

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



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](mailto: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.*

**LEGISLATIVE SUMMARY SHEET**

**Tracking No. 0335-19**

**DATE:** November 7, 2019

**TITLE OF RESOLUTION:** 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 ASSOCIATES LLC AS THE DOMESTIC LARGE CAPITALIZATION GROWTH EQUITY INVESTMENT MANAGER 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

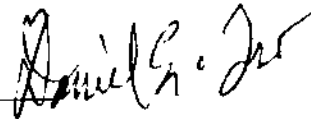
**PURPOSE:** The purpose of this resolution is approve a change in investment managers for the Navajo Nation's domestic large capitalization growth equity investment.

**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.**

5-DAY BILL HOLD PERIOD:                       
Website Posting Time/Date:                       
Posting End Date: 11-19-19  
Eligible for Action: 11-20-19

1 PROPOSED STANDING COMMITTEE RESOLUTION  
2 24<sup>th</sup> NAVAJO NATION COUNCIL – FIRST YEAR, 2019

3  
4 INTRODUCED BY

5 

6 \_\_\_\_\_  
7 (Primary Sponsor)

8  
9 TRACKING NO. 0335-19

10  
11 AN ACTION

12 RELATING TO THE BUDGET AND FINANCE COMMITTEE; APPROVING AS  
13 RECOMMENDED BY THE NAVAJO NATION INVESTMENT COMMITTEE, THE  
14 TERMINATION OF MONTAG & CALDWELL, INC. AND THE SELECTION OF  
15 JENNISON ASSOCIATES LLC AS THE DOMESTIC LARGE CAPITALIZATION  
16 GROWTH EQUITY INVESTMENT MANAGER FOR THE NAVAJO NATION'S MASTER  
17 TRUST, THE INVESTMENT MANAGEMENT AGREEMENT AND RELATED  
18 DOCUMENTS BETWEEN THE NAVAJO NATION AND JENNISON ASSOCIATES LLC  
19 FOR THE NAVAJO NATION'S MASTER TRUST AND THE AMENDED AND RESTATED  
20 ADDENDUM TO INVESTMENT MANAGEMENT AGREEMENT AND RELATED  
21 DOCUMENTS BETWEEN THE NAVAJO NATION AND JENNISON ASSOCIATES LLC  
22 FOR THE NAVAJO NATION'S RETIREMENT PLAN

23  
24 **BE IT ENACTED:**

25 **SECTION ONE. AUTHORITY**

26 A. The Budget and Finance Committee of the Navajo Nation Council (the "Budget and  
27 Finance Committee") is empowered with the authority to exercise oversight in the areas  
28 including, but not limited to, budget, finance, investment, bonds, contracting, insurance,  
29 audits, accounting, taxes, loans, and Chapter budget and finance, for the purpose of  
30 coordinating, overseeing, and regulating the fiscal, financial, investment, contracting, and

1 audit policies of the Navajo Nation pursuant to 2 N.N.C. § 300(C)(1); and to promulgate  
2 rules and regulations related to contracting, investments, and financial matters pursuant to 2  
3 N.N.C. § 301(B)(1).

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

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

## 16 17 **SECTION TWO. FINDINGS**

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

25 B. The Investment Committee and the Nation's Investment Consultant, RVK, Inc. ("RVK"),  
26 have now recommended to the Budget and Finance Committee the approval of the  
27 termination of Montag & Caldwell, Inc. and the selection of Jennison as the Domestic  
28 Large Capitalization Growth Equity investment manager for the Nation's Master Trust  
29 (the "Master Trust") through Resolution No. NNICN-08-18, attached hereto as **Exhibit**  
30 **B**.

1 C. The Controller, RVK, the Navajo Nation Department of Justice, and the Investment  
2 Committee's outside counsel, Kutak Rock LLP, have negotiated with Jennison the terms  
3 of the Investment Management Agreement and related documents between The Navajo  
4 Nation and Jennison for the Master Trust (the "Master Trust Agreements"), attached  
5 hereto as **Exhibit C**, and the Amended and Restated Addendum to Investment  
6 Management Agreement and related documents between The Navajo Nation and  
7 Jennison for the Retirement Plan (the "Retirement Plan Agreements"), attached hereto as  
8 **Exhibit D**.

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

13 E. The Budget and Finance Committee now reviews the Master Trust Agreements and the  
14 Retirement Plan Agreements (collectively, the "Agreements").  
15

### 16 **SECTION THREE. APPROVAL**

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

20 B. The Budget and Finance Committee further approves the Agreements and delegates  
21 authority to the Controller to make any reasonable and necessary changes to the  
22 Agreements consistent with the intent of this Legislation, to submit the Agreements to the  
23 Navajo Nation President for execution, and to effectuate the purposes of the Agreements  
24 and this Legislation.  
25  
26  
27  
28  
29  
30