

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0214-20__

SPONSOR: Jamie Henio

TITLE: An Action Relating To Budget And Finance Committee; Approving A Modification To The Service Contract Between The Navajo Nation And Wells Fargo To Provide Custody And Recordkeeping Services For The Navajo Nation 401(K) Savings Plan, Extending The Contract For Two Years From September 30, 2019 To September 20, 2021 And Consenting To Wells Fargo's Assignment Of The Agreements, Rights, And Duties To Principal Financial Group

Date posted: August 26, 2020 at 6:01PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0214-20

DATE: August 21, 2020

TITLE OF RESOLUTION: RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING A MODIFICATION TO THE SERVICE CONTRACT BETWEEN THE NAVAJO NATION AND WELLS FARGO TO PROVIDE CUSTODY AND RECORDKEEPING SERVICES FOR THE NAVAJO NATION 401(K) SAVINGS PLAN, EXTENDING THE CONTRACT FOR TWO YEARS FROM SEPTEMBER 30, 2019 TO SEPTEMBER 30, 2021 AND CONSENTING TO WELLS FARGO'S ASSIGNMENT OF THE AGREEMENTS, RIGHTS, AND DUTIES TO PRINCIPAL FINANCIAL GROUP

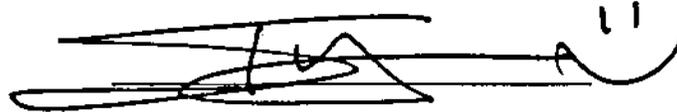
PURPOSE: The purpose of this resolution is for the Budget and Finance Committee to approve a contract modification between the Navajo Nation and Wells Fargo by extending the contract until September 30, 2021.

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.

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 08-31-20
Eligible for Action: 09-01-20

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 24th NAVAJO NATION COUNCIL—SECOND YEAR, 2020

3 INTRODUCED BY

4 

5 Primary Sponsor

6 TRACKING NO. 0214-20

7
8 RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING A
9 MODIFICATION TO THE SERVICE CONTRACT BETWEEN THE NAVAJO
10 NATION AND WELLS FARGO TO PROVIDE CUSTODY AND RECORDKEEPING
11 SERVICES FOR THE NAVAJO NATION 401(K) SAVINGS PLAN, EXTENDING
12 THE CONTRACT FOR TWO YEARS FROM SEPTEMBER 30, 2019 TO
13 SEPTEMBER 30, 2021 AND CONSENTING TO WELLS FARGO'S ASSIGNMENT
14 OF THE AGREEMENTS, RIGHTS, AND DUTIES TO PRINCIPAL FINANCIAL
15 GROUP
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17
18

19 SECTION ONE. AUTHORITY

20 A. The Budget and Finance Committee approved the Navajo Nation Retirement Savings
21 Plan, effective October 1, 1984, by approving the revised Retirement Plan for
22 Employees of the Navajo Tribe and Certain Tribal Affiliates and incorporating into
23 the Retirement Plan an employer-matched 401(k) Savings Plan through Resolution
24 BFJN-71-86. The Budget and Finance Committee amended and restated the Navajo
25 Nation 401(k) Savings Plan through Resolutions BFJN-65-02 and BFD-49-10.
26 Pursuant to the authority delegated under Section 16.1 of the Navajo Nation 401(k)
27 Savings Plan, the Chair of the Budget and Finance Committee on October 27, 2018,
28 certified the Approval and Ratification of the amended and restated Navajo Nation
29 401(k) Savings Plan Effective as of January 1, 2016, as approved and adopted by
30 RSPAC-01-16.

- 1 B. The Budget and Finance Committee is empowered to coordinate and review all fiscal,
2 financial, and investment activities of the Navajo Nation pursuant to 2 N.N.C. §
3 301(B)(5).
- 4 C. The Budget and Finance Committee has oversight over the functions of the
5 Department of Retirement Services pursuant to 2 N.N.C. § 301(B) (13).
- 6

7 **SECTION TWO. FINDINGS**

- 8 A. The Budget and Finance Committee approved a service contract between the
9 Navajo Nation and Wells Fargo to service the Navajo Nation 401(k) Savings Plan
10 through Resolution BFD-144-01, and approved a contract modification by
11 Resolution BFJA-03-02, but did not review or approve subsequent contracts with
12 Wells Fargo.
- 13 B. In 2012, the Navajo Nation President executed a service contract with Wells
14 Fargo Institutional Retirement and Trust to serve as the Directed
15 Trustee/Custodian and Recordkeeper for the Navajo Nation 401(k) Savings Plan
16 for the period beginning April 1, 2014 and ending September 30, 2019, which is
17 attached to **Exhibit A**, the Retirement Savings Plan Administration Committee
18 Resolution RSPAC-01-20.
- 19 C. The Retirement Savings Plan Administration Committee, in concurrence with the
20 Department of Retirement Services, and the Navajo Nation's Investment
21 Consultant, RVK, has determined that it is in the best interest of the Navajo
22 Nation and Plan Participants to extend the service contract with Wells Fargo for a
23 term of two years beginning September 30, 2019 and ending September 30, 2021.
24 Attached hereto as **Exhibit A** is the Retirement Savings Plan Administration
25 Committee Resolution RSPAC-01-20.
- 26 D. The Retirement Savings Plan Administration Committee recommend the Budget
27 and Finance Committee approve a modification to the service contract between
28 the Navajo Nation and Wells Fargo to extend the contract by two years beginning
29 September 30, 2019 and ending September 30, 2021, as recommended by the
30

1 Retirement Savings Plan Administration Committee. The contract modification is
2 attached hereto as **Exhibit B**.

3 **SECTION THREE. APPROVAL**

4 The Budget and Finance Committee hereby follows the recommendation of the Retirement
5 Savings Plan Administration Committee in Resolution RSPAC-01-20, as shown in **Exhibit**
6 **A**; and approves the modification to the service contract between the Navajo Nation and
7 Wells Fargo for the period beginning September 30, 2019 and ending September 30, 2021, to
8 provide recordkeeping services on behalf of the Navajo Nation 401(k) Savings Plan, and
9 consenting to Wells Fargo's assignment of the agreements, rights, and duties to Principal
10 Financial Group, as shown in **Exhibit B**.

11
12 **SECTION FOUR. EFFECTIVE DATE**

13 The contract modification indicated in **Exhibit B** shall be effective as of October 1, 2019
14 upon execution of the contract by the Navajo Nation President and the authorized
15 representative of Wells Fargo.