

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0074-23\_

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 Navajo Nation Permanent Fund**

*Date posted:* April 07, 2023 7:40 PM

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**LEGISLATIVE SUMMARY SHEET**

Tracking No. 0074-23

**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 NAVAJO NATION PERMANENT FUND

**PURPOSE:** This resolution, if approved, will amend the Permanent 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.**

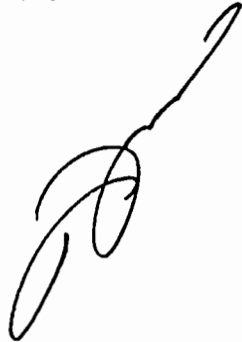
5-DAY BILL HOLD PERIOD: John  
 Website Posting Time/Date: \_\_\_\_\_  
 Posting End Date: 04-12-23  
 Eligible for Action: 04-13-23

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

Introduced by:

\_\_\_\_\_  
 Primary Sponsor

Tracking No. 0074-23



**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 NAVAJO  
 NATION PERMANENT FUND**

**SECTION ONE. AUTHORITY**

- A. The Budget & Finance Committee of the Navajo Nation Council is empowered with authority over “budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, Chapter budget and finance for the following purposes: 1) [t]o coordinate, oversee, regulate the fiscal, financial, investment, contracting and audit policies of the Navajo Nation.” 2 N.N.C. §300(C) and §300(C)(1).
- B. The Budget & Finance Committee is further empowered to coordinate and review all fiscal, financial, and investment activities of the Navajo Nation. 2 N.N.C. §301(B)(5).
- C. The Navajo Nation Council established the Navajo Nation Investment Committee by Resolution No. CAU-39-73, as an advisory group to the Budget & Finance Committee regarding management of the Navajo Nation’s investments.
- D. The Budget & Finance Committee has adopted investment policies for all Navajo 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 Navajo Nation Permanent Fund, which details are attached  
22 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-02-23, 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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