel Office. Upon approval, advertisement for (3) three additional Gaming Auditor positions will begin along with scheduling interviews.
• The Audit Department completed preliminary audit reports for the Title 31 and Bingo Operations. The reports were reviewed by the Executive Director and required additional information and supporting documentation. The NGRO Internal Audit Department is responsible for insuring that the FRNC is in compliance with the twelve (12) required audits on the NIGC MICS and the Tribal-State Compact applicable audit sections.

• An audit schedule was approved by the Executive Director on January 11, 2010. As of this date the Internal Audit Department has not completed any audits as required.

• The Internal Audit Department has reviewed several FRNC policies and procedures, department manuals and responses to the NIGC MICS review as requested by the Executive Director.

• **External Audit** – The NGRO met with external auditors, REDW, LLC to discuss the engagement of conducting the 2009 External Audit and MICS Audit of Fire Rock Navajo Casino. The REDW staff were on casino property beginning January 1, 2010 to conduct the Year-End Cash Count and were on-site to review Financial and Minimum Internal Control Standards (MICS) Audit documents throughout February and March 2010.

**VII. Slot Compliance Department**

The Slot Compliance Department continues to aid the FRNC in regards to installing, removing and reorganizing the gaming machines on the casino floor. The following information is a description of their duties during the second quarter of 2010:

**January 2010**

- ShuffleMaster on-site for Preventive Maintenance and removal of 2 iDeal single Deck Shufflers – Eproms removed by Slot Compliance
- Bank 13 moved a few feet from original position for Craps table install.
- Arrival of Kitty Glitter Software from IGT. Kobetron of softwares.
- Break seal of CPU for replacement of CPU fan on IGT machine.
- WMS Progressive sign install. Installing and testing of machines.
- WMS replaced 56 button panels.
- Zone 6, Bank 35 – Gaming machines on this bank were shut off due to water under casino floor causing to burn out power supply. Replace power supply and maintenance removed water.

**February 2010**

- Powerline Technologies installed Audio Cable for J/P.
- Met with NNGE Compliance, issues pertaining handpays and P&Ps.
- Arrival of 6 WMS Main door panels.
- Trident lock replacement on 14 cashboxes.
- IGT/PGI training w IT on PGI controllers
- IGT on site, Video WOF w bad power supply-replaced and game back up. Fort Knox Cleopatra machine down due to bad flash board-flash board on order.
- February 8, 2010-Started Inspections on EEPROM on gaming devices at Casino.

**March 2010**

- Kobetron WMS software for install scheduled for March 08-10.
- IGT preventive maintenance scheduled. MEI program (bill validators) updated on Fort Knox – VPN:0273
- IGT on site for Preventive Maintenance. IPC controller on WOFs reprogrammed. IN: 1538…stating denomination mismatch.
- Arrival of WMS 28 machines.
- IGT on site – adjusting progressive levels on banks 55 & 58. Continue w WMS install.
- IGT on site, Bill validator upgrades.
- Received Customer Service Notification from WMS on software upgrades on Operating System programs (OS-SSSG-OOO-1640). Operations ordered new software per notification.
- Machine move on Bank 24 (WOF) and Kiosk for walking space to zone 3.
- Received WMS software (Jackpot Block Party).
- Grand Opening of New Expansion of Poker Room of 28 games.
- IGT on site. Replace ATY harness on WOF. CN: 4456
- Zone 2, Bank 11, Location 03, asset 8903 had issue with hand pay earlier in the morning. Jackpot payout was $250.00 and according to casino staff, jackpot read $260.00 displayed on machine. NGRO Slot Compliance staff kubetroned the software and came back negative. It was discovered that the LCD on the machine was displaying 2 sets of numbers which indicated that the LCD was the issue. WMS technician was on site for this matter and is aware of issue. Waiting on word from WMS to resolve issue.
- Revising Slot Compliance Department Policies and Procedures Manual with updates.
- On March 15, 2010, the Slot Compliance Department was assigned a project from the NGRO Executive Director. The NIGC check list on Environmental, Public health and Safety Site Visit Survey. Slot Compliance Assistants-Myrtis and Emery on project with the Gaming Facility Operations. Pending.

**JackPot Information:**

356 total jackpots during the second quarter = $861,089.36

**EPROM Inspections:**

65 games EPROM inspections. Almost 10% of floor for the quarter.

**Ram Clears:**

Due to the Progressive Transfers, Game Installs, and Game conversions with the installs.

**Game Malfunctions:**

- No major malfunctions
- Minor malfunctions included replacing button panels on WMS games that caused machines to lock up;
- CN Notification of Software upgrades for WMS (New installs). Waiting on software from Manufacturer. Upgrade should eliminate ticket printer lockups. New games have not been upgraded yet and no problems have arose.

**Total Games on Gaming Floor as of March 30, 2010 is 733.**

WMS= 149 + 28 =170 ( Install of new games March 8, 2010)
IGT= 286
Aristocrat= 98
Konami= 172
100% ticket in/ticket out

**VIII. Gaming Enforcement Department**

The Gaming Enforcement Manager came on board with the Navajo Gaming Regulatory Office on November 23, 2009 and submits the following Second Quarter report:

- During the month of January 2010, nine (9) visits were made to the Fire Rock Navajo Casino, Enforcement Office to provide technical support, policy clarification and to observe the Tribal Gaming Agents. Attended and participated in the Skills Path Training held in St. Michael’s Arizona at the EDC Conference room.

- During the month of February 2010 ten (10) visits were made to the Fire Rock Navajo Casino, Enforcement Office for various reasons that primarily included meeting with the Lead Agents, Agents, providing assistance and clarification; obtaining information to continue developing Policies and Procedures, Stand Operating Procedures and
to review issues that the Agents face. On February 6, 2010 a Tribal Gaming Agent meeting was held at the Fire Rock Navajo Casino. The meeting addressed several concerns that the Agents had and were addressed with resolutions.

- During the month of March 2010 ten (10) visits were made and conducted to the Fire Rock Navajo Casino, Enforcement Office. Completed the Annual Employee Performance Evaluations for four Agents (S. Begishie, C. Curley, A. Lee and D. Dedman) one agent was recommended for a step increase based on outstanding performance.

**ON GOING:**

- Developing procedures on seizing Counterfeit Currency, waiting for a response from the United States Secret Service regarding counterfeit currency.

- Developing procedures and forms for Exclusions and Self Exclusions, pending submission and approval by the Executive Director.

- Development of Policies & Procedures and Stand Operating Procedures for the Gaming Enforcement department continues with assistance from the Tribal Gaming Agents, Gaming Regulatory Staff and other entities.

*Attachment Enforcement Department (statistical purposes only):

<table>
<thead>
<tr>
<th>Activity</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Exclusions</td>
<td>11</td>
<td>10</td>
<td>13</td>
<td>34</td>
</tr>
<tr>
<td># of Unusual Incidents</td>
<td>10</td>
<td>20</td>
<td>11</td>
<td>41</td>
</tr>
<tr>
<td># of Self Exclusions</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td># of Variances</td>
<td>7</td>
<td>8</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td># of Bank Count Down Completed</td>
<td>20</td>
<td>5</td>
<td>11</td>
<td>36</td>
</tr>
<tr>
<td># of Suspicious Activity Report Received</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td># of Counterfeit Bills Seized</td>
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<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>$10</td>
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<tr>
<td></td>
<td>$100</td>
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<tr>
<td>Incident Reports Filed</td>
<td>85</td>
<td>50</td>
<td>48</td>
<td>183</td>
</tr>
</tbody>
</table>

**IX. SURVEILLANCE DEPARTMENT**

Areas of Documentation on Surveillance Logs (Statistical purposes only)
(January 1 – March 31, 2010)
<table>
<thead>
<tr>
<th>Event</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intoxicated Person</td>
<td>253</td>
</tr>
<tr>
<td>Customer/Employee Injuries/Illnesses</td>
<td>40</td>
</tr>
<tr>
<td>Alcohol/Illegal Drug on Premises</td>
<td>44</td>
</tr>
<tr>
<td>Panhandling/Soliciting</td>
<td>5</td>
</tr>
<tr>
<td>Minor Accidents in Parking Lot</td>
<td>15</td>
</tr>
<tr>
<td>Property Damage</td>
<td>7</td>
</tr>
<tr>
<td>Vehicle Vandalization</td>
<td>5</td>
</tr>
<tr>
<td>Domestic Disputes</td>
<td>11</td>
</tr>
<tr>
<td>Unaccompanied Minors</td>
<td>5</td>
</tr>
<tr>
<td>Counterfeit Incidents</td>
<td>6</td>
</tr>
<tr>
<td>DUI Arrest on Premises</td>
<td>8</td>
</tr>
<tr>
<td>Emergency Personnel on Premises</td>
<td>38</td>
</tr>
<tr>
<td>Arrest Made on Premises</td>
<td>57</td>
</tr>
<tr>
<td>Exclusion</td>
<td>34</td>
</tr>
<tr>
<td>Self Exclusion</td>
<td>6</td>
</tr>
<tr>
<td>Excluded Person Back on Property</td>
<td>13</td>
</tr>
<tr>
<td>Excluded Person Allowed Back on Property</td>
<td>4</td>
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<tr>
<td>Possible Missing Person Sighted</td>
<td>1</td>
</tr>
<tr>
<td>Employee Dispute</td>
<td>61</td>
</tr>
<tr>
<td>Customer Dispute</td>
<td>107</td>
</tr>
<tr>
<td>Restaurant Patron Walk Outs</td>
<td>1</td>
</tr>
<tr>
<td>Technical/Mechanical Problems</td>
<td>95</td>
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<tr>
<td>Cage/Vault/ Soft Count Violations</td>
<td>50</td>
</tr>
<tr>
<td>M.O.D Violations</td>
<td>8</td>
</tr>
<tr>
<td>Slot Attendant Violations</td>
<td>16</td>
</tr>
<tr>
<td>Security Violations</td>
<td>13</td>
</tr>
<tr>
<td>Table Game Violations</td>
<td>13</td>
</tr>
<tr>
<td>Players Club Violations</td>
<td>9</td>
</tr>
<tr>
<td>F&amp;B Violations</td>
<td>16</td>
</tr>
<tr>
<td>Bingo Violations</td>
<td>4</td>
</tr>
<tr>
<td>Maintenance/House keeping Violations</td>
<td>9</td>
</tr>
<tr>
<td>Gift Shop Violations</td>
<td>10</td>
</tr>
<tr>
<td>I.T. Violations</td>
<td>4</td>
</tr>
<tr>
<td>Administration/Enterprise Violations</td>
<td>5</td>
</tr>
<tr>
<td>Surveillance Review Request</td>
<td>137</td>
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<tr>
<td>Weapons confiscated</td>
<td>1</td>
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<tr>
<td>Lost and found/return items</td>
<td>122</td>
</tr>
<tr>
<td>Duress Alarms Cleared by Surveillance</td>
<td>3,447</td>
</tr>
</tbody>
</table>

**Trainings**

- January 4, 2010 Scams
- January 5, 2010 Internal and High Tech Scams
- January 7, 2010 Card Counting
- February 3, 2010 Craps Training
- February 23, 2010 Craps Training
- February 26, 2010 Craps Training
- March 15 – 16, 2010 Training for new Surveillance Staff Member on Policies March 17, 2010 Policy and Procedure Training for Current Staff
- March 18, 2010 Floor Camera Training
- March 23, 2010 S.Forte Vol. 1, 2 & 3 Card Cheating
- March 26, 2010 Blackjack Training
X. NATIONAL INDIAN GAMING COMMISSION (NIGC)

The NGRO Internal Audit Department was cited as a finding in the NIGC MICS Audit for 2009 for the lack of conducting internal audits as required. This was a repeat finding from Year 2008.

XI. ANNUAL GOALS/CHALLENGES AND OPPORTUNITIES FOR IMPROVEMENT

The NGRO will continue its assessment of the structure of its organization and will allow opportunities for improvement. Several challenges that need immediate attention include but are not limited to the following:

1) Professional Building – The NGRO will seek plans to construct a building to house all the NGRO Staff as we continue to aid the NNGE in expanding gaming operations. In process and pending.

2) Regulatory Assessment – The NGRO will continue its focus on taking additional steps to review the balance of regulatory concern and business concern. This will be an ongoing effort between casino management and the NGRO. In process and pending.

3) Develop a Training Certification Process for Staff – The NGRO will conduct training sessions to review all of the current laws, rules, and regulations that are utilized by the NGRO. Several trainings have been attended and additional job duties have been incorporated.

4) Approval of Proposed Regulations – The proposed Title 31 Regulations were published for 30-day public comment in February and ended March 5, 2010. No comments were received. Any final regulations will be properly submitted to all parties for enforcement.

5) Department Development – The NGRO will review and update all department standard operating procedures and internal controls to streamline and track performance. A review of the Internal Audit Department will be conducted and appropriate changes will be made. Pending.
The Navajo Nation
NAVAJO HOPI LAND COMMISSION
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

Mission & Goal
Protect and advance the interests and rights of the people and communities affected by the adverse impacts of the passage of the Navajo and Hopi Indian Land Settlement Act of 1974, P. L. 93-531, as amended.

I. PROGRAM INFORMATION
Division Executive Director: Roman Bitsuie
Telephone No.: 928-871-6441
Facsimile No: 928-871-7297

II. Budget/Performance Information

Funding and Expenditure:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>No. of Personnel</th>
<th>No. of Vehicle(s)</th>
<th>FY2010 Personnel</th>
<th>% Used</th>
<th>FY2010 Operating</th>
<th>% Used</th>
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</thead>
<tbody>
<tr>
<td>General</td>
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<td>$480,750.55</td>
<td>44%</td>
<td>$74,280.45</td>
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<tr>
<td>External</td>
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<tr>
<td>Others</td>
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<tr>
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<td>10</td>
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<tr>
<td>Total Expenses</td>
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<td>$212,614.50</td>
<td>44%</td>
<td>$48,281.67</td>
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<tr>
<td>Balance</td>
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<td>$268,136.05</td>
<td>56%</td>
<td>$25,998.78</td>
<td>35%</td>
</tr>
</tbody>
</table>

Although we have a balance of $25,998.78, we actually have only $7,530.35 available for operating cost. The remaining $18,468.43 is earmarked for insurance premiums. Our office is over expended in its travel subaccounts. By the end of third quarter NHLCO is projecting to be over expended in all its operating costs.

III. Accomplishments

A. Renewable Energy Development Initiative

Navajo-Hopi Land Commission Office (NHLCO) operates a renewable energy development project with a Department of Energy (DOE) grant to implement a solar and wind assisted energy development at the Bista-Paragon Ranch area. Project events this quarter were:

1. Request for Grant Extension to DOE- Request submitted to DOE on March 5. The extension is proposed from August 1, 2010 to December 31, 2010 (five months extension) to fully implement the grant. We are waiting for a DOE response.

2. Grant Applications- Started grant preparation to the USDA, HUD, and Rural Housing and Urban Development for funds to finance the renewable energy project. We also started communications process for leverage of funds, commitment letters, supporting resolutions with chapters, oversight committees, entities and surrounding colleges. Funds must be obtained to meet our goal for the next process for the renewable energy project to complete the following:
   - Engineering survey
   - Technical plan
   - Permitting plan
• Site investigation plan – environmental assessment
• Management strategies for essential infrastructure rights
• Outline of the master plan
• Economic projections for large-scale project
• Construction of a Navajo Nation Renewable Energy Center
• Activities supporting Navajo Nation Renewable Task Force
• Education and training for renewable energy jobs and careers
• Establish partnerships to provide education and training
• Operation and maintenance

3. Grant Reporting to DOE- Turned in a second quarterly grant report for the FY 2010 DOE grant.

4. Update on Request for Technical Assistance & Other Funds
   a. Study grant- Still awaiting DOE response on a grant request to finance transmission capacity and interconnect study of the Bisti-Paragon Ranch area.
   b. Request to U.S. Senator Tom Udall (NM) for $1.5 million for the project - The senator will earmarked funding in the Senate appropriation process.

5. Meetings attended by the SPPS this quarter:
   a. January 7-8: NHLCO staff work session.
   c. January 21: Michael Utter to discuss details for grant application for preparation of grants.
   d. February 9-10: Continuation of NHCO staff work session.
   e. February 19: Tectra Tech on introduction of firm and teamed up with Blue Hawk Design.
   f. February 24: Final work session for NHLCO staff to complete goals and objectives.
   g. March 8: New Energy Economy to complete educational materials.

B. Former Joint Use Area (FJUA)

1. Hopi Partitioned Lands (HPL)

48 Homes Project – Funded with NRTF, the 48 Homes Project aims to build 48 homes for families living on the HPL. The Navajo Housing Services Program, under an agreement with NHLCO, built most of the homes in 2000-2002, and opted out with forty two homes built and six homes unbuilt. In a follow up project, some of the homes are being repaired and new ones being built. Having divided the follow up project work into four phases, we are in the third and fourth phases:

   a. A contract document for a contract with J & L Construction to renovate 13 homes in Phase 3 is still being reviewed by the Design and Engineering before consideration by the Department of Justice for final approval.
   b. Promised Land, Inc. will deliver onsite three of the six unbuilt homes under Phase 4.
   c. ICE, Inc. is constructing three homes under a sole source agreement. The homes are 80% complete average.

Sealing HPL boundary fences- NHLCO staff met with the Teesto Chapter constituents twice this quarter to hear concerns over the Hopi closing an excess road by sealing the entrance fence in the extreme southeast part of the HPL east of Teesto, in RU 559. Our goal to have the entrance reopened.
2. Navajo Partitioned Lands (NPL)

NPL Grazing Regulations – NHLC received a report from Department of Agriculture and BIA Natural Resources Unit that they are anticipating to begin the re-issuance of grazing permits in Tonalea area before going into other precincts.

C. Navajo Rehabilitation Trust Funds (NRTF) Administration/Management

1. NHLCO staff met with the Forgotten People of FBFA residents and presented an overview of the NRTF in January 2010 at Tuba City. NHLCO administers a 2008 NRTF $1.8 million allocation for rehabilitation and improvement projects on the land dispute affected lands. Business unit numbers have been issued to eleven of the fourteen successful proposals. We are working to issue the three remaining accounts to the Coppermine and Tonalea chapters and Hooshdoodii Too, Inc.

2. NHLCO staff met with the Forgotten People of FBFA residents and presented an overview of the NRTF in January 2010 at Tuba City.

D. Land Selections and Conveyances

Under its land selection project, NHLC selected over 3,000 acres of land remaining to be selected in Arizona and New Mexico pursuant to the 1974 for conveyance either from fee to trust or tribal fee to trust status. The lands selected are:

1. 36.00 acres west of Albuquerque, NM.
2. Two and half sections known as the Rincon Ranch totaling 1,521.25 acres.
3. Three parcels of tribal fee lands in Winslow and Flagstaff totaling 1,205.70 acres.
4. 13.25 acres in Sanders, AZ

Additionally, several parcels totally 942.37 acres in Cameron, Cosnino, Twin Arrows, Dennison, Page and Winslow were identified for a 3-way land exchange with BLM lands located elsewhere in Arizona.

Recalculations are being made for all of the selected lands. To date we have not heard from BLM on this matter.

NHLCO and DOJ attorneys also met with the Interior Department staff in Washington, DC in February to discuss the Twin Arrows sites acquisition. NHLC is negotiating for purchase of two sections there from private owners, as well as selecting it under the land selection project.

E. Former Bennett Freeze Area Recovery

Recovery Plan- We ensure that development of the former Bennett Freeze Area (FBFA) remains a viable issue by facilitating its development and supporting legislation designed to aid in the region’s development. We are developing:

1. A proposal to use the escrow funds to renovate dilapidated homes in the FBFA.
2. A legislation to authorize federal involvement in the reconstruction of the area and an appropriation.
3. A guide on the use of the escrow funds, now said to be in excess of $5 million.

F. Legislations

[None this quarter.]

G. Relocatee Matters

1. Develop legislative possibilities that will authorize reparations for children of relocatees.
2. Request congressional study on the impact of relocation.
3. Seek revenues from development on selected lands to benefit people living on the HPL in 1974.
4. Acquire lands to develop homes on for benefit of relocatees’ extended families.
5. Continue outreach program to notify persons of interest on potential eligibility for relocation benefits
per Noller decision.

IV. Status of Ongoing Projects:

(See Section III all.)

V. Outstanding Program issues:

A. Renewable Energy Development Project

1. Establish a section 17 corporation.
2. Apply for extension to the $295,000 DOE renewable energy project grant from June 31 expiration date to December 31 to continue implementing the project.
3. Continue planning for solar and wind energy farm development at the Bisti-Paragon Ranch area.
4. Secure $1.5 appropriation from Congress run the renewable energy development initiative.
5. Assist Navajo Nation Renewable Energy Task Force develop and implement renewable energy development projects on the Navajo Nation, including Bisti-Paragon Ranch area.
6. Partner with colleges, universities, and tribal entities.
7. Educate chapters adjacent to the development on the project.
8. Seek additional federal funds to implement fully the renewable energy development program.

B. Former Joint Use Area

1. HPL
   a. Renovate 13 homes and build 6 new homes.
   b. Revive the HPL resident organization so it can effectively represent concerns of its constituents.
   c. Cause reopening of fence entrance in RU 559 east of Teesto as an access road.
   d. Enforce terms and conditions of the accommodation agreement.
   e. Initiate discussion on alternative dispute resolution.
   f. Meet with Hopi tribe regarding range management fencing.

2. NPL
   a. Seek funding for a rehabilitation plan development.
   b. Coordinate distribution of grazing permits with the BIA.
   c. Prepare for a major livestock reduction.
   d. Follow-up on natural resource studies.

C. Former Bennett Freeze Area (FBFA)

2. Participate in congressional legislation development process to enact public law that establishes a recovery/rehabilitation program for the FBFA.
3. Secure escrow funds held by the federal government for the benefit of the residents of the FBFA.
4. Develop a NHLCO spending plan for use of escrow fund account now in excess of $5 million.
5. Develop guideline and policy on use of escrow funds.

D. Legislation

1. Cause introduction of legislation that establishes a recovery/rehabilitation program for the FBFA.
2. Cause introduction of legislation that will clear title to the New Mexico lands the Navajo Nation wants conveyed to it as part of the New Mexico land acquisition project.
3. Secure a $1.5 million federal appropriation to continue operating the renewable energy development project beyond July 2010.
E. Navajo Rehabilitation Trust Funds (NRTF)

1. Assist grant recipients to implement projects funded with NRTF in 2008.
2. Cause reversion of NRTF for FYs 94, 95, 2000, and 2001 back to the NRTF unbudgeted balance.
3. Reconcile prior years appropriations.
4. Develop monitoring systems for NRTF projects.
5. Consolidate all land purchase accounts.
6. Conduct public hearings on the use of NRTF.
7. Review and recommend changes to NRTF guidelines and policies.
8. Require chapters to do their own budgets.
9. Update the WARP.

F. Land Selection Related Activities

1. Support Navajo Nation development of leases and/or other land use agreements with memoranda of understandings to pursue development of renewable energy resources at Bisti-Paragon Ranch area selected lands.
2. Support continued efforts by NHLC, NHLCO and Navajo Nation Washington Office efforts to educate Arizona and New Mexico congressional delegations and their staffs about the importance of legislation to convey PRLA-encumbered land selections in the Bisti-Paragon ranch area, and establishment of large-scale renewable energy projects there.
3. Identify and present potential lands in Arizona to Bureau of Land Management to support land acquisition.
4. Support presentations to Bureau of Indian Affairs to provide basis for conveyance of Rincon Ranch, Sanders property, Albuquerque property, Peaks Ranch and Winslow area to Navajo Nation trust status.
5. Get clarifications on the leasing of selected and acquired lands in New Mexico, specifically the acreage amount leased, and grazing fee status.

G. Relocatee Matters

1. Develop legislative possibilities that will authorize reparations for children of relocatees.
2. Request congressional study on the impact of relocation.
3. Seek revenues from development on selected lands to benefit people living on the HPL in 1974.
4. Acquire lands to develop homes on for benefit of relocatees’ extended families.
5. Continue outreach program to notify persons of interest on potential eligibility for relocation benefits per Noller decision.
The Navajo Nation
TELECOMMUNICATION REGULATORY COMMISSION
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

I. PROGRAM INFORMATION
Division Executive Director: Brian Tagaban
Telephone No.: 928-871-7854
Facsimile No: 928-871-7856

II. BUDGET/PERFORMANCE INFORMATION

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III. ACCOMPLISHMENTS

New Executive Director for NNTRC Office

On January 14, 2010, Brian Tagaban started as Executive Director of NNTRC Office. Brian has worked for the Navajo Nation since 2003 after returning from Silicon Valley, CA. As graduate of NAU in Computer Science and Engineering, Brian worked for Hewlett-Packard Company, and a couple of Internet ‘dot.com’ startup companies before working for the Navajo Nation. Brian restarted the Geographical Information Systems (GIS) section of Navajo Department of Transportation before accepting a management position with the Division of Health. As a key member of the Navajo Nation Broadband Work Group (NNBWG), he aided in facilitating key meetings, presented concepts and updates for the work group. Brian has a very technical background and has committed to carry forth ARRA broadband grant processes, E-911 and NNTRC office expansion & authority.

American Recovery and Reinvestment Act (“ARRA”): Broadband Applications

On March 2010, the National Telecommunications & Information Administration (NTIA) announced the award of $32.2 million grant for the NTUA Broadband Technology Opportunity Program (BTOP) application. This marks the successful effort by NNBWG lead by the NNTRC Office to bring the next generation broadband infrastructure, and mobile wireless broadband technology to the Navajo Nation. The ARRA funding produced a unique opportunity for the Navajo Nation to own vital telecommunication infrastructure. The NNBWG efforts resulted in three applications covering the Navajo Nation: NTUA/Commnet, middle/last mile application; Hopi Telecommunication Inc.(HTI), middle/last mile application; and Sacred Wind Communication (SWC), middle/last mile application. Unfortunately, the SWC and HTI applications were not funded. SWC has reapplied in the second round; this application would cover areas in the Eastern Agency not all ready in the service areas in SWC territory. The HTI application covered the Jeddito area of the Navajo Nation and would have provided an alternative fiber route off the Navajo Nation.

NTUA applied for funding to both programs, Rural Utilities Service (RUS) Broadband Initiatives Program (BIP), and NTIA/BTOP. The NTUA’s BIP application was rejected and the application was awarded by NTIA. Monroe Keedo, IT Director for NTUA and Commnet has been covered in series articles noting the 4G Long Term Evolution (LTE), and testing for point-to-point microwave links. The tests results have been successful and encouraging. The Navajo Nation can look forward to leading edge mobile wireless broadband technology in the coming years. The build out schedule is three year with
a substantial completion by two years. The NNTRC office will be monitoring and reporting the build out of the infrastructure and aiding in regulatory issues related to the build out.

The NNTRC coordinated the Navajo Nation the application to NTIA/BTOP for Public Computing Centers (“PCC”) titled Navajo Chapter Broadband Access Initiative (NCBAI). The Navajo Department of Information Technology (NDIT) was supported as the lead applicant despite findings related to a performance audit. The broadband workgroup did not identify any other organization with the resources and readiness to operate the proposed NCBAI environment. The facilities identified for the NCBAI are all Navajo government buildings and departments included in current plan of operations of NDIT. The total cost of the project is $13,880,140 with a $2,948,891 matching, leaving $10,931,249 as the requested amount.

**Transaction Privilege Tax (“TPT”): Arizona State Senate Bill SB1436**

Arizona Senate finance committee read Senator Hale’s bill SB1436 on February 24, 2010 at 4:00pm. The finance committee characterized SB1436 a budget item, therefore no vote would be held. The Finance Committee Chairman, Jack Harper, did acknowledge the bill needed be read in committee before being discussed in budget sessions. In attendance for the reading and to offer comments were Navajo Nation Vice President, Ben Shelley; Community Development Executive Director, Arbin Mitchell; Navajo Nation President Assistant, Mr. Gould; Fort Defiance Chapter President, Ben Bennett; and Lobbyist, Ron Lee.

The NNTRC office registered in favor of the bill and to speak if necessary. The finance committee was pressed for time, but graciously received the remarks of Navajo Vice President Shelley, but a quorum was not present during most of the remarks. In addition, SB1437 a bill for Navajo Technical College (NTC) to receive funding by TPT, still needed to be read. SB1436 has not had any additional actions to this date, and the status of the bill is unclear.

The NNTRC office is evaluating costs and return on investment in pursuing TPT funds during this fiscal year, but due to the Arizona budget crisis, the feasibility of a favorable bill passing the Arizona legislature is meager. The Arizona Legislative Native American Caucus met on Thursday, March 25, 2010 at 11:30 pm MST, to discuss TPT. The NNTRC office attended the caucus and will reevaluate the feasibility of current strategy, and of pursuing SB1436 and TPT for this year.

**Federal Communications Commission (FCC) National Broadband Plan**

On March 2, 2010, at the National Congress of American Indians (NCAI) 2010 Executive Council Winter Session, the FCC Chairman, Julius Genachowski, outlined the new FCC and tribal relationship. His remarks outlined new series of commitments of the FCC as directly relates to Tribes.

> “Put simply, bringing faster, affordable broadband service to people in Monument Valley is a lot harder than bringing it to people in Silicon Valley. I get that.”, FCC Chairman, Julius Genachowski.

Following this event, on the March 4, 2010 at FCC Headquarters in Washington D.C., the FCC hosted the 7th Annual Dialogue on Improving Telecommunications Access in Indian Country where each commissioner gave comments and entertained questions.

Significant comments noted:

> "I am a proponent of government to government relations", "Need creative and comprehensive ways to act on this", Commissioner Mignon Clyburn.

> "How do we create this bridge of communications?; Who do we talk too?", Commissioner Michael J. Copps.

The NNTRC stated the ambitions of the Navajo Nation to become a full fledged regulatory office and full regulatory authority of telecommunications over Navajo lands. These comments were well received by Commissioner Robert M. McDowell, and he extended an invitation to the NNTRC office to call his office at any time for consultation. The FCC is now enacting the process to expand the Tribal Liaison to an entire office with a director and staffing representing all bureaus of the FCC to interface with Tribes. The NNTRC office will continue to interface with the FCC to ensure that Navajo specific issues and ambitions are acknowledge and acted upon by the FCC.
The FCC announced an online spectrum database called the “Spectrum Dashboard” located at http://reboot.fcc.gov/reform/systems/spectrum-dashboard. FCC stated a need for a better process for Tribes obtain spectrum and that the bidding credits process did not work as well as the FCC intended. The NNTRC will closely monitor the release of new spectrum and to ensure the Navajo Nation can access spectrum as an owner.

The National Broadband Plan (NBP) released on March 16, 2010, outlines the commitments and understandings by FCC national broadband issues. The NNTRC office has studied the document to a limited extent, and has discovered many positive aspects which can directly applied to telecommunication issues on Navajo lands. The entire document is 376 pages, and details concepts and recommendations for the future of broadband across America. Consultation with tribes is specifically written in many portions of the document, many funding needs for tribes are outlined.

The NNTRC office will continue to study this document and replicate many of the concepts and recommendations applying them to creation of a Navajo Broadband Plan. The NNTRC office has retained Washington D.C. legal council to address issues and ensure adoption of policy changes favorable to the Navajo Nation by the FCC. The creation of NBP and the adoption of new Tribal consultation policies by the FCC are encouraging signs to receptiveness of NNTRC long range goals of expanded authority. NNTRC office recommends a thorough review of NBP to ensure NNTRC policies are consistent with FCC.
I. PROGRAM INFORMATION

Division Executive Director: Sharon Clahchischillage
Telephone No.: 202-682-7390
Facsimile No: 202-682-7391
Web Address: www.nnwo.org

II. NNWO BUDGET & OFFICE INFORMATION

A. Budget Information

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B. Office Information

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III. POLICY UPDATES

Appropriations

President Obama Releases FY 2011 Federal Budget Request

On February 1, President Barack Obama released his Budget Request for Fiscal Year 2011. Obama’s first official Federal Budget Request calls for government funding at approximately $3.834 trillion with an expected $1.267 trillion deficit.

The president’s budget proposes a total of $1.415 trillion in discretionary spending. Not counting emergency spending, this is an increase of about $15 billion over FY 2010 spending.

However the percentage of the Gross Domestic Product taken up by the deficit in the request is expected to drop from 10.6 percent in FY 2010 to 8.3 percent for FY 2011.

There is also a three-year spending freeze on non-security discretionary spending which should save $250 billion over 10 years in addition to immediate terminations, and reductions for a total of $20 billion. The Office of Management and Budget has stated that this freeze would not be applied “across the board.”

Department Spending - Interior

At the Department of Interior, the Bureau of Indian Affairs will receive $2.6 billion, a $3.6 million decrease from FY2010 enacted levels. Part of the lower amount was created by the one-time increase in FY2010 for tribal colleges that was not included this year.
However despite that decrease, several BIA programs have received increased funding according to new goals to strengthen Native communities.

To advance the government-to-government relationship the Administration has increased support by $29.9 million for tribal self-determination. Another $20 million has been increased for public safety. Indian education has also received $8.9 million more to commit to the Native education from elementary schools to tribal colleges and universities.

Under education construction, funds for the Dennehotso Replacement School Phase II at the Dennehotso Boarding School were included.

Within in the $9.1 million increase for land management is $1.2 million set aside for development efforts in the Bennett Freeze area in Western Navajo.

$8 million has been assigned to the Office of Navajo-Hopi Indian Relocation.

$10 million was included for the Navajo-Gallup pipeline project and $6 million for the Navajo Nation Water Resources Development Trust Fund.

Another $12.5 million was reserved for the Navajo Indian Irrigation Project.

**Department Spending – Health and Human Services**

At the Department of Health and Human Services, the Indian Health Service would receive $5.4 billion, an increase of $354 million to improve the health and reduce disparities for Native Americans and Alaska Natives.

Contract Health Services received a $84 million increase to $864 million in FY 2011 to cover care sought by Native Americans outside the IHS system. An estimated 35,953 cases could not be funded in FY 2008.

New construction received $66 million for three new facilities, one is an outpatient clinic located at Kayenta.

The DHHS Budget includes $8.2 billion, an increase of $989 million, for Head Start to serve an estimated 971,000 children, an increase of approximately 66,500 children over FY 2008. Early Head Start will serve approximately 116,000 infants and toddlers in FY 2011, nearly twice as many as were served in FY 2008.

The budget also includes an extension of the Temporary Assistance for Needy Families (TANF) block grant and related programs, including the Contingency Fund and Supplemental Grants, through FY 2011.

The following is a chart prepared by the NNWO illustrating the budget request with comparisons to the FY 2010 budget:

**President Obama’s Budget Request (in millions)**

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<td>Navajo Water Resources Development Trust Fund</td>
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<td>6,000</td>
<td>0%</td>
</tr>
<tr>
<td>Bennett Freeze Development</td>
<td>NA</td>
<td>1,200</td>
<td></td>
</tr>
</tbody>
</table>

**Department of Veterans Affairs**

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Programs (Medical care)</td>
<td>44,512,000</td>
<td>48,183,000</td>
<td>7.62%</td>
</tr>
<tr>
<td>Benefits Programs</td>
<td>49,396,106</td>
<td>53,500,000</td>
<td>7.67%</td>
</tr>
<tr>
<td>Burial Benefits</td>
<td>207,000</td>
<td>182,000</td>
<td>-13.74%</td>
</tr>
<tr>
<td>Education Mandatory Benefits</td>
<td>8,444,000</td>
<td>9,704,000</td>
<td>12.98%</td>
</tr>
<tr>
<td>Veterans' Housing Benefit Program</td>
<td>818,182</td>
<td>163,600</td>
<td>-400.11%</td>
</tr>
<tr>
<td>Native American Veteran Housing Loan Program</td>
<td>825,504</td>
<td>707,000</td>
<td>-16.76%</td>
</tr>
<tr>
<td>National Cemeteries Administration</td>
<td>168,000</td>
<td>104,000</td>
<td>-61.54%</td>
</tr>
</tbody>
</table>

**Environmental Protection Agency**

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Programs and Management</td>
<td>2,994,000</td>
<td>2,891,000</td>
<td>-3.56%</td>
</tr>
<tr>
<td>State and Tribal Assistance Grants</td>
<td>4,978,000</td>
<td>4,782,000</td>
<td>-4.10%</td>
</tr>
<tr>
<td>Infrastructure Assistance: Clean Water SRF</td>
<td>2,000,000</td>
<td>2,000,000</td>
<td>0%</td>
</tr>
<tr>
<td>Infrastructure Assistance: Drinking Water SRF</td>
<td>1,387,000</td>
<td>1,287,000</td>
<td>-7.77%</td>
</tr>
<tr>
<td>Infrastructure Assistance: Tribal Resources</td>
<td>69,740</td>
<td>65,740</td>
<td>-6.08%</td>
</tr>
<tr>
<td>Brownfields Projects</td>
<td>173,600</td>
<td>215,000</td>
<td>21.26%</td>
</tr>
<tr>
<td>Categorical Grant: Tribal Air Quality Management</td>
<td>13,300</td>
<td>13,566</td>
<td>1.96%</td>
</tr>
<tr>
<td>Categorical Grant: Tribal General Assistance</td>
<td>62,875</td>
<td>71,375</td>
<td>11.91%</td>
</tr>
<tr>
<td>Categorical Grant: Tribal Implementation</td>
<td>0</td>
<td>30,000</td>
<td>100%</td>
</tr>
<tr>
<td>Categorical Grant: Underground Injection Control</td>
<td>10,891</td>
<td>11,109</td>
<td>1.96%</td>
</tr>
<tr>
<td>Categorical Grant: Underground Storage Tanks</td>
<td>2,500</td>
<td>2,550</td>
<td>1.96%</td>
</tr>
</tbody>
</table>
### State and Tribal Partnership Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>171,000</th>
<th>241,000</th>
<th>29.05%</th>
</tr>
</thead>
<tbody>
<tr>
<td>State &amp; Local Air Quality Management Grants</td>
<td>171,000</td>
<td>241,000</td>
<td>29.05%</td>
</tr>
<tr>
<td>Air Monitors</td>
<td>0</td>
<td>15,000</td>
<td>100%</td>
</tr>
<tr>
<td>Water Pollution Control Grants</td>
<td>229,300</td>
<td>274,300</td>
<td>16.41%</td>
</tr>
<tr>
<td>Multimedia Tribal Implementation Grants</td>
<td>0</td>
<td>30,000</td>
<td>100%</td>
</tr>
<tr>
<td>Tribal Capacity Building</td>
<td>12,100</td>
<td>15,000</td>
<td>19.33%</td>
</tr>
<tr>
<td>Tribal GAP</td>
<td>62,900</td>
<td>71,400</td>
<td>11.90%</td>
</tr>
</tbody>
</table>

### Department of Energy

<table>
<thead>
<tr>
<th>Program</th>
<th>26,600,000</th>
<th>28,400,000</th>
<th>6.34%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weatherization Assistance Grants</td>
<td>210,000</td>
<td>300,000</td>
<td>30.00%</td>
</tr>
</tbody>
</table>

### Department of Transportation

<table>
<thead>
<tr>
<th>Program</th>
<th>78,400,000</th>
<th>79,100,000</th>
<th>0.88%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Highway Administration</td>
<td>44,152</td>
<td>42,801</td>
<td>-3.16%</td>
</tr>
<tr>
<td>National Highway Traffic Safety Administration</td>
<td>143,000</td>
<td>136,000</td>
<td>-5.15%</td>
</tr>
<tr>
<td>Highway Traffic Safety Grants</td>
<td>620,000</td>
<td>621,000</td>
<td>0.16%</td>
</tr>
<tr>
<td>Formula and Bus Grants, Trust Fund</td>
<td>8,343,000</td>
<td>8,631,000</td>
<td>3.34%</td>
</tr>
</tbody>
</table>

### Department of Education

<table>
<thead>
<tr>
<th>Program</th>
<th>46,781,000</th>
<th>49,697,000</th>
<th>5.87%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education</td>
<td>12,600</td>
<td>11,995</td>
<td>-5.04%</td>
</tr>
<tr>
<td>Strengthening Tribal Community Coll. &amp; Univ. (HEA-III)</td>
<td>30,000</td>
<td>32,000</td>
<td>6.25%</td>
</tr>
<tr>
<td>Tribally Controlled Vocational &amp; Technical Institutions</td>
<td>8,000</td>
<td>8,000</td>
<td>0%</td>
</tr>
<tr>
<td>Indian Student Education -(Formerly ESEA-VII)</td>
<td>127,000</td>
<td>127,000</td>
<td>0%</td>
</tr>
</tbody>
</table>

### Dept. of Health and Human Services

<table>
<thead>
<tr>
<th>Program</th>
<th>78,400,000</th>
<th>81,300,000</th>
<th>3.57%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian Health Service</td>
<td>4,052,375</td>
<td>4,406,429</td>
<td>8.03%</td>
</tr>
<tr>
<td>Clinical Health Services</td>
<td>2,953,559</td>
<td>3,200,165</td>
<td>7.11%</td>
</tr>
<tr>
<td>Hospitals and Health clinics</td>
<td>1,754,383</td>
<td>1,893,292</td>
<td>7.34%</td>
</tr>
<tr>
<td>Dental health</td>
<td>152,634</td>
<td>161,262</td>
<td>5.53%</td>
</tr>
<tr>
<td>Mental health</td>
<td>72,786</td>
<td>77,076</td>
<td>5.57%</td>
</tr>
<tr>
<td>Alcohol &amp; substance abuse</td>
<td>194,409</td>
<td>205,770</td>
<td>5.52%</td>
</tr>
<tr>
<td>Health Information Technology</td>
<td>131,000</td>
<td>135,000</td>
<td>2.96%</td>
</tr>
<tr>
<td>Contract health services</td>
<td>779,347</td>
<td>862,765</td>
<td>9.67%</td>
</tr>
<tr>
<td>Preventive Health Services</td>
<td>144,315</td>
<td>151,060</td>
<td>4.74%</td>
</tr>
<tr>
<td>Public health nursing</td>
<td>64,071</td>
<td>67,571</td>
<td>5.18%</td>
</tr>
<tr>
<td>Health education</td>
<td>16,682</td>
<td>17,489</td>
<td>4.61%</td>
</tr>
<tr>
<td>Community health reps</td>
<td>61,628</td>
<td>63,991</td>
<td>3.93%</td>
</tr>
<tr>
<td>Immunization AK</td>
<td>1,934</td>
<td>2,009</td>
<td>3.73%</td>
</tr>
<tr>
<td>Other Services</td>
<td>559,744</td>
<td>609,962</td>
<td>8.23%</td>
</tr>
<tr>
<td>Urban Health</td>
<td>43,139</td>
<td>45,502</td>
<td>5.19%</td>
</tr>
<tr>
<td>Health professions</td>
<td>40,743</td>
<td>41,413</td>
<td>1.62%</td>
</tr>
<tr>
<td>Tribal management</td>
<td>2,586</td>
<td>2,669</td>
<td>3.11%</td>
</tr>
<tr>
<td>Direct Operations</td>
<td>68,720</td>
<td>69,845</td>
<td>1.61%</td>
</tr>
<tr>
<td>Self-governance</td>
<td>6,066</td>
<td>6,201</td>
<td>2.18%</td>
</tr>
<tr>
<td>Contract Support Costs</td>
<td>398,490</td>
<td>444,332</td>
<td>10.32%</td>
</tr>
<tr>
<td>Total Health Services Programs</td>
<td>3,657,618</td>
<td>3,961,187</td>
<td>7.66%</td>
</tr>
</tbody>
</table>

### Administration for Native Americans

<table>
<thead>
<tr>
<th>Program</th>
<th>7,235,000</th>
<th>8,224,000</th>
<th>12.03%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head Start</td>
<td>7,235,000</td>
<td>8,224,000</td>
<td>12.03%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program</th>
<th>49,000</th>
<th>49,000</th>
<th>0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration for Native Americans</td>
<td>49,000</td>
<td>49,000</td>
<td>0%</td>
</tr>
</tbody>
</table>
Congress is currently scheduling Committee and Subcommittee hearings regarding the FY 2011 Budget Request. The NNWO will attend the initial hearings on the FY 2011 Budget Request for each Congressional Committee and/or Subcommittee, and a report will be forwarded to the appropriate Navajo Nation Division, Council Committee, and each branch Chief.
Health

Congress Set to Tackles and Passes Health Care Reform Bill. President Obama signs (P.L. 111-148) into law.

As the House of Representatives convened the start of its second session of the 111th Congress in Washington in January, first on its agenda was resuming talks on passage of a health care bill (HR 3692).

On January 19, the Senate began its new session with its health care bill (HR 3590) also a high priority.

Initially both chambers wanted to reconcile the two bills in the coming weeks into a final version which Congress hoped to present to President Obama for his signature before his State of the Union address in February.

In the initial bills, language reauthorizing the Indian Health Care Improvement Act (IHCIA) of 2009, remained.

Within the IHCIA, there were amendments were passed to protect the priority list for health care facilities, which included five Navajo area facilities. Additionally, an amendment proposing a feasibility study exploring whether the Navajo Nation should be treated and administered as an independent Medicare entity was also included.

President Obama’s second attempt at health care reform includes reauthorization of IHCIA

As the debate continued into February, President Obama prepared for a health care reform summit on Thursday, his new proposal unveiled earlier the week kept the provision of the Indian Health Care Improvement Act (IHCIA).

Obama’s greater health proposal sought more bi-partisan support to make health care more affordable, make health insurers more accountable, expand health coverage to all Americans, and make the health system sustainable, stabilizing family budgets, the Federal budget, and the economy:

Finally on March 21, the U.S. House of Representatives voted 219-212 to narrowly pass the Patient Protection and Affordable Act (H.R. 3590). Title X in the bill was language to permanently reauthorize the Indian Health Care Improvement Act (IHCIA) which would affect health care services for the country’s 1.9 million Native Americans and Alaskan Natives. The Act was last reauthorized nearly 10 years ago. President Obama signed the bill into law (P.L. 111-148) on Tuesday, March 24.

Navajo Nation President Joe Shirley, Jr., was among several tribal leaders present when United States President Barack Obama addressed supporters at the Department of Interior after signing the historic Health Care Reform Law.

“My heart is full of happiness that we have attained this goal to create permanency in providing health care for all our native brothers and sisters,” said President Shirley.

“I want to thank our Congressional leaders, the Navajo Division of Health, the Navajo Nation Washington Office, other tribal leaders and organizations and all others involved in the creation and passage of this legislation,” continued Shirley. “It signals a major accomplishment in improving the lives not only for the Navajo people but for all Native Americans.”

The White House released President Obama’s statement on the permanent reauthorization of the IHCIA.

“Earlier today, I signed into law the Patient Protection and Affordable Care Act, the health insurance reform bill passed by Congress. In addition to reducing our deficit, making health care affordable for tens of millions of Americans, and enacting some of the toughest insurance reforms in history, this bill also permanently reauthorizes the Indian Health Care Improvement Act, which was first approved by Congress in 1976. As a Senator, I co-sponsored this Act back in 2007 because I believe it is unacceptable that Native American communities still face gaping health care disparities. Our responsibility to provide health services to American Indians and Alaska Natives derives from the nation-to-nation relationship between the federal and tribal governments. And today, with this bill, we have taken a critical step in fulfilling that responsibility by modernizing the Indian health care system and improving access to health care for American Indians and Alaska Natives.”

“I want to thank the Representatives that voted to support Health Care Reform and the IHCIA,” said Navajo Nation Council Delegate and Health and Social Services Committee Chairman Thomas Walker Jr. “New Mexico Representatives Ben Luján, Martin Heinrich, and Arizona Representatives Ann Kirkpatrick, Raúl Grijalva, and Ed Pastor, all recognized the need of not just better access to health care for all Americans but also the specific needs of native Americans.”
Chairman Walker also acknowledged the work involved in the constant advocacy needed to provide access to health care for the Navajo people. “The new permanency of Indian Health Care is a historic milestone, brought by the efforts over the years by the Navajo Nation Division of Health, the Navajo Nation Council’s Health and Social Services Committee, and the Navajo Nation Washington Office.”

Chairman Walker continued, “It has been a long haul to get IHCIA to this point and I would also like to thank the other tribes and national native organizations for its efforts in getting the federal government to reaffirm its trust responsibility to its native peoples. It is a good day for Indian Country.”

Anslem Roanhorse, Division Director of the Navajo Nation Division of Health said, “The larger bill passing is very exciting but the section containing the IHCIA reauthorization makes it even more special for the nation’s tribes who have invested a lot of time working on it.”

“Over the years as each Congress attempted to push forward Indian Health Care reauthorization, the Navajo Nation has made sure services for our people were addressed for each new version of the bill,” said Roanhorse.

Within Title X of the Health Care Bill that contains IHCIA, sections address protections for the priority list for health care facilities, which includes five Navajo area facilities. Additionally, a feasibility study to explore whether the Navajo Nation should be treated and administered as an independent Medicaid entity and provide direct funding was also included.

Other provisions include access to AIDS drug assistance programs; new grants for early prevention programs; and new demonstration programs for rural telehealth.

The legislation, originally authorized in 1976 and last reauthorized in 1992, provides health care for American Indians and Alaska Natives to help fulfill the U.S. Government’s treaty and trust responsibilities to Native Americans.

Although the last IHCIA extension expired in Fiscal Year 2001, the government still continued to appropriate money yearly for Indian health programs.

**IHCIA Impacts on the Navajo Nation**

On the following pages is a matrix detailing the expected impacts the reauthorization will have on the Navajo Nation:
<table>
<thead>
<tr>
<th>Senate Bill H.R. 3590, as introduced November 17, 2009</th>
<th>Implications for the Navajo Nation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sec. 1311</strong> Affordable Choices of Health Benefit Plans: provides special monthly enrollment periods for Indians (as defined in section 4 of the Indian Health Care Improvement Act)</td>
<td>Special monthly enrollment for Navajo Indians that meet the 300% poverty requirement are exempt from cost sharing.</td>
</tr>
<tr>
<td><strong>Sec. 1402(d)(1)</strong> REDUCED COST-SHARING FOR INDIVIDUALS ENROLLING IN QUALIFIED HEALTH PLANS: SPECIAL RULES FOR INDIANS—(1) INDIANS UNDER 300 PERCENT OF POVERTY.—If an individual is enrolled in any qualified health plan in the individual market through an exchange is an Indian (as defined in section 4(d) of the Indian Self-Determination and Education Assistance Act (25 U.S. 450(b)(d)) whose household income is not more than 300 percent of the poverty line for a family of the size involved, then, for purposes of this section—(A) such individual shall be treated as an eligible insured; and (B) the issuer of the plan shall eliminate any cost-sharing under the plan.</td>
<td>Navajos that meet the 300% poverty requirement are exempt from cost sharing.</td>
</tr>
<tr>
<td><strong>Sec. 1402(d)(2)</strong> REDUCED COST-SHARING FOR INDIVIDUALS ENROLLING IN QUALIFIED HEALTH PLANS: SPECIAL RULES FOR INDIANS—(2) ITEMS OR SERVICES FURNISHED THROUGH INDIAN HEALTH PROVIDERS.—If an Indian (as so defined) enrolled in a qualified health plan is furnished an item or service directly by the Indian Health Service, an Indian Tribe, Tribal Organization, or Urban Indian Organization or through referral under contract health services—(A) no cost-sharing under the plan shall be imposed under the plan for such item or service; and (B) the issuer of the plan shall not reduce the payment to any such entity for such item or service by the amount of any cost-sharing that would be due from the Indian but for sub-paragraph (A).</td>
<td>Navajos receiving health care from the Indian Health Service (IHS), tribally run 638 facilities, or urban Indian health clinics are exempt from cost sharing.</td>
</tr>
<tr>
<td><strong>Sec. 1402(d)(3)</strong> (3) PAYMENT—The Secretary shall pay to the issuer of a qualified health plan the amount necessary to reflect the increase in actuarial value of the plan required by reason of this subsection.</td>
<td>Establishe procedures for determining Navajos, as Indians under the statute, as exempt.</td>
</tr>
<tr>
<td><strong>Sec. 1411</strong> Procedures for Determining Eligibility for Exchange Participation, Premium Tax Credits and Reduced Cost-Sharing, and Individual Responsibility Exemptions (5) Exemptions From Individual Responsibility Requirements.—In the case of an individual who is seeking an exemption certificate under section 1311(d)(4)(H) from any requirement or penalty imposed by section 5000A, the following information: (A) In the case of an individual seeking exemption base on the individual’s status as a member of an exempt religious sect or division, as a member of a health care sharing ministry, as an Indian, or as an individual eligible for a hardship exemption, such information as the Secretary shall prescribe.</td>
<td>Navajos are exempt from the requirement to maintain minimum essential health care coverage.</td>
</tr>
<tr>
<td><strong>Sec. 5000A</strong> Requirement to Maintain Minimum Essential Coverage (e) Exemptions.—No penalty shall be imposed under subsection (a) with respect to—(3) Members of Indian Tribes.—Any applicable individual for any month during which the individual is a member of an Indian tribe (as defined in section 45A(e) (6)).</td>
<td>Navajos are exempt from the requirement to maintain minimum essential health care coverage.</td>
</tr>
<tr>
<td><strong>Sec. 9021</strong> EXCLUSION OF HEALTH BENEFITS PROVIDED BY INDIAN TRIBAL GOVERNMENTS (a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 139C the following new section: “Sec. 139D. Indian Health Care Benefits. (a) General Rule.—Except as otherwise provided in this section, gross income</td>
<td>Currently, the Navajo Nation does not pay for health benefits for tribal members, outside of the employer-employee relationship.</td>
</tr>
</tbody>
</table>
(b) Qualified Indian Health Care Benefit.—For purposes of this section, the term "qualified Indian health care benefit means—

"(1) any health service or benefit provided or purchased, directly or indirectly, by the Indian Health Service through a grant to or a contract or compact with an Indian tribe or tribal organization or through a third-party program funded by the Indian Health Service;

"(2) medical care provided or purchased by, or amounts to reimburse for such medical care provided by, an Indian tribe or tribal organization for, or to, a member of an Indian tribe, including a spouse or dependent of such a member,

"(3) coverage under accident or health insurance (or an arrangement having the effect of accident or health insurance), or an accident or health plan, provided by an Indian tribe or tribal organization for medical care to a member of an Indian tribe, include a spouse or dependent of such a member, and

"(4) Any other medical care provided by an Indian tribe or tribal organization that supplements, replaces, or substitutes for a program or service relating to medical care provided by the Federal government to Indian tribes or members of such a tribe.

(c) Definitions.—For purposes of this section—

(1) Indian tribe.—The term 'Indian tribe' has the meaning given such term by section 45A(c) (6).

(2) Tribal organization.—The term 'tribal organization' has the meaning given such term by section 4(l) of the Indian Self-Determination Education Assistance Act.

(3) Medical Care The term 'medical care' has the same meaning as when used in section 213

(4) Accident or Health Insurance; Accident or Health Plan.—The term 'accident or health insurance' and 'accident or health plan' have the same meaning as when used in section 105.

(5) Dependent.—The term 'dependent' has the meaning given such term by section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof.

"(d) Denial of Double Benefit.—Subsection (a) shall not apply to the amount of any qualified Indian health care benefit which is not includible in gross income of the beneficiary of such benefit under any other provision of this chapter, or to the amount of any such benefit for which a deduction is allowed to such beneficiary under any other provision of this chapter.”.

(b) Clerical Amendment.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 139C the following new item:

“Sec. 139D. Indian Health Care Benefits”.

(c) Effective Date.—The amendments made by this section shall apply to benefits and coverage provided after the date of the enactment of this Act.

(d) No Inference.—Nothing in the amendments made by this section shall be construed to create an inference with respect to the exclusion from gross income of—

(1) benefits provided by an Indian tribe or tribal organization that are not within the scope of this section, and

(2) benefits provided prior to the date of the enactment of this Act.

**Sec. 3314** INCLUDING COSTS INCURRED BY AIDS DRUG ASSISTANCE PROGRAMS AND INDIAN HEALTH SERVICE IN PROVIDING PRESCRIPTION DRUGS TOWARD THE ANNUAL OUT-OF-POCKET THRESHOLD UNDER PART D.

(a) In General.—Section 1860D-2(b)(4)(C) of the Social Security Act (42 U.S.C. 1395w-102(b)(4)(C) is amended—

The Navajo Nation’s direct service IHS, 638 facilities, and affiliated urban Indian health center will have access to AIDS drug relationship. The tax benefits under this provision do not apply to the Navajo Nation.
(1) in clause (i), by striking “and” at the end;
(2) in clause (ii)—
(A) by striking “such costs shall be treated as incurred only if” and inserting “subject to clause (iii), such costs shall be treated as incurred only if”
(B) by striking “, under section 1860D-14, or under a State Pharmaceutical Assistance Program”; and
(C) by striking the period at the end and inserting “; and”; and
(3) by inserting after clause (ii) the following new clause:
(iii) such costs shall be treated as incurred and shall not be considered to be reimbursed under clause (ii) if such costs are born or paid—
“(I) under section 1860D–14;
“(II) under a State Pharmaceutical Assistance Program;
“(III) by the Indian Health Service, an Indian tribe or tribal organization, or an urban Indian organization (as defined in section 4 of the Indian Health Care Improvement Act); or
“(IV) under an AIDS Drug Assistance Program under part B of title XXVI of the Public Health Service Act.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to costs incurred on or after January 1, 2011.

Subtitle K
Protection for American Indians and Alaska Natives

Sec. 2901 SPECIAL RULES RELATING TO INDIANS

(a) No Cost-Sharing for Indians With Income At Or Below 300 Percent of Poverty Enrolled In Coverage Through A State Exchange.—For provisions prohibiting cost sharing for Indians enrolled in any qualified health plan in the individual market through an Exchange, see section 1402(d) of the Patient Protection and Affordable Care Act.

(b) Payer of Last Resort.—Health programs operated by the Indian Health Service, Indian tribes, tribal organizations and Urban Indian organizations (as those terms are defined in section 4 of the Indian Health Care Improvement Act (25 U.S.C. 1603) shall be the payer of last resort for services provided by such Service, tribes, or organizations to individuals eligible for services through such programs, notwithstanding any Federal, state or local law to the contrary.

(c) Facilitating Enrollment of Indians Under the Express Lane Option.—Section 1902(e)(13)(F)(ii) of the Social Security Act (42 U.S.C. 1396a(e)(13)(F)(ii)) is amended—(1) in the clause heading, by inserting “AND INDIAN TRIBES AND TRIBAL ORGANIZATIONS” after “AGENCIES”;

(d) Technical Corrections.—Section 1139(c) of the Social Security Act (42 U.S.C. 1320b-9(c)) is amended by striking “In this section” and inserting “For purposes of this section, title XIX, and title XXI”.

Subtitle K
Sec.2902 ELIMINATION OF SUNSET FOR REIMBURSEMENT FOR ALL MEDICARE PART B SERVICES FURNISHED BY CERTAIN INDIAN HOSPITALS AND CLINICS.

(a) Reimbursement for All Medicare Part B Services Furnished by Certain Indian Hospitals and Clinics.—Section 1880(e) (1) (A) is amended by striking “during the 5-year period beginning on” and inserting “on or after”.

(b) Effective Date.—The amendments made by this section shall apply to items or services furnished on or after January 1, 2010.

Sec. 511 Maternal, Infant, and Childhood Home Visiting Programs

Extends grant assistance programs under Part D.
Grants to Eligible Entities That Are Not States.—

(a) Indian Tribes, Tribal Organizations, or Urban Indian Organizations.—The Secretary shall specify requirements for eligible entities that are Indian Tribes (or a consortium of Indian Tribes), Tribal Organizations, or Urban Indian Organizations to apply for and conduct an early childhood home visitation program with a grant under this section. Such requirements shall, to the greatest extent practicable, be consistent with the requirements applicable to eligible entities that are States and shall require an Indian Tribe (or consortium), Tribal Organization, or Urban Indian Organization to—

(i) conduct a needs assessment similar to the assessment required for all States under subsection (b); and 
(ii) establish quantifiable, measurable 3- and 5-year benchmarks consistent with subsection (d) (1) (A)

(j) APPROPRIATIONS.—

(2) Reservations.—Of the amount appropriated under this subsection for a fiscal year, the Secretary shall reserve—

(A) 3 percent of such amount for purposes of making grants to eligible entities that are Indian Tribes (or consortium of Indian Tribes), Tribal Organizations, or Urban Indian Organizations

(k) DEFINITIONS.—In this section:

(1) Eligible Entity.—

(A) In General.—The term “eligible entity” means a State, an Indian Tribe, Tribal Organizations, or Urban Indian Organization

(3) Indian Tribe; Tribal Organization.—The terms ‘Indian Tribe’ and ‘Tribal organization’ have the meanings given to such terms in section 4 of the Indian Health Care Improvement Act”.
The term "Indian health program" means (A) any health program or facility funded, in whole or part, by the Service for the benefit of Indians and administered—
(i) directly by the Service; (ii) by an urban Indian organization pursuant to title V of this Act; and (B) the term "State" has the same meaning given such term in section 3310(h) of the Public Health Service Act.

The term "tribal organization" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).
interprofessional teams (referred to in this section as “health teams”) to support primary care practices, including obstetrics and gynecology practices, within the hospital service areas served by the eligible entities. Grants or contracts shall be used to—

1. establish health teams to provide support services to primary care providers; and
2. provide capitated payments to primary care providers as determined by the Secretary.

(b) Eligible Entities.—To be eligible to receive a grant or contract under subsection (a), an entity shall—

1. be an Indian tribe or tribal organization, as defined in section 4 of the Indian Health Care Improvement Act;

Sec. 3505 Trauma Care Centers and Service
Availability authorizes grants available to Indian Health Service, Indian tribal, and urban Indian trauma centers to assist in defraying substantial uncompensated care costs; to further the core missions of such trauma centers, including by addressing costs associated with patient stabilization and transfer, trauma education and outreach, coordination with local and regional trauma systems, essential personnel and other fixed costs, and expenses associated with employee and non-employee physician services; and to provide emergency relief to ensure the continued and future availability of trauma services.

Sec. 4001 Title IV- Prevention of Chronic Disease and Improving Public Health
Subtitle A- Modernizing Disease Prevention and Public Health Systems
Sec. 4001. National Prevention, Health Promotion and Public Health Council. Establishes National Prevention, Health Promotion and Public Health Council and directs that the Assistant Secretary for Indian Affairs shall be part of the council. The council will establish process for continual public input, including input from State, regional, and local leadership communities and other relevant stakeholders, including Indian tribes and tribal organizations.

Part T – Oral Healthcare Prevention Activities
Sec. 399LL Oral Health Care Prevention Activities
Requires the Secretary to ensure Indian, Alaska Natives and Native Hawaiians are included in the target population.
be part of targeted activities to specific populations in oral health care prevention 
education campaign
Sec. 399LL-1 Research Based Dental Caries Disease Management
Makes dental programs of the Indian Health Service, an Indian tribe, or tribal 
organization or an urban Indian organization eligible for grants under the section 
Sec. 399LL-2 Authorization of Appropriations
(b) School based sealant programs.—strikes 317M(c) (1) “may award grants to 
States and Indian tribes” and inserts “shall award a grant to each of the 50 states 
and territories and to Indians, Indian Tribes, tribal organizations and urban Indian 
organizations (as such terms are defined in section 4 of the Indian Health Care 
Improvement Act)”. 
(d) Oral Health Care Infrastructure.—The Secretary, acting through the Director 
of the Centers for Disease Control and Prevention, shall enter into cooperative 
agreements with State, territorial, and Indian Tribes or tribal organizations (as 
defined) to establish oral health leadership and program guidance, oral health care 
data collection and interpretation (including determinants of poor oral health 
among vulnerable populations), a multidimensional delivery system for oral health, 
and to implement science-based programs (including dental sealants and 
community water fluoridation) to improve oral health.

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sec. 4108</td>
<td>Incentives for Prevention of Chronic Diseases in Medicaid.</td>
<td>Allows a state to enter into arrangements with Indian tribes</td>
</tr>
<tr>
<td>Subtitle C</td>
<td>Community Transformation Grants</td>
<td>Indian tribes are eligible to receive grants under this section</td>
</tr>
<tr>
<td>Sec. 4201</td>
<td>Healthy Aging, Living Well; Evaluation of Community Based Prevention and Wellness Programs for Medicare Beneficiaries.</td>
<td>Awards grants to states or local health departments and Indian tribes to carry out 5 year pilot programs to provide public health community interventions, screenings, and where necessary, clinical referrals for individuals who are between 55 and 64 years of age.</td>
</tr>
<tr>
<td>Sec. 4202</td>
<td>Data Collection, Analysis, and Quality.</td>
<td>Makes data collected through the section available to Indian Health Service and epidemiology centers funded under the Indian Health Care Improvement Act</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>Note</td>
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<tr>
<td>5101</td>
<td>Innovations in the Health Care Workforce</td>
<td>Requires consultation with Federal, State, and Local agencies, Congress, and to the extent practicable, to consult with Indian Tribes. Navajo Nation should be consulted</td>
</tr>
<tr>
<td>5304</td>
<td>Demonstration Projects to Address Health Professions Workforce Needs</td>
<td>Alternative Dental Health Care Providers Demonstration Project. Makes Indian Health Service Facilities or a tribe or tribal organization (as defined under ISDEAA)</td>
</tr>
<tr>
<td>5507</td>
<td>Demonstration Projects to Address Health Professions Workforce Needs; Extension of Family-to-family Health Information Centers</td>
<td>Assures at least 3 grants under this section shall be awarded to an Indian Tribe, tribal organization or Tribal College or University. Definitions, defines tribes as eligible entities for purposes of Sec. 5507. Extends eligibility for this grant to the Navajo Nation – Navajo</td>
</tr>
<tr>
<td>5508</td>
<td>Increasing Teaching Capacity</td>
<td>Defines Inclusion of Certain Entities including health center operated by the Indian Health Service, an Indian tribe or tribal organization, or an urban Indian organization (as defined by section 4 of the Indian Health Care Improvement Act) includes the Navajo Nation</td>
</tr>
<tr>
<td>5507</td>
<td>Enhanced Medicare and Medicaid Program Integrity Provisions</td>
<td>(A) Inclusion of Certain Data.—The integrated Data Repository of the Centers for Medicare and Medicaid Services shall include, at a minimum, claims and payment data from the following:.. (I) The Indian Health Service and the Contract Health Service Program (B) Data Sharing and Matching.—The Secretary shall enter into agreements with the individuals described in clause (i) under which such individuals share and match data in the system of records of the respective agencies of such individuals with data in the system of records of the Department of Health and Human Services for the purpose of identifying potential fraud, waste, and abuse. (ii) Individuals described… (IV) The Director of the Indian Health Service Navajo health data related to claims and payment data are to be integrated into the CMS Data Repository for the purposes of identifying potential fraud, waste, and abuse. Implications of this provision of for the Navajo Nation should incorporate the language in the IHCIA amendment, reflecting language in S.1790 – Section 159, which authorizes the Navajo Medicaid Feasibility Study.</td>
</tr>
<tr>
<td>2011</td>
<td>Definitions</td>
<td>'Indian tribe' has the meaning given such term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) Under this language, the Navajo Nation is an “Indian tribe” for the purposes of this section.</td>
</tr>
</tbody>
</table>
Navajo Nation Vice President Ben Shelly Attends U.S. Department of Health and Human Services Consultation

In March, Navajo Nation Vice President Ben Shelly, was among tribal leaders that gathered in Washington last week to participate in the Department of Health and Human Services (DHHS) Tribal Consultation Session regarding the 2011 DHHS Federal Budget. The two-day session covered topics from contract health to the behavioral and mental health needs faced by the country's tribal population.

The vice president addressed DHHS officials and tribal leaders on the continuing health crisis on the Navajo Nation and proposed a solution to working with reduced State funding, caused by growing budget deficits, for health programs.

“We have talked about these problems many times before,” began Vice President Shelly.

“The Navajo Nations recommends,” Shelly continued, “before cutting health programs funded through the states, tribes need to be consulted. The Federal health agencies should collaborate and strategically plan to coordinate services.

“Many of our problems may be solved if we ask the question,” Shelly concluded, “should the Federal government directly fund the federal agency programs (currently administered through the States) to alleviate Native American health disparities?”

The annual DHHS Tribal Consultation Sessions seeks to identify the needs faced by tribal governments in delivering healthcare to their people. Participants testified to officials about the medical challenges facing tribes. This year an additional emphasis on services for an increasing aging population and major health care reform was made. It is a continuing goal of the Obama Administration.

In an unrelated meeting, the vice president also met with Department of Interior officials to address the conflict of building infrastructure for tribal members living close to national parklands. He asked the department to resolve land matters for residents living close to the Chaco Canyon National Monument where there is an established moratorium surrounding the park preventing road improvement to tribal homesteads.

Public Safety

S. 797 - Tribal Law and Order Act

During the second session of the 111th Congress there are renewed efforts to pass S.797, the Tribal Law and Order Act. This is expected to advance tribal sovereignty and would allow federal officials, with the consent of the tribe, to investigate offenses against tribal laws and would require federal officials to turn over evidence to tribal law enforcement if a federal investigation ceases.

Among the major highlights of the bill include:

Establishing an Office of Indian Country Crime at the Department of Justice to develop and administer federal criminal laws in American Indian communities; requiring the Department of Justice to file declination reports to tribal justice officials to coordinate the prosecution of reservation crimes; providing technical assistance to tribal law enforcement officials regarding use of the National Criminal Information Center (NCIC) database; and establishing a program to provide technical and financial assistance for tribal-state cooperative law enforcement agreements and expand training opportunities and set timelines on Bureau of Indian Affairs background checks.

In addition the bill seeks to reauthorize the Bureau of Indian Affairs and Justice Department tribal courts laws, tribal juvenile justice laws, the Justice Department Jails statute, and the Indian Alcohol and Substance Abuse Act (PL 99-570); reauthorize the Tribal Community Oriented Policing Services program to permit long term and permanent grants for the hiring and training of tribal police officers as well as the purchase of computers, weapons, vehicles and other equipment; and modify the collection of reservation crime data and criminal history information sharing by tribal, federal and state law enforcement officers responsible for investigating and enforcing crimes committed in American Indian country.

So far the bill is described as non-controversial and has bi-partisan support in the Senate. Since passing the Senate Committee on Indian Affairs in September the bill waits for a Senate floor vote. The NNWO has joined with other Native organizations to pressure members of the Senate to bring the bill to a vote.
**Economic Development**

**H.R. 725 - Native Arts and Crafts Bill Passes House**

In January, the U.S. House of Representatives passed by voice vote, the Indian Arts and Crafts Amendments Act of 2009 (H.R. 725).

The Act would expand the enforcement capabilities to several additional law enforcement agencies. Currently, only the FBI can investigate charges of arts and craft fraud – which has only resulted in three convictions since the original law was enacted in 1990.

The original arts and crafts legislation was enacted to combat the sale of fraudulent Indian art and craftwork and protect the integrity and authenticity of Indian art and the economic livelihood of Native Americans.

The House bill was introduced by Arizona Representative Ed Pastor and was supported by co-sponsors, Arizona Representatives Ann Kirkpatrick and Raúl Grijalva and New Mexico Representative Ben Ray Luján to combat increasing worries that the influx of counterfeits from other nations, such as China and Mexico, may threaten the integrity of the Native American art market.

It is estimated that the sale of Native American art and craftwork exceeds one billion dollars a year.

**H.R. 4849 - Build America Bonds**

The House Ways and Means Committee in March backed a $16.8 billion package of tax incentives, targeted at small businesses and state and local governments that would be paid for by increasing taxes on foreign investors.

The tax-writing panel approved the measure, 25-15, despite some Republican opposition to tax increases on foreign investors. Backers say the bill would spur hiring for small businesses and would provide state and local government an expanded alternative to tax-exempt bonds, known as Build America Bonds, for building infrastructure.

Specifically, the bill would eliminate capital gains taxes on certain small-business stock purchased between March 15, 2010 and Jan. 1, 2012. It does not go as far the Administration proposal, which had wanted to make the capital gains exemption for small businesses permanent.

The bill also includes changes sought by small businesses that have been hit with penalties by the IRS for engaging in prohibited tax shelters and have complained that the penalties were disproportionate.

During committee consideration the panel adopted, by voice vote, a substitute amendment offered by Levin that made two key changes to the bill.

First the amendment extended the Build America Bonds program to bonds issued before April 1, 2013, rather than July 1, 2013 as originally drafted. The amendment also added language to permit Indian tribes to issue tax-exempt private activity bonds for sewage and water supply facilities. The bill also would allow the bonds to be used for refinancing previously issued Build America Bonds and would gradually reduce the interest subsidy to 30 percent.

**President Obama Signs Slimmed Down Jobs Bill**

President Obama signed a slimmed down jobs bill, H.R. 2847, which passed the Senate March 17, 2010, by a vote of 68-29. The major provisions of the bill include:

1. payroll tax breaks for businesses that hire unemployed people
2. extension of the surface transportation programs funded under the Highway Trust Fund
3. Build America Bonds which would allow Indian Tribes to issue tax-exempt private activity bonds for sewage and water supply facilities
4. generous expensing rules for small businesses. NNWO assisted the Vice President with advocating for tax-exempt bonding with the White House

The original version of H.R. 2847 which initially passed the House provided for substantial infrastructure projects that totaled $154 billion dollars. Later, the Senate Finance Committee developed a companion $80 billion dollar bill that Senate Majority Leader Harry Reid narrowed by amendment to the smaller $17.6 billion dollar bill. The intent of the trimmed down bill is to create jobs and foster economic development. According to Reid, other “jobs package” bills are forthcoming.

Education

Navajo Nation Education Advocacy on February 8-10, 2010 During the NIEA Legislative Summit

NNWO assisted in coordinating meetings with Congress for the Dine Bi Olta School Board Association and Navajo Division of Dine Education. NNWO reviewed previous IGR approved Education materials for the Obama-Transition Team and developed supplemental talking points for the meeting. These materials would supplement IGR materials that the Dine Bi Olta School Board Association would provide on the hill.

NNWO provided information to participants regarding the historic snowfall the weekend before the storm. Meeting participants were unable to make their flights so a later date was considered for advocacy.

Navajo Nation Department of Dine Education Comments at Senate Briefing for the Reauthorization of No Child Left Behind

Members of the Navajo Department of Dine Education (DODE and Education Committee member attended the Senate Committee on Indian Affairs Congressional Briefing on the Reauthorization of the Elementary and Secondary Education Act on March 3, 2010. Those present for the briefing were Andrew Tah, Superintendent of Schools, Matt Tso, Legislative Associate, Dr. Kalvin White, DODE Specialist, and Willey Tracey. NNWO assisted in advocating message with BIE and Congress.

DODE prepared notes which were presented verbally by Superintendent Tah and Councilman Willey Tracey. The Navajo Nation is pushing for a State Education Agency (SEA) to be included in the reauthorization. Additionally, both Mr. Tah and Mr. Tracey requested that the BIE should fund the accountability workbook application.

The DODE officials also met with the BIE to request that the funding for the Accountability Workbook. Follow-up meetings were held with Denise Desiderio, Senate Committee on Indian Affairs and Peter Zamora, Senior Education Counsel, Senator Jeff Bingaman, to express the Navajo Nation position on the ESEA reauthorization.

On March 26, 2010, the NNWO assisted the Navajo Nation Division of Dine Education developing strategy and message of letter regarding reauthorization of the Elementary and Secondary Education Act (NCLB). NNWO reviewed and submitted substantive comments regarding drafts of advocating documents going to the Congress and White House.

Taxation

S. 1147 - Prevent All Cigarette Trafficking Act of 2009

Recently, the Prevent All Cigarette Trafficking Act of 2009 (S.1147) passed the Senate on March 11, 2009. The NNWO collaborated with the Division of Taxation and provided the following comments regarding the broad tax reach of bill to Senator Udall and opposition to the bill.

The Senate cosponsors claim that the purpose of the act is to stop cigarette trafficking and cigarette sales to minors. While admirable goals, however, according to the Section 2 A. (d) Delivery, all internet sellers with delivery sales would be required to pay, in advance, the cigarette tax of the jurisdiction which the internet seller is delivering their cigarettes.

Disproportional Impact on Indian Tribes

Currently, taxes on remote interstate sales when there is no physical presence of the seller in the buyer state is an unresolved
question in Congress. The Supreme Court has said interstate sellers with no physical presence in the buying state are not required to collect a use tax in that state. Quill Corp v. North Dakota, 504 US. 298 (1992). These bills may set a precedent as it requires paying use taxes for cigarettes being sold across state lines. The bill may disproportionately impact many tribal sellers on Tribal land who sell cigarettes interstates.

The historical record points to the PACT Act being directed at helping states recover cigarette sales tax

In the early stages of act being introduced in Congress, one of the main points was to assist States to collect interstate cigarette sales tax. According to the a 2002 GAO Report to Congressional Requesters, the GAO was reporting back to Congress their findings for Jenkins act non-compliance had on tax revenues. GAO-02-743 page 2. Recent additions to the act to include terrorism links on trafficking of cigarettes were added after the initial goal of helping states recover cigarette tax revenue. Tenuous connections have been put forward regarding terroristic trafficking data that can be applied to making interstate cigarette sales. No evidence of terror traffickers was included in the 2002 GAO report. The late inclusion of trafficking seems to be a pretext to obtain taxing and federal enforcement authority over Tribal sellers.

Bad precedent for regulating Tribal Economies

Congress has plenary power when it concerns Tribal Governments. Congress should exercise this authority in a fundamentally fair way and not set a bad precedent that disproportionately impact tribal economies. Congress already has a reporting requirement in the Jenkins Act for reporting of interstate sales that will protect the underage buyers.

If Congress is allowed to make the Tax laws impact tribal economies they will set the tone for exercising other laws disproportionately on Indian Tribes. It sets a bad precedent to alter the tribal economy of the smallest minority in the country.

Other

Navajo Nation Vice President Shelly Addresses White House Officials

On January 29, Navajo Nation Vice President Ben Shelly met with several White House officials who gathered Tribal leaders to get suggestions on how to increase economic investment and decrease the extremely high unemployment rates in Native communities.

Kim Teehee, the Senior Policy Advisor for Native American Affairs, and Jodi Gillette, an Associate Director for the Office of Intergovernmental Affairs, hosted the tribal leader meeting. Additional officials from several federal agencies were also in attendance.

“Through the development of a working group, tribal leaders and administration officials can take a serious look and determine what works and what doesn’t work for Native Nations. How can we get small businesses to actually open up shop on Tribal lands?”

During the meeting, Shelly brought three recommendations for improving the business climate on Tribal lands.

“The first area should be focused on tax issues,” said Vice President Shelly. “Tribes struggle to raise revenue. This struggle is made more difficult by challenges of dual taxation.”

The lack of access to capital was the second area identified by Vice President Shelly. “We should focus on bonding authorities, loan guarantees, and tax credits, but we should also be more creative in our approach.”

The Vice President Shelly then noted, “The Indian Financing Act (Indian Loan Guarantee Program) has been around since 1974. This Act is restrictive and needs to be on par with private financing activity. The Act needs additional funding and broadening for eligibility purposes.”

Before the session adjourned, Vice President Shelly finished by telling the group, “The Navajo Nation currently has a 55 percent unemployment rate. The question we need to ask ourselves is whether these policies that are being advocated or proposed will actually bring jobs to Tribal lands?”
Virginia Representative James Moran appointed new chairman of House Interior Committee

In March Representative James P. Moran (D-VA) was appointed as chairman of the House Interior-Environment subcommittees.

Moran replaces Representative Norm Dicks, (D-WA), the former Interior-Environment chair who moved to the Defense Appropriations chair to fill the seat of Pennsylvania Democrat John P. Murtha, who recently died.

Moran already a member of the Interior-Environment subcommittee moved up to Dicks’ chairmanship.

Moran, who is in his 10th term and represents the inner Virginia suburbs near the nation’s capital, is noted as combative but has a reputation as an able negotiator. He will preside over a fiscal 2011 Interior-Environment spending bill of about $30 billion. He has sought the chairmanship of the panel since at least 2006, when he backed Murtha in his unsuccessful bid to become majority leader.

As chairman he will have influence over such issues as national parks and Indian affairs.

Obama Requests Money for Cobell Settlement

President Obama on February 12, requested an additional $1.5 billion for disaster relief programs this fiscal year, while also asking Congress to quickly authorize payments as part of settlements reached in disputes that American Indian tribes and black farmers had with the federal government.

The White House sent Congress amendments to its budget proposal that also include a request for $155 million more in discretionary spending in fiscal 2011, some of which was due to errors or omissions in the budget sent to Congress on Feb. 1.

In early December, the Interior Department announced a $3.4 billion settlement with American Indian plaintiffs in a long-running and contentious class action lawsuit over the federal government’s handling of trust accounts it held on behalf of Native Americans.

Interior Secretary Ken Salazar urged Congress to approve the settlement by Dec. 31, but Congress could not make the deadline. The plaintiffs, led by Elouise Cobell, agreed to a later deadline of Feb. 28. There has been no indication of movement since.

The lawsuit centered around allegations that the Interior Department mismanaged billions of dollars in grazing, gas, oil and other royalties owed to Native Tribes whose land the federal government has held in trust since 1887.

Under the agreement, $1.4 billion would be used to pay more than 500,000 plaintiffs, and $2 billion would be used to consolidate land holdings where multiple heirs have complicated accounting and management of accounts.

IV. ONGOING NNWO GOALS & OBJECTIVES

Continue the Navajo Nation government’s working relationship with Congress, federal agencies, and the Obama administration.

In addition to working on legislative efforts with Congress the Navajo Nation Washington Office continues to represent the Nation’s interests before federal agencies. In providing support to visiting Navajo Nation elected representatives and staff the Navajo Nation Washington Office facilitates meetings, consultations, and assists in the representation with federal agencies.

Prioritize and Advance Planning and Budget Development

The Navajo Nation Washington Office has worked arduously to advance the budget and appropriations requests with the federal government on behalf of the Navajo Nation. The Navajo Nation Washington Office continues to educate and stress the critical importance of working two years in advance in the federal budget cycle in order to have projects and program funding incorporated in the President’s budget submittal to Congress.
V. PROGRAM RECOMMENDATIONS

FY 2013

The Navajo Nation Washington Office has been working three budget cycles in advance with the U.S. Office of Management and Budget in preparation of the FY 2011, 2012 and 2013 budgets. Navajo Nation Divisions and Departments will be requested to start preparing budget figures and project justifications for the FY 2013 budget year.
The Navajo Nation
OFFICE OF THE CONTROLLER
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

MISSION STATEMENT
The Mission of Division of Finance is to protect, manage and maintain the financial integrity and physical resources of The Navajo Nation. We seek to demonstrate ethical behavior and promote fiscal responsibility and accountability to the Dine’ and their Government through meaningful, accurate and efficient financial information so that all our customers quality services.

I. PROGRAM INFORMATION:

Controller: Mark G. Grant
Telephone No.: 928-871-6310
Facsimile No: 928-871-7612

Departments:
Systems, Contract Accounting
WIA Accounting
Cashiers, Office Services, Accounts Receivable
Payroll
Contract Administration, Purchasing, Supply Center
Accounts Payable, Travel Office
P-Card Section
Credit Services
General Accounting
Property Management
Laura Johnson-Nez, FMIS Project Manager
Lena D. Arviso, Accounting Manager
Isabelle A. Yazzie, Accounting Manager
Janice M. Haskie, Accounting Manager
Lorena Eldridge, Accounting Manager
Louise Johnson, Manager
Robert Willie, Supervisor
Harry Tso, Jr., Senior Property Clerk

II. ACCOMPLISHMENT:

1. Close out contracts within a timely manner:
   - Meet with Division of Community Development regarding NM JPA project close outs. A last minute meeting was scheduled by CIO office for Tuesday at 1:30 pm and Contract accounting staff attended.
   - Signed all Federal, State and Private Grant Reports.
   - Signed all Federal, State and Private Requests for Reimbursements.
   - Setup the Federal ASAP system.
   - Imogene completed all EPA’s close outs that ended 9/30/09.
   - Working on submitting the quarterly AML reports. These were due 1/31/10.
   - Working on close out reports for WIC, Food Donation, Police Traffic Overtime, OSERS. Still have several other close outs pending. Do not have Principal Accountant to do reviews on Close Outs for my group.
   - Working on close out report for Headstart Program. There were received not voucher still on record on January’s FMIS report.
   - Working on B.I.A. reports due to the Bureau on 4/30/2010. We started out late on the schedule but are catching up and only need one budget to be corrected and minor corrections to be made by the Accountant before the reports are finalized. We should have several more reports completed out this week.
   - Still working on several closes out reports. This is pending until Valerie gets her positions filled.

2. Process financial documents within a timely manner.
In adherence to the Contract Compliance memo dated October 15, 2007 effective October 1, 2007 the Contract Accountants continue on a daily basis to review and analyze submitted financial documents then forward to Accounts Payable and Purchasing Section as soon as possible. They continue to have problems with the Programs who are submitting late documents with incorrect account numbers, unauthorized signatories, etc. We assist the Programs in submitting documents to other sections on time. Additionally, Contract Accounting is documenting the problems and informing the Programs as to why financial documents are not being processed within a timely manner.

III. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA'S:

1. Fiscal Year 2008 Audit.
2. Close all External Fund Open Commitments.

IV. STATUS OF ACTION PLAN (A, B, AND C LISTS):

1. The Contract Accountants have worked directly with the auditors and provided all requested reports. This year we have only two finding, one was questionable and we agreed that next year our goal is to have no findings.
2. Contract Accounting Staff are continuing to run the Job Status Inquiry reports for some programs. Purchasing Section ran the open commitments report for all external funds and currently Contract Accounts are working with the programs to close all old outstanding open commitments from FY 2003, 2004, 2005, 2006 and 2007.
3. The Contract Accounting Power-user has completed recertification training for all Contract Accountants on the 8.12 Web Versions.

V. OUTSTANDING PROGRAM ISSUES:

1. Followed up with Division of Public Safety, Rangers and Property Management regarding requested information for USDOJ Audit. Notifications were sent via email again requesting for missing equipment.
2. Contract Accounting attended the KPMG Singe Audit entrance conferences for all divisions held at the Museum.
3. Contract Accounting has begun working with KPMG Single Audit team and has provided a number of reports to them.
4. Received e-mail report the annual 272 report is no longer required for cash status, only for expenditures as an annual interim or as a final report.
5. Neither State of Arizona nor State of New Mexico Title XX contracts have been executed. Both contracts began 7/01/09.
   - Company 3565 NM deficit $147,154.23 as of 1/29/10
   - Company 3566 AZ deficit $470,483.22 as of 1/29/10
6. Signed up for Letter-of-credit system to request for funds for LIHEAP and CSBG.
7. Social Services received the Development grant for T-IV E funds; reviewed SAS. This is to develop how Social Services will implement procedures/policies should they receive direct funding. Title IV-E funds are to assist children that are adopted or in foster care, the NN can receive reimbursement of expenditures.
8. LIHEAP will be audited this year.
9. Navajo Regional Behavioral Health Program is being audited by LeCompte. They started January 19. We finally found the contract folders. The auditor will be coming in Sunday to review the folders. Last year we allowed auditor to review folders after 5, Charlene never got them back so I guess I'll be in on Sunday.
10. Have not filed the 425 report (replaced 272). She did not have access to report, faxed request for access forms; but PMS is stating they do not have PIN 2264 with PAN #1G59P listed.
11. Child Care and Program for Self-Reliance will be audited this year.
12. Have not file the 425 report yet, so we are delinquent; however should the NN request for funds now, they will not deny the request based on the report being delinquent.
13. Special Diabetes is being audited this year.
14. Completed semi-annual reports for 2009 Emergency Medical Services and Social Services, Isabelle reviewed and these were submitted yesterday to IHS. Master contract report pending on my desk.
15. 2009 IHS ‘638 business units were extended by OMB to 2/28/10 as the 2010 AFAs were not available on 1/1/10.
16. Out of the ‘638 Programs, EMS, CHR and DBHS are being audited this year.
17. Working on submitting the quarterly AML reports. These were due 1/31/10.
18. The Cops grants CFDA # 16.710 is currently being audited. All documents listed on the PBC were forward to the auditors.
19. The quarter ending reports for all USDOJ are still in process. The delay is due to the new reporting method under FS 425 and obtaining the DUNS number from the program.
20. Efforts are still being made to reconcile the NAHASDA grants. NHA provided a general ledger report that needs to be reviewed and compared to FMIS to determine what invoices are still outstanding.
21. Staff participated in assisting with operation snow fall 2010.
22. For the NM JPA grants as far as we know all capital outlay projects are on hold until the legislators finalize the list. Although (2) master list were approved by NMIAD and the NN there are differences, reconciliations are ongoing to verify projects and amounts. We are still waiting on the finalized list of de-authorized projects approved by the State. PEC codes were placed on all capital outlay projects.
23. The EDA grants have successfully been updated into ASAP for drawdown purposes. This has been a lengthy process in obtaining approval.
24. There are concerns with NAAA updating the meal counts for the Title III grants. The delay in updating these counts delays the financial reporting. Due to the delay and slow process of updating the client information the funding agency has approved an extension to Wednesday, February 10, 2010 to finalize the financial reports for the 2009 grants. We have yet to obtain the 2010 grant updates from NAAA.
25. Ongoing meetings with NAAA and the funding agency on the SnapEd grant to identify matching of 25%. There was no indication from the program that matching was required until the financial reports were due. A PEC code was placed on the BU until funds can be identified.
26. Working on Archeological Services Reports which are for past reports and current reports.
27. The 425 reports were certified in the Payment Management System (PMS). I did schedule training on the new report process; however by the time SUPPORT got into the web address, the actual training was over.
28. I have not sent out a listing to my staff on delinquent reports. After February closing entries are done, I can update my tracking sheet and provide listing to staff.
29. Some reports that were submitted prior to my return needed to be revised. The indirect cost expense from 10/01/09 was not to be reported.
30. Elfina Wauneka came over late Friday afternoon to notify me there is a meeting tomorrow with Department of Energy representatives regarding the Weatherization grants. They do want to review the financial books. The meeting will be at 9:00 am in the DCD Conference room.
31. The only State of Arizona contract that is not executed is Title XX. DOJ and State’s attorneys are revising language (see email this a.m. and response from Michele Jones, DSS this afternoon).
32. Reorganized grants to respective Accountants. The USDOJ/COPS grants are now being monitored by Farrell Begay. The CDBG/HUD/NAHASDA grants are now monitored by Levon Smiley. This change will allow the Accountants to focus more on reconciling outstanding reporting issues.
33. Still working with Cashiers to locate missing deposits from EDA, totaling $31,200.71. EDA is requesting for a copy of the bank statement however there is a question of confidentiality. Still waiting for EDA to provide the wire transfer confirmation.
34. There’s continuing concerns for the NAAA Title III grant reporting particularly at the program level. The lack of reporting at the program level delays financial reporting and cost reimbursements. We have not received information on whether the program was able to meet the February 10, 2010 due date and if the 2010 grant were updated.
35. Still waiting on NAAA to identify the 25% matching funds for the SnapEd grant. As of today there is no activity.
36. The Veterans program is in jeopardy of losing its AmeriCorps grant due to non-compliance issues at the program level. Key program staffs have left the program leaving the grant activities at a standstill.
   - Problem with B.I.A. grants that expired on 12/31/2009. B.I.A. responded to the Navajo Nation and has set some restrictions to “savings” under these grants.
They should have been encumbered as commitments such as purchase orders or contractual agreements to be allowable to be expended.

They should have amendments to extend the grants.

The extension should only be to 9/30/2010.

They should be expended for projects or tasks that were not completed during the contract period.

37. We have researched the toll charges that we were requested to journal out of general funds into the grant accounts.

What had transpired is the individuals that rent vehicles did not pay a toll charge when driving with the car rental.

The rental charges that were submitted to the Navajo Nation were paid in full including these toll charges.

The rental company had identified which individuals were being accessed a fee for not paying.

Travel office had requested for the individuals to reimburse the Navajo Nation for this charge. It was payroll deducted out of their payroll checks.

We did a credit journal entry back into the grant account and debit out the payroll deduction account to transfer the payments back into the grant account.

This should reimburse the grant accounts for these unallowable expenses.

38. We are processing payments for NDWD participants for April thru June 2010. We processed about 300; this was all done on DATAPORT.

VI. PROBLEMS/RECOMMENDATIONS:

1. Got setup in the Federal ASAP system.
2. Meet with KPMG and Contract Accounting Supervisors on PBC listing, ARRA funding and Grant Receivables.
3. Participated in OCG calls for IDC Negotiations.
5. We have received the referrals from DPM for the Accountant and Principle Accountant positions. Tests were developed for both positions and are currently being reviewed by the supervisors. Interviews will be scheduled hopefully in a couple of weeks.
6. Staff assisted payroll with the 2009 W-2’s; sorting and distribution to employees.
7. Inclement weather has been problems for staff getting to work. Also safety concerns for staff walking from vehicle to building. (Slippery and icy at times).
8. Problems: P-Card Payments that are being made.
9. Jacket purchases for $3,000.00 disapproved by our Accountant. The program then processed the charges under P-Card payments. The Accountant is trying to get the program to journal out back to general funds.
10. When check P-Card Payments – Asked for detailed receipt, the program provides the card receipt and that is all. Do not know what the program is paying for.
11. General Accounting asking Accountants to do journal entries to move toll charges out of general fund back to grant accounts. These charges are as a result of individuals who have rental vehicles and did not pay toll charges. Camera takes photo of license number and the rental company is notified. They come back and ask the Navajo Nation to pay for these toll charges which are under the P-Cards. These fees also include late fee charges. Not allowed under federal regulations.
12. Program using P-Card to pay for gasoline for private vehicles. Charging these charges to gasoline cost type. Program coming back and asking for journal entries back to vehicle mileage because this is where they would have been reimbursed out of.
13. Process Issue C/A and Contract Administration need to agree on use of line items. (Controllers checklist) update I’m still trying to schedule a meeting and will try again this week.
14. Create process to address all audit findings from FY2008 (Controllers checklist) update Rob and I need to meet on this will get together this week.
15. We are having issues with Janice’s staff.
16. Over-payments on contracts. Who is responsible? I thought it was Contract Admin, but Janice is eluding it should be our staff. We don’t get the Receiving Records.
17. Closing Open Commitments
18. There is another audit going on regarding the AZ State contract with Regional Behavioral Health Authority accounts. The auditor (K Pierce, LeCompte PC) did request for AP documents; however Lorena mentioned KPMG’s auditors are
priority, so Charlene will need to keep checking with Lorena. This is still outstanding several emails have been sent to Lorena.

19. Held staff meeting to discussed on-going Audit with KPMG, In-House Vacant Positions, Outstanding Reports, IDC, Office Closure, Attendance and Staff Contribution (W-2’s & Operation Snowfall).

20. Staff participated in rearranging seating assignments.

21. Valerie has given me the listing of business units to review in order to come out with a final listing for files to be organized. This will take me a couple of days and I do not expect to get to this listing until after I complete my monthly journal entries and several reports that are pending.

22. Added Object Accounts:

- K070812.4520
- K093043.9072.02
- K093043.9072.03
- C01413.9142
- K090115.9038

23. Generated Reports for KPMG/Supervisors/OCG:

- FY 09 RDP Population
- FY09 Payroll Clearing Details for Object Accounts 2992, 2995, 2997
- Detail of Payroll Clearing Batches 496228, 496300, 496305
- FY09 VP and PH Document Types
- FY 09 Purchase Order Detail
- FY09 Expenses w/ CFDA Nos.
- Report of Object Accounts 0365/0369 through 9/30/09
- IDC Detail for FY 04,05,06,07,08
- Balance Sheet Fund Balance Inquiry
- CG List as of 21010
- NM JPA Accounts as of 2/28/10


27. Research Vouchers Payable Cos. 3360 and 2682.

28. Updated the CG List and Report Dates worksheet and filed copies of Financial Reports.
VII.  FLOW CHART (Most recent / updated chart attached):

VIII.  BUDGET STATISTICAL INFORMATION:

<table>
<thead>
<tr>
<th>Documents Processed</th>
<th>Jan-10</th>
<th>Feb-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meetings/Training</td>
<td>20</td>
<td>35</td>
</tr>
<tr>
<td>Signature Approval Sheets</td>
<td>77</td>
<td>72</td>
</tr>
<tr>
<td>Walk Thru's (RDP's, TA's, PR's)</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Budgets/Memos</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Contracts</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Receiving</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Budget Transfers</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Journal Entries</td>
<td>1692</td>
<td>1468</td>
</tr>
</tbody>
</table>
Draws 22 7
Reports 127 237
Carryovers 0 0
PAF/Back-pay/Timesheets 694 353

Subtotal 2660 2188

Encumbrance Documents Processed:
Purchase Orders Mods (PO’s) 11 0
General Claims Forms 40 130
Inter-dept Charge Requisitions 83 93
Purchase Requisitions 238 374
Req for Demand Pmt 967 1232
Stationary Supply Orders 34 27
Travel Authorizations 581 374

Subtotal Encumbrances 1954 2230

Total Documents processed for Jan to Mar, Second Quarter FY '10 4614 4418

SYSTEMS

II. ACCOMPLISHMENT:

1. General Ledger Upgrade Accomplishment: The Office of the Controller had completed the GL Inquiry Upgrade to Version 9.0. End users tested and approved their templates. Upgrade was completed in February 2010.

2. Purchase and Replacement of Equipment: We are routinely replacing small end user items like keyboards, mouse, laptops, monitors on the floor. These items tend to dispose early due to daily usage.

3. Review of processes and testing of scripts: We are still missing A/R, Fixed Assets, Benefits, and HR scripts from the Tools Release Upgrade in January. It is now end of March and I need the scripts completed and signed by managers of your module. They are 3 months overdue. All other module scripts have been turned in reviewed and signed as passed.

4. Training: Internal training has been ongoing for all users of the system and has been daily in the month of December. Systems Section staff have attended on line Report Writer trainings.

III. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA'S:

1. Northern Trust Implementation - FMIS Application Specialist has met with Northern Trust and has worked on the file template Z Conversion to use for upload into JDE. Systems office just needs to sit with Investments section to go over their current process flows/duties.

2. BI Publisher Implementation - The Navajo Nation owns the license for Business Intelligence Publisher Systems Section is working with Consultant to get this implemented.

3. UPK Demo and Implementation - The Users Productivity Kit (UPK) Demo was held in January 2010. We are currently awaiting a head count from the Power-users to identify how many end user licenses we may have to purchase.

4. HRIS Security Matrix – We are still awaiting feedback from Department of Personnel Management for their review and update of their Roles and Security.

5. System Refresh – DV Environment will be refreshed March 27 and 28, 2010.

6. Discussions were held on the following and possible implementation of Supplier Collaboration Portal, Document Management, Executive Management Console and Expense Management Module.

7. The Systems Section is working on an OOC Website complete with links. The link is:
IV. OUTSTANDING PROGRAM ISSUES:

1. We have had issues with the Retirement Program Reports. Program failed to test and perform maintenance within Benefit Module of JDE. As a result the report was not accurate and therefore not run. The Program needs to address all outstanding issues to get report working again.

2. The Office of Management and Budget requested reports. We are unable to get OMB to test these reports as OMB indicated they were never considered. OOC paid for consulting hours to develop these and no response has been received to date.

3. We are awaiting the Accounts Payable Section to submit sample reports for AP Statistics so we can develop the Report Specifications and have consultant develop it.

4. Discussions were held that the FMIS Address Book needs an overhaul. There are so many duplicates that it would be an assigned mini project. One individual would need to be dedicated to address the training and cleansing issues. The reason there are duplicates is AB users are not trained properly.

5. We are awaiting from the FMIS Power-user the 6B Security Roles for their respective modules. The power users from each module will need to sit down with the already-implemented and existing FMIS Security Matrix and adjust their module Inquiry roles to fit what the 6B user tasks entail (i.e., entering vouchers, entering OR’s).

   ➢ Shawn has offered his assistance in getting this figured out, as well as Systems. The systems office will not be in charge of figuring out what kind of security is required as we have no idea what functionality they will require to complete their new 6B roles. Based on the changes/adjustments made to the security roles, we will create new 6B FMIS User Roles and assign them accordingly to the 6B trainees. Keep in mind that there is a segregation of duties that should apply as well. A user who is assigned to enter vouchers should not be allowed to receive as well… vice versa.

V. PROBLEMS/RECOMMENDATIONS:

1. Funding is needed to implement the following; Supplier Collaboration Portal, Document Management, Executive Management Console, Expense Management Module and UPK.

2. Funding is needed to address the Disaster Recovery Site and Equipment. We budgeted for it in FY2010 but it was all removed as our allocation was not sufficient.

3. Funding is needed for training of Systems Staff to keep them updated on ERP Systems.

VI. FLOW CHART (Most recent / updated chart attached):
### VII. BUDGET STATISTICAL INFORMATION:

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Month End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone Calls</td>
<td>28</td>
</tr>
<tr>
<td>In Person</td>
<td>38</td>
</tr>
<tr>
<td>Email</td>
<td>31</td>
</tr>
<tr>
<td>SQL</td>
<td>2</td>
</tr>
<tr>
<td>SQL Restore</td>
<td>0</td>
</tr>
<tr>
<td>Project Promotion</td>
<td>6</td>
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<tr>
<td>Maintenance</td>
<td>1</td>
</tr>
<tr>
<td>Password Resets</td>
<td>3</td>
</tr>
<tr>
<td>Printers installed</td>
<td>3</td>
</tr>
<tr>
<td>Systems replaced</td>
<td>1</td>
</tr>
<tr>
<td>Lock Outs</td>
<td>3</td>
</tr>
<tr>
<td>Security Forms Received</td>
<td>27</td>
</tr>
<tr>
<td>6B Security Forms Received</td>
<td>0</td>
</tr>
<tr>
<td>User Accts Set Up</td>
<td>13</td>
</tr>
<tr>
<td>User Accts Changed</td>
<td>14</td>
</tr>
<tr>
<td>User Accts Disabled</td>
<td>0</td>
</tr>
<tr>
<td>Meetings</td>
<td>1</td>
</tr>
<tr>
<td>Data Ports</td>
<td>22</td>
</tr>
<tr>
<td>Formscape</td>
<td>0</td>
</tr>
<tr>
<td>Restore file from Backup</td>
<td>2</td>
</tr>
</tbody>
</table>

**Consultant Contact (give a brief description of what the contact was about)**

- **Andy**
  - 4 consultations
  - Worked with Andy to inventory NNOOC servers for warranty expiration dates.
  - Worked with Andy to inventory SAN disk space and find out how much space we can reclaim.
  - Worked with Andy on Equalogic to free up disk space.
  - Worked with Andy to update Barracuda Firewalls with firmware updates.

- **Jaeho**
  - 1 consultation
  - Contacted Jaeho on system issue

- **Shawn**
  - 4 consultations
  - Contacted Shawn on 6B rollout
  - Contacted Shawn on functional issue.
  - Contacted Shawn on Accounts Payable issues
  - Contacted Shawn on Accounts Fixed Assets issues

- **Annette**
  - 2 consultations
  - Contacted Annette on Formscape & Retirement issues

### ACCOUNTS RECEIVABLE / CASHIERS / OFFICE SERVICES

II. BUDGET/PERFORMANCE INFORMATION:

<table>
<thead>
<tr>
<th>Section</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicles</th>
<th>FY 2009 Personnel Budget</th>
<th>% Used</th>
<th>FY 2009 Operating</th>
<th>% Used</th>
</tr>
</thead>
</table>

...
1. Program Performance Results:
   - Accounts Receivable Section (A/R) prepared invoices for general funds and proprietary funds.
   - Cashiers Section (C/S) prepared incoming/outgoing electronic wires, receipts and deposited funds for the Navajo Nation departments.
   - Office Services Section (O/S) monitored incoming/outgoing mail, mail meters, Xerox copies, Interdepartmental Charge Requisitions and vehicle mileage for the Office of the Controller (OOC).

III. ACCOMPLISHMENT:

1. Accts Receivable processed 114 Council Delegate Salary Advance Requests as of March 31, 2010 which consists of invoices totaling $86,600.00. This process consists of staff entering data from the claim forms into the FMIS; Supervisor reviews and approves the batches, and it requires the Accounting Manager’s signature on the claim forms. Finally A/R submits it to A/P for check processing.

2. Accts Receivable staffs have updated excel worksheets for Business Site Leases (BSLs) for agencies and have monitored BSLs by performing reconciliation, updating A/R Customer Ledger accounts, and sending out billings to the current A/R customers. The total payment received for BSLs for the quarter ending March 31, 2010 is $704,007.30. The revenues received for Land Rents is $936,651.42 and revenues received for Right of Way is $8,406,386.15. The total Insurance Premiums billing is $1,687,866.10 and the total paid is $1,680,898.11, thus leaving an outstanding balance of $6,967.99.

3. Cashiers took in $19,321,081.50 in daily deposits and $234,186,770.70 in ACH deposits for the quarter ending March 31, 2010. The total number of Cash Receipts issued is 9,188 and the total number of ACH Receipts issued is 429. The total revenue for quarter ending March 31, 2010 is $163,891,778.36.

4. Office Services prepared and submitted Xerox billing for the quarter ending March 31, 2010 to Department of Records Management (DRM). The total Xerox copies processed for the first quarter is 51,548 and the billed submitted for Xerox copies is $2,577.55. The total number of mail sent out is 62,046 and the total cost of the mail sent out is $43,352.33. The total number of General Assistance checks and Initial Grants mailed for the quarter is 7,554, Scholarship is 469, LIHEAP is 1,612 and the total number of TANF checks mailed is 3,047.

5. The automatic entries on Voided Cash Receipts are now reflective in the General Ledgers (G/L) Module. Before these entries were not showing up on the G/L side and with the assistance of Consultants, it is corrected. Additionally, the missing data for Cash Receipts have been resolved as of March 2, 2010.

6. Office Services has created a schedule to record all OOC employees with Leave without Pay (LWOP) and employees with Annual Leave (AL) balances in excess of 300 hours. For the quarter ending March 31, 2010, there were on the average 17 employees with LWOP and 18 employees with AL balances in excess of 300 hours. Out of the 17 employees with LWOP, there are Four (4) employees with temporary status.

7. Cashiers prepared budget transfers each month for OOC. The total number of budget transfer submitted and approved by Office of Management Budget (OMB) is five (5) and the total amount of the budget transfer is $63,328.20. This is less than 1% of the total budget for OOC.

8. Cashiers provided “General Guidelines” to programs to resolve audit deficiencies on February 12, 2010. This is to comply with the Condition of Appropriation No. 1 set forth for OOC and OMB to respond to the audit findings for Fiscal Year 2008.

9. Ms. Doreen Francis, Associate Accountant in A/R completed her 90-day probationary period. Additionally, A/R received the referrals for the Accounts Maintenance Specialist from Department Personnel Management (DPM). There are four (4) applicants to be interviewed for this position on March 24, 2010. C/S received referrals for the Accounting Technician (Cashier). C/S advertised the Property Clerk position with Fixed Asset Section internally for ten (10) days. The Accountant position in C/S is presently being advertised.

10. Accts Receivable provided detailed Accounts Receivable Aging and Reconciliation schedule for General Fund receivables, collectability analysis of General Fund receivables, allowance for doubtful account analysis for General Fund receivables,
and listing of payments received on Accounts Receivable subsequent to 9/30/09 to KPMG LLC, Certified Public Accountants on February 1, 2010.

11. Cashiers provided detailed source documents on all outgoing wire transfers for October, November and December 2009 to KPMG LLC, Certified Public Accountants (CPA). Included with the information provided to the CPA were the Grant Funds Cash Receipts and Minerals lockbox deposits requested. C/S provided detailed source documents on all outgoing wire transfers to CPA for the months of January 2010 and February 2010, too.

12. Accts Receivable processed Request for Direct Payment (RDP) for Kayenta Township FY’10 1st quarter reimbursement of rental payments received from businesses with the Kayenta Township who have innovated their lease on February 17, 2010.

13. Cashiers worked with Ms. Pam Bratzel, Commercial Relationship Associate, Wells Fargo Bank to obtain a listing of all bank accounts that were established with Navajo Nation (Federal Tax Identification Number) TIN. The list is completed.


IV. GOALS & OBJECTIVES for next quarter:

1. Cashiers staff will continue to communicate with departments on all incoming revenues and make sure they are recorded into the FMIS by the end of each day. C/S will continue to issue Cash Receipts to customers and have it reflective in the FMIS for all Navajo Nation employees, departments and the public who make payments for Home, Veterans, and/or Business loans, etc.

2. Accts Receivable staff will continue to set-up and reconcile BSL accounts established in the FMIS to improve the accountability of all Navajo Nation approved leases. A/R will continue to meet with the Regional Business Development Office (RBDO) Managers to discuss existing issues regarding BSLs. A/R staff will continue to invoice, reconcile and monitor all A/R accounts.

3. Cashiers will continue to work with Ms. Pam Bratzel, Commercial Relationship Associate, Wells Fargo Bank to change all the signature cards on the bank accounts opened with the Navajo Nation TIN that does not have the authorized account signers on it. C/S will send letters to all area banks notifying them that the use of Navajo Nation TIN can only be authorized by OOC or its designee, OOC/Cashiers Section.

4. Office Services staff will continue to prepare timesheets for OOC until an automatic system is identified and implemented using the FMIS, JDE/PeopleSoft software application. O/S staff will continue to assist OOC employees with incoming and outgoing mails, Xeroxing, procuring office supplies and materials as small purchases and running errands for the staff.

5. Cashiers and Accts Receivable will continue to attend issue meetings and bring up issues with the A/R Module.

6. Cashiers will schedule a meeting with Minerals Department on their Lockbox account.

7. Cashiers will continue to review the budget for OOC and ensure that all line items do not go into a deficit spending mode.

8. Office Services will continue to provide an update on a bi-weekly basis the newly created Employee Schedule which shows the number of LWOP hours recorded for employees and employees who have Annual Leave balances in excess of 300 hours.

9. Cashiers will interview the applicants for the Accounting Technician (Cashiers) position. C/S will interview the applicants that have applied for the Accountant position.

10. Accts Receivable will meet with Red Mesa Trading Company on re-invoicing on 2008 Profit and Loss Reporting.

11. Accts Receivable plans to have significant decrease in unapplied payments which is currently filtering to Mission Site accounts.

V. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA’S:

1. Accts Receivable is continuing to communicate outstanding balances with Economic Development Specialist from RBDO. As a result of December 31, 2009 balances, the inactive leases will be cancelled/or terminated.

2. Accts Receivable staff continues to update worksheets on Auto/Grazing/Restitution/Missions/Archaeology accounts and send out customer billing statements generated from the FMIS. The staff will continue to perform procurement clearances on Veterans, Credit Services, and Economic Development loans. A/R staff will continue to make adjustments on Tribal Ranches by applying 4% to 6% late charges based on approved lease agreements.

3. Cashiers staff will continue to print Wells Net reports daily, record all credit and debit transactions completely and accurately, and/or prepare journal vouchers (JVs), approve and post all JVs on a daily basis. The staff will continue to prepare and approve all wire payments on-line and print copies of all wire transactions (payments) from the Wells Fargo site. This is printed for supporting documentation for the Auditors.

4. Office Services staff will continue to assist OOC staff with faxing out documents to other organizations and Xerox documents for the staff if they need assistance. O/S will continue to mail all Vendors, General Assistance, TANF, Foster Grandparents checks, etc.

5. Cashiers Staff will continue to release Payroll Checks and Direct Pay Advices to the departments on a bi-weekly basis and
upload ACH Direct Deposits and Positive Pay to Wells Fargo Bank. C/S will continue to disburse all Council Delegates, Vendors and Travel Reimbursement checks on a daily and/or on a bi-weekly basis. C/S will continue to deposit all cash and checks daily to Wells Fargo Bank.

6. The staff was working with Wells Fargo Bank to convert all manual checks to ACH payments which is doable and inexpensive. This is on hold for now due to A/P not following up on the project.

VI. STATUS OF ACTION PLAN (A, B, AND C LISTS):

1. Accts Receivable staff will need time to review their schedules on when to test the Credit Reimbursements on A/R module and push it out to production on the JDE/PeopleSoft software application. This assignment is presently on hold.

2. Office Services and Payroll Section (P/S) have not schedule a meeting with Leslie Riggs with National Account Services or any vendor to discuss ADP Time and Labor Management to go through the automation of time input via an automatic time input system. OOC does not have funds to proceed with the automation of time input at this time.

3. Accts Receivable staff has not set up another meeting with Department of Justice (DOJ) on establishing an account for entering Cash Receipts on Performance Bond(s) payments from the Business Site Lessees which ensures security for performance of all contractual obligations. This project is on hold.

VII. OUTSTANDING PROGRAM ISSUES:

1. Cashiers staff is recording all Treasury ACH wire payments in the FMIS on a timely basis except for those payments that are received through the Lockbox account. The credit transactions are recorded into the memo bank 14 (balance sheet entry) until the program provides the revenue account numbers. However, the revenues are not being recorded expeditiously at the end of each month.

2. Cashiers still have issues with the Treasury ACH wire payments for the Grants/Contracts Funds. Although detail information is emailed to the C/A Accountants, the responses are not as quickly as C/S would like it to be. C/S will continue to work with the C/A Accountants.

3. Vendor payments via Treasury ACH wire payments. Wells Fargo is ready to assist the Navajo Nation once the proper set-up is completed internally. However, the project is on hold because there is no programmer to program the transmission of data port to Wells Fargo. This project needs to be restarted because OOC is running into problems with costly check distribution and check reissuance to vendors, employees and etc.

4. Accts Receivable sent a detail report for the FY’ 2010 Tribal Ranches Grazing Fees account balances to the department. Problems exist with the billing amounts to Lessees because of the recent action taken by the program. The program needs to submit documentations for credit adjustments and/or for billings for all new Lessees.

VIII. PROBLEMS/RECOMMENDATIONS:

1. Problems still exist with incoming funds requested by C/A. C/S notifies C/A by e-mailing a copy of the Wells Net report but it still takes time for the Accountants to research and identify the account number to deposit the funds into. Therefore, C/S will just have to wait for the C/A to provide the account number but will not wait for two weeks.

2. Accts Receivable billed for CY’ 2010 Tribal Grazing Fees for Tribal Ranches Program to the Lessees with active leases. However, billings are pending for 12 individuals due to file lacking necessary information to substantiate the billing process. If there is no immediate response, the A/R staff will have to meet with program to avoid further delay in the billing process.

3. Mineral Department (MD) was providing the revenue account numbers within two days of the revenues received via the Lockbox. However, the department is not providing the information to C/S expeditiously. So, C/S will request a meeting with program to provide the revenue account number(s) to C/S prior to the payment(s) showing up on the Wells Net report. C/S will continue to work with Minerals Department in obtaining the required revenue account numbers.

4. Accts Payable needs to establish schedules on distribution of vendor payments. However, C/S staff has been distributing checks before 5:00 p.m. or a little after which is still a problem. C/S will continue to work with A/P on a daily basis to expedite check printing and releasing Vendor payments and upload Positive Pay files to Wells Fargo Bank.

5. Positive Pay Upload to Wells Fargo site is not a major problem now for C/S. The problem is printing of the checks. It is usually printed close to 5:00 p.m. and C/S distributes it late due to the required review and pending the upload of the Positive Pay file to Wells Fargo Bank.
IX. FLOW CHART (Accounts Receivable/Cashiers/Office Services):

X. BUDGET STATISTICAL INFORMATION:
ACCOUNTS RECEIVABLE:

Cancelled Checks Requested from:
General Accounting 0

SAS Packages:
Logged In: 7
Logged Out: 7

Voided Checks Requested from:
General Accounting 0
Accounts Payable 0
NSF Checks Cashiers 0

Council Delegate Advance: APPROVAL
No# of Claim Forms 114
No# of CD Pymt processed 114
No# of Statements/Correspondences 0
Amount of Request 86,600.00
Amount of Payment 81,170.00

Memos (not including clearances):
To Clients 101
To Department/Programs 26
To OOC Sections 1

ICR:
# Logged In: 2
### Request for Payments:

**RDPs Processed:** 2

<table>
<thead>
<tr>
<th>Procurement Clearance:</th>
<th>Number of Memos Received</th>
<th>Clearance Check for Individuals</th>
<th>Clearance Check for Businesses</th>
<th>Memos Sent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development</td>
<td>33</td>
<td>13</td>
<td>38</td>
<td>33</td>
</tr>
<tr>
<td>Navajo Housing Services</td>
<td>7</td>
<td>0</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Veterans Office</td>
<td>7</td>
<td>90</td>
<td>0</td>
<td>7</td>
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<tr>
<td>Credit Services Department</td>
<td>29</td>
<td>299</td>
<td>0</td>
<td>29</td>
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<td>Navajo Nation Shopping Ctr.</td>
<td>3</td>
<td>5</td>
<td>0</td>
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<tr>
<td>Dine College</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
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<td>Department of Justice</td>
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<td>6</td>
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<tr>
<td>Project Development</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>5</td>
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<tr>
<td>Tribal Ranch - Agri</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Others</td>
<td>19</td>
<td>2</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>110</strong></td>
<td><strong>409</strong></td>
<td><strong>75</strong></td>
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### Revenue:

**Business Site Lease Payments (January to March):**

<table>
<thead>
<tr>
<th>Location</th>
<th>Amount Posted to Settlement</th>
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<tbody>
<tr>
<td>Business Site Lease 1360</td>
<td>97,225.12</td>
</tr>
<tr>
<td>Business site Lease</td>
<td>(2,907.66)</td>
</tr>
<tr>
<td>Fort Defiance</td>
<td>(57,314.43)</td>
</tr>
<tr>
<td>Shiprock</td>
<td>(233,056.78)</td>
</tr>
<tr>
<td>Chinle</td>
<td>(158,501.67)</td>
</tr>
<tr>
<td>Tuba City</td>
<td>(41,792.77)</td>
</tr>
<tr>
<td>Eastern</td>
<td>(5,300.00)</td>
</tr>
<tr>
<td>Aneth</td>
<td>(6,415.87)</td>
</tr>
<tr>
<td>Industrial Park</td>
<td>6,000.00</td>
</tr>
<tr>
<td>Kayenta Township</td>
<td>(53,241.59)</td>
</tr>
<tr>
<td>Whippoorwill</td>
<td>(4,053.17)</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>(704,007.30)</strong></td>
</tr>
</tbody>
</table>

**ROW Revenue:** (8,406,386.15)

**Land Rent:** (936,651.42)

**Total:** (9,343,037.57)
### Archaeology

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beg. Balance - Billing</td>
<td>404,337.28</td>
</tr>
<tr>
<td>Total Billing Amount</td>
<td>0.00</td>
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<tr>
<td>Paid Amount</td>
<td>51,089.12</td>
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<tr>
<td>Balance Due</td>
<td>455,426.40</td>
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<tr>
<td>Outstanding Amount</td>
<td>455,426.40</td>
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</table>

### Worker Compensation

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Beg Balance - Billing</td>
<td>656.27</td>
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<tr>
<td>Total Billing Amount</td>
<td>203,234.57</td>
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<td>Paid Amount</td>
<td>(188,327.18)</td>
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<td>Balance Due</td>
<td>15,563.66</td>
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<tr>
<td>Outstanding Amount - Both</td>
<td>15,563.66</td>
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### Risk Management - Insurance Premium

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>1,687,866.10</td>
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<tr>
<td>Chapter/ Entity Total</td>
<td>0.00</td>
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<tr>
<td>Total Billing Amount</td>
<td>1,687,866.10</td>
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<tr>
<td>Paid Amount</td>
<td>(1,680,898.11)</td>
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<td>Balance Due</td>
<td>6,967.99</td>
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<tr>
<td>Outstanding Amount</td>
<td>6,967.99</td>
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</table>

### Fleet Management (Work Orders)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Beg Balance - Billing</td>
<td>0.00</td>
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</tbody>
</table>

### ACCOUNTS

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Invoices(RI)</th>
<th>Payments(RM)</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>7550.0208</td>
<td>Archaeology</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>7060.0202</td>
<td>Automobile Sales</td>
<td>0</td>
<td>516</td>
<td>238</td>
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<tr>
<td>107004.1360</td>
<td>GL - Business Site Leases</td>
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<td>95</td>
<td>0</td>
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<tr>
<td>10.0204.02</td>
<td>FD - Business Site Leases</td>
<td>16</td>
<td>26</td>
<td>16</td>
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<td>10.0204.03</td>
<td>SR - Business Site Leases</td>
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<td>69</td>
<td>16</td>
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<td>10.0204.05</td>
<td>CH - Business Site Leases</td>
<td>37</td>
<td>102</td>
<td>19</td>
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<tr>
<td>10.0204.06</td>
<td>TC - Business Site Leases</td>
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<td>72</td>
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<tr>
<td>10.0204.07</td>
<td>EA - Business Site Leases</td>
<td>5</td>
<td>11</td>
<td>4</td>
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<td>10.0204.08</td>
<td>AN - Business Site Leases</td>
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<td>10.0204.09</td>
<td>WH - Business Site Leases</td>
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<td>0</td>
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<tr>
<td>10.0253</td>
<td>CD Salary Advance</td>
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<td>394</td>
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<tr>
<td>7040.0202</td>
<td>Employee Benefit</td>
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<tr>
<td>7060.0202</td>
<td>Fleet Management</td>
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<tr>
<td>7570.0206</td>
<td>Grazing Fees</td>
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<td>46</td>
<td>15</td>
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<td>7020.0210</td>
<td>Chapter Insurance Premiums</td>
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<td>102</td>
<td>30</td>
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<td>7020.0203</td>
<td>ENTITY Insurance Premiums</td>
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<tr>
<td>107004.1354</td>
<td>Land Rents</td>
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<td>10.0205</td>
<td>Mission Sites</td>
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<td>27</td>
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<tr>
<td>10.0212</td>
<td>Northern Trust</td>
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<td>N01185.1392</td>
<td>Raytheon</td>
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<td>3</td>
<td>0</td>
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<tr>
<td>10.0392</td>
<td>Restitution</td>
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<td>0</td>
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<tr>
<td>107004.1360</td>
<td>Rights-of-Way</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>7060.0202</td>
<td>Tribal Billings - 7060</td>
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</table>
### CASHIERS:

Number of Cash Receipts issued for checks and cash for Jan., Feb., and Mar. FY'10

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of cash receipts</th>
<th>Total cash collected</th>
<th>Total checks</th>
<th>Total daily deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/31/09</td>
<td>9,188</td>
<td>113,937.03</td>
<td>19,207,144.47</td>
<td>$19,321,081.50</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9,188</td>
<td>113,937.03</td>
<td>19,207,144.47</td>
<td>$19,321,081.50</td>
</tr>
</tbody>
</table>

Number of Cash Receipt batches issued for checks and cash for Jan., Feb., and Mar. FY’ 10

<table>
<thead>
<tr>
<th>Date</th>
<th>Receipt Batches</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/31/09</td>
<td>2,169</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,169</td>
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</tbody>
</table>

Number of ACH Receipts issued for Incoming Wires & Misc. Deposits for Jan., Feb., and Mar. FY'10

<table>
<thead>
<tr>
<th>Date</th>
<th>ACH Receipts</th>
<th>ACH Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/31/09</td>
<td>429</td>
<td>$234,186,770.70</td>
</tr>
<tr>
<td>TOTAL</td>
<td>429</td>
<td>$234,186,770.70</td>
</tr>
</tbody>
</table>

### OFFICE SERVICES:

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of Cash Receipts</th>
<th>ACH Receipts</th>
<th>Total Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/31/09</td>
<td>9,188</td>
<td>429</td>
<td>9,617</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$19,321,081.50</td>
<td>$234,186,770.70</td>
<td>$253,507,852.20</td>
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</table>

### TOTAL REVENUES:

<table>
<thead>
<tr>
<th>Revenue Type</th>
<th>January</th>
<th>February</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous Revenue</td>
<td>$5,755,146.23</td>
<td>$7,699,626.00</td>
<td>$5,760,802.57</td>
</tr>
<tr>
<td>Contract Accounting Revenue</td>
<td>$34,789,382.43</td>
<td>$3,160,766.48</td>
<td>$2,710,051.93</td>
</tr>
<tr>
<td>Commercial Deposit</td>
<td>$5,353,418.72</td>
<td>$11,460,354.72</td>
<td>$3,606,876.46</td>
</tr>
<tr>
<td>Pay Card (GF) 2755352099</td>
<td>$94,917.62</td>
<td></td>
<td></td>
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<tr>
<td>Lockbox Deposit 6008301569</td>
<td>$3,995,498.58</td>
<td>$5,998,725.35</td>
<td>$1,518,760.07</td>
</tr>
<tr>
<td>Tax Depository 2755351844</td>
<td>$62,973,174.88</td>
<td>$3,906,945.39</td>
<td>$572,650.47</td>
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<tr>
<td>Tax Depository 2755351877</td>
<td>$1,212,286.91</td>
<td>$2,957,472.76</td>
<td>$286,469.79</td>
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<tr>
<td>TANF Deposit 7553041190</td>
<td>$31,668.00</td>
<td>$34,657.00</td>
<td>$12,126.00</td>
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<tr>
<td>TOTAL REVENUE</td>
<td>$114,205,493.37</td>
<td>$35,218,547.70</td>
<td>$14,467,737.29</td>
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### OFFICE SERVICES:

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of Xerox Copies Processed</th>
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</thead>
<tbody>
<tr>
<td>January</td>
<td>14,443</td>
</tr>
<tr>
<td>February</td>
<td>16,476</td>
</tr>
<tr>
<td>March</td>
<td>20,629</td>
</tr>
<tr>
<td>Description</td>
<td>1st Quarter</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Total Xerox Billing</td>
<td>$ 722.15</td>
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<tr>
<td>Mail Quantity Processed</td>
<td>14,617</td>
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<td>RDP TO CMRS-PD/JV for Postage</td>
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<tr>
<td>RDP PITNEY BOWES Global( Rental Quarterly)</td>
<td>$0.00</td>
</tr>
<tr>
<td>P-Card charges</td>
<td>$2,162.17</td>
</tr>
<tr>
<td>SSO Charges</td>
<td>$2,579.71</td>
</tr>
<tr>
<td>Number of GA Checks Mailed</td>
<td>2,878</td>
</tr>
<tr>
<td>Number of TANF Checks Mailed</td>
<td>425</td>
</tr>
<tr>
<td>Number of Scholarship Checks Mailed</td>
<td>189</td>
</tr>
<tr>
<td>Number of LIHEAP Checks Mailed</td>
<td>769</td>
</tr>
<tr>
<td>Tribal Vehicle # 198062 Miles traveled</td>
<td>250</td>
</tr>
<tr>
<td>Tribal Vehicle # 300306 Miles traveled</td>
<td>500</td>
</tr>
<tr>
<td>Number of checks received in the mail</td>
<td>211</td>
</tr>
<tr>
<td>Number of Employees on Time Sheets (A-Y)</td>
<td>218</td>
</tr>
<tr>
<td>RDP Processed for KACHINA RENTAL</td>
<td>$260.00</td>
</tr>
<tr>
<td>Total Tax for Mileage amount</td>
<td>$9.40</td>
</tr>
<tr>
<td>Total Cost for Vehicle #198062</td>
<td>$70.00</td>
</tr>
<tr>
<td>Total Cost for Vehicle # 300306</td>
<td>$165.00</td>
</tr>
</tbody>
</table>
II. BUDGET/PERFORMANCE INFORMATION:

1. Funding and expenditure: The Payroll Section’s budget is included in the overall Office of the Controller’s budget.

III. ACCOMPLISHMENT:

<table>
<thead>
<tr>
<th>Payroll Section</th>
<th>Mar-10 Number Processed</th>
<th>Year-to-date YTD Number</th>
<th>Mar-10 Total Value</th>
<th>Year-to-date YTD Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Payroll Checks</td>
<td>13,191</td>
<td>27,039</td>
<td>42,769,490.86</td>
<td>$86,780,005.04</td>
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<tr>
<td>Interim Payroll Checks</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Direct Deposits Processed</td>
<td>27,966</td>
<td>56,980</td>
<td>84,019</td>
<td>$139,513.92</td>
</tr>
<tr>
<td>TOTAL PAYROLL</td>
<td>41,157</td>
<td>84,019</td>
<td>$42,769,490.86</td>
<td>$86,780,005.04</td>
</tr>
<tr>
<td>Emergency Pay Advances</td>
<td>219</td>
<td>393</td>
<td>$77,691.92</td>
<td>$139,513.92</td>
</tr>
<tr>
<td>Salary Advances</td>
<td>177</td>
<td>251</td>
<td>$214,989.23</td>
<td>$336,156.23</td>
</tr>
<tr>
<td>* Navajo Arts &amp; Crafts Enterprise Deductions</td>
<td>11,927</td>
<td>22,167</td>
<td>$1,502,743.01</td>
<td>$2,707,647.19</td>
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<tr>
<td>* Travel Advance Deductions</td>
<td>372</td>
<td>1,148</td>
<td>$93,022.52</td>
<td>$272,522.23</td>
</tr>
<tr>
<td>* Personal Loan Deductions</td>
<td>5,292</td>
<td>10,803</td>
<td>$631,597.22</td>
<td>$1,262,925.62</td>
</tr>
<tr>
<td>Direct Deposits (new, cancellations, changes)</td>
<td>211</td>
<td>713</td>
<td>713</td>
<td>713</td>
</tr>
<tr>
<td>Wage Verifications</td>
<td>447</td>
<td>1,273</td>
<td>1,273</td>
<td>1,273</td>
</tr>
<tr>
<td>Check Copy Requests</td>
<td>138</td>
<td>232</td>
<td>232</td>
<td>232</td>
</tr>
<tr>
<td>W-2 Reprints</td>
<td>97</td>
<td>111</td>
<td>111</td>
<td>111</td>
</tr>
<tr>
<td>TOTAL</td>
<td>60,037</td>
<td>121,110</td>
<td>$45,289,534.76</td>
<td>$91,498,770.23</td>
</tr>
</tbody>
</table>

- Statistics not previously reported.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA’S:

1. IRS Audit: IRS representative, Theresa Nosie, has not given instruction as how to handle stipend payments to Navajo Nation employees who are also commissioners, board members, and grazing committee members. The issue is whether these payments are to be added to their W-2 statements or continue to include them on 1099 statements. The Payroll Section will not include these amounts on W-2s until instruction is received from the IRS representative.

2. W-2 Processing – Reconciliation: There are two HRIS reports that should all tie in to indicate what amounts are reportable for federal, FICA, and Medicare wages and taxes. These are:
   - R073170 – Federal Tax Distribution Summary. This is the bi-weekly report from which federal taxes are paid. This report also calculates month-to-date, quarter-to-date, and year-to-date taxable wages and tax amounts. The cumulative reporting is not correct. This is being worked on by consultant, Annette Franklin, and the FMIS support staff.
   - R078500 – 941 Detail Wage List. This report is run at quarter end. These quarter numbers (federal, FICA, Medicare wages and taxes) are compared to cumulative numbers of the bi-weekly reports – R073170. These numbers should tie in; however, many times do not. This is the reconciliation that the Payroll Accounting Manager is working on. Void payroll checks are part of the reconciliation, but there remain differences.

3. New Mexico SUTA Reports (State Unemployment Insurance reporting). Annette Franklin and Myra Taylor were working on the electronic XML format that requires the Navajo Nation to submit. All employers who report more than 250 employee wages on a quarterly basis are required to file electronically.

4. On-Line Time Entry: On-line entry of hours worked into HRIS at the program level is currently being discussed. On January 27, a webinar of time entry into the HRIS was to be conducted in the 2nd floor conference room. Due to the internet being down on this date, the webinar did not happen. Payroll Supervisor will advise of next session.

Tasks

1. The Payroll staff processed 6 payroll cycles in the second quarter. Payroll figures reported on spreadsheet (page 1 of this report) are for PPEs 01/01/10 through 03/12/10. Federal taxes (FIT, FICA, Medicare) have been paid one day after each payday.
2. W-2 statements were complete on January 29, 2010 and distribution to departments was done on Saturday, 01/30/10. Due to the problems encountered in the preparation of W-2 statements, departments were notified that the Payroll Office would be open on 01/30/10 for distribution. The following contributed to the late processing:

- An interim payroll run to void 3 checks needed to be done before federal and state quarterly wage reports (941 and SUTA) could be run. Since interim runs were a problem, Payroll staff waited for consultant, Annette Franklin, to be on site (week of 01/18/10) to assist with the run. Interim run was accomplished on 01/19/10.
- 941 reports to reconcile quarterly federal wages, federal taxes, FICA wages, FICA taxes, Medicare wages, and Medicare taxes were run on 01/20/10, including state taxes (AZ, NM, UT, DC). States taxes were readily reconciled. However, the reconciliation of the other wages and taxes took time. Checks voided throughout the year created the difference in quarterly reports versus the total amount of the W-2 taxable wages. Federal wages, federal taxes, FICA wages and Medicare wages all tied in, but FICA taxes and Medicare taxes were off by -4.10 and 4.61 respectively. This analysis to arrive at the -4.10 and 4.61 differences was completed on 01/20/10.
- On January 20th, consultant, Annette Franklin, informed that a new report R07703 was available that would report discrepancies by month in the wage and tax areas. Package was built and deployed on 01/24/10 in to PY to be tested. Reports were generated in PD on 01/26/10 for all 12 months of 2009. All 12 reports showed no discrepancies. At this point the Payroll Manager recommended continues W-2 processing despite the FICA and Medicare tax imbalances.
- On 01/26/10, we received last minute instruction by IRS Representative Theresa Nosie, to include poll officials’ stipend payments onto W-2 forms. Payroll Manager worked with the Payroll staff on 01/27/10 to filter only Navajo Nation employees from list of all payees; gave final list to Lita Sam, Payroll Supervisor Wednesday afternoon, 01/27/10.
- On 01/27/10 Reports generated to sort W-2 printing by inactive and active, then by department number, was omitting some W-2s as all 4 report totals should have added up to grand total of W-2s. Reports were finalized on 01/29/10, but not on desired sorting.
- Print alignment on the W-2 form was not accurate. Some numbers on W-2 form were not legible; alignment accomplished late afternoon, 01/29/10.
- Last batches of W-2 printing (approximately 500) were printed on 2008 forms (discovered Friday evening). These had to be reprinted on 2009 forms. A written step by step procedure will be developed for the W-2 processing, inclusive of all timelines, so to accomplish structured and timely W-2 processing.

Assignments

1. Payroll Accounting Manager was given an assignment to review twenty-seven (27) asset records to ensure proper accountability. The review was done on March 4th and 5th, 2010. Any discrepancy found was recorded in the asset folder. Discrepancies included:
   - Location code was incorrect
   - Date acquired and Start Date should be the same date but were not
   - One asset has not been paid; discrepancies in budget and account number
   - Invoice number and purchase order number omitted or incorrect
   Folders were returned to Fixed Asset Section for correction on March 8, 2010.

2. Request was received from OMB to furnish schedules and rates to be used in the development of the FY 2011 Navajo Nation Budget Instructions and Policies Manual. On March 15 & 16, 2010, the Payroll Accounting Manager gather statistical data for fringe benefits rates for FICA/Medicare taxes and unemployment taxes. Email was sent out to the Employee Benefits and Retirement offices asking they furnish their supporting data and rates. Final schedule to be approved by the Controller and submitted to OMB by April 09, 2010.

V. PROBLEMS/RECOMMENDATIONS:

VII. After the processing of the W-2s, the following issues have been reported either by employees or staff:

- Incorrect residence tax area (this information entered by DPM)
- Incorrect work tax area (this information entered by DPM)
- Incorrect federal tax withholding (this information entered by DPM via W-4 form, i.e. exemptions or allowances). Most employees who have called seem to not understand the difference between exemption on W-4 form and annual leave exempt/non-exempt status.
When residence and work tax area are incorrect, we are reporting incorrect information to the states. All the above will be brought to DPM’s attention.

VIII. The testing of the New Mexico State Unemployment magnetic media report is on-going. The state has accepted the last transmission test done in October. However, when the report is run it is not showing up in the Submitted Jobs application. Annette and Myra are working on this.

PURCHASING SERVICES / CONTRACT ADMINISTRATION / SUPPLY CENTER

II. BUDGET/PERFORMANCE INFORMATION:

<table>
<thead>
<tr>
<th>Office</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY 2009 Personnel</th>
<th>% Used FY 2009</th>
<th>FY 2009 Operating</th>
<th>% Used FY 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing Services Department</td>
<td>General</td>
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<td>0</td>
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<td>$16,675.91</td>
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<td>Office Supply Center</td>
<td>Proprietary Internal Fund</td>
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<td>1</td>
<td>$56,866.07</td>
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<td>$71,667.56</td>
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<td>12</td>
<td>1</td>
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III. ACCOMPLISHMENT:

<table>
<thead>
<tr>
<th>Purchasing Services</th>
<th>Number Processed</th>
<th>Total Value</th>
<th>YTD</th>
<th>YTD Value</th>
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<tr>
<td>Purchase Orders</td>
<td>672</td>
<td>2,460,735.60</td>
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<td>5,640,560.37</td>
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<td>Blanket Orders (Includes contracts)</td>
<td>379</td>
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<td>5,213,797.28</td>
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<td>Contract Orders</td>
<td>161</td>
<td>27,187,962.84</td>
<td>357</td>
<td>56,205,664.55</td>
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<td>*Purchase Requisitions (OR Regular Orders)</td>
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<tr>
<td>Total</td>
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<td>31,248,969.03</td>
<td>2,935</td>
<td>67,060,022.20</td>
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- Total dollar amounts do not include purchase requisition amounts, as purchase requisitions convert purchase orders.
- Purchase Orders are closed on quarterly bases over the 90 days limitation period.
- Purchase Orders with (T) text lines are currently being canceled.
- Receiving records total 734 and SAS being reviewed totals 461.

2. Quarterly Statistic:

- Inventory at Year End FY’2009: $254,816.17
- Inventory balance at 3/10/2010: $210,864.01
- Total revenue this quarter: $57,711.59
- Total cost of goods sold this quarter: $156,373.87
- Total sales tax this quarter: $6,254.95
- SSO received (internal log in sheet): 265
- SSO completion (FMIS posting): 303

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA’S:

1. Conducted presentation on the Navajo Nation Procurement Rules & Regulations on the following dates:

- January 22, 2010, Chilchinbeto Chapter
- February 17, 2010, Special Diabetes
- February 22, 2010, Window Rock DOJ
2. A draft copy of the revised Procurement Rules and Regulations was provided to Mr. Frank Snez. His responses and updates are currently being worked on in conjunction with Dept. of Justice which is completed except for the construction projects.
3. Attendance most of the meeting regarding the revision of the procurement code.
4. Sales Tax Form 600 for 2009 and 2010 is submitted to Navajo Tax Commission every quarter. Making sure all numbers, totals are correct and tax rate of 4%.
5. Office Supply Center continues to order supplies and paper. Bids will be forwarded to vendors and upon the procurement policies the lowest bidder will be selected based on price, quality and product.
6. April 01, 2010 through April 07, 2010, Navajo Nation Office Supply will be conducting their first quarterly Inventory Count; therefore, the office will be closed.
7. Enforcing the programs to utilize their P-Card for goods to be purchased.

V. OUTSTANDING PROGRAM ISSUES:
1. Purchase receipt payment backlog remains a problem. Factors contributing to late payments are:
   - Programs are not processing receiving records for goods/services received. Invoices are being mailed to Accounts Payable as instructed on the purchase order. Programs need to initiate receiving records when deliverables are made.
   - Original invoices are lost when in route to or at Accounts Payable.
   - Programs/departments are sending in copies (not originals) of invoices or other documents in place of evidence receipt of deliverables, however, an original invoice is the only document that the Accounts Payable Section honors to process a payment.
   - Large volume of payment documents.
2. The closure of Open Commitment for General Funds Business Unit will continue on Quarterly Bases; however, the External Funds would need to address to minimize the open commitments.
3. Need to run a report for all external funds open commitment, so contract accounting will review and request for deletion/closure of purchase order etc.
4. Unsafe Delivery Sites at the program level which causes back injuries and other parts of the body. I would like to recommend that the programs think about safety.
5. The capabilities' to usually the FMIS is still concern at times we don't have access because of down line, the system freeze up and Office Supply Center contacts Leroy, Nathan or the power user.
6. Schedule a meeting with Wells Fargo regarding credit card machine for Office Supply Center.

VI. Approval route for procurement documents needs streamlining. Documents are not getting to appropriate section for processing. The Navajo Nation Procurement Rules & Regulations give instructions of the path of approval for purchase requisitions which ultimately will end in Purchasing Services Department for encumbrance. This path of approval is not followed by programs and departments. Programs need to comply and apply the Navajo Nation Procurement Rules & Regulations.
1. Training and testing are still necessary in the FMIS Upgrade to 8:12 Procurement Module and Inventory Module to fully use the module thus benefit from its capabilities. Reporting is an area that is most needed.
2. Programs are submitting receiving records for goods and/or services rendered. When this transaction is entered in FMIS a credit entry is created to the account Received Not Voucher. However, the due to a number of issues, this account is not being debited correctly to create an offset which clearing the account. This is creating a liability for business units that need to be reconciled for fund source year-end reporting.
3. Contract Accounting is not advising Accounts Payable or Purchasing Services when particular business units are closing so proper research and action can be taken in a timely manner. Usually it is after the close date when notification comes which is too late.

VII. PROBLEMS/RECOMMENDATIONS:
1. Contract/SAS process is not being followed:
   - SAS processes are being initiated well into the contract term resulting in requests for demand payments from contractor before contract has been setup on FMIS.
   - During the SAS review process, Office of Management & Budget and Office of the Controller are bypassed and not given the opportunity to review contracts. This has resulted in several contracts being executed without financial information necessary to encumber the contract, i.e. account numbers, contractual dollar amounts, or contract term.
Need to schedule a meeting regarding the line items or object code for certain goods/services with Contract Accounting Section.

2. Procurement of services is being done without proper contracts, e.g. long term lease agreements are not being processed through SAS/Admin Review. PSD is seeking legal advice from DOJ in this area.

3. Large purchases also are being delayed due to noncompliance with Navajo Nation Procurement Rules & Regulations. Per these policies, the foundation of an efficient and cost-effective procurement process begins with proper planning by the procuring parties. Many contracts (construction, professional services, etc.) are processed through the SAS administrative review and approved without showing evidence that the procurement process was done. The procurement process includes public advertisement (applicable to purchases of $50,000 or greater), public notice and competitive bidding. These documents should be on file in the contract folder in Contract Administration/Purchasing Services Department. This was an audit finding for FY 2006, 2007, 2008 and 2009. For SAS documents that are signed by Contract Accounting Section of the Office of the Controller the following are not being checked:

- Business Unit Number(s)
- Dollar amount(s) to be encumbered
- Funds available in appropriate object code(s)
- Contract term
- Procurement Rules & Regulations compliance (documents to evidence this should be included in SAS packet)
- Debarment and Suspension Form Certificate
- W-9 Forms

**ACCOUNTS PAYABLE / PURCHASING CARD**

II. ACCOMPLISHMENT:

1. Accounts Payable functional module 25 scripts are submitted for the upgrade 8.12
2. Implemented AP360 self study for all Accounts Payable & P-Card staff to be certified.
3. Did more refining on the RDP policy.
4. Put documents for the financial and single audit.
5. Within the month of February 2010 attend meetings on NMJPA; payments are processed for about 4 New Mexico NN Chapters.
6. Attended an Ethics & Rules Committee meeting on 03/19/2010. Responded to questions concerning the General Claim Process.
7. Met with Cellular One ON 03/04/2010 @ 5:00 PM
8. Travel arranged for 3 staff member to attend P-Card Conference on 04/17/10 to 04/22/10.
9. DEMAND category
10. AP-2 position JVA submitted to DPM 3/17/2010
11. P-Card 2 position JVA submitted to DPM 3/15/2010
12. Key Mark, Inc. presented a WebEx to AP & P-Card staff on AP solutions Key Track on 03/19/2010.

III. GOALS & OBJECTIVES:

1. Identify the problems in AP & P-Card Section
2. Hire personnel for the 4 JVA submitted and submit a JVA for the Associate Accountant
3. Set deadlines
4. Complete the AP 360 Certification
5. More cross training for all AP & P-Card staff
6. Complete the RDP policy by 4/30/2010

Challenges & Recommendations for solution

1. AP & P-Card file to be explored in imaging project
2. Redefine the Travel Policy, P-Card Policy, AP Accounting Manual
3. Take ownership of the FMIS Address Book
4. Be the 1st module to implement the 6B Roll-out
5. Continue to improve on customer services, telephone etiquette, and increase productive and boost morale.
6. Best practice session each month on 1099 and accruals

IV. BUDGET STATISTICAL INFORMATION:


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<th></th>
<th>01/21- 02/19-03/19</th>
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<td>Contract</td>
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2. P-Card Statement Approval Queue:

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<th>AP Card holders</th>
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<th>February</th>
<th>January</th>
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<td>Almeria Slinkey</td>
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<td>Enjoli Haskie</td>
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3. Accounts Payable 360

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<th>Section 1 Internal Controls</th>
<th>Section 2 Processing Functions</th>
<th>Section 3 Vendor Master File/Relations</th>
<th>Section 4 Technology</th>
<th>Section 5 Tax &amp; Regulatory</th>
<th>Section 6 Travel &amp; Entertainment Exp. Mgmt</th>
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<td>Elsie Julian</td>
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<td>Virgil Warner</td>
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4. Daily transaction for AP (02/19/2010 to 03/26/2010)

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<th># of voids</th>
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5. Checks Written

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<tr>
<td>Foster Care</td>
<td>3724 3753</td>
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<tr>
<td>Initial Grant</td>
<td>22743 23020</td>
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<td>$72,269,689.65</td>
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6. P-Card CCE P-Card Download from Wells One CCER & P-Card Upload to FMIS

<p>| General Fund Charges | $589,117.84 |
| General Fund Credit  | $ 10,032.49 |
| General Fund Settlement-memo bk | 10.0110.66 | $579,085.35 |
| General Fund OOP ACH | $ 17,050.19 |
| JE-Hash Total        | B#517499    | $ 616,200.52 |
| External Fund Charges| $312,188.01 |
| External Fund Credit | $ 4,501.53 |
| External Fund Settlement-memo bk | 10.0110.64 | $307,686.48 |
| External Fund OOP ACH | $ 11,315.80 |
| JE-Hash Total        | B#517666    | $328,005.34 |
| Jan-10               |              | $ 886,771.83 |</p>
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<thead>
<tr>
<th>General Fund Charges</th>
<th>$743,840.52</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Credit</td>
<td>$18,282.25</td>
</tr>
<tr>
<td>General Fund Settlememt-memo bk</td>
<td>$725,558.27</td>
</tr>
<tr>
<td>General Fund OOP ACH</td>
<td>$44,514.21</td>
</tr>
<tr>
<td>JE-Hash Total B#534974</td>
<td>$806,636.98</td>
</tr>
<tr>
<td>External Fund Charges</td>
<td>$454,955.48</td>
</tr>
<tr>
<td>External Fund Credit</td>
<td>$3,780.23</td>
</tr>
<tr>
<td>External Fund Settlement-memo bk</td>
<td>$451,175.25</td>
</tr>
<tr>
<td>External Fund OOP ACH</td>
<td>$23,119.30</td>
</tr>
</tbody>
</table>

**GENREAL ACCOUNTING**

**II. BUDGET/PERFORMANCE INFORMATION:**

1. Completing Prepared by Client (PBC) list from KPMG.
2. General Accounting Section prepared unaudited internal Navajo Nation “Combined Financial Statements for the 5 Months Ending February 28, 2010”.
3. Completing Bank Reconciliations and Account Analysis and begin clearing outstanding items.
4. Worked with Gaming Regulatory for Special Revenue accounts. Calculated carryover numbers for the Special Revenue account.

**III. ACCOMPLISHMENT:**

1. Working on cash portion of FY 2009 audit. Working with KPMG on completing this portion of the audit.
2. Expedited pre-payroll. Staff was made available every other Wednesday to approve journal proof of payroll so journal entry would stay in balance and to clear up errors.
3. Working with Program for Self Reliance on uploading procedures.
5. Worked on audit Contract for annual external auditors.
6. Provided Revenues and Expenditures to Controller for Budget and Finance meetings.
7. Working on balances and transfers during Fiscal Year 2009 for the external auditors.
9. Expedited pre-payroll. Staff was made available every other Wednesday to approve journal proof of payroll so journal entry would stay in balance and to clear up errors.
10. Provided Revenues and Expenditures to Controller for Budget and Finance meetings.
11. Working with Emergency Management for emergency situation on overtime forms for programs. If programs are to receive reimbursement they need to inform Emergency Management and have signed off on form to include in FEMA reimbursement.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA'S:

1. Currently working with KPMG on external audit. Working through AJE's to verify all was posted correctly. Currently working on difference in General Fund Balance and Claim on Cash.

2. Working on reports balance sheets and income statements for funds within the Navajo Nation to reference establishing legislation.

3. Plans of Operation/Fund Management Plans where funds are to be invested. Working on getting list of funds together to make sure they are all invested.

4. Policies and Procedures-Accounting. Updating out of date policies for reflect changes from the FRS to FMIS.

5. Inquired with City of Gallup for a copy of the Financial Statements for the city. Order has been placed for a copy.

6. Memo to request for user rates from enterprise funds was sent out. Deadline date is for March 18, 2010.

V. PROBLEMS/RECOMMENDATIONS:

1. Working with programs on reading budget starts reports to identify actual expenditures, encumbrances and budget available. So that program will be able to analyze own business units.

2. Trying to get clarification on overtime forms from personnel. Same signatures on overtime forms. Memo was sent to Personnel June 2009 still no response.

VI. BUDGET STATISTICAL INFORMATION:

<table>
<thead>
<tr>
<th>Document Processing</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal Entries</td>
<td>824</td>
<td>2,786</td>
<td>2,904</td>
<td>6,514</td>
</tr>
<tr>
<td>Fleet Management Charges</td>
<td>3,565</td>
<td>3,138</td>
<td>238</td>
<td>6,941</td>
</tr>
<tr>
<td>Stationary Supply Orders</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Photocopy Charges</td>
<td>160</td>
<td>271</td>
<td>0</td>
<td>431</td>
</tr>
<tr>
<td>Overtime Request</td>
<td>665</td>
<td>401</td>
<td>403</td>
<td>1,469</td>
</tr>
<tr>
<td>Signature Approval Sheet</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Inter-dept. Charge Req.</td>
<td>620</td>
<td>420</td>
<td>252</td>
<td>1,292</td>
</tr>
<tr>
<td>Request for Direct Pymt</td>
<td>132</td>
<td>15</td>
<td>85</td>
<td>232</td>
</tr>
</tbody>
</table>


1. The Navajo Nation Primary Government has 65 different funds grouped into General Fund, Special Revenue Funds, Fiduciary Funds, and Proprietary Funds.

   ✓ Total Assets for all Funds, $2.6 billion.
   ✓ Total Liabilities in all Funds, $773,037 million.
   ✓ Total Fund Balance/Fund Equity (Assets minus Liabilities) all Funds
   ✓ $1.876 billion dollar. The Navajo Nation General Fund Undesignated,
   ✓ Unreserved Fund Balance has a balance of -$23,300,000.
   ✓ Total Revenues in all funds, $363.3 million, for Five Months Ending February 28, 2010.
   ✓ Total Net Expenditures in all funds, $305.4 million, for the five months ending

2. The Navajo Nation's unaudited financial records indicate the following data for the Navajo Nation's General Fund:

   ✓ $125.547 million (64.88%) of the projected Fiscal Year 2010 Original Gross Revenue of $193.49 has been received for the Five Months Ending February 28, 2010.
   ✓ Net Expenditures ($77.7 million) and encumbrances ($6.819 million) totaling $84.5 million (43.67%) have been applied to the General Fund Operating Budget of $189.3 million, which includes supplemental appropriation and carryovers, for the Five Months Ending February 28, 2010.
Unexpended balance of Capital Improvement Project accounts equates to $1.7 million.
Unreserved, Undesignated Fund Balance equated to -$23,300,000 as of February 28, 2009.

**FIXED ASSETS**

II. ACCOMPLISHMENT:

1. Assigning asset id numbers to equipment and real property.
2. Asset number being posted to the FA with the help of the managers reviewing the asset files.
3. Attend pre-exit conference meetings to overview of audit approach; overview of preliminary findings and pending items; for CCDF, Law Enforcement, and Head start.
4. Meeting with Special Diabetes and Property on Inventory issues and reconciling.

III. GOALS & OBJECTIVES for next month:

1. To assign asset ID numbers to personal and real property.
2. To process vehicle asset disposal.
3. An entry of AAI’s upon receiving from accounts payable.
4. Attend meetings upon request from dept.

IV. BUDGET STATISTICAL INFORMATION: (see attachments)

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal Entries - JV</td>
<td>22</td>
<td>3</td>
<td>18</td>
<td>43</td>
</tr>
<tr>
<td>Memos</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Asset Numbers Assigned:</td>
<td>27</td>
<td>4</td>
<td>25</td>
<td>56</td>
</tr>
<tr>
<td>Depreciation Default set-up</td>
<td>21</td>
<td>15</td>
<td>19</td>
<td>55</td>
</tr>
<tr>
<td>Subtotal</td>
<td>70</td>
<td>22</td>
<td>63</td>
<td>155</td>
</tr>
</tbody>
</table>

**Personal Property (Capitalized Data)**

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$1,160,338.37</td>
<td>$40,146.91</td>
<td>$913,702.90</td>
<td>$2,114,188.18</td>
</tr>
<tr>
<td>Vehicles</td>
<td>$42,291.00</td>
<td>$</td>
<td>$96,041.63</td>
<td>$138,332.63</td>
</tr>
<tr>
<td>Computers</td>
<td>$11,142.00</td>
<td>$</td>
<td>$34,365.84</td>
<td>$45,507.84</td>
</tr>
<tr>
<td>Subtotal Dollar Amount:</td>
<td>$1,213,771.37</td>
<td>$40,146.91</td>
<td>$1,044,110.37</td>
<td>$2,298,028.65</td>
</tr>
</tbody>
</table>

**Real-Property (Capitalized Data)**

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>$22,010.00</td>
<td>$</td>
<td>$</td>
<td>$22,010.00</td>
</tr>
<tr>
<td>Improvements</td>
<td>$30,279.84</td>
<td>$</td>
<td>$8,455.20</td>
<td>$38,735.04</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>$644,825.96</td>
<td>$</td>
<td>$</td>
<td>$644,825.96</td>
</tr>
<tr>
<td>Contingencies</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Land</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Construction In Progress</td>
<td>$127,424.00</td>
<td>$</td>
<td>$</td>
<td>$127,424.00</td>
</tr>
<tr>
<td>Subtotal Dollar Amount:</td>
<td>$824,539.80</td>
<td>$9,455.20</td>
<td>$832,995.00</td>
<td></td>
</tr>
</tbody>
</table>

CREDIT SERVICES DEPARTMENT

II. BUDGET/PERFORMANCE INFORMATION;

1. Funding and Expenditure

<table>
<thead>
<tr>
<th>Office</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vehicle(s)</th>
<th>FY 2010 Personnel</th>
<th>% Used</th>
<th>FY 2010 Operating</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>External</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Loan Program</td>
<td>Other</td>
<td>11</td>
<td>$77,226.54</td>
<td>36.26%</td>
<td>$2,631.23</td>
<td>15.45%</td>
<td></td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------</td>
<td>----</td>
<td>------------</td>
<td>--------</td>
<td>-----------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Home Loan Program</td>
<td>Other</td>
<td>4</td>
<td>5</td>
<td>$174,299.27</td>
<td>37.89%</td>
<td>$41,924.55</td>
<td>29.67%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15</td>
<td>5</td>
<td>$251,525.81</td>
<td></td>
<td>$44,555.78</td>
<td></td>
</tr>
</tbody>
</table>

2. Personnel

- Vacant Positions (2)
  - Senior Accountant (#202875)
    The Department submitted a PCQ on February 5, 2010 to reclassify the position an Accountant position which was approved by Classification Section on March 12, 2010. The position will be advertised through a JVA process to fill the position.
  - Accounting Technician (240193)
    The position was advertised through the JVA process from March 15 through March 26, 2010. The Department is awaiting the referrals of qualified applicants by the Department of Personnel Management, and will follow the hiring process to fill the position. Currently, temporary personnel are occupying the position up to April 16, 2010.

- Personnel Serving 90-Days Introductory Period
  - Tribal Court Advocate (Pos #240953)
    Two (2) applicants were referred by the Department of Personnel Management, interview was conducted on January 27, 2010 with the assistance of a legal staff from the Department of Justice, and the one applicant who showed up for the interview was selected. His employment began on February 1, 2010 subject to a 90-day probationary period.
  - Collection Officer (Pos #228356)
    Six (6) applicants were referred by the Department of Personnel Management, interview was conducted on January 28, 2010, and an individual was selected who began his employment on February 1, 2010 subject to a 90-day probationary period. However, the individual vacated the position through a termination on March 26, 2010 so the position will be advertised again through the normal JVA process.

III. ACCOMPLISHMENT:

1. Personal Loan Program

- Loan Application Distribution and Inquiries. Total of (287) Personal Loan applications were distributed to potential applicants and total of (269) inquiries were made via personal visits and telephone calls.

- Loan Approval. There were (155) loans approved through the Administrative Review process totaling $301,400. The following is a comparison of the Personal Loans broken down by the five (5) agencies of the Navajo reservation:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Loans</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinle</td>
<td>19</td>
<td>$37,500</td>
</tr>
<tr>
<td>Eastern Navajo</td>
<td>28</td>
<td>$55,000</td>
</tr>
<tr>
<td>Fort Defiance</td>
<td>62</td>
<td>$119,000</td>
</tr>
<tr>
<td>Northern Navajo</td>
<td>24</td>
<td>$44,600</td>
</tr>
<tr>
<td>Western Navajo</td>
<td>22</td>
<td>$45,300</td>
</tr>
</tbody>
</table>

- Statistics on Loan Ineligibility. Fifty one (51) loan applications did not meet the program’s eligibility criteria to qualify for personal loans based either on debt-to-income ratio exceeding the required ratio (40), length of employment (01); Credit History (05), and other (05). On a priority basis, the applications are evaluated and analyzed to determine their eligibility or ineligibility. The applicants are notified in writing of the reason for ineligibility, and vice versa, those that are eligible.

- Personal Property Liens/Release. An applicant can pledge personal property as collateral in lieu of a qualified cosigner and includes an automobile, trucks, manufactured homes and must have a certificate of title, current registration, full coverage insurance policy and inspected by the Credit Manager, or designee. Title liens are effectuated through the respective County Motor Vehicle Divisions; respectively, titles are released upon loans paid in full. Liens were placed on two (2) personal properties that were pledged as collateral, and one (1) title was released.

- Cash Receipts and Revenues Received:
2. Home Loan Program

- **Application Distribution and Inquiries.** Total of (85) Home Loan applications were distributed to potential applicants. There were total of (75) Home Loan inquiries via personal visits and telephone calls.

- **Loan Approvals.** A total of (05) Home Loans were made totaling $230,400 to purchase new Manufactured Homes. The following is a comparison of the Home Loans broken down by the five (5) agencies of the Navajo reservation:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Chinle</th>
<th>Eastern Navajo</th>
<th>Fort Defiance</th>
<th>Northern Navajo</th>
<th>Western Navajo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$115,000</td>
<td>$15,000</td>
<td>$31,500</td>
<td>$-0-</td>
<td>$-0-</td>
</tr>
</tbody>
</table>

- **Statistics on Loan Eligibility and Ineligibility.** Fourteen (14) applicants did not meet the program’s eligibility criteria to qualify for home loans due to their debt-to-income ratio exceeding the required percentage (8), and Credit History (6). The applications are promptly evaluated and analyzed to determine eligibility within five (5) working days; they are either pre-qualified or ineligible. The applicants are notified in writing of the reason for ineligibility.

- **Home Inspections.** Six (6) home loans were inspected for sufficiency in installation and other required inspections.

<table>
<thead>
<tr>
<th>Date</th>
<th>Type</th>
<th>Location</th>
<th>Results</th>
<th>Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/30/09</td>
<td>Manufactured Home</td>
<td>Cove, AZ</td>
<td>Good</td>
<td>Will revisit when completely skirted.</td>
</tr>
<tr>
<td>01/15/10</td>
<td>Manufactured Home</td>
<td>St. Michaels, AZ</td>
<td>Complete</td>
<td>New/Renovate</td>
</tr>
<tr>
<td>01/15/10</td>
<td>Manufactured Home</td>
<td>Manuelito, NM</td>
<td>Good</td>
<td>None</td>
</tr>
<tr>
<td>02/01/10</td>
<td>Manufactured Home</td>
<td>Chinite, AZ</td>
<td>Passed</td>
<td>None-completed</td>
</tr>
<tr>
<td>03/18/10</td>
<td>Manufactured Home</td>
<td>Pinon, AZ</td>
<td>Incomplete</td>
<td>Not Funded</td>
</tr>
<tr>
<td>03/18/10</td>
<td>Manufactured Home</td>
<td>Pinon, AZ</td>
<td>Major Damages</td>
<td>New home constructed in 1995 has shifted severely causing major damages to the interior and foundation of the home. Department will consult with a private inspector to do an overall assessment.</td>
</tr>
</tbody>
</table>

- **Liens on Manufactured Home Titles/Release.** Liens are placed on the title to the new Manufactured Homes within 30 days of the loan and after you receive the MSO, and filed within the respective County Motor Vehicle Division; and released upon the loan being paid in full. Three (3) liens were placed on Manufactured Homes, and three (3) titles were released.

- **Homeowners/Life Insurance.** Home Loan Program Operating Policies and Guidelines requires a Mortgage or Credit Life Insurance Policy in an amount not less than the outstanding principal balance of the loan and shall be kept in effect for the duration of the loan period. In an event that the insurance coverage lapses and is not cured within ten (10) working days, the Department intervenes and purchases insurance coverage by resorting to an independent contracted Insurance Company which is Amerind Risk Management Corporation. The Department has an MOA with Amerind to sign up customers under Community Shield Program for the basic or deluxe insurance coverage. The Loan Insurance Representative consistently follows up with the Homeowner(s) through correspondence, telephone, and field visits, regarding their lapse of insurance coverage, insurance renewal, obtain new coverage, and collect the outstanding negative impound balance. New insurance coverage requires a home inspection by taking photos of the
dwelling and working hand-in-hand with Amerind to receive quotations and approval. In some instances, Amerind will not insure a dwelling if the premises present evidence of fire risk, but the homeowner(s) can remove the hazardous material as advised by Amerind and still obtain coverage. A premium payment in the amount of $16,380.00 was paid for the basic coverage, and $21,956.00 for deluxe coverage. This covers the period August 1, 2009 to July 31, 2010.

The Loan Insurance Representative provided the following data in working with the homeowners and maintaining insurance coverage.

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Basic</th>
<th>Deluxe Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contacts</td>
<td>53</td>
<td>46</td>
</tr>
<tr>
<td>New Accts Signed up</td>
<td>02</td>
<td></td>
</tr>
<tr>
<td>Denials by Amerind</td>
<td>-0-</td>
<td></td>
</tr>
<tr>
<td>Impound Escrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount</td>
<td></td>
<td>$7,241.62</td>
</tr>
<tr>
<td>Insurance Lapsed/Cancelled</td>
<td>03</td>
<td></td>
</tr>
<tr>
<td>Insurance Renewals</td>
<td>-0-</td>
<td></td>
</tr>
</tbody>
</table>

- **Mortgage Processed/Releases.** Applicants who receive loans in an amount over $5,000 for home construction, improvement or for a purchase of a site built house must grant to the Navajo Nation a leasehold mortgage as first mortgagor. The leasehold mortgages are processed soon after loan closing and/or release of mortgage is executed as soon as possible after the loan has been paid in full. No releases of mortgages were made this quarter.

- **Cash Receipts and Revenues Received:**

  **HOME LOANS**

<table>
<thead>
<tr>
<th></th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Receipts</td>
<td>95,599.06</td>
<td>92,323.00</td>
<td>90,171.58</td>
<td>$270,093.64</td>
</tr>
<tr>
<td>Principal</td>
<td>54,799.29</td>
<td>56,509.25</td>
<td>58,133.59</td>
<td>$169,442.13</td>
</tr>
<tr>
<td>Interest Income</td>
<td>34,241.03</td>
<td>34,258.18</td>
<td>30,377.99</td>
<td>$98,777.20</td>
</tr>
<tr>
<td>Late Fees</td>
<td>615.00</td>
<td>1,315.00</td>
<td>1,660.00</td>
<td>$3,590.00</td>
</tr>
<tr>
<td>Impound Escrow</td>
<td>3,213.32</td>
<td>1,381.73</td>
<td>2,243.57</td>
<td>$6,838.62</td>
</tr>
<tr>
<td>Defermt Fees</td>
<td>37.83</td>
<td>152.05</td>
<td>152.05</td>
<td>$387.88</td>
</tr>
<tr>
<td>Impound Repymt</td>
<td>2,692.59</td>
<td>1,831.84</td>
<td>1,346.37</td>
<td>$5,870.80</td>
</tr>
<tr>
<td>Revenue</td>
<td>40,799.77</td>
<td>38,786.75</td>
<td>35,779.98</td>
<td>$115,366.50</td>
</tr>
</tbody>
</table>

  **BIA HOME LOANS**

<table>
<thead>
<tr>
<th></th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Receipts</td>
<td>9,078.13</td>
<td>7,782.13</td>
<td>7,572.13</td>
<td>$24,432.39</td>
</tr>
<tr>
<td>Principal</td>
<td>6,790.13</td>
<td>7,631.13</td>
<td>7,572.13</td>
<td>$23,993.39</td>
</tr>
<tr>
<td>Interest Income</td>
<td>22.00</td>
<td>22.00</td>
<td>22.00</td>
<td>$403.00</td>
</tr>
<tr>
<td>Late Fees</td>
<td>151.00</td>
<td>101.00</td>
<td>151.00</td>
<td>$302.00</td>
</tr>
<tr>
<td>Impound Escrow</td>
<td>22.00</td>
<td>22.00</td>
<td>22.00</td>
<td>$66.00</td>
</tr>
<tr>
<td>Defermt Fees</td>
<td>115.00</td>
<td>50.00</td>
<td>100.00</td>
<td>$265.00</td>
</tr>
<tr>
<td>Impound Repymt</td>
<td>288.00</td>
<td>151.00</td>
<td>251.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>Revenue</td>
<td>228.00</td>
<td>151.00</td>
<td>251.00</td>
<td>$689.00</td>
</tr>
</tbody>
</table>

  **BIA BUSINESS LOANS**

<table>
<thead>
<tr>
<th></th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Receipts</td>
<td>1,149.04</td>
<td>1,149.04</td>
<td>307.70</td>
<td>$1,456.74</td>
</tr>
<tr>
<td>Principal</td>
<td>1,149.04</td>
<td>1,149.04</td>
<td>307.70</td>
<td>$1,456.74</td>
</tr>
<tr>
<td>Interest Income</td>
<td></td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**3. Personnel Action Form (PAF) and Business Procurement Act (BPA) Clearances.** The Department provides Business Procurement Act (BPA) Clearance for individuals who are applying for loans with the Small Business Loan Program within the Division of Economic Development, Veteran's Loan Program, Dine College, BIA Natural Resources for any Grazing Permits being transferred to another individual, and other departments requesting such clearances. The Credit Services Department also has the responsibility for all clearance of Personnel Action Forms (PAF) for employees who are terminating their employment with the Navajo Nation. Copies are made of the PAF’s and forwarded to FMIS for updating purposes. The following are the statistics on clearances:

- **PAF Clearances................................................................. 398**
- **BPA Clearance (Accounts Receivable).............................. 399**
- **BPA Clearance (NN Shopping Centers).............................. -0-**
- **BPA Clearance (Veterans Loans)................................. 50**
4. **Collections.** The Department is diligently performing stringent collection of delinquent home and personal loan accounts to collect funds due and owing to the Navajo Nation. The collection staff is traveling reservation wide to personally contact debtors who are delinquent on their loan accounts, especially loan accounts that have matured and have past the statutes of limitation. The Collection Section is continuing their collection efforts by assessing and analyzing loan accounts that are deemed non-collectable and initiating legislations for write-off or charge-off, and/or refinancing in some cases.

The following information is the statistics for the overall collection activity:

<table>
<thead>
<tr>
<th>Loan Program</th>
<th>Number of Contacts</th>
<th>Skip Tracing</th>
<th>New Payment Agreements</th>
<th>Loans Accelerated</th>
<th>Amount Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Loan</td>
<td>683</td>
<td>03</td>
<td>15</td>
<td>02</td>
<td>$8,262.51</td>
</tr>
<tr>
<td>Home Loans</td>
<td>317</td>
<td>-0-</td>
<td>02</td>
<td>1</td>
<td>$35,267.76</td>
</tr>
</tbody>
</table>

Total: $43,530.27

**IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA’S:**

1. **Financial Education/Homebuyers Education.** It is the policy of the Home and Personal Loan Program that the Navajo public be educated on financial responsibility and money management. It is a requirement for the Home Loan Program that the homeowners attend the Homebuyer’s Education or financial counseling prior to loan commitment. Each certified trainers are scheduled to provide financial education based on different financial modules, and will receive certificates upon completion. The Department refers home loan clients to Navajo Partnership for Housing to receive Homebuyer’s education and receive certificates that they completed the course. Each participant will be charged a fee of $50.00 to attend and complete the session. Financial Education was provided at the following locations:

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Location</th>
<th>Program</th>
<th>No. of Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2/27/2010</td>
<td>Shiprock NM</td>
<td>Navajo Housing Authority</td>
<td>24</td>
</tr>
<tr>
<td>2</td>
<td>2/10/2010</td>
<td>Shiprock NM</td>
<td>Navajo Housing Authority</td>
<td>19</td>
</tr>
<tr>
<td>3</td>
<td>2/24/2010</td>
<td>Shiprock NM</td>
<td>Workforce Development</td>
<td>24</td>
</tr>
<tr>
<td>4</td>
<td>3/10/2010</td>
<td>Shiprock NM</td>
<td>Workforce Development</td>
<td>30</td>
</tr>
</tbody>
</table>

2. **Promotional Activities.** Presentations regarding loan criteria and information about the lending program are scheduled based on requests coming in from the various department/programs/entities. The Loan Officers meet with other departments explaining the lending services and arrange presentations accordingly.

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2/18/2010</td>
<td>Teec Nos Pos &amp; Shiprock Chapter</td>
</tr>
<tr>
<td>2</td>
<td>2/19/2010</td>
<td>Nenahnezad Chapter</td>
</tr>
<tr>
<td>3</td>
<td>2/15/2010</td>
<td>Northern Navajo Agency</td>
</tr>
<tr>
<td></td>
<td>17/2010</td>
<td>Radio Announcement</td>
</tr>
<tr>
<td>4</td>
<td>3/10/2010</td>
<td>Shiprock NM</td>
</tr>
</tbody>
</table>

3. **Staff / Collection Meeting**

- Regular Staff Meeting – February 2, 1010, Quality Inn, Window Rock, Az. The Credit Manager provided update reports to the staff on the January 22, 2010 meeting with the Budget & Finance Committee, Personnel Matters, Upcoming Home Show with Solitaire Homes of Farmington, NM (March 20 & 27, 2010), Reopening Personal Loan Program (February 8, 2010), Program Performance Criteria for Personal & Home Loan Program. Updates were also given by each staff member within each section.

- Collection Work-session – February 10, 11 & 12, 2010, Eastern Navajo RBDO, Churchrock, NM. The Credit Manager conducted a work-session for the Collection Staff and Tribal Court Advocate where the agenda entailed:
  - Bankruptcy procedures
  - Collection Procedures (Collector Aging, Collection Letters, BPA Due Process, Deferred Compensation, K-Card(s) for Payroll, Payment Agreements, Small Claims, Probate Procedures & Charge-Off/Write-Off
4. **Staff Training**

- Robert Trujillo, Consultant for Credit Service Center, Durango Colo. Mr. Trujillo trained the staff on the latest information on Fair Debt Collection Practices Act, Federal Trade Commission, Identity Suspicious Activity, Recover from identify theft and other information relating to debt collection. Training was conducted on February 9, 2010 at Days Inn Conference Room.

- The Collection Staff attended one day training in Phoenix, AZ on Super-Effective Techniques for Collecting Accounts Receivable. The training received will enhance collection skills and benefit the Navajo Nation in collecting debts owed by delinquent customers and thereby reducing the delinquency rate.

5. **Solitaire Homes.** The Credit Manager and Loan Officers met with the General Manager for Solitaire Homes on January 6 and March 11, 2010 to finalize the scheduling of a Home Show at Farmington, NM on March 20 and 27, 2010. The Loan Officers evaluated Home Loan applications taken on site and pre-qualified applications subject to other verifications and required documentation. The turnout was good with a lot of customers responding to the public advertisement and Solitaire Homes served fresh Mutton Stew and Navajo burgers. The objective is to meet the FY 2010 Performance Objective to evaluate 60 loan applications by Loan Officers to seek potential Homebuyers.

6. **Budget and Finance Committee Meeting.** Financial report on the Home, Personal, BIA Home and BIA Business Loan portfolio for Fiscal Years 2008, 2009 and first quarter of Fiscal Year 2010 was presented, as well as a combined report on all loans written off and/or charged off.

7. **Mortgage Interest Statements (1098s).** The Department completed and met the deadline of mailing out (201) 1098 Mortgage Interest Statements to Home Loan Program customers. These statements are essential to customers who qualify for the deductions on their Federal Income Tax.

8. **Amerind Risk Management.** On March 5, 2010 the Department met with Amerind Risk Management Corporation at Santa Ana Pueblo, NM regarding clarification on discrepancies for some insurance policies being cancelled for properties located off the reservation. This contradicts the Department’s understanding in enrolling qualified homeowners into the affordable insurance program per the signed MOA with Amerind Risk Management Corporation. After further justification, the insurance policies for four homeowners were reinstated to the end of the policy period. Based on misconceptions of the MOA that has been in effect since April 2006, another meeting was scheduled to modify the MOA by setting specific guidelines for both parties’ role and responsibilities to avoid misleading information to potential homeowners interested in enrolling.

9. **Conditions of Appropriation – Plan of Operation.** The amended Plan of Operation for Credit Services Department is in a draft form pending approval by the oversight Committee and contingent upon the approved Plan of Operation for the Controller’s office.

**PROPERTY MANAGEMENT DEPARTMENT**
II. SIGNIFICANT WORK ACTIVITIES:

1. The NAVAJO DIVISION of HEALTH received significant activity with the tagging of expensed items totaling \( 421 \) in numbers. The majority part of this period would be the attendance of two meetings with Shirley Begay, and Special Diabetes Program which entailed audit findings of the Navajo Nation Asset Master List by the Federal Government Auditors. The audit findings were reconciled and signatures from all involved with the process to clear this activity. The next step in the process would be with the SDP giving the federal auditors notice to complete the final process.

2. The NAVAJO DIVISION of DINE’ EDUCATION received routine work activities which included Fixed Asset inventory, Tagging of new equipment items, purchase requisition approvals, and notice to Agency Property Clerks to tag equipment based on information from the Navajo Nation purchase requisitions. Majority of work was completed within the non-cap equipment item with Head Start Program. A pre-exit meeting with KPMG auditors was conducted and no property findings were attached.

3. The NAVAJO NATION VEHICLE SALES had been at the Manheim Auto Auction, Albuquerque, New Mexico, on these dates: 12/22/09; 01/08/10; 01/14/10; 01/15/10; 01/26/10; Department purchased vehicles, on 03/02/10. There is also a pending Department purchased vehicle sale at MAAA 03/26/10 and 03/30/10.

4. The NAVAJO DIVISION of GENERAL SERVICES area of work included department physical inventories and disposal of equipment. The tagging of the master asset listing to reconcile differences. The tagging and entry of the expense items into the Property Application Log for data base retrieval.

5. The NAVAJO DIVISION of PUBLIC SAFETY audit findings re: COPS GRANT, were a major part of this quarters work activity. The findings, pictures, sent to Robert Trefzer of the Office of the Inspector General, Dept. of Justice, for him to reconcile and add to our list of findings. This included the help of the Agency area property clerks. In one instance discrepancies totaling \( \$18,844.32 \) were all cleared. I and Geri attended a pre-exit meeting with the auditors of the KPMG, March 17, 2010, 4 items were in questioned for audit findings. This will be presented at the Final Close out meeting, March 31, 2010.

6. The OFFICE of the PRESIDENT & VICE-PRESIDENT, NAVAJO EPA , THE PROSECUTORS OFFICE, LEGISLATIVE BRANCH were served with normal operational duties with tagging of new non cap type of equipment and registered into the new data base formulated called the Property Log application.

7. Our WESTERN NAVAJO AGENCY personnel were able to do most of the work in the disposal of equipment that is surplus to the Navajo Nation Programs. Initial sights set on doing a physical inventory for the NAVAJO AREA AGENCY ON AGING PROGRAM and sections area wide these include Senior Center at Chapters.

8. Our CENTRAL NAVAJO AGENCY, Chinle, personnel duties compiled mainly with general property management duties, tagging, inventory, equipment disposals and most of all reconcile equipment for the COPS GRANT audit.

9. Our NORTHERN NAVAJO AGENCY, Shiprock Office’s bulk of work pertains to the Contract No. C07943, Department of Behavioral Health Services newly renovated Treatment Center, (former S/R IHS Hospital) which houses newly acquired equipment that needs tagging. Most other job duties are general in property management details, tagging, physical inventory, disposal of equipment, etc.

10. Our EASTERN NAVAJO AGENCY, personnel did the majority of her work tagging fixed assets from the Asset Master List, FMIS. These fixed assets were from the K accounts and needed immediate attention due to the recent audit of the KPMG internal auditors. Another activity included the Dept. of Justice, Office of the Inspector General, and work with Geri Wauneka of our Ft. Defiance office.

11. Most of the work in the area of the DIVISION of NATURAL RESOURCES, and DIVISION of HUMAN RESOURCES, was the tagging of non-cap equipment below the threshold of 5K. The remaining amount work was surrounded by the processing of disposal of surplus equipment back to PMD from the dept and programs. These areas of work were minimizing due to the unexpected departure of our former Program Supervisor, 01.13.10.

12. The DIVISION OF SOCIAL SERVICES was not reported on by the representative of our office because of lengthy absents related health and well being. Several ongoing Ft. Defiance Agency area wide physical inventory sites were being conducted. A Pre-exit meeting was attended by me in regards to the audit findings of the Child Care Development Fund conducted by the KPMG internal auditors; this was held, March 17, 2010. The Property audit portion was not an issue only that a continuance of physical inventories should be accomplished. A final exit meeting will be held April 04, 2010 at 10:00 am for CCDF Program.

13. The DIVISION OF COMMUNITY DEVELOPMENT; NAVAJO DIVISION of TRANSPORTATION and DIVISION of ECONOMIC DEVELOPMENT, was not reported on by our department representative, this individual was just recently hired December 08, 2009 by our former Program Supervisor. His main activity was surrounded around the Transportation Department physical inventory of equipment. He is also assisting in the movement and set up of equipment at the Tsaile office being established.

14. The Property Management Department, WAREHOUSE SHIPPING and RECEIVING AREA, has received numerous requests for the donation of Navajo Nation excess property. The large area of activity is the donation of excess property to
The General Public including private entities, non-profit organizations serving the best interest of the Navajo population. These excess items have reached the end of their life cycle and have become obsolete to the Navajo Nation and its government offices. The first alternative to provide the best conditioned items to the Navajo Departments and Programs and thereafter to outside interest as I had listed. Another area of activity is the final disposal of Nations property to the Transfer Station which accepts poor equipment items. The dismantled metal which is a result of over usage is taken to a metal recycling business for a monetary sum to be deposited into the General Fund at the Cashiers Section/OOC, with receipts and documents for reconciliation. The acceptance of freight shipments continues with UPS, FEDEX, and Truck Freight. This is processed for tagging and deliveries to Navajo Nation Program and Departments.

15. The Real Property Management section has been idle with ongoing projects to administer since the departure of the late Program Supervisor who oversaw the activities within this section. Several requests were made within the tenure of his activity and ongoing issues have to be researched to better handle the request. The existence of a small budget within building and renovation account seems to put several projects on hold unless the departments or programs were willing to pay for their work in this area. Several items of interest are the following:

- Beclabito Chapter Senior Citizen Trailer Removal
- NOSHA, DOHR, Timothy Bitsie, requesting additional office space from the current Supreme Court and Office of Navajo Women & Families offices currently being used by the programs and initially was to move out of this space with the confines of the same building.
- The acceptance of FEMA TRAILERS on behalf of the Navajo Nation for the SAS # CHID-09-0013, allow the Navajo Nation to accept (12) manufactured homes from the Federal Management Agency, 02.17.10.
- The request to remove Modular CHR Buildings at sites area wide which include Crownpoint, Dilkon, Dennehotso, Tuba City and Chinle. This ARRA project did not include the removal of the old modular buildings. It was one open item that remains during the former Property Program Supervisors agenda.

III. ACCOMPLISHMENT (Name of Clerk, Position Title):

2. Edward Touchine tagged fixed asset items: Total 8; Tagged expense type equipment items for the HEAD START PROGRAM: Total: 286
3. Property Clerk, Linda Begay, has been involved in minimal activity with the Real Property Section. Buildings tagged: Total: 1. NAVAJO NATION VEHICLE SALES: She has been able to coordinate and move excess vehicles to Albuquerque, N.M. at an outstanding rate, with the aid of Fleet Mgt., and Law Enforcement personnel. Total vehicle registrations completed: 18. Navaajo Nation Vehicles Sold: Total: 43. She one of the participants to attend a workshop on Microsoft Word and Excel, 1.5 days each on March 2-4, 2010 at the Route 66 Casino, Albuquerque, N.M. On March 02, (19) nineteen each vehicles were sold in the amount $68,900.00, Sixty-Eight Thousand, Nine Hundred dollars, with the help of Manheim Auto Auction.
4. THE DIVISION of GENERAL SERVICES Property Clerk, Notah Silversmith, conducted physical inventory of the Air Transportation Program and the Executive office of the Division of General Services. Total: 2 He initiated the final disposal of obsolete property to Thoreau Transfer Station and Kirtland Metal Recycle which took a major portion of his job. He completed shipment and deliveries for processing. Total: 20. He completed 10 dispositions of equipment forms for disposal. He completed fixed asset physical inventory this period. Total: 1 He completed and passed the grade for the PROCUREMENT MODULE of the FMIS System. Notah Silversmith had just completed his 90 day probationary period and is a full time employee with our department, beginning January 02, 2010.
5. Geraldine Wauneka our Property Clerk that handles the DIV. of PUBLIC SAFETY and all its depts. and programs. Separately included in her detail is the responsibility of the JUDICIAL BRANCH. The highlight of her work detail included disposal of surplus equipment: Total 6. The other was the tagging of the fixed asset master listing of equipment, Total: 36.
6. Benny Bahe, Property Clerk taking care of the OFFICE of THE PRESIDENT & VICE-PRESIDENT, NAVAJO EPA, PROSECUTORS OFC. & LEGISLATIVE BRANCH tagged a large volume of non-cap equipment items. Total: 85. The fixed asset amount tagged was total of 6. The bulk of his work was done in the tagging of new equipment.
7. Connie Maloney, Property Clerk, WESTERN NAVAJO AGENCY, in Tuba City has been able to received request for disposal of equipment for return. Total: 12 request. She was able to provide 3 orientations of Property Management procedures to departments and or programs.
9. Emery Lincoln, Property Clerk, NORTHERN NAVAJO AGENCY, SHIPROCK, Tagged several fixed asset items of the Asset Master List of the FMIS: Total: 5. The majority of his tagging was the non-cap items within agency area: Total: 198.
10. Julia Begay, Property Clerk, with EASTERN NAVAJO AGENCY, CROWNPOINT, and tagged fixed asset items: Total:

11. Harry Tso, Senior Property Clerk, responsible to the DIVISION of NATURAL RESOURCES and DIVISON of HUMAN RESOURCES, tagged a large volume of non-cap newly purchase equipment: Total: 133. The next major portion of my job entailed the approval of the state vehicle title and registration attached to Navajo Nation Government: Total: 92 including new purchase vehicles. I was one of the Participants to attend a 3 day training workshop, on Microsoft Word and Excel, 1.5 days for each version. This Workshop was held March 02-04, 2010.

12. The Property Clerk, Ambrynne Begaye, was doing an audit of the Adult in home Care Program at several sites on the Ft. Defiance Agency. A large shipment of computers was received to Property Warehouse for tagging and dispersal to central and agency sites. I believe an audit was being performed also with the Social Services sub offices and programs. No reporting information was available.

13. The newly hired Property Clerk, Branden Fernando, oversees the DIV. OF COMM. DEV.; NAVAJO DIV. of TRANSP and the DIVISION of ECONOMIC DEV. He has completed his 90 day probationary period March 08, 2010 and was given an evaluation, and processed to become a permanent employee with our department.

14. Our Warehouseman Rick Sullivan, has processed shipment and deliveries for the Navajo Nation government: Total: 156.

15. The REAL PROPERTY SECTION of the Navajo Nation Property Management Department has assisted with the following.
   - The disposal of Fixed Asset 2467, (C012-043), Chinle Prosecutors dilapidated office trailer that was 31 years old and was moved by the Contractor who will pay for the cost of the disposal. The new modular trailer will be the replacement and is being set up by the same Contractor.
   - A letter written for the acceptance of (12) Twelve FEMA trailers on behalf of the Navajo Nation Government. The work was in agreement with the Housing Improvement Program, under the Navajo Housing Services Department, Division of Community Development. This included legal counsel, Latonia Becenti, DOJ. This was the remaining of the former Program Supervisors items left open before his departure.
   - The Contract Renewal of the existing T1 line thru Frontier Communications, 02.25.10, at the monthly rate of 582.00 for 3 years at a total of $ 20,952.00. The knowledge was obtained from FMIS Support with Annie Chow of Frontier Communications.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND COA’S:

1. To re-establish a communiqué in regards to the approval process of the NAVAJO NATION PROPERTY POLICIES AND PROCEDURES MANUAL, which is still in draft form and was researched?

2. The ongoing audit findings with the Department of Justice/ Office of the Inspector General, Stephen Trefzer, about the COPS GRANT discrepancy list of Navajo Nation Property. This includes the Navajo Department of Law Enforcement, Navajo EPA, Department of Resource Enforcement (Rangers), Judicial Branch, and Prosecutors Office.

3. The continued recycle of old obsolete computers, digital equipment, office machine, battery backup, etc. returned to our Warehouse Facility for disposal.

4. The normal work activities to account for Navajo Nation Property, both personal property fixed and expense, including real property.

5. The normal work activities to properly dispose of Navajo Nation property both personal and real property.

6. To continue to work with the Department and Programs affected by the property audit findings and its recommendations imposed upon by the providers of contract and grant funds.

V. GOALS & OBJECTIVES:

1. To have the Navajo Nation Property Management Policies and Procedures approved by Legislation Committee review in a form of a resolution.

2. To emphasize the physical inventory of the Fixed Asset Master List of the FMIS. This would be to account for a majority of assets within the structure of the FMIS system, and should new items become available to place identification tags immediately to prevent loss or stolen items. This includes the assets with the Real Property table of the FMIS.

3. The need to schedule a Navajo Nation Vehicle Sale at Ft. Defiance Property Management Yard, the coming month of April, 2010.

4. The need to remove obsolete equipment and make proper disposal at the Property Management Department Warehouse Three located at the Navajo Nation fairgrounds behind the Navajo Nation Fair Office Building Warehouse Facility.

5. To continue to use the Property Log Application of the FMIS for a much needed date base for our non cap purchased equipment including the P-card acquisitions.
VI. MONTHLY WORK & TRAVEL SCHEDULES:

1. The attendance of Property Clerk(s) Ambrynne Begay, Linda Begay and Harry Tso to the Microsoft Word and Excel Bootcamp Workshop, sponsored by Docustore, Inc. at the Route 66 Casino, Albuquerque, N. M., 03/02-04/2010.

2. The regular travel schedule to Red Rock Transfer Station, Thoreau, NM on a weekly basis to make final disposal of obsolete equipment no longer needed for usage by the Navajo Nation.

3. The travel to Kirtland Recycle Yard (N.M.), to dispose of scrap metal for recycle and profit of ($ 80.15), Eighty dollars and Fifteen Cents.

4. The travel to Gallup recycle Center (N.M.), to dispose of scrap metal for recycle and profit of ($ 10.00), Ten Dollars.

5. The Bi weekly travel of Property Management Staff to drive excess departmental vehicles approved for sale to the Manheim Auto Auction, Albuquerque, N.M.

6. The retrieval of excess property from the Shiprock Northern Navajo Agency Department and Programs due to the driving privileges prohibited by the Property Clerk of our office.

VII. OUTSTANDING PROGRAM ISSUES/PROBLEMS/RECOMMENDATIONS:

1. The abrupt and sudden departure of our former Program Supervisor which requires constant research, re-training, and learning of his scope of work and responsibilities to better represent Property Management Department and continue serving the Nation in our capacity.

2. The continued resolved from our Property Management Staff to work as a team and assist each other to better serve the Navajo Nation and its people who are truly the custodian of our government.

3. To better improve our outside parking situation for the customer and Navajo Nation employee doing business in our building. This would include the department employees.

4. Many other to add to this list but have not been able to sit down and find out other areas of concern to better manage our present situation.

VIII. BUDGET STATISTICAL INFORMATION:

1. Property Management Department’s Form 2 is attached.
I. PROGRAM INFORMATION

First Lady: Vikki Shirley
Telephone No.: 928-871-7008
Facsimile No: 928-871-7807

II. OBJECTIVE

Pursuant to GSCD-54-07, the approved Plan of Operations for the Office of the First Lady's purpose is to respond to correspondence received; to coordinate and schedule public events that the First Lady is required to attend and to assist in development of certain programs and projects in the best interest of the Navajo Nation and in which the First Lady is interested and involved.

The Office of the First Lady is authorized to seek grants, develop proposals and administer special projects and programs of the Office of the First Lady. Further, the Office of the First Lady is authorized to establish a non-profit organization to promote education, career, economic advancement and public awareness about domestic violence, alcohol and drug abuse. The Office is authorized to provide public relations functions as needed on behalf of the Navajo Nation in the capacity of First Lady.

III. BUDGET/PERFORMANCE INFORMATION

a. Funding & Expenditure

<table>
<thead>
<tr>
<th>Office</th>
<th>Funding Source</th>
<th># of Personnel</th>
<th># of Vacancies</th>
<th># of Vehicles</th>
<th>FY 2010 Operating</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Lady</td>
<td>General Funds</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>$199,683</td>
<td>24%</td>
</tr>
</tbody>
</table>

b. Staffing: One staff position is pending an appointment during this reporting period. An appointment is pending employment and is to be on board in April 2010.

c. Program: The Office of the First Lady is undergoing a program audit for FY 09 as requested by the oversight committee. An entrance meeting was conducted and initial discussions have transpired during the second quarter reporting period. Fiscal and programmatic documents have been reviewed and tested. The audit has entered a next to final review with the exit meeting scheduled at the end of the Month of April, 2010. Since there is only one staff member, the audit has taken up to 50% of staff time during the entire reporting period.

III. GRANTS

a. First Things First Regional Partnership Council –

In this FY2010 First Quarter reporting period, the Regional Partnership Council continued its work toward developing the 2010 Annual Funding Plan.

The Navajo Regional Partnership Council is one of 31 Regional Partnership Councils of First Things First that represent and serve diverse children, families and communities throughout Arizona. Regional Councils are committed to working in
partnership with families, caregivers, and the community as a whole to establish a community ethic that embraces its youngest children.

The Navajo Regional Partnership Council has been hard at work since being appointed in the late spring of 2008, assessing the needs of the Navajo communities and putting together plans for funding to improve the lives of Navajo young children. Services and supports for children and their families began in mid-summer 2009.

Serving each community’s distinct needs is a major goal of First Things First—reaching out to children and families in ways that will best offer support so that all Arizona children can start school ready to learn, be successful and reach their full potential.

The Funding Plan and the Overall Strategic Plan are governing documents for planning and implementation of strategies and to fund its prioritized needs. The Navajo Regional Partnership Council will continue to build on prior year efforts which include the following:

- meeting the need for quality early care and education that is culturally responsive with native language; developing state of the art facilities, transportation, research based data and trained staff;

- meeting the need for well trained and appropriately qualified child-care workforce with additional technical assistance for child-care workers;

- meeting the need for family support education & outreach and to support and expand community awareness of the importance and impact of early care, education and health for children 0-5.

During this reporting period, the First Lady continued to promote the vision, and commitment to the development of an integrated system connecting services to children, and coordinate services within the Navajo Nation programs. The Office will maintain support for the family centered, community-based partnership linking state and local government. The Council seeks to create a system that builds and sustains a coordinated network of early childhood programs and services, the Office of the First Lady will continue to assist in development of the overall program.

The Navajo Regional Partnership Council awards regional grants to address development and health needs of children birth through age five and their families within the region. Needs and strategies to meet those needs are designated in Regional Partnership Council’s Funding Plans. The following is the updated description of the funding strategies and awards made.

<table>
<thead>
<tr>
<th>Strategy Name</th>
<th>Description</th>
<th>Regional Allocation</th>
<th>Awards Made</th>
<th>Service Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality First</td>
<td>Increase the number of children receiving quality early care and education through the expansion of funding for Quality First, facility improvements, coaching, and professional development.</td>
<td>$500,000</td>
<td>19 sites have been selected</td>
<td>19 Centers</td>
</tr>
<tr>
<td>Early Literacy</td>
<td>Support families of children birth to five years old in providing literacy rich environments that promote Navajo language acquisition. Support early literacy in preschools, centers and home- based settings through the development of books and materials in Navajo, the dissemination of these materials, the establishment of a clearinghouse, and providing community-based trainings.</td>
<td>$400,942</td>
<td>In progress – An agreement with Navajo Nation Head Start</td>
<td></td>
</tr>
<tr>
<td>Early</td>
<td>Develop and disseminate a culturally</td>
<td>$110,000</td>
<td>The companion</td>
<td>1500 children</td>
</tr>
</tbody>
</table>
b. Mothers Against Drunk Driving (MADD)

The Navajo MADD (Mothers Against Drunk Driving) Affiliate remains as a primary initiative of the Office of the First Lady. During this reporting period, the President and the First Lady took time to meet and console the Peshlakai family of Naschitti and the students of the Newcomb High school who lost the lives of two beautiful young Navajo girls who were active in sports and part of the Newcomb high school spirit. The loss of precious lives is again a result of continual drunk driving. MADD ribbons and bracelets were handed out to the students in memory of the Peshlakai family, however, the loss remains a devastated situation.

MADD funds are utilized for services to victims of Drunk driving accidents, purchases of educational and prevention material, training costs and travel costs for MADD related efforts. The Navajo MADD Affiliate seeks to sustain its own program in the future, which makes it necessary to raise funds, seek public/personal donations and pledges. It is also necessary to maintain managerial and administrative connections with the main MADD offices in NM and AZ.

Other MADD related programs include support for Law Enforcement at sobriety check points. Which were held at three major checkpoint events to coincide with holiday activities to create awareness as family gatherings and holidays. A major event of this reporting period was a drug bust at the Hwy 264 checkpoint in which over $100,000 worth of street drugs were confiscated.

Current plans are underway for other MADD related events such as the Law Enforcement appreciation and recognition awards; continue to maintain communication on Court Monitoring; maintenance of a Speaker’s Bureau, Youth initiatives and prevention of underage drinking, including Parent Initiatives.

Major annual MADD fund-raising programs include such events as MADD Matters Breakfast, Walk Like Mad (WLM) and a Paper Icon campaign. Follow-up is needed on all issues, and will be continued into the next reporting period.

IV. PROJECT UPDATES

A. Arizona Meth Project Advisory Board - On-Going

The First Lady continues to serve on the Arizona Meth Advisory Board, which guides the project through research based marketing campaign to communicate the risks of Meth use. The project has recently released changed management and now operates the fund raising campaign under a foundation to make more accessible for donors to use the non-profit tax exemption.

The Office of the First Lady continues to visit schools, agencies, youth groups, health fairs, etc. to discuss the dangers of meth use, show the ads and provide information for community and school outreach. The Office is currently participating and supporting the newly re-organized Navajo Meth prevention initiative, A Beautiful Path with Hope organization by attending monthly meetings and supporting educational forums for youth.

B. Arizona Early Education Project to Promote Literacy remains an on-going project

The Arizona Early Education was established in the Arizona Community Foundation with funding partners to help Arizona communities build quality and capacity of early care and education programs for children from birth to kindergarten. The
initiative was established with support of the then Governor Janet Napolitano and the Arizona State School Readiness Board. The First Lady continues to serve on the Early Education Fund Board of Directors; her role is to ensure young Navajo children have access to literacy.

C. Arizona Governor Commission to Prevent Violence against Women -

D. Victims Assistance: The Navajo Nation First Lady is authorized to provide assistance to Navajo women and families impacted by domestic violence. The goal of the Office of the First Lady is to assist Navajo women and families with temporary assistance to seek and acquire temporary emergency shelter from a domestic abusive situation.

During this second quarter reporting period, the Victim’s Survivor Assistance proposal remained a standing proposal. If funded, it will allow a small sum of funding for victims to purchase gasoline to get to and from the shelters; as well as purchase food while en-route to and from the shelters. These basic costs are a constant struggle for the majority of Navajo victims seeking shelter from domestic violence. The Victim’s Survivor Assistance proposal will be administered and monitored through the Office of the President and Vice-President, the Office of the First Lady in conjunction with the established battered women and families coalition throughout the Navajo Nation.

F. Skills 2 Succeed – Certiport Training: On-Going Project

Although very little activity was focused during this second quarter reporting period, the Certiport training program remains an important project for the Office of the First Lady. The program contains a software training program that allows for staff to attain certification, to train and certify others in basic computer skills and is a moving-on effort for victims of domestic violence.

This program has proven positive results for the Navajo communities. The plan is to expand the program and make it accessible to others. The Office of the First Lady continues efforts to establish a course in Window Rock. The beneficiaries are victims of domestic violence, it addresses self esteem issues as well as to re-establish direction in life for victims.

G. The U. S. Department of Justice - Office of Violence Against Women (OVW)

The First Lady continued to serve as member of the Task Force meeting established under the Section 904 Violence Against Women in Indian Country which is administered by the U.S. Department of Justice. The Task Force provides an opportunity to implement a program of research on violence against American Indian and Alaska Native women including domestic violence, dating violence, sexual assault, stalking and murder.

In October, the Navajo Nation First Lady invited members of the National Institute of Justice (NIJ) research team to visit the Navajo Nation to see first-hand the conditions related to domestic violence and issues discussed in the National Task Force Program of Research called for under provisions of the Violence Against Women Act (VAWA) law, Section 904 entitled, Violence Against Women in Indian Country.

In December, the National Task Force gathered to formulate its final recommendations to the NIJ. Within the two days meeting in Oklahoma City, the Task Force developed a final draft. After input and reviews, a final document was produced. The Office of the First Lady provided its comments to provide advice and recommendations to the Office on Violence Against Women and the National Institute of Justice regarding the development and implementation of the program of research, as called for by legislation.

Throughout its two-year existence, the Task Force, has engaged in a dialogue to advance its understanding of the complicated nature of the issues presented as a means to formulate recommendations to assist the National Institute of Justice (NIJ) to successfully implement the research required by the statute. The Task Force concerns and corresponding recommendations are herein paraphrased and summarized under the four components of NIJ’s proposed program of research. The primary authors are members of the Task Force.

On March 18, 2010, the Section 904 Task Force recommendations regarding the development of the National Institute of Justice proposed program of research was issued. The Office of the First Lady issued comments on the document entitled “Responsibility of the United States to Assist Indian Tribes in Safeguarding the Lives of Indian Women”. The VAWA, Title IX, Section 902 states as its purpose:

(1) to decrease the incidence of violent crimes against Indian women;
(2) to strengthen the capacity of Indian tribes to exercise their sovereign authority to respond to violent crimes committed against Indian women; and
(3) to ensure that perpetrators of violent crimes committed against Indian women are held accountable for their criminal behavior.

The First Lady has been an instrumental part of the passage of the legislation as well as its reauthorization. The Task Force report recognized that the advances made under the VAWA nationally are not reaching women within tribal communities. While violent victimization was reported to drop nationally the rates of victimization of Indian women had not decreased but remained the same or increased. It was commonly understood that certain nuances of Federal Indian law mired the progress within tribal communities toward enhancing the safety of Indian women under the prior VAWA legislation. Specifically, VAWA is based upon a justice model that assumes a comprehensive justice system that utilizes a coordinated community response to VAWA related crimes.

The Task Force report brought forth jurisdictional restrictions, historical and current lack of resources and choices a comprehensive western based justice system that is not a given within Indian tribes. Further, institutional barriers created by federal law act as systemic roadblocks to holding perpetrators accountable for their violence and prevent Indian tribes from adequately responding to violence against Indian women. The report cited that such barriers include specific acts of Congress such as the Indian Civil Rights Act which limit the sentencing authority of Indian tribes to a maximum sentence of one year per offense and a fine of no more than $5,000 regardless of the felony level or severity of the crime such as rape. Further, Indian tribes are restricted from providing a meaningful remedy when women are physically and sexually assaulted because Indian tribes have no criminal jurisdiction over non-Indians, and may not prosecute or punish non-Indians. Such barriers have grave consequences for the safety of Indian women and often leave them without criminal recourse provided all other women within the United States. State law enforcement and courts are similarly saddled with limitations on their authority to prosecute non-Indians who commit acts of violence upon Native women in tribal communities because of the implications of the General Crimes Act.

The Task Force report further emphasizes that if VAWA is to enhance the safety of Indian women it is critical to understand these systems that are charged with the responsibility of responding to VAWA related crimes. These legal barriers ultimately impact the ability of Indian women to live free of violence and the authority of Indian tribes to safeguard the lives of the citizens of their respective nations. The well documented under-reporting of these crimes is illustrative of the failure of the systems to be evaluated.

First, the term Indian Country not only ignores federal law defining the interstate nature of crimes against women, but also ignores factual situations that exist on a daily basis due to jurisdictional issues. Focusing solely on women who reside in Indian Country or women who have been victimized on Indian Country ignores a segment of Indian victims who may cross into or out of Indian Country, if even for a brief moment. Women who are victimized outside of Indian Country escape to their reservation and families for protection. They may obtain protective orders from the tribal court, seek counseling from tribal support systems but we are ignored because the assault took place off of Indian Country.

This Task Force believes that studies isolated to crimes occurring only in Indian Country fail to take into account all factors including where the abuse occurs, where women go to receive safe shelter and what other services they are taking advantage of. This information is essential for tribes to continue to take care of its citizens. A review of the filing of protective orders and the enforcement of tribal protective orders is necessary to determine the effectiveness of Indian Country protective orders.

Finally, the term Indian Country excludes 229 federally recognized Indian tribes within the State of Alaska. This exclusion the Task Force maintains was not the intent of the statute and notes the definition of Indian tribe under VAWA includes all federally recognized Indian tribes.

Second, it is the concern of the Task Force that the crimes enumerated and the response of the systems to these crimes remain the focus of the program of research. Further, the Section 904 study is time sensitive. Everyday the impact of failed systems charged with safeguarding the lives of Indian women translates into loss of life, constant threat of physical injury, and in general a detrimental impact on the quality of life of American Indian women. While much research is needed the NIJ is encouraged to focus on the evaluation of the effectiveness of these systems.

The Task Force recommends that the NIJ program of research not focus on the behavior of Indian women participating in the study. Perpetrators of crimes of domestic violence, dating violence, sexual assault, and stalking are responsible for their criminal behavior and not the victims of these horrific crimes. The perpetrators of these crimes typically do not commit
single acts but repeat their violent behavior over time with the same or different victims. To enhance the safety of Indian women, the current systems must be reformed. It is the strong opinion of the Task Force that primary data be collected from perpetrators and the systems to be examined to develop such recommendations.

Regarding the component on Tribally Representative Primary Data Collection, the Task Force recommended that the primary data collection component be broadened to include Indian women, perpetrators, and systems' personnel.

Task Force Recommendations for NIJ in the area of primary data collection:
1) NIJ collect primary data from personnel working within the systems to be examined to evaluate the effectiveness of those systems.
2) NIJ collect primary data from perpetrators of the crimes to be examined to evaluate the effectiveness of the systems charged with holding offenders accountable for their violent behavior.
3) NIJ collect primary data from Indian women to evaluate and increase the effectiveness and to improve the response of systems that address violence committed against Indian women.
4) NIJ establish and maintain an on-going relationship with participating Indian tribes to allow for full, informed, and consistent participation in the implementation of this component.
5) NIJ understand the sovereign authority of each Indian tribe and give deference to the respective Indian tribe to determine the process that is most applicable to its unique circumstances.
6) NIJ develop an MOU or MOA with each Indian tribe and if agreed, the document should identify the responsibilities of NIJ to the specific Indian tribe and address issues of concern expressed by the tribal government.
7) NIJ recognize that while partnerships with federal departments charged with responsibilities for providing services to Indian tribes, such as law enforcement and health, are helpful they do not constitute formal governmental consultation or relationships with Indian tribes agreeing to participate in the primary data collection component.
8) NIJ recognize the sensitive and complex nature of the information to be collected from Indian women and develop a system for a woman to be accompanied by a support person to the collection site.
9) NIJ develop collection component partnerships with battered women’s shelters, rape crises services, and prevention and education services provided by tribal women's coalitions, including compensation to these entities for time provided to NIJ in the data collection process.
10) NIJ develop a response for anonymity due to fear of retaliation for participating in the study. Victims viewed as whistle blowers on the failed response of a system should not face retaliation for their participation in the NIJ research project.
11) NIJ develop anonymity for Indian tribes concerned about the loss of federal VAWA or other funding due to participating in the data.
12) NIJ hire and train tribal women with demonstrated expertise in the areas of violence against Indian women and Federal Indian Law to implement the primary data collection component.
13) NIJ contract with researchers with demonstrated expertise in the areas of violence against Indian women and Federal Indian Law to conduct the data analysis and write the primary data collection component.
14) NIJ provide training on violence against Indian women and Federal Indian Law to all participants employed and or contracted to implement this component of the program of research, including the use of tribal colleges as a resource.

Recommendations for Secondary Data Component:
1) NIJ locate and analyze data from federal agencies, state agencies, and tribal agencies.
2) NIJ recognize that Indian Civil Rights Act limits the ability of Indian tribes to adequately sentence persons convicted of the five crimes to be examined under the statute.
3) NIJ recognize that the United States Department of Justice (USDOJ) is the sole entity with felony sentencing authority within tribal jurisdiction sharing concurrent federal criminal jurisdiction. The response or lack of response by the USDOJ to the five crimes listed must be focused in judicial/prosecutorial Districts in which Indian tribes are located. Data reflecting no response or zero prosecution of these crimes must be reflected in this component.
4) NIJ recognize the detrimental limitation of P.L. 53-280 upon Indian tribes.
5) NIJ develop a process for reporting murders to allow for inclusion of such cases that may not be reflected in the data collected by federal or state agencies but known to the tribal community, service provider or family.
6) NIJ recognize that the concepts of safety, perpetrator accountability and justice within a western system may not include the restoration of balance and well-being of a woman in a tribal setting.

Recommendations for the Program Evaluation Component:
1. NIJ evaluate the effectiveness of a tribal-federal concurrent jurisdiction system.
2. NIJ evaluate the effectiveness of a tribal-multiple federal jurisdiction system.
3. NIJ evaluate the effectiveness of a tribal-state concurrent jurisdiction system.
4. NIJ evaluate the effectiveness of a tribal system.
5. NIJ evaluate the effectiveness of advocacy services programs.

The fourth component of the NIJ proposed program of research is comprised of special studies. Specifically, it contains trafficking of Indian women; women with special needs; comparison of tribal laws/codes relating to violence against Indian women; comparison of PL 280 vs. non-PL 280 prosecutorial and sentencing practices; U.S. and Tribal Nation border issues; and impact of “Full Faith and Credit” statutes. While these specialized topics are important the Task Force recognizes that funding such studies may require additional resources beyond the authorized amount and that the primary purpose of Section 904 is to provide Congress with recommendations to enhance the effectiveness of the federal, state, tribal, and local response.

The following general recommendations are not specific to a single component of the proposed program of research but are made to NIJ with regard to the entire proposed program of research.

1) NIJ provide to the Task Force an update of the role of the Task Force to assist in the development and implementation of the study.
2) NIJ maintain on-going relations and provide updates to Indian tribes and national / regional tribal organizations actively engaged in the effort to increase awareness concerning the safety of Indian women.
3) NIJ host a briefing session at each annual VAWA USDOJ tribal consultations to inform tribal leadership of the progress, challenges and status of the program of research until the report and recommendations are completed.
4) NIJ provide participating Indian tribes the data collected within their respective reservations to assist the tribal government in increasing the effectiveness of law enforcement, prosecutors, courts, services and other related program areas to cases of domestic violence, sexual assault, dating violence and stalking.
5) The Task Force recommends that it be re-chartered to guide the development and implementation of the NIJ Program of Research and development of the recommendations to Congress.

The full and official text of the Section 904 Task Force Report can be found at www.vawa.gov

I. Partnership to Address Sexual Assault: SART/SANE/SAFE:

The President of the Navajo Nation, made a commitment of support for a grant application submitted by the Navajoland Nurses United for Research, Service and Education, Inc. (N-NURSE) in the Spring of 2009 to the U.S. Department of Justice, Office of Violence Against Women. In September 2009, N-NURSE received the two-year grant award to complete two goals: to formalize a Regional Alliance and to increase the number and skill level of trained forensic examiners and response teams to serve victims of sexual assault within the Navajo service areas including rural designated areas of San Juan and McKinley counties in NM, and Apache, Navajo & Coconino counties in Arizona.

The commitment and program call for a first step to call on the Hopi and Zuni tribal leadership to learn of the scope of the project and to identify key tribal representatives to be active members of the region's alliance. In this reporting period, the N-NURSE project began identifying gaps and barriers to comprehensive care for Indian victims of sexual assault and to prepare a policy briefing containing the results of this analysis. A first and follow-up session was held with Navajo traditional practitioners who work with victims and offenders of sexual assault. This analysis will assist the regional alliance to promote and establish consistent standards of practice.

The Rural Program purposes are: 1) To identify, assess, and appropriately respond to adult victims of sexual assault, by encouraging collaboration among domestic violence (dating violence, sexual assault, and stalking) victim service providers; law enforcement agencies; prosecutors; courts; other criminal justice service providers; human and community service providers; educational institutions; and health care providers; and

2) To establish and expand nonprofit, nongovernmental, tribal and local government victim services in rural communities. This project's focus is to increase the number of collaborating partners in northern Arizona and New Mexico serving American Indian survivors (victims) of sexual assault, aged 16 years and older.

The Strategies addressed by the project are: 1) Implement, expand, and establish cooperative efforts and projects among law enforcement officers, prosecutors, victim advocacy groups, and other related parties to investigate and prosecute incidents of domestic violence, dating violence, sexual assault, and stalking; and 2) Work in cooperation with the community to develop education and prevention strategies directed toward the aforementioned issues. 100% of this budget will be used for activities that meaningfully address building capacity through collaboration to improve accessible and available resources and services
for victims of sexual assault in Indian communities in northern New Mexico and Arizona Indian Country that include the Navajo, Zuni and Hopi tribes.

This two-year grant will improve these situations through cooperative sustainable agreements among the Navajo, Hopi and Zuni Nations by the formation of a Regional Alliance Against Sexual Assault. The alliance will initiate and use culturally appropriate methods of response to sexual assault victims as well as health policy recommendations brought forward at the executive level to make necessary changes and bring this crime to public attention.

An inventory of SANE/SAFE professionals accessible and available to the Hopi and Zuni Nations is currently being done including an assessment instrument called the GAP analysis. The Office of the First Lady participated in the start-up activities, including initial board meeting and selection of project staff. The Office of the First Lady serves as resource staff to begin the inter-tribal dialogue with the Hopi and Zuni Nations. During this reporting period monthly meeting have been held including one with the Hopi representative attending. Follow-up is needed and the Office will maintain support for this important project.

J. Navajo Nation Prevention of Domestic Violence:

During this reporting period, the Office of the First Lady continued to coordinate and collaborative with domestic violence work groups, committees and programs, which are the Office of Prosecutor, Department of Public Safety, Division of Social Services, Battered Families Program, and shelters serving the Navajo Nation. The Navajo Nation First Lady continues to support the NNACADV mission and goals, including to advocate for the adoption of the Family Violence Act.

K. Safe School/Healthy Student Initiative:

The Office of the First Lady continued to provide needed information to schools requesting for materials and information on wellness and quality of life topics for schools serving Navajo students. In as much as possible, the office incorporates the national concept of Safe Schools, Healthy Students Initiative and goals of Healthy Communities. Through the Safe School/Healthy Student Initiative school volunteers are helping their schools and community systems to better serve students and their families by building stronger relationships and partnerships with the Navajo Nation systems. The initiative remains a priority project.

L. Prevention of Underage Drinking:

The Office of the First Lady staff met with the students at the Ganado High School to discuss Underage Drinking and prevention of it. The emphasis was to provide research-based information regarding the functions and malfunctions of the growing brain and the effects of alcohol use at early ages. An estimated total of 300 pamphlets and MADD ribbons were distributed during this reporting period.

M. DWI INITIATIVES: ON-GOING

1. DWI Czar’s Office: The Office of the First Lady maintained regular communication with the New Mexico DWI Czar’s Office to maintain the prevention of driving while intoxicated (DWI) strategies as a high priority. The NM DWI Czar held a town hall meeting in Gallup wherein the State DWI Task Force provided information on policy and legislative initiatives targeted to curb and deter drunk driving. Many questions were raised as to the methods and approaches being used to toughen the DWI penalties, processes for administrative and legislative venues, including monitoring of liquor licensing and liquor sales.

2. New Mexico DWI Leadership Team Meeting(s): The First Lady and Office staff continued to attend the monthly DUI Leadership Team meeting held by the NM DUI Czar’s Office. The meetings are held to update all entities, departments and offices within the State of New Mexico to report progress on the Governor’s DWI Initiative. The Navajo Nation First Lady is a partner member to the NM Leadership Team. Meetings are held the Thursday of each month in Santa Fe, New Mexico. Within this venue is the New Mexico/Tribal DUI Team meetings.

3. NM/DUI Team Meetings: The Office of the First Lady has been involved and attended the monthly with Indian Tribes of New Mexico to provide updates and share information using the Strategic Plan of 2008 which strives to strengthen tribal laws on DUI and related enforcement. One topic of focus is provide stringent criteria including revocation of state
license of persons arrested for DUI; and to share data on drivers convicted under tribal law to be entered into the state database. No significant activities were held this second quarter, though regular meetings will resume in the next reporting period.

4. Navajo Nation DUI Task Force: The Office of the First Lady continued to work on the Navajo Nation DUI Initiatives forwarded by the Navajo Nation President in an effort to eliminate drunk driving. Under this initiative the Office of the First Lady works to enhance the capacity of the Navajo Nation police force, law enforcement, and the Selective Traffic Enforcement Program (STEP) with training, equipment and technology upgrades that will assist in arresting, convictions and prosecution of impaired and unsafe drivers.

5. Support for the Navajo Nation Police: In collaboration with the Indian Health Services (IHS) Injury Prevention initiatives, the Office of the First Lady worked with the Navajo Nation Division of Public Safety and Law Enforcement to develop training courses for the Navajo Nation police officers. The First Lady is promoting law enforcement training to prevent drunk driving as well as to document arrests related to domestic violence, and to give overall support to the capacity building efforts for the Navajo Nation’s finest.

6. Enhancing STEP Team Capacity: The Office of the First Lady develop and submitted another proposal entitled, “Proposal to Prevent Injuries through Navajo Public Education and Enhance the Navajo Nation Selective Traffic Enforcement Program (STEP) Team’s Capacity” was issued on January 15, 2010.

The President and the First Lady’s goal is to provide an improved quality of life, to promote healthy behaviors, protect the young through elderly Navajo population and to strengthen the overall quality of life in each Navajo community. Thus, the Navajo Nation Office of the President implemented quality of life standards for health, including the development of the Navajo Nation Selective Traffic Enforcement Program (STEP) under the direction of the Office of the Navajo Nation First Lady.

The proposal is a collaboration with the Navajo Nation Law Enforcement, the Navajo Department of Highway Safety and the Navajo Nation Mothers Against Drunk Drinking (MADD) Affiliate. The goal is to increase public awareness and provide community outreach activities as a preventive and intervention measure to injury prevention, and elimination of impaired and distracted driving.

The STEP team is comprised of 8 Navajo Police officers from the seven police districts of the Navajo Nation. The STEP team goals and objectives remain to prevent impaired driving crashes by conducting sobriety checkpoints, increasing safety belt/car seat use, and garnering speed compliance on major roadways throughout the Navajo Nation. The proposal’s program objectives include:

- Increase public Awareness on Injury Prevention targeting Navajo youth, elderly and Navajo Nation entities and employees as resources;
- Conduct sobriety checkpoint at selected sites.
- Increase safety belt use by five percent
- Increase speed compliance by ten percent
- Publicize law enforcement efforts
- Public Awareness for prevention of impaired driving;
- Community outreach using multi-media approach

The following strategies remain the focus of the January 14, 2010 proposal:

- Publicize the STEP enforcement effort in local newspapers and radio stations prior to each event and campaign. The STEP team will conduct extensive media campaigns throughout the Navajo Nation using newspapers and radio stations that reach the 7 Districts of the Navajo Nation.

- The Office of the First Lady will develop Public Service Announcements for reservation high schools to inform the student drivers of the need to wear seat belts, use car seats, and the cost of a citation;

- The STEP team will make presentations to Chapter communities on STEP team activities.
• The STEP team will set up information booths in Chapter communities to hand out safety belt and child passenger safety restraint information to citizens during the media outreach phase of the enforcement campaigns.

• The Office of the First Lady will create an email distribution list, for Navajo Nation employees and major employers on the Navajo Nation whose employees have access to a computer with internet. The email distribution list will inform citizens of the Navajo Nation of upcoming enforcement activities. The email distribution list will also provide recipients with Public Service Announcements for reducing motor vehicle crash injuries and other injuries.

• “Click It or Ticket” campaign. Officers will focus on increasing the use of safety belts and car seats through saturation patrols in identified communities of the Navajo Nation where safety belts and car seat usage is low as identified through Indian Health Service, Department of Environmental Health Service quarterly seat belt and car seat surveys.

• “100 Days of Summer” campaign. STEP officers will focus on reducing the incidence of DUI on Navajo Nation roads during June 1, September 9, 2010 and again for the Winter holiday period up to January 2011, through saturation patrols and DUI checkpoints on identified Navajo Nation roadways where there is an increased incidence of DUI documented by motor vehicle crashes and prior data from DUI checkpoints.

• Deploy STEP patrols on major roadways through the Navajo Nation. STEP officers will enforce Navajo Nation safety belt and child safety seat laws in addition to laws regarding speed during saturation patrols.

• The Office of the First Lady will network with state and tribal resources to develop a Navajo language video series on prevention of impaired driving to be used as a community–based education network model.

• The Office of the First Lady will develop community information resources booklet and brochures for community education and school presentation purposes.

• The Office of the First Lady will network with the State and tribal agencies and funding sources to install six (6) large size billboards on the prevention of impaired driving to be stationed at strategically selected sites on the Navajo Nation roads and highways.

• Work with funding sources to add four (4) units of intoxilyzer instruments for Public Safety /Law Enforcement Officer’s use.

The Selective Traffic Enforcement Program (STEP) achievements during the funding period will be monitored for one year by the Office of the First Lady at monthly DUI Task Force meetings, through Office of the First Lady quarterly report to the Navajo Nation Council and at Mothers Against Drunk Driving meetings. A final report will be completed and submitted to Navajo Area Indian Health Service Injury Prevention Specialist.

V. OUTREACH / MEETINGS

Outreach meeting and appearances for the First Lady comprises of community activities and events. The Office require invitations a month prior to the actual event; and are subject to change pursuant to the Navajo Nation President’s schedule.

EVENTS;

April 14 – 16, 2010 HGM Certification for 25 Navajo Police Officers
April 27, 2010 AZ Governor Brewer's Kick-Off - Crime Victim Rights Week
April 29, 2010 Keynote @ NI/NAE&T Conf .Abq Marriott
May 1, 2010 Honor the Fallen , Luepp/Birdsprings Chapter
May 4, 2010 FTF Regular Mtg , Quality Inn Suite # 207
May 9, 2010 Mother's Day –MADD event
May 11, 2010  N-Nurse - Tribal Leaders Mtg - Flagstaff
May 13, 2010  NHZASRT , Sage Memorial - Ganado
May 18, 2010  FTF State Board Meeting , NN Museum
May 19, 2010  NM DWI Leadership Team meeting , Hilton of Santa Fe
June 1, 2010  NN Treaty Day  NN Wide
June 16, 2010  NM DWI Leadership Team Mtg - Hilton of Santa Fe
June 20, 2010  Father’s Day – DV event
The Navajo Nation
OFFICE OF MANAGEMENT & BUDGET
Second Quarterly Report—Fiscal Year 2009
(January – February – March 2010)

I. PROGRAM INFORMATION
Division Executive Director: Dominic Beyal
Telephone No.: 928-871-6570
Facsimile No: 928-871-6567
Web Address: www.omb.navajo.org

Departments:
Budget Section Emmett Francis, Budget Officer
Management & Policy Section Arnold Jake, Management & Policy Section Manager
Contract & Grants Section Cordell Shortey, Contracting Officer
Systems Section Eric Tsosie, Senior Programmer Analyst

II. BUDGET / PERFORMANCE INFORMATION:
a. Funding and Expenditure:

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Workload Indicators

a. No. 164 Documents Received: 22 29 43 94 210
b. No. of Budget Transfer Requests (External Fund) 43 91 115 249 468
c. No. of Budget Transfer Requests (Navajo Fund) 68 88 97 253 418

III. ACCOMPLISHMENTS:
Management and Policy Section (MPS)
a. Issued three (3) Navajo Nation organization management reports (Conditions of Appropriation, Plans of Operation, Performance Assessments):
   • FY 2010 first quarter Plans of Operation Report was completed on January 11, 2010, and disseminated to key officials, Branch Chiefs, division directors, budget liaisons, and standing committee chairpersons.
   • FY 2010 first quarter Conditions of Appropriation (COA and Legislative Concerns (LC) Status Report was completed on January 27, 2010, and disseminated to key officials, Branch Chiefs, division directors, budget liaisons, and standing committee chairpersons. There are 30 COA’s and 3 LC’s for FY 2010.
   • FY 2010 first quarter Program Performance Assessments Report (PAS) was completed for 274 Navajo Nation programs and the report disseminated on January 29, 2010. The PAS report was compiled using results provided by program managers on Budget Form 2 and scored by OMB Management Analysts.
   • Workload Indicators (MPS) staff:
     Number of Budget Revisions Requests Reviewed: 206
     Number of Proposed Legislation (SAS) and Supplemental Request Reviewed: 11
b. Continuing assistance to OMB and Navajo Nation tribal employees on the use of FMIS/JD Edwards electronic financial software in regards to budget administration, contracts/grants/project account set up and other related usage.
c. Assigned new Company Numbers and verifying Account Set-up for OMB’s functional involvement in the Navajo Nation’s FMIS/JE Edwards financial software for Contracts and Grants Section of OMB. Also provide guidance and problem-solving for OMB’s JDE functional Job module usage.
d. Initiated the development of an organizational report that would capture complete tribal funds information. The report will focus on non-general funds and their respective accounts as contained in the JD Edwards financial system.
   - The report will provide information such as legislative references, fund management plans, number of accounts tied to each fund, responsible program for each fund, etc.
   - The report will be useful for OMB for development of the annual comprehensive budget to ensure that all tribal funds are included.

e. Completed scheduled maintenance on JDE to make corrections to budget revisions that did not have balance entries.

f. The Program Evaluation Manager, also the JD Edwards budget power-user, was involved in the successful “go-live” application of the updated tools release for the Navajo Nation’s financial system.

g. The MPS budget power-user met with JDE consultant, Purchasing Department and General Accounting regarding the possibility of “turning on” the budget checking feature in the Navajo Nation financial system. If turned on, the budget checking functionality will not allow programs to do deficit spending. Currently, budget checking is not activated which allows programs to spend whether there are budgeted funds or not. Although the consultant had several ideas that would allow the Navajo Nation to implement the budget check feature, Purchasing Department has determined it’s too much work for them and have opted to keep it turned off. Until resolved, the FMIS will continue to allow deficit spending.

h. The Management Analysts reviewed and completed analysis write-up for the following proposed legislations, SAS documents, and supplemental funding requests:
   1. Legislation #0104-10: Approving the Navajo Nation Gaming Revenues Fund.
   2. Legislation #0559-09: Enacting the Navajo Nation Solid Waste Fund Act of 2009; Amending Title 24 of the Navajo Nation Code 24, NNC §620.
   3. Legislation #0598-09: Amendment Titles Two and 11 of the Navajo Nation Code to make the position of Attorney General an elective position.
   5. Legislation #0767-09: Amending Titles 11 and 12 of Navajo Nation Code to make the position of Controller an elective position.
   6. DHR 23479: Budget reallocation of $58,970.00, COA # 3 and 4 Deputy Division Director Elimination.
   8. SAS 23326: EPA, developing a regulation for Water Shed Protection Program authorizes the Director to develop a program to protect surface and groundwater pollution.
   9. SAS 23361: Hoosh Dooh Dii To request for supplemental appropriation of $286,000.
   10. SAS 0523-09: Hoosh Dooh Dii To grant request of $200,975.

Contracts and Grants Section (CGS),
a. P.L. 93-638 BIA Contracts and Annual Funding Agreements (AFA).
The FY 2009 AFAs for 20 BIA contracts ended December 31, 2009. Eight contracts have contract provision “funds are available until expended”, BIA Regional Office authorized the carryover of the balance of the contract with a new extension of term ending date of December 31, 2010. The Contract Analysts assisted the ‘638 programs on securing the contract extensions by BIA, the extensions were entered into the FMIS to allow continued use of the funds.

b. FY 2010 Congressional Appropriations.
   - There are 20 BIA contracts, 19 of the contracts received funding of $95 million during the second quarter. Housing Improvement Program is the only program that did not receive funding.
   - All three IHS contracts received funding of $35 million during the second quarter.
In prior years the congressional appropriation would not filter to the Navajo ‘638 programs until late in the fiscal year but fortunately this year's appropriations were early. Acknowledgement for this early appropriation is the result of good working coordination between CGS, Navajo ‘638 programs, Navajo DOJ and the Navajo Regional BIA and IHS officials.

c. FY 2012 BIA Budget Request.
Representatives from the Navajo Nation and BIA Regional Office held a meeting at the Route 66 Casino on February 11 – 12, 2010, regarding the 2012 federal budget requests to the BIA Central Office in Washington, DC.
   - Report from the Navajo ‘638 programs on accomplishments using prior years’ funding, and goals and objectives for FY 2012.
• Review of FY 2010 Congressional appropriations.
• Tribal Budget Advisory Council (TBAC) and the Navajo Nation President established a priority need list as follow: Public Safety, Education, Economic Development, Natural Resources and Contract Support Cost.
• Outlook on FY 2011 President Obama’s budget request.
• Twenty-seven (27) cost centers (programs) submitted their FY 2012 budget requests. Mr. Arbin Mitchell, Division Director, Division of Community Development, presented these budgets at the BIA National Budget Hearing, Washington, DC, on March 15-16, 2010. The result of these efforts will be known when the Congressional appropriation takes place in October, 2011.

d. Indirect Cost (IDC) Rate Proposal and Related Activities.
• The IDC Negotiation Agreement on FY 2007 IDC rate of 18.05% should be signed by President Shirley by April 9, 2010. The agreement will be returned to National Business Center (NBC) in Sacramento, CA, for execution. Thereafter, the Navajo Nation will implement the new rate, as well as, developing budgets and to actual recovery of those IDC funds by programs working with contracts and grants.
• Chronological history of 2007 IDC: October, 2007, IDC rate proposal started by the IDC workgroup consisting of OMB, OOC, DOJ and IDC consultants. February 3, 2010, NBC offered the new IDC rate to the Navajo Nation but the new rate has to first meet the Navajo Nation acceptance protocol. March 19, 2010, the Budget and Finance Committee accepted the rate and further recommended IGR Committee to accept. April 5, 2010, IGR Committee adopted legislation to accept the rate.
• The IDC Rate Proposal for FY 2008 and 2009 will be reviewed by NBC using the same procedural methods used to approve the FY 2007 IDC Rate Proposal. Navajo programs that were determined to administer contracts and grants based on time (percent) spent will remain the same, the only change will be information of actual expenditures spent on contracts and grants. Using these justifications will expedite the completion of the FY 2008 and 09 IDC Rate Proposal which should be negotiated by August, 2010, if not sooner.
• The FY 2010 IDC Rate Proposal must be supported by the Personnel Activity Report (PAR) pursuant to 2 CFR 225, Cost Principles for State, Local and Tribal Governments (formally OMB Circular A-87). PAR will allow programs to track and document the amount of time spent on administration of contracts and grants by personnel positions and standing committees, this justification will determine which programs are eligible for IDC pool, set the IDC rate, and recovery of IDC funds.

e. FY 2009 Single Audit.
• Pursuant to OMB Circular A-133, KPMG LLP selected 12 programs for audit. The audit is to ensure that programs are in compliance with external funding requirements during funding period October 1, 2008 to September 30, 2009. The audit started with an “entrance” conference for the 12 programs on February 2, 2010, the final “exit” conference were held for three programs. The remaining nine are still in audit process. The programs that have audit findings will have to submit their corrective action plan (CAP) with their audit report.
• In addition, the FY 2008 audit that identified 29 audit findings that the affected programs were required to submit and fully implement the Corrective Action Plans (CAP) by September 30, 2009, have passed. The CAP that were submitted are being review by CGS to finalize them.
• The due date for filing the Nation’s FY 2009 audit report with the federal audit clearinghouse is June 30, 2010. The audit report has to be accepted by the Navajo Nation Council prior to the due date, in the meantime, OOC, OMB and KPMG will ensure that the due date is met.

f. FY 2013 Federal Budget Request.
• On April 1, 2010, CGS and the Navajo Nation Washington Office conducted an orientation for tribal programs receiving federal funds to begin the FY 2013 budget process. The federal government’s budget process is two years in advance, the tribal federal budgets are due June, 2010. The process entails: Federal OMB budget request, U.S. President for further consideration and finally Congressional appropriation. This process is deemed the “front door” approach in seeking federal funds and better chance of securing funds.
• The program's budget request must be computed based on current year’s base amount and submitted through the 164 Review Process for endorsement by the respective oversight committee, Budget and Finance Committee and the IGR Committee. This becomes the Nation’s request that is submitted to the Navajo Nation Washington Office and onto Federal OMB examiners.
g. American Recover and Reinvestment Act (ARRA) of 2009. According to CGS there are 47 accounts established from ARRA funding for a total of $113,200,043. This amount consist of actual awards and proposals/applications pending in the 164 Review Process. Details can be furnished by CGS upon request.

h. Size of Contracts and Grants as of March 25, 2010.
A summary of external fund budget expenditure follows. A table that contains further breakdown by Divisions and Branches may be requested from CGS.

<table>
<thead>
<tr>
<th>Status of Contract</th>
<th>No. of Contracts</th>
<th>No. of Business Units</th>
<th>Total Award</th>
<th>Expenses</th>
<th>Open Commit.</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active</td>
<td>496</td>
<td>969</td>
<td>1,205,129,961</td>
<td>793,527,999</td>
<td>59,193,604</td>
<td>352,408,358</td>
</tr>
<tr>
<td>Expired</td>
<td>1,181</td>
<td>2,128</td>
<td>1,742,649,055</td>
<td>1,579,394,480</td>
<td>1,257,952</td>
<td>161,996,234</td>
</tr>
<tr>
<td>Overall</td>
<td>1,677</td>
<td>3,097</td>
<td>2,947,779,016</td>
<td>2,372,922,479</td>
<td>60,451,556</td>
<td>514,404,982</td>
</tr>
</tbody>
</table>

**Active** are those contracts that have active funding term and not expired. The programs need to expend 100% of the award by the contract term ending date and close out in timely manner. **Expired** are those contracts with funding term expired and pending close out. The programs need to close out these contracts immediately without delay.

**Budget Section**

a. The Budget Section is continuing to process budget revision requests. However, there are fewer budget revision requests to date as compared to the same time last fiscal year. There’s no logic to support the decline, nevertheless it could be due to improved budget planning.

b. Similarly, few supplemental budget requests have been reviewed by the Budget Section. This could be due to additional revenues not being available to fund such requests. But most of the requests are being submitted directly to the Legislative Branch and are processed to the oversight committees and Navajo Nation Council without sufficient input or analysis by Navajo Nation OMB, as required by the Appropriations Act.

c. A report on the discretionary financial assistance funds, as appropriated and utilized by the Office of the President and Office of the Speaker, was provided to the Office of the Auditor General for an audit review.

d. A budget reallocation for approximately $700,000 for the Office of the Speaker and the Navajo Election Administration Office was finally processed after several discussions on the proper way to do the reallocation. Part of this amount was used to fund the recent Navajo Nation Special Election. The oversight committee resolution and documentation were not done properly and clarification was needed in order to process the reallocation. Nevertheless, the transfer was done from the Executive Branch to the Legislative Branch without Navajo Nation Council approval.

e. Several meetings were held with the Controller and the Department of Personnel Management regarding the use of FY 10 personnel lapse fund for Step Increases. A joint memorandum was issued by OMB, DPM and OOC which informed all Navajo Nation programs that any step increase(s) scheduled/anticipated this fiscal year will be paid by programs using their FY 2010 budget, this is due to language in Navajo Nation Council budget resolution which, in the opinion of the Department of Justice, stated that funds from personnel savings and the Personnel Lapse Fund cannot be used for such purposes.

f. A state of emergency was declared (“2010 Snowfall Operation”) by the Navajo Nation Commission on Emergency Management due to severe inclement winter weather, this prompted the Office of the President and the Department of Emergency Management to seek funds for emergency relief. Attempts were made to obtain funding from various sources, such as the insurance reserve, but the efforts were unsuccessful. The Navajo Nation Council, however, appropriated $1 million to the Navajo Nation Chapters for the emergency, this amount was taken from FY 10 personnel savings accrued up to the end of the first quarter. Further, a directive was issued to Navajo Nation Divisions/programs/departments to donate resources and manpower toward the emergency efforts.

g. During the 2010 Navajo Nation Snowfall Operation, the Office of Management and Budget hired three temporary personnel, utilizing OMB vacant positions, that assisted the Emergency Operation Command Center. OMB completed its 2010 Snowfall Closeout report, a total of $3,551 was used from the 2010 OMB budget.

h. Unexpended funds from FY 09 were carried over into FY 10 for Navajo Nation Chapters. These amounts were identified during the Navajo Nation financial close out process and the amounts provided to the Chapters during the second quarter.

i. On a daily basis, each Budget Analyst responded to an average of about 10 inquires via telephone, e-mail, visits, etc. related to budget transfers and other budget and finance issues.
Systems Section
a. On a daily basis, Systems Section provides technical assistance to the OMB staff and Navajo Nation Programs on hardware, software, network and peripherals. Assistance includes, but not limited to:
   1. Maintaining OMB DNS Server, DHCP Server, Active Directory, E-mail Server, File Server, Print Server, FileMaker Pro Server, Anti-Virus Services, Right Fax, and Local Area Network.
   3. Updates to OMB website with documents needing to be distributed to Navajo Nation Programs.
   4. Faxing/Scanning Assistance, Xerox machine assistance, printer assistance and Hardware/Software assistance.
   5. Provided 200 information technology support services to OMB and other Navajo Nation programs on budgets, hardware/software/network issues and programming.

b. Provided 23 new laptops and port replicators for OMB staff during the first quarter. During the second quarter 13 new systems have been installed and configured, i.e., installation and configuration of print services, file sharing, e-mail access, scanning services, database services, faxing services, wireless access. The remaining 10 will be completed during the third quarter.

c. Web Filters still needs to be installed. Request has been made to Department of Information Technology on assisting OMB with installation of the Web Filter for OMB. This Web Filter will assist Systems Section with blocking certain sites on the internet. Other alternative to install the Web Filter may be pursued.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES AND CONDITIONS OF APPROPRIATION
a. Systems Section:
   1. Continue to work with Department of Information Technology to install a web filter on OMB network. This web filter will assist in blocking unsolicited sites on OMB network.
   2. Continue to improve the OMB document tracking system, this will improve the current database, i.e., budget transfer, incoming mail, and § 164 document log.

b. Budget Section:
   1. The planning for the FY 2011 budget preparation process has begun. OMB staff assignments and timelines for the budget process have been finalized. Various groups charged with revisions to the budget process are meeting. The Department of Personnel Management is charged with personnel budgeting and the Division of Community Development on the Capital and Chapter budging processes. Requests for information on FY 2011 rates, codes and schedules, etc., have gone out to various offices to submit the new rates to OMB by April 16, 2010. Drafting of the FY 2011 Budget Instructions and Policies Manual will begin within the next few weeks. The finalized manual, along with the revenue projections and the Branch allocations, will be presented to the Budget and Finance Committee for its review and approval by the end of May, 2010. The Navajo Nation programs will begin their budget preparation shortly thereafter. The Navajo revenue situation will not be known until the Controller submits projections on April 9, 2010.
   2. On the Chapter budgeting process, the Budget Section will continue to work closely with the Division of Community Development and the agency Local Governance Support Centers to prepare Chapter budgets on their automated WIND budgeting system. The FY 2011 Chapter budgeting process will, again, be delegated to the Local Governance Support Centers through a memorandum of understanding.

c. Management and Policy Section:
   1. Continue issuing new Company Numbers and Account Set-up verification using the Nation’s FMIS/JD Edwards financial software for the Contracts and Grants Section of OMB.
   2. Assist Contracts and Grants Section of OMB in creating Balance Sheet Business Unit number for each contract; in addition, extend the duration of the grant budget based on the duration of the contract.
   3. Continue to provide daily assistance to OMB and Navajo Nation tribal employees on the use of the FMIS/JD Edwards electronic financial software regarding budget administration, contracts/grants/project account set up and other related usage.
   4. Work is continuing in the JDE Fund Accounts in verifying resolutions that established the Fund Management Plans to determine active and inactive accounts.
   5. The vacant Senior Program Analyst position was advertised by DPM but there was no qualified applicant referred. This position was budgeted for 10 months in the FY 2010 OMB budget. Six months have passed in the fiscal year and may not be meaningful to recruit at this point.
d. **Contracts and Grants Section:**
   1. Continue to coordinate and provide technical assistance to all Branches, Divisions, and programs on external funded grant and contract matters.
   2. OMB Contracts and Grants Section (CGS) is having difficulty filling two Senior Contract Analyst positions. They were advertised by DPM but either no referrals due to unqualified applicants or recycling of former employees. We had a recent retirement of a Senior Contract Analyst and two Contract Analyst positions abolished in FY 2010 budget, CGS is significantly under staff. The dilemma with DPM is the recirculation of disreputable applicants, yet other applicants (reputable and with degrees) that we are confident in and have proven to handle the job are considered unqualified and lacking experience by DPM.

**V. PROBLEMS / RECOMMENDATIONS.**

a. A concern in the FY 2010 budget is the shortage of personnel funds for the Department of Justice (DOJ). The DOJ was appropriated funds to pay employees for only a portion of FY 2010 and most of the employees would have to be laid off by July, 2010, possibly resulting in closure of the office.

b. The Budget and Finance Committee requested, through Navajo Nation Council resolution CS- 29-09, the Branch Chiefs to submit unmet needs budgets for FY 2010, but with the general funds in deficit currently, it appears that this may have to wait until surplus general funds become available sometime, hopefully, in the near future.

c. The Navajo Nation needs to look carefully at the general fund deficit for FY 2010 with revenues being short again for the FY 2011 budget. Strategies need to be considered and developed on how to deal with the possible shortage of revenue next fiscal year and in the development of the overall Navajo Nation FY 2011 budget.

d. The 2004 amendments to Title 2 requiring that legislation be drafted only by Legislative Branch, reviewed only by Legislative, heard only by Legislative, and enacted by Legislative is causing problems. OMB has the duty, by law, to conduct budget impact analyses of budget related legislation but proposed legislation is not sent to OMB at all. This same problem applies to other offices that have similar responsibilities, e.g., DOJ, Controller, Office of President, affected Divisions, etc. Consequently, the Navajo Nation Council and standing committees do not receive appropriate advice and analyses resulting in less than optimal decisions. Much of Navajo government business is not open to the public.

e. There are no longer any control mechanisms that act to curb unnecessary appropriations by the Navajo Nation Council. Legislation is drafted with “waiver” language regularly. Supplemental funding legislation, for any purpose, is introduced and goes all the way to the Navajo Nation Council regardless of problems and deficiencies in the legislation or budget(s). Oversight committee recommendations are rarely considered. And then, at Navajo Nation Council, rider amendments for more appropriations are made. Budget purpose, costs, and object codes are not reviewed. This results in poor planning and funding for non-priorities. As long as this is allowed to continue, more and more programs and people will go directly to Navajo Nation Council and not follow processes and procedures of Navajo Nation law (Appropriations Act). Those programs who choose, commendably, to follow the laws and policies and procedures, are essentially denied proper consideration by these actions. Simply compliance with the Navajo Nation laws and policies and procedures would correct this.
I. PROGRAM INFORMATION

Miss Navajo Nation: Tashina C. Nelson
Program Supervisor I: Dinah Wauneka
Telephone No.: 928-871-6379
Facsimile No: 928-871-6385

II. OBJECTIVE

The Office of Miss Navajo Nation is established for the purpose of Miss Navajo Nation, the Goodwill Ambassador of the Navajo Nation. The Office of Miss Navajo Nation is established within the Office of the President and the Vice President under the Executive Branch of the Navajo Nation. Our office is to advocate on behalf of Miss Navajo Nation, who during her one year reign represents herself in the role of a “daughter, sister, aunt, mother, and a grandmother.” Miss Navajo Nation is to encourage all Navajo people to preserve our Navajo Culture, Traditions, and Language.

III. ACCOMPLISHMENTS

The Office of Miss Navajo Nation performed duties and responsibilities in promoting the Office of Miss Navajo Nation as well as promoting Tashina C. Nelson, Miss Navajo Nation 2009-2010 by scheduling appearances at many schools, Navajo Nation program conferences, staff meetings, pageant meetings, fair meetings, Navajo Nation program meetings, social events, and planning the annual Miss Navajo Nation Pageant to accomplish goals set within the program.

The Office of Miss Navajo Nation has fulfilled and exceeded the performance measurements for the second quarter in accordance to FY2010 Budget as follows:

<table>
<thead>
<tr>
<th>Second Quarter</th>
<th>Promote preservation of Navajo culture, language &amp; tradition 1,000 participants per quarter</th>
<th>Participate in Current activities with NN Div., Depts and NN Org. 15 events per quarter</th>
<th>Promote education by visiting schools on/off reservation 15 schools per quarter</th>
<th>Promote MNN through entertainment, public speaking &amp; presentations 1,000 participants per quarter</th>
<th>Conduct and coordinate meetings – staff, NN depts., pageant, etc. 12 meetings per quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2010</td>
<td>7,300</td>
<td>6</td>
<td>9</td>
<td>7,300</td>
<td>7</td>
</tr>
<tr>
<td>Events Attended: 24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 2010</td>
<td>10,300</td>
<td>7</td>
<td>9</td>
<td>10,300</td>
<td>9</td>
</tr>
<tr>
<td>Events Attended: 26</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March 2010</td>
<td>25,200</td>
<td>6</td>
<td>14</td>
<td>25,200</td>
<td>6</td>
</tr>
<tr>
<td>Events Attended: 34</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>42,800</td>
<td>19</td>
<td>32</td>
<td>42,800</td>
<td>22</td>
</tr>
</tbody>
</table>
In the second quarter, Miss Navajo Nation attended a variety of program meetings, conferences and the Navajo Nation Council Winter Session. She also visited many schools within the five agencies and speak to children of all ages to continue their education. In addition, she continues to advocate for the preservation of the Navajo culture, language and tradition at all events attended.

**NAVAJO NATION EMERGENCY RELIEF 2010**

In the latter part of January 2010, the Navajo Nation suffered a major winter storm leaving many of our Navajo people in need of assistance such as food, wood, coal, water, hay for livestock and road grading services for many of our people that were stranded at their homes. The State of Arizona declared it an emergency and Miss Navajo Nation and staff took it upon themselves to volunteer their time to assist the Emergency Management sub-stationed at Nakai Hall in Window Rock, Arizona from January 25th – 29th. They assisted in loading and unloading items on/off delivery transportation, documenting incoming/outgoing items, bagging canned goods, packed them with a case of water along with potatoes to be delivered, calling chapters to inform them of assistance available, gathering and preparing firewood for airlift to areas where snow plows couldn’t make it. Miss Navajo even accompanied two Navajo County officers and assisted in delivering coal, hay and loads of wood at some of the local Chapters. On behalf of the Office of Miss Navajo Nation, we would like to thank all programs and volunteers who came forward to assist in this tremendous effort of helping our Navajo people.

**NAVAJO NATION SPECIAL OLYMPICS TIP-A-ROYALTY EVENT**

On February 12, 2010, Miss Navajo Nation hosted a Tip-A-Royalty, a fundraising event for the Navajo Nation Special Olympics which was held at the Navajo Nation Quality Inn Dine’ Restaurant in Window Rock, Arizona. With the assistance of Miss Window Rock High School, Miss Southwestern Navajo, Miss Northern Navajo, Miss Wingate Elementary and Miss Round Rock Elem/Jr. High, we raised a total of $738.36 to benefit the Navajo athletics who will be traveling to Mesa, Arizona to partake in this year’s Arizona Special Olympics. We would like to thank everyone who stopped by the restaurant and donated a tip towards this worthy cause. Ahe’hee.

**NATIVE H.O.P.E. YOUTH GROUP**

On February 1 – 5, 2010, Miss Navajo Nation attended a Native H.O.P.E. (Helping Our People Endure) Training which took place at Seba Dalkai School. Native H.O.P.E. is a peer-counseling curriculum that focuses on suicide prevention and the related risk factors such as substance abuse, violence, trauma and depression. This is a strengths-based approach that incorporates culture, spirituality and humor. As well as awareness and education of the warning signs of suicide.
LORI PIESTEWA MEMORIAL EVENT  
Monday, March 23, 2010 – Phoenix, Arizona

The Lori Ann Piestewa Memorial Day and Piestewa Sunrise Service was held on March 22-23, 2010 in Phoenix, Arizona. The events included an “Honoring Our Fallen Heroes, Their Mothers and Their Families” banquet and candlelight vigil held at the Phoenix Elks Lodge #335. The banquet drew many distinguished figures including Cindy McCain, Colonel Strickland, Ben Shelly/Navajo Nation Vice President, former P.O.W.’s Jessica Lynch and Shoshana Johnson, many Gold/Blue Star Families, Indian Nation leaders from throughout the country, many veterans, drum groups and people from all walks of life attended this memorable event. The Sunrise Memorial took place at the base of Piestewa Peak to honor Lori Ann and other soldiers killed in Iraq and Afghanistan.

MISS NAVAJO NATION PAGEANT 2010

The Miss Navajo Nation Pageant 2010 is scheduled to commence on September 7 – 11, 2010 and the contestant applications are now available at the Office of Miss Navajo Nation.

For more information on upcoming events or to invite Miss Navajo Nation, please contact our office or send an email to missnavajonation@yahoo.com. The Office of Miss Navajo Nation can be reach at (928) 871-6379. Our office is located at the Navajo Nation Museum, Window Rock, Arizona.
I. PROGRAM INFORMATION

Division Executive Director: Martin E. Ashley
Telephone No.: 928-871-6992
Facsimile No: 928-871-7608
Web Address: www.navajotax.org

Departments:
- Accounting Department: Sue Bizade, Principal Accountant
- Audit Department: Lawrence Sorrell, Principal Tax Auditor
- Compliance Department: Larieta L. Tso, Senior Tax Compliance Officer
- Valuations Department: Ethel O. House, Senior Mineral Assessment Specialist
- Department of Justice (Tax Unit): Marcelino Gomez, Assistant Attorney General

II. FY 2010 BUDGET/PERFORMANCE INFORMATION AS OF MARCH 31, 2010

<table>
<thead>
<tr>
<th>Category</th>
<th>Original Budget</th>
<th>Actuals</th>
<th>Encumbrances</th>
<th>Budget Balance</th>
<th>Expensed %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>(1,427,307.00)</td>
<td>19,578.53</td>
<td>-</td>
<td>(1,407,728.47)</td>
<td></td>
</tr>
<tr>
<td>Personnel Exp</td>
<td>1,209,814.00</td>
<td>469,911.60</td>
<td>19,578.53</td>
<td>720,323.87</td>
<td>40%</td>
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<tr>
<td>Travel Exp</td>
<td>35,502.31</td>
<td>13,900.81</td>
<td>-</td>
<td>21,601.50</td>
<td>39%</td>
</tr>
<tr>
<td>Meeting Exp</td>
<td>8,500.00</td>
<td>1,000.00</td>
<td>-</td>
<td>7,500.00</td>
<td>12%</td>
</tr>
<tr>
<td>Supplies</td>
<td>6,699.00</td>
<td>2,839.25</td>
<td>-</td>
<td>3,859.75</td>
<td>42%</td>
</tr>
<tr>
<td>Building Lease</td>
<td>110,850.00</td>
<td>27,712.37</td>
<td>83,137.11</td>
<td>0.52</td>
<td>100%</td>
</tr>
<tr>
<td>Equipment Lease</td>
<td>9,236.00</td>
<td>2,248.05</td>
<td>5,245.45</td>
<td>1,742.49</td>
<td>81%</td>
</tr>
<tr>
<td>Comm &amp; Utilities</td>
<td>10,542.00</td>
<td>4,338.52</td>
<td>4,655.00</td>
<td>1,548.48</td>
<td>85%</td>
</tr>
<tr>
<td>Contractual Serv</td>
<td>25,000.00</td>
<td>-</td>
<td>25,000.00</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Special Transact</td>
<td>190.69</td>
<td>315.69</td>
<td>-</td>
<td>(125.00)</td>
<td>166%</td>
</tr>
<tr>
<td>Media</td>
<td>990.00</td>
<td>240.24</td>
<td>216.16</td>
<td>537.60</td>
<td>46%</td>
</tr>
<tr>
<td>Trng/Registration</td>
<td>1,155.00</td>
<td>795.00</td>
<td>-</td>
<td>360.00</td>
<td>69%</td>
</tr>
<tr>
<td>Ins &amp; Benefits</td>
<td>8,828.00</td>
<td>2,028.50</td>
<td>-</td>
<td>6,799.50</td>
<td>23%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>1,427,307.00</td>
<td>525,330.03</td>
<td>137,828.25</td>
<td>764,148.72</td>
<td>46%</td>
</tr>
</tbody>
</table>

# of Staff: 17  # of Vehicles: 0  Personnel Balance: 60%
# of Vacancies: 3  # Positions Frozen: 0  Operating Balance: 20%
A. Staffing -
The office has 3 vacancies: a Tax Auditor, a Tax Compliance Officer, and a Minerals Assessment Specialist. The Tax Auditor and Minerals Assessment Specialist Positions are budgeted at 50% in the FY 2010 budget due to limited funding received.

B. Operational Budget -
ONTC expended 40% of the personnel budget; this is less than 50% due to the one Pay Period Ending not being included and vacancies in three positions during the first two quarters of the fiscal year. Overall ONTC expended 46% of the FY 2010 Budget. On the operating budget ONTC has expended 80% of the FY 2010 budget.

C. A reduction of 1% impacted our personnel budget by $19,578.53 due to the NNC legislation seeking resources to address the Winter Emergency situation. ONTC had budgeted two positions at 50% to start April 1, 2010 due to FY 2010 budget allocation limitation. The calculation of the anticipated savings for the Personnel Lapse took half of the 50%. This action negatively impacted our staffing situation and don’t have the funding to hire on April 1, 2010.

III. ACCOMPLISHMENTS

A. FY 2010 Overall Tax Revenue Collection as of March 31, 2010 of $45,880,010 is 56% of the $82 million projection. The excess tax collection for the first half of FY 2010 is due to PIT and Sales Tax Non-retail being higher than the original projection.

B. FY 2010 General Fund Tax Revenue Collection as of March 31, 2010 of $33,359,559 is 57% of the $56.9 million projection. The excess for the 1st half of FY 2010 is due to the actual PIT and Non-retail Sales Tax received being higher than the original projection.

<table>
<thead>
<tr>
<th></th>
<th>1st Qtr '10</th>
<th>2nd Qtr '10</th>
<th>3rd Qtr '10</th>
<th>4th Qtr '10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales - Non Retail</td>
<td>5,579,523</td>
<td>5,135,532</td>
<td>-</td>
<td>-</td>
<td>10,712,055</td>
</tr>
<tr>
<td>TPT</td>
<td>5,174</td>
<td>54,964</td>
<td>-</td>
<td>-</td>
<td>60,137</td>
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<tr>
<td>PIT</td>
<td>15,021,496</td>
<td>311,586</td>
<td>-</td>
<td>-</td>
<td>15,333,082</td>
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<tr>
<td>SEV</td>
<td>1,797,398</td>
<td>1,854,170</td>
<td>-</td>
<td>-</td>
<td>3,651,568</td>
</tr>
<tr>
<td>BAT</td>
<td>2,642,157</td>
<td>2,638,574</td>
<td>-</td>
<td>-</td>
<td>5,280,731</td>
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<tr>
<td>FET</td>
<td>3,442,586</td>
<td>2,965,257</td>
<td>-</td>
<td>-</td>
<td>6,407,844</td>
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<tr>
<td>FET - Licenses</td>
<td>12,100</td>
<td>1,800</td>
<td>-</td>
<td>-</td>
<td>13,900</td>
</tr>
<tr>
<td>HOT</td>
<td>429,616</td>
<td>270,503</td>
<td>-</td>
<td>-</td>
<td>700,119</td>
</tr>
<tr>
<td>Sales - Retail</td>
<td>1,895,386</td>
<td>1,825,188</td>
<td>-</td>
<td>-</td>
<td>3,720,574</td>
</tr>
<tr>
<td></td>
<td>30,825,436</td>
<td>15,054,574</td>
<td>-</td>
<td>-</td>
<td>45,880,010</td>
</tr>
</tbody>
</table>

C. Liquor Regulation – This responsibility was given to the ONTC without any funding or appropriation and therefore is an unfunded mandate. ONTC is continuing to be the regulatory body regulating liquor sales since the only one is the Fire Rock Navajo Casino.

D. Tax Compliance Activities – The Compliance Section performed 1,370 desk and office audits and issued 83 assessments for lack of clerical accuracy or failure to timely file or pay taxes due. Compliance Section
mailed out Fuel Excise Tax License applications in November 2009 and 90% of those sent an application have applied for a license. Of those applying for a license 97% have been approved for license in 2010. The other 3% will need to come into compliance before a license is issued for 2010.

E. Tax Compliance Activities – 4 pre-construction meetings were attended during this quarter; Bloomfield with NMDOT, Many Farms for Chinle Boarding School kitchen project, Window Rock for Special Diabetes project and Dilkon for Special Diabetes project.

F. Compliance Liquor Licensing – Compliance staff made a site visit to Fire Rock Navajo Casino for a site inspection for compliance with the liquor licensing requirement. Employees that were serving liquor were all licensed.

G. Tax Audits – no field audit assessments issued and three preliminary findings, and conducted 3 field audits.

H. Tax Valuations – appraised 21 Rights of Way. Senior Minerals Assessment Specialist, Executive Director and NN Consultants met with BHP and APS representatives and toured the Navajo Mine. Executive Director and NN Consultants were also allowed to tour the San Juan Underground Mine that is also operated by BHP.

I. Tax Appeals – held conferences in 19 cases this quarter, opened 10 new appeals, closed 14, and currently have a total of 91 open appeals, although some of those simply remain open because the taxpayer is on a payment plan, and the appeals are kept open until the payments are completed.

J. Sales Tax – The Navajo Nation Sales Tax was amended by the Navajo Nation Council during the Fall Session and signed into law by the Office of the President/Vice President. The amendment authorized governance-certified chapters to impose a local tax rate on top of the national 4% rate. This amendment also removed the allocation directly to certified chapters, instead depositing all revenue generated by on-reservation businesses into the Sales Tax Trust Fund for annual distribution under the 50/50 allocation. On March 1, 2010 To’Nanees’Dizi Chapter implemented its own Sales Tax pursuant to amendment authorized and approved by the Navajo Nation Council.

K. State Relations –New Mexico – the legislature adopted, and Governor Richardson signed legislation increasing the tobacco tax by 75 cents per pack, but allowing any distributor selling to tribally-licensed retailers selling on reservations or pueblos where the tribe has imposed its own tax of 75 cents per pack or greater to obtain a tax credit stamp and pay the tribal tax in place of the state tax. Arizona – there is legislation that directly impacts the Navajo taxing program. There are a couple of bills that are designed to increase the amount of state tax revenue flowing to the Nation.

L. Federal Issues – Federal legislation has been discussed over the past several years regarding the Streamlined Sales Tax Project. The States are beginning to seriously consider how to include tribes in the process. ONTC also continued to participate in the Federal Highway Administration (FHWA) Grant “Promoting Fuel Tax Compliance in Indian Country.” ONTC staff met with representatives from the Arizona Department of Transportation and the Navajo Nation Weights and Measures office to discuss future site visits.

M. Navajo Tax Commission – The Commission met on February 18, 2010 this quarter and discussed several revenue generating ideas, amending the Sales Tax Regulations, Amendments to the Navajo Tobacco Products Tax and Licensing Act recommending approval by the appropriate standing Committees and Navajo Nation Council, and Amending the Fuel Excise Tax Regulations.

N. Pending/Proposed Legislation – ONTC is ready to move forward with the amendments to the Plan of Operation for the Office of the Navajo Tax Commission. ONTC initiated an Administrative Review (SAS process) to take this legislation before the Government Services Committee. ONTC has also forwarded the Navajo Tax Commission’s resolution regarding the Sales Tax Trust Fund Plan of Operation to the Office of Navajo Government Development and to the Chair of the Budget and Finance Committee. This resolution recommends a technical amendment to the Fund’s Plan of
Operation to correct an error or language correction regarding the calculation of the 50/50 allocation. This legislation was approved by B&FC on March 19, 2010.

O. Community Outreach – Our Compliance Section continued to inform the public about our Navajo taxes, through presentations requested by the Eastern Regional Business Development Office (RBDO).

P. Retirement – ONTC had one staff that took the retirement package offered by the Navajo Nation Retirement Program. The former position of this individual as an Office Specialist was advertised and referrals received. Based upon review of the applicants ONTC management staff interviewed three applicants and made a selection. Position is currently occupied.

IV. STATUS OF ON-GOING PROJECTS, INITIATIVES, AND COA’S

Ongoing Projects –

1. Section Goals –
   a. The Audit Section is continuing to audit taxpayers within the seven taxes. These field audits help to determine if additional tax, interest and penalties are due to the Navajo Nation. They also assist in ensuring that taxpayers voluntarily comply with the Navajo Nation tax code.
   b. The Compliance Section is continuing to perform desk audit reviews of taxpayer’s returns as they are submitted to the office. These desk audit reviews determine timely filing, timely payment and clerical accuracy of the return. Thus, taxpayers are made aware of issues in a timely manner. Furthermore, the section continues to provide presentations to the general public as requested.
   c. The Accounting Section is working to improve the Tax Revenue database. This is vital information that is used to monitor tax collections and to extrapolate future tax revenue. This section also remits monthly reports and quarterly payments to the State of Arizona pursuant to our Fuel Excise Tax intergovernmental agreement.
   d. The Valuations Section works to administer all aspects of the Possessory Interest Tax.

2. Intergovernmental Agreements – the current intergovernmental agreements with surrounding states provide very useful information to both the Office of the Navajo Tax Commission and the States.

3. Federal Highway Grant “Promoting Fuel Tax Compliance in Indian Country” – ONTC continued our involvement in this grant. During this quarter, ONTC and NN Weights and Measures met with the Arizona Department of Transportation (AZ DOT) the main grant recipient of the Federal Highway Grant and the two NN offices are sub-recipients. Meeting held in February 2010 to discuss future site visits and budgeting issues.

4. Tax Administration System – the office continues to enter information on tax payments, fuel deliveries and assessment information into the system. With this information, the office can monitor critical data like fuel deliveries, sales tax collection and tax revenue collection.

Initiatives -

BUY NAVAJO - It is important to educate the Navajo consumers about the need to “Buy Navajo.” All the revenue from purchases made of Navajo goods and services will benefit the Navajo Nation and the businesses within the Navajo Nation. For every $1 spent on the Nation, $.04 comes back to the Nation to provide revenue for the Chapters, the Nation’s General Fund, and the Judicial/Public Safety Facilities Fund. For every gallon purchased from Navajo Nation gas stations; $.18 goes to the Nation’s Road Maintenance Fund.

COAs:

None.

V. STATUS OF ACTION PLAN

Immediate plan
1. Comprehensive assessment and plan for additional tax revenues – ONTC is continuing to review current tax statutes to provide recommendations on proposed changes for additional tax revenue generation.

2. Establish Navajo Nation Tax Policy – This is currently in place. It is the policy of the Navajo Nation to tax all transactions and not discriminate between Navajo, Indian and Non-Indian.

3. ONTC to continue coordination with other offices, agencies, or consultants to gain perspective on economic conditions of the Navajo Nation in regards to broadening our tax base for the future.

   Ensure that the current taxing system supports and promotes the business sector on the Navajo Nation – this is on-going.

VI. OUTSTANDING PROGRAM ISSUES
Problems/Recommendations

A. The Navajo Tax Commission and the ONTC strongly recommend that an Alcoholic Beverage Commission and corresponding Office be created as soon as possible to regulate liquor activity within the Navajo Nation.

B. Due to the high volume of sales tax taxpayers, ONTC needs additional Tax Compliance Officers to better monitor and collect tax activity due the Navajo Nation.

C. ONTC has had difficulty in filling the vacant positions. Additionally, there are two positions that were placed on budget freeze for FY 2009 and the savings from those two positions were transferred or reallocated out of ONTC budget. These same two positions were funded at 50% in FY 2010 and during this winter the NNC allocated $1 million from anticipated Personnel Lapse during the 1st Quarter of FY 2010. The calculation for the Personnel Lapse inappropriately included half of the 50% (25%) that was budgeted. Therefore, ONTC can't hire these two positions until July 1, 2010 instead of April 1, 2010.

D. ONTC had initiated a scanning project to scan files to be stored in the computer system. This project was put on hold pending clarification from the Department of Justice on the legality of using scanned documents for litigation purposes.

E. ONTC was provided the FY 2010 budget allocation, this is the same amount as FY 2009 and due to the GWA and step increases for the prior year (increase in personnel cost) the operating budget is having to be reduced by $83,767. ONTC has a limited operating budget for FY 2010.