

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0075-23_

SPONSOR: Seth Damon

TITLE: An Act Relating to the Budget and Finance Committee; Approving Certain Amendments to the Navajo Nation Procurement Rules and Regulations Adopted in BFD-192-03, to Allow for Micro-Purchases of \$10,000 or Less, to Clarify the Definitions of “Goods” and “Services” and to Approve Other Revisions

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SUMMARY OF PROPOSED LEGISLATION

TrackingNo. 0075-23

Date: April 7, 2023

Re: **AN ACT RELATING TO THE BUDGET & FINANCE COMMITTEE;
APPROVING CERTAIN AMENDMENTS TO THE NAVAJO NATION
PROCUREMENT RULES & REGULATIONS ADOPTED IN BFD-192-03,
TO ALLOW FOR MICRO-PURCHASES OF \$10,000 OR LESS, TO
CLARIFY THE DEFINITIONS OF “GOODS” AND “SERVICES” AND TO
APPROVE OTHER REVISIONS**

Purpose of this Legislation:

to approve amendments to the Navajo Nation Procurement Rules & Regulations approved in 2003 in BFC-192-03.

OLC No. 23-134-1

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PROPOSED STANDING COMMITTEE RESOLUTION
25th NAVAJO NATION COUNCIL - First Year, 2023

Introduced by:



(Prime Sponsor)

Tracking No. 0075-23

AN ACT

RELATING TO THE BUDGET & FINANCE COMMITTEE; APPROVING CERTAIN AMENDMENTS TO THE NAVAJO NATION PROCUREMENT RULES & REGULATIONS ADOPTED IN BFD-192-03, TO ALLOW FOR MICRO-PURCHASES OF \$10,000 OR LESS, TO CLARIFY THE DEFINITIONS OF "GOODS" AND "SERVICES" AND TO APPROVE OTHER REVISIONS

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Budget & Finance Committee is a standing committee of the Navajo Nation Council with the responsibility to "protect the interests of the Navajo People through the prudent management of the financial reserves of the Navajo Nation and the use of funds available for expenditure by the Navajo Nation." 2 N.N.C. §300(C)(4).

B. The Budget & Finance Committee has authority over the Navajo Nation's Procurement Regulations, as delegated by the Navajo Nation Council in the Navajo Nation Procurement Act. 12 N.N.C. §320(A).

SECTION TWO. FINDINGS

A. In 2003 the Budget & Finance Committee adopted the Navajo Nation Procurement Rules & Regulations in Resolution No. BFD-192-03, which Regulations govern all procurements by

1 the Navajo Nation and Chapters that have not been local-governance certified under 26
2 N.N.C. §102. BFD-192-03 is incorporated herein by this reference.

3 B. Over the past two decades, the Purchasing Department and other Navajo Nation programs
4 have experienced problems and delay with respect to their procurements of goods and
5 services. The Navajo Nation's current version of the Procurement Rules & Regulations,
6 dating back to 2003, is extremely outdated and in need of revision.

7 C. One example of the problems experienced is that the current Regulations do not allow use of
8 the Navajo Nation's Purchase Card ("P-Card") for services purchased under a contract, and
9 the Regulations do not provide for micro-purchases. The Office of the Controller and others
10 believe that amending the current Regulations to establish new P-Card procedures and to
11 allow micro-purchases would greatly assist all Navajo Nation procuring parties to more
12 efficiently and cost-effectively purchase goods and services.

13 D. Recently, the Office of the President & Vice-President has spearheaded an effort to amend
14 the Procurement Rules & Regulations to accommodate the changing purchasing practices
15 within the Navajo Nation, to address the need for micro-purchases, and to make certain
16 purchases faster and more cost-effective. The proposed amendments to the Procurement
17 Rules & Regulations are attached hereto as **EXHIBIT 1**.

18 E. The proposed amendments were drafted by the Department of Justice, in cooperation with
19 staff from the Office of the Controller, the Division of General Services, the Office of the
20 President & Vice-President, and other Navajo Nation programs. These amendments were
21 also reviewed by the Office of Legislative Counsel, whose edits (no substantive changes to
22 the version provided by DOJ) are incorporated in the attached **EXHIBIT 1**.

23 F. In light of the above, the Budget & Finance Committee finds it in the best interest of the
24 Navajo Nation to approve the proposed amendments to the Navajo Nation Procurement
25 Rules & Regulations, as shown in the attached **EXHIBIT 1**.

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27 **SECTION THREE. APPROVING AMENDMENTS TO THE NAVAJO NATION**
28 **PROCUREMENT RULES & REGULATIONS**

29 The Budget & Finance Committee, pursuant to its authority under 12 N.N.C. §320(A), hereby
30 approves the amendments to the Navajo Nation Procurement Rules & Regulations that were

1 adopted in 2003 in Resolution No. BFD-192-03. Said amendments shall take effect on the
2 effective date of this Action.

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4 **SECTION FOUR. DIRECTIVES**

5 A. The Office of the Controller (“OOC”) and the Office of Management & Budget (“OMB”)
6 shall prepare a final, clean version of the Procurement Regulations with all amendments
7 shown in **EXHIBIT 1** incorporated therein. This final version shall be publicly posted on the
8 OOC and OMB websites, and shall be distributed to the Business Regulatory Office and the
9 Office of the President & Vice-President, and to others upon request.

10 B. All internal policies, procedures, and practices relating to procurement matters that are
11 currently used by Navajo Nation divisions, departments, offices, and programs, if any, shall
12 be revised as necessary to conform to the amendments approved herein.

13 C. All Navajo Nation divisions, departments, offices, programs, and other governmental
14 entities, including all Chapters that have not been local-governance certified under 26 N.N.C.
15 §102, shall begin using the newly amended Regulations approved herein, on the applicable
16 Effective Date as described in Section Five herein.

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18 **SECTION FIVE. EFFECTIVE DATE**

19 A. This Action shall become effective pursuant to 2 N.N.C. §221(C).

20 B. The newly amended Navajo Nation Procurement Regulations under **EXHIBIT 1** approved
21 herein shall apply prospectively to any/all procurement activities that have not been
22 commenced as of the Effective Date of this Action.

23 C. The newly amended Regulations approved herein shall not apply to procurements for which
24 solicitations have been issued as of the Effective Date of this Action; and shall not apply to
25 procurements for which procurement-related notifications have been sent, as of the Effective
26 Date of this Action, to Navajo vendors and businesses listed on the Business Regulatory
27 Department’s Source List.

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29 **SECTION SIX. SAVING CLAUSE**

30 If any part of this Action is invalidated by the Supreme Court of the Navajo Nation, or by any

1 Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the
2 remainder of this Action shall be the law of the Navajo Nation.

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