

THE NAVAJO NATION

JONATHAN NEZ | PRESIDENT MYRON LIZER | VICE PRESIDENT



MEMORANDUM

To: Recipients of CARES Act Funding
From: Office of the Controller
Date: September 17, 2020
Subject: Expedited Expenditure Review Process – Helpful Tips

As the Navajo Nation (“Nation”) begins to expend funds received from the Coronavirus Relief Fund (“CRF”), established by the Coronavirus, Relief, and Economic Security Act (“CARES Act”), it is critical that expenditures incurred comply with the requirements of the Nation and the CRF guidance that has been issued by the United States Treasury (“Treasury”).

As defined by the CRF guidance, any payments from the CRF shall be used only to cover expenditures that meet the following:

1. Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (“COVID-19”);
2. Necessary expenditures not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act)
3. Expenditures incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

See <https://home.treasury.gov/> for information regarding FAQs addressing certain expenditures and practical application of the CRF guidance.

In addition, if awarded funding, a division or department must have a business unit and budget established before the funds may be spent down. To expedite the expenditure of the funding, please note the following to ensure the distribution of CRF in a manner that is timely and in accordance with the CRF guidance and compliance requirements established by Treasury.

Procurement and contracting:

- ✓ Review the requirements of a subrecipient and a contractor (e.g., vendor) to ensure the correct relationship is identified. This is critical to making sure the correct contract is used.
- ✓ Review the methods of procurement contained in the Navajo Nation Procurement Act, 12 N.N.C. § 301.. If your contract requires multiple quotes or a request for procurement (“RFP”), ensure this has taken place prior to submitting to the Office of the Controller (“OOC”) for contracting.
- ✓ Please write on your request “Funding from **CARES**” or “**COVID Related**” to ensure quick processing and distribution of funds.
- ✓ Send all requests to NNCaresGrants@nnooc.org with the subject of the email “CARES” or “COVID Related”

For submission of expenditures

- ✓ Ensure that expenses submitted in the financial system are properly coded.
- ✓ Expenses should have a description of the purposes and all supporting documentation maintained should be sufficient to demonstrate compliance with the Treasury guidance.
- ✓ Ensure that evidence of approval by the appropriate individuals is attached.

For review of expenditures

- ✓ Ensure that the individual reviewing the expenditures has appropriate knowledge of the compliance requirements and understands the purpose of the expenditure to ensure allowability.
- ✓ Inform the Office of the Controller of any items that are not properly documented or do not fall within the CRF guidelines to ensure proper remediation or use of an alternative funding source.
- ✓ Ensure all expenditures are incurred (performance of services or delivery of goods) by December 30, 2020.

Treasury Reporting Requirements:

- ✓ As a reminder, all transactions that are \$50,000 and greater must be reported to Treasury via quarterly reporting by the Nation. To ensure timely and accurate reporting, please ensure that all of the following information is collected for such transactions:
 - Payee DUNS Number (Dun & Bradstreet Unique Identification Number)
 - Primary place of contract performance
 - Period of performance
 - Quarterly obligation amount
 - Quarterly expenditure amount
- ✓ Record retention requirements for purposes of this funding are five (5) years from the date of last expenditure.

If you have any questions, please contact the Office of the Controller at NNCaresHelp@nnooc.org or by visiting our website at www.nnooc.org.

Helpful Links:

[Treasury Guidance](#)

[Treasury FAQ](#)

[Treasury Office of Inspector General Reporting Requirements](#)

[Treasury Office of Inspector General Reporting FAQ's](#)