



**THE NAVAJO NATION**

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**DIVISION OF GENERAL SERVICES**

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**FY 2016 Second Quarter Report**  
**(January, February, March 2016)**

**TABLE OF CONTENTS**

	<u>Page No.</u>
<b>I. EXECUTIVE SUMMARY</b>	<b>2</b>
<b>II. CRITICAL ISSUES</b>	<b>5</b>
<b>III. PROJECT STATUS</b>	<b>11</b>
<b>IV. BUDGET STATUS</b>	<b>18</b>
<b>V. OPERATIONAL &amp; PROCESS IMPROVEMENT INITIATIVE STATUS</b>	<b>20</b>

## I. EXECUTIVE SUMMARY

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The Division of General Services provides support services to the Navajo Nation Government. This is accomplished through our Departments and Programs under this Division, which consist of: 1) Air Transportation Department; 2) Department of Information Technology; 3) Employee Housing Program; 4) Facilities Maintenance Department; 5) Fleet Management Department; 6) NN Telecommunications & Utilities Department; 7) Navajo Transit Systems; 8) Records Management Department; and 9) Insurance Services Department and its Programs, which include Employee Benefits Program, Risk Management, Safety Loss Control Program and Worker's Compensation Program.

The Division's 2nd Quarterly Report will provide information reported by the Departments/Program's under this Division providing support and/or direct services to the Navajo Nation Government.

### A. Navajo Air Transportation:

- i. Air Transportation's two priorities are the restoration of a pilot's position and the acquisition of a modern Phenom 300 business jet and a Phenom 100 business jet. The direct services that these priorities provide to the Navajo Nation is time management. Our Top Tribal Officials put in many more hours above the standard 40 hour work week. By using our business aircraft they are able to truly maximize their productivity, because an average trip on the commercial airlines takes three hours longer door-to-door than it does on a business aircraft.
- ii. Additionally, studies have shown their time en-route is much more productive in a business aircraft than it is in the public environment of an airline cabin. This positively affects value for the Navajo Nation's endeavors into the 21<sup>st</sup> century. So, for business travel, a corporate aircraft is a huge productivity enhancer.

### B. Department of Information Technology:

- i. DIT's is to carry out directives of NN-Council resolution CJY3491, as amended, which specifically mandates the creation "Open Information Environment" among the governmental entities of the Navajo Nation, and to assign responsible parties to coordinate the use and development of computer technology to achieve an open information-sharing environment. 2. To implement an overall computer information strategy which provides quality and timely computer related services. 3. To achieve distributed processing of selected financial transactions to the Agencies and Chapter levels of the NN government via computer technology. 4. To allow Agencies and Chapter access to various NN government data and information via computer technology. 5. To allow Agencies and Chapter access to the "internet" via Computer technology.

### c. Employee Housing Program:

- i. The Employee Housing Program (EHP) is a proprietary program under the Division of General Services. EHP's oversight is the Health, Education, and Human Services Committee and the Employee Housing Committee. The EHP objective is to provide quality living thought excellence.
- ii. The mission of the EHP is to promote revitalization of housing for a better living environment and provide services in an effective manner. EHP provides housing for full-time Navajo Nation employees and also provides a quality comprehensive maintenance program for the housing. EHP employs ten (10) full-time employees that perform property management, administration, and the maintenance and renovation of housing units in Window Rock, Fort Defiance AZ, and Mexican Springs and Shiprock, NM. EHP currently maintains 151 housing units.
- iii. The program is working to build additional housing in the Window Rock, AZ area, with other locations in the future. EHP's budget is received from rental receipts (proprietary) in the amount of \$850,000.00. However, the program is in need of additional funding of \$650,000 per fiscal year. Additional funding will be used to provide more services toward the housing units.

**D. Facilities Maintenance Department:**

- i. Throughout FY'2016-2<sup>nd</sup> Quarter, FMD has made substantial strides to expand our department operations throughout the Navajo Nation to over 635 entities continues to stand firm on our philosophical established standards of ensuring the maintenance needs of the Navajo Nation are met regardless of the challenges facing our department.
- ii. Our department personnel have taken a standing role of ensuring our success by collectively working aggressively to ensure our facilities operate without interruption to service delivery by our Navajo Nation Government.
- iii. With the established priorities and pillars set for our department under the Navajo Nation Executive Branch we are striving to further enhance our facility infrastructure needs to meet the service demands by encompassing ADA compliance, facility safety, modernization of maintenance and custodial services.

**E. Fleet Management Department:**

- i. Fleet Management Department provides automotive support service to the Navajo Nation government with minimal downtime, together with full state of readiness. Compliance with Federal, state, local and Navajo Nation Environmental Protection Agency rules and regulations, with regard to hazardous fluids usage (fuel, lubricants, coolant, solvents, etc.,) and proper disposal of waste oil and fluids.
- ii. Fleet also provides administrative support to the Navajo Nation Motor Vehicle Review Board (MVRB) and use of the Navajo Nation Motor Vehicle Operator's Handbook emphasizing official use, lawful, prudent, and safe vehicle operation.
- iii. Fleet Management's Fleet Safety Committee also is responsible for providing a safe work environment for employees and customers through inspections, awareness and meetings.

**F. Insurance Services Department:**

- i. The Insurance Services Department is comprised of five (5) programs: Employee Benefits, Employee Assistants, Risk Management, Safety & Loss Control and Worker's Compensation
- ii. The objectives of the department and its programs are to implement a cost saving insurance program and to develop an effective safety program to protect life and property, including minimizing costs while meeting the needs of the Navajo Nation and its entities.
  - a. Employee Benefits Program
  - b. Employee Assistants Program
  - c. Risk Management Program
  - d. Safety/Loss Control Program
  - e. Worker's Compensation Program

**G. NN Telecommunications & Utilities Department:**

- i. NNTU processed service requests and work orders totaling 415 for telecommunications (voice, data circuits, and two way radio) and utilities services. Along with processing of monthly invoices for approximately 7,000 accounts and inventory of service lines and two way radio equipment.
- ii. NNTU staff participated in NDPS 911 meeting with various Navajo Nation offices and Four Quarters and Tech Source consultants. Discussed 911 directives and update on proposed 911 implementation by NDPS.
- iii. Staff also attended training on Frontier's Globys online systems. Will be used to inquiry on telecommunications accounts. NNTU's held FY'2016 Strategic Plan update meeting, all strategic goals are on track for completion.
- iv. Staff participated in San Juan Fire Stations transfer meeting with OPVP, Fire & Rescue, San Juan County, Department of Justice and other departments in regards to the transfer for (3) fire stations to Navajo Nation.
- v. NNTU participated in Navajo Nation IT Steering Committee meeting; participated in the Chapter Technology Conference held at San Juan College, Farmington, NM. Presented Presentations on Voice, Data Circuit and Wireless Device Services.
- vi. NNTU's staff completed UPK-FMIS training as required by the Office of the Controller; and staff attended NTUA Rate Adjustment Public Forum Presentation. Proposed rate adjustment to: Water 5.5% and Wastewater 4%. Effective: July 2016 to January 2020. Not yet approved.

**H. Navajo Transit Systems:**

- i. NTS is located in Fort Defiance, AZ, a based public transportation system that provides commuter route service within the Navajo Nation and surrounding border communities. The mission of Navajo Transit System is to provide safe and affordable public transportation. We exist to attract and maintain customers. Our services will exceed the expectation of our customers.

- ii. NTS will be focusing on students and employees, both groups will likely demand NTS services. The students will utilize this service because it is convenient and less expensive than if they were to drive and pay for on-campus parking. Employees will use NTS services, due to schedule tailored to get the employees to work on time.
- iii. Navajo Transit System will easily gain market share by utilizing their competitive advantages that are based on a sophisticated, yet purposeful, incentive system for the driver's. This system encourages driver behavior to build up new clients, turn one-time clients into long term customers, receive positive feedback, and develop a team atmosphere among employees in NTS.
- iv. Navajo Transit System is entering its 35<sup>th</sup> year of business. The basic market need is for a professional, reliable, transportation service at a reasonable price. There are two distinct segments that are in need of these services: students and employees. NTS will meet the market need by offering a professional public transportation service for the Navajo Nation.

I. Records Management Department:

- i. Records Management Department's purpose is to maintain and oversee vital official records and to provide the Duplicating Services Program for the Navajo Nation Divisions, Departments and Programs.

## II. CRITICAL ISSUES

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A. Navajo Air Transportation:

- i. Navajo Air Transportation's current Aircraft Fleet is not adequate and not cost efficient for the type of missions currently performed. The Beechcraft King Airs, which the Nation now owns, have demonstrated their reliability and safety of operations for exactly thirty-one (31) years. The two (2) Aircrafts manufactured in 1985 have performed very well, though, are now approaching extensive aging Aircraft issues governed by Federal Aviation Administration Regulations. Currently working with the Controller's Office to implement a plan to address the situation.
- ii. The Controller's Office has turned this loan proposal over to the B&F Committee for approval, however, this proposal was rejected. Again, OOC has attempted to secure funds with General Obligation Bonds legislation, and is currently being reviewed.
- iii. NAT has submitted a proposal to the HEHSC, DGS oversight for the acquisition of new Aircraft, Legislation was passed by the NNC, however the Legislation was veto by Office of President/Vice-President.
- iv. Aircraft N740P was taken out of service indefinitely. Aircraft N214P will be the 2<sup>nd</sup> Aircraft to be taken out of service by December 2016. NAT's capital resources (aircrafts) are depleting to a point that will cripple the Department's ability to continue operation in the near future. This dire situation has caused moral to start diminishing, and effecting the labor resources (employees), as a result lost one (1) Sr. Pilot. Unless this chain of events is reversed Navajo Air Transportation will cease operations in the near future.

B. Department of Information Technology:

- i. Soliciting funds from the Navajo Nation Executive Branch and NN Council for a valid NN IT solution. NNDIT was recommended for sanction from the 2009 audit. NNDIT is working with Valliant Consulting Group to meet objectives and correcting the audit findings. Also, NNDIT is working with DoGS, HEHSC Oversight and the OPVP, on both of these issues.
- ii. Implementing an IT Disaster Recovery (DR) Plan for Navajo Nation Data Center. NNDIT is researching ways to cost share for DR infrastructure needs and soliciting assistance from upper management to support and accomplish cost shared DR projects.
- iii. Creating a redundant fiber optic network within the Window Rock campus for government. NNDIT will design and implement a redundant fiber optic network for the Window Rock campus to decrease network outages for the Navajo Nation government network.
- iv. NNDIT will seek to conduct an information security assessment and penetration test to identify vulnerabilities and to evaluate the organization's current security posture for both internal and external operational systems.
- v. NNDIT provides information technology infrastructure, data center and IT support for the various agencies and departments of the Navajo Nation. NNDIT desires to obtain a baseline of their current security controls and identify risks so they can improve their security posture and ensure protection of Navajo Nation information assets. NNDIT will be conducting an information security assessment and penetration testing on the IT server infrastructure with the data center. Collaborating with other Programs in providing resources.

C. Employee Housing Program:

- i. The roadways (including curb & gutter) within Employee Housing residential areas need to be upgraded. Current roads are inadequate and no longer safe for traffic.  
Plans to Address – NDOT to assist EHP for new streets in residential housing areas. EHP has done so since summer of 2010. Resource Requirement - need support from OPVP, DGS, and NDOT Expected Completion Date – Continuing
- ii. EHP needs additional residential housing units to accommodate an ever growing list of rental housing applicants.  
Plans to Address – The EHP needs additional funding through internal and external sources. Currently seeking grant funding from state, federal and private sources. Submitted grant applications to one private source this quarter.  
Resource Requirement – EHP personnel. The program has submitted request for grant funding through external sources.  
Expected Completion Date – Continuing. Continue to look and submit requests every quarter.
- iii. EHP needs to replace 6 mobile homes with new mobile homes or stick-build homes.

Plans to Address – EHP needs additional funding through internal and external sources. Request has been submitted to DGS and OPVP.

Resource Requirement – EHP, OPVP

Expected Completion Date – Continuing

- iv. Update inventory system for Maintenance Shop materials and supplies for inventory purposes.

Plans to Address – Continuing to inventory supplies and materials.

Resource Requirement – EHP personnel, external inventory system vendor

Expected Completion Date – Continues annually.

- v. Renovate current office/shop building to meet standards.

Plans to Address – Seek additional funding.

Resource Requirement – EHP personnel

Expected Completion Date – End of Spring 2016.

- vi. Housing inspections of all units to insure proper care of housing units.

Plans to Address – Provide quarterly inspections throughout the year.

Resource Requirement – EHP personnel

Expected Completion Date – 25% of units every quarter. Continuing.

#### D. Facilities Maintenance Department:

- i. The Navajo Nation has an exuberated number of aging facilities continuing to increase resulting in closure due to the facility conditions that are beyond repair or have exceed the overall life expectancy. This has resulted in modular units that are not rated for commercial use being acquired by departments with no regard for the structure or the designed engineering specs of each facility. Through this process as a short term fix to a long term issue the Nation has to invest in both aging facilities and newly acquired used modular units that have no warranty, acquired in an as is condition.
- ii. This department has struggled to find a payment resolution with the Navajo Nation Office of the Controller regarding payments, contracts, invoices, request for direct payments, travel authorizations, and purchase order payments. These issues have caused delays in payments to vendors as well has hindered our ability to collect quotations as result of this process. We are continuing to work with NNOOC to find a unilateral resolution that satisfies our department operations while adhering to NNOOC's policies. Proposed solutions have included department operational purchase card limit increases to alternative streamlining processes that will not hinder service delivery by our department. Our focus is to find resolution to this challenge in an expeditious manner that meets the needs of all FMD and NNOOC.
- iii. Each quarter FMD continues to remind our readers of the need to conduct an in-depth analysis of a flood plain study of the Window Rock Governmental Campus. This area during the monsoon season is faced with potential flooding and other hazards that are a result of torrential rain fall in the area. Some post rainfall issues include interior and exterior facility damage, mold growth and other costly remediation issues following. Therefore a need exists to conduct a flood plain

study to determine the next immediate course of action to address this issue before we are faced with a large financial challenge in the near immediate future.

- iv. Personnel continues to be a pinnacle challenge within our department operations with the ability to hire based on employee qualification is a hindrance to our operations moving forward. We receive applications from qualified individuals within the construction industry that meet our maintenance needs, however are limited in qualifying for further consideration for other positions that are equal to their work quality and overall experience. Our department's operation is one that is driven by experience. Though an opportunity to hire less qualified individuals is ever prevalent only to have them acquire skills, time and resources while employed here to leave in the end for a higher paying salary that serves no benefit to the Navajo Nation.

E. Fleet Management Department:

- i. Installation of two (2) new fuel tanks with dispensers and spill containment wall was initiated at the new Kayenta Justice Center complex, and work was progressing until the Building Inspector, Kayenta Township, made site visit and issued work stoppage. Basis for stoppage was lack of electrical plans and payment of Building Permit to the Township. Facility Maintenance was selected to complete the electrical portion of the installation process but is unable to provide electrical plans. Fleet Management resorted to having the contractor for the installation secure professional electrical plans with wet stamp, and also initiated payment of the Building Permit. Cost of the project is \$128,429.26 plus 1% of contract amount for Building Permit.
- ii. Fleet Management initiated a third modification of the contract to cover professional electrical plans cost, and anticipated completion of installation by end of July. Facility Maintenance was unable to complete electrical portion and stoppage occurred and Fleet resorted to using other vendor that provides service to dispensers to assist in getting electrical connections connected.
- iii. Two (2) items remained incomplete, first, the Veedor Root panel was to be removed and installed inside the Justice Center which requires conduit connection; secondly, card reader wiring needs to be dis-connected so that new card reader can be installed. The Township inspector changed and new inspector is reviewing building plans, and is assisting in final stages of this project. Project completion - end of April 2016.
- iv. Tuba City Fleet Service Center is completing initial stage of an environmental site assessment to satisfy United States Environmental Protection Agency requirements in that vertical and lateral extent of soil contamination be defined as result of fuel tank leakage occurring 2001. Two (2) 10,000 gallon tanks were removed and replaced and soil contamination was detected when both tanks were uncovered and removed. Soils beneath the stained area, approximately 13-feet below ground surface, on south end of the tanks were documented as petroleum hydrocarbon free. However, the vertical extent of soil contamination is unknown and basis for the assessment. Soil borings are to be drilled at



locations of the releases, under the former tanks, to a maximum depth, with samples to be collected at intervals and analyzed. Depending on analysis, the intent is to conduct a complete Site Characterization and Soil Remediation for Site Closure.

- v. Contractor completed soil borings at three (3) locations and results indicate presence of contamination that exceeds Water Cleanup Standards. Recommendation is further site characterization and quarterly groundwater monitoring. Preliminary report is to be transmitted to USEPA to determine next steps.
- vi. Development of the vehicle mileage user rates for the upcoming fiscal year was completed and presented in the Fiscal Year 2016 Budget Instructions Manual. As part of the development is the vehicle replacement schedule, projected cost, bidding, and securing budget modification from oversight committee. Cost is dependent on public bids and is projected to exceed \$6,000,000, with funding from Fleet's fund balance.
- vii. Notices were transmitted to programs and departments whose vehicles were slated for replacement and specifications are currently being completed based on response. Some responses were slow in forthcoming with several not responding thus Fleet will be replacing with similar unit. Public bid is projected to occur in April 2016 due to Resource Enforcement Department seeking replacement of their department purchased vehicles which requires MVRB approval. Anticipate replacement during the months of June through August.

F. Insurance Services Department:

- i. The department currently has vacancies and is determining how best to fill them to meet the needs of all the program within Insurance Services. One area that is needed is within accounting. The programs within ISD need help tracking its accounts receivable ledger. So the department is creating a Principal Accountant position to help the current accounting staff.
- ii. Currently, the department is experiencing territorial disputes. The staff are not familiar with the concept of team work and customer service. The Department Manager is identifying training and other methods to unify the staff.
  - a. Employee Benefits Program
    - 1. AFFORDABLE CARE ACT (ACA) COMPLIANCE: The EMP has received guidance from the Internal Revenue Service attorneys regarding the filing status for the NN chapters and small enterprises (less than 50 employees). Both the chapter and small enterprises do not have to file the 1095-C, rather the 1095-B will be filed by HMA, Inc. on their behalf.
    - 2. In recent months, several Federal funded NN programs have not received its entire Federal allotment of grant funds due to a U.S. Treasury offset. After an initial investigation, the issue originated with the Employee Benefits Program. However, the Program Supervisor and a staff member, along with a DOJ Tribal Advocate, did a thorough investigation. The offsets occurred due to the Indian Health Services (IHS) submitting insurance payment requests to HMA, Inc.

- b. Risk Management Program
  - 1. Contract Reviews: A change in the 164 Review needs to occur so that RMP can ensure the contracts include insurance provisions and adequate bonding.
  - 2. Property Values: The program reached out to the Controller's Office about the property values of the Navajo Nation. To certify the property values on the Nation's property listing are accurate, RMP offered its assistance to the Property program.
  - 3. Timely submission of documents from the Enterprises, Chapters and Navajo Nation programs is a continued challenge so that RMP can timely submit the insurance renewal package to the market.
  - 4. In reviewing the accounts receivable balance, some enterprises not paying its insurance premiums. To enforce payments, the program has been sending notification letters reminding them of its participation agreement. Some Enterprises may have to be called before the Navajo Nation Insurance Commission.
- c. Safety/Loss Control Program
  - 1. No critical issues to address at this time.
- d. Worker's Compensation Program
  - 1. Timely submission of quarterly payroll data from the Nation, enterprises and chapters is becoming laborious. Without the payroll data the program cannot issue invoices for the quarterly payment.
  - 2. The gaming enterprise is still not providing timely documents for the WCP to begin its claims process and investigation. Both the gaming enterprise and WCP had a meeting to develop a process; however, it still did not make an impact. The gaming enterprise is still slow in submitting documents. A meeting with the CEO will have to take place to stress the importance of the documentation.
- e. Employee Assistance Program
  - 1. No critical issues to address at this time, though, a Counselor has been recently hired to take on the responsibilities of EAP.

G. NN Telecommunications & Utilities Department:

- i. Transition of all existing wireless phone and device service accounts to Navajo Nation's newly executed master contracts with CellularOne accounts at 44% completion with 39 accounts remaining. Delayed due to untimely response from departments. Other providers on-going. Expected completion: 06/30/16.
- ii. Hiring of Account Maintenance Specialist to oversee wireless services master contracts along with managing procurement, billing and inventory. Position filled recently but staff soon after accepted another position. Position now vacant. Advertised requested.

H. Navajo Transit Systems:

- i. Replace all aging fleet with new buses, currently an on-going process.

- ii. Hiring process needs to be reduce including background investigation, on-going process.
  - iii. Filling of all vacant positions within Navajo Transit Systems, the Department Manager III, Planner, Program Supervisor, Motor Coach Driver's and Mechanic positions.
  - iv. Secure Match Funds for discretionary capital projects.
  - v. FTA FY'2016 Hybird Bus Project - \$1M Match Fund and find a Delegate to sponsor a \$6M Project for 10 Buses for \$600,000.
  - vi. Start a Transit Safety Program for staff at NTS.
- I. Records Management Department:
- i. The Fort Defiance ONEO secondary storage building was built in the 1950's, and the wear and usage of the building is beginning to present problems. The building is severely water damaged, infested with mice, and will not pass safety codes for electric, fire, and plumbing. The electric meter has been removed and vandals have removed some of the roof covering. There are some vital documents still being store at this facility. Plans are to remove the stored boxes and transfer them to the Transit storage location. The building will no longer be used and be returned to Property Management.
  - ii. The Records Management building is located in Tse Bonito Business Park, 1575A, Highway 264, Building 1 in Tse Bonito, NM. The Records Management Department has been leasing the building from Business Owner Debbie Klien. The Lease is increasing each year. The current amount is \$41,200 for a one year contract to rent the 2,095 square feet office space. The office space has had no weatherization maintenance for the past six years. The Records Management has been looking for new facility for the Tse Bonito office. The sites looked at were the Industrial Building in Fort Defiance; which was the old General Dynamics building, and the vacated First American Credit Union Building. The plans are to get an appraiser to determine the value of the First American Credit Union Building.

### **III. PROJECT(S) STATUS**

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- A. Navajo Air Transportation Department:
- i. Update and revise our Plan of Operation and carry it through the 164 process. Target completion date is July 10, 2016. Update: Plan of Operations is now updated and is ready for 164 review.
  - ii. Create a fixed cost capital improvement fund to address the future of the aging aircraft situation. Work in conjunction with OPVP, Office of the Controller, and the legislative branch on this endeavor. Target completion date is August 1, 2016. Update: this process is underway.
  - iii. Navajo Air Transportation has completed the FAA required fuel nozzle flow check inspections and spray checks on aircraft N200GS. Aircraft N740P and N200GS have undergone exterior paint refurbishment. We also completed Special Inspections 10, 20, and 18.

- iv. One of the major accomplishments of the Air Transportation Department is maintaining a 100% dispatch rate. This means when a department or program schedules an aircraft, it completes its mission without failure. Given the situation of operating extremely underfunded and understaff makes this a major feat in its own. The only way possible to carry this out is by having highly experienced pilot/ mechanics that are cross trained who can perform both duties.
- v. Develop and carry out a modern maintenance training program that will allow our technician's to take the next step with Flight Safety's Master Technician Professional Development Certification. This training will allow our technician's to earn their Master Technician Certificate. This technical professional/personal development training will allow our maintenance staff to become a greater asset to our maintenance department. Target completion date: this will be an ongoing endeavor.

B. Department of Information Technology:

- i. Continue working with email 2013 Exchange to update all users. Guidelines are needed for handling users who are not actively using their email account. Mailboxes are filling up and there needs to be a mailbox size limitation. Need consultant guidance to address best practice to set mailbox size limitation.
- ii. NNDIT is working on conducting an information security assessment and penetration testing to identify vulnerabilities and to evaluate the organization's current security. NNDIT provides information technology infrastructure, data center and IT support for the various agencies and departments of the Navajo Nation. NNDIT desires to obtain a baseline of their current security controls and identify risks so they can improve their security posture and ensure protection of Navajo Nation information assets.
- iii. NNDIT has a fiber ring network topology project with Window Rock local area. This project will provide a failover system in case connection in the NNDIT network is lost in the Window Rock Campus. This ring topology is still in the initial development stages and the most recent update has been the contracting of a vendor to get right of way clearances for the ring infrastructure.
- iv. NNDIT and NNTU working on backup power Diesel Generator for Administration Two. We have RFP on advertisement on NNOOC web site for vendor to bid on diesel generator equipment the end last week in March. Bid proposal completion is date is for the end of March. Bid award will be after the bid opening and completion of installation end of 4 quarter this fiscal year.
- v. Obtaining a digital signature for the NN
- vi. Backup of data residing on servers located at NNDIT.
- vii. Ongoing negotiations with vendors on enterprise level standardization and a one vendor solution for Navajo Nation anti-virus software.
- viii. Formulation and revising of NN IT policies.
- ix. Modification to NNDIT's CAP as technology advances is made.
- x. Implementation of the 1000 user Enterprise Microsoft software for the Navajo Nation government users.

- xi. Continue work with the IT steering Committee to formulate and implement a NN IT Governance document.
  - xii. All NNDIT employees are continuously training with Skillsoft.
- C. Employee Housing Program:
- i. Navajo Hill Drive Residential Housing Development –Environmental, archeological, and land survey are completed. Advertise for residential pre-development professional services via the supplemental funding received from NNC
    - a. EHP had to re-survey Land Administration’s survey to close gaps and realign around utilities. RFP sent out by end of 3<sup>rd</sup> Quarter with bid opening three weeks after.
    - b. Project awarded and vendor is currently providing pre-development services. End of 4<sup>th</sup> Quarter.
    - c. Project pre-development is completed.
    - d. Need funding for Professional build/Design fees.
  - ii. Continue to provide stand-by services for Employee Housing tenants for emergency outages and services calls afterhours and on weekends and holidays.
  - iii. Continue to have EHP personnel maintain certification and continue safety trainings/in-service regarding work areas and tenant safety.
  - iv. Continue to upgrade residential housing units by changing out infrastructure, materials, and equipment; including windows, appliances (stove, refrigerator, rangehood), interior water lines, and electrical and plumbing systems.
- D. Facilities Maintenance Department:
- i. Navajo Nation Wide Building Assessment Phase 1 – Facility assessment of all Navajo Nation Buildings listed under FMD’s maintenance listing. Status: Completed – January 2016
  - ii. Navajo Nation Peacemaker Court (Window Rock, AZ) – Upgrade facility heating and cooling system to an HVAC system. Status: Completed – February 2016
  - iii. Navajo Nation Fleet Management Service Shop (Window Rock, Arizona) – Renovation and expansion of office area for service shop administration. Status: Completed – March 2016
  - iv. Navajo Nation Wide Building Assessment Phase 2 – Facility assessment of all Navajo Nation Buildings listed under FMD’s maintenance listing & NN Property Management. Status: On-Going – Projected Completion Date – September 2016
  - v. Navajo Nation Supreme Court Administration & Court Facility (Window Rock, AZ) – Renovation and repairs of the entire facility in preparation for the NN Judicial Branch operations to occupy the facility. Status: On-Going – Projected Completion Date – March 2016
  - vi. Navajo Nation Administration Building One (Window Rock, AZ) – New heating and cooling system to be installed for facility use in the second floor of the facility. Status: Projected Completion Date – May 2016

- vii. Navajo Nation Western Agency – ADA access installation in identified facilities pursuant to the Phase 1 Building Assessment Completed Status: Projected Completion Date – September 2016
- viii. Navajo Nation Central Agency – ADA access installation in identified facilities pursuant to the Phase 1 Building Assessment Completed Status: Projected Completion Date – September 2016
- ix. Navajo Nation Division of Natural Resources (Window Rock, AZ) – Asbestos abatement and modification repairs to the facility for safe re-occupancy. Status: Projected Completion Date – August 2016
- x. Navajo Nation Annual Pest & Rodent Control Program (Navajo Nation Wide) – Annual services of all facilities listed under the NN FMD maintenance listing. Status: Projected Completion Date – October 2016

E. Fleet Management Department:

- i. Fleet administration – hold regular MVRB meetings and achieve disposition of misuse/abuse complaints. The MVRB held 3 regular meetings, and issued 6 Notice to Appear & 5 Second Notice to Appear to supervisors due to no response on Vehicle Abuse/Misuse Complaints filed, and reviewed 28 complaints. Two (2) new Legislative Branch MVRB members were designated in January 2016.
- ii. Fleet administration prepared the annual vehicle mileage user rates and referred to Office of the Controller for review and adoption. Included in the user rate development is the proposed vehicle replacement schedule and projected cost. A total of 187 vehicles were identified with projected cost at \$6,023,346.71. The process was initiated with notice to various departments and programs applying the mileage criteria of 110,000 or more as of the December 31, 2014 mileage recorded. Additional vehicles were from the Fleet rental of nine (9), with total replacement set at 196 vehicles. Responses from departments and programs were slow in forthcoming and some did not respond. Moving forward with development of specifications for all units, and initiate public advertisement in April 2016.
- iii. Fleet administration also issued invitation for bid regarding fleet tires, and determined that bid from Navajo Business Opportunity source list was deemed non-responsive – not meeting specification. Other bids were opened in conjunction with Purchasing and Business Regulatory present and the Fleet Service Centers completed bid review and evaluation and selected bid from other than source list.
- iv. Chinle Fleet – continue work on two (2) new Above Ground Storage tank at Kayenta Police District to new Judicial Complex. Gave out seven (7) verbal warning on past due vehicle service; initiated contract documents for technician’s uniform services, and completed work orders through Facility Maintenance to assist with trenching for conduit and electrical installation at Kayenta Justice Center complex.
- v. Crownpoint Fleet – have Facility Maintenance assist with installation of window on second floor office and an emergency exit, including reinforce floor with metal support poles. NNEPA inspected underground storage tanks and noted

water in the diesel tank, which was pumped out, approximately 12 gallons. Upgrade of the canopy lighting was also completed. Training was provided on diesel/gas change oil kits for all technicians, as well.

- vi. Shiprock Fleet – repaired the front gate with some adjustments and reinforcement of cable and clamps, after gate fell off of rollers. The Fuel Hawk card reader failed and was sent for repair, in the interim fuel is dispensed manually until repairs are done. Renovation of the men’s restroom is being planned with Facility Maintenance performing construction.
- vii. Tuba City Fleet – continue work on review of soil sampling results and water depth site evaluation of area that contained unleaded fuel spill from underground storage tank previously removed in 1994. Will transmit report to USEPA on next steps. One (1) Senior Automotive Technician resigned from his position, and review of workload among other personnel will occur to consider advertisement of the position.
- viii. Window Rock Fleet – complete scope of work to replace 300 gallon used oil tank with 1,000 gallon tank, construct supporting concrete slab and fabricate lines in compliance with NEPA AST Act and Navajo Business Opportunity Act. Training provided on Ford MDI scan tool for all technicians, and renewed subscription for GM Tech2 and GDS2 software. Had Facility Maintenance complete renovation of breakroom for technicians and started on front office renovation. Issued 5 vehicle maintenance neglect warnings to departments and/or programs.

F. Insurance Services Department:

i. Insurance Services Department

- b. The department is working on its plan of operations and will meet with its program supervisors in April 2016. The goal is to reorganize the plan to align it with its mission statements and services.
- c. The department is researching marketing ideas to create and implement its education campaign. This includes updating the department website. Given its complexity it’s an on-going process.
- d. The department is working on continually providing services to the Tribe, Enterprises and Chapters by changing its quarterly meeting format.
- e. After meeting with some chapter staff, ISD will host a separate quarterly meeting for the chapters. The first meeting will occur either late April or May of 2016.

ii. Risk Management Program:

- a. The Program met with the Budget & Finance committee to address concerns about insurance coverage. During the meeting the Program Supervisor provided an informational session about how the insurance program operates, including how the insurance pool functions.
- b. In March 2016, the program began its annual insurance renewal process. Marsh, Inc. was on-site to provide a work session and to answer questions from the enterprises.

- c. In February 2016 several software companies provided a presentation to showcase its claims management software system. All three programs within ISD were invited to the presentation. Of the four companies that presented, the three ISD programs were impressed with the claims management software presented by Marsh, Inc. That software incorporates all facets of the RMP, WCP, EBP and Safety for the program to utilize.
- d. The program purchased the American Institute of Architects contract software to meet DOJ's requirements for construction contracts. Now the RMP is compliant with DOJ's needs regarding construction contracts.
- iii. Employee Benefits Program:
  - a. The program successfully met its obligations regarding the 1095-C filing requirements and educating the enterprises and chapters of its filing responsibilities. All enterprises should met the filing deadline of March 31, 2016.
  - b. The program met with the Division of Health to help implement a wellness policy for the entire nation. The initial meeting was a success and future meetings are forthcoming.
- iv. Worker's Compensation Program:
  - a. The program had its quarterly case review to ensure all claims are properly addressed and handled.
  - b. Many chapters are seeking guidance about worker's compensation policies. ISD will begin having a separate quarterly meeting with the chapters to meet their needs.
- v. Safety & Loss Control Program:
  - a. The Program Supervisor completed the Safety Manual and needs to make corrections suggested by the Insurance Commission. Once it's corrected the Safety Manual will go before the Insurance Commission for approval.
- G. NN Telecommunications & Utilities Department:
  - i. Upgrade of Radio Frequency Network Infrastructure
    - a. Construction of two 60: towers in Shiprock and Tuba City completed.
    - b. Leasing of four (4) NTUA Towers-Lease agreement-Contract approved and 3 sites activated to increase coverage area for Rock Point, Blue Gap, Tsaile. Fort Defiance in process (installing and testing equipment).
  - ii. Skype for Business Implementation
    - a. Procured 100 licenses
    - b. Held kick off implementation meeting with Aquila. NDIT and TSL
    - c. First site are NNTU and NDIT.
    - d. Created Microsoft Sharepoint website for project.
    - e. In process of procuring SIP trunks.
- H. Navajo Transit Systems:
  - i. The FY'2014 Financial Audit, completed with 1 Cap.
  - ii. FY'2015 Physical Inventory, requested through Property Management completed.



- iii. Implementation of Corrective Action Plan for State site visit report, is currently on-going.
  - iv. FTA Team System Transition to TRAMS System, Training was completed in February 2016.
  - v. NMDOT FY'2016 Award completed the 164 Review, ready for FY'2016.
  - vi. ADOT FY'2016 Notice of Award processed through the 164 Review Process, ready for FY'2-16 completion.
  - vii. FIA FY'2016 RFP, \$6Million Hybrid Buses Electric/Diesel Buses.
  - viii. Close-out of Utah Grants, have yet to research and gather documents.
  - ix. Bus Route revision, currently coordinating with NN Risk Management Program on Safe Bus stop locations.
  - x. Bus Shelter Installations, working on proposed sites, the Old Twin Lakes Chapter, Gallup Walmart, Chinle HIS, Pinon HIS, Blue Gap Chevron, Tselani-Cottonwood Chapter.
  - xi. Bus Pullouts, NTS in coordination with ADOT, NMDOT, and NNDOT on upcoming road construction.
  - xii. Pavement Re-surfacing, Pending approval, working on a concrete proposal to temporarily repair pavement for parking.
- I. Records Management Department:
- i. A memo was release from the President's office stating the removal of Navajo Nation Connex Storage containers and named Records Management to handle the stored documents. In preparation for this arrival of storage boxes. The Fort Defiance Warehouse had to get rid of storage boxes that were approved by DOJ office for destruction. 930 boxes were taken to Albuquerque for disposal. The Albuquerque Disposal center handle confidential records for disposal.
  - ii. Konica Minolta Business Solutions has an IT Cloud Server that is suitable to meet the Records Management needs. The software provides document management, organization, categorization, indexing, and search/retrieve information capabilities. The Records Management Department is planning to have this data system up and running later in FY 2016. Plans are currently to purchase 5 new computers for the Duplicating staff, and Konica Minolta representatives and a demonstration of the DocRecord software. A request was made to Konica Minolta to have them present the DocRecord Software at the Strategic Planning meeting on March 30-April 1, 2016
  - iii. The Contract with the Records Management's Duplicating Services and Xerox Corporation ends in May and June 2016. A proposed plan was to pay-off the balance on the contract, and have the copy machines removed. The amount of pay out was more than keeping the copiers to the end of the contract. A decision was to keep the copiers until the end of the contract. A new contract for copiers and finishing equipment will be with Konica Minolta. The Konica Minolta copiers will adequately meet the printing needs of the Navajo Nation Divisions, Departments, Programs and Branches.
  - iv. In order to increase Duplicating Services, and inform the public of the capabilities of the Records Management Department. A web-site will be looked into for the

Record Management services. A web-site that will allow customers to see what is available, and get print estimations. A video presentation will be made available on-line to display the different printing formats that Records Management Department provides.

- v. The Records Management needs to expand to other agencies. An evaluation of opening additional copying centers in the Shiprock and Tuba City agencies needs to be done. These sub-offices will not perform all major services as the Records Management office in Tse Bonito, NM. They will operate with a fewer copiers and will offer local copying and faxing services.

#### IV. BUDGET STATUS – (General, Proprietary & Fixed Cost)

Bus. Unit #	Department/Program	Personnel	% Used	Operating	% Used	FTE	PTE
<b>General Funds</b>							
112001	Div. of General Services	315,583	47%	21,887	65%	3	1
112002	Navajo Transit Systems-Charter	0	0%	12,670	53%	0	0
112003	Insurance Service Department	186,477	31%	150,877	40%	3	0
112004	ISD-Risk Management Program	0	0%	140	41%	0	0
112005	NTS-Admin./Fixed Routes	0	0%	1,064,961	42%	39	0
112006	NN Tele. & Utilities Department	473,472	40%	31,585	40%	10	0
112007	Navajo Air Transportation	547,973	58%	86,744	56%	5	0
112008	Facilities Maintenance Dept.	2,162,545	47%	302,844	48%	56	3
112009	Department of Information Tech.	1,363,027	17%	331,704	24%	19	0
112010	Records Management Department	235,342	39%	42,385	73%	6	0
<b>Proprietary Funds</b>							
812002	Navajo Air Transportation	0	0%	625,000	67%	0	0
812003	Fleet Management Department	3,580,956	40%	12,919,400	65%	64	0
812004	RMD-Duplicating Services Program	202,726	46%	497,274	68%	5	0
812005-15/21	ISD-Risk Management Program	823,515	41%	8,311,099	59%	12	0
812016/17	ISD-Group Health	551,012	35%	18,118,988	49%	9	1

	Benefits						
812018	Navajo Transit Systems-Charter	0	0%	0	0%	0	0
814001	Worker's Compensation Program	445,765	39%	3,554,235	30%	7	1
912001	Employee Housing Program	485,589	50%	364,411	50%	10	0
Fixed Cost							
118004	Fixed Cost-Insurance Premiums			3,800,000	0%	0	0
118005	Fixed Cost-Utilities			4,134,502	52%	0	0
118007	Fixed Cost-Telecommunications			1,623,872	64%	0	0
118008	Fixed Cost-Radio Communications			619,960	65%	0	0
118023	Fixed Cost-Facility Maintenance			1,904,340	42%	0	0

BUDGET STATUS: (Navajo Transit Systems - Grants, Federal Funding & Reversion)

External Funds		No. of Personnel	Personnel Fund Amount	YTD Expenses	% Used	Operating Fund Amount	YTD Expenses	% Used
K161001	ADOT Admin.	5 CS	216,634	46,447.11	21%	126,171	32,968.98	26%
K161002	ADOT Oper.	9 FT, 13 CS	773,520	218,563.64	28%	534,589	81,156.06	15%
K161003	ADOT Planning					125,000	0	0
K161004	ADOT CAP	0	0	0	0	1,303,307	36,010.62	3%
K161005	NM Admin.	4 CS	86,253	18,709.30	22%	47,798	31,478.08	66%
K161006	NM Oper.	5 FT, 12 CS	504,637	179,062.86	35%	208,069	57,708.45	28%
K161007	NM CAP	0	0	0	0%	70,000	60,888.00	87%
K121002	FTA FY12	0	31,365	13,335.36	43%	134,635	77,103.04	57%
K131011	FTA FY13	6	400,720	6,236.77	2%	688,846	53,173.14	8%
		39	2,013,129	482,355.04	24%	3,238,415	430,486.37	13%

## V. OPERATIONAL & PROCESS IMPROVEMENT INITIATIVE STATUS

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- A. Navajo Air Transportation Department:
  - i. FY'2016 COA - Air Transportation – None
  
- B. Department of Information Technology:
  - i. Status of Condition of Appropriation (COA) FY'2016 – COA for Department of Information Technology – None
  
- C. Employee Housing Program:
  - i. Operational Improvement: Customer Service/Positivity Training (mandatory)
  - ii. Process Improvement: More efficient response with SAS Documents from OOC and OMB, OOC personnel MUST be increased to be more efficient. NNC should explore a COA to request this increase.
  - iii. iii.. Purchase Card Section must be more efficient in processing termination PAF's.
  
- D. Facilities Maintenance Department:
  - i. FY 2016 Conditions of Appropriations # 6 - regarding the square footage assessment of all Navajo Nation Facilities. Our department this quarter identified the facilities that require assessment from those not completed this year. We are awaiting the Navajo Nation Office of Management & Budget and the Navajo Nation Office of the Controller to send us information on which divisions, departments, programs and office receive IDC to include their location so that information may be obtained and submitted in accordance with COA # 6. (Facilities Maintenance is working to address this COA#6).
  - ii. Incorporating Information Technology – Our department continues to work internally to expand technology in our work order maintenance system to enhance a higher level of accuracy and accountability within our department operations to maximize our department resources that includes both personnel and materials.
  - iii. Employee Training & Development – FMD will continue working with outside entities to cross-train all department personnel to address work orders beyond each individuals section to become more global in the field of maintenance and custodial services to address work orders in an efficient manner that meets the demands of service delivery expected by our department.
  - iv. Internal Asset Protection – As a maintenance department we are aggressively dependent on our department assets that include personnel, property and facilities as we strive to enhance our asset protection more globally. This will encompass partnering with key entities both within and outside the Navajo Nation to ensure we protect our employees, property and facilities they use on the daily basis.
  
- E. Fleet Management Department:
  - i. Status of Condition of Appropriation (COA) FY'2016 – COA for Department of Fleet Management – None

- F. Insurance Services Department:**
  - i. No FY'2016 COA for the Insurance Services Department and its programs.
  - ii. The ISD to develop (3) strategic goals for the Fiscal Year.
    - a. review and update its Plan of Operations
    - b. Establish an Employee training program.
    - c. Create an Education campaign about Risk Management, Employee Benefits, Worker's Compensation and Safety Loss Control.
  
- G. NN Telecommunications & Utilities Department:**
  - i. Documenting all internal processes and procedures for each NNTU stall position. End result, development of cross training binders for all staff use. Developed wireless services additions. On-going development.
  - ii. Re-educating Navajo Nation offices personnel on procurement process for wireless phone/device service and equipment. On-going education.
  
- H. Navajo Transit Systems:**
  - i. Shorten the 164 Review Process via electronically signing and pre-approval.
  - ii. Shorten the Procurement and have Navajo Transit Systems buy off State Contracts.
  
- I. Records Management Department:**
  - i. Purchase back supports and Anti-Fatigue mats for Records Management's Duplicating Services Program staff for heavy lifting of paper products and copier equipment, and due to standing long periods of time.
  - ii. Purchase of Cargo Trailer from Property Management to deliver and pick-up of copier equipment and related office/paper products.
  - iii. Finalizing and closing out all contracts with vendor Xerox Corporation by May 2016.