

# Questions and Answers:

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RSQ 22-08-2864JB—Financial Advisory Services

**Question 1:** Which Segments are the NNOOC most involved in with financing (e.g. Gaming, Healthcare, Governmental Infrastructure, Housing, etc.)?

**Answer:** The Scope of Work listed in Section 1.3 of the RSQ describes most of the anticipated projects that a Financial Advisor would be assisting in. Due diligence is required for the following: real estate acquisitions, alternative investments, direct investments, settlement valuations, and various financing options. The Navajo Nation has financed loans to enterprises for infrastructure needs, and the Navajo Nation has also sought out financing from other financial institutions for infrastructure needs. The Navajo Nation has the Navajo Nation Gaming Enterprise to service as well, and the Nation will also require advisory services pertaining to this segment.

**Question 2:** The RSQ in Section 1.8 Fees “Responses including fees charged based on assets under management will not be considered.” Will fee proposals based on a percentage of the loan amount be considered?

**Answer:** No. The Nation will not consider a percentage of the loan amount for compensation. The Scope of Work listed in Section 1.3 of the RSQ of the anticipated services needed is comprehensive of several outstanding projects for which a “Percentage of Loan” will not apply. Advisory is needed for due diligence that is required for the following: real estate acquisitions, alternative investments, direct investments, settlement valuations, and various financing options.

**Question 3:** Are there any immediate projects in market segments that you would like us to provide additional examples and references for?

**Answer:** Please include a comprehensive list of additional examples and references due to the Scope of Work being comprehensive.

**Question 4:** In Section 1.8 Fees the RSQ references “flat fee”. Does this include “flat hourly fees” or “flat percentage fees”?

**Answer:** The Nation would like to encourage an annual flat fee to create an equal evaluation method for all those persons or entities who submitted an RSQ response.

**Question 5:** Are there any term limitations or procurement policies establishing or limiting a pre-defined length of engagement for advisory services?

**Answer:** The term can be negotiated if interviewed, or it could be part of the submission. There is no limiting defined length of engagement, but there is a limitation on the overall dollar amount once the contract is executed.

**REQUEST FOR STATEMENTS OF QUALIFICATION**

**RSQ ID: 22-08-2864JB**

Concerning  
**Financial Advisory Services**



*Office of the Controller*  
NAVAJO NATION

**Prepared by the: Navajo Nation Office of the Controller**  
**Issued: August 12, 2022**

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# **REQUEST FOR STATEMENTS OF QUALIFICATION**

Financial Advisory Services for Navajo Nation Office of the Controller

RSQ ID: 22-08-2864JB

SUBMISSION DEADLINE: Monday, August 29, 2022 by 5:00 p.m. MDT

QUESTIONS must be submitted in written form no later than Friday, August 19, 2022 by 5:00 p.m. MDT to:

**Acting Investment Supervisor, at [investments@nnooc.org](mailto:investments@nnooc.org).**

Each email submitting a question must be titled using the following email subject naming convention: "QUESTION on RSQ 22-08-2864JB, Concerning Financial Advisory Services."

Inquiries made in any other manner or to any other individual or Navajo Nation office regarding this RSQ will not be answered. Answers to all questions will be posted online in advance of the submission deadline.

## **1.0 INTRODUCTION**

The Navajo Nation is located in Arizona, New Mexico, and Utah, and has its primary government headquarters in Window Rock, AZ.

The purpose of the Navajo Nation Office of the Controller ("NNOOC") is the formulation, implementation, and execution of the financial plans and policies of the Navajo Nation, to render accurate and complete reports, and to properly protect the assets of the Navajo Nation using modern methods of financial management. In executing this purpose, the NNOOC's mission is to provide quality service to its customers with integrity and accountability through compliance and transparency. As part of this purpose and mission, the NNOOC also plays a significant role in the investing, administration, and management of the Nation's financial resources, at all times acting responsibly as a custodian of the public trust.

The NNOOC is requesting statements related to the ongoing provision of independent financial advisory services to the NNOOC, including but not limited to advising on matters related to outstanding debt, outstanding and new loans, the restructuring of loans, and the preparation and/or review of documents related to future financings.

Please take the time to carefully read and become familiar with the statement requirements. All statements submitted for consideration must be received by the time specified above as the “SUBMISSION DEADLINE.”

The RSQ and statement submissions are time sensitive and the deadline for submission is Monday, August 29, 2022 by 5:00 p.m. MDT. Statements must be submitted electronically, via email, as detailed below.

**SUBMITTING ENTITIES SHOULD NOTE THAT SUBCONTRACTING ANY WORK SPECIFIED IN THE RSQ IS NOT ALLOWED – NO EXCEPTIONS.**

### **1.1 PROJECT AND LOCATION**

The NNOOC office is located at Administration Building 1, 2559 Tribal Hill Dr., Window Rock, Arizona 86515.

The Financial Advisor will need to come to the NNOOC worksite in Window Rock for an initial meeting following selection and execution of a contract with the Navajo Nation, and may also be required to attend other onsite meetings, or meetings that take place away from the NNOOC’s office.

### **1.2 PROJECT OBJECTIVE**

The objective for this RSQ is for the NNOOC to select and contract with a fee-only Financial Advisor to provide ongoing independent financial advice serving in an advisory capacity on various matters.

### **1.3 SCOPE OF WORK**

A. The NNOOC seeks a Financial Advisor to, among other things:

1. Provide ongoing, independent financial advice to the NNOOC;
2. Advise the NNOOC on the Nation’s current and future outstanding debt;
3. Advise the NNOOC on outstanding and new loans made by the Nation to Nation Enterprises and entities;
4. Advise the NNOOC on restructuring loans made by the Nation to Nation Enterprises and entities;
5. Advise the NNOOC in connection with, and assist in the preparation and/or review of, any and all documents related to any proposed financings, including but not limited to financing plans and proposals, term sheets, offering statements, financing resolutions, trust indentures, credit enhancement documents, and loan agreements;

6. Advise the NNOOC and assist with any requests for proposals/requests for statements of qualification prepared by the Nation for underwriters, lenders, and other finance professionals, as needed, and assist the NNOOC with financial analysis and evaluation of any related responses received;
7. Advise the NNOOC as to financing alternatives as appropriate, related but not limited to matters of maturity, security, timing, structure, or financing payments. This may also include periodic review of financing concepts proposed to the Nation by other advisors, banks, or underwriters;
8. Advise the NNOOC with respect to issues arising under the Nation's Bond Financing Act. 12 N.N.C §1330 *et seq.*, in relation to debt issuances by the Nation or by governmental units of the Nation, including useful life calculations and other matters;
9. Provide assistance to the NNOOC on credit-related projects, including but not limited to research, analysis, and recommendations with respect to specified financial practices and policies regarding debt of the Nation or the Nation's role as lender for loans to Nation Enterprises and entities;
10. Participate in various meetings as requested by the NNOOC;
11. Assist the NNOOC in reviewing cash flows, financing plans, and debt structures of the Nation's debt or loans made by the Nation to Nation Enterprises or entities, as and when appropriate;
12. Provide reporting on debt refinancing opportunities to the NNOOC;
13. Assist in the valuation of alternative investments;
14. Assist in the valuation of direct investment opportunities that arise with respect to other Nation entities or independent entrepreneurs;
15. Provide progress reports on work status to the various Nation oversight committees, including being available during the presentation of such reports;
16. Incorporate investment/financing strategies or recommendations into work already in progress by the NNOOC or assist in amending previously completed work; and
17. Provide recommendations for other specialty services needed, and provide review of potential providers of such services.

B. The NNOOC's desired outcomes for the above detailed Scope of Work mean the selected Financial Advisor shall, among other things:

1. Provide written recommendations on:
  - a) courses of action to be undertaken by the NNOOC,
  - b) referrals for other contractors to provide services as necessary;
2. Provide certifications in relation to financial advisory work done in connection with services requiring such certification;
3. Attend meetings as directed by the NNOOC, some of which may include mandatory in-person attendance;
4. Submit all work, including tables, presentations, and reports to key NNOOC staff as directed, for review before finalization and presentation outside of the NNOOC; and

5. Complete all other work as assigned by the NNOOC, and in the format directed, in a timely manner and as requested by the NNOOC.

#### **1.4 RSQ TIMELINE**

The following timeline has been established in anticipation of a contract award; however, the timeline shall be subject to change at the sole discretion of NNOOC management as deemed necessary and beneficial to the Navajo Nation. The below timeline does not commit the NNOOC to award a contract in relation to this RSQ.

<b>MILESTONE</b>	<b>DATE</b>
Question submission deadline:	Friday, August 19, 2022 by 5:00 p.m. MDT.
RSQ submission deadline:	Monday, August 29, 2022 by 5:00 p.m. MDT.
Anticipated Notice of Intent to Award:	Friday, September 9, 2022.

#### **1.5 STATEMENT REQUIREMENTS**

##### **A. Applicable Navajo Nation Laws, Regulations, and Policies**

All applicable Navajo Nation laws and regulations shall govern this procurement, including the eligibility of any interested entity under consideration for a contract award. All interested entities, any awardee, and contracting party shall comply with any and all applicable laws, regulations, and policies governing procurement, administration, performance, payment, reporting, and any other matters related to this RSQ. Applicable laws and regulations include, but are not limited to:

- The Navajo Sovereign Immunity Act, 1 N.N.C. § 551 *et seq.*;
- Title 2 of the Navajo Nation Code, related to contracts;
- The Navajo Nation Privacy Act, 2 N.N.C. § 81 *et seq.*;
- The Navajo Nation Ethics in Government Law, 2 N.N.C. § 3741 *et seq.*;
- The Navajo Business Opportunity Act, 5 N.N.C. § 201 *et seq.*;
- The Navajo Nation Procurement Act, 12 N.N.C. § 301 *et seq.*;
- The Navajo Nation Procurement Rules and Regulations, resolution BFD-192-03, adopted by the Budget & Finance Committee of the Navajo Nation Council;
- The Navajo Business and Procurement Act (“NBOA”), 12 N.N.C. § 1501 *et seq.*; and
- The Navajo Preference in Employment Act, 15 N.N.C. § 601 *et seq.*

##### **B. Ownership of Documents**

All documents and materials contained in this RSQ are the property of the Navajo Nation. All documents submitted to the Navajo Nation by an interested entity in relation to this RSQ shall become the property of the Navajo Nation, and shall not be returned to the submitting entity.

All proprietary information submitted to the Navajo Nation should be marked as such, and shall be treated with confidentiality in accordance with the Navajo Nation Privacy Act, 2 N.N.C. § 81 *et seq.*

### C. Acceptance of Navajo Nation Requirements

Submission of a statement in response to this RSQ shall constitute the submitting entity's acknowledgement and acceptance of all requirements and conditions governing this procurement, including all Navajo Nation laws, regulations, and policies as described above; that any and all disputes arising under, related to, or in connection with this RSQ and any resulting contract will be resolved under laws of the Navajo Nation; and that a submitting entity agrees to be subject to the jurisdiction of Navajo Nation courts and tribunals.

The Navajo Nation Procurement Act, the Navajo Nation Procurement Rules and Regulations, and the Navajo Business Opportunity Act will be followed; therefore, submitting entities must clearly mark on the outside of their statements any current priority status under the Navajo Nation Business Opportunity Act, and whether the statement contains any proprietary information.

The NNOOC is not bound to enter a contract under the RSQ, and may issue a subsequent RSQ for the same services.

The Navajo Nation is a sovereign government and all contracts entered into as a result of this RSQ shall comply with Navajo Nation laws, rules, and regulations; and applicable federal laws, rules, and regulations.

## **1.6 PROJECT EXPECTATIONS**

The NNOOC may negotiate an agreement with the most responsive and responsible submitting entity, that best demonstrates the qualifications necessary to address the various requirements listed in the Scope of Work above. The NNOOC reserves the right to award any contract prior to the submission deadline or prior to the receipt of all statements, to award the contract to more than one submitting entity, or to refuse any statement or contract without obligation to either the Navajo Nation or to any submitting entity offering or submitting a statement.

## **1.7 STATEMENT SELECTION CRITERIA**

Only those statements received by the stated submission deadline will be considered, in accordance with Navajo Nation law, and based upon information provided in a submitted statement. Furthermore, the following criteria will be given considerable weight in the statement evaluation process:

- The perceived effectiveness of the submitting entity’s statement in relation to the Scope of Work;
- The submitting entity’s performance history and ability to timely meet the needs and deadlines of the NNOOC;
- The submitting entity’s experience working with governments, and in particular tribal governments;
- The submitting entity’s proven success in leading and completing valuation projects;
- The submitting entity’s experience in Financial Analysis and/or Commercial Loan Underwriting;
- The submitting entity’s ability to provide and deliver qualified personnel with the knowledge and skills required to effectively and efficiently execute the services proposed in the Scope of Work; and
- Declaration by the submitting entity that none of the work to be done in relation to this RSQ will be subcontracted without the express written permission of the NNOOC.

## **1.8 FEES**

Each entity should provide a discussion of the proposed fee arrangement based on each of the following alternatives or a combination of such alternatives based on the services set forth in the Scope of Work:

- A. Compensation on a fixed annual cost, payable monthly,
- B. Compensation on a flat fee basis for specific areas or project set forth in the Scope of Work.

Responses including fees charged based on assets under management will not be considered.

## **2.0 SUBMISSION FORMATS**

Each interested party must submit one (1) complete copy of their statement, attached to their cover email letter submission. The NNOOC will not merge or otherwise manipulate any documents in a submitted statement.

Any submitted statement not in conformance with the format outlined below may, at the sole discretion of the NNOOC, be disqualified.

## **2.1 QUESTION SUBMISSIONS**

- A. All questions must be submitted by the deadline to Acting Investment Supervisor at [investments@nnooc.org](mailto:investments@nnooc.org).



## B. Question Titling Format

Each email submitting a question must be titled using the following email subject naming convention: “QUESTION on RSQ 22-08-2864JB, Concerning Financial Advisory Services.”

## 2.2 STATEMENT SUBMISSIONS

A. All attachments to the email submission, excluding the cover letter in the body of the submitting email, must be delivered as a .pdf document;

B. All submissions must be emailed by the deadline to: Acting Investment Supervisor at [investments@nnooc.org](mailto:investments@nnooc.org).

## C. Submission Titling Format

Each email submitting a statement must be titled using one of the following naming conventions, as applicable:

- “NBOA Priority **xx** (1 or 2, as applicable) – Submitting Entity Name, Statement for RSQ 22-08-2864JB,” if the submitting entity is claiming NBOA preference.
  - a. To corroborate the submitting entity’s claim of NBOA Preference, a copy of a currently valid NBOA Certificate must also be attached as a separate .pdf file, labeled with the following naming convention: “NBOA PRIORITY **xx** (1 or 2, as applicable) CERTIFICATE – Submitting Entity Name, Statement for RSQ 22-08-2864JB;”

or

- “Submitting Entity Name, Statement for RSQ 22-08-2864JB,” if the submitting entity is not claiming NBOA preference.

D. All submitted statements must be accompanied by a cover email, and the body of the cover email should include the following information:

1. the submitting entity’s identifying information – name, physical and mailing address, organizational structure type (corporation, individual, etc.).
  - a) If the submitting entity is a joint venture, all identifying information for each individual entity making up the joint venture must be provided; and

2. the name, title, and signature of the person(s) duly authorized to execute a contract on the submitting entity's behalf.

## **2.2 SUBMISSION COMPONENTS**

The following is a list of information submitting entities should include in their statement submissions:

### **A. Summary of Entity Background:**

1. Submitting entity's name(s);
2. Submitting entity's physical and mailing address;
3. Submitting entity's contact information and preferred method of communication;
4. Submitting entity's legal form (e.g., sole proprietor, partnership, corporation);
5. Submitting entity's date and legal place of formation;
6. Description of the submitting entity's structure in terms of size, range and types of services offered, and clientele;
7. List of the submitting entity's principal officers (e.g., President, Chairman, Vice President(s), Secretary, Chief Operating Officer, Chief Financial Officer, General Manager(s)), and length of time of each officer has performed in their field of expertise;
8. Submitting entity's Federal Employee Identification Number (FEIN), as shown on a current and signed IRS Form W-9;
9. Evidence of the submitting entity's legal authority to conduct business on the Navajo Nation, evidenced by registration with the Navajo Nation Business Regulatory Department as a domestic or foreign business;
10. Evidence of the submitting entity's established track record for providing the services that are the subject of this RSQ; and
11. Any certifications and licenses of the submitting entity relevant to the project.

### **B. Entity Financial Viability Statements:**

1. Whether the submitting entity, or its parent company (if any), has ever filed for bankruptcy or any form of reorganization under the Federal Bankruptcy Laws or Code;
2. Whether the submitting entity, or its parent company (if any), has ever received any sanctions or is currently under investigation by any regulatory or governmental body; and
3. Whether the submitting entity, or its parent company (if any), has ever had a contract cancelled for cause.

C. Credentials, Methodologies, Certificates, Key Staff Description:

1. Submitting entity credentials, and a list of previous accomplishments from other contracts completed including website addresses and address/contact information of business references;
2. Methodologies and expected key staff for the overall project; and
3. A current certificate of business liability, including professional liability, insurance for the submitting entity; and
4. A minimum of three (3) client references for the submitting entity.

### **2.3 PAGE LIMITS**

Each submitted statement is limited to a maximum of fifty (50) pages, including text and/or graphic material. A currently valid NBOA Certificate, cover email accompanying submission, table of contents, and any divider pages are exempt from this page count.

### **2.4 CLAIMING NBOA PRIORITY PREFERENCE**

- A. If a submitting entity is claiming NBOA preference, a currently valid NBOA preference certificate, issued by the Business Regulatory Department of the Navajo Division of Economic Development, must be included in the statement submission package.
- B. The certificate must be current as of the submission deadline listed above. Submission of an out-of-date certificate, or omission of a certificate in a submitted statement claiming NBOA priority shall result in that statement being treated as a non-NBOA priority submission.
- C. If a Joint Venture is claiming NBOA preference, the currently valid NBOA Certificate submitted must be in the Joint Venture's name.

### **2.5 CORRECTIONS OR AMENDMENTS TO A SUBMITTED STATEMENT**

Correction or amendment of a previously submitted statement is allowed, provided that any correction or amendment is received before the submission deadline listed above. Any corrected or amended documents must be a complete replacement of a previously submitted statement, and clearly identified as such. The NNOOC will not merge or otherwise manipulate any documents in a submitted statement.

## **2.6 WITHDRAWAL OF A SUBMITTED STATEMENT**

Any submitting entity may withdraw its statement prior to the submission deadline listed above. A written notice of withdrawal must be submitted to the email or mailing address listed above, in the same manner as the statement submission, and signed by the duly authorized representative of the withdrawing entity.

## **3.0 EVALUATION OF STATEMENTS**

The goal of statement evaluation is to select a responsible vendor that is the most responsive and demonstrates the best qualifications for serving the needs of the NNOOC as outlined in the Scope of Work.

The opening of responses shall not be open to the public.

The NNOOC will evaluate the statements of all Priority No. 1 entities under the NBOA first. If there are no statements marked as submitted by Priority No. 1 entities, or if no Priority No. 1 entities are deemed responsible and responsive after evaluation, the NNOOC shall next evaluate the statements of all Priority No. 2 entities under the NBOA. If there are no statements marked as submitted by Priority No. 2 entities, or if no Priority No. 2 entities are deemed responsible and responsive after evaluation, all other statements will next be evaluated.

Statements shall be deemed non-responsive for any of the following reasons:

- any statement that does not conform to the Scope of Work of the RSQ;
- any statement that attempts to impose conditions which modify the requirements of the RSQ, or limit the entity's liability to the Navajo Nation; or
- any unsigned statements.

## **4.0 INTERVIEWS**

Interviews may be conducted with responsible entities for the purpose of clarification to assure full understanding of and responsiveness to the RSQ and the needs of the NNOOC. In conducting interviews, there shall be no disclosure of any information from other submissions received, including any identifying information or the total number received, by competing submitting entities.

## **5.0 SELECTION AND CONTRACT AWARD**

Following review of submitted statements, in accordance with the Navajo Nation Procurement Act, the Navajo Nation Procurement Rules and Regulations, and the Navajo Business Opportunity Act, the NNOOC anticipates making a selection for award of a contract under this solicitation. If a selection is made, the NNOOC will reach out to the selected entity informing them of the notice of intent to award. If the selected entity wishes to proceed, a contract will be executed between the Navajo Nation and the selected entity, and the latter party must provide the documents listed below:

A. IRS Form W-9

An updated, completed, and signed IRS W-9 form, which will be used by the Navajo Nation to report all contract payments made to the selected entity to the Internal Revenue Service.

B. Insurance Certificate

The selected entity must provide documentation evidencing adequate insurance coverage, as determined by the Navajo Risk Management Program, which at a minimum includes naming the Navajo Nation as an additional insured party. Failure to obtain and maintain adequate coverage for the entire term of the contract will render the contract null and void.

C. Affidavit of Non-Debarment and Non-Suspension

The selected entity must provide an updated completed and signed *Navajo Nation Certification of Non-Debarment and Non-Suspension*, to be provided by the NNOOC during the contracting process.

## 6.0 CONFIDENTIAL OR PROPRIETARY INFORMATION

Submitting entities must clearly mark “CONFIDENTIAL,” or “PROPRIETARY” each part of their statement which they consider to contain proprietary information.

## 7.0 DISCLAIMERS

A. Right to Cancel this RSQ

In accordance with the Navajo Nation Procurement Rules and Regulations, the NNOOC may cancel this RSQ at any time prior to an award.

B. Appropriation Required

In accordance with Navajo law, the liability of the Navajo Nation under any contract resulting from this RSQ is contingent upon the availability of appropriations by the Navajo Nation Council, and all contracts shall have sufficient funds appropriated and available.

C. Right to Waive Irregularities

The NNOOC, at its discretion, may determine that errors, irregularities, or other misinformation contained in any statement submitted is of minor consequence. The NNOOC may also may waive any mandatory requirement set forth in this RSQ provided that such waiver does not, in the NNOOC’s sole determination, materially affect the objective nature of the procurement process.

D. Right to Disqualify

The NNOOC reserves its right to disqualify any interested entity or a statement submitted by such interested entity from consideration for award related to this RSQ, if the interested entity has previously failed to satisfactorily perform any project or contract with the Navajo Nation or other governmental entity, to timely submit required documents or information, or has caused the Navajo Nation to incur unreasonable expenses in relation to the consideration of its submitted statement.

E. Right to Refuse to Contract

The NNOOC reserves its right to refuse to contract in relation to this RSQ, if the Navajo Nation Controller or their designee determines, in writing, that any of the following has occurred prior to the execution of a contract:

1. The NNOOC has not received all required supporting documents, or any other reasonably requested information;
2. A document, procedure, decision, action, or other event pertaining to the procurement of a contract related to this RSQ, any pre-procurement activities related to this RSQ, or to the awarding of a contract related to this RSQ is in violation of any applicable Navajo, federal, or state law or regulation governing this procurement;
3. The selected entity, or any other related person or firm, is ineligible for the award pursuant to applicable Navajo Nation, federal, or state laws or regulations governing this procurement;
4. There has been a change to the Scope of Work or to any other mandatory requirement of this RSQ;
5. There has been a revision of the budget or Maximum Feasible Price originally established for the services listed in this RSQ prior to the procurement process;
6. A protest has been timely filed in accordance with Navajo Nation law, unless a written determination has been made to proceed with a contract pursuant to Navajo Nation law; or
7. It is in the best interest of the Navajo Nation.

F. No Waiver of Sovereign Immunity

The Navajo Nation is a sovereign government and any contract resulting from this RSQ shall not waive the sovereign immunity of the Navajo Nation unless approved by two-thirds vote of the full membership of the Navajo Nation Council.

\*\*\*\*\* END OF DOCUMENT \*\*\*\*\*