

RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
OF THE 22ND NAVAJO NATION COUNCIL

22ND NAVAJO NATION COUNCIL - FIRST YEAR, 2011

AN ACTION
RELATING TO RESOURCES AND DEVELOPMENT; COMMUNITY DEVELOPMENT;
CERTIFYING THE LEUPP CHAPTER'S FIVE MANAGEMENT SYSTEM POLICIES
AND PROCEDURES

BE IT ENACTED:

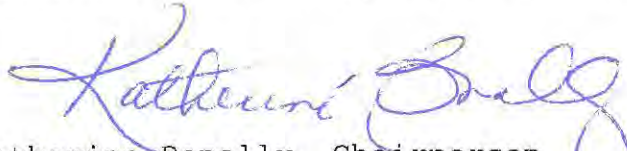
1. The Navajo Nation hereby finds that the Leupp Chapter's Five Management Systems Policies and Procedures adopted by resolution of the Leupp Chapter appear sufficient, if properly administered, to provide accountability in the five management areas of accounting, procurement, record keeping, personnel and property management, consistent with the Local Governance Act, 26 N.N.C. § 101 et seq. Attached as Exhibit A is the Office of Auditor General's memorandum recommending governance certification of the Leupp Chapter.

2. The Navajo Nation hereby certifies Leupp Chapter's Five Management System Policies and Procedures, attached as Exhibit B, pursuant to 26 N.N.C. § 102(B), which permits Leupp Chapter to exercise local governance authorities contained within 26 N.N.C. § 103, with the exception of land administration authority pursuant to 26 N.N.C. § 103(D)(1).

3. The Navajo Nation hereby directs the Office of the Auditor General to conduct a review of Leupp Chapter within one year of the date of passage of this resolution and to provide a written report to the Resources and Development Committee regarding the manner in which Leupp Chapter is operating pursuant to the governance certified five management system policies and procedures herein approved.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Resources and Development Committee of the Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote 3 in favor and 0 opposed, this 11th day of July, 2011.



Katherine Benally, Chairperson
Resources and Development Committee

Motion: David L. Tom

Second: Leonard H. Pete



LEUPP CHAPTER FIVE MANAGEMENT SYSTEM

April 14, 2011

LEUPP CHAPTER
P.O. Box 5085
Leupp, AZ 86035

Dear Chapter Officials:

We have completed our review of the Leupp Chapter Five Management System for the three month period ending January 31, 2011. The purpose of our review was to determine whether Leupp Chapter (Chapter) has met the objectives of a five management system, as defined by 26 Navajo Nation Code (N.N.C.), Local Governance Act.

Our review included obtaining an understanding of the internal control policies and procedures established by the Chapter's five management system, evaluating the design effectiveness of the internal control procedures, determining whether such procedures have been placed in operation and other procedures we consider necessary to form a conclusion on whether the Chapter has met the objectives of a five management system.

The Navajo Nation Local Governance Act, 26 N.N.C., defines a five management system to include accounting, procurement, record keeping, personnel, and property management. During our review, we evaluated Leupp Chapter's achievement of its Five Management System objectives in the areas of financial reporting, safeguarding of assets and compliance with laws and regulations. Our review did not include an evaluation of Leupp Chapter's operational effectiveness and efficiency beyond the five management system. Consequently, we provide no conclusion regarding the effectiveness and efficiency of the overall Chapter operations.

Background:

26 N.N.C. §101 requires chapter management to establish a five management system that provides reasonable assurance that:

- Financial transactions are authorized, valid and properly recorded to permit the preparation of basic financial statements and other financial reports.
- Assets are safeguarded against loss from unauthorized disposition or use.
- Chapter activities in the areas addressed by its five management system comply with applicable laws and regulations.

Review Results:

We noted no material weaknesses involving Leupp Chapter's Five Management System and its operation. A material weakness is defined as a condition in which the design or operation of one or more management control does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Auditing standards require us to note that an examination of this type does not necessarily disclose all matters in internal control that might be material weaknesses.

Accounting System:

Leupp Chapter's financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. We conclude that the Chapter's financial reporting is reliable and accurate for the purpose of the Chapter's current operations.

Conclusion:

Based on our review of the three-month period ended January 31, 2011, we concluded that the Leupp Chapter Five Management System provides reasonable assurance that financial reporting is reliable and accurate, assets are safeguarded from loss and applicable laws and regulations are complied with. Therefore, we recommend that the Transportation and Community Development Committee (TCDC) approve Leupp Chapter for governance certification within the meaning of 26 N.N.C. §102.

Limitations of a Five Management System:

Although we conclude that Leupp Chapter currently has an adequate five management system for financial reporting, safeguarding of assets or compliance with laws and regulations, we must note that any control system can only provide reasonable, not absolute, assurance that the Chapter will achieve its management system objectives. No control system can prevent all problems. In addition, the effectiveness of a control system changes over time.

Maintaining an adequate five management system designed to fulfill control objectives is the responsibility of Leupp Chapter management. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, controls that are effective now may later become deficient because of the performance of those responsible for applying them. Finally, future changes in the Chapter organization may


Ltr. to Leupp Chapter
Page 3

reduce the effectiveness of the controls established by the Chapter's Five Management System. In the event that the Chapter fails to maintain an effective five management system, the TCDC enacted resolution TCDC-94-98 to establish procedures to revoke chapter certification.

This report is intended solely for the information and use by the Transportation and Community Development Committee of the Navajo Nation Council, Leupp Chapter and others within the Navajo Nation Government for the purpose of governance certification under the Local Governance Act. This report is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the assistance of the Chapter staff and officials in completing this review. A memorandum to the TCDC indicating our favorable recommendation for governance certification of the Leupp Chapter Five Management System is forthcoming. If you have any questions, please call me at (928) 871-6303.

Sincerely,



Elizabeth Begay, CIA, CFE
Acting Auditor General

Enclosure

xc: Thomas L. Cody, President
Lorraine Jones-Noline, Vice-President
Rosita Ann Kelly, Secretary/Treasurer
Clara Tsosie, Community Service Coordinator
Walter Phelps, Council Delegate
LEUPP CHAPTER
Regina Allison, Senior Program/Project Specialist
LOCAL GOVERNANCE SUPPORT CENTER/WVA
Arbin Mitchell, Executive Director
DIVISION OF COMMUNITY DEVELOPMENT
Chrono

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Rosita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

Telephone: (928) 686-3227 or 3229

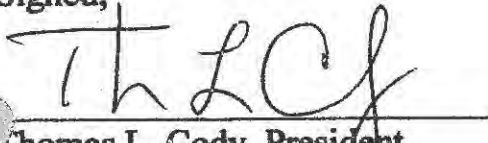
CPO Box 5428 Leupp, Arizona 86035


Facsimile: (928) 686-3232

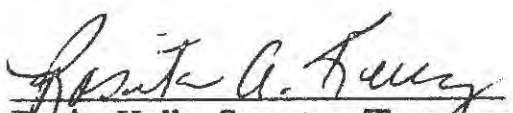
Sworn Declaration or Affidavit of Chapter.

We, the elected Officials of the Leupp Chapter swear and affirm under oath that the Chapter has adopted the Standard Five Management System as promulgated by the Navajo Nation Department of Justice as of June 8, 2010. We have not made any changes or alterations to the Standard Five Management System manuals as promulgated by the Navajo Nation Department of Justice as of June 8, 2010. We swear and affirm this with knowledge and understanding that criminal and civil legal penalties may result for false statements or material omissions related to this Declaration (or Affidavit).

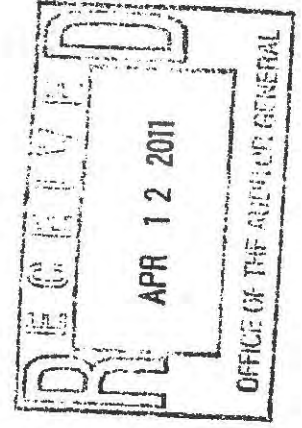
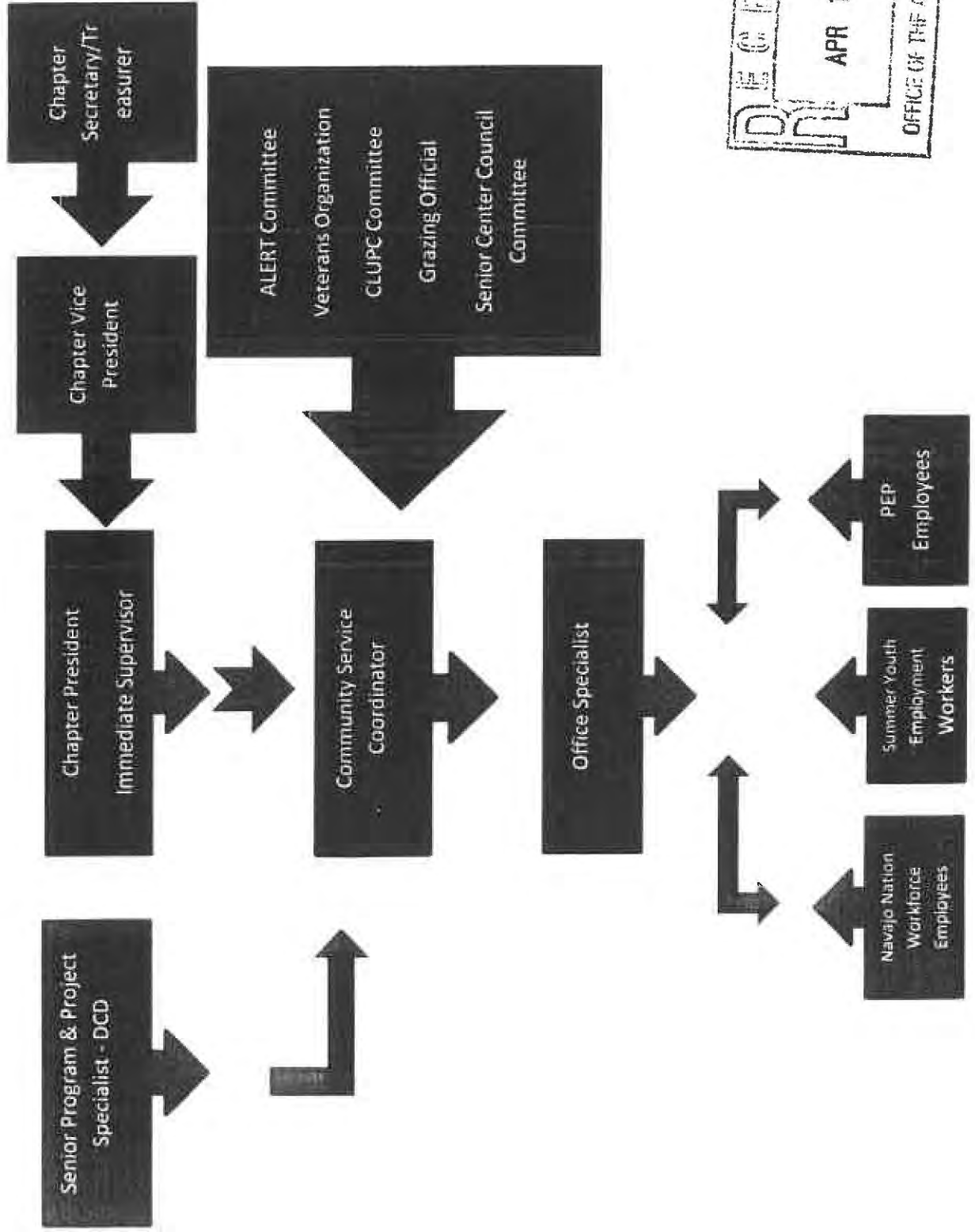
Signed,


Thomas L. Cody, President


Lorraine Jones-Noline, Vice President


Rosita Kelly, Secretary/Treasurer

LEUPP CHAPTER ORGANIZATIONAL CHART



Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Osita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

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CPO Box 5428 Leupp, Arizona 86035

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RESOLUTION OF THE LEUPP CHAPTER

**Western Navajo Agency
Resolution No: LP08-106-2010**

RECOMMENDING GOVERNANCE CERTIFICATION OF THE LEUPP CHAPTER'S FIVE MANAGEMENT SYSTEM POLICIES AND PROCEDURES BY THE TRANSPORTATION AND COMMUNITY DEVELOPMENT COMMITTEE OF THE NAVAJO NATION COUNCIL, PURSUANT TO THE LOCAL GOVERNANCE ACT 26 N.N.C. SECTION 102 (B).

WHEREAS:

1. The Leupp Chapter is a certified Navajo Nation Chapter government, and pursuant to Navajo Nation Council resolution CAP-34-98, is delegated governmental authority with respect to local matters consistent with Navajo Nation laws, including custom, tradition, and fiscal matters; and
2. The Leupp Chapter is a duly certified Chapter under the Navajo Nation Government and pursuant to 26 N.N.C., Section 3. There is a recognition of 110 Navajo Nation Chapters as being certified and enumerated at 11 N.N.C., Section 10 of which Leupp Chapter is included; and
3. On June 12, 2006, the Leupp Chapter approved and adopted the Five Management System Policies and Procedures consistent with the requirement of 26 N.N.C., Section 101; and
4. Pursuant to 26 N.N.C., Section 102 (B), the Auditor General's Office were the reviewer under Section 102 (B), but delegated the Local Governance Support Center (LGSC) Office at each perspective agencies to be the reviewer for the Chapter's; therefore, Local Governance Support Center – Western Navajo Agency Office has reviewed the Five Management System Policies and Procedures on August 09, 2010, and based upon their findings, and recommends to proceed with governance certification.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Leupp Chapter hereby recommends governance certification of the Chapter's Five Management System Policies and Procedures to the Transportation and Community Development Committee of the Navajo Nation Council.
2. The Navajo Nation Local Governance Support Center (LGSC) – Western Navajo Agency Office reviewed the Leupp Chapter's Five Management System Policies and Procedures. Based upon their findings, the LGSC recommends proceeding with governance certification.

hon. L. Cody, President
or. e Jones-Noline, Vice President
Ann Kelly, Secretary/Treasurer

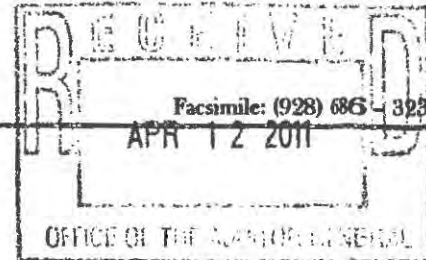


LEUPP CHAPTER

telephone: (928) 686 - 3227 or 3229

C.P.O BOX 5428, LEUPP, ARIZONA 86035

Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate



SIGN-IN SHEET:

Regular Chapter MEETING

DATE: August 08, 2010

1. [Signature] President
2. [Signature] Vice - President
3. [Signature] Secretary/Treasurer
4. [Signature] Council Delegate
5. [Signature] Council Delegate
6. [Signature] Grazing Official
7. [Signature] CSC
8. [Signature]
9. [Signature]
10. [Signature]
11. [Signature]
12. [Signature] - NWRC
13. [Signature]
14. [Signature]
15. [Signature]
16. [Signature]
17. [Signature]
18. [Signature]
19. [Signature]
20. [Signature]
21. [Signature] - Guest (NWRC)
22. [Signature]
23. [Signature]
24. [Signature]

25. [Signature]
26. [Signature]
27. [Signature]
28. [Signature]
29. JOHN LOEPON
30. MIKE FOLEY
31. Juanita Luther
32. Gimbra Nez
33. [Signature]
34. [Signature]
35. [Signature]
36. [Signature]
37. [Signature]
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48. _____

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Rosita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

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Chapter Meeting 2 P.M., Sunday, August 08, 2010 Leupp Chapter, Leupp, Arizona

I. PRELIMINARIES

A. Meeting called to order at 2:43 p.m.

Mr. Thomas L Cody, President

B. Invocation:

Mr. Allen Scott

C. Review and Adopt Agenda.

Ms. Lorraine Jones-Noline, Vice-President

Motion: Allen Scott 2nd: Nellie Cody, Vote: In Favor: 17 Oppose: 0 Abstentions: 14. Motion carries.

D. Review and Adopt meeting minutes.

Motion: Johnny K. Thompson 2nd: Woodty Smith Vote: In Favor: 22 Oppose: 0 Abstentions: 7. Motion carries.

II. INTRODUCTIONS:

1. Darrin Womble, Justice of the Peace for Flagstaff Precinct. Mr. Womble goes over the responsibility of a person in the capacity of Justice of the Peace.
2. Avatar Kahlsa, Justice of the Peace for Flagstaff Precinct. Mr. Kahlsa goes over his experience and platform for this position.

III. OLD BUSINESS

1. Supporting The Proposed Northeast Arizona Indian Water Rights Settlement Agreement to Resolve the Water Rights Claims of the Navajo Nation and Hopi Tribe to Water from the Lower Basin of the Colorado River in Arizona, including the Little Colorado River System and the Gila River System, and Recommending to the Navajo nation Council the Approval of the Settlement Agreement. Leo Manheimer
Motioning parties: 1st Arlene Jensen 2nd Peggy James Vote: In favor __, Oppose: __ Abstentions: __
Due to loss of quorum, this item will be revisited at September 2010 chapter meeting.

IV. NEW BUSINESS:

2. Receiving Report from El Paso Natural Gas. Ed Sanchez and Norman Kaye.
Mr. Kaye presents on Public Safety. Mr. Kaye explains the procedures involved in repairs and replacement of gas pipes and the noise it makes once the work is completed and the lines are reopened. A couple of months ago work was done on the gas line and some people became alarmed and called agencies regarding safety. The people did the right thing and reported a suspicious sound coming from the lines. Mr. Kaye explained to the people the procedures and what is expected from such activities.
Motioning parties: 1st Lola Scott 2nd Nellie Cody Vote: In favor 23, Oppose: 0 Abstentions: 7. Motion carries.
3. Recommending Governance Certification of the Leupp Chapter's Five Management System Policies and Procedures by the Transportation and Community Development Committee (TCDC) of The Navajo Nation Council Pursuant to the Tribal Governance Act of 2004 (25 U.S.C. Sec. 102 (d)).
Motioning parties: 1st Johnny K. Thompson 2nd Nellie Cody Vote: In favor 23, Oppose: 0 Abstentions: 7. Motion carries.

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Aita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Walter Phelps, Council Delegate
Clara Tsosie, Community Service Coordinator

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**To Leupp Chapter Community Members
And To All Concerned**

RE: Five Management System Overview Public Hearing with a Regular Chapter Meeting.

On August 08, 2010 the Leupp Chapter had a Regular Chapter Meeting which included the Recommendation of Governance Certification of the Leupp Chapters' Five Management System Policy and Procedures. During this Regular Chapter meeting I, Thomas L. Cody, Chapter President and Clara Tsosie, Community Service Coordinator briefly went over the Five Management System which includes the Fiscal Policy and Procedures; Personnel Policy and Procedures; Procurement Policy and Procedures; Property Policy and Procedures; and Records Management Policy and Procedures.

Fiscal Policy & Procedures – I briefly went over the Roles and Responsibility of the Chapter Officials and Chapter Administration, Accounting System Requirements, Chapter Operating Budget, Internal Control Policies and Procedures.

Personnel Policy & Procedures – I briefly went over the Personnel Policies Manual, Management & Supervisory Responsibilities, Employment Practice, Recruitment & Selection, Employment Status, Classification of Positions, Salary and Wage Administration, Employee Benefits, Leave Administration, Changes in Assignment, Discipline of Employees, Employee Grievance, Termination of Employment, Conduct of Employees, Office & Workstation Regulations, Personnel Records, and Veterans Preference.

Procurement Policy & Procedures – I briefly went over the Authorization, Purpose & Scope, Procurement Policies, General Duties and Responsibilities of the Chapter Officials and Chapter Administration, Purchasing Systems & Procedures, Bidding & Contracting for Procurement Exceeding \$50,000.00, Inspection, Acceptance or Rejection, and Inventory Control.

Property Policy & Procedures – I briefly went over the Authorization, Purpose, Scope of Policy, General Statement of Policies, Duties & Responsibilities of Chapter Officials and Chapter Administration, Property Acquisition, Property Identification, Classification and Records, Inventory of Property, Lost, Stolen, and Damaged Property, Property

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Sita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Walter Phelps, Council Delegate
Clara Tsosie, Community Service Coordinator

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Maintenance & Storage, Loan, Rental and use of Chapter Property, Property & Equipment Insurance, and Property Disposition.

Records Management Policy & Procedures – I briefly went over the Authorization, Purpose & Scope of Policy, Applicable Laws, General Statement of Records Policies, General Duties & Responsibilities of Chapter Officials & Chapter Administration, Files, Classification of Records, Accessibility and Retrieval of Records, Denial and Appeal of Records, Protection, Backup of Public & Protection of Records, Transfer of inactive Records & Disposal of Records.

If there should be questions, please do not hesitate to contact Leupp Chapter at (928)686-3227.

Sincerely,

**Thomas L. Cody, President
LEUPP CHAPTER**

FISCAL POLICIES & PROCEDURES MANUAL W/EXHIBITS

PROCUREMENT POLICIES & PROCEDURES MANUAL W/EXHIBITS

RECORDS POLICIES & PROCEDURES MANUAL W/EXHIBITS

PERSONNEL POLICIES & PROCEDURES MANUAL W/EXHIBITS

PROPERTY POLICIES & PROCEDURES MANUAL W/EXHIBITS

IN HOUSE POLICIES

LEUPP CHAPTER
FISCAL POLICIES
AND
PROCEDURES

LEUPP CHAPTER
FISCAL POLICIES & PROCEDURES

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LEUPP CHAPTER

FISCAL POLICIES AND PROCEDURES MANUAL

I. AUTHORIZATION

- A. Pursuant to 26 N.N.C. § 101 (A), the *Leupp Chapter* is required to adopt and operate under a Five Management System to ensure fiscal accountability. The *Leupp Chapter* shall also develop the Five Management Systems Policies and Procedures Manual consistent with applicable Navajo Nation law.
- B. Pursuant to *Leupp Chapter* Resolution No. LP08-106-2010, the *Leupp Chapter* Fiscal Policies and Procedures Manual is hereby approved and adopted.

II. PURPOSE AND SCOPE

- A. Principles:
The Fiscal Manual is a statement of policies and procedures which provides for planning, organizing, directing, and controlling the limited resources of the *Leupp Chapter*. The Fiscal Manual will guide the *Leupp Chapter* to achieve its desired mission, goals and objectives, and to ensure compliance with governmental requirements.
- B. Compliance:
The general principles of this policy are applicable to all employees, both regular status and temporary, of the *Leupp Chapter*, including *Leupp Chapter* Officials. The *Leupp Chapter* Officials, *Leupp Chapter* Manager, and *Leupp Chapter* Administrative Assistant will monitor the financial management system to ensure fiscal records are maintained and that this Policy is enforced.

III. APPLICABLE LAWS

The *Leupp Chapter* shall comply with all applicable state, federal and Navajo Nation laws.

IV. ROLE OF THE LEUPP CHAPTER OFFICIALS

- A. The *Leupp Chapter* President shall:
 - 1. Work closely with the *Leupp Chapter* Vice-President and *Leupp Chapter* Secretary/Treasurer, to ensure that the *Leupp Chapter* Administration is adequately meeting the *Leupp Chapter*'s directives and expending funds consistent with conditions set by the Navajo Nation Council and/or the *Leupp Chapter*'s annual budgetary objectives, and shall report to the *Leupp Chapter* Membership. 26 N.N.C § 1001 B (1) (j). The *Leupp Chapter* President shall ensure that any regulations, terms and conditions, assurances, and certification requirements of funding agencies other than the Navajo Nation are also met.

- B. **The *Leupp Chapter* Vice-President shall:**
1. In the event the *Leupp Chapter* President is not available, assume the role of the *Leupp Chapter* President and perform in that capacity.
- C. **The *Leupp Chapter* Secretary/Treasurer shall:**
1. Monitor the maintenance of an adequate accounting system to ensure accountability of all funds and expenditures, and shall report to the *Leupp Chapter* Membership. 26 N.N.C. § 1001 (B) (3) (h).
 2. Co-sign all checks along with the *Leupp Chapter* Manager. In the event the *Leupp Chapter* Secretary/Treasurer is unavailable, the *Leupp Chapter* President or *Leupp Chapter* Vice-President may co-sign checks. 26 N.N.C., § 1001 B (3) (I). Any such co-signature by the *Leupp Chapter* President or *Leupp Chapter* Vice-President shall require a justification memorandum.
 3. Consult with other *Leupp Chapter* Officials to ensure that the *Leupp Chapter* administrative personnel prepare all financial reports and accounting records by fund source categories. The *Leupp Chapter* Secretary/Treasurer is responsible for providing all financial reports to the *Leupp Chapter* Membership at a duly called *Leupp Chapter* Meeting. 26 N.N.C. § 1001 (B) (3) (I).
- D. *Leupp Chapter* Officials are prohibited from direct involvement in the management and operation of the *Leupp Chapter* administration. 26 N.N.C. § 1001 (E).
- E. *Leupp Chapter* Officials are prohibited from conducting financial transactions three (3) months before or after the general election for *Leupp Chapter* Officials, *except* for general operation costs.
- F. *Leupp Chapter* Officials shall attend, upon taking the oath of office, a training session on Ethics in Government sponsored by the Ethics and Rules Office of the Navajo Nation. *Leupp Chapter* Officials shall maintain a high standard of conduct in all *Leupp Chapter* business consistent with Navajo law, including the Local Governance Act and the Navajo Nation Ethics in Government Law. *Leupp Chapter* Officials are prohibited from rendering opinions, directions or decisions contrary to the sound practice of leadership or contrary to the best interest of the *Leupp Chapter*. 26 N.N.C. § 1001 (I).
- G. *Leupp Chapter* funds shall not be used for personal, business or other forms of loans. Per capita distribution of funds by the *Leupp Chapter* is prohibited. 26 N.N.C. § 2003 (D).
- H. In accordance with the exception provided in 12 N.N.C. § 820 (N), funds appropriated to the *Leupp Chapter* by the Navajo Nation Council shall not be subject to a lapse of appropriation at the end of the fiscal year provided that the *Leupp Chapter* shall budget those funds in the subsequent fiscal year in accordance with the purposes

and conditions originally set forth by the Navajo Nation Council in its appropriations.

V. ACCOUNTING SYSTEM REQUIREMENTS

A. Policy:

Standards for the *Leupp Chapter* accounting system shall be the following:

1. The *Leupp Chapter*'s accounting system shall be on a cash-basis method of accounting; therefore, the *Leupp Chapter* shall be deviating from the Generally Accepted Accounting Principles (GAAP) with respect to the basis of accounting.
2. The *Leupp Chapter* shall have a records system capable of identifying the source and use of funds.
3. The *Leupp Chapter* shall have a system of internal control procedures to ensure funds are used properly.
4. The *Leupp Chapter* shall have a system for disclosing and reporting the financial position and results of the *Leupp Chapter* operation on a monthly, quarterly and annual basis.
5. The *Leupp Chapter*'s financial activities shall be audited biennially.

B. Fund Accounting:

1. The accounts of the *Leupp Chapter* shall be organized by funds and account groups, each of which will be considered a separate accounting entity for financial reporting purposes. Each fund will maintain a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, reserve and budgeted expenditures. The funds are governmental fund types and shall be grouped as a General Fund and a Special Revenue Fund(s).
2. The General Fund is the general operating fund of the *Leupp Chapter*. It shall be used to account for all financial resources except those required to be accounted for in another fund.
3. The Special Revenue Fund(s) is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

C. *Leupp Chapter* will maintain the following funds, including but not limited to the following:

General Activities Fund	Scholarship Fund
Local Governance Act Fund	Housing Discretionary Fund
Stipend Fund	Maintenance/Utilities Fund
Public Employment Project Fund	Emergency Fund
Land Claims Trust Fund	Student Employment Fund
Veterans Fund	Sales Tax Revenue

D. Financial Accounting Records:

1. The *Leupp Chapter's* accounting system consists of accounting records and procedures, which allow the *Leupp Chapter* to identify, assemble, analyze, classify, record and summarize its financial transactions and report on its financial position and results of operation.
2. The primary objectives of the *Leupp Chapter's* accounting system are to provide reliable and consistent financial information on a timely basis, safeguard the *Leupp Chapter's* assets, and to provide reasonable assurance that the *Leupp Chapter* complies with all applicable laws and regulations.
3. The *Leupp Chapter's* accounting records provide the documentary support for account balances and must be properly maintained to provide fiscal accountability for the *Leupp Chapter*. Accounting records include source documents, journals, registers, ledgers and other supplementary records.
4. The *Leupp Chapter* will maintain all accounting records in accordance with the *Leupp Chapter Records Management Policy and Procedures Manual*.

VI. LEUPP CHAPTER OPERATING BUDGET

- A. It shall be the *Leupp Chapter's* policy that no expenditure of *Leupp Chapter* funds shall be made without an approved annual budget and that no expenditures shall exceed the budgeted amounts without prior approval by the *Leupp Chapter* voting members.

Any person, agent or *Leupp Chapter* official misappropriating or misusing *Leupp Chapter* funds or property shall be subject to prosecution under the applicable laws of the Navajo Nation, and, if appropriate, under the laws of the federal government.

- B. The *Leupp Chapter* Fiscal Year shall begin October 01 and shall end September 30 of each calendar year.

C. Budget Preparation and Procedures:

1. Upon notification of the *Leupp Chapter's* base allocation from the Navajo Nation, the *Leupp Chapter* Manager, in consultation with the *Leupp Chapter* Officials, shall review and follow the budget instruction manual of the Navajo Nation Office of Management and Budget (OMB) when formulating the annual budget.
2. The *Leupp Chapter* Manager and *Leupp Chapter* officials will formulate a proposed budget using the Navajo Nation OMB budget forms for all revenues the *Leupp Chapter* will receive or generate and for all expenditures the *Leupp Chapter* will make, including all Navajo Nation and non-Navajo Nation funds.
3. The proposed budget shall be based upon the goals and objectives established through budget hearings, which shall be held at least four (4) months before the end of the fiscal year (by June).

4. The *Leupp Chapter* Manager, in consultation with the *Leupp Chapter* Officials, shall prepare a proposed budget and schedule a public meeting to obtain input on the proposed budget from the *Leupp Chapter* Membership (which may be a duly-called regular *Leupp Chapter* Meeting).
 5. At least two (2) months before the beginning of each fiscal year (by August), the *Leupp Chapter* Manager and *Leupp Chapter* Officials shall prepare, present and explain the *Leupp Chapter* proposed annual budget to the *Leupp Chapter* Membership for discussion at a duly-called *Leupp Chapter* Meeting.
 6. The *Leupp Chapter* Membership shall vote to approve or disapprove the subsequent fiscal year's budget at a duly called regular *Leupp Chapter* Meeting in September. This regular *Leupp Chapter* Meeting will be publicly advertised at least (30) days in advance of said meeting by posting notices to inform the *Leupp Chapter* Membership of the intent to discuss and approve the subsequent fiscal year's annual budget.
 7. The approved *Leupp Chapter* operating budget may also include funds other than Navajo Nation appropriated funds as well as carryover of the previous fiscal year's unexpended funds, except where the funding agency(s) does not permit the carryover of funds.
 8. The *Leupp Chapter* Manager shall notify the *Leupp Chapter* Officials if any changes in the budget are necessary after the budget's adoption. At the next duly-called Planning meeting, the *Leupp Chapter* Officials will discuss any proposed amendments or modifications to the budget.
 9. The *Leupp Chapter* Manager will present in full detail all proposed budget related documents for review by the *Leupp Chapter* Membership prior to approval of amendments. The proposed budget amendment(s) will be forwarded to the next scheduled *Leupp Chapter* meeting for discussion and approval by the *Leupp Chapter* Membership.
 10. All modifications or revisions during that fiscal year will be by budget transfers, and shall require *Leupp Chapter* Membership approval. The *Leupp Chapter* Manager will prepare and present the request for budget transfers.
 11. The *Leupp Chapter* Manager will establish fund and subsidiary ledgers based on the *Leupp Chapter*-adopted budget for each *Leupp Chapter* fund. The *Leupp Chapter* Manager will refer to these ledgers during the course of the fiscal year when reviewing expenditures, purchase requests, and transfers.
- D. The *Leupp Chapter* Administrative Assistant will maintain current records of all financial transactions at all times, including budget modifications or transfer(s) of funds.

VII. INTERNAL CONTROL POLICIES AND PROCEDURES

It is the policy of the *Leupp Chapter* to establish internal controls to ensure its assets and resources are protected against waste, fraud, and inefficiency, and to ensure that accounting data are accurate, dependable and compliant with any regulations, terms and conditions, assurances, and certification requirements of funding agencies.

A. Cash Receipts:

1. Cash Receipts Control Policies:

- a. The *Leupp Chapter* administrative staff will use a two-copy receipt form to record all cash received whether by check, money order, or currency. The cash receipt forms will be pre-numbered.
- b. All checks and money orders received shall be endorsed "for deposit only" immediately upon receipt.
- c. Cash receipts shall be deposited (if practical) on a weekly basis to the *Leupp Chapter's* checking account.
- d. Cash receipts shall be adequately contained in a cash box and further safeguarded in a safe or locked file cabinet at all times, promptly recorded, and accurately classified.
- e. The handling of all cash receipts shall be segregated to ensure that no one employee (cash custodian) is in a position to solely collect, deposit, safeguard and reconcile all cash receipts.
- f. Cash receipts shall not be co-mingled with petty cash or be used as cash disbursements for any expenditures, including travel, salary advances, or personal loans.
- g. The *Leupp Chapter* Administrative Assistant shall be designated the custodian of cash receipts by *Leupp Chapter* resolution.

2. Cash Receipt Control Procedures:

- a. Upon receipt by mail or other means, the *Leupp Chapter* Administrative Assistant shall record all cash received, whether check or currency, on a two-copy pre-numbered receipt form which shall be recorded in the cash receipt journal on a daily basis.
- b. The *Leupp Chapter* Administrative Assistant shall ensure all checks or money orders are immediately stamped with a restrictive endorsement.
- c. All cash receipts shall be recorded in ink on the cash receipt form daily, and which shall include the following: (1) the payer's name; (2) the purpose of the cash receipt; (3) the amount received, including check or money order numbers and the bank that the check is drawn on; (4) the date received; and (5) the initials and position of the person receiving the money. The *Leupp Chapter* Administrative Assistant will record all cash received in the cash receipts journal at the end of each day.

- d. The *Leupp Chapter* Administrative Assistant shall mail or give an original copy of the receipt form to the person or organization from which the money is received.
- e. The *Leupp Chapter* Administrative Assistant shall safeguard all un-deposited cash receipts in a locked cash box and safe at all times.
- f. The *Leupp Chapter* Administrative Assistant shall prepare the bank deposit slips and forward all cash receipts and restrictively endorsed checks, including the cash receipt book, cash log, and cash receipts journal to the *Leupp Chapter* Manager for reconciliation.
- g. The *Leupp Chapter* Manager shall ensure that the deposit amount reconciles with the total cash receipts in the cash receipts journal and shall initial the cash receipts journal to indicate the reconciliation was completed and shall resolve any variances.
- h. The *Leupp Chapter* Manager shall deposit the monies into the *Leupp Chapter's* bank account on a weekly basis or as practical. The *Leupp Chapter* Manager shall deposit all monies within ten days of receipt.
- i. The *Leupp Chapter* Manager shall obtain a deposit receipt and return the duplicate deposit receipt to the *Leupp Chapter* Administrative Assistant who shall record the deposit in the appropriate check/savings fund and subsidiary ledgers when updating the *Leupp Chapter* books.
- j. On a monthly basis, the *Leupp Chapter* Manager shall reconcile the cash receipts records to deposits and actual cash by comparing receipts and deposits. The aggregate amount of receipts issued should equal the amount deposited in the bank.
- k. In the event of any discrepancies or variances in receipts and deposits, the *Leupp Chapter* Manager/*Leupp Chapter* Administrative Assistant shall immediately report said discrepancies or variances to the *Leupp Chapter* Officials at a regular Planning Meeting. Any variances shall be investigated and resolved. If the *Leupp Chapter* Manager/Officials determine any negligence or willful wrongdoing on the part of the *Leupp Chapter* staff, he/she shall take immediate action in accordance with the policies set forth in the *Leupp Chapter* Personnel Policies and Procedures Manual.
- l. Once any variance or discrepancy is resolved, the *Leupp Chapter* Manager shall adjust the cash receipts journal and shall document the basis for the adjustment in the *Leupp Chapter* records.
- m. The *Leupp Chapter* Secretary/Treasurer will report the cash receipts as part of the monthly financial reporting to the *Leupp Chapter* Membership at all duly called regular *Leupp Chapter* Meetings.

B. Cash Disbursements:

1. Cash Disbursement Policies:

- a. The handling of all cash disbursements shall be properly segregated to insure that no single employee is in a position to authorize, execute, and/or approve all phases of cash disbursements.
- b. All disbursements (payments) shall be made by check only from the *Leupp Chapter* general checking account, and not from the savings account.
- c. The *Leupp Chapter Manager* and the *Leupp Chapter Secretary/Treasurer* will co-sign all checks for payment. In the event the *Leupp Chapter Secretary/Treasurer* is unavailable for co-signature, the *Leupp Chapter President* or *Leupp Chapter Vice-President* will be authorized to co-sign checks as the secondary signatory. Co-signature by the *Leupp Chapter President* or *Leupp Chapter Vice-President* shall require a justification memorandum. Two signatures shall be required for all checks.
- d. All checks will be pre-numbered and the *Leupp Chapter Administrative Assistant* shall maintain a log of the numbered checks held by the *Leupp Chapter*. The checks shall contain the name and address of the *Leupp Chapter*, the bank drawn on, and the account number at the bank.
- e. The *Leupp Chapter* chart of accounts shall be used to determine the appropriate accounts to which the disbursement will be charged.
- f. No checks shall be written out to "cash" or bearer; and no blank check shall be signed before it is completely filled out.
- g. The *Leupp Chapter* is prohibited from making monetary loans to individuals using *Leupp Chapter* funds.
- h. All disbursement transactions shall be reconciled on a monthly basis to ensure funds are disbursed with proper approval, based on adequate documentation and in compliance with funding guidelines and budget stipulations.
- i. All paid invoices and supporting documentations shall be properly defaced by indicating "paid", amounts paid, and date, to avoid duplicate payments.
- j. Disbursements of funds which were not budgeted are prohibited. Disbursements of *Leupp Chapter* funds require *Leupp Chapter Membership* approval during a scheduled regular *Leupp Chapter Meeting* to be documented in the *Leupp Chapter meeting minutes*.
- k. All restricted funds shall be properly budgeted before funds are expended.
- l. The *Leupp Chapter Secretary/Treasurer* and *Leupp Chapter Manager* shall ensure compliance with all fund disbursements and monitor payables.

- m. The *Leupp Chapter* shall submit timely payments to take advantage of any purchase discounts or payment-term discounts.
2. Cash Disbursements control procedures:
- a. The *Leupp Chapter* Administrative Assistant shall prepare a Fund Approval Form indicating the date, amount, check number, account number and fund availability.
 - b. The *Leupp Chapter* Administrative Assistant shall ensure that the Fund Approval Form indicates payment authorization and that all source documents (i.e., invoices, quotes, claim forms, timesheets and similar documents) support each fund disbursement before preparing a check for payment.
 - c. The *Leupp Chapter* Administrative Assistant shall upon receipt of goods review all invoices to ensure completeness of the transaction and that those particular goods or services have been received. He/she shall then submit the payment authorization form to the *Leupp Chapter* Manager for payment approval or disapproval.
 - d. The *Leupp Chapter* Manager shall review each fund disbursement for necessity, reasonableness and budgetary authorization. He/she shall ensure that each fund disbursement (check) is payable to the vendor. The *Leupp Chapter* Manager and *Leupp Chapter* Secretary-Treasurer shall review the completed check with all supporting documentation before co-signing the check.
 - e. The original check shall be given to the *Leupp Chapter* Administrative Assistant for mailing, or distribution to the payee(s).
 - f. The *Leupp Chapter* Administrative Assistant shall ensure that all disbursements are recorded immediately in the check ledger and the subsidiary fund balance ledger.
 - g. When a check is written to a primary signatory (*Leupp Chapter* Manager or the *Leupp Chapter* Secretary-Treasurer), the *Leupp Chapter* President or the *Leupp Chapter* Vice-President shall substitute as co-signer. A memorandum of justification shall be required for the substitute signatory. When there is no substitute cosigner, the primary signatory, as payee, may sign the check provided all essential documents and a memorandum of justification are attached.

C. Bank Reconciliation Control Policies:

- 1. The following policies shall apply to bank reconciliation:
 - a. One person, who must be other than the primary signatories, shall be designated to prepare the bank reconciliation.
 - b. Reconciliation shall be accomplished within one day upon receipt of the bank statement.

- c. Any unexplained discrepancies shall be reported immediately to the *Leupp Chapter Manager* for corrective action.
- d. Any outstanding check that exceeds 90 calendar days from issue date shall be automatically voided. The 90 day stale-check notice should be printed on the *Leupp Chapter's* checks to provide additional notice to the payee (e.g. "this check void after 90 days.")

2. Bank Reconciliation Control Procedures:

- a. Upon receipt of the unopened bank statement and cancelled checks, the *Leupp Chapter Administrative Assistant* shall compare the cancelled checks to the Check Ledger to ensure that the numbers, dates, payees, and amounts are in agreement. Cancelled checks shall be examined for alterations, authorized signatures, and irregular endorsements.
- b. The *Leupp Chapter Administrative Assistant* shall prepare a list of outstanding checks. If the list of outstanding checks discloses checks that have been outstanding for three months (90 calendar days) or longer, the *Leupp Chapter Administrative Assistant* shall delete those checks from the list of outstanding checks and shall credit the checkbook register and the fund balance ledgers by the amount of the voided checks.
- c. All voided check(s) shall require proper justification from the payee and approval from the *Leupp Chapter Manager* prior to re-issuance. Any bank service fee incurred will be assessed to the payee.
- d. The *Leupp Chapter Administrative Assistant* shall compare the date and the amount shown on the bank statement to the validated bank deposit slips and checkbook register maintained on file, and shall prepare a listing of deposits in transit. Any variances shall be investigated, resolved and the checkbook register balance shall be adjusted as necessary. The *Leupp Chapter Administrative Assistant* shall record the bank charges indicated on the bank statement in the checkbook register.
- e. The *Leupp Chapter Administrative Assistant* shall begin with the bank statement ending balance and adjust as follows:
 - (+) Deposits in transit
 - (-) Outstanding Checks
 - (=) Month-end reconciled balance should be the same as the balance in the check ledger
- f. The *Leupp Chapter Manager* shall investigate all discrepancies and seek to resolve differences.
- g. The *Leupp Chapter Administrative Assistant* shall sign and date the computation and reconciliation. Once completed, the reconciliation, check

register, validated bank deposit receipt slips and bank statements shall be forwarded to the *Leupp Chapter Manager* for review.

- h. The *Leupp Chapter Manager* shall cross reference the documents received and review for accuracy and assurance immediately. If there are discrepancies, the *Leupp Chapter Manager* shall consult with the *Leupp Chapter Administrative Assistant* for appropriate action.
- i. The *Leupp Chapter Manager* shall review the reconciliation for accuracy and completeness and return the documents to the *Leupp Chapter Administrative Assistant* for filing.
- j. The *Leupp Chapter Administrative Assistant* shall file all completed reconciliation forms, bank statements, and cancelled checks by account and month.

D. Bank Accounts Control Policies:

- 1. The *Leupp Chapter* shall maintain only one checking account and one savings account at a federally insured depository institution; and:
 - a. All bank records shall be sent directly to the mailing address at: *Leupp Chapter*, C.P.O. Box 5428, Leupp, Arizona 86035.
 - b. A signature authorization card for each bank account shall be maintained and kept on file at the bank and at the *Leupp Chapter Administration Office*.
 - c. Upon a change in authorized bank account signatories by *Leupp Chapter* resolution, the *Leupp Chapter Administration* shall immediately notify the bank.
 - d. All bank accounts shall be held in the name of the *Leupp Chapter*.
 - e. Each Check issued shall have two required signatures.
 - f. The *Leupp Chapter* shall have its own employer identification number for its bank account, including for its investments and savings account.
 - g. The *Leupp Chapter* shall prohibit unauthorized direct cash withdrawals and ATM/debit cards bank transactions. However, the *Leupp Chapter* may make cash withdrawals for cash-only transactions (e.g. coal and medicine men's services), provided that the authorized signatories (e.g. *Leupp Chapter Secretary/Treasurer* and *Leupp Chapter Coordinator/Manager*) prepare and sign memoranda of authorization and justification. Moreover, all invoices and receipts

must be provided to the *Leupp Chapter* just as with all other financial transactions. Such a debit card must be prepaid only and the central account controlled by the *Leupp Chapter* Manager.

- h. All unissued checks will be safeguarded in a locked safe at the *Leupp Chapter* administrative offices.

E. Certificate of Deposits and Other Investments:

1. The *Leupp Chapter* may establish reserves for funds not budgeted for operations, and its policies shall include that:
 - a. Investments shall be limited to readily marketable and negotiable instruments that are low in risk.
 - b. Establishment of an investment account shall require community participation and approval by *Leupp Chapter* resolution.
 - c. Funds withdrawn from investment accounts shall be transferred by an approved *Leupp Chapter* resolution and only by authorized signatories to the checking or savings account in order to be expended.
 - d. Investment documentation shall include the investment accounts, maturity dates, the custodian, location, account numbers and changes in value, and shall be sent directly to the *Leupp Chapter's* mailing address.
 - e. Any changes to the investment(s) (i.e., withdrawals, sale, rollovers, etc.) shall be approved by the *Leupp Chapter* Membership at a regularly called *Leupp Chapter* Meeting.
 - f. All interest income received from interest bearing accounts shall revert to the General Activities Fund. This applies to all restricted and/or unrestricted funds. The interest income shall be recorded under line item interest income.
 - g. All original documents pertaining to investment accounts shall be properly secured in a locked safe at the *Leupp Chapter* Administrative Office.
2. Investment Control Procedures:
 - a. The *Leupp Chapter* Manager shall ensure that proper documents are maintained and that investments are recorded in the proper journals, ledgers, and financial statements on a monthly basis.

- b. The *Leupp Chapter* Manager shall record all interest income on a monthly basis to appropriate ledgers in the General Activities Fund.
- c. Upon request for investments of *Leupp Chapter* funds, the *Leupp Chapter* Manager shall provide pertinent information to the *Leupp Chapter* Officials and community members.
- d. The *Leupp Chapter* Manager shall consult with the *Leupp Chapter* Officials on a monthly basis in the event of any investment changes or activities.
- e. The *Leupp Chapter* Secretary/Treasurer shall maintain periodic monitoring over the investment and keep the community members informed of investment results at a regular *Leupp Chapter* Meeting.

F. Capital Assets:

1. Capital Asset Policy:

It shall be the policy of the *Leupp Chapter* that accurate and reliable records be maintained on all Capital Assets purchased or acquired by lease or lease/purchases. The records shall include a description of the asset, identification numbers, cost of the asset, date acquired, location, and custodial responsibility. Expected lifetime and depreciation records shall be maintained.

2. Capital Assets Control Procedures:

- a. The *Leupp Chapter* Administrative Assistant shall maintain the Capital Asset records. He/she shall insure that all Capital Assets are tagged with identification tags bearing a description, date acquired, and an identification number.
- b. The *Leupp Chapter* Administrative Assistant shall record and report in the *Leupp Chapter's* accounting financial records the total dollar value of inventory items and any changes to said inventory, including acquisition and disposition of Capital Assets and the funding source.
- c. The *Leupp Chapter* Administrative Assistant shall verify the inventory on an annual basis through a physical count. Any differences from the financial records shall be investigated for cause and the records adjusted. Any adjustment to the records shall require a justification memorandum and/or appropriate documentation.
- d. If there are no documents to show the cost of any *Leupp Chapter* Capital Asset, the value will be estimated by the *Leupp Chapter* Manager based on fair market value.
- e. The *Leupp Chapter* Manager shall be responsible for the disposition of these assets, and in the event of loss or theft, for which he/she is responsible, refer to *Leupp Chapter* Property Policy and Procedures Manual, Section X (B).

- f. The recording and reporting of the *Leupp Chapter's* Capital Assets into accounting records and financial statements will be the responsibility of the *Leupp Chapter* Administrative Assistant pursuant to *Leupp Chapter* Property Policy and Procedures Manual Section VIII.
- g. The Capital Assets account group shall be reported on the Combined Balance Sheet financial statement.
- h. The total of the Capital Asset inventory shall be entered into the Combined Balance Statement under Capital Assets column. An equal amount shall be entered into the statement under Investments column.
- i. All Capital Assets shall be identified by fund source.

G. Chart of Accounts:

- 1. The *Leupp Chapter*, pursuant to the Navajo Nation Local Governance Act (LGA) 26 N.N.C., Section 2003 (B) (1), is required to follow the Navajo Nation Budget Instructions Manual when formulating its annual base allocation *Leupp Chapter* budget. The *Leupp Chapter* will use the *Leupp Chapter* Chart of Accounts for all budget purposes and accounting system.
- 2. The *Leupp Chapter* Manager, in consultation with the *Leupp Chapter* Officials, will be authorized to make changes to the *Leupp Chapter* Chart of Accounts.

H. Payroll:

1. Payroll Control Policies:

The following policies shall be applied to ensure effective control over payroll and disbursement:

- a. The *Leupp Chapter* shall establish and maintain a salary and wage schedule. The *Leupp Chapter* will abide by the federal minimum wage law then in effect.
- b. Appropriate segregation of duties shall be maintained to ensure that *Leupp Chapter* employees are not in a position to authorize, execute and approve all aspects of payroll processing and disbursements.
- c. The *Leupp Chapter* shall operate under a cash basis of accounting; therefore, all payroll expenses will be recorded on the check date.
- d. The *Leupp Chapter* shall establish and maintain a system to account for the accrual and use of annual leave (compensatory, personal) and sick leave.
- e. The *Leupp Chapter* will follow all applicable Navajo Nation, state and federal laws and regulations relating to payroll.

- f. The *Leupp Chapter* shall have its own employer identification number for tax purposes when reporting and remitting applicable payroll taxes to the IRS.
- g. Personnel records on each employee shall be maintained at the *Leupp Chapter* administration on authorized *Leupp Chapter* Forms. These records include but are not limited to:
 - (a.) Personnel Action Form (PAF)
 - (b.) Employment Application Form
 - (c.) Employee's Federal Withholding Allowance Certificate (W-4)
 - (d.) Copy of Social Security Card
 - (e.) Voluntary Deductions Authorization
 - (f.) Employee Performance Evaluation Form
 - (g.) Arizona New Hire Form
 - (h.) Wage Garnishments
 - (i.) Parental Consent Form
 - (j.) Copy of voter registration

2. Payroll Processing and Procedures:

- a. The *Leupp Chapter* Administrative Assistant will record employee's Personnel Action Form information on the employee's earning subsidiary ledger. The ledger will contain the employee's name, social security number, mailing address, authorized pay rate, date of employment, payment due, hours earned, gross pay, withholdings for FICA and federal taxes, any other deductions, net pay and leave account.
- b. The immediate supervisor is responsible to maintain an attendance sheet on all *Leupp Chapter* employees. The attendance sheet shall be signed by *Leupp Chapter* employees each day to record employees' time of arrival and departure, including for public employment projects and student employment personnel. These records shall be provided weekly to the *Leupp Chapter* Administrative Assistant who shall forward these documents to the *Leupp Chapter* Manager for review. The *Leupp Chapter* Administrative Assistant shall retain these records and file them chronologically in accordance with the Records Management Policies and Procedures Manual.
- c. The *Leupp Chapter* Administrative Assistant is responsible for calculating the time and hours worked for each employee and shall enter the total hours on the timesheet. Timesheets shall also document regular and overtime hours worked, annual, sick leave and leave without pay taken during each pay period.
- d. The *Leupp Chapter* Administrative Assistant shall prepare payroll checks, attach all supporting documents and submit to the *Leupp Chapter* Manager for review and approval.

- e. The *Leupp Chapter Manager* shall review all timesheets, and sign the payroll checks. She shall then forward the payroll checks with applicable documentation for review and co-signature by the *Leupp Chapter Secretary/Treasurer*.
- f. After completing the signature requirement, the payroll checks shall be given to the *Leupp Chapter Administrative Assistant* for distribution. Each employee is required to personally obtain his or her check. In the event the employee is unable to pick up his/her check, the employee shall provide a written authorization to release his/her payroll check to the *Leupp Chapter Manager*. The written documentation shall contain the employee's social security number, address, signature and the name of the person designated to pick up the payroll check.
- g. The *Leupp Chapter Manager's* time and attendance and payroll check shall be reviewed and signed by the designated immediate supervisor. The *Leupp Chapter Officials* will decide among themselves who will be designated the local direct supervisor of the *Leupp Chapter Manager*.
- h. The *Leupp Chapter Administration* shall ensure that Worker's Compensation is available for all *Leupp Chapter* employees by paying requisite premiums to the Risk Management Department of the Navajo Nation. The *Leupp Chapter*, not the employee, is responsible for paying any premiums for Worker's Compensation coverage for its employees.
- i. The *Leupp Chapter* shall also participate in the State Unemployment Compensation Act Fund. The *Leupp Chapter Administration* is responsible for submitting the requisite contribution to the Department of Economic Security or Department of Employment Security on a quarterly basis.
- j. The *Leupp Chapter Administrative Assistant* shall prepare Social Security, Medicare (both employer and employee), and Employee Federal Taxes to be withheld on Form 8109, quarterly at the *Leupp Chapter's* designated banking institution. The *Leupp Chapter Administrative Assistant* shall ensure that timely deposits are made on the quarterly payroll tax deposit to avoid penalties. Form 941 shall be filed with the Internal Revenue Service on a quarterly basis according to the due dates set forth by the IRS. In the event the designations of these forms change, the *Leupp Chapter* shall comply with all Internal Revenue Service filing requirements. The *Leupp Chapter Administration* shall consult with Office of Management and Budget in November of each calendar year for any changes in Internal Revenue Service filing requirements.
- k. The *Leupp Chapter Administrative Assistant* shall prepare and submit an Internal Revenue Service Form 1099-MISC to each vendor to whom \$600 or more in fees, commissions, or other forms of compensation is paid. Such vendors include independent contractors, attorneys, accountants and other professionals contracted for services. These forms shall be submitted to the vendor by January 31st and to the Internal Revenue Service by February 28th of the following calendar year.

I. Travel Policies and Control Procedures:

1. It shall be the policy of the *Leupp Chapter* that only reasonable and necessary travel expenses are reimbursed and that the traveler shall submit a report for each trip describing what was accomplished and how the *Leupp Chapter* and community benefited from the travel.
2. The *Leupp Chapter* may issue pre-paid debit cards for an authorized amount to cover only reasonable and necessary travel expenses. Such a prepaid debit card must be prepaid only and controlled and issued by the *Leupp Chapter* Coordinator/Manager. The authorized signatories (e.g. *Leupp Chapter* Secretary/Treasurer and *Leupp Chapter* Coordinator/Manager) must prepare and sign memoranda of authorization and justification. As with reimbursement checks, the traveler shall submit a report for each trip describing what was accomplished and how the *Leupp Chapter* and community benefited from the travel. All receipts and invoices must be submitted to the *Leupp Chapter* Manager.
3. The designated duty station for *Leupp Chapter* Officials and *Leupp Chapter* employees is the *Leupp Chapter* house. This designated duty station will be used to calculate all travel mileage claims for meetings outside the designated duty station. For *Leupp Chapter* employees and *Leupp Chapter* officials, travel between an employee or *Leupp Chapter* official's home and duty station is not considered official travel.
4. Travel Authorization: Authorized travel expenses will include transportation, lodging, meals and other costs directly related to *Leupp Chapter* business travel conducted by a *Leupp Chapter* employee or *Leupp Chapter* official. All requests for travel funds are only reimbursable if funds are available in the *Leupp Chapter*'s approved budget. To reduce costs, travel shall be limited to the most cost efficient method of travel available.
5. Travel Advances: The *Leupp Chapter* will allow travel advances up to 80% of the total estimated travel expense. An employee/*Leupp Chapter* official can only have one outstanding pay advance at any one time. Any outstanding travel advances delinquent over ten (10) calendar days after completion of travel shall be deducted from the employee's salary or the *Leupp Chapter* official's meeting stipend.
6. Travel Expenses: The *Leupp Chapter* Officials and employees shall be reimbursed for reasonable expenses while on *Leupp Chapter* business travel including lodging, meals, transportation, telephone and for *Leupp Chapter* business related calls, email, and other incidental expenses, all of which shall require receipts in support of costs. The *Leupp Chapter* may pay any special fees in advance for the traveler, which may include seminars, symposium, registration fees, etc.
7. Transportation: The *Leupp Chapter* shall reimburse all necessary transportation expenses for private vehicles, commercial airfare, rental vehicles, and other modes of transportation. Receipts shall be required for airfare, taxis and buses. Reimbursements shall be made at a rate equal to the least expensive mode of transportation, which is reasonably available. If a personal vehicle is used on *Leupp Chapter* business, employees shall be reimbursed for actual mileage at the Navajo Nation established

mileage rate. If the traveler does not provide an odometer reading, the *Leupp Chapter* Administrative Assistant is required to use a mileage chart.

8. Meals and Incidental Expenses: The *Leupp Chapter* may establish a maximum amount allowable for reimbursement for meals, and incidental expenses. In any circumstances, the *Leupp Chapter* reimbursement rate for meals shall not exceed the Navajo Nation established rates. Meal expenses shall be reimbursable when incurred beyond a five (5) hour travel period or beyond a fifty (50) mile radius from the *Leupp Chapter* house. Meals provided at no additional cost to the traveler (such as meals included in travel, conference, etc.) shall not be reimbursed. The *Leupp Chapter* may prohibit employees and *Leupp Chapter* Officials from obtaining government credit cards for travel.
9. Each traveler shall submit the completed travel authorization (TA) form with attached receipts and a trip expense report stating the purpose of the trip, accomplishments and benefits to the *Leupp Chapter*, within ten (10) calendar days of his/her return. Failure to submit a trip expense report within ten (10) calendar days forfeits the traveler's right to reimbursement, unless reimbursement is approved by the *Leupp Chapter* Manager or designated *Leupp Chapter* Official for good cause shown. However, the traveler is still required to submit a trip report.
10. Travel Authorization (TA) Process and Payments:
 - a. A verbal travel request indicating the estimated travel costs and purpose shall be made to the *Leupp Chapter* Manager.
 - b. Upon approval the *Leupp Chapter* Administrative Assistant shall type and complete all requests for travel authorization.
 - c. The *Leupp Chapter* Administrative Assistant shall be required to obtain from each traveler proof of current insurance and a valid driver's license when the traveler is using his/her personal vehicle. Photocopies shall be obtained and filed.
 - d. The *Leupp Chapter* Administrative Assistant, after reviewing the TA, shall forward the TA for signature to the *Leupp Chapter* Manager.
 - e. If the traveler requests a travel advance, the *Leupp Chapter* Manager must first approve the advance before disbursement by the *Leupp Chapter* Administrative Assistant. The *Leupp Chapter* Manager approves any advance for *Leupp Chapter* Officials.
 - f. On completion of the signature requirement for the TA, the *Leupp Chapter* Manager shall return the travel documents to the *Leupp Chapter* Administrative Assistant.
 - g. The *Leupp Chapter* Administrative Assistant shall provide the TA to the traveler and file copies of the travel request documents.
 - h. Upon completion of travel, the employee/*Leupp Chapter* official shall submit a trip expense report to the *Leupp Chapter* Manager. The *Leupp Chapter* Manager shall review all supporting statements and calculate over or underpayment. Traveler shall remit payment within (10) ten working days to the *Leupp Chapter* for any overpayment, or said amount shall be deducted from the employee's salary or the *Leupp Chapter* official's meeting stipend.
 - i. The *Leupp Chapter* Manager, after approval of the trip expense report, shall return the travel documents to the *Leupp Chapter* Administrative Assistant

for preparation of the reimbursement check, and to file copies of the travel documents. The reimbursement check shall be co-signed by the required two signatures pursuant to Section V (C) (2). The check shall be made out to the traveler and disbursed by the *Leupp Chapter* Administrative Assistant.

J. Resale Inventory:

The development and implementation of the resale inventory policy prevents overstocking, shortage and loss as a result of theft, spoilage, breakage, etc.

1. The *Leupp Chapter* shall maintain detailed records of inventory items showing the description, cost, quantity and location.
2. The total dollar value of inventory items and the changes thereto shall be recorded in the *Leupp Chapter's* financial records.
3. Verification of inventory shall be made on a monthly basis through a physical count.
4. Any differences in the financial records shall be investigated for cause and the records adjusted accordingly.
5. The inventory shall consist of goods purchased and/or produced for resale. Examples of such inventory are hay, grain, craft items and fuel for households.
6. First-in-First-Out (FIFO) Inventory Method: *Leupp Chapter* shall use the FIFO inventory method. It is based on the assumption that the first items in are the first out of inventory. Under this method, the ending inventory balance will reflect the cost of the most recent purchases. The advantage of this method is that it gives an up-to-date inventory value.
 - a. The following example illustrates the use of the FIFO method for one inventory item under a perpetual inventory system. In this method, a cost must be assigned to each item of inventory purchased or sold.

Date	Quantity	Cost	Sale(s)	Adjmt	Quantity (On-hand)	Cost	Balance
03/02/06	100 bales	1.50	0		100	150.00	150.00
03/10/06	50 bales	1.60			50	230.00	380.00
03/15/06	100 bales	1.50	150.00		(100)	150.00	230.00
"	25 bales	1.60	40.00		25	40.00	270.00
03/20/06	25 bales	1.55			25	38.75	308.75
"	50 busted bales	1.50		75.00	(50)	75.00	230.00

- b. The *Leupp Chapter* shall also use the FIFO inventory method for all resale items. Determining the cost and value of the resale items will depend upon the following factors:

- (1.) Cost to produce the item

- (2.) Economic demand for the item
- (3.) Comparable price on the market
- (4.) *Leupp Chapter* approved amount (hay, grain, etc.)

7. The *Leupp Chapter* shall maintain support documentation on all inventory transactions on an ongoing basis. These inventory records shall reflect the inventory receipts, issuances and balances. The inventory record keeping and custodial functions shall be segregated for internal control measures.

- a. Inventory Sales Receipt (cash receipt): Pre-numbered and numerically controlled sales receipt forms shall be prepared in duplicate for each sale. Each form shall be properly prepared and have the following information: number and quantities issued; unit sale price; vendor; date; total amount of sales; and the signature of employee who sold the inventory. The inventory sale receipts shall be reconciled with the inventory records on a monthly basis, or whenever necessary.

8. Inventory Control Procedures:

- a. The *Leupp Chapter* Administrative Assistant, at the time of inventory count, shall obtain the current perpetual inventory record and cross reference items during a physical count to determine whether any items are missing, damaged, spoiled, or obsolete.
- b. The *Leupp Chapter* Administrative Assistant shall report any discrepancies in the inventory immediately to the *Leupp Chapter* Manager.
- c. The *Leupp Chapter* Manager shall review the inventory count listing and any findings by the *Leupp Chapter* Administrative Assistant. If there is a major deficiency or changes in the inventory not properly recorded, the *Leupp Chapter* Manager shall consult with the *Leupp Chapter* Officials as soon as possible, and correct the deficiencies with the *Leupp Chapter* Administrative Assistant. Any changes/corrections to the inventory shall be documented with a justification memorandum.
- d. It shall be the responsibility of the *Leupp Chapter* Administrative Assistant to handle all daily inventory record keeping. The *Leupp Chapter* Manager shall perform monthly physical count and reconciliation of cash receipt tickets to the inventory records. Nevertheless, it shall be the responsibility of the *Leupp Chapter* Administrative Assistant to handle all daily inventory record keeping and to perform monthly physical counts and reconciliation of cash receipt tickets to the inventory records.
- e. The *Leupp Chapter* Manager shall also ensure that fair market value will be used to determine the sale of any items that are for resale.

K. Financial Assistance:

No financial assistance shall be awarded without a *Leupp Chapter*-approved budget where the *Leupp Chapter*'s general funds are utilized. The *Leupp Chapter* Manager is authorized to

approve requests by simply complying with the respective budgets which have been approved by the *Leupp Chapter* Membership, and all financial assistance shall comply with applicable policies and procedures. Nevertheless, regardless of the type of assistance, the *Leupp Chapter* shall always comply with the following criteria for all financial assistance:

1. All recipients must be registered members of the *Leupp Chapter*.
2. All requests for assistance shall be documented on a standard assistance application form with supporting documents as required by the type of assistance requested (i.e. scholarship award will need transcripts, etc).
3. All assistance awarded shall be based on availability of funds and in accordance with the ceiling limits set forth in the policies approved by the *Leupp Chapter*.
4. Generally, checks shall be made payable directly to the vendor(s) and or institution(s). When allowable pursuant to *Leupp Chapter* approved policies and in accordance with Navajo Nation or other applicable law, check(s) may be made payable directly to the requestor.
5. Assistance shall be limited to once per family every 12 months, unless specified otherwise. For purposes of this section, "family" is defined as those persons related either by blood or marriage who reside at the same domicile. "Unless specified otherwise" means otherwise lawful expenditure of funds in extraordinary circumstances that are approved by community resolution.
6. Financial assistance includes but is not limited to the following:
 - a. Student Enrichment/Scholarship Financial
 - b. Housing material
 - c. Emergency (burnout; natural and man-made disasters)
 - d.

L. Financial Statements:

1. Policy:

The *Leupp Chapter* shall generate the following basic financial statements and prepare reports on the *Leupp Chapter*'s financial position and results of operations on a monthly basis in the following areas:

- a. Combined Statement of Revenues, Expenditures and Changes in Fund Balances- All Governmental Fund Types.
- b. Combined Balance Sheet - All Fund Types and Account Groups.
- c. Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General and Special Revenue Funds.

2. Procedures:

- a. The *Leupp Chapter* Manager shall prepare monthly financial statements and the *Leupp Chapter* Secretary/Treasurer shall present it to the community at a duly called *Leupp Chapter* Meeting following the end of the month.
- b. Within 60 days after the end of the fiscal year the *Leupp Chapter* Manager shall prepare the annual financial statements and forward to the *Leupp Chapter* Secretary/Treasurer to present to the community at a duly called *Leupp Chapter* Meeting.

M. Audit Requirements:

1. The *Leupp Chapter* shall obtain an audit of its financial operations at least every two years and which shall include funds received from all Navajo Nation, State, County Federal sources and other fund sources.
2. The *Leupp Chapter* may obtain the services of the Auditor General of the Navajo Nation, subject to sufficient resources at the Office of the Auditor General, or shall contract with an independent licensed Certified Public Accountant to conduct the biennial audit. The *Leupp Chapter* Manager, in consultation with the Auditor General, Navajo Nation, shall ensure that the independent Certified Public Accountant meets all requirements of the Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States.
3. In the process of selecting an auditor, the *Leupp Chapter* shall follow the policies and procedures established for procurement of professional services.
4. Upon completion of the audit, the auditors shall furnish a statement of findings on the results of the examination.
5. The *Leupp Chapter* shall conduct an exit conference between the auditor(s) and *Leupp Chapter* Officials to review the procedures taken by the auditor(s) and the findings identified. The *Leupp Chapter* Manager and *Leupp Chapter* officials may furnish written comments concerning the report which shall be incorporated into the overall report and submitted to the funding agency and to the *Leupp Chapter* Membership.

Procedures:

- a. The *Leupp Chapter* Manager, in consultation with the Auditor General, Navajo Nation, shall ensure that the independent licensed Certified Public Accountant meets all requirements of the federal General Accounting Office standards for the audit of governmental organizations and programs.
- b. The *Leupp Chapter* Manager and *Leupp Chapter* Officials shall have an entrance conference with the Auditor.
- c. The *Leupp Chapter* Manager and *Leupp Chapter* Administrative Assistant shall ensure that the Auditor receives all information requested.

- d. The *Leupp Chapter* Manager shall ensure that the auditor furnishes twelve certified copies of the audit results. The reports shall be prepared in accordance with the reporting standards published by the American Institute of Certified Public Accountants.
- e. The *Leupp Chapter* Manager and *Leupp Chapter* Officials shall have an exit conference with the Auditor.
- f. The *Leupp Chapter* Manager and *Leupp Chapter* Officials shall develop a Corrective Action Plan for any discrepancies cited.

N. Misuse of *Leupp Chapter* Funds or Assets:

Any individual, *Leupp Chapter* employee or *Leupp Chapter* official who witnesses or has knowledge of misuse of funds or financial improprieties shall immediately report the violation to the appropriate Navajo Nation entity or *Leupp Chapter* official. Each *Leupp Chapter* official and employee should understand that it is part of his/her fiduciary duty to report any and all violations.

Procedures:

- a. All *Leupp Chapter* Officials and *Leupp Chapter* employees shall refrain from making, participating in or influencing decisions where there is any real or potential conflict of interest. In the event of a real or potential economic conflict of interest where the *Leupp Chapter* official or employee is required to participate as part of his or her official duties, the individual shall write a justification memorandum disclosing the real or potential conflict of interest and the necessity for that individual's continued participation, a copy of which shall be provided to the Navajo Nation Ethics and Rules Office and the *Leupp Chapter* Administration. In the event that the individual does not properly disclose the real or potential conflict of interest to the Ethics and Rules Office and the *Leupp Chapter* Administration, any *Leupp Chapter* official or employee aware of the real or potential conflict of interest shall make said disclosure or take other action as appropriate.
- b. The *Leupp Chapter* Manager shall monitor all allocation of *Leupp Chapter* funds, property, or personnel to investigate alleged conflicts of interest or misuse of *Leupp Chapter* resources.
- c. The *Leupp Chapter* Manager shall report all alleged misuse of *Leupp Chapter* resources and assets to the proper authority.

VIII. DEFINITIONS

The language contained in this section applies to this Fiscal Manual:

- A. Accounting System – is the method and records established and maintained to identify, assemble, analyze, classify, record and report the *Leupp Chapter*'s financial transactions and to maintain accountability, in accordance with generally accepted accounting principles, of such transactions and related assets and liabilities.

- B. Assets – The total amount of petty cash, undeposited revenue, checking, saving and investment balances and resale inventory, and property and equipment that are recorded in the General Capital Assets Account Group.
- C. Bank Account – is any money held in a bank.
- D. Bank Reconciliation – is the verification of bank balances to the *Leupp Chapter* book balance.
- E. Bank Transfer – is funds transferred between *Leupp Chapter* bank accounts without withdrawing cash.
- F. Budget – a plan of financial operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them, it usually indicates a financial plan for a single fiscal year.
- G. Carry over Funds – means unexpended funds from the previous fiscal year that are authorized to be carried into the fiscal year.
- H. Cash – is currency, coin, checks, money orders, and bankers draft on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.
- I. Cash Basis Method of Accounting – is the basis of accounting under which revenues are recorded when received in cash and expenditures are recorded when cash is disbursed.
- J. Cash Disbursements – is payments for goods and services.
- K. Cash Receipts – is receiving cash, coins, checks, dividends etc, in the form of payment.
- L. Leupp Chapter Manager – means the individual who is responsible for administering the Five Management Systems and the administration of the *Leupp Chapter*.
- M. Leupp Chapter Membership –
1. For purposes of services and benefits, all tribal members who either reside within or are registered *Leupp Chapter* members. An individual may not be a member of more than one *Leupp Chapter*.
 2. For voting purposes and participation in the *Leupp Chapter* government, all registered voters of the *Leupp Chapter*.
- N. Leupp Chapter Officials – means the following public officials elected by the *Leupp Chapter* Membership; *Leupp Chapter* President, *Leupp Chapter* Vice-President, and *Leupp Chapter* Secretary/Treasurer. .
- O. Custodian – means an individual having day-to-day charge of official books, records, documents, equipment, property and funds of the *Leupp Chapter* government.
- P. Five Management Systems – means a management system that includes; fiscal, procurement, records, personnel and property management.

- Q. Form W-2 – is an earnings statement for employee's salary/wages.
- R. Form 941 – is an employer's quarterly federal tax return.
- S. Form 1099 – is a non-employee earnings statement to report income that is not salary or wage (self employment income).
- T. Fund Accounting – provides the means to segregate financial resources into funds or account groups in order to determine compliance with finance related legal, contractual, or other restrictive requirements; aid *Leupp Chapter* management by transactions related to certain restrictions and specific *Leupp Chapter* functions and activities.
- U. Fund Balance – The difference between all asset and liability balances. Represents the net worth of a particular fund and is increased by revenues and decreased by expenditures.
- V. Capital Assets – Capital assets are items of tangible property having a value of more than \$500.00 and have an estimated useful life of one year or more as distinguished from intangible property and consumable tangible property. Includes building, infrastructure, improvements, property and equipment.
- W. Capital Assets Account Group – is a self-balancing group of accounts, set up to account for the general Capital assets of the *Leupp Chapter*.
- X. General Ledger – is the summary of financial transactions and the basis for preparing trial balances and financial reports.
- Y. General Purpose Financial Statements - Describes the five-combined financial statement of the reporting entity that is required by Generally Accepted Accounting Principle. (Combined Balance Sheet, Combined Statement of Revenues and Expenditures – Change in Fund Balance and Combined Statement of Revenues and Expenditures – Budget vs. Actual).
- Z. Generally Accepted Accounting Principles (GAAP) – are financial accounting and reporting assumptions, standards, and practices that a business or governmental entities rely upon in preparing fair and consistent financial statements.
- AA. Investments - Securities and real estate held for the production of income in the form of interest, dividends, and rental or lease payments. The term does not include capital assets included in governmental operations.
- BB. Journal – is defined as a book of original entry. Journals provide a chronological detailed record of daily financial transactions and support balances in the general ledger accounts. Journals may be posted manually or generated by computer.
- CC. Liabilities – Amounts owed for goods and services (labor, materials, or services), which are recognized each month and recorded in the financial records of the *Leupp Chapter* so as to properly reflect the *Leupp Chapter*'s financial condition. Debts maturing more than a year later should be shown in the General Long Term Debt Group.

- DD. Payroll Taxes – consist of federal withholding, social security, Medicare, FUTA and SUTA taxes.
- EE. Source Documents – are used to initiate accounting transactions and should be retained to support each entry recorded in the accounting records. Examples of cash receipts include source documents; pre-numbered cash receipt tickets, cash register tapes and validated bank deposit receipts. Examples of cash disbursements source documents include requisitions, purchase orders, receiving reports, and vendor invoices.
- FF. Subsidiary Ledgers - a book of accounts that provides supporting details in individual balances, the total of which appears in a general ledger.

IX. APPENDICES

A.	Cash Receipts Journal	Exhibit A
B.	Payroll Journal	Exhibit B
C.	Individual Employee Earnings Subsidiary Ledger	Exhibit C
D.	Timesheet	Exhibit D
E.	Work Site Sign-In Sheet	Exhibit E
F.	Monthly Check Ledger	Exhibit F
G.	Capital Asset Inventory	Exhibit G
H.	Checking Account Reconciliation	Exhibit H
I.	Savings Account Reconciliation	Exhibit I
J.	Fund Approval Form	Exhibit J
K.	Budget Transfer Form	Exhibit K
L.	Travel Authorization & Trip Report	Exhibit L
M.	Assistance Application (General)	Exhibit M
N.	General Claim Form	Exhibit N
O.	Housing Application Forms & Ranking	Exhibit O
P.	Personnel Action Form	Exhibit P

LEUPP CHAPTER CASH RECEIPT SUMMARY

EXHIBIT A

PAGE 01 OF 01

MONTH: _____

DATE	CASH RECEIPT NUMBERS		GRAND TOTAL	SALES TOTAL	SALES TAX TOTAL	4101	4104	4201/02	4204	4211	ACCOUNT NO.	AMOUNT	DEPOSIT AMT**	DEPOSIT DATE
	BOOKING	INDEC				MAT REVENUE	WATER REV	BLDG/SPACE	EQUIP RENTAL	BRIDGE/FAX				
TOTAL			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	

This amount will be recorded on the Monthly Check Ledger.

SUBMITTED BY:
Community Service Coordinator

APPROVED BY:
Secretary/Treasurer

DEPOSITED BY:
Community Service Coordinator

DATE:

EXHIBIT B

[illegible]

Employee's Name: _____	Social Security NO: _____	Exhibit C
Address: _____	Sex: Female Male	
_____	Single Married	Exemptions (W-4) _____
Date of Birth: _____	Hourly Rate: _____	
Position: _____	Date of Employment: _____	
	Date Employment Ended: _____	

[illegible]

LEUPP CHAPTER
WESTERN NAVAJO AGENCY

EXHIBIT D

TIMESHEET

PAY PERIOD ENDING: _____

EMPLOYEE'S NAME: _____

Social Security Number: _____

DAYS	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	
DATES															
REGULAR HOURS WORKED															
ANNUAL LEAVE TAKEN															
SICK LEAVE TAKEN															
ADMINISTRATIVE LEAVE															
COMP-TIME LEAVE															
HOLIDAY															
OTHER															
TOTAL HOURS:															

EMPLOYEE'S SIGNATURE: _____

DATE: _____

APPROVED: _____

DATE: _____

IMMEDIATE SUPERVISOR

EXHIBIT F

31 Rodeo Ground Development Funds

32 Feasibility Study Funds

33 Inspection/Appraisal Funds

34 Capital Improvement Grant

FIXED ASSET INVENTORY SHEET[illegible]

D = DAMAGED C = CONDITION
 A = New
 B = Good
 C = Fair
 D = Poor
 REFUSED = R
 NOT FOR SALE = N
 LOST
 1 = 1st

- *CLASSIFICATION
- ENDABLE (SUPPLIES/MATERIALS)
- EXPENDABLE (\$600)
- EXPENDABLE (\$300)
- REAL PROPERTY (\$600)
- REAL PROPERTY (\$300)

Inventory Bkr.

Updated By:

Chapter Manager:

EXHIBIT H

\$ **-**

[illegible]

Date: _____

Date: _____

NOTE: If Adjusted Bank Balance does not agree with the ending monthly check ledger balance, the monthly check ledger should be thoroughly reviewed and adjustments shall be made accordingly.

EXHIBIT I

on _____

\$ -

[illegible]

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Date: _____

Date: _____

NOTE: If Adjusted Bank Balance does not agree with the ending monthly check ledger balance, the monthly check ledger should be thoroughly reviewed and adjustments shall be made accordingly.

**LEUPP CHAPTER
FUND APPROVAL FORM**

DATE: _____

2010-_____

AMOUNT OF CHECK \$ _____

CHECK NUMBER: _____

CHECK DATE: _____

PAYABLE TO: _____

INVOICE OR REFERENCE NUMBER: _____

PURPOSE OF PAYMENT: _____

ACCOUNT NUMBER: _____

AMOUNT: \$ _____

SUB ACCOUNT: _____

AVAILABILITY OF FUNDS	_____ Yes	_____ No
BUDGETED ITEM	_____ Yes	_____ No
COMMUNITY APPROVAL	_____ Yes	_____ No
CONDITION OF APPROPRIATION	_____ Yes	_____ No

Requested By: _____
Administrative Assistant

Date: _____

Approved By: _____
Community Service Coordinator

Date: _____

Concurred By: _____
Chapter President

Date: _____

OR

Secretary/Treasurer

LEUPP CHAPTER REQUEST FOR BUDGET TRANSFER

RESOLUTION OF THE LEUPP CHAPTER

Western Navajo Agency

Resolution No: _____

TO: _____

FROM: _____

DATE: _____

TRANSFER REQUESTED

FROM SUB-ACCOUNT	AMOUNT	INTO SUB-ACCOUNT	AMOUNT
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
TOTAL:		TOTAL:	

Justification (Must be detailed and complete):

Signature of Chapter Manager



LEUPP CHAPTER

The Navajo Nation

THIS FORM CONTAINS:

- TRAVEL AUTHORIZATION
- TRAVEL ADVANCE
- TRAVEL EXPENSE REPORT

EXHIBIT L
TRAVEL NUMBER

TRAVEL ADVANCE REQUIRED

☐ YES ☐ NO

DEPT. NAME	DEPT NO.	DATE OF TRAVEL REQUEST
NAME & POSITION OF TRAVELER	SIGNATURE OF TRAVELER	
SOCIAL SECURITY NO.	<input type="checkbox"/> REGULAR STATUS EMPLOYEE <input type="checkbox"/> TEMPORARY EM 1) PHONE	2) PHONE
PURPOSE OF TRAVEL		
ITINERARY		
<input type="checkbox"/> CHAPTER VEHICLE <input type="checkbox"/> PRIVATE VEHICLE	POV INSURANCE CARRIER & POLICY NO.	EXP. DATE
MILEAGE ESTIMATE miles @	MILEAGE COST ESTIMATE cents / mile \$	<input type="checkbox"/> BUS <input type="checkbox"/> AIR (COMMERCIAL FARE ESTIMATE) <input type="checkbox"/> RAIL <input type="checkbox"/> AIR (CHARTER) \$
LODGING & MEALS		
OTHER POSSIBLE EXPENSE (Itemize)		
COST ESTIMATE \$		
I HEREBY APPROVE THIS TRAVEL REQUEST CHARGE TO ACCT. NO.		DATE APPROVED
CHAPTER PRESIDENT		TOTAL COST \$
TRAVEL ADVANCE AUTHORIZED UP TO 80%		ESTIMATE
AUTHORIZED CHAPTER OFFICIAL SIGNATURE		ENCUMBERED BY
DATE APPROVED		TOTAL ADVANCE \$

~ TRAVEL EXPENSE REPORT ~ (ATTACH ALL REQUIRED PAID RECEIPTS)

1. PERIOD	DAY DATE									ACCOUNTANT USE ONLY
2. TIME OF	DEPARTURE									
3. CITY	ARRIVAL									
	FROM TO									
4. LODGING										TOTALS
5. MEALS	BREAKFAST									\$
	LUNCH									\$
	DINNER									\$
6. TRANSPORTATION	PERS. CAR @									\$
	BEGINNING MILEAGE									\$
	ENDING MILEAGE									\$
TOTAL (LINE 4-9)		\$	\$	\$	\$	\$	\$	\$	\$	\$

"I CERTIFY THAT THIS TRAVEL REPORT IS ACCURATE, COMPLETE AND ALL EXPENSES REQUIRED FOR REIMBURSEMENT AND CLAIMED HEREIN INCURRED WHILE ON CHAPTER OFFICIAL TRAVEL FOR THE PURPOSES AS SET FORTH IN THIS TRAVEL AUTHORIZATION."

SIGNATURE

OF TRAVELER

ACCOUNTING DISTRIBUTION	CHARGE ACCT. NO.	AMOUNT	INITIAL	EXPENSE RECONCILIATION:	
MILEAGE				• CHECK NUMBER	• AMOUNT DUE TO EMPLOYEE
EXPENSES				• ADVANCE ON THIS REPORT	• TOTAL EXPENSE ON THIS REPORT
OTHER					

LEUPP CHAPTER
CPO BOX 5428, LEUPP, ARIZONA 86035

TRIP REPORT

Name of Traveler: _____ TA Number: _____
 Report Date: _____ Travel Date: (from) _____ (return) _____
 Time of Departure? _____ AM/PM Time of Return: _____ AM/PM
 Type of Vehicle Used: Tribal ☐ Private ☐
 Odometer Reading: Beginning: _____ Ending: _____ Total miles: _____

Purpose of Travel: _____

Person (s) Contacted: _____

Accomplishments: _____

I certify that this trip report represents all claims incurred by me on official travel as herein stated!

 Signature of Traveler

 Date

JUSTIFICATION FOR UNAUTHORIZED EXPENSES

NN Travel Policy Handbook Page 6 Subsection 4.

 Approval Authority

 Date

NOTE: CHAPTER MANAGER/CHAPTER OFFICIAL APPROVAL SIGNATURE REQUIRED FOR UNAUTHORIZED EXPENSES!!!

LEUPP CHAPTER
CPO BOX 5428, LEUPP, ARIZONA 86035
TEL: (928)686-3227 FAX: (928)686-3232

ASSISTANCE APPLICATION FORM

NAME: _____ **CENSUS #:** _____

ADDRESS: _____ **CITY:** _____ **STATE:** _____

PHYSICAL LOCATION OF HOME: _____
 (Draw a map on the back)

VERIFICATION OF INCOME: _____ **VERIFIED BY:** _____

ARE YOU A REGISTERED VOTER WITH (NAME OF CHAPTER?) **YES** ☐ **NO** ☐

SIGNATURE OF RECIPIENT

DATE:

CHAPTER REPRESENTATIVE

DATE:

TYPE OF ASSISTANCE REQUESTED							
BACKHOE	\$ 135.00	PAID	<input type="checkbox"/>	FUNERAL	\$ 100.00	PAID	<input type="checkbox"/>
FRONT END	\$ 135.00	PAID	<input type="checkbox"/>	BULL DOZER	\$ 175.00	PAID	<input type="checkbox"/>
FACILITY USAGE	\$ 75.00	PAID	<input type="checkbox"/>			PAID	<input type="checkbox"/>
WATER	\$ 30.00	PAID	<input type="checkbox"/>	OTHER	\$ 10.00	PAID	<input type="checkbox"/>

FOR OFFICE STAFF ONLY

- ☐ PICTURE ID
☐ CHAPTER VOTER REGISTRAT
☐ FEE WAIVED APPROVED
☐ INCOME VERIFICATION
☐ NOT APPROVED
☐ OTHER VERIFICATIC _____

 Chapter Manager Signature of Approval

 DATE

REGULAR PAYING CLIENTS

PAYMENT AMOUNT \$ _____

Form of Payment:

☐ cash

☐ check # _____

☐ money order # _____

DATE OF CLAIM

EXHIBIT N

LEUPP CHAPTER FINANCIAL SERVICES DEPARTMENT GENERAL CLAIM FORM

OFFICE USE ONLY

VENDOR NUMBER

TIME/DATE

FILED

NAME OF CLAIMANT	(PRINTED)	SOCIAL SECURITY NUMBER	MAILING ADDRESS	CITY	STATE	ZIP CODE

TYPE OF CLAIM

COUNCILMEN ONLY - CHECK ONE OF THE FOLLOWING:

TRIBAL COUNCIL SESSION	<input type="checkbox"/> COMMITTEE ON GOVERNMENT SERVICES	<input type="checkbox"/> BUDGET & FINANCE COMMITTEE	<input type="checkbox"/> EDUCATION COMMITTEE
PUBLIC SAFETY COMMITTEE	<input type="checkbox"/> RESOURCES COMMITTEE	<input type="checkbox"/> HEALTH/SOCIAL SERVICES COMMITTEE	<input type="checkbox"/> HUMAN SERVICES COMMITTEE
JUDICIARY COMMITTEE	<input type="checkbox"/> ECONOMIC DEVELOPMENT / PLANNING COMM.	<input type="checkbox"/> LOCAL (SEMI-MONTHLY) CHAPTER MEETING	<input type="checkbox"/> DISTRICT (BI-MONTHLY) COUNCIL MEET
TRANS & COMMUNITY DEV. COMMITTEE	<input type="checkbox"/> NAVAJO-HOPI LAND COMMISSION	<input type="checkbox"/> OTHER (SPECIFY)	<input type="checkbox"/>
AGENCY (QUARTERLY) MEETING	<input type="checkbox"/> COUNCILMAN/SALARY ADVANCE		

CAPTAIN OFFICERS ONLY - CHECK ONE OF THE FOLLOWING:

<input type="checkbox"/> LOCAL CHAPTER MEETING	<input type="checkbox"/> DISTRICT MEETING	<input type="checkbox"/> AGENCY MEETING
------------------------------------------------	-------------------------------------------	-----------------------------------------

OTHERS - CHECK ONE OF THE FOLLOWING:

<input type="checkbox"/> BOARD OF ELECTION SUPERVISORS	<input type="checkbox"/> EMPLOYEE EMERGENCY ADVANCE TO BE DEDUCTED FROM SALARY, ATTACH JUSTIFICATION
AND (FARM) BOARD	
OTHER (SPECIFY)	

DESCRIPTION OF MEETING(S)

LOCATION OF MEETING(S)	DATE(S)	PURPOSE OF MEETING OR ITEMS DISCUSSED USE BACK IF NECESSARY	TRAVEL INVOLVED			TOTAL
			FROM	TO	TO	
		Regular Chapter Planning Meeting				
		Regular Chapter Meeting				
		WNA or District V Meeting				

AMOUNT OF CLAIM

OFFICE USE ONLY

DAYS @ \$	PER DIEM \$	ACCOUNT NO.	FUNDS AVAILABLE BY	DATE
DAYS @ \$	PER DIEM \$			
MILES @ \$	PER MILE			
OTHER EXPENSES (ATTACH RECEIPTS)				
VANCE REQUESTED				
LESS DEDUCTIONS				
TOTAL \$				

I certify that this claim is true and just to the best of my knowledge and that the amount claimed are due to me and have not been previously paid. If approved, I request that the check be ready by (time) _____ on (date) _____. I request the check be (check one) ☐ mailed to me at the above address; ☐ picked up by me; ☐ picked up by person other than myself (name) _____

SIGNATURE OF CLAIMANT

UNIM APPROVED BY: CHAPTER PRESIDENT

SIGNATURE

DATE

CHAPTER PRESIDENT'S APPROVAL ADVANCES ONLY

SIGNATURE

DATE

CURRENT ADVANCE BALANCE

ADVANCE RECORDED PAYROLL

BY

DATE

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Rositz Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

Telephone: (928) 686-3227 or 3229

CPO Box 5428 Leupp, Arizona 86035

Facsimile: (928) 686-3232

Exhibit O

Leupp Chapter Local Housing Assistance Programs Request For Services

Date Received: _____

Telephone Number: _____

Cell Phone Number: _____

Description of Services:

Recommendations (Authorized Personnel Only):

Date of Quotation: _____

Vendors:

Requested By: _____

Date: _____

**Leupp Chapter
Housing Discretionary Funds
Home Application
Running Ledger**

Applicant's Name: _____

Chapter Official's Name: _____ Telephone: _____

Date Application: _____ Received Application: _____

[illegible]

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Rosita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

Telephone: (928) 686-3227 or 3229

CPO Box 5428 Leupp, Arizona 86035

Facsimile: (928) 686-3232

Leupp Chapter Housing Assistance Program Post Office Box 5428 Leupp, Arizona 86035

PERMISSION TO ENTER PREMISES TO THE BUILDING OWNER

Your building is being considered for renovation under the Leupp Chapter/Housing Assistance Program. This program is funded by the Navajo Nation, under Housing Discretionary Funds and administered by the Leupp Chapter.

PERMISSION TO ENTER PREMISES

I, _____ as owner/authorized agent for the building located at, _____ have read and understand the above and hereby grant permission for representative of Leupp Chapter to enter this premises when I am present for the purposes of collecting eligibility documentation from the residents and conducting a work plan which may include an assessment for housing renovation.

Name: _____
Client

Date: _____

Name: _____
Chapter Manager

Date: _____

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Rosita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

Telephone: (928) 686-3227 or 3229

CPO Box 5428 Leupp, Arizona 86035

Facsimile: (928) 686-3232

**Leupp Chapter Housing Assistance Program
Post Office Box 5428
Leupp, Arizona 86035**

AUTHORIZATION FOR RELEASE OF INFORMATION

I, _____, hereby authorize the Navajo Nation through the Leupp Chapter Housing Assistance Program to obtain all necessary information for completion of my application for housing assistance including information on my interest on land and household income. I understand and acknowledge this information will be used in determining my eligibility and extent of Housing Assistance through the Leupp Chapter or other housing project sources.

SIGNATURE: _____

Applicant

Co-Applicant

Date

Leupp Chapter
Housing Discretionary Fund Assistance Program
Application

Applicant's Name: _____ Telephone Number: _____
 Census Number: _____ Work/Message Number: _____

Spouse's Name: _____ Telephone Number: _____
 Census Number: _____ Work/Message Number: _____

Applicant's Mailing Address: _____
 City: _____ State: _____ Zip: _____
 Chapter Enrolled At: _____

Type of Residence:

- ☐ Room
- ☐ Owner Occupied
- ☐ Rental Unit
- ☐ Single Family
- ☐ Mobile Home
- ☐ Subsidized Housing
- ☐ Multiple Dwelling

Type of Primary Heating:

- ☐ Wood Average Monthly Heating Bill (Before): \$ _____
- ☐ Coal (After): \$ _____
- ☐ Kerosene Cost of B.T.U. saved: _____
- ☐ Natural Gas Comments: _____
- ☐ Electric _____
- ☐ Propane _____
- ☐ Other _____

Income Verification of Housing Unit:

Name of each Household member including self:	Age:	Sex:	Social Security Number:	Relationship to Head of Household:	Gross Monthly Income:	Source of Income:

Note: An elderly person is a person 65 years of age or older. Determination whether a resident in the household is handicapped can be made in any of the following: (1) They provide a copy of a letter from the Veteran's Administration that is a percentage of disability letter or (2) The Social Security benefit verification letter under section 1.e.10 indicates payments are for disability or (3) Written determination from Federal, State or other agency providing assistance for Handicapped Person or (4) The Sub-grantee observes a visible handicap.

Office Use Only:

Income Guidelines for a household of _____ member is \$ _____.
 On the basis of the above information, this household is **ELIGIBLE / NOT ELIGIBLE**
 Reason for ineligibility: _____

Intake Worker's Signature: _____ Date: _____

TYPE OF LABOR TO BE UTILIZED

Leupp Chapter Use Only/Projected hours per project

<input type="checkbox"/>	Public Employment Program (PEP): _____
<input type="checkbox"/>	Client Self-Help: _____
<input type="checkbox"/>	Church Group: _____
<input type="checkbox"/>	Contractor: _____
<input type="checkbox"/>	Other: _____

IF APPLICANT IS RENTING, THE LEUPP CHAPTER MUST USE PERMISSION FORM AND OWNER AGREEMENT, IF APPLICANT IS HOME OWNER, COMPLETE THE FOLLOWING:

HOME OWNER CERTIFICATION

I/We, _____, certify that I/we am/are the owner(s) of the property at _____ located on the Leupp Chapter jurisdiction.

CERTIFICATION

I, as a Chapter Employee of Leupp Chapter and with vested authority of act on community matters, have reviewed the information stated above which is correct to the best of our knowledge and hereby certify this document accordingly on this _____ day of _____, 20__.

CHAPTER STAFF'S SIGNATURE: _____ DATE: _____
NAME AND TITLE

HOUSING ASSISTANCE APPLICATION

I, subscribe and affirm, under the penalties of law, that the statements made in this application for Housing Assistance (including statements made in any accompanying papers) have been examined by me and to the best of my knowledge and belief are true and correct. Prior to any construction, I agree to notify the Chapter of any changes in the information in this application. I understand that by signing this application, I consent to any other inquiry to verify or confirm the information I have given.

The potential assistance will have no effect upon my social security, public assistance, or any other income I receive. The construction work done will not obligate me financially and no lien or mortgage will be placed on the property, unless false or inaccurate information has been provided to make me ineligible for this assistance. I will be held liable for any injury or damages occurring on my property which is the result of my negligence or malfeasance. I certify that I have given my permission to allow work and monitoring or work on the property listed in this application. I understand that it is the dwelling occupant and/or owner's responsibility to discover and correct unsafe or non-compliant conditions which exist apart from the construction work.

I understand that this application for Housing Assistance does not guarantee that assistance will be granted, but will be used in determining eligibility for the program. Whether or not an eligible applicant will be provided assistance will depend in part upon the applications received, the remaining available funds and the priorities to be met by the Housing Discretionary Assistance Program.

APPLICANT'S SIGNATURE: _____ DATE: _____
APPLICANT'S REPRESENTATIVE: _____ DATE: _____

LEUPP CHAPTER
Housing Discretionary Fund Assistance
Post Office Box 5428
Leupp, Arizona 86035

MAP TO PROPERTY
Project Site Locations



APPLICANT'S NAME: _____ **DATE:** _____

Thomas L. Cody, President
Lorraine Jones-Noline, Vice President
Rosita Ann Kelly, Secretary/Treasurer



Johnny K. Thompson, Sr., Grazing Officer
Leonard Chee, Council Delegate
Thomas Walker, Jr., Council Delegate

LEUPP CHAPTER

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Housing Discretionary Fund Assistance Program Point System Sheet

Applicant's Name: _____

Household Size:	6 or more people	15 points	_____
	3 to 5 people	12 points	_____
	1 to 2 people	09 points	_____
Household Income:	0% to 19% of maximum	15 points	_____
	19.1% to 39% of maximum	12 points	_____
	39.1% to 59% of maximum	09 points	_____
	59.1% to 79% of maximum	06 points	_____
	79.1% to 100% of maximum	03 points	_____
	More than 100% of maximum	00 points	_____
Fuel Type:	Electric	11 points	_____
	Fuel Oil	10 points	_____
	Kerosene	09 points	_____
	LPG, Propane, Wood, Coal, or Natural Gas	08 points	_____
Vulnerability:	One or more than 60 years of Age and handicapped	21 points	_____
	More than 60 years of age	12 points	_____
	Handicapped less than 59 Years of age	12 points	_____
Unit Condition*	In severe need of winterization	15 points	_____
	In moderate need of winterization	10 points	_____
	In mild need of winterization	05 points	_____

* A unit condition is required to determine unit condition.

SIGNATURE: _____

Chapter Manager

DATE: _____

[Type text]

EXHIBIT P

LEUPP CHAPTER CPO BOX 5428 LEUPP, ARIZONA 86035	LEUPP CHAPTER PERSONNEL ACTION FORM	Employee Position I.D. No.
		CHAPTER USE ONLY

<input type="checkbox"/> EMPLOYMENT NOTICE		<input type="checkbox"/> CHANGE NOTICE		<input type="checkbox"/> TERMINATION NOTICE		Effective Date	
Last Name		First	Middle	Address		City/State/Code	SOCIAL SECURITY NUMBER
Census Number	Marital Status		Sex	Date of Birth		Ethnic Code	Tax Exemption
Funding Source			Department No.		Account Number		Worksite
Position Title			Class Code	Grade Step	Hourly Rate		Per Annum
REMARKS							
Employee Signature				Date	Type of Termination: <input type="checkbox"/> Resignation <input type="checkbox"/> Discharge <input type="checkbox"/> Layoff		
Community Service Coordinator				Date	All Chapter Monies/Property during employment has been accounted for by Chapter Financial Services:		
					Cashiers _____ Accts. Rec. _____		
					Travel Advances _____ Property _____		
Chapter President's Approval				Date	Clearance by initial from each section/departments		

LEUPP CHAPTER
PERSONNEL POLICIES
AND
PROCEDURES

LEUPP CHAPTER

PERSONNEL POLICIES AND PROCEDURES MANUAL

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I. CHAPTER PERSONNEL POLICIES MANUAL

A. Purpose

These policies are designed to assist Chapter Managers to deal consistently with human resources issues and to outline the rights, benefits, and what is expected of Chapter administrative employees.

1. Role of the Chapter Manager

The Chapter Manager, at times in consultation with the Chapter Officials, determines jobs to be performed, offers employment, and compensates employees for the work performed.

2. Role of Chapter Manager

Chapter Managers are responsible for utilizing and applying the personnel policies consistently in dealing with human resources issues. They are encouraged to seek advice from Department of Personnel Management and Department of Justice (or legal counsel) on the interpretation of the Personnel Policies Manual and in addressing employment issues. Chapter Managers are expected to provide leadership in implementing the policies and to set a positive example for employees.

3. Role of the Employee

Employees shall read, understand, and comply with policies and procedures that affect or apply to their employment.

4. Role of the Department of Personnel Management and Legal Counsel

The Chapter Manager shall develop and implement procedures, as necessary, consistent with the policies contained in this manual. Department of Personnel Management or legal counsel (private or the Department of Justice) may also provide guidance to Chapter Managers on the interpretation and intent of the manual and assist in addressing employment issues.

B. Application

These Personnel Policies apply to all Chapter employees, regardless of funding source or employment status, except where they are specifically excluded. These policies do not create an employment contract by implication and the rights and privileges granted employees are only those specifically stated.

C. Exceptions

1. Certain categories of employees may be affected by policies and regulations that may take precedence or may supplement these policies.
2. To the extent that the Chapter is required to develop policies or procedures that take precedence over or supplement this manual, they shall be reviewed and approved, if necessary, by the Department of Justice (or private legal counsel) prior to implementation by the Chapter.

II. MANAGEMENT AND SUPERVISORY RESPONSIBILITIES

Chapter Managers are responsible for:

1. Developing and maintaining the highest possible level of performance in their Chapter.
2. Developing and maintaining good employee working relationships and conduct in their Chapter.
3. Planning, organizing, directing, coordinating and supervising all functional activities and responsibilities within their Chapter.
4. Preparing budgets, performance reports, and other documents as required.
5. Submitting required reports to the Navajo Nation Council, Standing Committees, Commissions and Boards as specified by the Chapter's Five Management System ("FMS") or Navajo Nation law.
6. Implementing personnel policies and procedures as outlined in this manual.
7. Implementing and maintaining internal operating policies, procedures, and control.
8. Safeguarding and accounting for all assets, including but not limited to, funds and property for which there is a custodial responsibility.
9. Representing the Chapter in official functions as directed.
10. Approving or disapproving all documents in accordance with functional responsibilities.
11. Managing employee performance in accordance with established policies and procedures.
12. Maintaining reporting relationships consistent with the chain of command.
13. Coordinating activities with other governmental agencies.

14. Upholding the laws and regulations of the Navajo Nation and adherence to the Chapter's FMS.
15. Monitoring the presence of unauthorized individuals at the worksite and taking appropriate action.

III. EMPLOYMENT PRACTICES

A. Policy

The policy of the Chapter is to comply with all applicable laws that govern the employment relationship between the Chapter and its employees. Consistent with the provisions of applicable laws and policies, the Chapter will not improperly discriminate against any applicant or employee.

B. Navajo Preference

The Chapter gives preference in employment to enrolled members of the Navajo Tribe in accordance with the provisions of the Navajo Preference in Employment Act (15 N.N.C. §601 - 19).

C. Other

Whenever necessary, the Chapter may offer preference in employment to other applicants based on funding source requirements. However, in no case may this preference supersede Navajo preference.

D. Second or Outside Employment

1. Full-time employment with the Chapter shall generally be the sole employment of any employee. However, it is recognized that personal situations do occur that might make it necessary for employees to seek supplementary employment.
2. A Chapter employee shall not engage in outside or self-employment if such outside or self-employment creates a conflict of interest. A conflict of interest is defined as a real or seeming incompatibility between one's private interests and one's public or fiduciary duties.
3. A Chapter employee who secures outside or self-employment that creates a conflict of interest may be subject to dismissal.
4. A Chapter employee may not concurrently hold two full-time positions with the Chapter and the Nation.
5. Additional employment should not impair job performance with the Chapter. This includes conflicts of interest, neglect of duty, absence from

or tardiness to the workstation, and performing duties associated with additional employment during normal working hours.

6. If a Chapter employee is absent from his/her job due to outside or self-employment, the employee shall be required to take leave.
7. Chapter Managers are responsible for determining whether additional employment adversely affects job performance with the Chapter.
8. Honoraria and/or compensation received for occasional seminars, speeches, or presentations are not deemed to be second or outside employment and are not subject to these provisions.

E. Hiring of Relatives

1. To promote consistency and equity in the treatment of all Chapter employees, to prevent breaches in confidentiality, to prevent improper influences in employment and to prevent the perception of favoritism, the Chapter will not employ, in any position, the immediate relatives of current employees or elected officials if:
 - a. One is directly supervising the other on a regular basis or
 - b. There is potential for creating an adverse effect on supervision, security, or morale, or the potential for a conflict of interest.
2. For purposes of this policy, the term "relative" is defined as an individual who is related by blood or marriage to the employee as a father, mother, son, daughter, brother, sister, grandmother, grandfather, uncle, aunt, cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, stepfather, stepmother, stepson, stepdaughter, stepsister, stepbrother, half brother or half sister.
3. If Chapter employees become related after employment and a conflict such as described in the above paragraph is created; or, if a re-organization creates such a conflict, 90 calendar days will be allowed to resolve the matter voluntarily or by transfer of one of the Chapter employees. If this is not possible, the Chapter employee with the most recent date of continuous employment will be released.
4. Employees, Chapter officials, members of the Navajo Nation Council, or other committees capable of influencing hiring, evaluation, or other employee actions, and who are related to employees covered by these policies, shall refrain from influencing all actions having to do with such relatives.

5. All applicants for positions with the Chapter shall indicate on the official application form whether they are related to any employee. This information will be used to determine possible conflicts of interest involving the position.
6. If an applicant knowingly answers questions untruthfully concerning the relationship, and this fact later becomes known, the employee will be terminated immediately.

IV. RECRUITMENT AND SELECTION

A. Policy

In general, the Chapter's employment process, which is carried out by the Chapter Manager in consultation and with the approval of the Chapter officials, will ensure competitive practices in recruitment, selection, and placement of qualified applicants based on the applicant's knowledge, skills, abilities, and overall qualifications for employment with the Chapter. The Chapter's employment process shall comply with applicable laws of the Navajo Nation.

B. Responsibilities

1. The Chapter Manager shall be responsible for:
 - a. complying with the employment, recruitment and selection policies and the requirements of applicable Navajo Nation, state, and federal laws,
 - b. notifying the Chapter of all vacant positions to be filled,
 - c. defining the duties and responsibilities of the vacant position and, with the consultation of the Chapter Officials, the position requirements, and
 - d. making the final selection from among applicants for a particular position after Chapter approval.
2. The Chapter Manager shall be responsible for:
 - a. establishing, implementing and monitoring effective recruitment and selection policies and procedures,
 - b. assisting programs in defining job-related position requirements and determining the most effective recruitment and selection policies and procedures,
 - c. advertising vacant positions,
 - d. establishing selection procedures,

- e. conducting qualification assessments and referring qualified applicants to the program,
- f. advising employees on personnel policies and procedures, interpretation of requirements, and professional standards for selection methods,
- g. consulting with employees on the availability and qualifications of applicants for specific positions, reviewing, monitoring and evaluating the effectiveness of selection processes.
- h. Ensuring that all actions taken are consistent with the Chapter's Five Management System and Navajo Nation law.

C. Advertising of Vacant Positions

- 1. All vacant positions must be advertised a minimum of 10 working days. Job vacancy announcements may be within the Chapter, or within the community, or outside the Chapter and the community, or outside the Navajo Nation, or submitted to the Department of Personnel Management to be published on the weekly job vacancy listing.
- 2. Chapter requests for job vacancies that are included on the weekly vacancy listing published by Department of Personnel Management are to be submitted on Job Vacancy Announcement forms complete with all required information and signatures.
- 3. The Chapter may collect all responses to a vacancy published on the weekly job vacancy listing by the Department of Personnel Management from the Department and then make its decision in accordance with these personnel policies. This is only if the Chapter has elected to post a vacancy through the Department of Personnel Management.
- 4. Administrative Employees of the Chapter shall retain their positions after the Chapter's transition to Local Governance Act certification. The Chapter's Administrative Employees shall resign as Navajo Nation employees only to ~~transition~~ into the same positions as Chapter employees. The Employees shall amicably resign with the understanding that they will be reconstituted as Chapter Administrative employees the following work-day. This shall not be placed within the Employee's permanent employment file as an adverse action.

The Chapter may elect to advertise, interview and re-hire for these Administrative Employee positions. However, it should be understood that this is extremely inefficient and that the Chapter's administrative functions will cease to be performed for the time period the Chapter takes

to re-hire administrative employees. The Chapter may elect to do this, but it is discouraged.

D. Applications for Employment

1. Chapter employment application forms may be made available at the Chapter or online. The Chapter shall also accept standard Navajo Nation applications for employment that are from the Department of Personnel Management, which may be downloaded from the website at www.nddpm.navajo.org. The application form solicits information from the applicant relating to education, experience, training, residence and other pertinent information. Applicants are required to sign the application which includes a statement that they are certifying to the truth and accuracy of all information provided therein.
2. Applications may be hand delivered, mailed, faxed, or delivered by other acceptable methods, but they must be received by the Chapter on or before the closing date specified on the job vacancy announcement. If mailed, date stamp on mailed application must be on or before closing date.
3. Applicants shall be required to furnish, at their own expense, evidence of character, education, physical condition, or other qualifications, which are job-related as may be deemed necessary.
4. In order to receive full credit for education, certification, or licensure, transcripts, copies of degrees, certificates, and other appropriate documents must be submitted along with the employment application.
5. Any misrepresentations, falsifications, or material omissions in any of this information or any other materials used in the application process, or information offered during the interviews, may result in the exclusion of the individual from further consideration for employment for that position; or if the person has been hired, termination of employment.

E. Interview Expenses

1. An applicant interviewed for a key position may be reimbursed for interview expenses subject to the Chapter's availability of funds. The Chapter Manager will be responsible for designating key positions jointly with the Chapter Officials.
2. A key position is a professional or highly technical position that requires specialized training, experience, licensure or certification.
3. Reimbursement of interview expenses will be limited to one trip to the interview site and actual reasonable expenses, including commercial fare, car rental, personal vehicle mileage, meals, lodging and other incidental costs.

4. Reimbursements shall not exceed the current travel expense rates established by the Navajo Nation and must be supported by receipts.

F. Referrals

1. The Chapter Manager shall consider applicants in the following order of priority:
 - a. Enrolled Navajos with reemployment preference
 - b. Enrolled Navajo veterans
 - c. Other enrolled Navajo applicants
 - d. Non-Navajo spouses of enrolled Navajos
 - e. Non-Navajos

However, the applicant possessing the best qualifications to perform the duties of the position should be selected.

2. Anytime a lower priority applicant is selected over higher priority applicants, the Chapter Manager shall provide written justification to the Chapter Officials and Membership setting forth the reasons for the selection.

G. Reemployment Preference

1. A regular status Chapter employee separated from employment due to a reduction-in-force will be eligible for reemployment preference.
2. Reemployment preference will not be granted to employees who have not attained regular status at the time of layoff.
3. Reemployment preference continues for a period of six months from the date of layoff provided the employee does not decline Chapter employment when offered.

H. Selection Methods and Criteria

All selection methods and criteria shall be job related. Selection methods include any assessment or technique used as qualifying mechanisms; physical, education, work experience requirements, formal and informal interviews; and application forms.

1. Age Requirements

- a. Applicants under sixteen years of age will not be considered for regular employment unless an exception has been made by applicable law or regulation.
- b. Age is not a factor in employment except for those positions in which bona fide occupational qualifications are required.

2. Physical Qualifications

A person selected shall possess and maintain the minimum physical qualifications necessary to perform essential duties of the position. The Chapter Manager, in consultation with the Chapter Officials, shall designate those positions for which medical examinations shall be required prior to employment. Whenever the Chapter Manager, in consultation with the Chapter Officials and legal counsel (private or the Department of Justice), has reason to believe that an employee's health is adversely affecting his/her job performance, the employee may be required to undergo a medical examination by a licensed physician. The results shall be used to determine continued employment.

3. Polygraph Tests

No applicant or employee shall be requested or required to take a polygraph test as a condition of employment.

4. Background Checks

The Chapter Manager shall designate certain positions as sensitive, such as commissioned personnel, bus drivers, or those working with children and those involving the handling of money, inventories, or security of buildings.

Job-related background checks, which may require fingerprinting of applicants, shall be conducted prior to appointment of a person to a sensitive position. If the background check cannot be completed until after placement, the results shall be used to determine the employee's suitability for continued employment.

- a. Applicants who have been charged with a misdemeanor involving moral turpitude or a felony shall not be eligible for employment unless the charges are dismissed or they are found not guilty.
- b. Applicants who have been convicted of a misdemeanor involving moral turpitude or a felony or who enter pleas of guilty or no contest shall not be eligible to be considered for employment for a period of at least three years following completion of sentence. The number of years may be controlled by other standards if the position is funded pursuant to a grant or contract.

5. Work and Education Reference Checks

To verify information about an applicant's knowledge, skills, abilities, character, and other qualifications that will be important to successful performance in a new position, job-related inquiries may be made of current and former supervisors and other persons who can supply relevant information. Information provided by an applicant to obtain employment, which later proves false, shall be grounds for termination.

J. Offer of Employment

1. The authority to offer employment is vested in the Chapter Manager, after consultation and approval by Chapter Officials.
2. The offer of employment will be extended by the Chapter Manager to the individual selected for the job if the selection is consistent with existing policies and criteria established for the job.
3. The Chapter Manager shall also approve the proposed pay rate before an offer of employment is made to an applicant.
4. The Chapter Manager shall not offer or approve employment if selection was done contrary to these Personnel Policies or Navajo Nation law.

K. Moving Expenses

Subject to the Chapter's availability of funds, moving expenses, in whole or in part, may be paid by the Chapter.

V. EMPLOYMENT STATUS

Employment status varies with the position and conditions of employment. Chapter Managers, working jointly with the Chapter Officials (and review/advice from private legal counsel or the Department of Justice) shall ensure that employees are properly designated.

A. The Navajo Nation has six categories of employment status, of which the Chapter has elected to adhere to five:

1. Regular full-time

Employees who are hired to work the regularly established 40-hour workweek and who remain employed full-time upon completion of the introductory period.

2. Regular part-time

Employees who work less than the regularly scheduled 40-hour workweek but not less than 20 hours per week and who remain employed part-time upon completion of the introductory period.

3. Seasonal

Employees who work less than one year on a full or part-time basis due to the nature of the position and/or funding level. Seasonal employment is usually applicable to jobs that occur on an intermittent or seasonal basis.

4. Temporary

- a. Temporary employees are those who are hired as interim replacements or to supplement the work force, or to assist in the completion of a specific project.
- b. Employment of a temporary to fill a vacant regular status position is limited to a maximum of six consecutive months in a program's fiscal year.
- c. Employment of a temporary in a temporary Chapter account may be extended as necessary, except that if a temporary is employed continuously for one year, the program must justify maintaining the position as temporary or budget the position as regular status.
- d. Employment of a temporary beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change.
- e. While temporary employees receive mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for Navajo Nation benefit programs including annual and sick leave accrual.

5. Volunteers

Persons who offer and provide unpaid assistance or services to the Navajo Nation for a specified time period. Supervisors must arrange for appropriate coverage under workers' compensation.

B. Introductory Period

The Introductory Period is intended to give employees the opportunity to demonstrate the capability to perform assigned job duties at a satisfactory level of performance and to determine whether the position meets their expectations. The

Chapter uses this period to evaluate employee capabilities, work habits, and overall performance. The Table of Penalties (Section XIII below) does not apply during the Introductory period.

1. Immediate supervisors will provide performance standards for successful completion of the introductory period.
2. These policies do not apply to temporary employees.
3. The three types of introductory periods are:
 - a. 90-day Introductory Period
All new employees, hired in a regular or seasonal position will work on an introductory basis for the first 90 calendar days after their date of hire. The introductory period shall begin on the first day of employment and end at the end of the work day on the 90th calendar day. For those employees who work on a Monday through Friday tour of duty and the 90th day falls on a Saturday, Sunday or holiday, the 90th day will carry over to the next working business day. A regular status employee will be subject to only one new employee introductory period during any continuous term of employment.
 - b. Supervisory Introductory Period
A Chapter employee promoted or transferred to a higher level supervisory position, will be subject to a supervisory introductory period of 90 calendar days. An employee promoted or transferred to a supervisory position continues to utilize leave benefits during the supervisory introductory period.
4. Periods of temporary employment cannot be used to satisfy the introductory period requirement. Leave benefits accumulate but cannot be used during the 90-day introductory period.
5. During the introductory period, new employees are eligible for those benefits required by law, such as workers' compensation and Social Security. After obtaining regular status, employees may also be eligible for other Chapter and Navajo Nation provided benefits, subject to the terms and conditions of each benefits program.
6. Unsatisfactory Performance or Conduct
 - a. If, during the 90-day introductory period, the employee's performance or conduct is found to be unsatisfactory, the immediate supervisor may terminate the employee for just cause, provided that the employee is given contemporaneous written notification citing the reason(s) for the termination.

- b. An employee terminated during any introductory period has no rights to grievance.
- c. Termination of new employees within the introductory period voids accrued annual and sick leave. Supervisory and transferred employees will receive payment for all accrued annual leave.

7. Failure to Complete Supervisory Introductory Period

- a. Employees failing to successfully complete their supervisory introductory period will be returned to their previous position, if it is available, at their prior rate of pay. If the previous position is not available, they will be considered for a comparable position. If a comparable position is not available, they will be laid off and placed on preferential status for reemployment.
- b. Employees failing to satisfactorily complete a supervisory introductory period will not be considered for another supervisory position for a period of 12 months. During the supervisory introductory period, an employee has no rights to grievance.

8. If any introductory period is interrupted by an employee's extended absence due to medical reasons, the introductory period may be extended the number of calendar days the employee was absent.

9. Conversion to Regular Status

- a. When an employee satisfactorily completes an introductory period, the immediate supervisor is required to submit a performance appraisal for him/her to the Chapter (either Chapter Manager or the Chapter's file with notice to the Chapter Officials) along with the personnel action form. This will convert the employee's introductory status to regular status.
- b. If the immediate supervisor fails to notify, in writing, the employee and the Chapter Manager or Chapter Officials of the conversion status at the end of any introductory period, the Chapter Officials are authorized to initiate action to convert the employee to regular status.

10. Reemployment after Break in Service

Former employees rehired after any break in service, are considered new employees and will be subject to another introductory period regardless of a previous completion. The exceptions are those reemployed after a layoff. They are eligible for reinstatement for a period of six months after layoff.

C. New Employee Orientation

1. New employees are required to attend an employee orientation within 90 calendar days of employment date. All supervisors shall allow new employees to attend the orientation as scheduled.
2. The new employee orientation shall include an overview of general Chapter operating policies and procedures, employee benefits, and an overview of the Chapter and Navajo Nation organizational structures, and reporting relationships.
3. All employees are required to read and affirm in writing that they are familiar with this Personnel Policies Manual.
4. Supervisors are required to provide an employee orientation to newly hired and transferred employees. This orientation shall include program specific topics, such as Chapter goals and objectives, office and workstation regulations, and job and performance expectations.

D. Basic Workweek

The basic workweek is seven days - Saturday through Friday. Standard hours of work for all employees are 40 hours per week.

E. Basic Tour of Duty

The basic tour of duty is from 8:00 a.m. to 12:00 noon and from 1:00 p.m. to 5:00 p.m., Monday through Friday.

1. Breaks

Employees are entitled to a midmorning and a mid-afternoon break, each break time not to exceed 15 minutes. Employees cannot accumulate break time.

2. Standby Duty

Certain work operations require that employees be placed on standby and available for duty. If called, employees required to remain on duty during emergency situations for extended periods will receive rest and meal periods.

3. Time Records

Time records will be maintained for each employee to accumulate and report the following: hours worked, hours absent, hours on approved leave, type of approved leave, and hours of unauthorized absence. Time records must be submitted for payroll purposes.

F. Alternative Work Schedules

1. Exceptions to the basic tour of duty may be approved by the Chapter Manager upon written request from administrative employees. .
2. Alternative work schedules are generally dependent upon the specific working conditions and needs of the Chapter.
3. The Chapter Manager will be responsible for developing and issuing procedures on the types of alternative work schedules available (E.g. flextime, compressed workweek, shift work, job sharing, and telecommuting).

VI. CLASSIFICATION OF POSITIONS

A. Policy

It is the policy of the Chapter to establish and maintain a classification plan which groups jobs based upon similar duties, responsibilities, and qualification requirements.

B. Position Classification Plan

1. Purpose

To establish and classify positions by assigning official class titles, providing descriptions of duties and responsibilities, determining qualification requirements and setting pay rates based on duties and responsibilities.

2. Modifications

The Chapter Manager, in consultation with the Chapter Officials, will modify the position classification plan through establishing new classes, revising or abolishing existing classes, setting new entry level rates, and other related criteria, as necessary.

3. Coverage and Exclusions

All positions, regardless of the source of funding, are covered by the classification plan.

C. Classification of New Positions

1. A position must be officially classified before the Chapter Manager can take any personnel action with respect to employment, transfer, promotion, demotion or salary.

2. The Chapter Manager, in consultation with the Chapter Officials, shall be responsible for evaluating and classifying each position to the appropriate class. Consideration will be given to the general duties, tasks, responsibilities, and qualification requirements.
3. The approved class title, as designated by Department of Personnel Management should be used for all official records.
4. The Chapter Manager and Administrative Assistant shall be responsible for maintaining the official class specifications and will provide each the Chapter a set of the relevant class specifications.

VII. SALARY AND WAGE ADMINISTRATION

A. Policy

It is the policy of the Chapter to pay wages and salaries that are commensurate with the type of work, the level of responsibility and the qualifications required for each job and that are comparable subject to budgetary constraints, to rates being paid for similar work within the Navajo Nation and in other comparable organizations, and to provide for salary adjustments for Chapter employees that are equitable and competitive.

B. Applicability

These policies apply to all positions and employees, regardless of the funding source, except employees whose rates of pay are specifically set by legislation.

C. Salary and Wage Limits

1. Each position in the Chapter is evaluated using a classification system that is determined by the Chapter Manager and is assigned a pay grade that establishes the value of the position in relation to other positions within the Chapter.
2. The Official Salary Schedule, which is produced by the Chapter Manager, shall provide a pay grade for all classes. Each class title shall be assigned a pay grade in the approved salary schedule. For every pay grade, there shall be a "salary range" progressing from minimum to a maximum.
3. The last step of the pay grade assigned to a position provides the maximum limit an employee will be paid for that job.

D. Salary and Wage Administration

1. Each position shall be reviewed by the Chapter Manager, classified, and assigned to a grade within the pay structure that reflects an equitable value

relative to other classifications.

2. The Chapter Manager will annually establish an appropriate pay structure consistent with other pay structures to ensure internal equity based on the current market average. All pay is subject to availability of Chapter funds.
3. Certain occupations may command Special Pay Ranges (premium pay) based on prevailing market pay levels. The Chapter Manager is responsible for evaluating eligibility and determining the adjusted ranges.
 - a. The special ranges shall be effective for one fiscal year.
 - b. Continued eligibility for the special rate shall depend on an annual evaluation of market pay levels.
 - c. If the special pay range is lower than the standard range, and range reduction results in an employee being above the maximum step, that employee's pay will be frozen until such time that it falls within the established range.
4. The Chapter Manager will adjust the pay rates of employees at certain worksites to reflect the cost of labor difference using appropriate locality pay data.
5. The Chapter Manager may consider additional factors such as remoteness of worksite and hard to fill positions in determining and adjusting pay.

E. Appointment Rate

The Chapter Manager is responsible for reviewing appointment rates based on the qualifications of the applicant compared to the established minimum qualifications for the position.

1. New employees will generally be assigned to Step "A" of the pay grade (or the equivalent) to which the position is assigned. No employee will be paid below Step "A".
2. Applicants with qualifications greater than those required at entry level may be hired at a rate not to exceed the midpoint of the pay range assigned.

F. Special Recruitment Rates

When all recruitment and selection procedures have been followed and an applicant cannot be recruited, a special rate may be authorized by the Chapter Manager in consultation with the Chapter Officials. Special rates are subject to availability of Chapter funds.

G. Pay Adjustments

Pay adjustments resulting from a promotion, transfer or reclassification of a position are effective the pay period following the date of approval by the Chapter Manager and shall not be retroactive.

1. Transfer

If an employee is transferred from one position to another in the same grade (lateral) no pay adjustment will occur. If transferred to a position in a higher grade, see G.3 below. If transferred to a position in a lower grade, see G.4 below.

2. Reclassification

a. If an employee's position is reclassified which results in the assignment of a higher pay grade, the employee's pay will be adjusted as outlined in G.3 below. If the reclassification results in the assignment of a lower pay grade, the employee's pay will be adjusted as outlined in G.4 below; or if the grade assignment remains the same, then no pay adjustment will occur.

b. The eligibility date for the next step increase will be adjusted pursuant to G.6 below whenever a pay increase occurs.

3. Promotion

An employee is promoted when he/she is moved from one position to another that is in a higher grade. Pay adjustments can be made as follows:

a. an employee meeting the minimum qualifications for the new position will be paid at Step "A" of the assigned pay grade.

b. notwithstanding G.1 above, based on an employee's qualifications, an increase of up to two steps may be granted and shall not exceed the maximum of the pay range assigned. The employee's eligibility date for the next step increase will be adjusted pursuant to G.6 below.

4. Demotion

An employee is demoted when he/she is moved from one position to another in a lower grade. His/her rate of pay shall be reduced to the same step in the lower pay grade or the entry level rate of the lower pay grade. The salary adjustment shall not be to a rate below Step "A".

5. Step Increases

A regular status (full-time and part-time) employee whose performance is rated as "Significantly Exceeds Standards" or "Outstanding" will receive a step increase pursuant to the following:

- a. An employee must have been in his/her current position for at least six months during the current rating period.
- b. The step increase will be effective one year from the date of the last step increase or on the employee's anniversary date, if the employee is at Steps "A", "B", "C", "D", or "E", two years from the date of the last step increase or on the employee's anniversary date, if the employee is at Steps "F", "G", "H", or "I", or three years at Steps "J" and "K". If the employee is at Step "L", no step increase will occur.

6. Acting Status Assignment

- a. An employee on acting status assignment must be compensated at the first step of the assigned grade for the duration of the assignment if he/she meets the requirements of the position.
- b. If an employee's current salary equals or exceeds entry level for the acting status position, the employee may receive a one step increase for the duration of the assignment.

H. Holiday Pay

1. Any employee who is required to work on a holiday and does work shall be paid at twice his/her regular rate of pay for hours worked.
2. Holiday pay will cover only those hours worked in one day.
3. Early release of employees is not counted as a holiday when calculating holiday pay.

I. Merit Pay Bonus

Merit pay bonus payments are lump sum payments, excluding applicable taxes and deductions, awarded to employees for performance.

1. Cash awards may be given to eligible employees based on their overall performance during the applicable rating period.
 - a. Eligibility for Merit Pay

- 1) An employee must be regular status (full-time and part-time) with at least one year of continuous service with the Chapter and six months in his/her current position.

- 2) An employee must be recommended for merit pay by the immediate supervisor and approved by the Chapter Manager.
- 3) An employee must have an overall performance rating of "Significantly Exceeds Standards" or "Outstanding".
- 4) An employee is deemed ineligible for merit pay if he/she terminates employment prior to the Chapter Manager's approval.
- 5) An employee must not have received a step increase or bonus for the same rating period.

2. Merit bonus payments will be processed in accordance with these procedures.

J. Shift Differential

Shift differential may be paid provided funds are available and a request is approved by the Chapter Manager. Shift differential will be consistent with local industry practices.

K. Pay Advances

1. An employee may request a pay advance in the following situations:
 - a. When an employee is required to travel on official business. Travel must be in accordance with existing travel policies.
 - b. Serious illness or death in the immediate family. See procedures for requesting "emergency" pay advances for serious illness or death in the immediate family issued by the Office of the Controller.
2. All pay advances will be deducted in accordance with current payroll processing.

VIII. OVERTIME

A. Policy

It is the policy of the Chapter to authorize overtime when necessary to meet essential operating needs of the Chapter subject to existing funding and contract requirements.

B. Exempt/Non-exempt Classification

All positions will be classified as either exempt or non-exempt to determine eligibility for overtime compensation.

1. Exempt: managerial, professional, and administrative positions. Employees assigned to exempt positions are not eligible for overtime compensation.
2. Non-exempt: nonsupervisory or office staff positions. Employees assigned to non-exempt positions are eligible for overtime compensation.

C. Authority to Approve Overtime

The Chapter Manager may authorize overtime consistent with these policies. However, prior to working overtime, non-exempt employees must agree to the type of compensation preferred, cash payment, compensatory time off, or a combination of the two.

D. Employee Notification

The Chapter Manager shall notify the employee in advance that overtime is necessary and the employee is expected to work. In assigning overtime, the Chapter Manager will take into account employee preference for overtime assignments. To the extent feasible, overtime shall be distributed equally among full-time employees of the same classification.

E. Compensation for Overtime Work

1. **Cash Payment** – Whenever an employee is approved to work overtime, payment for the overtime must be processed within the next pay period ending.
 - a. Non-exempt employees shall be paid for overtime at the rate of one and one-half times their regular rate for hours worked which exceed forty hours of actual work in a workweek. Exception: Employees engaged in public safety activities will be paid the overtime rate for hours worked which exceed eighty hours of actual work in a pay period.
 - b. Non-exempt employees shall be paid at their regular rate of pay when the actual hours worked is equal to or less than 40 hours in a workweek. Employees engaged in public safety activities shall be paid at their regular rate when the actual hours worked is equal to or less than 80 hours in a pay period.
 - c. A non-exempt employee shall be paid for any accrued and authorized overtime, including accrued compensatory time, upon transfer, change in funding source, or termination.

2. Compensatory Time Off

In lieu of cash payment, an employee may be eligible to earn compensatory time subject to the following:

- a. For non-exempt employees, compensatory time shall be calculated in the same manner as cash payment in E, above.
- b. Compensatory time off shall be arranged by the employee and the Chapter Manager. The Chapter Manager shall properly account for Compensatory time earned and taken by employees.
- c. For non-exempt employees, compensatory time off must be taken within 90 days of the time it was earned, otherwise the Chapter is required to compensate employees in cash payment.
- d. An employee may not accrue more than 120 hours of compensatory time, unless the employee is engaged in essential public safety activities or emergency response activities. These employees may accrue up to 240 hours of compensatory time. Any overtime hours worked in excess of these limits must be compensated in cash payment until the number of accrued hours of compensatory time falls below the limit.

F. Reporting of Overtime

All authorized and earned overtime and compensatory time must be recorded on the official time sheet. Only hours reported on the time sheet will be accepted and approved for cash payment or compensatory time off.

IX. EMPLOYEE BENEFITS

- A. The Chapter offers several benefit programs for employees. Eligibility may be based on length of service, employment status or salary. Specific descriptions of the benefits shall be made available at the Chapter by the Chapter Manager.

B. Paid Holidays

1. The following days shall be recognized as paid holidays:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February

Navajo Nation Sovereignty Day	Fourth Monday in April
Memorial Day	Last Monday in May
Navajo Nation Memorial Day	June 1
Independence Day	July 4
Navajo Code Talker Day	August 14
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Navajo Nation Family Day	Friday following Thanksgiving Day
Christmas Day	December 25

Additional holidays include any day designated as a holiday by federal statute, Executive Order of the President of the United States, or action of the Navajo Nation Council, the President of the Navajo Nation, or the Speaker, Navajo Nation Council.

2. All employees except temporary employees are eligible for paid holidays.
3. Holidays falling on a Saturday will be observed on the preceding Friday. Holidays falling on a Sunday will be observed on the following Monday.
4. If a holiday occurs when an eligible employee is on approved leave, the absence will not be charged against his/her accrued leave.
5. An eligible employee who is on a scheduled day off when a holiday is observed will be paid at his/her regular rate of pay.
6. An eligible employee required to work on a designated holiday who does not report to work and is not excused will forfeit the holiday pay.
7. Any employee who is required to work on a holiday and does work shall be paid at twice his/her regular rate of pay. (See Section VII. F). Employees working on a holiday will not be given equivalent time off before or after the holiday.

C. Leaves of Absence

Employee benefits include leaves of absence. See Section X for discussion on the types of leave.

D. Staff Development and Training

Employees are encouraged to participate in job related training to enhance job performance, develop and strengthen skills, and to keep current on specific developments and trends. The Chapter Manager in conjunction with the Chapter President and Vice-President are responsible for monitoring and administering training activities.

X. LEAVE ADMINISTRATION

A. General Leave Policies

1. Use of Leave

Employees will earn annual and sick leave, however, when and how these leave benefits are used is subject to supervisory approval. Employees should keep in mind that the use of leave is granted as a privilege rather than a right. It should also be clearly understood that leave is granted to employees at such times as they can be conveniently spared from work. Use of leave may be subject to verification and improper use of leave may be denied. Leave may be denied due to the requirements of the workload, except as provided herein.

2. Application for Leave

Except in emergency circumstances or as provided below, application for leave of any kind or duration must be initiated by the employee in writing and presented to the Chapter Manager for approval prior to taking leave. If the Manager is not available, employee shall submit her/his request for leave on the day they return to work. If an employee is incapacitated, the Chapter Manager may place the employee on appropriate leave.

3. Leave Year

The leave year shall consist of 26 pay periods and shall begin with the first complete pay period in any given calendar year and end with the 26th pay period.

4. Years of Service for Leave Benefits

Years of service shall include all periods of continuous employment with the Navajo Nation government and Chapter government. Years of service shall not include employment with entities, enterprises, or chapters of the

Navajo Nation. In addition, service prior to a break in service will not be included unless the break in service was the result of a reduction in force and the employee was reinstated within six months of the lay off.

5. All leave benefits, such as accrued annual leave and other paid leave time, shall be subject to the availability of Chapter funds.

B. Paid Leave

1. Annual Leave

Annual leave is authorized absence for rest, recreation or other purposes when approved by the supervisor.

a. Eligibility

- 1) Regular status employees are eligible to accrue annual leave hours.
- 2) Temporary employees are not eligible.
- 3) Employees on any type of leave without pay are not eligible.

b. Limitations

- 1) Employees serving a new employee introductory period can accrue annual leave but cannot use accrued annual leave until after they have been converted to regular status.
- 2) Termination within the new employee period voids all accrued annual leave hours.

c. Accrual Rate

- 1) Eligible employees will accrue annual leave at the following rates:

	Nonexempt Employees	Exempt Employees
Yrs of <u>Service</u> <u>Period</u>	Per Pay <u>Period</u>	Per Pay <u>Period</u>
Less than 3 years	4 hours	6 hours
3 years to	6 hours	8 hours

12 years 8 Hours 10 Hours

More than 8 Hours 10 Hours
12 years

- 2) Eligible regular part-time and seasonal part-time employees accrue annual leave on a pro rata basis.

d. Extension of Sick Leave

Annual leave may be approved as an extension of sick leave upon exhaustion of accrued sick leave.

e. Carryover

At the end of each leave year, all hours in excess of 320 hours shall be forfeited. Forfeited hours shall not be paid.

f. Change of Employment Status

- 1) An employee transferred to a position in which annual leave does not accrue will be paid for all accrued annual leave hours earned in his/her prior position.
- 2) An employee who transfers to another regular status position shall have all accrued annual leave hours transferred.

g. Liquidation of Annual Leave

Upon separation from employment, an employee shall be paid for all accrued annual leave hours. Payment will be included in the final paycheck subject to deductions for any indebtedness owed to the Chapter. This is subject to availability of Chapter funds.

2. Sick Leave

Sick leave is authorized time off from work granted an eligible employee due to: his/her own illness, injury, or disability or that of a spouse, children, or parents. This includes but is not limited to incapacitating, contagious, or chronic illness, disability caused by pregnancy, childbirth or related medical circumstances, illness or injury that requires examination, treatment or visits to a licensed practitioner, medicine man or health-related counselor. Employees referred by EAP for treatment, counseling or to other resources may also be eligible for sick leave.

a. Eligibility



- 1) Regular status employees are eligible to accrue sick leave hours.
- 2) Temporary employees are not eligible.
- 3) Employees on any type of leave without pay are not eligible.

b. Limitations

- 1) Employees serving a new employee introductory period can accrue sick leave but cannot use accrued sick leave until after they have been converted to regular status.
- 2) Illness or other medical conditions which exhaust an employee's sick leave may require that annual leave and leave without pay be used.

c. Accrual Rate

Eligible employees will accrue sick leave from the date of employment at the following rates:

<u>Employee Status</u>	<u>Accrual Rate Per Pay Period</u>
Regular/Seasonal Full-Time	4 Hours
Regular/Seasonal Part-Time	2 Hours

d. Physician's Statement

An employee is required to submit written proof of illness or disability from a physician for absences of three or more consecutive work days. If an employee's sick leave record warrants, a statement may be required for less than three days.

e. Traditional Healing Ceremonies

An employee must request and obtain prior approval for the absence. The employee may be required to submit a written statement from the medicine man performing the ceremony if the employee's absence due to traditional healing ceremonies warrants verification or if the ceremony is three or more consecutive work days.

f. Carryover

Eligible employees may carry over an unlimited number of unused sick leave hours from leave year to leave year. However, no

employee shall be paid for unused sick leave hours upon termination.

g. Change in Employment Status

- 1) An employee who transfers to a position in which sick leave does not accrue shall forfeit all sick leave hours.
- 2) An employee who transfers to another regular status position shall have all accrued sick leave hours transferred.

h. Reinstatement of Sick Leave

Sick leave hours shall only be restored when a former employee with reemployment preference is rehired within six months of separation from employment.

i. Forfeiture of Sick Leave

Termination within the new employee introductory period voids all accrued sick leave hours. Forfeited sick leave may not be restored.

3. Administrative Leave

Administrative leave is leave with pay and may be granted by the Chapter Manager in the following situations:

a. Early release

- 1) Early release of employees due to: extreme weather conditions, or any other reason determined by the Chapter President or his or her designee to be appropriate. Advance notice of early release shall be in writing and signed by the relevant authority or their designee.
- 2) Early release shall not apply to employees on leave, travel or whose tour of duty does not cover the period of the early release.

b. Temporary closure of employee work sites or facilities due to environmental health hazards or other safety or health reasons. Administrative leave shall not be granted when affected employees can reasonably be assigned to alternative work sites.

c. Investigations

The Chapter Manager--or when the Chapter Manager is the subject of the investigation or when otherwise appropriate, the

elected Chapter officials--may place an employee on administrative leave to investigate alleged misconduct sufficiently serious to bar an employee from the premises to protect persons or Chapter resources. Such leave may not exceed 20 total consecutive working days.

- 1) Immediate written notice shall be given to the employee of the leave, its purpose and duration, and specific reasons therefore. The employee shall be required to leave the premises immediately.
- 2) Upon conclusion of the investigation or the end of the administrative leave, whichever occurs first, if no disciplinary action is taken, the employee shall be allowed to return to work. However, this does not prevent disciplinary action after an employee returns to work.
- 3) When disciplinary action is deemed necessary, it shall be taken in conformance with the appropriate provisions of Sections XIII and XV herein.

d. Witness Summons

- 1) An employee summoned or subpoenaed by any party or tribunal, including the grievance hearing officer, to be a witness in an official capacity, shall not be required to take leave since the employee will be representing the Chapter. However, the employee must immediately inform the Chapter Manager of the proposed absence.
- 2) If an employee is summoned to be a witness as a private citizen, or as a witness for the aggrieved party in a grievance hearing, the employee will be authorized annual leave. If annual leave is exhausted, leave without pay will be used.

e. Jury Duty

Employees are required to notify their supervisor promptly upon receipt of a jury summons and subsequent notice to serve as a juror. Employees summoned for jury duty, including military jury duty, will receive their regular rate of pay for normal work hours, provided the employee submits evidence of the summons and selection notice. Employees will be allowed to retain any reimbursements for transportation, lodging, meals etc. paid by the respective court jurisdiction.

f. Time Off for Voting

- 1) Registered voters may receive authorization for up to two hours paid absence from work to vote in a Navajo Nation, local, state or federal election. The length of absence will be granted at the discretion of the Chapter Manager.
- 2) Employees required to vote at a poll remote from their workstations may request an extension of the two-hour limit. The extension, if granted, will be charged to the employee's annual leave. This extension includes travel time to the poll but may not exceed eight hours.

g. Professional Licensure and Certification

- 1) An employee may be authorized administrative leave to obtain appropriate job related professional licensure or certification or to satisfy continuing education requirements to retain such licensure or certification.
- 2) An employee will be given two opportunities to obtain the same licensure or certification. Thereafter, he/she will be required to take annual leave or leave without pay to obtain that same licensure or certification.
- 3) Any special conditions regarding the length of leave, payment of expenses, reimbursement, grades, employment status, service to the Navajo Nation, etc. will be arranged between the Chapter Manager and the employee.

C. Unpaid Leave

1. Approved Leave Without Pay

Leave without pay not to exceed 15 working days may be granted by the Chapter Manager. Except for family and medical leave, annual or sick leave, if applicable, must be exhausted before entering approved leave without pay status. Consideration shall be given to the merits and circumstances together with the Chapter operations.

2. Unauthorized Absence

When an employee is absent without authorization, the employee will be charged with absence without approved leave and may be subject to disciplinary action. If the absence is later approved, the charge to absence without approved leave may be changed to the appropriate leave.

3. **Disciplinary Actions**

An employee placed on suspension is considered to be on leave without pay status. Annual and sick leave do not have to be exhausted.

4. **Educational Leave**

Educational leave may be granted when an employee enrolls as a full-time student in an accredited educational institution.

- a. The purpose of educational leave is to enhance an employee's job performance and therefore must be job related. All requests shall be approved by the Chapter Manager.
- b. Educational leave shall be without pay unless the Chapter Manager and employee agree that annual leave may be used.
- c. Regular full-time employees are eligible for educational leave up to one semester (or equivalent) per academic year provided they have three years of continuous employment with the Chapter.
- d. An employee on approved educational leave shall maintain regular full-time status.
- e. Upon completion of educational leave, an employee shall return to his/her position.

D. Family and Medical Leave

Family and medical leave of absence is approved unpaid leave available to eligible employees for up to six months per year under particular circumstances that are critical to the life of a family.

1. Family and medical leave may be taken only in the following situations:
 - a. upon the birth of the employee's child;
 - b. upon the placement of a child with the employee for adoption or foster care;
 - c. when the employee is needed to care for his/her child, spouse, or parent who has a serious health condition; or
 - d. when the employee is unable to perform the functions of his/her position because of a serious health condition.

2. Limitations

- a. The first three months of leave are nondiscretionary; if the leave is requested consistent with these policies, the Chapter Manager must approve the leave.
- b. The second three month period is discretionary. The Chapter Manager has the authority to approve/disapprove the leave. Reason(s) for the additional leave requested must meet the criteria herein and be based on 1 a-d above.

3. Eligibility

Regular status employees who have been employed for one year are eligible for family and medical leave. The Chapter Manager may approve family and medical leave in extraordinary situations.

4. Basic Regulations and Conditions

- a. Employees are required to submit medical certification to support a claim for leave for an employee's own serious health condition or to care for a seriously ill child, spouse, or parent.
- b. Spouses who are both employed by the Chapter may take a total of six months of leave (rather than six months each) for the birth or adoption of a child or the care of a sick parent, subject to the limitations in D.2 above.
- d. When the need for leave is foreseeable, such as the birth or adoption of a child, or planned medical treatment, the employee must provide notice as far in advance as practicable, and make efforts to schedule leave so as not to disrupt Chapter operations.
- e. In cases of illness, the employee will be required to report periodically to the immediate supervisor on his/her leave status and intention to return to work. A medical certification is required to resume work.
- f. Upon return from family and medical leave, an employee shall return to the same position.
- g. During the employee's absence, his/her position may be filled on a temporary basis.
- g. An employee's failure to return to work after the duration of approved family and medical leave and any other authorized leave shall be deemed a resignation.

5. Status of Employee Benefits During Leave of Absence

- a. Any employee who is granted an approved leave of absence under this policy shall provide for the retention of group insurance coverage by arranging to pay his/her premium contributions during the period of unpaid absence.
- b. An employee will not lose service credit with the Navajo Nation/Chapter as a result of the family and medical leave, but he/she will not accrue annual or sick leave and is not eligible for paid holidays.

E. Furlough

Furlough is the placement of a Seasonal employee into temporary non-duty non-pay (leave without pay) status due to lack of work, closure of facilities for a specific period of time, or closure due to circumstances beyond the control of the program.

1. Seasonal employees may be eligible for furlough status upon verification of continued funding for the next season or intermittent employment.
2. Employees will be provided written notice from the Chapter Manager of the furlough 15 calendar days prior to the beginning of the furlough period. The notice will include the effective date of the furlough, the date to return to duty (if known at that time) and pay status.
3. Each employee shall be provided a record of his/her accrued annual and sick leave hours before going on furlough status. This accrued leave will be maintained until the employee returns to active duty and pay status or is separated from employment.
4. To retain his/her regular status, a Seasonal employee on furlough may only obtain temporary employment with the Navajo Nation during the furlough period. If the employee does not wish to return to the Chapter placing him/her on furlough, a resignation must be submitted and processed to clear the employee to obtain other employment.
5. Employees provided written notification to return to work and who fail to report by the established return to duty and pay status date, may be subject to termination.
6. Insurance premiums must be paid for the furlough period. Upon notification of furlough, the Chapter and affected employees can make arrangements for payment of premiums with the Chapter Manager.

7. These policies do not apply to other categories of employees.
8. The period of furlough cannot exceed nine months from the date of furlough.

XI. EMPLOYEE PERFORMANCE APPRAISAL

A. Policy

The policy of the Chapter is to encourage and promote optimal employee performance using Chapter objectives. Every employee must receive a performance appraisal at least once a year.

B. Purpose

The purpose of the Employee Appraisal is to evaluate past job performance and set standards for future performance.

C. Duties and Responsibilities

1. Supervisors shall be responsible for evaluating past performance.
2. At the beginning of each review period, supervisors will be responsible for establishing specific objectives and performance standards consistent with Chapter objectives and current job descriptions.
3. Chapter Manager shall monitor the completion of employee performance appraisals.
4. Supervisors are responsible for ensuring that performance appraisals are submitted for all employees by the established deadline date. Failure to submit appraisals by established deadline date will result in disapproval of step increase and/or disciplinary action.

D. Unsatisfactory Performance

An employee whose job performance is unsatisfactory is subject to disciplinary action as set forth in the Table of Penalties.

E. Merit Pay

Performance evaluations serve as the basis for awarding merit pay. Merit pay provisions are set forth at Section VII. G. 1-2 herein.

XII. CHANGES IN ASSIGNMENT

A. Policy

The Chapter may, at its discretion, initiate or approve changes in assignment of employees from one position to another.

B. Transfers

All transfer decisions will be made in accordance with applicable laws and Navajo Nation policies, procedures, rules, and regulations. To the extent possible, Chapter Managers will make transfers that are voluntary. The Chapter Manager, upon written request by a regular status employee may transfer the employee to a position in the same pay grade. The Chapter Manager may transfer a regular status employee to a position in the same pay grade without a request by the employee.

1. Qualifications

An employee shall possess the knowledge, skills, and abilities required for the position as identified in the class specification for the position to which transferred.

2. An employee shall not be transferred during an introductory period.

3. These policies do not apply to Temporary employees.

C. Promotions

1. Job vacancies may be filled by promotion when practicable and in the best interest of the Chapter.

2. It is the employee's responsibility to pursue promotion by:

a. attaining the necessary skills, training, education, and professional certification; and

b. submitting a letter of interest to the supervisor of that position.

3. The supervisor is responsible for submitting a written justification for promotion to the Chapter Manager (or if the Chapter Manager, the elected officials).

4. The Chapter Manager or elected officials, upon determination that the employee meets the requirements of the position, will approve the promotion and the salary.

5. Promotions do not become effective until final approval is obtained.
6. These policies do not apply to Temporary employees.

D. Demotions

1. Involuntary - An employee may be demoted for cause or as a result of disciplinary action based on work performance pursuant to Section XIII.B herein. Notwithstanding Section XIV.A involuntary demotions are grievable actions.
2. Voluntary Grade Decrease – An employee may request a change in assignment to a position with a lower pay grade. The employee shall possess the knowledge, skills, and abilities required of the new position. An employee is not eligible to grieve or appeal an approved voluntary demotion.
3. Demotions are permanent personnel actions unless stated otherwise.
4. These policies do not apply to Temporary employees.

E. Acting Status Assignment

An acting status assignment usually involves assigning a regular status employee to a supervisory position during the extended absence of an incumbent or a position vacancy. An acting status assignment shall not be less than 15 calendar days and shall not exceed 120 calendar days.

1. An acting status assignment must be voluntary. The employee must meet the requirements of the position to which he/she is being assigned.
2. The request for acting status assignment must be in writing and submitted to the Chapter Manager for approval. The request shall include the following:
 - a. the nature, time period, and expected results of the assignment;
 - b. assigned duties and responsibilities;
 - c. reporting relationships, signatures of the appropriate supervisors and the employee;
 - d. the appropriate salary adjustment for the period of assignment; and
 - e. an updated application and resume of the employee being considered for the acting status assignment.

3. The Chapter Manager upon determination that the employee meets the requirements of the position will approve the assignment and the effective date.
4. An employee who completes an acting status assignment will return to his/her previous position and resume regular duties at the previous grade/step.
5. Additional compensation for acting status assignments is covered under Section VII(E) herein.
6. These policies do not apply to Temporary employees.

F. Change in Worksite

1. A change in worksite is strictly limited to moving an employee from one location to another within the Chapter. There shall be no changes to the employment status, title, or salary.
2. A change in worksite may be voluntary or initiated by the supervisor to ensure effective and efficient operations.
3. A change in worksite shall not be used for disciplinary reasons.
4. A change in worksite may be temporary or permanent.
5. A request for change in worksite of an employee must be submitted to the Chapter Manager outlining the following:
 - a. the reason(s) for the change in worksite, the time period, and expected results of the assignment; and
 - b. reporting relationships; and
 - c. signatures of the supervisor.
6. These policies do not apply to Temporary employees.

XIII. DISCIPLINE OF EMPLOYEES

A. Policy

The policy of the Chapter is to establish and maintain standards of employee conduct and supervisory practices that will support and promote effective operations. Such practices include the administration of consistent and constructive employee discipline.

B. Guide for Disciplinary Action

Supervisors at all levels are expected to assume responsibility for reporting and initiating proper action regarding employee misconduct, unsatisfactory work performance, or violation of personnel policies or regulations.

1. Employees, including supervisors, whose job performance or conduct are unsatisfactory, or who violate the law, Nation policies, practices, rules, or regulations are subject to disciplinary action consistent with the Table of Penalties.
2. Supervisors should refer to the Table of Penalties or the Department of Justice (or private legal counsel if retained) for assistance in initiating disciplinary action.

C. Authority to Administer Disciplinary Action

1. The Chapter Manager shall have the authority and responsibility to administer appropriate disciplinary action for violations of law, Nation policies, practices, rules, and regulations.

D. Documentation

1. All disciplinary actions shall be documented in writing by the supervisor or Chapter Manager. A copy of this documentation shall be turned over to the Chapter's legal counsel or the Department of Justice after adverse action has been taken.
2. Documentation of disciplinary actions will become part of the employee's personnel record subject to G.2 below.

E. Notice

Notice of disciplinary actions should be hand delivered whenever practicable or sent by certified mail. Notice by certified mail shall be effective upon delivery of notice by the U.S. Postal Service.

F. Contents of Disciplinary Notice

The disciplinary notice shall be in writing, directed to the employee, and shall contain:

1. an appropriate identification of the party, including position title ; and
2. the date(s) on which the violation(s) occurred, or where such acts are of a continuing nature and are the basis for the disciplinary action, the period of time when the acts occurred; and

3. a reference to the Table of Penalties regarding the offense(s) committed and the penalty imposed; and
4. a clear and concise statement of the facts constituting the alleged violation(s); and
5. an explanation of the employee's right to appeal the disciplinary action pursuant to Section XIV Employee Grievance; and
6. if hand delivered, the employee's acknowledgment of receipt of the notice, or if employee refuses to acknowledge, the notation that employee refused to sign and the date.

G. Table of Penalties

Those responsible for the administration of discipline must be firm, impersonal, and free from prejudice. In the interest of administering justice as uniformly as possible in accordance with the policies stated, a Table of Penalties is incorporated herein.

1. In cases of less serious performance and/or conduct issues, supervisors are encouraged to discuss such deficiencies with their employees before initiating any formal disciplinary action under the Table of Penalties.
2. A reprimand may also be appropriate for less serious offenses prior to taking formal action. Such action may not be grieved under this section of the Manual, nor will it be included in the employee's personnel file. However, a written reprimand may be maintained by the Chapter.
3. Supervisors shall be specific in describing the time period constituting an employee's suspension, and shall include both the dates and hours when the suspension begins and ends. Holidays shall be counted in computing the suspension period.
4. Suspensions imposed under the Table of Penalties are generally without pay, and require the employee to remain away from the workplace during the period of suspension. At the discretion of the supervisor, an employee may be placed on a working paid suspension. During the period of suspension, the employee shall continue to carry out his/her regular duties at the workplace. A paid suspension is grievable.
5. In addition to the penalties listed, employees are reminded that depending upon the offense(s) committed, they may be subject to prosecution under Navajo Nation or other applicable laws and/or be deemed ineligible for future employment with the Chapter and the Navajo Nation.

6. Employees who violate Navajo Nation or other applicable laws may also be subject to penalties provided for in those laws. Such violations may or may not lead to disciplinary action by the supervisor.
7. For those employees paid by a contract or grant, where the funding source requires greater disciplinary measures than those outlined in the Table of Penalties, or penalties other than those listed, such disciplinary action may be imposed consistent with the funding source requirement.
8. Where one set of circumstances warranting disciplinary action violates more than one offense listed in the Table of Penalties, supervisors must allocate the total penalty among each separate offense charged.

For example, if an employee is charged with three separate offenses, and the penalty for all three offenses totals ten working days suspension, the supervisor must allocate the ten days among all three offenses.

9. Employees shall not be penalized for multiple offenses arising from the same conduct or event.

TABLE OF PENALTIES

OFFENSE	FIRST PENALTY	SECOND PENALTY	THIRD PENALTY
1. Theft of property	Removal		
2. Misuse of Nation funds	Removal		
3. Solicitation or acceptance of bribes or kickbacks	Removal		
4. Falsification or unauthorized alteration of any Nation record	Removal		
5. False statement(s) of material fact in employment application or related documentation	Removal		
6. Maintaining second or outside employment without proper approval including, but not limited to, holding a salaried elected office, self-employment, etc.	Removal		
7. Contracting or recommending a contract with a party where the employee has an equity or other beneficial interest, limited only to employees who have influence over the contracting process	Removal		
8. Fraud and/or conspiracy to commit fraud	Removal		
9. Perjury in court or before an official Navajo Nation body or tribunal	Removal		
10. Concealing, removing, mutilating, obliterating, or destroying Navajo Nation records or documents without authorization	Removal		
11. Abuse of office or position	Removal		
12. Failure to directly call or report to the immediate supervisor for three (3) consecutive working days	Removal		
13. Planning, initiating participating in or otherwise aiding or assisting in the conduct of any riot or unlawful demonstration.	Removal		
14. Egregious misconduct which calls into question one's fitness for continued employment in that position with the Chapter.	Suspension (up to 30 working days), Demotion, or Removal	Removal	
15. Sexual harassment	Suspension (up to 30 working days) or Removal	Removal	

TABLE OF PENALTIES

OFFENSE	FIRST PENALTY	SECOND PENALTY	THIRD PENALTY
16. a. Operating a Navajo Nation/Chapter vehicle under the influence of alcohol.	Removal		
16. b. Operating a vehicle under the influence of alcohol or other controlled substance (except when controlled substance is used as prescribed).	Suspension (up to 30 working days) or Removal	Removal	
17. Malicious damage to Nation property including, but not limited to, graffiti, vandalism, etc.	Suspension (15 - 30 working days) or Removal	Removal	
18. Violation of any provision contained in Section XVI.E, Drugs and Alcohol in the Workplace	Referral to EAP and/or Suspension (15 - 30 working days) or Removal	Removal	
19. Failure to abide by policies and standards adopted in accordance with Section I.C	Suspension (up to 15 working days) or Removal	Suspension (up to 30 working days) or Removal	Removal
20. Endangering the physical well-being of any individual including, but not limited to, threats of, or actual violence.	Suspension (up to 15 working days) or Removal	Suspension (up to 30 working days) or Removal	Removal
21. Disclosing confidential Chapter information to unauthorized person(s)	Suspension (up to 15 working days) or Removal	Suspension (up to 30 working days) or Removal	Removal
22. Misuse of Navajo Nation/Chapter property or services	Suspension (up to 15 working days)	Suspension (up to 30 working days)	Removal
23. Insubordination, includes violation of any policy contained in this manual	Suspension (up to 15 working days)	Suspension (up to 30 working days)	Removal
24. Neglect of duty	Suspension (up to 15 working days)	Suspension (up to 30 working days)	Removal
25. Unauthorized absence	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
26. Excessive absenteeism, including tardiness	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
27. Unsatisfactory work performance	Suspension (up to 10 working days)	Suspension (up to 30 working days) or Demotion	Demotion or Removal
28. Failure to complete performance evaluations as required	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal

TABLE OF PENALTIES

OFFENSE	FIRST PENALTY	SECOND PENALTY	THIRD PENALTY
29. Performing activities for personal gain when on the job including, but not limited to, campaigning for political office while on official tour of duty	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
30. Mistreatment of any individual(s) which jeopardizes health or safety	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
31. False witness against employee(s)	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
32. Offer of employment by unauthorized personnel	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
33. Violation of safety regulations which endangers oneself or others	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
34. Possession of unauthorized weapon(s) in the workplace	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
35. Failure to comply with motor vehicle regulations including, but not limited to, use of a tribal/Chapter vehicle for personal reasons	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
36. Creating discord among fellow employees leading to decreased productivity or a hostile working environment	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
37. Failure to treat the public or fellow employees with courtesy	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
38. Use of abusive or vulgar language and/or gestures	Suspension (up to 10 working days)	Suspension (up to 30 working days)	Removal
39. Display of intoxication on the job (including use of restricted drugs not in conformance with a medical prescription)	Mandatory evaluation by Employee Assistance and Suspension (up to 30 working days) or Removal	Suspension (30 working days) or Removal	Removal
40. Habitual use of intoxicants to excess which affects job performance	Mandatory evaluation by Employee Assistance and Suspension (up to 30 working days) or Removal	Suspension (30 working days) or Removal	Removal

XIV. EMPLOYEE GRIEVANCE

A. Policy

An eligible employee who feels aggrieved as a result of an application of disciplinary action such as discharge, suspension, loss of pay or benefits, has a right to utilize the procedures available, except that layoffs in compliance with Section XV.D are not grievable.

B. Eligibility

All regular status employees are eligible. Temporary, new, and At-will employees are not eligible.

C. Grievance Process

1. Step One:

An employee must file a written request for reconsideration with the supervisor who initiated the action within five (5) working days of receipt of the disciplinary action, with a copy to legal counsel (or the Department of Justice). The supervisor must attempt to resolve the problem with the employee within five (5) working days after receipt of the request.

2. Step Two:

If the supervisor fails to address the reconsideration request or if the employee disagrees with the reconsideration decision, the employee must file a written appeal with the Department of Personnel Management within five (5) working days of the completion of Step One above for immediate transmittal to the Hearing Officer. A filing fee of \$25.00 must accompany this appeal. At this point both parties may be represented by legal counsel. The appeal shall include:

- a. the name and position of the Aggrieved Party,
- b. the name and position of the supervisor initiating the action,
- c. a statement of the underlying facts, including the dates and alleged events or conditions which form the basis of the appeal,
- d. the relief sought by the Aggrieved Party.

3. Step Three:

A Navajo Nation Hearing Officer will conduct the grievance hearing. The Hearing Officer will, whenever possible, hear the grievance within 30

working days and must render a decision within ten working days thereafter.

4. The decision of the Hearing Officer is the final administrative decision with the Chapter's resolution structure.

D. Refund of Filing Fee

If the grievance is withdrawn or resolved prior to commencement of the grievance hearing, the filing fee shall be refunded.

E. Grounds for Termination of Grievance

Abandonment of a case or noncompliance with required grievance deadlines and policies by the Aggrieved Party will be grounds for termination of the grievance. Department of Personnel Management will make such determination and inform all parties.

F. Withdrawal of Grievance

At any point in the grievance process, an employee may withdraw the grievance.

G. Status of Position Pending Grievance Outcome

Any changes regarding a position affected by a grievance will be placed on hold by the Chapter until such time the grievance is resolved or a final decision is rendered.

H. Status of Employee Pending Grievance Outcome

1. Notwithstanding the foregoing subsection G, disciplinary actions shall be effective immediately upon notice to the employee.
2. Notwithstanding an employee's involvement in a current grievance, subsequent violation(s) of the personnel policies by the employee may result in separate disciplinary action(s).
3. An employee that has filed a grievance shall be allowed reasonable use of available annual leave hours for the purpose of participating in the grievance process.

I. Grievance Hearing Officer

The Hearing Officer shall have the authority to uphold or reverse the disciplinary action of the supervisor, award back pay to the grievant, and when required, order that the employee's record be expunged. The Hearing Officer may also consider the appropriateness of the penalty imposed and if circumstances warrant, reduce

the penalty. However, in no case shall the hearing officer increase the penalty imposed by the supervisor.

XV. TERMINATION OF EMPLOYMENT

A. Responsibility

The Chapter Manager is responsible for establishing detailed procedures to address issues arising under this section.

B. Resignation

1. An employee may voluntarily terminate employment with the Chapter by submitting a letter of resignation.
2. The employee resigning shall give at least ten working days notice, unless the supervisor consents to the employee leaving sooner.
3. An employee who submits a written resignation may, with the supervisor's approval, withdraw the resignation and be restored to the vacated position provided the written request for withdrawal is submitted to the supervisor prior to the effective date of the resignation.

C. Discharge of Employees

1. A supervisor shall notify the employee, in writing, of the discharge and the specific reasons for the discharge. The notice shall include all requirements of Section XIII.F Contents of Disciplinary Notice.
2. These policies do not apply to At-will employees.

D. Layoff

An employee who is to be laid off shall be given 15-calendar days written notice. Notice of layoff may be less than the 15-calendar day requirement if stoppage of work results from circumstances beyond the control of the Chapter, e.g. funding is terminated, positions are not refunded, or funds are not available to continue operations. In all cases, however, the employee must be given as much notice as possible.

Subject to applicable law, a regular status employee who is laid off shall be entitled to reemployment preference. These policies do not apply to temporary employees or At-will employees.

1. Organizational restructuring.
2. A supervisor may lay off a regular status employee whenever it becomes necessary due to lack of work or funds or elimination of position.

3. Whenever layoffs are necessary, the Chapter Manager shall immediately notify the Chapter's elected officials.
4. No regular status employee shall be laid off while there are temporary, seasonal, or new employees employed in the same, equal, or lower level positions for which the regular status employee is qualified.
5. In determining the order of layoff of regular status employees, the supervisor shall consider such factors as seniority, performance appraisals, qualifications, work record, and conduct and whether employee is a veteran as set forth in Section III.C. The supervisor shall, if possible, retain the veteran.
6. If an employee's position is eliminated while he/she is on family medical leave, the employee shall be placed on layoff status immediately.
7. Physical Change and Incapacity

An employee may be terminated when, due to physical ailment or injury, the employee is no longer capable of performing the duties of the position. Before lay off:

- a. the employee must have seen a medical practitioner who has found the employee to be partially or totally disabled, or to be otherwise mentally or physically limited in work performance.
 - b. The Chapter Manager must determine that even with reasonable accommodation(s) for the employee's physical condition, the employee is incapable of performing the duties required of the position.
 - c. If a Chapter Manager believes that an employee is physically or mentally incapacitated but will not seek medical attention, the supervisor may require the employee to see a medical practitioner for an evaluation at the expense of the Chapter.
 - d. An employee terminated under this section must receive written notice explaining the reason for layoff and is entitled to consideration for a transfer and reemployment preference consistent with the policies herein.
8. Subsequent Disqualification

If an employee, who was qualified for his/her position, subsequently becomes disqualified for the position due to a loss of license, certification, or reclassification of the position due to a reorganization of the program or material changes in duties, or for any other reason, the employee shall be

given a reasonable period to re-qualify. If after the period for re-qualification, the employee remains unqualified, he/she will be laid off.

E. Termination of Volunteers or Temporary Employees

1. A supervisor may terminate a volunteer or temporary employee at any time. The termination must be in writing and include an explanation for the termination, consistent with Navajo law.
2. A volunteer or temporary employee who is terminated is not entitled to reemployment, layoff, or grievance rights.
3. A volunteer or temporary employee may resign without prior notice. The resignation must be in writing.

F. Termination of New Employees

1. A supervisor may terminate a new employee for just cause at any time during the introductory period. The termination must be in writing and include an explanation for the termination, consistent with all Navajo Nation laws, rules and regulations.
2. A new employee who is terminated is not entitled to reemployment, layoff, or grievance rights.
3. A new employee may resign without prior notice. The resignation must be in writing.

G. Retirement

An employee who leaves Chapter employment in accordance with the Navajo Nation Retirement Plan is considered to have retired.

H. Death

1. Unless leave without pay was previously approved, an employee shall be compensated through the date of death.
2. The effective date of the separation shall be the date of death.
3. The supervisor shall take reasonable steps to assure that arrangements are made to provide payment to the employee's estate of any salary, overtime, or accrued annual leave payments due.

I. Final Pay

1. Upon receipt of all required documents, a final paycheck shall be issued to the terminated employee. The final check will include payment for hours worked, accrued annual leave, and any overtime as of the termination date.
2. All or part of the final pay check and/or annual leave payment may be withheld to satisfy any indebtedness to the Chapter.
3. The Chapter shall issue a final pay check within five (5) calendar days (including weekends). The Chapter shall pay the terminated employee twenty dollars per day for every day after the five days that a check is not issued. This amount may not to exceed two-hundred dollars.

XVI. CONDUCT OF EMPLOYEES

A. Business Ethics and Conduct

Employees are expected to comply with all applicable laws and policies of the Navajo Nation with respect to their conduct. In general, the use of good judgment will guide employees with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed with the appropriate supervisor and, if necessary, with the Office of Ethics and Rules for advice and consultation.

Each employee of the Chapter shall, among other things:

1. Uphold, with integrity, the trust and confidence placed in the employee pursuant to his/her employment.
2. Comply with and respond to the directions and instructions of the supervisor.
3. Show courtesy, respect, cooperativeness, diligence and tact in dealings with supervisors, fellow workers, elected officials and the general public at all times.
4. Provide full, efficient, and industrious service to promote the goals and objectives of the Chapter.
5. Maintain confidential information acquired in the performance of his/her duties and refrain from disclosing any portion thereof, except in the manner and to the extent authorized.
6. Refrain from using his/her official position to influence transactions involving purchases, contracts, leases, or other business dealings which advance personal interests or those of his/her friends or relatives. The existence of any actual or potential conflict of interest must be disclosed to

the Chapter Manager, who must then disclose this to the elected officials or the Chapter membership so that safeguards can be established to protect all parties.

B. Limitations on Employee Activities

1. While employed, an employee's private life is his/her own, however, an employee's activities cannot disrupt the work or the workplace. Each is expected to comply with all applicable laws.
2. If an employee is indebted directly to the Chapter or the Navajo Nation, he/she will be required to make payment (including payroll deductions) subject to the specific terms of the indebtedness and/or the Navajo Business and Procurement Act.
3. Employees shall be held accountable for loss of Chapter funds or property for which they are responsible where the loss is due to negligence, carelessness, or an *ultra vires* act. Employees with custodial responsibilities for Chapter property will safeguard assigned property.
4. Solicitation or receipt of gifts, favors, and/or gratuities is prohibited when such gifts constitute a conflict of interest or is in violation of the Ethics in Government Law.
5. Correspondence, papers, drawings, sketches, documentation, computer programs, instructions, procedures, forms and all such items produced by an employee in the course of his/her work are considered property of the Chapter or the Navajo Nation. Unauthorized removal, reproduction, and/or disclosure are strictly prohibited.
6. While employees may be authorized from time to time to speak on behalf of the Chapter or the Nation, no employee may declare, as policy, any statement that is contrary to the policies of the Navajo Nation.
7. Tribal vehicles are for official use only and employees are required to use them within the scope of their employment. Any accident involving a tribal vehicle must be reported by the employee involved in the incident as required by the Motor Vehicle Operator's Handbook.
8. Use of the Internet in any way which would violate policies and/or procedures established by the Division of General Services or other appropriate authority is prohibited.

C. Employees Pursuing Public Office

1. An employee pursuing any public office may, upon approval of the Chapter Manager, be granted a leave of absence not to exceed 60 calendar days.

2. Annual leave will be used until exhausted, then leave without pay will be used. However, funding source restrictions may require that an employee take only leave without pay.
3. Employees are prohibited from campaigning during work hours. The Chapter Manager shall monitor and enforce this policy.
4. Employees elected to the Navajo Nation Council or the office of the President or Vice President of the Navajo Nation must resign from Chapter employment before taking the oath of office.

D. Employees Appointed or Elected to Public Office

1. Employees who are elected to any public office other than those listed in C.4 above may be allowed to retain Chapter employment, unless the position is a full-time position.
2. If the employee's duties as a public servant interfere with his/her work performance or responsibilities, or otherwise create a conflict of interest in the workplace, the Chapter Manager may initiate appropriate disciplinary action. Public officials shall not perform public servant responsibilities while on their regular tour of duty as a Chapter employee.
 - a. Employees retaining tribal employment are expected to abide by all applicable policies including, but not limited to, these personnel policies, travel policies, and standards of conduct.
 - b. Decisions issued by the Ethics and Rules Committee must be complied with by all parties.
3. An employee who has been appointed or elected to serve on a board, commission, or committee which pays a stipend, or who has been elected to a public office, shall be required to take annual leave to attend to appointed or elected duties. The Chapter Manager will grant these leave requests whenever possible. If the employee has exhausted annual leave, then leave without pay will be used.

E. Drugs and Alcohol in the Workplace

1. The use of intoxicants during working hours or the lunch period is prohibited.
2. An employee unable to perform job duties as a result of alcohol or illegal drug intoxication will be excused from the worksite and charged leave without pay. In addition, the employee is subject to disciplinary action consistent with the Table of Penalties, offense #39.

3. Employees are prohibited from selling, purchasing, transferring, possessing, or using alcohol at the Chapter or during work.
4. Employees are prohibited from unlawfully manufacturing, selling, purchasing, transferring, possessing, or using controlled substances at the Chapter or during work.
5. Any employee violating the above policies will be disciplined, up to and including termination for the first offense.
6. Any employee convicted of violating a criminal drug or alcohol statute at the Chapter or during work must inform his/her supervisor and the Chapter Manager of such conviction, including pleas of guilty or no contest, within five working days of the conviction. Failure to do so will result in disciplinary action, up to and including termination for the first offense.
7. An employee convicted of violating a criminal drug or alcohol statute at the Chapter or during work may participate in a rehabilitation or treatment program. If such a program is made as a condition of employment, the employee must satisfactorily participate in and complete the program.
8. All employees are required to acknowledge that they have been informed of the above policy and agree to it in all respects. Acknowledgment and agreement are required as a condition of continued employment with the Chapter. Acknowledgment will be in writing and made a part of the employee's personnel file.
9. Employees may be subject to drug and alcohol testing consistent with Navajo law.

F. Sexual Harassment

1. It is the policy of the Navajo Nation generally and the Chapter specifically to protect all employees, male or female, against unwelcome and unsolicited behavior of a sexual nature. Such behavior is unacceptable in the workplace and other work-related settings such as business trips and business-related social events.

2. Definition

Sexual harassment is defined as unwelcome or unwanted conduct of a sexual nature, whether verbal or physical, when:

- a. submission to or rejection of this conduct by an individual is used as a factor in decisions affecting hiring, evaluation, promotion, or other aspects of employment;

- b. this conduct substantially interferes with an individual's employment, performance on the job, or creates an intimidating, hostile, or offensive working environment.
- c. Examples of sexual harassment may include, but are not limited to:
 - 1) nonverbal actions; leering; gesturing of a sexual nature;
 - 2) unwanted sexual advances;
 - 3) demands for sexual favors in exchange for favorable treatment or continued employment;
 - 4) repeated sexual jokes, flirtations, advances, or propositions;
 - 5) verbal abuse of a sexual nature;
 - 6) verbal commentary about an individual's body;
 - 7) touching, rubbing, pinching, whistling, assaulting, suggestive insulting, coerced sexual acts, or rape;
 - 8) environmental harassment; display in the workplace of sexually suggestive objects or pictures.

3. Reporting a Complaint

Sexual harassment complaints should be addressed to the immediate supervisor or the Chapter Manager. If insufficient, sexual harassment complaints should be made to the elected officials or the Navajo Nation Department of Justice. Reports of sexual harassment must be in writing.

4. Retaliation

The Chapter will not in any way retaliate against an individual or witness who makes a report of sexual harassment, nor will it permit any employee or elected official to do so. A person found to have retaliated against another individual for reporting sexual harassment shall be subject to disciplinary action provided for sexual harassment offenders.

5. Investigation

Any allegation of sexual harassment brought to the attention of the Chapter will be investigated in a manner that protects the privacy of all

persons involved and such privacy will be maintained throughout the investigatory process to the extent practical and appropriate.

- a. Individuals found to have engaged in misconduct constituting sexual harassment will be disciplined, up to and including discharge from employment.
 - b. If an investigation results in a finding that an employee has falsely accused another of sexual harassment knowingly or in a malicious manner, the complainant will be subject to appropriate sanctions, including the possibility of termination.
6. Further information concerning this policy is contained in the procedures governing complaints on sexual harassment.

G. Workplace Violence Prevention

The policy of the Navajo Nation generally and the Chapter specifically is to prevent workplace violence and to maintain a safe work environment.

1. Conduct that threatens, intimidates or coerces another employee, a client, or a member of the public, will not be tolerated.
2. Employees are to refrain from fighting or other conduct that may be dangerous to others.
3. Unauthorized firearms and weapons are prohibited on the premises of any Chapter property or site where Chapter or Navajo Nation business is conducted.
4. All threats of, or actual violence should be reported to the immediate supervisor. All suspicious individuals or activities should also be reported as soon as possible.
5. The Chapter Manager, in consultation with legal counsel (private or the Department of Justice), shall document and be responsible for ensuring the prompt and thorough investigation of reports concerning threats of, or actual violence and of suspicious individuals or activities.
6. In order to maintain workplace safety and to maintain the integrity of the investigation, employees may be placed on leave consistent with the provisions of Section X.B.3, Administrative Leave.
7. Anyone determined to be responsible for threats of, or actual violence or other conduct that is a violation of these guidelines will be subject to disciplinary action up to and including termination of employment.

8. Employees are encouraged to bring their disputes or differences with other employees to the attention of their supervisor or the Chapter Manager before the situation escalates into potential violence.

H. Unlawful Acts

1. Any unlawful act committed by an employee of the Chapter while on or off the job or Chapter premises, can affect an employee's status.
2. Notwithstanding any criminal prosecution initiated in a court of law, an employee may be disciplined, up to and including removal, if the conduct constitutes a violation of the FMS.
3. An employee convicted of a misdemeanor involving moral turpitude or a felony cannot be reemployed by the Chapter for a period of at least three years. The number of years may be determined by other standards if the employee's position is funded pursuant to a grant or contract.

XVII. OFFICE AND WORKSTATION REGULATIONS

- A. It is the policy of the Navajo Nation generally and the Chapter specifically to establish and maintain a safe working environment for all employees. Therefore, an employee's workstation or any other site where official business is conducted is declared to be a drug, alcohol, tobacco, and smoke-free environment.

B. Safety

Supervisors and employees have a responsibility to maintain a safe work environment by preventing conditions leading to injuries, accidents, and losses. This includes but is not limited to the posting of emergency evacuation plans at designated areas.

C. Workstation

1. Supervisors are responsible for establishing standards for:
 - a. food and drinks at workstations;
 - b. radios, tape players, and other devices; and
 - c. appearance of the work area.
2. Use of Chapter property or services, including but not limited to, telephones, computers, vehicles, machinery, credit cards, desks, office equipment, and supplies, are for official use only.
 - a. Supervisors have the right to inspect and/or access Chapter property;

- b. at the supervisor's discretion, personal items stored by the employee in Chapter property are subject to removal;
- c. the Chapter is not responsible or accountable for loss or theft of personal property of employees.

D. Dress Code and Personal Appearance

Dress, grooming, and personal hygiene contribute to the morale of all employees and affect the business image of the Chapter (and the Navajo Nation generally) to clients and the public. Therefore, during business hours or when representing the Chapter and the Nation, employees' dress, grooming and personal hygiene should be appropriate for the work they do.

- 1. Employees who have regular contact with the public are expected to dress in a manner that is normally acceptable in similar organizations and present a clean, neat, business-like appearance.
- 2. Dress and personal appearance of employees who do not regularly meet the public may be governed by the requirements of safety or comfort, but should still be as neat and business-like as working conditions permit.
- 3. Certain employees may be required to meet special dress, grooming, and/or hygiene standards depending on their job. In these situations, the Chapter Manager is responsible for establishing and issuing standards for appropriate dress and appearance.
- 4. The Chapter Manager may also designate a "casual day" for employees to dress in a more casual fashion than is normally required. On such occasions, employees are still expected to present a neat appearance.
- 5. Ripped, disheveled clothing, unkempt appearance, or other inappropriate clothing or appearance is not permitted. An employee may be asked to leave the workplace until properly dressed or groomed. Under such circumstances, the employee will not be compensated for the time away from work.

E. Child Care

- 1. Employees are responsible for making appropriate child care arrangements. Except when specifically permitted, employees are not to bring children to work or have their children loitering on the Chapter's premises after school hours.
- 2. The Chapter recognizes the importance of allowing mothers who choose to breast-feed their children the opportunity to continue after returning to

work. The employee and her supervisor shall make the necessary arrangements to accommodate this.

XVIII. PERSONNEL RECORDS

The Chapter Manager and Office Assistant shall maintain official personnel records for Chapter employees.

A. Location of Records

Employee records shall be located at the Chapter under restricted access. Employee files shall not be removed from the Chapter. .

B. Contents

Employee records shall include information such as, employment applications; background investigations; letters of reference; pay and benefits; training and education; performance evaluations; corrective or termination actions; and other necessary information.

C. Updating

Employees are encouraged to keep their personnel files current by submitting to the Chapter Manager or Administrative Assistant updated information on their experience, education, and training.

D. Confidentiality

Information in an employee's personnel file is considered confidential. However, the information may be disclosed in compliance with a lawful investigation or subpoena. Access to and release of information contained in the personnel records shall be limited to only those persons who have a legally recognized need to know.

E. Examination of File by Employee

Employees may examine their personnel file upon written request to his/her supervisor or the Chapter Manager. The employee must provide evidence of his/her identity. Examination of records shall be in the presence of the supervisor or the Chapter Manager.

F. Release of Information

1. Upon submission of a notarized Authorization for Release of Information, the employee information from that employee's personnel record may be released to a third party.

2. Certain information contained in the employee file is considered public information and therefore may be released without employee authorization. This includes, but is not limited to, title, department, and work site.

G. Record Retention

Upon termination, an employee's personnel record shall be considered inactive, but will be maintained for a period of three years beyond date of termination. After three years, the record will be returned to the employee or destroyed.

XIX. VETERANS PREFERENCE

A. Policy

The policy of the Navajo Nation generally and this Chapter specifically is to comply with all applicable laws that govern the employment relationship between the Nation and its employees. Consistent with the provisions of applicable laws and policies, the Chapter gives preference in employment to Veterans of the United States (U.S.) Armed Forces. Recognizing their sacrifice, Navajo Veterans' Preference recognizes the economic loss suffered by citizens who have served their country in uniform, restores Veterans to a favorable competitive position for Chapter employment and acknowledges the larger obligation owed to disabled Veterans.

Eligible Veterans receive preference for initial employment and a higher retention standing in the event of layoffs. However, the Veterans' preference does not guarantee the Veteran a job, nor does it give Veterans preference in internal personnel actions such as promotion, transfer, reassignment and reinstatement.

- B. A Veteran discharged from the U.S. Armed Forces or the National Guard or Reserve under honorable conditions following more than 180 calendar days of active duty shall be given preference in employment.**

1. Preference in employment on the initial hire and retention for those Veterans who were honorably discharged or the spouses of Veterans shall be provided in the following order:
 - a. A Veteran who has an existing compensable service-connected disability who is able to work.
 - b. A Veteran of any war or peacetime who has served on active duty for 181 calendar days or more or who has served 180 calendar days or more, other than for training, since January 31, 1955 and who was discharged or separated under honorable conditions from the U.S. Armed Forces.
 - c. A Veteran who sustained a service-connected disability prior to

completing the 180 calendar days of active duty.

- d. The spouse of a Veteran who cannot qualify for employment because of a total and permanent disability or the spouse of a Veteran killed in the line of duty or missing in action, captured by a hostile force(s); forcibly detained or interned by a foreign government/power.
 - e. The un-remarried surviving spouse of a Veteran who died of a service-connected disability.
2. An individual applying for Veterans Preference must complete an Application for Veterans' Employment Preference when submitting an Application for Employment along with a copy of DD Form 214 or DD Form 215 to receive preference.

C. Recruitment

1. Advertising of Vacant Positions

All vacancy announcements must be advertised for a minimum of 10 working days and include the phrase, "Veterans' Preference Applies" in the posting.

2. Application for Employment

- a. Each employment application will contain a general information document regarding Veterans' Preference and an Application for Veterans' Employment Preference.
- b. The Chapter's employment application shall require the applicant to indicate whether or not they are claiming Veterans' Preference. In those cases, the applicant will be asked to complete the Application for Veterans' Employment Preference requiring them to identify which of the eligibility criteria applies to them.
- c. The applicant will be required to furnish the documentation necessary to prove Veterans' Preference eligibility on or before the closing date of the position to be considered for preference. Proof of Veterans' Preference eligibility includes:
 - 1) Veterans and spouses of disabled Veterans must furnish a copy of the DD Form 214 and/or 215, military discharge papers, and/or other verification from the Department of Defense (DOD) or Military Branches.
 - 2) Spouses of disabled Veterans and un-remarried surviving spouse of a deceased Veteran must provide:

- i. Certification from DOD or Military Branches that the Veteran is totally and permanently disabled or documentation certifying the service-connected death of the Veteran.
 - ii. Evidence of marriage to the Veteran.
 - iii. A statement that the spouse is still married to the Veteran or that the spouse is not re-married at the time of the application for employment.
- d. Absence of required documentation invalidates the claim and the applicant is not eligible for Veterans' Preference. However, the Chapter Manager may—in his/her discretion—waive the above requirements in lieu of alternative evidence that is convincing.

D. Interview and Selection

1. Applicants who meet the qualification requirements shall be considered in the following order or priority:
 - a. Enrolled Navajos with reemployment preference
 - b. Enrolled Navajo Veterans
 - c. Other enrolled Navajo applicants
 - d. Non-Navajo spouses of enrolled Navajos
 - e. Non-Navajos
2. Preference is given at each step of the employment consideration process to preference eligible applicants, provided such individual possesses the minimum qualifications necessary to perform the duties of the position. Qualified Veterans receive the same level of preference despite disability status.
3. All qualified eligible Veterans must be granted an interview.
4. If the best qualified applicant, including a preference eligible Veteran are equally qualified, and no further evaluation occurs, the Veteran must be given selection preference. If there is a non-Veteran who is the best qualified for a position, the non-Veteran could be employed if an eligible Veteran does not possess the same level of qualifications. In such cases, reasons why and approval by the Chapter Manager is required prior to any offer of employment. Documentation of the hiring decision is paramount.

In cases where the Veteran is not selected, the Chapter Manager must be able to justify why the Veteran was not selected.

5. It is the Chapter Manager and Administrative Assistant's responsibility to ensure that a letter of non-selection is sent to all applicants, including Veterans, who were interviewed but not selected for a position. The letter of non-selection must be issued within three (3) working days from the time that the selected candidate signs the conditional offer of employment.

XX. MILITARY LEAVE

A. Policy

It is the policy of the Nation generally and the Chapter as well to grant leave as necessary for members of Uniformed Service or Armed Forces in compliance with applicable laws.

1. Activation for Military Service

- a. A regular status employee who is an active member of the Army National Guard or Air National Guard, and/or member of the Army, Marine Corps, Navy, Air Force and Coast Guard Reserve, including retired and inactive reserve members shall be granted military leave upon request.
- b. When a member is ordered to active duty status, he/she shall provide a copy of activation orders from their unit being activated when requesting military leave.
- c. When a member is deactivated and discharged, he/she shall request for reemployment within time allowed in B. 1. below, submit a copy of orders, and shall return to the same position he/she was assigned to before going on leave with the same employer. At no time shall the Veteran be displaced in accordance with applicable laws regarding returning Veterans.
- d. If his/her position was eliminated or transferred to another worksite location, he/she shall be offered an equivalent position within the same worksite location with the same seniority, status and pay as before he/she went on military leave.

2. State Activation and/or Ordered for Training for National Guard and Reserve, or as an intermittent disaster response appointment.

- a. A regular status employee who is an active member of the Army National Guard or Air National Guard, and/or member of the Army, Marine Corps, Navy, Air Force and Coast Guard Reserve shall be granted military leave upon request.

- b. When the Governor of the State activates a National Guard unit where member is serving for State emergency, an intermittent disaster response appointment, and/or unit commander orders unit or individual training, he/she shall provide a copy of orders when requesting military leave.
- c. When the Reserve Branch or unit commander orders unit or individual training, he/she shall provide a copy of orders when requesting military leave.
- d. Employees requesting military leave are entitled to 15 calendar days a year with pay. Military leave shall be 15 calendar days in duration. All other leave requests longer than 15 calendar days for basic training, technical/tactical advance training or other specialized training in their career field shall also be granted without pay, and 2.a., above shall apply.
- e. An employee who is a member of the Reserves or National Guard serving an active military duty which extends into a second or succeeding leave year may accrue and use the 15 calendar days of military leave which accrue at the beginning of the second leave year and each succeeding leave year without return to civilian status.
- f. Monthly weekend training (drill) shall not be considered military leave. When a member has to make up their drill during weekdays, he/she shall request for annual leave or other form of leave, not military leave.
- g. There are two conditions under which an employee is entitled to an additional 22 workdays of military leave.
 - 1) Reservist or National Guard members who perform military duty in support of civil authorities in the protection of life and property are eligible for an additional 22 workdays of military leave.
 - 2) Employees who perform full-time military service as a result of a call or order to active duty in support of a contingency operation are entitled to 22 workdays of military leave.

B. Reemployment

- 1. Eligible National Guard and Reserve members shall be granted reemployment rights as follows:

- a. Service of less than 31 calendar days. Employee must report to work on the next regularly scheduled work period after discharge from active military duty.
 - b. Service of more than 30 calendar days but less than 181 calendar days. Employee must make a request for reemployment no later than 14 calendar days after he/she is discharged from active military duty.
 - c. Service of more than 180 calendar days. Employee must submit a request for reemployment no later than 90 calendar days from date of discharge from active military duty or within one (1) year of service-related hospitalization.
2. Failure to meet deadlines for reporting back to work.
 - a. An employee who fails to report back to work or submit a written application for reemployment is subject to be separated from employment if absent without excuse for three (3) calendar days, except in instances where returning to work is unreasonable or impossible due to no fault of the employee.
 - b. Upon release from active military duty, an employee with services as outlined in 1.b. and c. above must provide written notice to their immediate supervisor of their intention to return to work within five (5) working days.
 - c. The employee must inform their immediate supervisor of extended active military duty within five (5) calendar days of receiving military orders.
3. The employee must not have been released with a dishonorable or less than honorable discharge.
4. The cumulative length of absence from work for active military duty and retain eligibility for reemployment rights is five (5) years (with some exceptions).
5. The reporting deadline may be extended up to two (2) years when a Veteran or service member is hospitalized or is convalescing from injuries received during military service or training, or an existing disability aggravated during military service or training.
6. Returning Veterans and service members shall be reemployed in the same job as if they had remained continuously employed, with the same seniority, status and pay as before he/she went on military leave.

C. Necessary Documentation

1. When an employee has been absent for more than 31 calendar days, the employer has a right to request documentation to prove that:
 - a. the employee's application is timely;
 - b. the employee has not exceeded the service limitation; and
 - c. that the employee did not leave the service for any disqualifying reason, such as dishonorable discharge.
2. The employer may not deny reemployment if the necessary documentation is not readily available. However, if reemployment documentation becomes available proving that the employee has not met the reemployment qualifications, the employee shall be terminated.

D. Job Protection and Reduction-In-Force

1. An employee performing active military duty is protected from reduction-in-force (RIF) and may not be discharged from employment, except for just cause. The length of protection is based on the length of military service.
 - a. If the employee's military service was more than 180 calendar days, the employee cannot be discharged within one (1) year after the date of reemployment.
 - b. If the employee's service was between 30 and 180 calendar days, the employee cannot be discharged within 180 calendar days after the date of reemployment.

E. Employees Voluntarily Enlisting or Re-enlisting in Military Service

1. A regular status employee who voluntarily enlists or re-enlists in the U.S. Armed Forces shall resign from Chapter employment.
2. Enlistment in the U.S. Armed Forces is considered full-time employment. Military leave does not apply and shall not be granted.

F. Military Funeral Honors Detail

1. A Veteran who is discharged under honorable conditions will be granted administrative leave with pay to perform Military Funeral Honors Detail during the workweek.

XXI. DEFINITIONS

ABUSE OF OFFICE OR POSITION: to make excessive or improper use of the authority associated with one's employment.

ACTIVE DUTY: active military service in the U.S. Armed Forces performed on a full-time basis with military pay and allowances.

ADMINISTRATIVE EMPLOYEE: any employee whose primary duties consist of non-manual work concerning management policies or business operations and who exercises discretion and independent judgment in assisting managerial employees (as defined herein), and in fulfilling special tasks assigned.

APPLICANT: a person who has submitted an application for a position with the Chapter. .

AT-WILL: a supervisor can discharge an employee under this employment status for any reason at all or no reason at all, with or without notice; and the employee can leave (resign) at any time for any or no reason at all, with or without notice.

BREAK IN SERVICE: an interruption in continuous employment.

CLASS SPECIFICATION: a written description of a class which includes a class title, a general statement of the level of work, a statement of the required knowledge, skills and abilities, some examples of work, and the qualification requirements for the class.

CLASSIFICATION: the process of grouping positions which are similar in duties and responsibilities, such that the same descriptive title may be used to designate each position and common requirements as to education, experience, knowledge, ability and other qualifications exist for all positions.

CONFLICT OF INTEREST: a real or seeming incompatibility between one's private interests and one's public or fiduciary duties.

DD FORM 214: a military discharge document issued by the Department of Defense.

DD FORM 215: a military discharge document issued by the Department of Defense utilized to correct errors on the DD Form 214 discovered after the original has been delivered and/or distributed.

DAYS: calendar days unless otherwise stated.

DEMOTION: a change in the assignment of an employee from a position in one class to a position in another class having a lower pay grade.

DISCHARGE: the involuntary removal of an employee from employment.

DISCIPLINARY ACTION: action taken by a supervisor in response to unsatisfactory conduct or performance by an employee.

DISHONORABLE DISCHARGE: dishonorable or bad conduct discharge from active duty in the U.S. Armed Forces.

EGREGIOUS: deplorable, outrageous, flagrant, outstandingly bad, blatant.

EMPLOYEE: an individual employed by the Chapter or the Navajo Nation .

EMPLOYER: for the purpose of this manual, employer is the Chapter. .

EXEMPT EMPLOYEE: an employee in a managerial, professional, or administrative position. Employees assigned to exempt positions are not eligible for overtime compensation.

FELONY: a crime of a graver or more serious nature than those designated as misdemeanors; under federal law, and many state statutes, any offense punishable by death or imprisonment for a term exceeding one year.

FOR CAUSE: reasons which law and public policy recognize as sufficient for removal, not merely a cause which the supervisor in the exercise of discretion may deem sufficient.

FRAUD: any intentional act designed to deceive and cause financial loss.

HIRING AUTHORITY: for purposes of these policies the hiring authority is the Chapter Manager or elected officials.

HONORABLE CONDITIONS: an honorable discharge from active duty in the U.S. Armed Forces.

INSUBORDINATION: willful or intentional refusal to obey any reasonable instruction or directive which a supervisor is entitled to give and have obeyed or which is set forth in established policies; to ridicule or undermine one's supervisor; condoning, encouraging, or engaging in conduct not within the chain of command.

LAYOFF: the involuntary separation from employment for nondisciplinary reasons, including, but not limited to, lack of funds or work, abolishment of position, or reorganization within program, department, or division.

LEAVE: authorized absence, with or without pay, granted to an employee to take time off from work.

MALICIOUS: wrongful and done intentionally without just cause or excuse.

MANAGERIAL EMPLOYEE: any employee whose primary duties consist of managing an office; who directs the work of one or more other employees or whose

recommendations in employment matters are given particular weight; and who otherwise exercises discretionary powers.

MINIMUM QUALIFICATIONS: a specification of the experience, training, education and/or licensure or certification and the minimum knowledge, skills and abilities that provides appropriate job related qualifications necessary to perform the duties.

MISCONDUCT: improper or unlawful behavior by an employee in regards to his/her position.

MISDEMEANOR: an offense lower than a felony and generally punishable by fine or imprisonment of one year or less.

MORAL TURPITUDE: gravely violating accepted moral standards of the community.

NATIONAL GUARD: a civilian reserve component of the U.S. Armed Forces comprised of guardsmen who serve during overseas peacekeeping missions, time of war and during local emergencies.

NAVAJO NATION: for the purposes of this manual, Navajo Nation includes all programs, departments, and divisions within the Executive and Legislative Branches of the Navajo Nation Government.

NEGLIGENT: the failure or neglect of any reasonable precaution, care, action; careless; failing to give proper attention.

NON-EXEMPT EMPLOYEE: an employee in a non-supervisory or office staff position. Employees assigned to non-exempt positions are eligible for overtime compensation.

OVERTIME: any time worked which exceeds the regularly scheduled tour of duty.

PEACETIME: a time when the U.S. is not at war which includes the years of: 1946 - 1950; 1955 - 1964; and May 7, 1975 - August 1, 1990.

PENALTY: a punishment imposed for violation of personnel policies or procedures.

PERFORMANCE MANAGEMENT PLAN: the formal system by which an employee is evaluated.

PROFESSIONAL EMPLOYEE: any employee whose primary duties consist of work requiring knowledge of a specific field including, but not limited to, law, teaching, medicine, architecture, engineering and other fields of science; work that is original and artistic in character, the result of which depends on the talent of the employee and whose work requires the exercise of discretion and judgment in its performance.

PROMOTION: a change in assignment of an employee from a position in one class to a position in another class having a higher pay grade.

REPRIMAND: written notice to an employee by the supervisor that a deficiency exists in the employee's work performance or conduct and improvement is needed.

RESERVIST: a reserve of the U.S. Armed Forces, including retired and inactive members.

SERVICE-CONNECTED DISABILITY: an injury or disease that was incurred or aggravated during active military service.

SOME EXCEPTIONS: with reference to Section XXI. B.4. (1) Service beyond 5 years that is required to complete an initial period of obligated service; (2) service from which a person, through no fault of their own, is unable to obtain a release within the five-year period; (3) required training for National Guard members and reservists and additional training certified by the Secretary of Defense and/or Governor of the State as necessary for professional development; (4) service under an order to report for or stay on active duty during a domestic emergency or situations related to national security; (5) service under an order to report for or stay on active duty (other than training) because of a war or national emergency declared by Congress or the U.S. President; (6) service under an order to active duty (other than training) by volunteers supporting operational missions for which selected reservists have been ordered to involuntary active duty; (7) service under an order to active duty by volunteers supporting a critical mission or requirement of the armed services; (8) federal service as a member of the National Guard called into action by the U.S. President to suppress an insurrection, repel an invasion, or carry out the laws of the United States.

SURVIVING SPOUSE: the spouse of a deceased Veteran.

SUSPENSION: the temporary removal of an employee from service without pay, for disciplinary reasons and for a specified period of time.

THEFT: any of the following acts done with intent: 1. Obtaining or exerting unauthorized control over property; 2. Obtaining by deception control over property; 3. Obtaining by threat control over property; 4. Obtaining control over stolen property knowing the property to have been stolen by another.

UNIFORMED SERVICE OR ARMED FORCES: the U.S. Armed Forces (the Army, Navy, Air Force, Marine Corps, Coast Guard and Reserve units for each such branch); the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty; the commissioned corps of the Public Health Services; and any other category of persons designated by the U. S. President in time of war or national emergency.

VETERAN: an individual discharged from the U.S. Armed Forces under honorable conditions.