LEGISLATION NO: _0335-19_____             SPONSOR: Jamie Henio

TITLE: An Action Relating to the Budget and Finance Committee; Approving as recommended by the Navajo Nation Investment Committee, the termination of Montag & Caldwell, Inc. and the selection of Jennison Associated LLC as the domestic large capitalization growth equity investment management for the Navajo Nation’s Master Trust, the investment management agreement and related documents between the Navajo Nation and Jennison Associates LLC for the Navajo Nation’s Master Trust and the amended and restated addendum to investment management agreement and related documents between the Navajo Nation and Jennison Associates LLC for the Navajo Nation’s Retirement Plan

Date posted: November 14, 2019 at 6:30pm

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7590

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 et. seq.
DATE: November 7, 2019


PURPOSE: The purpose of this resolution is approve a change in investment managers for the Navajo Nation's domestic large capitalization growth equity investment.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.
PROPOSED STANDING COMMITTEE RESOLUTION

24th NAVAJO NATION COUNCIL – FIRST YEAR, 2019

INTRODUCED BY

(Primary Sponsor)

TRACKING NO. _0335-19_

AN ACTION


BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Budget and Finance Committee of the Navajo Nation Council (the “Budget and Finance Committee”) is empowered with the authority to exercise oversight in the areas including, but not limited to, budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, and Chapter budget and finance, for the purpose of coordinating, overseeing, and regulating the fiscal, financial, investment, contracting, and
audit policies of the Navajo Nation pursuant to 2 N.N.C. § 300(C)(1); and to promulgate 
styles and regulations related to contracting, investments, and financial matters pursuant to 2 
N.N.C. § 301(B)(1).

B. The Navajo Nation created the Navajo Nation Investment Committee (the "Investment 
Committee") pursuant to Resolution No. CAU-39-73, and the Budget and Finance 
Committee of the Navajo Nation Council (the "Budget and Finance Committee") approved 
and adopted the investment policies for all Navajo Nation financial resources (the "Master 
Investment Policy") pursuant to Resolution No. BFO-61-90, as amended by BFJY-114-03, 
BFJA-01-08, BFJN-17-15, BFD-38-17, BFD-41-17, and BFD-45-18.

C. The Investment Committee is an advisory group to the Budget and Finance Committee in 
the management of the Nation’s investment program and is responsible for recommending to 
the Budget and Finance Committee the approval of the selection of investment managers and 
custodians recommended by the Nation’s Investment Consultant, subject to the approval of 
each investment manager contract and each custodian contract by the Budget and Finance 
Committee, pursuant to the Master Investment Policy, § 4.3(d).

SECTION TWO. FINDINGS

A. The Budget and Finance Committee has previously approved the selection of Jennison 
Associates LLC ("Jennison") as the Domestic Large Capitalization Growth Equity 
investment manager for the Nation’s Retirement Plan (the "Retirement Plan") and further 
approved the related Investment Management Agreement and the Addendum to 
Investment Management Agreement for the Retirement Plan through Resolution No. 
BFMA-04-15. attached hereto as Exhibit A. However, that Agreement and Addendum 
were not executed.

B. The Investment Committee and the Nation’s Investment Consultant, RVK, Inc. ("RVK"), 
have now recommended to the Budget and Finance Committee the approval of the 
termination of Montag & Caldwell, Inc. and the selection of Jennison as the Domestic 
Large Capitalization Growth Equity investment manager for the Nation’s Master Trust 
(the "Master Trust") through Resolution No. NNICN-08-18. attached hereto as Exhibit 
B.
C. The Controller, RVK, the Navajo Nation Department of Justice, and the Investment
   Committee's outside counsel, Kutak Rock I.L.P. have negotiated with Jennison the terms
   of the Investment Management Agreement and related documents between The Navajo
   Nation and Jennison for the Master Trust (the "Master Trust Agreements"), attached
   hereto as Exhibit C, and the Amended and Restated Addendum to Investment
   Management Agreement and related documents between The Navajo Nation and
   Jennison for the Retirement Plan (the "Retirement Plan Agreements"), attached hereto as
   Exhibit D.

D. The Budget and Finance Committee considers the recommendation of the Investment
   Committee and RVK to approve the termination of Montag & Caldwell, Inc. and the
   selection of Jennison as the Domestic Large Capitalization Growth Equity investment
   manager for the Master Trust.

E. The Budget and Finance Committee now reviews the Master Trust Agreements and the
   Retirement Plan Agreements (collectively, the "Agreements").

SECTION THREE. APPROVAL

A. The Budget and Finance Committee approves the termination of Montag & Caldwell,
   Inc. and the selection of Jennison as the Domestic Large Capitalization Growth Equity
   investment manager for the Master Trust.

B. The Budget and Finance Committee further approves the Agreements and delegates
   authority to the Controller to make any reasonable and necessary changes to the
   Agreements consistent with the intent of this Legislation, to submit the Agreements to the
   Navajo Nation President for execution, and to effectuate the purposes of the Agreements
   and this Legislation.