

SÍHASIN FUND CHAPTER CAPITAL PROJECTS: RESOLUTION CAP-35-18,
EXHIBIT D

**PROCESS AND PROCEDURES
FOR
LOCAL GOVERNANCE ACT (LGA) CERTIFIED CHAPTERS**

These PROCESS AND PROCEDURES are intended to:

1. Clarify and guide the transfer of project responsibility and project funds from the Capital Projects Management Department (CPMD) to a Local Governance Act Certified Chapter (LGA Chapter) that has an approved Five Management System (FMS) for the implementation and completion of a project(s) listed on Resolution CAP-35-18, Exhibit D; and
2. Ensure that there is accountability and transparency for the Síhasin Funds disbursed through CAP-35-18 and that CAP-35-18 is fully complied with by the LGA Chapter.

STEP ONE – REQUEST TO ASSUME PROJECT RESPONSIBILITY

For *each* project listed on CAP-35-18, Exhibit D, that a LGA Chapter wishes to assume responsibility for, the LGA Chapter should submit the following information to CPMD:

1. A memorandum (template attached) signed by the LGA Chapter President or equivalent indicating that the LGA Chapter wishes to assume responsibility, accountability, and control of the Project and Project Funds;
2. A Chapter Resolution supporting the assumption, and specifically accepting Chapter responsibility, accountability, and control of the Project and Project Funds;
3. A one-hundred percent (100%) complete CPMD Project Checklist (available at <http://cpmd.nndcd.org>), including a preliminary Project budget and a copy of the Pre-Procurement Activities (PPA), e.g., archaeological clearances, environmental assessments and land withdrawals (a listing of the PPAs for each type of project are included on CPMD's Project Checklists); and
4. Identification of the person, by name and title and contact information, with primary responsibility for the implementation of the Project.

STEP TWO – EXECUTION OF MEMORANDUM OF AGREEMENT (MOA)

After the LGA Chapter has formally submitted *all* of the information required in STEP ONE, CPMD will complete the MOA (template attached) and submit it to the LGA Chapter for signature. The LGA Chapter is responsible for returning three (3) signed copies of the MOA to CPMD. CPMD will then submit the MOA to the Executive Director of the Division of Community Development for signature and return a fully executed copy to the LGA Chapter.

STEP THREE – REQUEST FOR DISTRIBUTION OF FUNDS

To request distribution of the Project Funds, the LGA Chapter shall submit the following to CPMD:

1. A memorandum (template attached) requesting distribution of the Project Funds;
2. Documentation that the LGA Chapter has procured in compliance with its FMS procurement requirements, including copies of the applicable procurement activities, e.g., Invitation for Bids, Request for Proposals and/or Request for Statement of Qualification, etc. issued for the Project;
3. Documentation that a vendor or contractor has been formally notified that they have been selected for the Project;
4. Final Project budget on Navajo Nation Budget Forms (FY 2018: Budget Instruction Manual (BIM), Appendix J, Project Budget Forms 1-3; FY 2019: BIM, Budget Form 1 and Project Budget Form 2);
5. Pre-execution finalized contract or final contract terms agreed to by the LGA Chapter and the selected vendor or contractor (to allow for any required or recommended changes, this contract or contract terms should be submitted prior to signature by the Parties); and
6. Documentation that CPMD has been granted read-only access to the LGA Chapter's bank account where the Project Funds will be housed.

STEP FOUR – ON-GOING ACCOUNTABILITY AND REPORTING REQUIREMENTS

LGA Chapter responsibility for the following begins on the date the Project Funds are distributed to the LGA Chapter:

1. Implementation of the Project and accountability for the Project Funds;
2. Security for the Project and construction materials, if any;

3. Compliance with the MOA; and
4. Compliance with CAP-35-18, including all reporting requirements set forth therein:
 - a. Submit an accounting/expenditure report, including use of Project Funds and Project Status, to CPMD, Office of the President and Vice President (OPVP), Resources and Development Committee (RDC), Budget and Finance Committee (BFC), and Naabik'i'yáti' Committee on a quarterly basis; and
 - b. Participate in CAP-35-18 work group meetings called by the Legislative and/or Executive Branch.

STEP FIVE – PROJECT CLOSE-OUT

When the Project is complete, the LGA Chapter will be responsible for submitting the following information to CPMD:

1. A memorandum indicating that the Project has been completed;
2. A Final Close-Out report;
3. For construction and renovation projects:
 - a. A Certificate of Occupancy for the Project issued by a licensed Building Inspector;
 - b. A Release of Claims against the LGA Chapter and the Navajo Nation signed by the contractor;
4. Interior and exterior photographs of the Project; and
5. A check made out to the Navajo Nation for any cost savings or unexpended Project Funds.