



# **NAVAJO NATION FISCAL YEAR 2019**

## **Budget Preparation Orientation**

June 4-5, 2018

Office of Management and Budget

# Presentation Overview

- The Appropriations Act
- FY '19 Revenue Projections
- Planning Allocations of General Funds and PTF
- Significant Changes in the FY '19 Budget Instructions Manual (BIM)
- Budget Calendar – Key Dates
- The Navajo Nation Budget Development Process
- Budget Preparation Using Various Budget Forms
- Other(s)
  - Chapter Budgeting
  - Navajo Nation Grants

# The Appropriations Act

- Is the basis for the annual preparation of the NN Comprehensive Budget and provides for the following:
  - Budget planning and preparation.
  - Budget approval, adoption and certification.
  - Budget implementation, monitoring and control.
- It also states that the NN government has a fiduciary responsibility:
  - To account for public funds.
  - To manage finances wisely.
  - To plan for the adequate funding of services desired by the Navajo people, including the provision and maintenance of public facilities.

# FY 19 Revenue Projections

- By Resolution BFMY-20-18 on May 29, the BFC approved a total revenue projection and allocation for the FY 19 NN budgeting purposes at \$172,159,000 which is an increase of \$6,972,000 from the FY 2018 allocation of \$165,187,000.
- The \$172,159,000 for FY 19 is a result of the combination of \$152,331,000 in general fund projected revenue and \$19,828,000 in projected revenue from the Permanent Trust Fund income.
- Programs eligible for funding from the Indirect Cost Fund will also have these funds to budget along with their general funds.
- Programs receiving funds from external sources (primarily Federal and State agencies) will provide information on the anticipated FY 19 funding from these sources and the amounts anticipated are to be included in the Navajo Nation Comprehensive Budget.

# Planning Allocations of General and Permanent Trust Fund

- The Budget and Finance Committee approved the FY 2019 General Fund and Permanent Trust Fund planning allocations for the three branches and others as follows:

• Executive Branch	\$102,568,267	59.57%
• Legislative Branch	\$ 14,643,003	8.51%
• Judicial Branch	\$ 14,373,994	8.35%
• Fixed Costs Programs	\$ 17,724,696	10.30%
• Chapters: Non-Administrative	\$ 12,040,299	6.99%
• External Funds Cash Match	\$ 4,400,000	2.56%
• Grazing/Farm Boards/ENLB	\$ 3,062,823	1.78%
• PTF Contingency Fund	<u>\$ 3,345,918</u>	<u>1.94%</u>
Total:	\$ 172,159,000	100.00%

# Allocations of Other NN Funds

- Other Navajo Nation funds which are allocated for budgeting purposes through the Office of the Controller are as follows:

• Indirect Cost Funds	\$ 21,500,000
• Chapter Capital Outlay Match	\$ 3,800,000
• Fiduciary Funds	\$ 74,994,625
• Enterprise Funds	\$ 13,937,000
• Internal Service Funds	\$ 43,888,243
• Proprietary Funds	\$ 4,938,598
• Special Revenue Funds	\$ <u>39,625,443</u>
Total:	\$202,683,909

## Significant Changes in the FY 19 BIM

- The fringe rate increased from 41.10% to 43.85% for Regular Employees. For other types of employees, the rates also have changed. The new rates can be found in the Employee Fringe Benefit Rates table in the FY 19 BIM.
- The general liability insurance rate has changed from \$0.22 to 0.34 (increased) per \$100 of payroll (including the fringe benefit amount).
- The property insurance rate has changed from \$0.86 to \$0.79 (decrease) per \$1,000 value of the property to be insured. Contact the Risk Management program to determine how to insure program property. An Exposure Summary Packet issued by Risk Management will need to be completed and submitted to Risk Management for program property to be insured.
- Workers Comp insurance will be assessed \$0.88 per \$100 of payroll (not including fringe benefits) for regular status employees. Chapter employees will be assessed \$0.92 per \$100 of payroll
- Some of the other rates have changed and the revised rates are in the FY 19 BIM. The respective offices who have responsibility for these rates can be contacted for more information, if necessary.

# Significant Changes in the FY 19 BIM

- Individuals paid stipends for serving on Navajo Nation boards, commissions and committees are now required by the Internal Revenue Service to pay income taxes on their compensation and, as such, these stipends will be budgeted in the 2001 series of object codes rather than in the 3000 series of object codes.
- The sample budget will explain how to budget stipends to meet this new Internal Revenue Service requirement later in the presentation.
- Minor changes have been made to the written instructions for the budget forms as well as other forms and the changes are primarily for clarification.

## Significant Changes in the FY 19 BIM

- A new Microsoft Enterprise software user license rate in the amount of \$250 per user/employee will need to be budgeted for yearly subscription and an administrative fee for each to access the Navajo Nation Microsoft Enterprise network. Contact the Navajo Nation Telecommunications and Utilities Department regarding this new cost item to be budgeted.
- The following provision will continue for FY 19: Unused balances in object codes 2110 and 2900 for individual positions are eligible for transfer to other positions or object codes within the personnel 2001 major object code series up to the end of third quarter or June 30th. Starting the fourth quarter or July 1st, unused balances in 2110 for positions and 2900 for fringe benefits cannot be transferred to other object codes in the 2001 Personnel major series.

# Budget Calendar –Key Dates

DATES	ACTIVITY	PERFORMED BY
May 29	Approve the FY 2019 BIM, the budget calendar, revenue projections and Branch planning allocations.	BFC
June 4	Conduct budget orientation for NN Branches, Divisions and Programs.	NN - OMB
June 4	Issue Division/Program planning allocations for program budget preparation.	Branch Chiefs and Division Directors
June 5	Begin budget preparation per the approved FY 19 BIM.	NN Programs
June 15	Deadline to submit completed budget packages to OMB.	NN Programs
June 25 - 29	Branch Chiefs' budget hearings; review and approve proposed Branch/Division/Program budgets.	NNOMB Programs/Divs

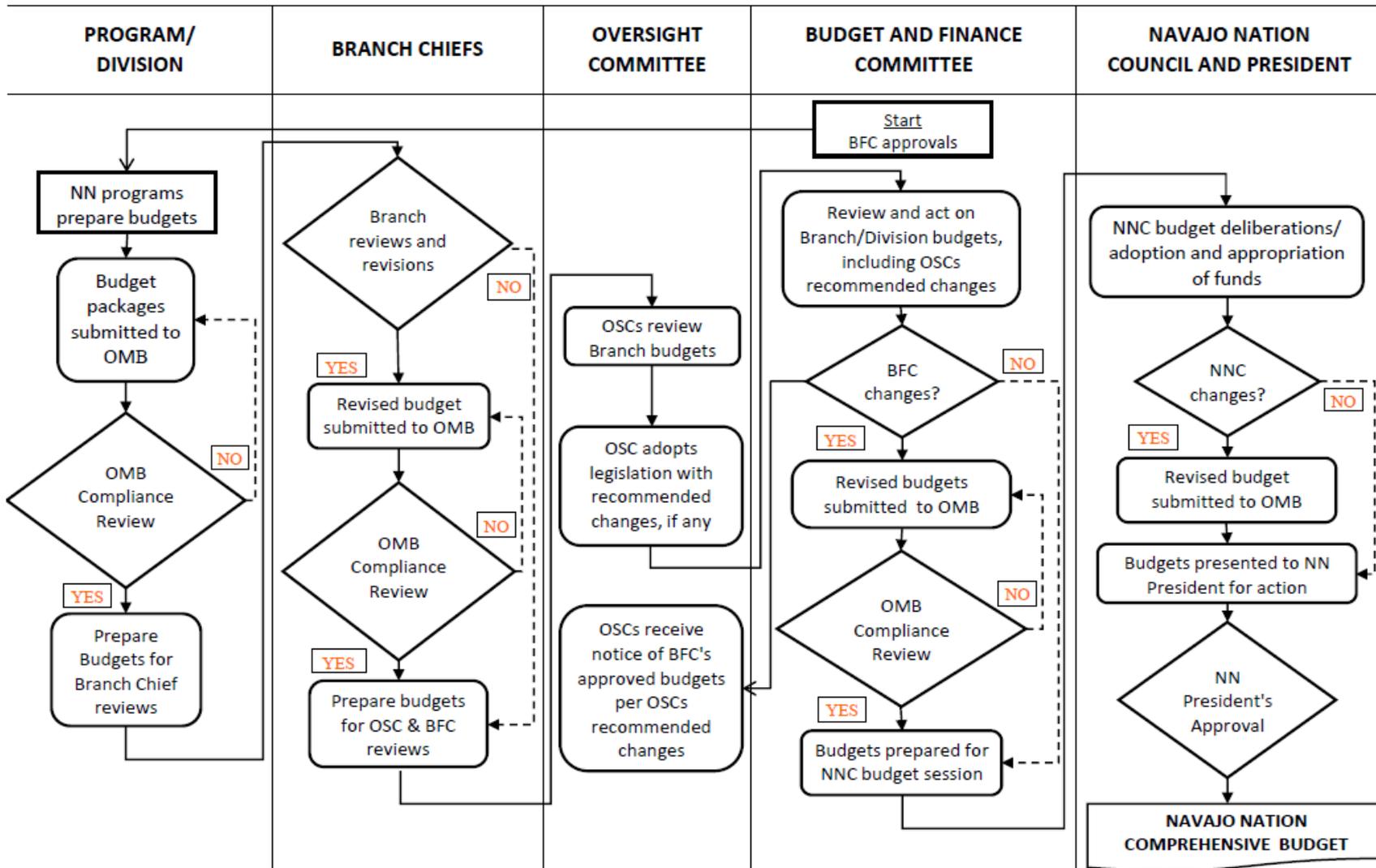
# Budget Calendar – Key Dates

DATES	ACTIVITY	PERFORMED BY
July 9 – 13	Conduct budget hearings and approve legislation recommending budget changes, if any.	NNC Oversight Committees
July 24 – August 1	Budget hearings for review of Branch/Division budgets and Oversight Committees' recommendations; BFC approves proposed legislation recommending the budget to the NN Council.	BFC
August 9 - 10	Review of Branch/Division budgets and forward the budget to NNC.	NABI
August 13 - 17	Conduct budget deliberations, approve the FY 19 NN Comprehensive Budget and adopt legislation.	NN Council
August 27	Act on NNC approved NN Comprehensive Budget and legislation.	NN President

# Budget Development Process

- The development of the NN comprehensive budget goes through several steps before it becomes an official budget of the Navajo Nation. These steps are shown on the next slide.
- The official starting point is with the BFC approving the revenue projection, determining the Branch general fund allocations, approving a budget calendar and approving the Budget Instructions Manual.
- The prepared budgets goes through several reviews starting with the Branch Chiefs, then the oversight committees, and finally the BFC and Nabikiiyati Committee before it goes to the NNC for final approval.
- The NNC approved budget is subject to final action by the NN President where he can veto all or some of the budget items. If he vetoes the whole budget, it goes back to the NNC for an override. If he vetoes certain items in the budget, the NNC cannot override those.

# Budget Development Process Chart



**Key:**

BFC = Budget & Finance Committee

NN = Navajo Nation

OMB = Navajo Nation Office of Management and Budget

OSC = Oversight Committee

NNC = Navajo Nation Council

# Budget Forms

- The following budget forms are used to prepare and submit program budgets:
  - Budget Form 1 – Program Budget Summary.
  - Budget Form 2 – Program Performance Criteria.
  - Budget Form 3 – Listing of Positions and Assignments by Business Units.
  - Budget Form 4 – Detailed Budget and Justification.
  - Budget Form 5 – Summary of Changes to Budgeted Positions.
  - Budget Form 6 – External Contract and Grant Funding Information.

# Budget Forms – General Rules

- Sample completed forms are provided by OMB for programs to use as a guide in preparing their budgets.
- Written instructions are included with each budget form in the BIM for use in completing each form.
- Use appropriate codes, rates, or schedules which are in the FY 19 BIM.
- If no budget data or information is on a budget form, do not include it with the budget package that will be submitted to OMB.
- All budget amounts are to be entered in object codes at Level of Detail (LOD) 6, except for fringe benefits, which is at LOD 5. Other amounts are entered at LOD 4 and LOD 7 for other purposes which is shown on the sample budget forms.
- Budget amounts must be rounded to the nearest whole dollar.
- Enter consecutive page numbers on each and all budget forms completed in the spaces provided: \_\_\_\_ of \_\_\_\_\_. This helps reviewers to identify which form to look at when it is being reviewed.

# Preparing a Budget

- Before any of the NN programs can start preparing budgets, the Branch Chiefs and the Division Directors will need to provide program planning allocations which will be the amount to be budgeted in various object code categories.
- In addition, programs will need to pick up Budget Form 3 which lists the current positions that are funded and spaces are provided to revise this form for FY 19.
- Branches, Division and Programs must submit completed budgets on June 15 to the OMB this year. From there, assigned OMB Budget Analysts will work with the assigned Branch or Division budget liaisons and the programs to make sure all data and information provided in the budget are correct. If not, the budget will be returned to the Program to be revised.
- OMB instructions in this powerpoint presentation focuses primarily on how to prepare a budget using sample, completed budget forms.

# Budget Form 3

## Listing of Positions and Assignments by Business Unit

- Used for position and salary information for proposed positions to be funded, including new and temporary.
- The respective Personnel Office will provide a draft Budget Form 3 showing the current position listing with data taken from the HRIS and with blank spaces below each entry.
- Budget Form 3 issued by the Personnel is to be used to correct or change any personnel/position data in the blank spaces in red ink. New positions budgeted should be added with the appropriate information for the position using the BIM.
- Budget Form 3, with corrected information (if any), is to be returned to the Personnel Office for updating in the HRIS and issuance of a revised Budget Form 3 which will not have blank spaces.
- The revised Budget Form 3 with updated information should be included with the rest of the completed FY 19 budget forms to be submitted to OMB.

FY 2019

**The Navajo Nation  
Listing of Positions and Assignments by Business Unit**

SUB ACCT	POS NO	JOB TYPE	POSITION TITLE	EMP ID	WKSITE CODE	FY 2018 ACTUAL		FY 2019 PROPOSED				
						G/S	SALARY	HOURS	BUDGET PERIOD	BUDGET		
111111 NAVAJO NATION BUDGET OFFICE												
1001	134567	1872	INFORMATION SYSTEMS TECHNICIAN	VACANT	WIN	AI60A	29,307.20	2,080	10/01/18	09/30/19	29,307.00	✓
1002	145678	1230	DEPARTMENT MGR I	VACANT	WIN	AI68A	57,574.40	2,080	10/01/18	09/30/19	57,574.00	✓
1003	156789	1364	OFFICE ASSISTANT	VACANT	SRN	AI56A	20,800.00	2,080	10/01/18	09/30/19	20,800.00	
								1040			10,400.00	
<b>SUBTOTAL:</b>							<b>107,681.60</b>				<b>107,681.00</b>	
<b>BUSINESS UNIT TOTAL:</b>							<b>107,681.60</b>				<b>107,681.00</b>	

1200

Temporary

SRN

520

8,736.00

FY 2019

**The Navajo Nation  
Listing of Positions and Assignments by Business Unit**

SUB ACCT	POS NO	JOB TYPE	POSITION TITLE	EMP ID	WKSITE CODE	FY 2018 ACTUAL		FY 2019 PROPOSED				
						G/S	SALARY	HOURS	BUDGET PERIOD	BUDGET		
111111	NAVAJO NATION BUDGET OFFICE											
1001	134567	1872	INFORMATION SYSTEMS TECHNICIAN	VACANT	WIN	AI60A	29,307.20	2,080	10/01/18	09/30/19	29,307.00	
1002	145678	1230	DEPARTMENT MGR I	VACANT	WIN	AI68A	57,574.40	2,080	10/01/18	09/30/19	57,574.00	
1003	156789	1364	OFFICE ASSISTANT	VACANT	SRN	AI56A	20,800.00	1,040	10/01/18	03/31/19	10,400.00	
<b>SUBTOTAL:</b>							<b>107,681.60</b>				<b>97,281.00</b>	
1200	201482	0500	TEMPORARY EMPLOYEE	VACANT	SRN			520			8,736.00	
<b>SUBTOTAL:</b>											<b>8,736.00</b>	
<b>BUSINESS UNIT TOTAL:</b>							<b>107,681.60</b>					<b>106,017.00</b>

# Budget Form 5

## Summary of Changes to Budgeted Positions

- Used to summarize changes to be made to existing personnel/position information such as Abolish, Layoff, Trans In, Trans Out, Cost Share, New, Prorate, and Reclass.
- Parts I: Is for entry of Program Information.
- Part II: Is for entry of data or information in the columns using the written instructions for this form in the FY 19 BIM.
- Any position/personnel which is cost shared with another program or business unit must provide information in the spaces on the position/personnel and also indicate which program or business unit the personnel cost is shared with and the amounts or percentage that are shared.



# Budget Form 4

## Detailed Budget and Justification

- Budget Form 4 is used for displaying the proposed, detailed budget with justifications, including calculations for certain budgeted items.
- Each proposed budgeted item at LOD 4, LOD 5 (fringe only), LOD 6 and LOD 7 (for justification and expenditure information) will be entered on this form. Use the Chart of Accounts in the BIM to enter budget amounts by object codes in the various columns on the form.
- Use appropriate rates, codes and schedules to calculate certain costs such as fringe benefits, fleet user rates, personal travel, insurance premiums, etc.
- To budget for assigned vehicles; list type of vehicle, class and appropriate use rate, including calculating the appropriate tax rate (6% for FY 19).
- Column (A) is used to enter the LOD 6 object code number for each budgeted item with the object code description entered in Column (B).

# Budget Form 4

## Detailed Budget and Justification

- In Column (B), on the first line for each major object code group, enter the appropriate LOD 4 object code with its description and with a brief written justification. On the next line, under each LOD 4 entry, the LOD 6 object code description should be entered that corresponds to the object code number entered in Column (A).
- On the third line, enter all the appropriate LOD 7 object code(s) and its description(s) which are part of the LOD 6 object code group previously entered. Entries at LOD 7 are amounts that the program will spend for each LOD 6 budget entry amount. For example, LOD 6 object code 3230 Personal Travel will have LOD 7 object codes 3240 for Per Diem, 3250 for Lodging, and 3260 for POV Mileage as well as the calculated expense for each.
- Column (C) will show the amount only for each LOD 6 object code shown in Column (A). These LOD 6 amounts are entered into the FMIS to set up the account for each business unit or program.
- Column (D) will show the sum or total of the LOD 6 object codes groups in Column (C) at the LOD 4 major object code series. These amounts will also be entered on Budget Form 1, Part III, Column (B). If these amounts do not agree, something is wrong and needs to be corrected.

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

PART I. PROGRAM INFORMATION:			
Program Name/Title: _____		Program/Department Title _____	Business Unit No.: _____ 1xxxxx
PART II. DETAILED BUDGET:			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)	Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)
	<b>2001 PERSONNEL EXPENSES</b>		297,008
	Employee salary, Farm board stipend, fringe benefits, salary adjustments and merit payment for eligible personnel.		
2110	Regular		
	.2120 Three (3) Regular positions Full-Time/Cost Shared positions 97,281	97,281	
2200	Salary Adjustment		
	.2200		2,912
	Step Increases for eligible employees		
	1001 Information Systems Technician = .42 x 2080 = 874		
	1002 Department Manager I = 0.83 x 2080 = 1,726		
	1003 (CS) Office Assistant = 0.30 x 1040 = 312		
2310	Temporary		8,736
	.2320 Temporary/Full Time		
	16.80 x 520 hours = 8,736		
2450	Stipend-Boards, Committees		129,000
	.2460		
	Chinle: 6 Farm board members x \$250 x 12 = 18,000		
	Ft. Defiance: 15 Farm board members x \$250 x 12 = 45,000		
	Northern: 13 Farm board members x \$250 x 12 = 39,000		
	Western: 9 Farm board members x \$250 x 12 = 27,000		
2710	Merit Bonus		1,000
	.2720 Merit Bonus 1,000		
2900	Fringe Benefits		58,079
	.2900 Regular 97,281 x 43.85% 42,658		
	.2900 Salary Adjustment 2,912 x 43.85% 1,277		
	.2900 Temporary 8,736 x 9.95% 869		
	.2900 Boards/Committee 129,000 x 9.95% 12,836		
	.2900 Merit Bonus 1,000 x 43.85% 439		
<b>TOTAL</b>		297,008	297,008

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

PART I. PROGRAM INFORMATION:					
Program Name/Title: _____		Program/Department Title _____		Business Unit No.: _____ 1xxxxx	
PART II. DETAILED BUDGET:					
(A)	(B)			(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)			Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)
<b>3000 TRAVEL EXPENSES</b>					20,017
	Monthly mileage and fleet rental. Meals, lodging and air fare directly related to program business and other miscellaneous travel expenses.				
3110	Fleet		6% Sales Tax	Total: 8,167	
	.3111	Monthly/Perm: (Group A, Class XIII Sedan) 432 x 12 mos. =	\$5,184	311 5,495	
	.3113	Mileage: (Group A, Class XIII Sedan) 1,000 mi. x .21 x 12 mos. =	\$2,520	151 2,671	
3210	Vehicle Rental			422	
	.3220	Vehicle Rental (off reservation)	\$422.00		
3230	Travel Expenses (CONUS rates are available Jan 1st)			9,428	
	.3240	\$64/Daily Per Diem x 2 days/week x 10 weeks for 3 staff	\$3,840.00		
	.3250	\$89/Night Per Diem x 1 night/week x 10 weeks for 3 staff	\$2,670.00		
	.3260	POV @ 2,650 miles x 0 .535	\$1,418.00		
	.3290	Other Incidental Travel Expense	\$1,500.00		
3310	Air			2,000	
	.3320	Commercial Air	\$1,000.00		
	.3330	Charter/Internal	\$1,000.00		
<b>3500 MEETING EXPENSES</b>					103,200
	Navajo Nation Farm Board to be paid \$100 twice a month for mileage				
3810	Meetings			103,200	
	.3813	Chinle: 6 Farm board members x \$100 x 24=	\$14,400		
		Ft. Defiance: 15 Farm board members x \$100 x 24 =	\$36,000		
		Northern: 13 Farm board members x \$100 x 24=	\$31,200		
		Western: 9 Farm board members x \$100 x 24=	\$21,600		
<b>TOTAL</b>				123,217	123,217

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

PART I. PROGRAM INFORMATION:					
Program Name/Title: _____		Program/Department Title _____		Business Unit No.: _____ 1xxxxx	
PART II. DETAILED BUDGET:					
(A)	(B)			(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)			Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)
	<b>4000 SUPPLIES</b>				9,900
	Desktop supplies, folders, envelopes, pens, pencils. Power Point projector, laptops and partitions. Computer/Xerox toner cartridges. Printing of manuals, brochures, binding, photocopying and publication subscription. Purchase vehicle parts (tires, tubes, etc.).				
4120	Office Supplies			3,000	
.4130	General Office Supplies		\$3,000.00		
4200	Non Capital Assets			900	
.4210	Non-Cap Furniture & Equipment		\$900.00		
	Three (3) scanners @300 each				
4410	Operating Supplies			4,000	
.4420	General Operating Supplies		\$2,480.00		
.4440	Non-Cap Computer Software		\$600.00		
.4450	Postage, Courier Shipping: \$25 per quarter		\$100.00		
.4450	Postage, Courier Shipping: \$120 annual box rental		\$120.00		
.4530	Printing/Binding/Photocopying		\$500.00		
.4540	Books/Periodicals/Subscriptions: 2 @ 100/year		\$200.00		
4610	Supplies			2,000	
.4630	Tires & Tubes		\$2,000.00		
	<b>5000 LEASE &amp; RENTAL</b>				16,200
	Office space lease for 12 months. Rental of meeting room and media equipment for committee, work sessions and special meetings. Rental of booth space for the NN Fair.				
5110	Building (Lease)			12,000	
.5120	Office Space: Lease with XYZ Center @ \$1,000/mo x 12 mos.		\$12,000.00		
<b>TOTAL</b>				21,900	26,100

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

PART I. PROGRAM INFORMATION:				
Program Name/Title: _____		Program/Department Title _____		Business Unit No.: _____ 1xxxxx
PART II. DETAILED BUDGET:				
(A)	(B)	(C)	(D)	
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)	Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)	
<b>5000 LEASE &amp; RENTAL (con't)</b>				
5310	Building/Space (Rental)	2,300		
5320	Meeting Space: Quarterly meetings @ \$100 per quarter	\$400.00		
5330	Storage Space: \$75 per month x 12 months	\$900.00		
5340	Booth/Trade Show Rental	\$1,000.00		
5360	Equipment/Supplies	1,900		
5370	Equipment Rental: 1 Xerox Copier Rental (BIZHUB C35) x \$75.00/mo x 12 mos.	\$ 900.00		
5370	Equipment Rental: Rent backhoe equipment, etc.	\$ 1,000.00		
<b>6000 REPAIRS &amp; MAINTENANCE</b>				
Annual repair & maintenance fees for furniture, equipment and computer upgrade hardware.				
6110	Supplies	2,000		
6120	Furniture & Equipment R&M Supplies	\$2,000.00		
6130	Services	1,200		
6140	Furniture & Equipment R&M SERVICES	\$1,200.00		
	1 XEROX Copier Maintenance (BIZHUB C35) x \$100/mo x 12 mos.			
6300	Technology	1,000		
6320	Software Support 4 employees x \$250	\$1,000.00		
<b>6500 CONTRACTUAL SERVICES</b>				
Professional Services for various program initiatives. Contractual services for specialized services.				
6520	Consulting	20,000		
6530	Fees: \$80 per hour x 187.50 hrs.	\$15,000.00		
6540	Expenses: Estimated.	\$5,000.00		
<b>TOTAL</b>		28,400		68,200

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

BUDGET FORM 4

PART I. PROGRAM INFORMATION:				
Program Name/Title: _____		Program/Department Title _____		Business Unit No.: _____ 1xxxxx
PART II. DETAILED BUDGET:				
(A)	(B)	(C)	(D)	
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)	Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)	
	<b>6500 CONTRACTUAL SERVICES (con't)</b>			
6660	Attorneys	44,000		
.6670	Fees: Specialized Service Fees x \$8,000/quarter x 4 quarters	\$32,000.00		
.6680	Expenses: Estimated at \$3,000 per quarter x 4 quarters.	\$12,000.00		
	<b>7000 SPECIAL TRANSACTIONS</b>		47,884	
	Promote and advertise program's initiative. Gifts and awards to be presented to employees. Catering and refreshments for dept. special events. Depreciation. Print advertising and employee training fees. Required insurance premiums.			
7110	Programs	41,850		
.7130	Promotional Items	\$250.00		
.7140	Gifts & Awards	\$1,000.00		
.7180	Catering	\$500.00		
.7190	Refreshments	\$100.00		
.7220	Depreciation Expense (for proprietary fund)	\$40,000.00		
7410	Media	1,000		
.7440	Print Advertising: Annual Advertised, estimated:	\$1,000.00		
7510	Training and Professional Dues	1,140		
.7520	Training/Registration: 3 Registration Fees X 250 ea.	\$750.00		
.7550	Mandatory Professional Dues: 3 Dues x \$130 annually	\$390.00		
<b>TOTAL</b>		87,990	47,884	

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

PART I. PROGRAM INFORMATION:				
Program Name/Title: _____		Program/Department Title _____		Business Unit No.: _____ 1xxxxx
PART II. DETAILED BUDGET:				
(A)	(B)	(C)	(D)	
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)	Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)	
	<b>7000 SPECIAL TRANSACTIONS (con't)</b>			
7710	Insurance Premiums	3,894		
.7720	Property - Contents \$50,000 / 1,000 x 0.79 =	\$39.50		
.7730	Property - Contractors Equip \$25,000 / 1,000 x 0.79 =	\$19.75		
.7740	Vehicle - Auto Liability	\$105.14		
.7750	Vehicle - Auto Physical Damage (under 1 ton) =	\$117.63		
.7765	Policy Payment (General Liability) \$297,008 / 100 x 0.34 =	\$1,009.83		
.7767	Workers Comp (less fringe) \$238,929/ 100 x 0.88 =	\$2,102.58		
.7766	Deductible: Vehicle under 1 ton	\$500.00		
	Total:	\$3,894.43		
	<b>8000 ASSISTANCE</b>			13,000
	For Housing Assistance to eligible clients, and other chapter projects.			
8500	Infrastructure	13,000		
.8510	Housing Construction Materials	\$8,000.00		
.8555	Chapter Projects	\$5,000.00		
	<b>9000 CAPITAL OUTLAY</b>			16,000
9140	Equipment	16,000		
.9142	Equipment - Purchase copier machine.	\$16,000.00		
<b>TOTAL</b>		32,894		29,000

THE NAVAJO NATION  
DETAILED BUDGET AND JUSTIFICATION

PART I. PROGRAM INFORMATION:														
Program Name/Title: _____		Program/Department Title _____		Business Unit No.: _____ 1xxxxx										
PART II. DETAILED BUDGET:														
(A)	(B)	(C)	(D)											
Object Code (LOD 6)	Object Code Description and Justification (LOD 7)	Total by DETAILED Object Code (LOD 6)	Total by MAJOR Object Code (LOD 4)											
	<b>9500 MATCHING &amp; INDIRECT COST</b>		<b>42,564</b>											
9510	Cash Matching Funds External funding agency require a cash matching for external contract, BU# K XXXXX for the term, 10/01/2018 - 9/30/2019. Attach Appendix L-2 Request for NN GF on Required Cash Match.	30,274												
	.9520 Matching Funds \$30,274.00													
	<table border="0"> <tr> <td><u>Matching Item</u></td> <td><u>External</u></td> <td><u>General Fund</u></td> <td><u>Total</u></td> <td><u>Ratio</u></td> </tr> <tr> <td>Overall Budget</td> <td>\$90,821</td> <td>\$ 30,274.00</td> <td>\$ 121,095.00</td> <td>75/25</td> </tr> </table>	<u>Matching Item</u>	<u>External</u>	<u>General Fund</u>	<u>Total</u>	<u>Ratio</u>	Overall Budget	\$90,821	\$ 30,274.00	\$ 121,095.00	75/25			
<u>Matching Item</u>	<u>External</u>	<u>General Fund</u>	<u>Total</u>	<u>Ratio</u>										
Overall Budget	\$90,821	\$ 30,274.00	\$ 121,095.00	75/25										
9710	IDC Budget for IDC Recovery. Use form check sheet on Calculating Budget on IDC Recovery (Appendix L-4) to determine IDC Budget Amount and attach same to budget packet.	12,290												
	.9720 Indirect Cost Charged \$90,821 - [\$90,821/(1+0.1565)] \$90,821-78,531= 12,290													
<b>TOTAL</b>		<b>42,564</b>	<b>42,564</b>											

# Budget Form 1

## Program Budget Summary

- This form should be completed after the overall budget is completed on Budget Form 4 (and Budget Form 6) as this form is a summary of what has been budgeted as well as other related information.
- This form serves as an overview of information about the program, the funding sources, budget summarizes by major object codes and to compare the current year's budget (as approved by the Navajo Nation Council) to the proposed year's budget, including the number of positions and number of assigned vehicles that are funded.
- In Part V., appropriate names and titles of the responsible persons are to be entered for the Program Manager and the Division Director or Branch Chief (or an appropriate, official representative). Program Managers are responsible for preparing the budget (without errors and omissions) and the Branch Chief or Division Director should primarily be aware of what is in the budget to evaluate periodically the progress of the programs for performance and spending levels during the fiscal year.

THE NAVAJO NATION  
PROGRAM BUDGET SUMMARY

PART I. Business Unit No.: 1xxxxx Program Title: Program/Department Title Division/Branch: Division Name/Branch  
 Prepared By: Individuals Name Phone No.: 928.871-6000 Email Address: [email@navajo-nsn.gov](mailto:email@navajo-nsn.gov)

PART II. FUNDING SOURCE(S)				PART III. BUDGET SUMMARY				
Fiscal Year/Term	Amount	% of Total	Major Object Code at LOD 4	Fund Type Code	(A) NNC Approved Original Budget	(B) Proposed Budget	(C) Difference (Column B - A)	
General Funds	10/1/18 - 9/30/19	509,906.00	70.35%					
Indirect Cost Recovery	10/1/18 - 9/30/19	124,067.00	17.12%					
External Funds	10/1/18 - 9/30/19	90,821.00	12.53%	2001 Personnel Expenses	1	372,698	297,008.00 (75,690)	
				3000 Travel Expenses	1	18,000	20,017.00 2,017	
				3500 Meeting Expenses	1	0	103,200.00 103,200	
				4000 Supplies	1	10,175	9,900.00 (275)	
				5000 Lease and Rental	1	15,000	16,200.00 1,200	
				5500 Communications and Utilities	1		0	
				6000 Repairs and Maintenance	1	4,500	4,200.00 (300)	
				6500 Contractual Services	1	70,000	64,000.00 (6,000)	
				7000 Special Transactions	1	41,869	47,884.00 6,015	
				8000 Public Assistance	1	4,000	13,000.00 9,000	
				9000 Capital Outlay	1	28,000	16,000.00 (12,000)	
				9500 Matching Funds	1	29,684	30,274.00 590	
				9500 Indirect Cost	1	0	12,290.00 12,290	
				TOTAL		593,926	633,973.00 40,047	
				PART IV. POSITIONS AND VEHICLES		(D)	(E)	
				Total # of Positions Budgeted:		4	3	
				Total # of Permanently Assigned Vehicles:		1	1	
TOTAL:						\$724,794.00	100.00%	

2019  
Sample Budget

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

\_\_\_\_\_  
Program Manager's Printed Name

\_\_\_\_\_  
Division Director/Branch Chief's Printed Name

\_\_\_\_\_  
Program Manager's Signature and Date

\_\_\_\_\_  
Division Director/Branch Chief's Signature and Date

# Budget Form 2

## Program Performance Criteria

- Performance budgeting is used as a factor in making budget decisions, including determining the funding level for a program, as well as to monitor program performance periodically.
- Performance criteria information include goal statements for services provided primarily by NN programs. The results of these goal statements are reported to OMB each quarter to assess program performance and issue an overall performance report to the Branch Chiefs and Division Directors for their information.
- Program performance scores are arrived at using a rating scale of 0 to 3, to indicate not reporting (0), not met (1), met (2) or exceeding (3) established goals.

**THE NAVAJO NATION  
PROGRAM PERFORMANCE CRITERIA**

**PART I. PROGRAM INFORMATION:**  
 Business Unit No.: 1XXXXX Program Name/Title: (Per Plan of Operation)

**PART II. PLAN OF OPERATION/RESOLUTION NUMBER/PURPOSE OF PROGRAM:**  
 NABIJY-39-14 - The purpose of the Office of Navajo Tax Commission shall be to provide professional management, training, technical expertise, supervisory and administrative support in the administration of all Navajo Nation taxes.

PART III. PROGRAM PERFORMANCE CRITERIA:	1st QTR		2nd QTR		3rd QTR		4th QTR	
	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual
1. Goal Statement: <u>ACCOUNTING: Administer and collect tax revenue generated by the nine Navajo taxes.</u>								
Program Performance Measure: <u>Meet the Fy 2019 tax revenue projection of \$108 million.</u>								
	\$34 M		\$20 M		\$34 M		\$20 M	
2. Goal Statement: <u>COMPLIANCE: Perform 2500 desk audits per quarter for (9) types of taxes.</u>								
Program Performance Measure: <u>To enforce the Uniform Tax Administration Statute, Sections 101-141.</u>								
	2,500		2,500		2,500		2,500	
3. Goal Statement: <u>AUDIT: Perform extensive field audit on (16) taxpayers.</u>								
Program Performance Measure: <u>To enforce the Uniform Tax Administration Statute, Sections 101-141.</u>								
	3		5		5		3	
4. Goal Statement: <u>LEGAL: Continue to work with taxpayers in opening, hearing and closing appeals.</u>								
Program Performance Measure: <u>To consistently apply and practice a fair tax appeals process.</u>								
	15		15		15		15	
5. Goal Statement: <u>VALUATION: To value oil and gas leases, coal leases, rights of way and business site leases.</u>								
Program Performance Measure: <u>To properly administer and determine lease value applicable to the Possessory Interest Tax.</u>								
	10		21		287		316	

**PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.**

_____	_____
Program Manager's Printed Name	Division Director/Branch Chief's Printed Name
_____	_____
Program Manager's Signature and Date	Division Director/Branch Chief's Signature and Date

# Budget Form 6

## External Contract & Grant Funding Information

- Provides information on recurring contracts and grants and, in some cases, on NN general funds for cash matching funds.
- Part I – Shows Program information: Program Title, Contract/Grant No., funding period, K account # and name of person completing form.
- Part II – Purpose of Funding: SOW (deliverable); justify match fund request.
- Part III – Budget information: By major cost items, amounts to compare budget on current and anticipated award(s) and difference.
- Part IV – Information on FTEs and match fund (\$/non\$): CGS Contracting Officer must concur on match funding required.
- Part V – Acknowledgement: preparer and approving official signs indicating information is complete and accurate.

**THE NAVAJO NATION  
EXTERNAL CONTRACT AND GRANT FUNDING INFORMATION**

<b>PART I. PROGRAM INFORMATION:</b>		Funding Period: _____		
Program Name/Title: _____		K #: 1XXXXXX/KXXXXXX		
Contract/Grant No.: CXXXXXX		Prepared by: Program Contact Person re: Budget		
<b>PART II. PURPOSE OF FUNDING AND MATCH FUNDS REQUIREMENT</b> Brief statement of the purpose for which funds are received and, if matching, what the funds match requirements are.				
<b>PART III. BUDGET INFORMATION:</b>				
(A)		(B)	(C)	(D)
Major Object Code and Description		Current Award Fiscal Year 2018	Anticipated Funding Fiscal Year 2019	Difference Columns (C) - (B)
2001	Personnel Expenses	112,085	101,152	(10,933.00)
3000	Travel Expenses	14,180	6,208	(7,972.00)
3500	Meeting Expenses			-
4000	Supplies	5,128	497	(4,631.00)
5000	Lease and Rental			-
5500	Communication and Utilities			-
6000	Repairs and Maintenance			-
6500	Contractual Services			-
7000	Special Transaction	3,946	948	(2,998.00)
8000	Assistance			-
9000	Capital Outlay			-
9510	Matching - Cash	(29,684)	(30,274)	(590.00)
9610	Matching - In - Kind			
9710	Indirect Cost (Overhead) Allocation		12,290	12,290.00
<b>TOTALS:</b>		<b>105,655</b>	<b>90,821</b>	<b>(14,834.00)</b>
<b>PART IV. FTEs/MATCH FUNDS:</b>		<b>2</b>	<b>2</b>	<b>-</b>
No. of Positions/ FTEs:				
<b>MATCHING FUND REQUIRED:</b>		<b>29,684</b>	<b>30,274</b>	<b>590.00</b>
Required GF Cash Match:				
<b>CONCURRED BY:</b>		<b>4,151</b>		<b>(4,151.00)</b>
Required GF In - Kind Match:				
_____/S/ Contracting Officer's Signature		<b>28%</b>	<b>25%</b>	<b>-0.030</b>
Contracting Officer's Signature / Date:				
<b>PART V. ACKNOWLEDGEMENT:</b>				
Submitted by (print): Program Manager		Approved by (print): Division Director		
Signature/Date: _____/S/		Signature/Date: _____/S/		

**Contracts and Grants Section / OMB  
Request for NN General Fund Appropriation  
for Required Cash Match on Contract / Grant**

6/11/2018

Date

**I. Information on the Program:**

A. NN Office of XXX Title of Program / Division  
 B. Mr. Smith Name of Program Manager  
 C. (928) 871-6000 Phone No. of Program Manager  
 D. xsmith@navajo-nsn-gov Email of Program Manager

**II. Information on the Contract / Grant:**

A. NN Better Business Title of Contract / Grant  
 B. CXCM5198 Contract / Grant No.  
 C. \$ 121,095 Total Funding of All Sources:  
 D. 6/01/2018 - 5/31/2020 Annual Funding Period, Begin & End

E. If contract is on multiple year, indicate the term \_\_\_\_\_  
 Begin / End - mm/dd/yy  
 F. Does unexpended award lapse at the end of funding year? Yes  NO   
 G. Is Unexpended Award carried over at the end of funding year?

Sample

**III. Information on Funding Need and Cost Contributions:**

A. Total Cost of the Project or Activity:		\$	<u>121,095</u>
	<b>Entity Contributors</b>	<b>Percent</b>	<b>Amount</b>
B. Grantor / Funding Agency Share:		<u>0.75</u>	\$ <u>90,821</u>
C. Grantee / Recipient Share:			
1. Cash Match - Required		<u>0.25</u>	<u>30,274</u>
2. In-kind Match - Required		<u>          </u>	<u>-</u>
3. Cost Sharing - Leverage		<u>          </u>	<u>-</u>
D. Third Party Contributions:			
1. NTUA		<u>          </u>	<u>-</u>
2. IHS		<u>          </u>	<u>-</u>
3. Other		<u>          </u>	<u>          </u>
	<b>Total Source Contribution:</b>	<u>100%</u>	\$ <u>121,095</u>

**IV. Justification and Certification:**

Justification on Request for Appropriation. 1) Cite section of regulation on required matching & attach copy of the same;  
 2) Explain why it is crucial cash match be appropriated and 3) explain impact if cash match is not appropriated. Attach  
 additional page if more space is required.

Regulation CR xx - 5678

We, the undersigned below, certify that the information provided in this document is complete and accurate:

PREPARED BY: Program Manager-Print, Sign & Date \_\_\_\_\_ APPROVED BY: Division Director-Print, Sign & Date \_\_\_\_\_

**FOR CONTRACTS AND GRANTS SECTION/OMB USE ONLY - Comments & Recommendations:**

CONCURRED BY: Contracting Officer, Signature / Date: \_\_\_\_\_

# Chapter Budgeting

- The Administrative Service Centers of the DCD has budgetary responsibilities for assisting Navajo Nation chapters in preparing budgets, including financial monitoring, reporting, and performance.
- Budget planning allocations each chapter is issued by DCD and Chapters prepare detailed budgets using the WIND application system which is in conformance with the Navajo Nation budget preparation instructions. All Chapters follow the same forms and instructions contained in the FY 19 BIM.
- OMB also receives the allocation amounts from DCD and enters them into the FMIS during budget preparation.
- Completed Chapter budgets are submitted to the ASCs and then to DCD for compiling the overall Division's budget for review by the Division Director, Branch Chief and the legislative oversight committee(s).

# Chapter Budgeting

- Upon processing the Chapter budgets along with the Division's overall budget through the Executive Branch and Legislative Branch reviews, the budgets are first presented to the NABI Committee and then to the NNC for approval.
- Upon approval of the overall NN comprehensive budget which includes the DCD overall budget and the Chapter budgets, the Chapters submit a finalized, detailed Chapter approved budget with a resolution to DCD and OMB.
- Chapter are required to adhere to the appropriate budget policies, including those in Title 26 and the Five Management Systems.

# Navajo Nation Grants

- Grant funds are allocated to certain non-NN government entities in the form of general funds which are made available for a specific purpose.
- The grants are subject to availability of funds.
- The grants must meet requirements of the Appropriations Act at 12 NNC Section 810 (Q), 820 (F), (L), (M), (N), and (P); 850 (A), (B), (C) and (E). A copy of the Appropriations Act is displayed in the FY 19 BIM in the Reference section for information purposes.
- Prospective grantees must follow the FY 19 BIM, including preparing and submitting budgets on NN budget forms and using the NN Chart of Accounts.
- Upon approval of the budget by the Navajo Nation Council, a grant agreement is executed by the Nation before funds are released to the non-NN entity.

# BIM Appendices Information

- The appendices to the FY 19 BIM has various useful information for budgeting purposes such as:
  - Chart of Accounts and Level of Detail (LOD) in Appendix A.
  - Fringe Benefits Rates in Appendix E.
  - Listing of Classification Titles/Class Code/Assigned Pay Grade in Appendix C.
  - Salary Schedules in Appendix D.
  - Vehicle Insurance Rates in Appendix F-1.
  - Fleet Management User Rates in Appendix F-2.
  - And others.

# Navajo Nation Office of Management and Budget

Our office is located on the 2<sup>nd</sup> floor, northwest corner, of Administration Building #1

## Address:

Office of Management and Budget  
Post Office Box 646  
Window Rock, Arizona 86515

Website: [HTTP://WWW.OMB.NAVAJO-NSN.GOV](http://www.omb.navajo-nsn.gov)

Main Telephone Numbers:

Telephone: (928) 871-6470/6046