

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0073-23\_

SPONSOR: Shaandiin Parrish

**TITLE: An Action Relating to the Budget and Finance Committee; Ratifying an Amendment to the Investment Manager Agreement Between the Navajo Nation and Westwood Management Corporation, Providing Small and Medium Capitalization Equity Strategy Investment Services for the Retirement Fund of the Navajo Nation and Participating Affiliates**

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**LEGISLATIVE SUMMARY SHEET**

Tracking No. 0073-23

**DATE:** April 7, 2023

**TITLE OF RESOLUTION:** AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE; RATIFYING AN AMENDMENT TO THE INVESTMENT MANAGER AGREEMENT BETWEEN THE NAVAJO NATION AND WESTWOOD MANAGEMENT CORPORATION, PROVIDING SMALL AND MEDIUM CAPITALIZATION EQUITY STRATEGY INVESTMENT SERVICES FOR THE RETIREMENT FUND OF THE NAVAJO NATION AND PARTICIPATING AFFILIATES

**PURPOSE:** This resolution, if approved, will amend the Retirement Fund Investment Manager Agreement with Westwood Management Corporation.

**This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.**

5-DAY BILL HOLD PERIOD: A. Johnson  
Website Posting Time/Date: \_\_\_\_\_  
Posting End Date: 04-12-23  
Eligible for Action: 04-13-23

1 PROPOSED STANDING COMMITTEE RESOLUTION  
2 25<sup>th</sup> NAVAJO NATION COUNCIL - First Year, 2023

3 Introduced by:

4  
5 \_\_\_\_\_  
6 Primary Sponsor

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8 Tracking No. 0073-23



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10 AN ACTION

11 RELATING TO THE BUDGET AND FINANCE COMMITTEE; RATIFYING  
12 AN AMENDMENT TO THE INVESTMENT MANAGER AGREEMENT  
13 BETWEEN THE NAVAJO NATION AND WESTWOOD MANAGEMENT  
14 CORPORATION, PROVIDING SMALL AND MEDIUM CAPITALIZATION  
15 EQUITY STRATEGY INVESTMENT SERVICES FOR THE RETIREMENT  
16 FUND OF THE NAVAJO NATION AND PARTICIPATING AFFILIATES

17  
18 SECTION ONE. AUTHORITY

- 19 A. The Budget & Finance Committee of the Navajo Nation Council is empowered with  
20 authority over "budget, finance, investment, bonds, contracting, insurance, audits,  
21 accounting, taxes, loans, Chapter budget and finance for the following purposes: 1) [t]o  
22 coordinate, oversee, regulate the fiscal, financial, investment, contracting and audit  
23 policies of the Navajo Nation." 2 N.N.C. §300(C) and §300(C)(1).
- 24 B. The Budget & Finance Committee is further empowered to coordinate and review all  
25 fiscal, financial, and investment activities of the Navajo Nation. 2 N.N.C. §301(B)(5).
- 26 C. The Navajo Nation Council established the Navajo Nation Investment Committee by  
27 Resolution No. CAU-39-73, as an advisory group to the Budget & Finance Committee  
28 regarding management of the Navajo Nation's investments.
- 29 D. The Budget & Finance Committee has adopted investment policies for all Navajo  
30 Nation financial resources, including the Navajo Nation's Master Investment Policy.

1           See Resolution Nos. BFO-61-90, BFJY-114-03, BFJA-01-08, BFJN-17-15, BFD-38-  
2           17, BFD-41-17, BFD-45-18, and BFAP-08-21. The Budget and Finance Committee  
3           approved the current version of the Master Investment Policy in BFO-33-22.

- 4           E. The Investment Committee is responsible for accepting or rejecting the Navajo  
5           Nation's Investment Consultant's recommendations for Investment Managers and  
6           agreements with such Managers, subject to the approval of each Investment Manager  
7           contract by the Budget and Finance Committee pursuant to §4.3(d) of the Master  
8           Investment Policy.

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10       **SECTION TWO. FINDINGS**

- 11       A. Investment Staff of the Navajo Nation Office of the Controller coordinated with the  
12       Navajo Nation's Investment Consultant, currently RVK, Inc. ("RVK"), and  
13       recommended to the Investment Committee the amendment of the Investment Manager  
14       Agreement ("Agreement") between the Navajo Nation and Investment Manager  
15       Westwood Management Corporation ("Westwood") in relation to the Agreement's fee  
16       structure.
- 17       B. The Navajo Nation Investment Committee reviewed the recommendation by the  
18       Investment Staff of the Navajo Nation Office of the Controller and the Navajo Nation's  
19       Investment Consultant, RVK, to amend the Investment Manager Agreement between  
20       the Navajo Nation and Westwood for small and medium capitalization equity strategy  
21       investment services for the Retirement Fund of the Navajo Nation and Participating  
22       Affiliates, which details are attached as **Exhibit A**.
- 23       C. The Navajo Nation Investment Committee approved the recommendation by the  
24       Investment Staff of the Navajo Nation Office of the Controller and the Navajo Nation's  
25       Investment Consultant, RVK, and recommends to the Budget and Finance Committee  
26       the ratification of the amendment of the Agreement between the Navajo Nation and  
27       Westwood, per resolution NNICF-01-23, attached as **Exhibit B**.

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29       **SECTION THREE. APPROVAL**

- 30       A. The Budget & Finance Committee accepts and approves the recommendation of the

1 Investment Committee, and hereby approves and ratifies amendment of the Agreement  
2 between the Navajo Nation and Westwood as set forth in **Exhibits A and B.**

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4 **SECTION FOUR. EFFECTIVE DATE**

5 This Action shall become effective upon certification of the presiding Chairperson of the  
6 Budget and Finance Committee.

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