THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0234-21__ SPONSOR: <u>Raymond Smith, Jr.</u>

TITLE: An Action Relating to Budget and Finance and Naabik'iyati' Committees; Approving, Accepting, and Implementing the Indirect Cost Negotiation Agreement with the U.S. Department of Interior, Interior Business Center for Fiscal Years 2021-2022

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LEGISLATION SUMMARY SHEET

TRACKING NO. 0234-21

DATE: November 4, 2021

TITLE OF LEGISLATION: AN ACTION RELATING TO BUDGET AND FINANCE AND NAABIK'ÍYÁTI' COMMITTEES; APPROVING, ACCEPTING, AND IMPLEMENTING THE INDIRECT COST NEGOTIATION AGREEMENT WITH THE U.S. DEPARTMENT OF INTERIOR, INTERIOR BUSINESS CENTER, FOR FISCAL YEARS 2021-2022

PURPOSE OF THIS LEGISLATION: to approve, accept, and implement the federal IDC Negotiation Agreement and proposed IDC rates for FY2021 and FY2022.

	ing Time/Date:	
Posting End D	Pate: 11.10.2021	Thence
Eligible for Act	tion: // · // · 2021 Naabik'íyáti' C	
1	PROPOSED NAVAJO NATION STANDING COMMITTEE RESOLUTION	
2	24 th NAVAJO NATION COUNCIL - THIRD YEAR, 2021	
3	INTRODUCED BY	
4	1010-	
5		
6	(Primary Sponsor)	
7		
8	TRACKING NO. <u>0234-21</u>	
9		
10	AN ACTION	
11	RELATING TO BUDGET AND FINANCE AND NAABIK'ÍYÁTI' COMMITTEES;	
12	APPROVING, ACCEPTING, AND IMPLEMENTING THE INDIRECT COST	
13	NEGOTIATION AGREEMENT WITH THE U.S. DEPARTMENT OF INTERIOR,	
14	INTERIOR BUSINESS CENTER, FOR FISCAL YEARS 2021-2022	
15		
16	BE IT ENACTED:	
17		
18	SECTION 1. AUTHORITY	
- 19	A. Intergovernmental agreements are agreements between the Navajo Nation and another	
20	government that involve the sharing of governmental powers, and include Indian Self-	
21	Determination and Education Assistance Act (Public Law 93-638) contracts. 2 N.N.C.	
22	§110(J).	
23	B. The Budget and Finance Committee was established as a standing committee by the	
24	Navajo Nation Council, and is empowered to review, approve, and accept agreements	
25	between the Navajo Nation and any federal authority upon the recommendation of the	
26	standing committee which has oversight over the division, department, or program	
27	making the request. 2 N.N.C. §301(B)(15).	
28	C. The Budget and Finance Committee has oversight over the Navajo Nation's Office of	
29	Management and Budget. 2 N.N.C. §301(B)(13).	
30	D. The Navajo Nation Council established the Naabik'íyáti' Committee as a standing	

committee, and empowered the Committee to "review and approve the negotiation and setting of the Navajo Nation's indirect cost or administrative cost rate agreements with the cognizant federal agency." 2 N.N.C. §700(A) and §701(A)(10).

SECTION 2. FINDINGS

- A. The U.S. Department of the Interior, Interior Business Center ("DOI/IBC") has submitted an "Indian Organization Indirect Cost Negotiation Agreement" ("IDC Agreement") for the Navajo Nation, by letter to the Navajo Nation dated October 5, 2021. **EXHIBIT A**.
- B. The proposed rates in the IDC Agreement are 16.57% for the period of 10/01/2020 to 09/30/2021 and 15.46% for the period of 10/01/2021 to 09/30/2022. **EXHIBIT A.**
- C. The OMB has provided a memorandum dated October 8, 2021, describing the procedures required for the Navajo Nation to formally approve and accept the proposed IDC rates for Fiscal Year 2021 and Fiscal Year 2022, as set forth in the IDC Agreement. **EXHIBIT B**.
- D. Pursuant to the Navajo Nation's 2 N.N.C. §164(A) review process, the OMB, the Office of the Controller, the Department of Justice, and other reviewers, have indicated that all the IDC Agreement and supporting documents are legally sufficient. **EXHIBIT C**.
- E. The Navajo Nation finds that approving and accepting the negotiated IDC rates, and entering into the IDC Agreement with the DOI/IBC, is financially prudent and in the best interest of the Navajo Nation.

SECTION 3. APPROVAL OF IDC AGREEMENT

- A. The Navajo Nation hereby approves, accepts, and implements the Indian Organizations Indirect Cost Negotiation Agreement with the U.S. Department of the Interior, Interior Business Center, as shown in **EXHIBIT A**.
- B. The Navajo Nation authorizes the President of the Navajo Nation, or his approved designee, to execute the Indian Organizations Indirect Cost Negotiation Agreement on behalf of the Navajo Nation.