

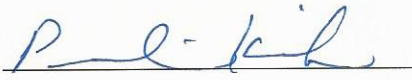
THE NAVAJO NATION

JONATHAN NEZ | PRESIDENT MYRON LIZER | VICE PRESIDENT



MEMORANDUM

TO: Programs/Departments/Division
 NAVAJO NATION

FROM: 
 Pearlline Kirk, Controller
 Navajo Nation Office of the Controller

DATE: October 8, 2020

SUBJECT: Request for Direct Payments ("RDP")

This memorandum is a reminder that there is an existing RDP Policy in place since September 1, 1998. The policy indicates the RDP is **ONLY** for goods and services when the transaction does not warrant the issuance of an official purchase order to a vendor. Typically, these represent low dollar value and/or where no value would be added by issuing a purchase order. A purchase order is generally required if the price should be reviewed and could potentially be negotiated; or the terms and conditions are required to protect the Nation (e.g. the right to recourse for failure to perform).

RDPs will only be processed for the following types of expenditure less:

1. Insurance Premiums and Bonding Charges
2. Registration Fees for continuing professional education, training and seminars and related materials
3. Financial assistance and Loan proceeds disbursements
4. Postage, Postage meter rental and express mail services
5. Real estate (land) lease payments
6. Business-related licenses, permits and dues
7. Classified or print media advertising, radio announcements
8. Refunds-background check, tax, and over payments on loans.
9. Utility payments; electric, water, gas, waste
10. Telephone and Internet providers
11. Payments for Traditional Ceremonies
12. Unplanned emergency equipment repairs (w/ strong justification)

It has been several years since the Navajo Nation embarked on having all programs begin initiating purchases via the FMIS 6B process, and yet, OOC is still seeing RDP forms submitted for purchases that should have begun through FMIS 6B. Use of the RDP process is not meant for most of the purchases (Computers, contract services, etc.) our office has been receiving except for those types of expenditures listed above. The RDP process is NOT to be used as a method to pay invoices for products or services after the fact when a PO or Service Contract should have been issued and sent to the vendor at the beginning of the transaction. Our office is noticing that many programs are still attempting to use the RDPs in lieu of the Nation's procurement process. To that end, OOC is requiring programs to use the FMIS 6B process; and to ensure compliance our office reserves the right to refuse approval of any RDP submitted in lieu of a PO or Service Contract.

Thank you for your cooperation and understanding.

NAVAJO NATION OFFICE OF THE PRESIDENT AND VICE- PRESIDENT

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