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# **Table of Contents**

PROCUREMENT AND CONTRACT ADMINISTRATION	2
ACCOUNTS PAYABLE	30
CAPITALIZATION POLICY	35
FACILITY USAGE	47
TRAVEL	53
TIME AND EFFORT REPORTING	73
PAYROLL	77
SUBRECIPENT MONITORING	81
CASHIERS AND STUDENT BILLING	92
INVESTMENTS	99
VEHICLE HANDBOOK	100
PARTICIPANT SUPPORT COSTS	112
FORMS AND APPENDICES	115

#### PROCUREMENT AND CONTRACT ADMINISTRATION

#### I. PURPOSE

The Diné College, by its Board of Regents adopts these rules to:

- A. Implement the provisions in accordance with State, Federal and Tribal procurement guidelines.
- B. Comply with the program standards of Navajo Nation, Governmental Services Administration, and Federal/State Regulatory Agencies.
- C. Establish a sound and integral contract administration system;
- D. Set standards of conduct for employees engaging in procurement awards;
- E. Promote competition in contracting;
- F. Assure that supplies, services, and construction are procured efficiently, effectively, and at the most favorable prices for Diné College;
- G. Award contracts to responsive and responsible bidders or offers;
- H. Record procurement transactions;
- I. Provide safeguards for maintaining a procurement system of quality and integrity;
- J. Provide for the settlement of disputes during procurement; and
- K. Otherwise provide for economic cost-efficient, competitive, and fair purchases of goods and services.

Under 2 CFR 200.318(a), the Diné College must use its own documented procurement procedures which reflect all applicable local laws and regulations, provided the procurements conform to applicable Federal law and the standards identified in this section. Therefore, this Statement of Procurement Policy applies to all contracts for the procurement of supplies, services, and construction entered into by Diné College after the effective date of this policy. This policy shall apply to every expenditure of funds by Diné College for public purchasing, including contracts that do not involve an obligation of funds; however, nothing in this policy shall prevent Diné College from complying with the terms and conditions of any grant, contract, gift, or bequest that is otherwise consistent with law.

When both Federal and non-Federal funds are used for a project, the work to be accomplished with the funds should be identified separately and the provisions of the Policy must be applied to the work financed by Federal awards. If it is not possible to separate the funds, this Policy will be applied to the total project.

The term "procurement" as used in this Policy includes both contracts and modifications – including change orders – for construction or services, as well as purchase, lease, or rental of materials, supplies, and equipment.

### **Procurement Authority and Administration**

- A. All procurement transactions shall be administered by the Contracting Officer, who shall be the President of Diné College or any other individual he or she has designated in writing, or any person authorized in writing by the Board of Regents of Diné College. The President and the Board of Regents shall establish a system of sanctions for violations of the ethical standards described in this Policy. The President or other Purchasing Officer as authorized by the Board of Regents, shall have the authority to execute contracts of \$64,999 or less. All other contracts shall be approved by the Board of Regents.
- B. The Duties of the Purchasing Officer are as follows:
  - 1. Procurement requirements are subject to an annual planning process to ensure efficient and economical purchasing
  - 2. Contracts and modifications are in writing, clearly specifying the desired supplies, services, or construction activity, and are supported by sufficient documentation regarding the history of the procurement. At a minimum, the documentation shall include:
    - i. Rational for the method of procurement chosen
    - ii. Contract type
    - iii. Scope of work
    - iv. Rationale for selecting or rejecting offers
    - v. Price of cost analysis as required
  - 3. For procurement other than micro purchases or small purchases, public notice is

given of each upcoming procurement before a solicitation is issued; responses to such notice are honored to the maximum extent practical; a minimum of 30 days for main construction contracts and 10 days for other contracts is provided for preparation and submission of bids or proposals; and notice of contract award is made available to the public;

- 4. Solicitation procedures are conducted in full compliance with Federal standards stated in 2 CFR 200.320 and the Indian preference requirements at 7(b) of the Indian Self Determination Act;
- 5. An independent cost estimate is prepared before formal solicitation issuance and is appropriately safeguarded for each procurement above the small purchase limitation, and a cost or price analysis is conducted for the response received for all procurements;
- 6. There are sufficient unencumbered funds available to cover the anticipated cost of each procurement before contract award or modification (including change orders), work is inspected before payment, and payment is made promptly for contract work performed and accepted;
- 7. A contract administration system is maintained to ensure that contractors perform in accordance with their contracts, which provides for the proper inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on construction contracts, and similar matters;
- 8. Diné College will comply with all federal regulations.

All purchases, procurement, contracts, and other business transactions of the Diné College which obligate the Diné College to pay monies or transfer property require the approval of the President, Vice President of Administration & Finance or Controller, and where required, the approval of the Board of Regents.

The actions of any officer or employee procuring goods, materials, equipment, work, or services are subject to these rules, and any transaction taken in violation of these rules is void or voidable by the Diné College, acting through its President. Strict compliance with these rules and other applicable federal regulatory agency program requirements is a condition precedent to the validity of any contract or business transaction of Diné College.

#### **Nondiscrimination**

To the extent required by the Indian Civil Right Act of 1968 and any applicable Federal or Navajo law, the Diné College and its officers, employees, agents and contractors or subcontractors shall not discriminate against any person in the enjoyment of their rights or privileges under this policy nor shall the Diné College, its officers, employees, agents and contractors or subcontractors discriminate against any person on the basis of race, color, religion, gender, national origin, age, or handicap status in employment or contracting.

#### II. CODE OF CONDUCT

### **Application**

This part will be considered a written code of standards of conduct governing the performance of the Board of Regents and Diné College employees engaged in the award and administration of contracts. This code of conduct applies to all persons or companies seeking to contract with Diné College as well as all personnel involved in the selection, award, or administration of contracts with the College. This code of standards complies with all applicable tribal law and the limitations imposed by OMB 2 CFR 200.318(c).

#### **Conflict of Interest**

No employee, officer, or agent of the Diné College shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in a firm selected for aware is held by:

- A. An employee, officer, or agent involved in making the award;
- B. His/her immediate family member as defined by the Diné College Board;
- C. His/her partner;
- D. An organization which employs, is negotiating to employ, or has an arrangement concerning prospective employment of any of the above parties.

Diné College officers, employees, or agents shall not solicit or accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subcontracts, and shall not knowingly use confidential information for actual or anticipated personal gain.

### **Penalties or Disciplinary Action**

Any employee, officer, or agent who violates these rules will be subject to disciplinary action, up

to and including termination. Any actions for employees or agents will be consistent with the requirements of the Diné College Personnel Policies and Procedures.

# III.INDIAN PREFERENCE, TRIBAL PREFERENCE, AND SMALL, MINORITY, WOMEN OWNED PREFRENCE

#### **Indian Preference**

- A. Section 7(b) of the Indian Self Determination and Education Assistance Act (25 U.S.C. 450e(b), which provides for Indian preference, shall apply to all procurement activities of Diné College.
- B. Navajo Preference, as implemented by Navajo law, shall apply in the award and implementation of contracts and subcontracts where the sources of funding can be clearly identified as non-federal funds, but only to that portion of work to be accomplished with the non-federal funds.

All preferences shall by publicly announced in the IFB and RFP and the bidding or proposal documents. Efforts to provide Indian preference must be documented. If Indian preference is not feasible, Diné College shall documents in writing the basis of its finding of infeasibility and maintain the documentation in its files for three (3) years after the end of the program year during which the funds were expended.

Contractors apply for eligibility for Indian preference shall submit the following:

- A. Evidence showing that the majority ownership of the firm consists of one or more persons who are members of a federally recognized Indian tribe. A certificate of Indian blood or census card from each owner will suffice.
- B. Evidence showing that the owners claiming tribal membership are actively involved in the management of the firm, and participate proportionately in the profits. A statement from the owners will suffice.
- C. Evidence of structure, management and financing affecting the Indian character of the enterprise, including major subcontracts and purchase agreements; materials or equipment supply arrangements; and management salary of profit-sharing arrangements; and evidence showing that effect of these on the extent of Indian ownership and interest.

If Diné College or its prime contractor determines an applicate ineligible for Indian preference, Diné College or the prime contractor shall notify the applicant in writing before contract award.

Solicitation notices shall include the following information:

- A. Diné College shall incorporate the following clause (referred to as the section 7(b) clause) in each solicitation and included in all contracts and subcontracts, as follows:
  - A. The work to be performed under this contract is subject to Section 7(b) of Indian Self-Determination Act (25 U.S.C. 450e(b)). Section 7(b) requires that the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations or Indian-owned economic enterprises.
  - B. The parties to this contract shall comply with the provisions of section 7(b) of the Indian Act.
  - C. In connection with the contract, the contractor shall, to the greatest extent feasible, give preference in the award of any subcontracts to Indian-owned economic enterprises, and preferences and opportunities for training and employment to Indians.
  - D. The contractor shall include this section 7(b) clause in every subcontract in connection with the project, and shall, at the direction of the recipient, take appropriate action pursuant to the subcontract upon a finding by Diné College that the subcontractor has violated the section 7(b) clause of the Indian Self-Determination Act.
- B. A statement as to whether Diné College maintains lists of Indian owned economic enterprises and Indian organizations by trade specialty that are available to contractors and subcontractors for use in meeting Indian preference responsibilities;
- C. A statement that requires contracts and subcontractors to provide preference to the greatest extent feasible by hiring qualified Indian in all positions;
- D. A statement that requires Diné College to submit a list of core crew employees, if available, and the contractors are required to provide preference to the greatest extent feasible by hiring qualified Indians in all positions.

### **Methods of Providing Indian Preference**

A. For purchases at of above the Mirco-Purchase Threshold, but below the Simplified Acquisition Threshold, Diné College shall seek maximum participation by Indian-

owned economic enterprises and shall to the extent available, refer to lists of qualified Indian supply sources. If no quotations are solicited or received from Indian-owned economic enterprises, Diné College must include as part of its documentation a statement explaining the reasons for lack of Indian participation. As an alternative, a Diné College solicitation may be unrestricted to allow both non-Indian and qualified Indian-owned economic enterprises or organizations to submit quotes and an award shall be made to the responsible and qualified Indian-owned economic enterprises or organizations with the lowest responsive quote, if the quote is within the range specified in X Factor Chart shown in the attachment to this statement and within the maximum total contract price established for this project or activity. If no responsive quotation by a qualified Indian-owned economic enterprises or organizations is within the range specified in the attached X Factor Chart, award shall be made to the responsible source with the lowest quote.

- B. For sealed bids, Diné College prior to solicitation shall decide on the method it will use in applying Indian preference depending on the particular procurement. Diné College may select any one of the methods below, as follows:
  - 1. Issue the solicitation unrestricted to allow both non-Indian and qualified Indianowned economic enterprises or organizations to submit bids and award shall be made to the qualified Indian-owned economic enterprises or organizations with the lowest responsive bid, if the bid is within the total maximum contract price established for the procurement and within the applicable range specified in the Attached X Factor Chart of the lowest non-Indian bid price; or
  - 2. Restrict the solicitation to qualified Indian-owned economic enterprises or organizations; or
  - 3. Use a two stage preference procedure, as follows:
    - i. <u>Stage 1</u>. Invite or otherwise solicit Indian-owned economic enterprises to submit a statement of intent to respond to the bid announcement limited to Indian-owned economic enterprises.
    - ii. <u>Stage 2</u>. If responses are not received from more than one qualified Indian-owned economic enterprise, advertising for bids is open to all firms.
- C. For competitive proposals, Diné College prior to solicitation shall decide on the method it will use in applying Indian preference depending on the particular procurement. Diné

College may select any one of the methods below, as follows:

- 1. Issue the solicitation unrestricted to allow both responsible non-Indian and responsible Indian-owned economic enterprises or organizations to submit proposals and establish a percentage or number of points set aside for Indian preference as one of the evaluating factors to consider other than price; or
- 2. Restrict the solicitation to qualified Indian-owned economic enterprises or organizations; or
- 3. Use a two-stage preference procedure, as follows:
  - i. <u>Stage 1</u>. Invite or otherwise solicit Indian-owned economic enterprises to submit a statement of intent to respond to the Request for Proposals limited to Indian-owned economic enterprises.
  - ii. <u>Stage 2</u>. If responses are received from more than one qualified Indianowned economic enterprise, advertise for bids limited to Indianowned economic enterprises.
- D. If Diné College selects a method of providing preference, in b. or c. above, that results in fewer than two responsible qualified organizations or enterprises submitting a statement of intent, a bid or proposal to perform the contract at a reasonable cost, then Diné College shall:
  - 1. Re-advertise the contract using any of the methods described above at b. or c. for sealed bids and competitive proposals respectively; or
  - 2. Re-advertise the contract without limiting the solicitation for bids or proposals to Indian-owned economic enterprises or organizations. This method does not provide Indian preference. By selecting this method, Diné College has determined that Indian preference is not feasible even after providing for Indian preference in accordance with 24 CFR 1000.52(a), i.e. no qualified Indian bidder(s) responded, or less than two of the bid(s) received from Indian bidders were approvable; or
  - 3. If one approvable bid or proposal is received, Diné College may request funding review and approval of the proposed contract and related justification and procurement documentation in accordance with 2 CFR 200.320(f)(3).
- E. Monitoring and Remedies. Diné College shall monitor the implementation of Indian preference in its contracts, subcontracts, training, and employment, and take

appropriate remedial action to ensure compliance. If no bids or offers are received from Indian organizations and enterprises, the lack of participation and any reasons known by Diné College for lack of participation shall be documented in the procurement file.

### **Certification Investigation**

The Diné College shall investigate Indian ownership arrangements beyond formal documents submitted by each entity if:

- A. The firm is newly formed or the firm has Indian ownership of less than 100 percent (100%);
- B. There is previous or continuing employer-employee relationship between or among present owners;
- C. A business which is not an Indian or Indian organization or Indian-owned economic enterprise has an interest in the firm;
- D. The ownership of the firm has changed since documents have been submitted to Diné College.

### **Assistance to Small and Minority Businesses**

As required by 2 CFR 200.321, Diné College must make good faith efforts to ensure those small businesses and minority-owned businesses, women's business enterprises, and individuals or firms located within or owned in substantial part by persons residing in the area of Diné College project are used when possible. Such efforts shall include, but shall not be limited to:

- A. Including such firms, when qualified, on solicitation mailing lists;
- B. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- E. Using the services and assistance of the Small Business Administration;
- F. Requiring prime contractors, when subcontracting is anticipated, to take the steps listed

in a. through e. above.

### IV. ADDITIONAL REQUIREMENTS

### **Competition Required Under 2 CFR 200.319**

All procurement transactions much be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- A. Approve or allow noncompetitive pricing practices between contractors or businesses or between affiliated companies; or
- B. Grant noncompetitive award to consultants who have retainer contracts with Diné College; or
- C. Allow organizational conflicts of interest; or
- D. Specify only a "brand name" product but shall ask for a "brand name or an equal" product or describe the good or service needed to permit competition; or
- E. Take or permit any other arbitrary action in the procurement process that undermines or eliminates the competition process.

### **Responsible Bidders or Offerors**

Notwithstanding the need for competition, the Diné College shall make awards only to a responsible bidder or offeror.

- A. The Diné College shall, before the awarding of any contract, ensure that the bidder has the sufficient technical, administrative, and financial capability to perform contract work of the size and type involved, and within the time provided.
- B. The Diné College shall require documents showing the bidder's technical, administrative, and financial resources (including but not limited to financial statements and business profiles), evidence of contractor integrity and compliance with public policy, record of past performance, and other documents which demonstrate to the satisfaction of the College the bidder's capabilities.

- C. The Diné College shall reject any bid or offer not satisfying the responsibility factors of this section.
- D. Before the contract award, Diné College shall review the list of Debarred Contractors at www.sam.gov. Diné College staff will document the date of the review in the documentation for the procurement. Diné College shall also make similar inquiries to other appropriate federal agencies and Navajo Nation offices to determine whether such bidder or offeror is listed as being disbarred or suspended. No contract shall be awarded to a person or firm who is on any such list.

### **Cooperative Purchasing**

Diné College may enter into State or tribal inter-governmental agreements to purchase or use common goods and services. The decision to use an inter-governmental agreement or conduct a direct procurement shall be based on fostering greater economy and efficiency. If used, the intergovernmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. Diné College is encouraged to use Federal or State excess and surplus property instead of purchasing new equipment and property whenever such use is feasible and reduces project costs.

#### **Specifications and Scopes or Work**

General. All specifications and scopes of work shall be drafted to promote overall economy for the purposes intended and to encourage competition in satisfying the Diné College needs. Specifications and scopes of work shall be reviewed prior to solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Functional or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

<u>Limitations</u>. The following specification and scope of work limitations shall be avoided: geographic restrictions not mandated or encouraged by applicable Federal law (except for architect-engineer contracts, which may include geographic location as a selection factor if adequate competition is available); unnecessary bonding or experience requirements; brand name specifications (unless a written determination is made that only the identified item will satisfy the Diné College needs); brand name or equal specifications (unless they list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use). Nothing in this procurement policy shall preempt any State, tribal, or local licensing laws. Specifications

and scopes of work shall be scrutinized to ensure that organizational conflicts of interest do not occur (for example, having a consultant perform a study of Diné College computer needs and then allowing that consultant to compete for the subsequent contract for the computers).

#### V. PROCUREMENT METHODS

#### **Selection of Method**

When satisfying its needs by procurement, Diné College shall choose one of the following procurement methods, based on the nature and anticipated dollar value of the total requirement. Diné College shall provide a rationale in its supporting documentation as to why it selected that particular method.

#### **Micro-Purchase Procedures**

General. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). Any procurement not exceeding \$5,000 in aggregate may be conducted in accordance with the micro-purchase procedures authorized in this section. Contract requirements shall not be artificially divided so as to constitute a micro-purchase under this section, except as may be reasonably necessary in instances where breaking out such procurements can be shown to result in more economical purchases.

### <u>Indian preference</u>. Required.

Obtaining Quotes. To the extent practicable, Diné College will distribute micro purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if Diné College considers the price to be reasonable per 2 CFR 200.404. If Diné College does solicit quotes, they will be done by telephone, catalogue, fax, email, or any other method considered reasonable. Awards will only be made to responsive bidders possessing the necessary experience and skills to meet the procurement needs.

<u>Documentation</u>. At a minimum, the documentation should include the history of the procurement, including reason for method, selection of vendor, how price was determined, and an approved purchase order or contract will be kept for each procurement. Diné College will verify that selected vendors are not on the debarred list prior to purchase. Diné College will also inspect the goods or services prior to payment.

#### **Small Purchase Procedures**

General. Any procurement not exceeding \$64,999 in aggregate may be conducted in accordance

with the small purchase procedures authorized in this section. Contract requirements shall not be artificially divided so as to constitute a small purchase under this section (except as may be reasonably necessary to comply with Section V of this Statement or in instances where breaking out such procurements can be shown to result in more economical purchases).

### Indian preference. Required.

Obtaining Quotes. Diné College shall solicit price quotations by phone, letter, email, or other informal procedure that allows participation by a reasonable number of competitive sources. When soliciting quotations, Diné College shall inform the sources solicited of the specific item being procured, the time by which quotations must be submitted, and the information required to be submitted with each quotation. Diné College shall obtain written quotations; however, the written quotation may be a confirmation of a previous oral quotation only if it is submitted within 10 days of the oral quotation by the due date for submitting quotations. The names, addresses, and telephone numbers of the offerors and persons contacted, and the date and amount of each quotation shall be recorded and maintained as a public record.

Competition. Diné College shall attempt to obtain quotations from a minimum of two (preferably three) qualified sources and document the procurement file with a justification whenever it has been unable to obtain at least two quotations. Solicitation of fewer than two sources is acceptable if Diné College has attempted but has been unable to obtain a sufficient number of quotations. The sole quotation received may be accepted only in unusual circumstances (such as an emergency threatening public health and safety) and must be consistent with the requirements of 2 CFR 200.320(b).

<u>Award based on price</u>. For small purchases award is generally based on price and fixed specifications taking into account the method of providing Indian, minority, women owned business and Section 3 preferences. Awards will only be made to responsive bidders possessing the necessary experience and skills to meet the procurement needs.

Blanket Purchase Agreements (BPA). Once a BPA has been established, task or delivery orders can be placed without further competition. BPAs may be used for a variety of expendable supplies and services and are particularly attractive when the exact items, quantities and delivery requirements are not known in advance. The process to setup a BPA will save Diné College time and money while making purchasing quicker and easier. Prior to following the small purchasing procedures established above, Diné College will have conducted an historical database on their re-occurring purchases. After obtaining an estimate on the volume or quantities of a list of products, Diné College will use that information to solicit quotes or discount rates from a number of vendors. By using the purchasing power of greater quantities, Diné College secures better

pricing. The maximum total value of the small purchase BPA is \$64,999.

<u>Documentation</u>. At a minimum, the documentation should include the history of the procurement, including reason for method, price determination for the goods/services, selection and rejection of vendors, and an approved purchase order or contract will be kept for each procurement. Diné College will verify that selected vendors are not on the debarred list prior to purchase. Proof of Indian preference must be included in all documentation.

### Sealed Bidding Required if over \$65,000, optional for lower dollar amounts

Conditions for Use. Contracts shall be awarded based on competitive sealed bidding if the following conditions are present: a complete, adequate, and realistic specification or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the procurement lends itself to a firm fixed price contract; and the selection of the successful bidder can be made principally on the basis of price. Sealed bidding is the preferred method for construction procurement. For professional services contracts, sealed bidding should not be used.

### Solicitations and Receipt of Bids.

- A. <u>Issuance and amendments</u>. An invitation for bids shall be issued including specifications and all contractual terms and conditions applicable to the procurement. Any amendments to the invitation shall be in writing, and if it is necessary to issue an amendment within seven days of the bid opening, the bid opening shall be postponed until at least seven days after the issuance of the amendment. The invitation for bids shall state the time and place for both the receipt of bids and the public bid opening. All bids received shall be time-stamped but not opened and shall be stored in a secure place until bid opening. A bidder may withdraw its bid at any time prior to bid opening.
- B. <u>Indian Preference</u>. Diné College has several options to meet Indian preference requirements under Section 7(b) of the Indian Self Determination Act. The decision of what particular option to use should be made well in advance of the solicitation process and based on the potential availability of Indian-owned firms capable and willing to bid or propose on a particular contract.
  - 1. Diné College may develop and adopt policies and procedures in procurement activities consistent with the requirements of section 7(b) of the Indian Self-Determination and Education Act; or
  - 2. Diné College may restrict the solicitation to qualified Indian-owned economic

- enterprises and Indian organizations if Diné College has a reasonable expectation of receiving at least two (2) bids; or
- 3. If Diné College is not sure there are a sufficient number of Indian owned economic enterprises or organizations available or that they will receive at least two bids, Diné College may use a two stage preference procedure as follows:
  - i. <u>Stage 1.</u> Invite or otherwise solicit from Indian-owned economic enterprises to submit a statement of intent to respond to the bid announcement limited to Indian-owned economic enterprises.
  - ii. <u>Stage 2</u>. If responses are received from more than one qualified Indianowned economic enterprise, advertise for bids limited to Indianowned economic enterprises.
- C. <u>Bid Opening</u>. Bids shall be opened publicly and in the presence of at least one witness. An abstract of bids shall be recorded and made available for public inspection.
- D. <u>Award.</u> Award shall be made to the lowest responsive and responsible bidders provided in the invitation for bids by written notice to the successful bidder, as follows.
  - 1. Restricted solicitations. If the solicitation is restricted to Indian-owned economic enterprises and organizations, and two or more [or a greater number determined by Diné College and stated in the invitation] qualified Indian owned economic enterprises or organizations submit responsive and responsible bids, award shall be made to the qualified enterprise or organization with the lowest responsive bid. If equal low bids are received, award shall be made by drawing lots or similar random method. If fewer than two responsive and responsible bids from qualified Indian owned economic enterprises or organizations submit bids, Diné College shall evaluate its options to reject all bids, cancel the solicitation and re-advertise: 1. using any of the procedures in III(D)(2)(b) above, or 2. inviting bids from non-Indian as well as Indian-owned economic enterprises and organizations with no preference given, or 3. Diné College may accept a single bid received from a responsible bidder, subject to funding approval. Funding approval will be requested in unusual circumstances, such as if Diné College determines that, based on a cost analysis, the bid price is fair and reasonable, and Diné College determines that the delay of re-advertising would subject the project to significant higher construction costs.
  - 2. Unrestricted solicitations. If the solicitation is not restricted to Indian-owned

economic enterprises and organizations, award shall be made to the qualified Indian-owned economic enterprise or organization with the lowest responsive bid, if that bid is within the maximum total contract price established for the specific project or activity being solicited, and the bid is within the range specified in the Attachment to this Statement. If no responsive bid by a qualified Indian-owned economic enterprise or organization is within this range, award shall be made to the lowest responsible, responsive bidder.

### E. Mistakes in Bids.

- 1. Correction or withdrawal of inadvertently erroneous bids may be permitted, where appropriate, before bid opening by written notice received in the office designated in the invitation for bids prior to the time set for bid opening. After bid opening, corrections in bids shall be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is clear or the bidder submits convincing evidence that a mistake was made.
- 2. All decisions to allow correction or withdrawal of bid mistakes shall be supported by a written determination signed by the Contracting Officer. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of Diné College or fair competition shall be permitted.
- F. <u>Documentation</u>. At a minimum, the documentation should include the history of the procurement, including reason for method, selection and rejection of vendors, cost/price analysis for the project, and an approved purchase order or contract will be kept for each procurement. In addition, sealed bid documentation will include proof the solicitation was publicly offered, a copy of the bid packet, bid opening sheet, and evaluation. Diné College will verify that selected vendors are not on the debarred list prior to purchase. Proof of Indian preference and other preferences must be included in all documentation.

### Competitive Proposals Required if over \$65,000, optional for lower dollar amounts

<u>Conditions for Use</u>. Competitive proposals (including turnkey proposals for development) may be used if there is an adequate method of evaluating technical proposals and where Diné College determines that conditions are not appropriate for the use of sealed bidding. An adequate number of qualified sources shall be solicited.

#### Solicitation.

- A. General. The request for proposals (RFP) may be restricted to qualified Indian-owned economic enterprises and Indian organizations if Diné College has a reasonable expectation of receiving offers from two or more such entities. Diné College shall solicit proposals from non-Indian as well as Indian-owned economic enterprises and Indian-organizations if: Diné College prefers not to restrict the RFP; or, an insufficient number of qualified Indian-owned economic enterprises or Indian organizations satisfactorily respond to a restricted RFP; or, a single proposal is received but not accepted. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued and included in the RFP. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals.
- B. Evaluation Factors. The RFP shall clearly identify the relative importance of price and other evaluation factors and sub factors, including the weight given to each technical factor and sub factor. Diné College shall reserve 10% of the total number of available rating points in unrestricted solicitations for the provision of Indian preference in the award of contracts and subcontracts, and up to an additional 5% for evaluation of the offeror's statement regarding training and employment of Indians. The proposals shall be evaluated only on the criteria stated in the request for proposals. Diné College may, at their discretion, invite a certain number of the highest scoring proposals for an interview with the Board or other persons designated by the Board before the contract is awarded.

Negotiations. In those situations, where deemed necessary, negotiations shall be conducted with offerors who submit proposals determined to have a reasonable chance of being selected for award, based on evaluation against the technical and price factors as specified in the RFP. Such offerors shall be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. The purpose of negotiations shall be to seek clarification with regard to and advise offerors of the deficiencies in both the technical and price aspects of their proposals so as to assure full understanding of and conformance to the solicitation requirements. No offeror shall be provided information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. Offerors shall not be directed to reduce their proposed prices to a specific amount in order to be considered for award. A common deadline shall be established for receipt of proposal revisions based on negotiations.

Award. After evaluation of proposal revisions, if any, the contract shall be awarded to the

responsible firm whose qualifications, price and other factors considered, are the most advantageous to Diné College, provided that the price is within the maximum total contract price established for the specific project or activity. For solicitations restricted to qualified Indianowned economic enterprises and Indian organizations, if two or more such entities submit acceptable proposals, award shall be made to the qualified Indian-owned economic enterprise or Indian organization with the best proposal, provided that the price is within the maximum total price established for the specific project or activity. If fewer than this number of Indian-owned economic enterprises or Indian organizations submits acceptable proposals, Diné College shall reject all proposals and resolicit without restricting the RFP to qualified Indian-owned economic enterprises and Indian organizations. Diné College may accept the sole proposal received, subject to funding approval, in unusual circumstances, such as when Diné College determines that the delays caused by resoliciting would cause higher costs, or where Diné College determines that the proposal has a fair and reasonable price.

<u>Architect/Engineer Services</u>. Architect/Engineer services in excess of the small purchase limitation may be obtained by either the competitive proposals method or qualifications-based selection procedures, sealed bidding shall not be used to obtain architect/engineering services. Under qualifications-based selection procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to the negotiation of fair and reasonable compensation. These procedures shall not be used to purchase other types of services even though architect-engineer firms are potential sources.

<u>Documentation</u>. At a minimum, the documentation should include the history of the procurement, including reason for method, selection and rejection of vendors, cost/price analysis for the project, and an approved purchase order or contract will be kept for each procurement. In addition, competitive proposal documentation will include proof the solicitation was publicly offered, a copy of the bid packet, evaluation factors, and the evaluation score for all proposers. If Diné College has chosen to interview proposers, information on determining who was interviewed and how those interviews were evaluated will also be included in the documentation. Diné College will verify that selected vendors are not on the debarred list prior to purchase. Proof of Indian preference and all other preferences applied must be included in all documentation.

### **Noncompetitive Proposals**

<u>Conditions for use</u>. Procurements shall be conducted competitively to the maximum extent possible. Procurement by noncompetitive proposals may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, or competitive proposals, and one of the following applies:

- A. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to Diné College, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary to meet the emergency; or
- B. Only one source of supply is available, and the Contracting Officer so certifies in writing; or
- C. After solicitation of a number of sources, competition is determined inadequate; or
- D. Federal awarding agency specifically authorizes the use

<u>Justification</u>. Each procurement based on noncompetitive proposals shall be supported by a written justification for using such procedures. The justification shall be approved in writing by the Contracting Officer.

<u>Price reasonableness</u>. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing a cost analysis.

<u>Documentation</u>. At a minimum, the documentation should include the history of the procurement, including reason for method, selection and rejection of vendors, cost/price analysis for the project, and an approved purchase order or contract will be kept for each procurement. In addition, noncompetitive procurements will detail the reason for the noncompetitive award. Diné College will verify that selected vendors are not on the debarred list prior to purchase. Proof of Indian preference must be included in all documentation.

#### Cancellation of Solicitations

- A. An invitation for bids, request for proposals, or other solicitation may be cancelled before offers are due if: Diné College no longer requires the supplies, services or construction; or, Diné College can no longer reasonably expect to fund the procurement; or, proposed amendments to the solicitation would be of such magnitude that a new solicitation would be desirable; or similar reasons.
- B. A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if: the supplies, services, or construction are no longer required; or, ambiguous or otherwise inadequate specifications were part of the solicitation; or, the

solicitation did not provide for consideration of all factors of significance to Diné College; or, prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds; or, there is reason to believe that bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith; or, a condition for canceling a solicitation and resolicit, as specified above, is met; or, for good cause of a similar nature when it is in the best interest of Diné College.

C. The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request to any offeror solicited. A notice of cancellation shall be sent to all offerors solicited.

#### VI. COST AND PRICE ANALYSIS

#### General

A cost or price analysis shall be performed for all procurement actions in excess of the Simplified Acquisition Threshold, including contract modifications. The degree of analysis shall depend on the facts surrounding each procurement. Diné College shall perform an independent cost or price estimate prior to receiving bids or proposals. For procurements below the Simplified Acquisition Threshold, price must be shown to be reasonable prior to purchase.

#### **Price Analysis**

A Price Analysis shall be conducted on any sealed bid prior to awarding a contract. Diné College shall perform a comparability of prices received in relation to the independent cost estimate, to ensure the price is reasonable and within funds budgeted.

#### **Cost Analysis**

A Cost Analysis shall be conducted for all competitive proposals (e.g., when contracting for professional, consulting, or architect/engineer services), and for all noncompetitive proposals.

### VII. CONTRACTOR QULAIFICATIONS AND DUTIES

### **Contractor Responsibility**

Procurements shall be conducted only with responsible contractors, i.e., those who have the technical and financial competence to perform and who have a satisfactory record of integrity. Before awarding a contract, Diné College shall review the proposed contractor's ability to perform the contract successfully, considering factors such as the contractor's integrity (including

a review of the List of Parties Excluded from Federal Procurement and Non-procurement Programs published by the U.S. General Services Administration), compliance with public policy, record of past performance (including contacting previous clients of the contractor, such as other Tribes), and financial, administrative, and technical capability to perform contract work of the size and type involved and within the time provided under the contract. If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the contract file, and the prospective contractor shall be advised of the reasons for the determination.

### **Bonding Requirements**

Minimum Requirements. For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, Diné College may implement bonding requirements different from the minimum federal requirements provided that other funding agencies have made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

- A. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
- B. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- C. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

### **Suspension and Debarment**

Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined ineligible by any Federal agency in accordance with regulations (e.g., Department of Labor, for violations of Secretary of Labor Regulations) when necessary to protect Diné College in its business dealings. Diné College may suspend or debar a contractor under State, local or tribal laws, as applicable. Refer to System for Award Management (https://www.sam.gov) for additional information.

#### **Qualified Bidder's Lists**

Interested businesses shall be given an opportunity to be included on qualified bidder's lists. Any pre-qualified lists of persons, firms, or products, which are used in the procurement of supplies and services, shall be kept current and shall include enough qualified sources to ensure competition. Lists of pre-qualified Indians, Indian enterprises, or Indian organizations may be maintained by Diné College. Firms shall not be precluded from qualifying during the solicitation period. Solicitation mailing lists of potential contractors shall include, but not be limited to, such qualified suppliers.

### **Qualifying Indian-Owned Enterprises & Indian Organizations**

Diné College, at its discretion, may require prospective contractors seeking to qualify as Indian organizations or Indian owned economic enterprises to complete, or update if applicable, an Indian Enterprise Qualification Statement.

#### Requiring Statements on Employment & Training of Indians

Diné College at its discretion, may require prospective contractors and offerors (and their subcontractors, if required by Diné College) to provide a statement describing how they will provide Indian preference in subcontracting, training, and employment, including the number or percentage of Indians to be employed and trained.

#### VIII. APPEALS AND REMEDIES

#### General

It is Diné College's policy to resolve all procurement and contractual issues timely and informally at Diné College level without litigation. Disputes shall not be referred to other funding agencies until all administrative remedies have been exhausted at Diné College level. When appropriate, Diné College may consider the use of informal discussions between the parties by individuals who did not participate substantially in the matter of the dispute, to help resolve the differences. Funding agencies will only review protests in cases of violations of Federal law or regulations, and failure of Diné College to review a complaint or protest.

#### **Bid Protests**

An unsuccessful bidder or offeror may file a written complaint (or protest) with the Contracting Officer within 10 calendar days from the date of Diné College's notice to the unsuccessful bidder or offeror or from the date of the action (or omission) upon which the complaint is based. The complaint must be signed and shall detail the basis of the complaint. No untimely or oral

### complaint will be considered

Diné College need not suspend contract performance or terminate the award of the contract unless Diné College determines, in its sole discretion, which it appears likely that the contract award will be invalidated and that a delay in receiving the supplies or services will not be prejudicial to Diné College 's interests.

Upon receipt of a complaint, Diné College shall promptly stamp the date and time of receipt on the complaint and acknowledge receipt of the complaint within 10 calendar days.

Within 10 calendar days of receipt of a complaint, the Contracting Officer shall meet, or communicate by mail or telephone, with the complainant in an effort to resolve the matter. The Contracting Officer shall make a determination on the complaint within 10 calendar days of Diné College's receipt of the written complaint. The decision of the Contracting Officer shall constitute the final administrative action on the complaint.

A complainant must exhaust all administrative remedies with Diné College before pursuing a protest with any agency providing funds for the procurement.

Reviews of complaints by the Federal or other agency will be limited to:

- A. Violations of Federal or relevant law or regulations and the standards of this Section; and
- B. Violations of Diné College 's complaint procedures for failure to review a complaint or protests.

Violations of Tribal law will be under the jurisdiction of the Tribal authorities.

#### **Contract Claims and Disputes**

All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer or designee for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of its appeal rights to a higher level in Diné College, such as the President or a designated Board member, or a Procurement Appeals Board.

### **Protests Involving Indian Preference**

<u>General</u>. Complaints arising out of any of the methods of providing for Indian preference shall be handled in accordance with the procedures listed below.

The following procedures are applicable to complaints arising out of any of the methods of providing for Indian preference contained in this part:

- A. Each complaint shall be in writing, signed, and filed with Diné College.
- B. A complaint must be filed with Diné College no later than 10 calendar days from the date of the action (or omission) upon which the complaint is based.
- C. Upon receipt of a complaint, Diné College shall promptly stamp the date and time of receipt upon the complaint, and immediately acknowledge its receipt.
- D. Within 10 calendar days of receipt of a complaint, Diné College shall either meet, or communicate by mail or telephone, with the complainant in an effort to resolve the matter. Diné College shall make a determination on a complaint and notify the complainant, in writing, within 10 calendar days of the submittal of the complaint to Diné College. The decision of Diné College shall constitute final administrative action on the complaint

### IX. CONTRACTING AND CONTRACT ADMINISTRATION

### **Preparation of Contracts**

Following the decision to make an award to a particular contractor, the President shall make arrangements for the preparation of the contract with the successful party. The President may consult with the Legal Advisor to determine those instances where law or federal regulatory agency policy requires a written contract, particularly where the Statute of Frauds under local law may require an instrument in writing.

#### **Contract Terms**

<u>Required causes</u>. In addition to containing a clause identifying the contract type, all contracts shall include any clauses required by Federal statutes, executive orders, and their implementing regulations, as provided in 2 CFR 200.326 and Appendix II to Part 200, such as the following:

- A. Administrative, contractual and legal remedies when contractor violates or breaches contract (Contracts over small purchase threshold)
- B. Termination for default and termination for convenience (Contracts over \$10,000)
- C. Equal Employment Opportunity 41 CFR Part 60

- D. Davis-Bacon Act as amended for contracts in excess of \$2,000 labor and Copeland "Anti-Kickback" Act (or Tribally-Determined Wage Rate requirements, if applicable).
- E. Contract Work Hours and Safety Standards Act
- F. Rights to Inventions Made Under a Contract or Agreement
- G. Clean Air Act and Federal Water Pollution Control Act
- H. Debarment and Suspension
- I. Byrd Anti-Lobbying Amendment
- J. Procurement of recovered materials
- K. Examination of records by Comptroller General
- L. Record retention for a minimum of 3 years post closeout
- M. Energy Efficiency standards
- N. Bid protests and claims
- O. Value engineering

<u>Forms.</u> If all required clauses are not included on forms, then Diné College shall attach any additional clauses to the forms used in contract documents and shall include the contract clauses and solicitation notices for Indian preference described above.

#### **Contract Administration**

The President or his or her designee shall be responsible for efficient contract administration, including monitoring contract performance in accordance with the Terms of Contracts, inspections for contract compliance, the filing and retention of contracts and warranties, contractor performances, payments, and other like matters. The President shall be responsible for the following:

- A. Monitoring and being aware of contract terms and conditions;
- B. Work inspection and contract compliance;
- C. Contract and warranty filing and retention;

- D. Monitoring contractor performance through inspections;
- E. Evaluating contract work and performance upon the receipt of request and prior to such payment;
- F. Verifying pay request for payment;
- G. Monitoring contract progress in accordance with Diné College approved time schedules and making certain such time schedules are followed;
- H. At the completion of the contract, the President shall ensure that each contract is properly closed out. The Contractor shall submit a final pay request to Diné College. All property and equipment belonging to the Diné College shall be returned with the final pay request;
- I. All Consultant Contracts shall be subject to the Navajo Nation Business and Procurement Act clearances;
- J. All signatures must be obtained within the levels of authority with the President's signature as the final contracting officer for the Diné College;
- K. A Contractor shall not begin work on the project or services until the contract is approved by the Contracting Officer;

A Consultant Contract does not serve as an Employment Contract or Letter of Agreement for employment with the Diné College. Therefore, Consultants are not eligible for employee benefits or salary advances and also not subject to deductions for income tax, FICA, and FUTA. Earnings shall be reported to the Consultant on a 1099 Form on or before February 28 of the income tax period. The consultant shall be responsible for reporting these earnings to the Internal Revenue Service. A Contractor shall not be eligible to operate a College vehicle.

Upon finalization of the approved Contract, the requesting department submits a Purchase Requisition (Transaction Control Form) for payment in accordance to the Terms and Conditions of the contract. A progress report on the project/services shall be submitted with the request for payment in accordance to the payment schedule of the contract. All bid information and a copy of the contract must be attached to the request for payment (PR).

### **Board of Board of Regents Approval of Awards**

All procurement awards and contracts for sums exceeding \$65,000 shall be approved by a resolution of the Board of Regents following a review for the merits of the award and compliance with these rules. The President or his/her designee shall maintain a report that lists

all contractors or vendors who received a contract for \$65,000 or less at the end of each quarter.

#### **Limitations on Contract Modifications.**

Any contract or award of less than sixty-five thousand dollars (\$65,000.00) approved or awarded by the President that is subsequently amended pursuant to a change order that exceeds the aggregate amount of sixty-five thousand dollars (\$65,000.00) or fifteen percent (15%) of the original contract price shall be approved by the Board of Regents.

### **Contract Payment Retention; Partial Payment**

Ten percent (10%) of all construction contract payments shall be retained by DC as insurance of proper performance of the contract or, at the option of DC, a substitute security may be provided by the contractor in an authorized form pursuant to regulations established by the President. The contractor is entitled to all interest, if any, from any such substitute security.

When the contract is fifty percent (50%) completed, one-half of the amount retained or securities substituted pursuant to this section shall be paid to the contractor upon the contractor's request provided the contractor is making satisfactory progress on the contract and there is no specific cause or claim requiring a greater amount to be retained. After the contract is fifty percent completed, no more than five percent (5%) of the amount of any subsequent progress payments made under the contract shall be retained provided the contractor is making satisfactory progress on the project, except if at any time the college determines satisfactory progress payments made under the contract subsequent to the determination.

After the warranty period expires and after all warranty items have been satisfactory completed, any retention shall be paid or substitute security shall be returned to the contractor within sixty days after final completion and acceptance of work under the contract. Retention of payment by the purchasing department in excess of sixty days after final completion and acceptance requires a specific written finding by the purchasing department of the reason s justifying the delay in payment. The Diné College may not retain any monies after sixty days which are in excess of the amount necessary to pay the expenses the purchasing department reasonably expects to incur in order to pay or discharge the expenses determined by the finding justifying the retention of monies.

### **Progress Payments**

Progress payments may be made by the College to the contractor on the basis of a duly certified and approved construction progress schedule and schedule of values during a preceding period of time as set by rule, except that a percentage of all estimates shall be retained as provided in

section 8.3. The estimate of the work shall be deemed received by the owner on submission to any person designated by the owner for the submission, review, or approval of the estimate of the work. The President or Vice President of Administration shall review the pay request submitted for approval. The College may withhold an amount from the progress payment sufficient to pay the expense the College reasonably expects to incur in correcting the deficiency set forth in the written finding.

### **Contract Closeout**

At the completion of any construction project, a contractor shall provide the President original copies of unconditional certificate of lien releases from each subcontractor and material supplier waiving any and all lien rights arising out of the construction project. Any retention funds shall not be paid out until all required certificate of lien releases have been delivered to the President.

#### **ACCOUNTS PAYABLE**

#### I. POLICY STATEMENT

The following procedures relate to the processing of all cash disbursements, including payments to vendors Diné College promotes effective controls to ensure the protection of Diné College assets, accurate financial reporting and efficient use of Diné College resources.

#### II. PROCEDURES

### Requisition

The initial tool of the procurement system is the requisition. A requisition serves a dual purpose 1) it provides a clear and complete description of the Budget Manager's need and 2) it transmits authority to the Finance and Accounting Department to expend Diné College funds based on budget availability. All Procurements will require a purchase requisition prior to procurement approval.

Each Assistant to the Budget Manager will enter requisition information into the Warrior Web system electronically. Approval is required at the appropriate approval levels for Requisitions and budget transfers. Requisitions cannot be used for salaries, wages, and benefits. If a requisition is associated to a Travel Authorization, the Travel Authorization must be approved first.

The system will automatically check for budget availability. If budget availability is recognized, the requisition will be processed to the next step. The requisition will go through the authorization process and then a Purchase Order will be processed. Expenses will then be recognized as encumbrances until the invoice is received. Once the invoice is received, the Purchase Order with the invoice becomes an Accounts Payable item.

All Requisitions must include the complete 10-digit account code to be charged.

# FUND FUNCTION OBJECT XXX XXXX XXXX

### Completing a Purchase Requisition

Step 1. Complete a Purchase Requisition through the Accounting System (Jenzabar)>Requisition Creation >Create Requisition or use the online PR at Warriorweb: <a href="https://warriorweb.dinecollege.edu/ICS/Faculty\_Staff/Online-Purchase-Requisition/Home.jnz">https://warriorweb.dinecollege.edu/ICS/Faculty\_Staff/Online-Purchase-Requisition/Home.jnz</a>

#### Requirements include:

- 1. Vendor, Jenzabar Vendor ID#, address, telephone number
- 2. List each category of purchase to correspond with object code
- 3. List account numbers
- 4. To obtain Approval, use the drop down menu in the Approval Track and select the appropriate department and assign the track. This will automatically forward the PR for approval.
- 5. If the vendor is an individual a social security number is required or a contractor will require an EIN # to set up an account and to establish if 1099 is warranted.

Step 2 Forward completed Purchase Requisition to Finance and Accounting. This process continues the approval process of the Purchase Requisition. The Accounting Technician completes the following:

- 1. Receive and login approved Purchase Requisition
- 2. Verify ID Number with designated vendor name
- 3. Check account coding and determine that the department has budgeted funds available for the purchase. Indicate the additional levels of approval necessary on the bottom of the Purchase Requisition. If the department does not have budgeted funds available for a purchase, the Accounting Technician will notify the Budget Manager promptly.
- 4. Finance & Accounting must review all Grant expenditures.
- 5. Final process of the Purchase Requisition goes to the Controller for approval.

<u>Step 3</u> The approved Purchase Requisition is then forwarded to the Purchasing Agent to create an official Purchase Order.

Official Purchase Order is processed through the Accounting System. The Purchase Order and attached forms are distributed as follows:

- A. Vendor. Original copy of the Purchase Order.
- B. Accounts Payable. A copy of the Purchase Order and Original Purchase Requisition.

- C. <u>Finance and Accounting.</u> A copy of the Purchase Order, copy of the Purchase Requisition and supporting documents are filed numerically in a permanent file
- D. <u>Receiving Department.</u> A copy of the Purchase Order is forwarded to the General Services' Receiving Technician who will receive the merchandise.

Step 4. When the goods are received in the Receiving Department; the copy of the Purchase Order, the Packing List, and the invoice are matched for payment by the Accounts Payable. If a delivery is made directly to you or your department, please notify or inform the Receiving Department immediately so a receiving report can be completed and forwarded to Accounts Payable for prompt payment. All invoices are to be forwarded to the Accounts Payable for payment as soon as possible.

The Vendor according to instructions on the Purchase Order are reminded to submit all invoices to the Finance and Accounting address as shown on Purchase Order. Staff members are not to contact the vendor and indicate a different address. When this occurs it puts a delay and creates frustration for the vendor and their payment requests.

Procedure for Obtaining Goods/Services from Diné College Auxiliary Services (Bookstore, Follet, Cafeteria etc...)

<u>Step 1.</u> Complete an Interdepartmental Charge Requisition (transaction control form). The requirements include:

- 1. Recommended Auxiliary Services Department and address
- 2. List each category of purchase to correspond with object codes
- 3. List account numbers
- 4. Obtain signature approval. See Authorization and Approval Levels for required approval routing

<u>Step 2.</u> Forward completed Interdepartmental Charge Requisition to Finance and Accounting Office. The Accounting Technician completes the following:

- 1. Receive and login approved Purchase Requisition
- 2. Check for ID Numbers
- 3. Check account coding and determine that the department has budgeted funds

available for the purchase. Indicate the additional levels of approval necessary on the bottom of the Purchase Requisition. See Authorization and Approval Levels for required approval routing. Note: if the department does not have budgeted funds available for a purchase, the Finance and Accounting will notify the budget manager promptly.

4. All grant account purchases, the Grants Accountant must review expenditures.

<u>Step 3.</u> The approved Interdepartmental Charge Requisition is then forwarded to the recommended Auxiliary Department.

### **Approval Limits by Management**

Range Required level of Approval

Over \$65,000 Board of Regents

Over \$25,000 to \$64,999 President

Over \$2,000 to \$24,999 Vice President

Up to \$2,000 Budget Manager, Supervisor

### **General Policy Information**

All invoices shall be mailed to the Finance and Accounting Department to the attention Accounts Payable, or email to Acctspayable2@dinecollege.edu. Therefore, unless other arrangements were made with a vendor, you should not receive an invoice for your purchase. However, if invoices are mailed to your department, please forward the original invoice to the Accounts Payable Department for payment processing.

Accounts Payable will not make payment on an invoice until a review of the receiving report section is checked to validate receipt of items on an invoice by Receiving department. An Invoice Batch Report will be printed for review and approved by the Controller.

Checks will be preprinted with the name and address of Diné College. Checks will be preprinted and used in sequences. Voided checks will be retained and recorded. No checks will ever be written for Cash. Checks shall not be signed in advance of completion. All blank checks will be adequately safeguarded in a locked fire cabinet or safe.

The Senior Accounting Specialist or other designee shall reconcile the bank statements. Discrepancies between any books of account, financial statements, and/or bank statements shall be reported to the Controller for investigation and resolution.

#### **Damaged Items**

If the goods or services were received in a damaged or defective state or were not received to your satisfaction, do not approve payment. Promptly contact the vendor to resolve the issue. If further assistance is required, contact Purchasing.

#### **Check Distribution**

All complete documents received by the Accounts Payable Technician by 12:00 noon on Mondays will be processed and disbursed by Tuesday at 3:00 p.m. All complete documents received by 12:00 noon on Wednesday will be processed and disbursed by Thursday at 3:00 p.m. All checks will be mailed out within a timely manner and taken to the Post Office for proper distribution by the Accounts Payable Technician.

### **Check Signers**

The Board of Regents will authorize the President, Vice President(s), and the Controller for all payments made in excess of \$5,000.00. Disbursements less than \$5,000 will be processed with the electronic signature. All checks over \$5,000 will require two original signatures. All check signers will review the supporting documentation for each check prior to signing. Check signers will not sign any check on which they are the payee.

### **Stop Payments**

All stop payment requests will be assessed a fee in accordance with current Bank fees. A 30-day waiting period will be applied to ensure actual disbursement has not cleared the bank. If check has not cleared within the 30 days, check to vendor(s) will be re-issued.

#### **CAPITALIZATION POLICY**

#### I. PURPOSE

All assets meeting the definition of a fixed asset or intangible fixed asset shall be considered a long-term capital asset and shall be recorded in Diné College computerized fixed asset inventory system. Such assets shall be systematically and accurately recorded and properly classified as:

- A. Office Furniture and Equipment
- B. Buildings and Structures
- C. Land and Land Improvement
- D. Vehicles
- E. Culture Center Collection
- F. Building and structures, including building improvements and support structures
- G. Construction in Progress

These categories are used for reporting cost and depreciation (or amortization) purposes. This will be the responsibility of Finance and Accounting Department.

#### II. PROCEDURES

<u>Asset Valuation</u>: All assets shall be recorded at historical cost or, if cost is not readily determined, at estimated fair market value at receipt. Cost shall include applicable direct and ancillary costs. All costs shall be documented, including methods and sources used to establish any estimated costs.

- A. Purchased Assets: The recording of purchased assets shall be made on the basis of actual costs, including all ancillary costs, based on vendor invoice or other supporting documentation.
- B. Constructed Assets: All direct costs (including loaded labor and project management costs) associated with the construction project shall be included in establishing a self-constructed asset valuation.
- C. Donated Assets: Fixed assets acquired by gift, donation, or payment of a nominal sum not reflective of the asset's market value shall be assigned cost equal to the fair market value

at the time of acquisition.

<u>Capitalization</u>: For inventory purposes (to be maintained by the General Services Department), all capital assets classified as Equipment & Machinery and Furniture & Fixtures with a cost equal to or greater than \$5,000 and a useful life of greater than one year shall be tracked using the Diné College's fixed asset inventory system.

For the Diné College's financial reporting purposes, all capital assets, irrespective of asset classification, meeting the following single item capitalization thresholds shall be capitalized and depreciated by the Accounting Department:

- A. General Equipment and Transportation Equipment (Vehicles, Heavy Equipment, Office Equipment, Computers, Trailers, Custodial Equipment, etc.) Equal to or greater than \$5,000.
- B. Furniture and Fixtures Equal to or greater than \$5,000.
- C. Real Property (Land Improvements, Buildings, or Building Improvements) Equal to or greater than \$5,000.
- D. Infrastructure (Roads, Streets, Parking Lots, Sidewalks, Streetlights, etc.) Equal to or greater than \$15,000.

<u>Computer Software Cost Capitalization</u>: Computer software costs, whether externally purchased or developed in-house, are considered Intangible Assets and shall be capitalized if the total cost of the software equals or exceeds \$5,000.00. Costs below this threshold should not be capitalized. Accounting for intangible assets is similar to the accounting for fixed assets. Unlike all other fixed asset categories, the term used for expensing intangible assets is amortization. Amortization expense has the same effect as depreciation expenses.

<u>Construction in Progress Capitalization (CIP)</u>: A CIP asset reflects the cost of construction work undertaken but not yet completed (frequently capital budget items). For construction in progress assets, no depreciation is recorded until the asset is placed in service.

When construction is completed, the asset should be reclassified as building, building improvement, land improvement, or equipment and should be capitalized and depreciated. A project is considered complete if it is 90% complete and is being used for its intended purpose.

<u>Depreciation/Amortization for Long-Term Assets</u>: All capital assets (except for land, certain land improvements and construction in progress) identified in the capitalization policy must be depreciated/amortized using the following estimated useful lives:

Land Improvements40 yearsBuilding and Building Improvements40 yearsEquipment and Furnishing7-10 yearsModular Building20 yearsVehicles4 yearsData Processing Equipment3 yearsLibrary Books15 years

<u>Lease Reporting</u>: Departments and Divisions that have any single lease with annual lease payments greater than \$5,000 per year are required to provide a copy of the written lease agreement to the Finance and Accounting department. This will aid in the determination of whether a lease is an operating or capital lease. It will be the responsibility of the Accounting Department to determine if the lease is a capital lease and what amount to capitalize, depreciate and report in College's financial report.

Retention of Records: For each capital asset recorded in the College's fixed asset inventory system, evidential information such as invoices, contracts, deeds, purchase orders, appraisals and/or methods used to estimate actual costs shall be maintained for audit purposes to support the entries recorded. This documentation should be kept in either a permanent folder or in computerized format and maintained until at least three years after the asset disposal.

<u>Disposals and Retirement of Fixed Assets</u>: No sale or disposition of an asset shall be made without prior approval of the Controller, Vice President of Administration & Finance, and President of the College. There shall be sufficient documentation to describe the disposition of fixed assets. All fixed assets that are retired or disposed of shall be removed from the Diné College's property and computerized asset inventory system, along with its associated accumulated depreciation.

<u>Annual Physical Inventory</u>: An annual physical inventory of all capital assets shall be performed at the end of each fiscal year. Such inventory shall be reconciled annually with the records maintained by the General Services Department. Each Division/Department shall designate the Inventory Specialist to assist in the performance of the annual physical inventory.

<u>Internal Controls</u>: All divisions/departments are to comply with the internal control structure over capital assets as described herein. The major objective of the internal control is accountability. All divisions and departments are to ensure that (a) all capital assets are adequately safeguarded from loss or theft; (b) adequate documentation is maintained to support the cost of the assets, (c) proper approvals are used for acquisitions, (d) physical inventories are taken annually, (e) proper communication is made with the General Services Department on

transfers and dispositions of fixed assets, and (e) proper segregation of duties exist.

### **Accounting for Fixed Assets**

The General Services Department shall tag all equipment, machinery, furniture and fixtures with the Diné College identification tag or track each piece of the fixed assets by serial number whenever possible; the Diné College Capital Equipment Form shall be completed and filed with the General Services Department for each piece of equipment purchased.

Transfers of equipment and machinery between Departments and Divisions must be communicated with General Services Department for the purpose of updating the fixed assets inventory system. All Transfers must be communicated in writing from the respective Department/Division initiating the transfer. A fixed asset not officially transferred via a written notification to General Services Department shall remain the responsibility of the Department/Division shown as owner-of-record regardless of the actual physical transfer.

All planned disposals or retirement of equipment, machinery, furniture & fixtures are to also be communicated with General Services Department. The General Services Department shall determine the manner in which these assets will be disposed of and shall proceed in preparing a Board Resolution to dispose of such assets. The General Services Department shall communicate the disposition of the fixed assets with Finance and Accounting Department. The Finance and Accounting Department shall then proceed in removing the assets from the financial reporting system.

All fixed assets, other than equipment & machinery and furniture & fixtures, shall be assigned capital project numbers for the purpose of accumulating costs for capitalization. The Finance and Accounting Department shall control the assignment of all capital project numbers, except those being assigned by the Projects Department or Maintenance Department for on-going construction projects.

### **Receiving Information**

<u>Invoices.</u> The College will only pay vendors after the receipt of the goods or services and the receipt of an invoice. Any invoices received should be forwarded immediately to the Accounts Payable department, or emailed to AcctsPayable2@dinecollege.edu.

<u>Changes or Cancellations</u>. If an order must be changed, contact the Finance and Accounting department by phone and memorandum, justifying the need to cancel and/or reorder. (Orders involving custom work or unique specifications may require authorization from the vendor.) Any PURCHASE ORDER that has been signed and delivered constitutes a contract between the Diné

College and the vendor.

### Deliver(ies)

- A. All Shipments must be delivered to the General Services Department.
- B. A copy of the packing/delivery slip will be kept in the package.
- C. If delivery is made directly to the department, the merchandise must be inspected for damage or problems and reported directly to the General Services department Receiving Technician.
- D. The delivery log must be signed & dated, when delivered by the Receiving Technician or Delivery Specialist.

Incorrect/Damaged Shipments. If a department directly is in receipt of a shipment that is incorrect or damaged, it must immediately notify the Receiving technician, followed by a written confirmation memorandum listing the following: Purchase Order number, vendor name, and the problem with the shipment. The Receiving technician will contact, or may authorize the user to contact, the vendor and request a return authorization for the return and/or exchange of the incorrect materials. Departments are not to return shipments to vendors without first notifying General Services to ensure that all credits due are obtained. If a shipment is returned to a vendor without proper authorization, it is likely that the vendor will not know the reason for the return and may refuse to accept the shipment. There may be a restocking charge assessed to the department when items ordered in error are returned. When returned authorization is received, the Purchasing Agent will advise the originator of any restocking charge or replacement of merchandise.

<u>Duplicate Shipments</u>. Duplicate shipments are handled in the same basic manner as are incorrect shipments. The Finance and Accounting Department must be notified immediately if a duplicate shipment is received. This will avoid the possibility of making a duplicate payment. The General Services Department will then ensure that the duplicate is returned (through the steps previously outlined) and that credit is issued to offset the duplicate charges.

<u>Freight Damage Claims</u>. To ensure that a freight claim can be filed on merchandise that arrived damaged: Each item is to be unpacked and inspected as soon as it arrives. In the event that damage is found, the Finance and Accounting Department must be given the following information:

A. Purchase order number

- B. Packing slip or invoice number
- C. Date received
- D. Nature and extent of damage
- E. Whether or not the freight bill was marked "damaged"
- F. Notation of hidden damage

### **Property Control Information**

<u>Lost or Stolen Property</u>. College personnel are under obligation to report missing furniture and equipment immediately. Contact your Department Head or immediate supervisor and report the incident to the Campus Security and to the General Services department. If the item lost or stolen needs to be replaced and funding is available, submit a REQUISITION for replacement and attach to the DISPOSITION OF PROPERTY form before forwarding to the Finance and Accounting Department.

<u>Unserviceable Items</u>. Plant assets that are worn-out, obsolete or damaged beyond repair, including computer software that has become obsolete, should be reported to the General Services Department. The asset should also be physically transferred to the custody of General Services Department for appropriate disposal with the completed DISPOSITION OF PROPERTY form.

<u>Destroyed Items</u>. If a plant asset is vandalized or accidentally destroyed, the General Services Department shall be promptly notified. Vandalism should be reported promptly to the Campus Security. If the asset is destroyed, the inventory tag number shall be removed from the asset and returned to the General Services Department with the completed DISPOSITION OF PROPERTY form.

Surplus Items. Surplus assets will be disposed of by public sale.

#### III. Definitions

<u>Accumulated Depreciation</u>: The total depreciation expense accumulated since the acquisition date of the fixed assets to the current fiscal year.

<u>Amortization</u>: The systematic allocation of the cost of an intangible asset over its intended useful life.

Ancillary Costs: Costs, in addition to purchase or construction costs, related to placing a fixed asset into its intended state of operation. Normally, ancillary costs are to be included in the capitalized cost of a fixed asset. However, minor ancillary costs, not measurable at the time a fixed asset is recorded in the College's fixed asset inventory system, may be expensed. Ancillary costs include such items as:

- A. Buildings and Improvements: Professional fees of architects, attorneys, engineers, appraisers, financial advisors, etc.; damage claims, costs of fixtures permanently attached to a building or structure; insurance premiums, interest, and related costs incurred during construction; and other expenditures including direct labor costs necessary to place a building or structure into its intended state of operation.
- B. Equipment: Transportation charges, sales taxes, installation costs, extended maintenance/warranty contracts, investigation and inspection costs and any other normal and necessary expenditures required to place the asset into its intended state of operation.
- C. Infrastructure: Professional fees of engineers, attorneys, appraisers, financial advisors, etc.; surveying and investigation fees, appraisal and negotiation fees; damage payments; site preparation costs; and costs related to demolition of unwanted structures.
- D. Land: Purchase price, legal and title fees, surveying fees, appraisal and negotiation fees, assumption of any liens, mortgages, or encumbrances on the property, damage payments, site preparation costs, and costs related to demolition or removal of unwanted structures.

Asset Classification: The systematic arrangement of assets into categories:

- A. Land
- B. Building and Structures
- C. Equipment (computer) and Machinery
- D. Infrastructure
- E. Vehicles
- F. Construction-In-Progress

<u>Asset Inventory System</u>: A system providing control of and accountability for the College's inventorial long-term assets; ensuring all recorded assets are classified properly, accurately, and systematically; enabling the Departments to monitor the physical condition of those assets;

providing information necessary for the College's financial report; and providing a documented audit trail of transactions. The College's fixed asset inventory system is to contain, at a minimum, the following data elements

- A. Department: name of the Department responsible and accountable for the asset.
- B. Number: fixed asset number, if applicable, or the Diné College Property Tag Number.
- C. Acquisition date: the date the Department takes title to or assumes responsibility for a long-term asset.
- D. Description: a descriptive name of the asset (includes location which will be the department or program number) and the asset classification (Land, Equipment, etc).
- E. Cost: the total cost to acquire and place the asset in service (this will be the fair market value at the time received for donated assets expressed in current dollar value).
- F. Current depreciation expense and accumulated depreciation.
- G. Manufacturer: name of the manufacturer, if applicable.
- H. Model: model number or model/brand name, if applicable.

Disposal date: The date the Department officially surrenders title to the asset.

<u>Quantity</u>: The physical count of inventorial items such as square footage for buildings, number of acres, number of appliances installed in rental property, etc.

<u>Documentation</u>: Reference to the documentation supporting the amounts recorded in the asset inventory system.

Asset type: Land, equipment, building, etc.

Estimated Useful Life: best quantifiable and available term.

<u>Book Value</u>: The cost of fixed asset less the accumulated depreciation or amortization recorded to date. (Also, referred to as Carrying Value).

<u>Buildings</u>: A fixed asset reflecting the acquisition costs of a permanent structure, excluding land and land improvements; any roofed structure used for permanent or temporary shelter of persons, animals, vegetation or equipment. Not included are furniture, fixtures or other equipment that are not an integral part of the structure.

<u>Building Improvement</u>: Improvements include not only structures, but also associated items, such as loading docks, heating and air-conditioning systems and all other property permanently attached to, or an integral part of, the structure.

<u>Capital Lease</u>: A lease with contractual terms transferring substantially all benefits and risks inherent in ownership of the property to the College. One or more of the four following criteria must be met to qualify as a capital lease:

- A. By the end of the lease term, ownership of the leased property is transferred to Diné College; or,
- B. The lease contains a bargain purchase option; or,
- C. The lease term is equal to 75% or more of the estimated useful life of the leased property; or,
- D. The present value of the minimum lease payments (at the inception of the lease) excluding executory costs (usually insurance, maintenance and taxes, including any profit thereon), is 90% or more of the fair market value of the leased property. Items that qualify as a capital lease must be capitalized and depreciated.

<u>Capitalize:</u> To record as a capital asset. The recorded amount is the cost to acquire the asset plus all costs necessary to get the asset ready for its intended use (known as ancillary costs).

<u>Computer Software</u>: Computer software can be internally developed or externally purchased. Computer software costs do not include hardware components. Software may include such items as general ledger system, inventory system, accounts receivable system, federal grant ledger system, work order system, etc. Computer software is considered an intangible asset.

<u>Construction in Progress CIP</u>: A capital asset reflecting the cost of construction work undertaken but not yet completed.

<u>Contract Work</u>: Amounts paid for work performed under contract by other companies, firms, or individuals, costs incident to the award of such contracts, and the inspection costs of such work.

<u>Cost</u>: The expenditure made to acquire a long-term asset.

<u>Depreciation</u>: The systematic allocation of the cost of a fixed asset over its intended useful life.

<u>Depreciation Expense</u>: The amount of depreciation allocated for the current fiscal year.

<u>Depreciation Method</u>: For the purposes of implementing GASB 34, depreciation will be calculated using the straight-line depreciation method. Straight-line assumes that the asset will depreciate at the same rate each year of its useful life.

<u>Direct Cost</u>: All costs incurred as a result of constructing or placing an asset into its intended state of operation, where costs are directly associated or attributable to this activity. Direct costs include labor, contract work, materials and supplies, transportation, shop service, injuries and damages, privileges and permits, protection, rents, engineering and supervision, engineering services, special machine service, insurance, legal expenditures, and taxes.

<u>Disposals</u>: Fixed assets that are no longer used or needed by the Diné College. These assets shall be removed from the Diné College's asset inventory system and the date of disposal recorded.

<u>Documentation</u>: Data such as invoices, deeds, contracts, memos, minutes, budgets, receiving reports, competitive bids, approved purchase orders/requisitions, etc., supporting the entries made in the College's fixed asset inventory system.

<u>Equipment</u>: A durable fixed asset, complete in itself, other than land or building and readily identifiable as not being a component of the building in which it normally resides such as office equipment, computers, vehicles, construction equipment, etc.

<u>Estimated Historical Cost</u>: An approximate historical cost using some reasonable estimating methodology.

<u>Extraordinary Repairs</u>, <u>Betterments or Improvements</u>: Expenditures increasing future benefits from an existing fixed asset. An asset's future benefit has been increased if:

- A. The estimated useful life of the existing asset has been extended; or
- B. The capacity of the existing asset has been substantially improved; or
- C. The quality of output from the existing asset has been substantially improved; or
- D. Previously assessed operating costs of the existing asset have been substantially reduced.

<u>Fair Market Value</u>: The price actually given in current market dealings or the price a buyer would be willing to pay a willing seller to exchange property.

<u>Fixed Asset</u>: Tangible assets that are durable in nature, which are acquired for use in operations and not intended for resale and yield service/benefit over a number of years. Fixed assets include land, buildings, land improvements, building improvements, construction-in-progress, utility

systems, infrastructure and equipment.

<u>Infrastructure</u>: Long-lived fixed assets that are normally stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Infrastructure may include roads, streets, bridges, dams, certain utility system assets, and similar fixed assets.

<u>Insurance Cost</u>: Premiums paid or amounts provided or reserved as self-insurance for the protection against loss and damages in connection with construction, by fire or other casualty, injuries to or death of persons other than employees, damages to property of others, defalcation of employees and agents, and the nonperformance of contractual obligations of others. It does not include workmen's compensation or similar insurance on employees.

<u>Intangible Asset</u>: Intangible assets are long-term assets that have no physical substance and are used in operations to produce products or services. Intangible asset costs must be systematically allocated to expenses over their useful life through a process called amortization. Computer Software is considered an intangible asset.

<u>Land</u>: Land with the title owned by the College. All land associated with infrastructure should be classified as land.

<u>Land Improvements</u>: Fixed assets, not specifically identifiable to an individual building, reflecting the cost of permanent improvements adding value to the land. Improvements that produce permanent benefits – for example, excavation, fill and grading costs that ready the land for the erection of structures and landscaping are not depreciable. Alternatively, improvements that are considered part of the structure or that deteriorate with use or the passage of time, such as sidewalks, retaining walls, driveways, flagpoles, outdoor lighting, landscaping, parking lots and fencing, should be considered depreciable.

<u>Long-Term Assets</u>: Long-term assets are assets used in the operations of the College to produce goods or services. They are grouped as either fixed assets or intangible assets.

<u>Materials and Supplies</u>: The purchase price at point of delivery to the College plus customs duties, excise taxes, the cost of inspection, loading and transportation, the related stores expenses, and the cost of materials and supplies. The cost of individual items of equipment of small value (for example, \$100 or less) or of short life, including small portable tools and implements, shall be charged to the project or work order number if such items are consumed directly in construction work.

<u>Protection Cost</u>: The cost of protecting the College property from fire or other casualties and the cost of preventing damages to others, or to the property of others, including payments for

discovery or extinguishment of fires, cost of apprehending and prosecuting incendiaries, witness fees in relation thereto, amounts paid to others for fire protection, and other items of expenditures in connection with construction work.

<u>Real Property</u>: The name used when referring to the following categories in the aggregate: Land, Land Improvements, Buildings and Building Improvements.

<u>Repairs</u>: Expenditures made to maintain long-term assets in operating condition. Repairs are recorded as expenditures in the accounting period in which they are incurred.

<u>Replacement</u>: Expenditures to acquire a long-term asset to replace all or part of another long-term asset. These expenditures shall be capitalized if the total amount exceeds the established capitalization thresholds and if it extends the life of the asset.

<u>Retirement</u>: Fixed Assets that are either being replaced or removed from use; the cost of such assets is to be removed from the computerized inventory system.

<u>Salvage Value</u>: The estimated value of an asset at the end of its useful life. For financial reporting purposes, all assets are considered to have a zero to ten percent salvage value depending on type of assets.

<u>Transfers</u>: Assets that are re-assigned to another College's Department. A record of fixed asset transfers between Departments shall be maintained by the Information Technology Department and General Services Department. The transferred asset shall be recorded at the same amount as was removed from the transferor department.

Useful Life: The length of time something is expected to last for its intended purpose.

#### **FACILITY USAGE**

#### I. PURPOSE

All events and activities must have the prior approval of the Diné College President or appropriate administrator(s) before they will be permitted to occur on college property. Diné College facilities may be made available for use by organizations conducting public educational, research, cultural, civic or community activities as limited by this policy and provided that these activities as limited by this policy and provided that these activities do not interfere with the educational priorities of the institution.

#### II. PROCEDURES

All requests for campus facilities must be submitted to the President's Office or appropriate administrator(s). Any organization wishing to hold a meeting on the college campus shall provide the following information:

- A. Name of sponsoring organization.
- B. Name of person in charge of arrangements.
- C. Number of participating individuals and names of speaker(s).
- D. Nature of proposed meeting.
- E. Desired dates and times.
- F. Type of facilities desired.
- G. Desired special equipment or arrangements

If the desired facility is available, and the organization meets the criteria, a contract for the use of the facility will be completed and returned by the group representative prior to final approval. All requests should be made at least two weeks prior to the date of the planned activity to insure adequate scheduling of space and services.

Requests for facilities do not become effective until after the appropriate administrator approves the contracts. No publicity should be released until a signed copy of the contract is returned to the user. Publicity for all non-college sponsored events must include the name of the sponsoring organization. This publicity must not be structured so as to imply Diné College sponsorship.

### Facilities Available for Reserved Use

Activity Room (Auditorium Seating for large groups of 35 to 150)

NHC 6th Floor- Board Room (Conference table with seating for 25-50 people)

Student Union Bldg.-Sub Foyer (Seating for 25-50 people)

Student Union Bldg.-Activity Room (Seating for 10-30 people)

Gym (Arena area)

Gym (Weight room)

Student Union Bldg.-Commuter Lounge

Cafeteria – Meeting Room

Cafeteria – Dining area

Classroom and computer labs

& Hogan 2

<u>Facility Use Hours</u>: No event can begin prior to 7:00 a.m. or end past 1:00 a.m. without the approval of the President or appropriate administrator(s). The hours reserved must include set-up and clean-up time. All individuals associated with the event must vacate the facility by the indicated ending time. The hours for an event may not be extended without approval of the College President or appropriate administrator(s).

For non-college uses, the user or designee must be present during all hours of scheduled events. Facilities are not available for use when a holiday is observed and offices are closed except through special arrangement with the Diné College President or appropriate administrator(s)

<u>Reservations/Applications</u>: An application (on the College's form) must be completed and submitted to the Diné College Facility Maintenance Office. A liability waiver must also be completed prior to facility use. Reservations must be made no less than two weeks in advance and no more than two months in advance. Reservations may be accepted with less than two weeks' notice at the discretion of the Diné College if facilities and staff are available.

Facilities may not be reserved for recurring regular meetings for non-College purposes. Groups must submit an application for each use and are not guaranteed availability. The College reserves the right to deny any request for cause. Reasons for denial include failure to comply with the Diné College's Facility Use Policy and Regulations; conflicts in facility use; the lack of Diné

College staff available to be present during an event.

Cancellations will only be accepted from the permittee (the person who signed the reservation application). Cancellations should be made to the Diné College Facility Maintenance Office (724-6770) no less than one week (7 days) prior to the scheduled event.

<u>Rental Fees</u>: Events for college purposes- Rental fees will not be charged if the facilities are left in a clean condition and arranged in the same manner that existed prior to the groups use. Groups that fail to comply with this policy will be charged for required custodial services. Any repairs to damage to furniture, fixtures, walls, etc. will be invoiced to the group using the facilities.

Any group meeting for college purposes during weekends or during times when staff is not available may be charged a fee to cover the cost of scheduling staff and security availability. Rental fees for groups meeting for non-college purposes shall be charged as indicated below. Groups are expected to leave the facilities in a clean condition, arranged in the same manner that existed prior to the groups use.

Any group that fails to comply with this regulation will be charged an additional amount for required custodial services. Any damage to furniture, fixtures, and/or carpets/floors will be repaired and invoiced to the group using the facilities. Rental fees for ticketed or for-a-fee events will be charged as indicated below. All rental fees are due and payable to the Diné College at the cashier prior to room occupancy. Cleaning Deposits are refundable after final cleaning inspection by Facility Maintenance Office.

#### Fee Schedule

Group/Event	Terms and Conditions	Facility/Room	
		Fee	
Local and Non-	Request Form and Acknowledgement of the	No Fee	
Profit and in-town	Facility Usage Guidelines		
Business			
Governmental Use	Request Form and Acknowledgement of the	No Fee	
	Facility Usage Guidelines		
Private Use:	Request Form and Acknowledgement of the	No Fee	
Community	Facility Usage Guidelines		
Resident	Eligibility: Diné College Employee		

For Profit Event	Request Form, Acknowledgement of the Facility Usage Guidelines, and proof of appropriate liability insurance.	
	Cleaning Deposit	\$150.00
	Sports Facility	\$500.00 per day
	Lecture Hall/Auditorium	\$175.00 per day
	Conference Room	\$50.00 per day
	Classroom	\$85.00 per day
	Student Union Activity Room	\$250.00 per day
	Student Union Foyer	\$30.00 per day

## Medium Risk – High Risk

Estimate # of Attendance	0-200	201-500		501-1000
College Major Events, Dignitary Visitors/Speakers, Commencements, Sports, Film Shoots, Pow-wow	1 Security Officer	3 Security Officers		3 Security Officers 1 Sergeant
Fairs/Festivals	2 Security Officers	3 Security Officers		3 Security Officers 1 Sergeant
Dances, Live Concerts  2 Security Officers Officers		•	3 Security Officers 1 Sergeant	
Additional fees per security officer		10.31 / 2 = 5.155 10.31 + 5.155 = 15.465 per hour		

per Security Officer

For application go to Dine College Warrior website: <a href="https://warriorweb.dinecollege.edu/ICS/icsfs/2014\_Facility\_Request\_Form\_and\_Guidelines\_Final\_Au.pdf?target=09ebe9d6-025c-423f-aa9c-c061530c29bf">https://warriorweb.dinecollege.edu/ICS/icsfs/2014\_Facility\_Request\_Form\_and\_Guidelines\_Final\_Au.pdf?target=09ebe9d6-025c-423f-aa9c-c061530c29bf</a>

<u>General Regulations</u>: Any person or group failing to comply with the established rules and regulations will be required to leave the premises. Tables and chairs are to be used indoors only and only for the specific intended use. Approved reservations cannot be transferred, assigned, or sublet.

Facilities must be left by the using organizations in the condition in which they were found. Failure to do so will result in the assessment of custodial charges and associated overhead.

Damage to furniture, fixtures, walls, or floors must be reported to the Diné College Facility Maintenance Office within 12 hours of the occurrence of the damage. Costs to clean or repair damage will be invoiced to the organization using the facility. Such costs shall be billed to the group using the facility and shall be paid in full within 30 days of the date of the invoice

Failure to pay within 30 days shall result in an additional penalty of 1% per month on the unpaid balance. The College reserves the right to file suit to collect damages.

No alcohol, tobacco, or drug use is permitted in Diné College facilities. Failure to comply with the rules for facility use may disqualify the user from further use of Diné College facilities. Any group denied use of College facilities that believes said denial is not in accord with this policy may appeal such denial to College President and administrators.

#### III. DEFINITIONS

<u>College purposes:</u> includes the discussion of official Diné College business requested by recognized college student organizations or staff; meetings by groups in which the Diné College has official representation; political groups meeting for the purpose of discussing Diné College elections and Diné College candidates; regularly scheduled Diné College Board of Regents Board Meetings; Diné College Alumni groups;

Diné College Community: includes; Navajo Chapter organizations; Public and Contract schools

on the reservation; any recognized entity of the Navajo Reservation engaged with activities that deal with issues of preservation of the environment, planning, and the protection of human rights and welfare; any recognized entity engaged with fundraising activities; any recognized group with intentions of sponsoring weddings, parties, etc.;

<u>Social Service Agencies:</u> are nonprofit social service agencies providing basic human services or recreational services to Diné College residents or the Navajo Reservation community. Typically, the social services are provided under contract with the federal, state, or county governments. If these services were not provided by the social service agencies, it is likely the Diné College, County, or State would provide the service.

#### **TRAVEL**

#### I. PURPOSE

The Diné College Travel and Business Expense Reimbursement Policy provides guidelines and procedures for employees who undertake travel on behalf of the College. The basic intent of the policy is to ensure that individuals traveling on Diné College business neither gain nor lose personal funds as a result of that travel. Travel costs are to be allocated and expended within established budgetary limitations and, as funds to support travel are limited, travelers are not to make commitments to travel or to incur travel expenses without first obtaining the appropriate approvals.

The provisions of this Travel Policy are applicable to official travel for the performance of business on behalf of Diné College by the following:

- A. All permanent and temporary employees (, full time, or contract personnel)
- B. President, Provost, and Vice President(s)
- C. Board of Regents

#### II. PROCEDURES

#### **General Provisions**

### Section A. Authorizations and Responsibilities

REQUIREMENT FOR TRAVEL AUTHORIZATION. All travel shall be authorized in advance by the approving official. The authorization should be specific with respect to the purpose of travel, location and dates.

- A. Authorization of an uncustomary transportation method (e.g. charter airplane) will require the President's or Vice President's approval and a showing of cost feasibility.
- B. The President shall sign Travel Authorizations for the Board of Regents President.

### INDIVIDUAL TRAVEL AUTHORIZATION.

- A. Official Travel. A Travel Authorization is required for all official travel.
- B. Change of Official Duty Station. A Travel Authorization is required for all travel in connection with a change of official station, and prior to incurring any transportation and

other travel expenses.

BLANKET TRAVEL AUTHORIZATION. Blanket Travel Authorizations must be properly approved by an approving official. Such authorization provides for travel ONLY for the period approved.

#### RESPONSIBILITIES.

- A. The President, Board of Regents, Provost, Vice Presidents, Deans, and Supervisors are responsible for implementing travel policies and procedures. They are responsible for reviewing and acknowledging by their signature that procedures are followed in filling out the Travel Authorization and Travel Expense Report prior to submittal to the Finance and Accounting Department for payment. The President shall approve the Board of Regent's President Travel Expense Reports prior to submittal to the Finance and Accounting Department.
- B. The President of the Board of Regents or Vice President of Finance & Administration shall approve the President's travel expense reports prior to submittal to the Finance and Accounting Department.
- C. The Finance and Accounting Department is responsible for the review, for accuracy and justifications, of all department claims; control and payment of travel advances; expense claims; and payroll deductions. Final approval of travel advances rests with the approving official. Any final decisions regarding disputes with travel expense reports rest with the Controller.
- D. Approving Officials are responsible for:
  - 1. Exercising care and practicing economy in all official travel matters.
  - 2. Having a clear understanding of this Travel Policy.
  - 3. Ensuring that travel is authorized in accordance with the needs of Diné College
  - 4. Authorizing the method of transportation to be used and making a determination as to the most advantageous method.
  - 5. Ensuring the propriety of claims through careful review of travel expense reports prior to approval and submittal to the F&A Department
  - 6. Ensuring the Travel Expense Reports are complete, contain all required

certifications, statements or other information and that REQUIRED RECEIPTS ARE ATTACHED..

- 7. Assisting the Finance and Accounting Department in the collections of outstanding travel advances and ensuring that travel advances are cleared when a Travel Expense Report is submitted.
- 8. Review and certification that the participation of the individual is necessary to the Federal award (if applicable).
- 9. Costs are reasonable and consistent with the requirements of 2 CFR 200.474 Travel Costs.
- E. Travelers on official business are responsible for exercising the same care in incurring expenses that a prudent person would exercise if traveling at his/her own personal expense. All travelers are expected to reside in economical, adequate and reasonable accommodations. Travelers are also responsible for:
  - 1. Taking advantage of special government, weekly and other reduced rates offered by hotels, motels, etc
  - 2. Planning itineraries to utilize the most economical excursions, round trip and group fares offered by airlines and other common carriers.
  - 3. Becoming familiar with the Travel Policy and performing travel only as authorized.
  - 4. Being fully informed of their responsibilities for economy in incurring travel expenses.
  - 5. Ensuring that itineraries and mode of travel are approved prior to the travel.
  - 6. Knowing the policies and procedures governing travel, such as taking odometer readings and obtaining receipts.
  - 7. Preparing accurate and factual Travel Expense Reports for reimbursement of travel expenses, whether for actual or per diem basis.
  - 8. Including on the Travel Expense Report, all leave taken while on travel status.
  - 9. Submitting Travel Expense Reports upon completion of the travel, within ten (10)

working days from the date of return. An exception may be made if the travel occurred during the last two weeks of the fiscal year, which ends September 30th of each year. In that case, Travel Expense Reports shall be submitted sooner but no later than the cut-off date as set annually by the Controller. The last two weeks of the fiscal year ending requires the immediate submittal of travel expense reports to close the fiscal year's obligations and expenditures.

- 10. Pay by cash, travelers check, certified check or money order in the amount as determined by the Finance &Accounting department of any advance that exceeds the amount claimed on the Travel Expense Report, and which is owed to Diné College. Payroll is also another option.
- 11. Reasonable costs for airfare shall include the following requirements per 2 CFR 200.474:
  - i. Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:
    - a. Require circuitous routing;
    - b. Require travel during unreasonable hours;
    - c. Excessively prolong travel;
    - d. Result in additional costs that would offset the transportation savings; or
    - e. Offer accommodations not reasonably adequate for the traveler's medical needs. Diné College employees and Board members must justify and document these conditions on a case by case basis in order for the use of first class or business class airfare to be allowable.
    - f. Exceptions must be approved by the Diné College President or other designated person before travel is booked.

### Section B. Managing and Controlling Travel

MANAGEMENT AND CONTROL OF TRAVEL. Travel must be carefully and prudently planned, managed and controlled to eliminate unnecessary travel, so as to effectively accomplish

the purposes of Diné College and to minimize travel costs. The following guidelines shall be followed in the management and control of travel.

- A. Do not permit travel when the matter can be handled by mail, telephone or fax.
- B. Minimize the number of people who must travel for a single purpose; for example, never allow two or more persons to travel when one is sufficient.
- C. Screen all proposed assignments, and limit trips and the number of individuals traveling, points to be visited, itineraries and duration to those that are essential to the performance of the mission of Diné College.
- D. Eliminate attendance and minimize participation of employees at conferences, meetings, and seminars when attendance is not directly related to the accomplishments of Diné College Business.
- E. Ensure that contract provisions provide that travel by contractor whose costs are directly reflected in prices paid by Diné College is held to that which is essential and that the cost of such travel is minimized.
- F. Trainings and meetings shall be held at Diné College conference rooms where available on campus.

### III. SPECIAL TRAVEL SITUATIONS

Section A. Travel

TRAVEL AUTHORIZATION

Prescribed Form (see Attachment)

Amendment of Travel Authorization. A previously approved Travel Authorization may be amended when the need develops. The Travel Authorization may not be revoked or modified retroactively so as to increase or decrease the rights and benefits after travel has been performed. An exception to this may be made to correct errors or to complete an incomplete Travel Authorization in accordance with the original intent. All amendments shall be submitted with a memorandum of justification explaining reasons for modification of the original Travel Authorization.

MANDATED TRAVEL. Travel by Campus office personnel at the direction of the Tsaile Campus or their delegated officials authorized to direct the travel, shall be deemed as mandated travel.

Control and Coordination. The division sponsoring the event for which travel is mandated is responsible for the overall control and coordination of workshops, training and orientation. Travel to the main campus shall be planned far enough in advance to allow sufficient time for coordination and transmittal of travel authorizations and their receipt by personnel prior to commencement of travel. Exceptions to this may apply to travel by employees who are summoned to appear in court cases or administrative hearings.

- A. The principal staff involved in the control and coordination of the planned event shall advise field personnel of the proposed travel to insure that it does not conflict with previously scheduled events or create excessive vacancies in a specific office. This should be done at least two weeks in advance of the proposed travel.
- B. Travel Authorizations shall be prepared and forwarded to the Finance and Accounting department ten (10) working days before the scheduled travel for timely processing for the outside Campuses.
- C. Outside Campuses shall be furnished with travel authorizations in time for receipt of their travel advance prior to commencement of travel.

UNPLANNED OR UNEXPECTED TRAVEL. Unusual circumstances sometimes require unplanned travel and a Travel Authorization cannot be obtained prior to the trip. In such cases, a Travel Authorization shall be prepared by the administrative assistant to document the travel for insurance purposes. Upon completion of travel the Travel Expense report and Trip Report approved by the Vice President, Provost, Dean or Supervisor(s) must be attached.

SPONSORED PROJECT TRAVEL. Travel costs are generally limited to those allowed by the policies and procedures that govern College-related travel. However, certain sponsored projects may contain provisions that further limit the amount and type of reimbursable travel expenditures. For example, under most sponsored project awards, the lowest available commercial discount airfare or customary standard commercial airfare must be used; first-class airfare is not reimbursable. Prior to incurring travel-related expenses, individuals traveling under sponsored project awards are encouraged to contact the Diné College Finance & Accounting staff for guidance regarding approved travel costs.

All travel advances and expense reports charged against sponsored projects must be submitted to Finance & Accounting or Grants Accountant for prior approval.

NON-EMPLOYEE TRAVEL. The travel expenses of non-employees (e.g., prospective employees, speakers, consultants) are reimbursed when required by authorized contractual agreement or when approved in advance by the responsible department or program investigator.

Reimbursements are made in accordance with the policies and procedures stated herein. The College does not reimburse travel expenses incurred by a spouse or family members. Any employee who travels with a spouse is expected to pay for all incremental costs associated with the spouse's travel including transportation costs; additional lodging expenses, if any; meal expenses; and registration fees.

### IV. TRANSPORTATION

#### Section A. General

ALLOWABLE TRANSPORTATION EXPENDITURES. Allowable transportation expenditures shall be limited to transportation fares, rental fees, mileage payments, and other expenses incidental to transportation.

#### LOCAL TRANSPORTATION WHILE ON TRAVEL STATUS

- A. Transportation by bus, rental car, or taxicab between places of business at an official temporary duty station and between places of lodging is allowed.
- B. When the nature and location of the work at a temporary duty station are such that suitable meals cannot be obtained there, the expense of daily travel required to obtain meals at the nearest available place is allowed.

RETURN TO OFFICIAL STATION DUE TO ILLNESS OR INJURY. Transportation expenses to an employee's normal post of duty may be approved whenever the employee becomes incapacitated due to illness or injury not due to his/her own misconduct while en-route to or while at a temporary duty station prior to completion of the temporary duty assignment.

### **ROUTING OF TRAVEL**

- A. All travel shall be by the usual traveled route. Travel by other routes may be allowed when official need requires change.
- B. Indirect Route or Interrupted Travel. When a person, for his/her own convenience, travels by an indirect route or interrupts travel or by direct route, the extra expenses shall be paid by him/her. Reimbursement for expenses shall be based only on such charges as would have been incurred by a usually traveled route.

REPORTING ACCIDENTS. Accidents which occur while operating a Diné College furnished, privately owned or commercial vehicle during the conduct of official business shall be reported immediately to the local police and General Services Department.

TRAFFIC VIOLATIONS. Employees are expected to obey all traffic laws. Payment of fines for parking or speeding tickets or other traffic violations while on official business are the responsibility of the employee. Any expenses in connection with traffic violations are not reimbursable. The Personnel Policies and Procedures, Administration of Discipline, Table of Penalties may be utilized when necessary.

PASSENGERS. An employee operating a motor vehicle on official business shall not transport a passenger except when the passenger is a Diné College employee on official business or an individual (not a Diné College employee) conducting official business with Diné College (students, consultants, ie).

AUTHORIZED TRANPSORATION METHODS. Methods of transportation authorized for official travel include railroads, airlines, buses, streetcars, taxicabs, Diné College furnished and contract rental automobiles and airplanes, and any other reasonable means of transportation.

SELECTING METHOD OF TRANSPORTATION. Travel on official business shall be by the method of transportation which will result in the greatest advantage to the College, cost and other factors considered. In selecting a particular method of transportation, consideration shall be given to energy conservation and to the total cost to Diné College including per diem, overtime, lost work time, and actual transportation costs. Additional factors to be considered are the total distance of travel, the number of points visited, and the number of travelers.

Travel by private air transportation shall require a cost analysis, comparing the cost of air travel with the cost of vehicle travel or other method of transportation. Such an analysis shall be submitted two days prior to the date of travel. Anticipated travel expenses and staff time shall be included in the cost analysis.

### Section B. Use of Common Carrier Transportation

MOST ADVANTAGEOUS METHOD. Since travel by common carrier (air, rail, or bus) will generally result in the most efficient use of transportation and in the least costly and most expeditious performance of travel, this method shall be used whenever it is reasonably available. The determination to use another method of transportation shall not be made on the basis of personal preference or minor inconvenience to the traveler resulting from common carrier scheduling.

#### CLASS OF SERVICE AUTHORIZED.

A. General. Cost of transportation paid by Diné College shall not exceed the less than firstclass rate of the transportation facility used; unless it is certified by the traveler that less

than first-class accommodations were not available.

- B. Train Accommodations.
  - 1. Sleeping car accommodations. When night travel is involved, the lowest, first-class sleeping accommodations available shall be allowed.
  - 2. Parlor car and coach accommodations. One seat in a sleeping or parlor car shall be allowed unless the Travel Authorization or other administrative determination specifies that coach accommodations are to be used.
- C. Airplane Accommodations. Reasonable costs for airfare shall include the following requirements per 2 CFR 200.474:
  - Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:
    - i. Require circuitous routing;
    - ii. Require travel during unreasonable hours;
    - iii. Excessively prolong travel;
    - iv. Result in additional costs that would offset the transportation savings; or
    - v. Offer accommodations not reasonably adequate for the traveler's medical needs. Diné College employees and Board members must justify and document these conditions on a case by case basis in order for the use of first class or business class airfare to be allowable.
    - vi. Exceptions must be approved by the Diné College President or other designated person before travel is booked.

### UNUSED TICKETS OR RESERVATIONS.

- A. Unused Accommodations. When a traveler finds he/she will not use accommodations which have been reserved for him/her, he/she shall release them within the time limits specified by the carriers. Failure of travelers to take such action may subject them to liability for any resulting money losses or payment at their own cost.
- B. Oversold Reserved Accommodations. Penalty payments made by air carriers to

customers, under certain provisions of their tariffs, are due to Diné College and not the traveler when they result from travel on official business. Tickets shall be picked up as soon as possible after reservations are made, and in all instances within the time limit prescribed by the carrier's ticketing agent.

### Section C. Use of Taxicabs

LOCAL USE WHILE ON TRAVEL. The use of taxicabs while on travel may be approved for local transportation when it is advantageous to Diné College and when other suitable public, Diné College owned or rental transportation services are not available.

TO AND FROM CARRIER TERMINALS. Reimbursement will be allowed for the usual taxicab fares, plus tips, from and to common carriers or other terminals to and from the employee's lodging or place of temporary business.

### Section D. Use of Diné College Vehicle While on Travel Status

OFFICIAL PURPOSES. When a Diné College vehicle is used by an employee, its use shall be limited to purposes which include transportation between places where the employee's presence is required for official business and places of lodging when use of public transportation is unavailable or impractical. This also includes suitable eating places, drug stores, barber shops, places of worship, cleaning establishments, and similar places necessary for the subsistence, comfort, or health of the employee to foster the continued efficient performance of Diné College business.

A. Excessive Mileage. When a Diné College employee is using a Diné College vehicle, mileage that is listed in excess of the travel authorization must be justified by written narrative within three days after return from travel status.

### Section E. Use of Privately Owned Vehicles.

REQUIREMENT. The use of a privately owned vehicle (POV) for official travel shall be authorized only when such use is advantageous to Diné College. This shall be preceded by a decision that a common carrier or Diné College owned vehicle is not available.

- A. Permissive Use of a Privately Owned Vehicle. When an employee uses a privately owned vehicle as a matter of personal preference and such use is compatible with the performance of official business, such use may be approved provided that reimbursement is limited to actual business.
- B. The Diné College shall not be liable for any privately owned vehicle is approved as

advantageous to the Diné College, payment shall be made on a mileage basis, using the lesser rate of two methods: the standard highway mileage or the odometer reading.

#### REIMBURSEMENT RULES.

Mileage Payments. When use of a privately owned vehicle is approved as advantageous to the Diné College, payment shall be made on a mileage basis, using the lesser rate of two methods: the standard highway mileage or the odometer reading.

- A. The mileage rate shall be paid from the point of residence or official duty station of the employee or Board of Regent rendering service to the Diné College, whichever is less.
- B. Other Allowable Costs. Reimbursement for parking fees, and bridge, road and tunnel tolls shall be allowed in addition to the mileage allowance. These shall be supported by original receipts.

Mileage Rates. When the use of a privately owned vehicle is approved for the performance of official travel, reimbursement to the traveler shall be at the GSA approved mileage rates. Travelers will be reimbursed the applicable GSA rate if they choose to use a privately owned vehicle instead of an available College vehicle.

REIMBURSEMENT WHEN POV USED IN LIEU OF COMMON CARRIER. Whenever a privately owned vehicle is used for official purpose as a matter of personal preference in lieu of common carrier transportation, payment for such travel shall be made on the basis of the least cost alternative, i.e., common carrier cost, if less than the mileage reimbursement rate.

### Section F. Rental of Commercial Vehicles

REQUIREMENT. Use of a commercial vehicle rental shall be limited to those cases where Diné College vehicles, reasonable public transportation or privately owned vehicles are not available. When one or more Diné College staff travel together, joint use of rental vehicle is required. The rule of thumb shall be one rental vehicle allowed for every one to four employees. When the use of a rental vehicle is necessary to conduct official business, the traveler shall:

- A. Obtain prior written approval from the Approving Official.
- B. Obtain an economy vehicle and assure that any available discounts are applied against the rental charge.
- C. Observe the hours-of-use schedule in order to prevent payment for any additional days.

#### INSURANCE COVERAGE.

- A. General. Commercial vehicle rental contracts generally include full insurance coverage for property damage, personal injury or death to lessee. Physical damage to the rental vehicle, however, usually includes a deductible amount specified in the rental contract for which a lessee (Diné College) is responsible. Where physical damage is sustained by a rented vehicle, the supervisor of the employee renting/driving the rented vehicle shall determine whether the College or employee is responsible for the deductible in accordance with the Personnel Policies and Procedures, Administration of Discipline, Table of Penalties.
- B. Personal Accident Insurance. Personal accident insurance is a personal expense and is not reimbursable by the College.

RESERVATIONS. Travelers shall be responsible for reserving commercial vehicle rentals. The following vehicle information shall be furnished to the rental firm:

- A. Traveler's personal identification and employing agency.
- B. Type of vehicle(s) desired.
- C. Date, time, and location (delivery point) where rental service is desired, including name of carrier, flight number, etc., when applicable.
- D. Approximate period of time vehicle will be needed.
- E. Point of return of vehicle.

#### PAYMENT AND REIMBURSEMENT

Advance or Reimbursement. If payment is made in cash, an advance of funds may be obtained for the estimated cost. When costs are charged to a personal account, the rental receipts shall be submitted with the Travel Expense Report to support the claim for reimbursement. The supporting document must show that the employee is liable for the cost.

#### PAYMENT OF EXPENSES CONNECTED WITH THE DEATH OF AN EMPLOYEE.

Authority. The College shall set forth the allowable expenses authorized for the preparation and transportation of the body of an employee whose death occurs while on official travel even though the death may have occurred while absent from duty at a temporary duty station. This provision is applicable regardless of whether or not the employee's death is work-related.

Responsibility. The approving official upon being informed of an employee's death occurring while on travel status shall immediately inform the decedent's next of kin or legal representative of this provision. The approving official shall render every reasonable assistance in arranging for preparation and transportation of the remains of the decedent when death occurs during a deceased employee's travel status.

### V. PAYMENT FOR MEALS, INCIDENTAL EXPENSES AND LODGING

#### Section A. Introduction

GENERAL. Reimbursement of expenses for meals and incidental expenses (M&IE) shall be authorized if incurred while on official travel and if all procedures are followed.

APPROVING OFFICIAL RESPONSIBILITY. It is the responsibility of the approving official to authorize only such expenses that do not exceed the maximum per diem allowances outlined in this policy. Reimbursement shall be determined with consideration to factors which reduce the expenses of the employee, such as:

- A. Known arrangements at temporary duty locations where lodging and meals can be obtained without cost;
- B. Established cost experience in the localities where lodging and meals are required; and
- C. Situations in which special rates for accommodations have been made available for a particular meeting, conference, training assignment, or other temporary duty assignment.

TRAVELER'S RESPONSIBILITY. Any payment required for unused room reservations are the responsibility of the traveler. Reservations which cannot be kept shall be cancelled as soon as possible by the traveler.

TYPES OF EXPENSES COVERED. The following expenses, including taxes and service charges, shall be reimbursable expenses:

#### A. Meals

- B. Lodging (The term "lodging" does not include accommodations on airplanes or trains; such accommodations are considered to be furnished by the College and are included in the transportation cost).
- C. Incidental Expenses such as fees ad tips to waiters, porters, bell boys, hotel maids, and dining room waitresses. These are limited to 15% of the cost of services obtained which

is included in the Per Diem under meals.

D. Taxicab fares/Ride-Booking Services up to \$50.00 maximum; baggage handling up to \$3.00/maximum; and telephone actual costs for business calls.

#### Section B. Methods of Reimbursement

MAXIMUM PER DIEM RATES NOT TO BE EXCEEDED. Reimbursement for meals, lodging and incidental expenses (M&IE) shall not exceed the maximum GSA per diem rates for that location.

- A. A Traveler must be on travel status for at least six (6) hours and travel must be to a location thirty miles or more, one way, from the work place to be eligible for reimbursement of travel expenses.
- B. Travel must be more than 75 miles one way from the work place to be eligible for lodging consideration. Receipts for lodging are required.

ACTUAL COST. Reimbursement for eligible travel expenses for travel between six (6) and twenty-four (24) hours shall be at actual cost.

PER DIEM. Per Diem is a computed daily allowance paid to an employee instead of reimbursement of actual expenses incurred. The per diem allowance covers expenses listed in Section A.4 of this part.

- A. Per Diem at the Federal maximum per diem rates, listed in the Federal Register Travel Regulations, 41 CFR 301, (http://www.gsa.gov/portal/category/100120) may be paid in lieu of actual costs for travel exceeding 24 hours. The payment of per diem in lieu of actual costs shall be made by the approving official.
- B. The maximum per diem rates apply to every 24 hours of travel. The maximum per diem rates shall be divided into hours The traveler is required to indicate in the Travel Expense Report all meals and lodging obtained without cost.
- C. Updates to the maximum per diem rates by the Federal government shall be incorporated by the Vice President of Finance & Administration by memorandum and he/she shall cause notice to be sent to all Diné College staff.
- D. Requests for reimbursement of lodging above the maximum allowable rate may be submitted to the Controller with written justification. Some cities and towns increase their rates for special events and in the high tourist season.

WHEN LODGING IS FURNISHED BY THE DINÉ COLLEGE OR OTHER SOURCE. When a night's lodging is furnished by the DINÉ COLLEGE or other source, or is otherwise obtained without cost (i.e., lodging with friends or relatives, sleeping accommodations on trains) the lodging cost for that night shall be zero.

### Section C. Interruption of Per Diem Entitlement

#### LEAVE AND NON-LEAVE DAYS

General. Except as provided in paragraphs B. and C. below, if leave of absence begins or ends within the traveler's prescribed hours of duty, per diem shall terminate at the beginning of the next quarter or shall begin with the quarter during which the leave of absence terminates.

Non-Work Day. A traveler is considered to be on travel status on non-work days unless he returns to his official duty station or residence.

Leave with One (1) Day. Leave of absence taken during one work day but less than 3 hours shall be disregarded for per diem purposes. When such leave exceeds 3 hours but is equal to or less than 5 hours, half of the per diem for that quarter may be allowed.

#### ILLNESS OR INJURY.

Continuation of Per Diem. Whenever a traveler takes leave of absence of any kind because of being incapacitated due to his/her illness or injury not due to his/her own misconduct, the prescribed per diem shall be continued.

Evidence of Illness or Injury not required. Evidence of the illness or injury is not required to be submitted with the Travel Expense Report, but the type of leave and its duration must be shown on the Travel Expense Report.

Receipt of Insurance Payment. If, while on travel status, the traveler receives hospitalization, the per diem allowance shall not be paid for the period hospitalized, and if erroneously paid, shall be collected from the traveler.

### Section D. Per Diem Computation Rules

#### BEGINNING AND ENDING OF ENTITLEMENT.

Extremely early departure or late return to the official duty station is not permitted unless fully justified on the Travel Expense Reports. For example, travel to a temporary duty station shall not begin on Saturday or early Sunday when official business at the temporary duty station is not

scheduled to begin until Monday morning, or vice versa.

#### Part V. Travel Advances

PURPOSE. Travel Advances are made for the sole purpose of minimizing the use of personal funds to pay for official travel costs. The amount of advance shall be in accordance with Section IV.

GENERAL RULE. The following rules apply to advance of funds:

- A. Travel advances shall not be made to meet personal cash needs of employees. If a proposed travel is not permitted, the advance shall be refunded immediately to the Finance and Accounting department.
- B. The amount advanced for a single trip must be reasonable in relation to the trip or purpose for which the advance is made. It shall not exceed the estimated maximum per diem rate and other expenses. Travel advances shall not be less than \$75.00.
  - 1. Advances made for a single trip must be cleared within ten (10) working days after each trip, or will be deducted from the employee's next payroll check.
  - 2. Delinquent Travel Advance Accounts. Travel advances will not be made to an employee who has a delinquent travel account of 10 days. The Finance and Accounting Department will maintain travel advance amounts on a current basis and will furnish the approving official with written changes covering additions and/or deletions to be made to the delinquent account listing.
- C. All travel advances must be cleared prior to separation by an employee from Diné College. The College may deduct any or all uncleared travel advances from an employee's reimbursement received from his/her Travel Expense Report, retirement credit, final payroll check or any other amounts held on behalf of the employee by Diné College.
- D. Travel lasting less than 24 hours shall not be eligible for travel advances unless such travel requires overnight lodging.
- E. Review by approving official. The Supervisor shall review the Travel Expense Report at the time of submission by the employee to assure that the travel advance has been completely cleared.
- F. Probationary and Temporary/Part Time employees are not eligible for travel advances.

Exceptions may be made for special circumstances and upon written approval by the Vice Presidents, Provost or Controller of the College. In such instances no more than 80% of the allowable per diem will be advances. Advances must be cleared within ten (10 working days after completion of travel).

#### VI. TRAVEL EXPENSE REPORTS

ACCOUNTING FOR TRAVEL EXPENSES. All travel advances shall be reported on the Travel Expense Report. All meals and lodging obtained without cost shall be reported on the Travel Expenses Report.

- A. Lodging Receipts. Original receipts for lodging are required and shall be attached to the Travel Expense Report. Allowances advanced for lodging will be payroll deducted if receipts are not attached. Lodging Receipts shall have all charges incurred; room, taxes and other authorized incidental charges.
- B. Required Certification/Information. All departure and arrival times used to compute per diem entitlement shall be stated on the Travel Expense Report.
- C. Trip Reports. Each traveler shall submit a trip report or other documentation of daily activities for his/her supervisor's review upon completion of travel. Trip reports are required for reimbursement of travel expenses. Failure to submit a trip report timely shall result in any travel advances received being withheld from the employee's next payroll check.

FRAUDULENT CLAIMS. A claim against the Diné College for reimbursement of travel expenses shall be forfeited if the claim is fraudulent. Severe penalties may be imposed on a traveler who knowing presents a false, fictitious or altered claim against Diné College in accordance with the Administration of Discipline, Table of Penalties.

### ADMINISTRATIVE APPROVAL OF TRAVEL EXPENSE REPORT

- A. Responsibility of the Approving Official. The approving official is responsible for reviewing and ensuring that the Travel Expense Report is accurate and complete; that it contains all required certifications, statements or accounting of any travel advances received. Incomplete Travel Expense Reports will be returned to the traveler for appropriate action prior to approval.
- B. Signature of the Approving Official. The signature of the approving official on the approving official on the Travel Expense complete and accurate in accordance with this

policy.

ADMINISTRATIVE SUSPENSIONS. Items in the Travel Expense Report not allowed under this Policy or not properly supported by receipts shall be disallowed. The Finance and Accounting Office shall notify the traveler with a written explanation of any disallowances on the Expense Report. Any altered documents shall be considered VOID.

RECLAIMS. Unapproved receipts which have been voided but are subsequently found to be reimbursable, may be reclaimed upon a submission of sufficient justification and review and approval of such receipts by the approving official.

### EXPENSE REIMBURSEMENT LIMITATIONS AND RECEIPT REQUIREMENTS

- A. General College travel is reimbursed only on the basis of actual and reasonable expenses incurred, subject to the limitations set forth in this policy. Requests for reimbursement are to be submitted on a Diné' College Travel Expense Report form.
- B. Original receipts are required for all major travel expenses, including airfare, hotel, and car rental bills, and all individual expenses that exceed \$25.00.
- C. Travel estimates will be based on worksite to travel-site, unless in certain circumstances it is more effective and cost efficient to travel from one's home to travel-site.
- D. Travel from home to work or vice versa is not an allowable cost under federal guidelines.

### VII. STEPS TO PROCESSING A TRAVEL AUTHORIZATION

There are two forms used for travel documentation.

- A. Travel Authorization and Trip Report
- B. Blanket Travel Authorization. Diné College personnel whose positions require frequent reservation and local travel should use this form.

<u>Step 1</u> Complete the top portion of the Travel Authorization, Advance Request and Estimated Expenses for Per Diem calculation or Blanket Travel Authorization prior to travel.

- A. Use accurate information
- B. Indicate whether or not a travel advance will be necessary
- C. Obtain immediate supervisor signature of approval

- Step 2 Complete a Vehicle Request form (if necessary).
  - A. Indicate on this form type of vehicle needed
  - B. Obtain signature approval
- <u>Step 3</u> Forward both forms to the Finance and Accounting (at least 2 weeks prior to travel, if a Travel Advance is needed).
- <u>Step 4</u> Travel Advance check will be processed by Finance and Accounting and vehicle assignment will be processed by General Service's staff.
- Step 5 Upon completion of travel:
  - A. Return assigned vehicle to the General Services Department
  - B. Complete the bottom portion of the Travel Authorization. Advance Request and Expense Statement form or Blanket Travel Authorization to expense your advance. Do not forget to attach all expense receipts and a Trip Report.
- <u>Step 6</u> Submit documents to your immediate supervisor for review and approval.
- <u>Step 7</u> Forward approved travel documents to the Finance and Accounting within ten (10) days of your return from travel.
- Step 8 Travel reimbursement checks are processed through the Finance and Accounting. If a reimbursement is computed and all your document requirements are all completed, payment will be made in accordance with ACCOUNTS PAYABLE SCHEDULE OF DISBURSEMENTS for amounts over \$100.00, reimbursements less than \$100.00 will be processed in accordance with the Payroll schedule

Note: All travelers must attach an agenda at the time of submittal of Travel Authorization of the meeting, training, and conference, etc. that they are attending.

### VIII. DEFINITIONS

<u>Approving Official</u> – A Supervisor, Vice President, Provost, Dean or other employee who has delegated authority, in writing, to authorize, direct or approve travel.

<u>Common Carrier</u> – Mass commercial transportation furnished as a public service under rates prescribed by lawful authority. This includes railroad, bus and airplane. Taxicabs are not a common carrier.

<u>Blanket Travel Authorization</u> – A memorandum attached to a Travel Authorization form signed by an approving official authorizing travel for a group of Diné College staff. The memorandum must indicate the travelers, time, destination, purpose and mode of transportation.

<u>Employee</u> – An employee of Diné College who receives a salary or other form of periodic compensation from Diné College (excluding consultants/contractors).

<u>Per Diem</u> – A computed daily allowance paid to a traveler for subsistence and certain fees or tips necessary to the transacting of official business.

Official Travel – Travel by an employee for the performance of business on behalf of Diné College.

POV – Privately Owned Vehicle

<u>Propriety</u> – Conformity with established rules and regulations.

<u>Quarter</u> – A six-hour period of 24 hours; four quarters equals one day of travel.

<u>Residence</u> – Place of abode from which the traveler commutes daily to his/her official station.

<u>Temporary Duty Station</u> – Travelers' temporary place of business away from his/her official duty station.

Travel Advance – A check issued to a traveler prior to travel for business.

<u>Travel Authorization</u> – Form initiating and authorizing travel which indicates traveler, time, destination, purpose, mode of transportation and amount of travel advance.

<u>Traveler</u> – Any employee or other person authorized to travel on behalf of Diné College.

<u>Travel Expense Report</u> – Form used upon completion of travel requesting reimbursement of travel expense.

<u>Trip Report</u> – Form used to report all activities, accomplishments, and mileage while on travel. The form is required to be submitted with the Travel Expense Report.

#### TIME AND EFFORT REPORTING

#### I. PURPOSE

The purpose of Time & Effort Reporting is to document that federal funds were charged only for time actually worked on allowable cost activities and, ensure that federal programs paid only their proportionate share of personnel costs

### II. PROCEDURES

Diné College uses a timesheet to certify effort on a bi-weekly basis. Effort reporting is required for all employees who have been paid fully or partially from a federal/sub-federal source, or have cost shared time on federal/sub-federal sources. The Diné College timesheet must be certified by the Principal Investigator of each federal sponsored project that the employee is paid or cost shared on. If the principal investigator does not have specific knowledge of the work performed by an employee, then the report should be certified by a direct supervisor who has the knowledge of work performed. These certifications are due every 2 weeks.

Diné College uses a third-party online payroll processing company (PayLogics) to pay its employees on a bi-weekly basis.

The Payroll department organizes the payroll data in a special accounting journal called a payroll register or payroll journal. It gives the employer the information needed to record payroll for the pay period. Other examples of payroll documentation include but not limited to:

Leave Request

**Timesheets** 

**Faculty Contracts** 

Request for Personnel Account Change

Correspondence

### Time and Effort Reporting Process and Procedure for Grants:

- A. On a pay period ending date, each grant PI (Principle Investigator) will submit manual timesheets for their employees to payroll@dinecollege.edu for their grant's payroll expenditures.
  - 1. Requirements on manual timesheets:

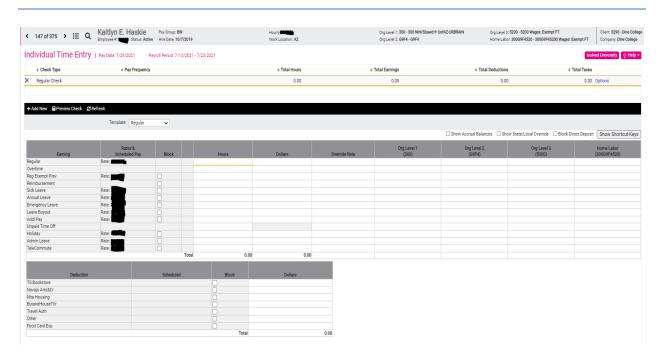
- i. Hours worked for the pay period ending.
- ii. Dates for pay period.
- iii. Any leave is indicated, with leave slips attached
- iv. Grant Budget Account Number for Payroll Allocation
- v. The Employee and Grant PIs signatures to certify and approval of the hours on the timesheet.

Example: Below is a snapshot of a Time sheet submitted for an employee who is charging to two different grant accounts. One grant is charged with 60 hours and another with 20 hours.

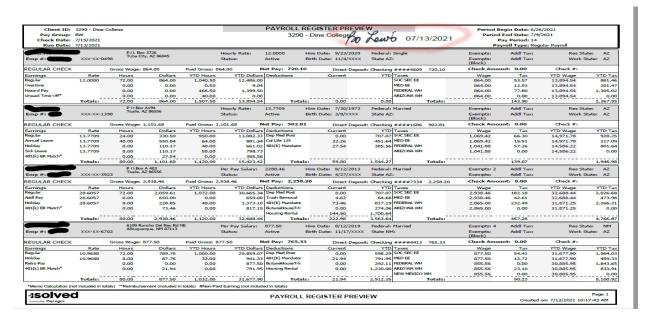
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254 – J9H4 – 5200 BLaST																								
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	Haskie, Kaitlyn	Labor			R	R	R	R	R			R	R	R	R	R		Г						$\neg$
75% URBrain	300-G9F4-5200	Hours			6	6	6	6	6			6	6	6	6	6	60	П						60
25% BLaST	254-J9H4-5200	Hours			2	2	2	2	2			2	2	2	2	2	20	П						20
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	Kaitlyn Haskie  Kaitlyn Haskie - Project Manager  Kaitlyn Haskie - Project Manager  Frederick Boyd , Ph.D Principal Investigator																							
	NOTE: There ar	re two a	acco	unts.																				

- B. An acknowledgement email is sent out by Payroll when timesheet is received
- C. Timesheet is then placed in the current Pay Period Ending folder generated after every pay period.
- D. Then the compiled Timesheet hours and grant account numbers are entered in PayLogics based on timesheet submitted (Source document)

Example: Below is a screen shot of a page from PayLogics, where the timesheet hours are entered into the PayLogics website.



- E. Once all timesheets are entered, a Payroll Register Preview is generated for review by DHR and VP of Finance & Administration.
- F. After review, corrections are made, if necessary per DHR and VP of Finance & Administration review.
- G. If any corrections were made to the original Payroll Register review, the VP of finance & Administration verifies the correction and signs the Payroll Register Review. (Example below)



- H. Then the payroll is sent to PayLogics for processing to be paid at scheduled pay date.
- I. Based on the reports from PayLogics, the Payroll information is uploaded into Diné College's ERP Platform Jenzabar General Ledger, which is verified by the Controller.
- J. All records relating to a Federal award will be retained for a period of seven years from the date of submission of the final expenditure report, or from the date of submission of the quarterly or annual financial report, for awards that are renewed quarterly or annually. In the event of litigation, claim, or audit, records will be retained beyond the seven year, until all litigation, claims or audits are resolved and final action taken.
- K. Records for property and equipment purchased with Federal funds will be retained for 7 years after final disposition of the asset.

#### **PAYROLL**

### I. PURPOSE

The purpose of the Payroll Procedures is to govern Diné College's payroll processing activities and in accordance to state, federal, and tribal regulations. Payroll processing is outsourced to an outside agency called Paylogics

### II. PROCEDURES

<u>Timekeeping:</u> The bi-weekly timesheets (See Attachment) shall be used to track and record employee hours.

Timesheet preparation: The following are timesheet requirements:

- A. Timesheets are to be prepared by the timekeepers for each division, department and campus centers. All Timekeepers are to ensure all hours, including leave hours, are accurately recorded.
- B. Approved and original leave request slips/forms must be attached to timesheets. Timesheets must have the following information:
  - 1. Total hours for each employee
  - 2. Total hours for department
  - 3. Pay period ending date
  - 4. Department title
  - 5. Department account number
  - 6. Total number of employees listed on timesheet.

Corrections to Timesheet: Timekeepers shall contact Payroll@dinecollege.edu of any necessary corrections needed to timesheets after they have been submitted.

- A. If corrections to timesheets are necessary, adjustments will be made within the next pay period.
- B. If a timesheet is not received within the timesheet deadline, employees will not be paid until the next pay period.

C. Payroll Period Ending: Pay periods shall cover a two-week period based on a 26 pay period cycle for regular, full-time employees. Faculty are paid either on a 20 or 26 pay period cycle as indicated within their approved contracts.

<u>Timesheet Submittal</u>: Timekeepers for departments/divisions and campus center must submit accurate timesheets for all Diné College employees.

Timesheet Due Date: All timesheets are due in the Payroll Office on Friday, pay period ending date.

- A. If the due date falls on a holiday, timesheets are due before the next regular business day.
- B. Due Dates are subject to change based on unforeseen circumstances. Such changes will be communicated with all respective departments, divisions, and campus centers.

Employee Review: Each employee must review the timesheet/timecard for accuracy of hours recorded and, if the employee agrees with the hours recorded, he/she shall verify/sign the timesheet/timecard.

Signature Approval: Signatures/Verification of the timekeeper, department head/supervisors, deans, are required. The timekeeper shall obtain the required signatures before submitting timesheet to the Payroll Office.

<u>Payroll Deductions</u>: The Payroll Office shall comply with state, federal and tribal regulations on authorization of payroll deductions.

Mandatory deductions. These deductions are mandated by state, federal, and tribal entities. These types of deductions include federal income taxes, contributions to social security and/or group care plans, pensions plans or those imposed by special purpose regulatory bodies and courts.

Voluntary deductions. These deductions are authorized by the employee on a voluntary basis. These deductions shall be limited due to high administrative costs and must be addressed to the Payroll Office in memorandum form. The memorandum must include employee name, social security number, deduction amount, pay period start date, employee signature, and justification for the voluntary payroll deduction.

<u>Direct Deposits</u>: The Direct Deposits service shall be processed through the Automated Clearing House (ACH) systems. The following procedures shall be followed:

A. The employee shall complete the Direct Deposit Authorization Agreement (DDAA) form to authorize the direct deposit of employee pay. The DDAA form can be obtained from

the Payroll Office or online through Paylogics.

- B. The employee must return the signed and completed DDAA form with a VOIDED or cancelled check or deposit slip to the Payroll Office two weeks before the pay period ending date.
- C. The employee may request to have direct deposits made to more than one bank account.
- D. In lieu of a paycheck, the employee on a Direct Deposit status shall receive a payroll earnings statement that may be obtained online in Paylogics.
- E. To cancel the direct Deposit the employee must provide a signed memorandum stating the financial Institution Name(s) and last four digits of the Account Number(s) to be cancelled two weeks before the pay period end date.
- F. This service is available to all employees who have active Paylogic account. All employees are encouraged to take advantage of this process.

<u>Lost</u>, <u>Stolen</u>, <u>or Destroyed Check</u>: Payroll checks that are lost, stolen or destroyed must be reported to the Payroll Office immediately.

The Payroll Office shall arrange for stop payment on the original check with the bank.

A replacement check may be issued as soon as verification has been received from the bank that the original check has not been cashed by the employee.

A signed affidavit must be retained from the employee stating that if the original check is found, it will be returned to the Payroll Office.

<u>Paydays</u>: Pay dates shall be in accordance to established and published pay dates (See attachment). Bi-weekly paydays for Diné College employees shall be designated by the Controller and direct deposits for employees shall be made on 12:00 a.m. on Thursday. Any deviations shall require the prior written approval of the Vice President of Administration and Finance or the President.

The designated bi-weekly pay date for the employees is on Thursday.

<u>Payroll Check Distribution</u>: Payroll checks shall be disbursed to permanent and temporary staff on a biweekly basis in accordance with the designated pay date schedule.

Payroll checks for permanent and temporary staff shall be mailed via U.S. Postal Service.

<u>Unclaimed Payroll Checks</u>: Unclaimed payroll checks must be returned and reported to the Payroll Office.

Salary Advance: The College does not provide Salary Advances for its employees.

<u>Quarterly Payroll Tax Reporting</u>: The following tax reports shall be filed with the respective agency on a quarterly basis.

Employer's Quarterly Federal Tax Return (Form 941): This form shall be filed within the Internal Revenue Service within 30 days of the quarter ended.

- A. First Quarter: March 31st. Due date: April 30th.
- B. Second Quarter: June 30th. Due date: July 30th.
- C. Third Quarter: September 30th. Due date: October 30th.
- D. Fourth Quarter: December 31st. Due date: January 31st.

Arizona and New Mexico State Unemployment Report: The report shall be filed with the Arizona Department of Economic Security and New Mexico Department of Labor within 30 days of the quarter ended.

Each quarterly report and tax return information shall be verified for accuracy with review by the Controller.

Copies of the quarterly reports shall be made and filed in the Payroll Office for the required retention period for audit, annual reporting and reference purposes.

<u>Year End Reporting of W-2 and W-3</u>: The following are the procedures for processing of W-2 and W-3 forms for all employees at calendar year end.

Paylogics Payroll Services will prepare and reconcile all employee W-2 and W-3 as stated within their contract.

All W-2 forms shall be distributed to employees no later than January 31st.

The transmitter report and summary of magnetic media (W-3 Form) shall be prepared with the current year W-2 Form information and transmitted to the Social Security Administration process center by February 28<sup>th</sup>.

#### SUBRECIPENT MONITORING

#### I. PURPOSE

The purpose is to monitor and ensure the success of sub-awards. This means regular monitoring of subrecipient's programmatic and financial activities. The subrecipient monitoring starts at the prime award proposal stage and ends when a subaward is fully closed.

The following Roles and Responsibilities Chart serves as a reference for the Diné College principal investigators, the Institutional Grants Office (IGO), and designated department personnel (business/ finance office), on managing the life of a subaward. Some of the following roles/responsibilities may be completed by the principal investigator and/or the business/finance office, depending on individual departmental procedures.

	Principal Investigat or	Business/ Finance Office	IGO
Proposal Stage			
Obtain detailed scope of work from Subrecipient, including deliverables, and a detailed budget with budget justification	X		
Correctly budget subaward on prime award with accurate subrecipient F&A rate	X		X
Subrecipient Commitment Form (To be completed by Subrecipient)	X		X
Award Stage			
Determine status of Subrecipient audits and whether Subrecipient Audit Certification Form will be used.			X

Draft new subaward	X		X
Review and approval of draft subaward	X		X
Forward subaward to Subrecipient for review and signature			X
Negotiate subaward terms and conditions with subrecipient	X		X
Obtain signature from subrecipient			X
Enter Requisition for fully-executed subaward in Jenzabar Financials		X	
Managing Award			
Monitor Subrecipient progress during the life of the award	X		
Review and approve subrecipient invoices	X	X	
Approval of Payment Request in Jenzabar Financials		X	
Prepare any needed Subaward modification	X		
Process Subaward Modification: compliance check (require			
PI and Dept. feedback), drafting, department approval, obtain Subrecipient signature, etc. (Responsibilities same as noted			X
for New Subaward)			

Enter PO Amendment in Jenzabar Financials	X	
Process fully-executed modification		X

## Subrecipient Monitoring at Proposal Stage

To ensure the successful performance by a potential subrecipient, the Diné College principal investigator and their department will carefully select a subrecipient.

- A. Learn the potential subrecipient's previous performance on similar projects and its financial situation and audit history.
- B. Obtain detailed scope of work, to include deliverables, and a detailed budget with budget justification.
- C. Analyze the costs proposed to ensure the costs are reasonable, allowable, and consistent with the scope of work proposed.
- D. Obtain a signed Subrecipient Commitment Form from the subrecipient.
- E. The Principal Investigator includes this information from the Subrecipient with the overall proposal budget and budget justification in the Grant Proposal Approval Form that is then reviewed by the Director of the Institutional Grants Office (IGO), and subsequently reviewed by the supervisor, the Provost or other Vice President, and the President.
- F. The fully signed form is provided to the AOR within the IGO, and the proposal can then be submitted.

### Subrecipient Monitoring at Subaward Issuance Stage

To fulfill the subrecipient monitoring requirements set forth by Office of Manage and Budget (OMB) Uniform Guidance (2 CFR 200), Section 200.331, Diné College performs the following compliance checks when issuing a subaward or a modification of the subaward:

### SAM.gov

For federally funded subawards, the IGO Director must ensure that a subrecipient is registered in SAM.gov. If the subrecipient is either not registered or their registration has expired, the

business/ finance office will contact the subrecipient to update this information.

### Audit – This is a requirement for both Federal and Non-Federal funding sources

For subrecipients that comply with OMB Uniform Guidance (2 CFR 200), Part F, Audit Requirements, the IGO Compliance Officer will review the subrecipient's Single Audit report or audited financial statements. If audit findings are present, a corrective action plan will be required in order to proceed with the subaward.

For subrecipients that are not required to comply with OMB Uniform Guidance Subpart F, an audit certification form must be completed. These forms are kept on record in IGO.

## Subrecipient Monitoring Risk Level

During the audit and compliance review process, IGO Compliance Officer will determine the subrecipient monitoring risk level. Criteria reviewed for determination of risk level assigned include:

- A. Have subrecipient's previous subawards with Diné College been in good standing?
- B. Dollar amount of subaward issued to subrecipient.
- C. Is subrecipient located outside of the United States?
- D. Is subrecipient non-OMB Uniform Guidance compliant?
- E. The Diné College principal investigator's and business/finance office's prior experience with the subrecipient
- F. Diné College department's compliance with the College's policies and procedures.

## Change in Risk Level

The assigned risk level can change during the life of a subaward due to:

- A. Changes in the terms and conditions of the award
- B. Increase in dollar amount of subaward
- C. Relevant subrecipient audit findings
- D. Issues with subrecipient compliance with the subaward terms and conditions

### **Debarment/Suspension**

The IGO Compliance Officer is required to complete this compliance check for both the subrecipient organization and subrecipient principal investigator(s). In case of any issues, the Director of IGO will contact the organization for further information to determine whether the subaward can be made.

### Prime Sponsor Specific Requirements

IGO is required to flow down the prime award terms and conditions. These may include but are not limited to:

- A. FFATA: Federal Funding Accountability and Transparency Act
- B. E-Verify: Certification of Compliance with FAR 52.222-54 Employment Eligibility Verification
- C. Conflict of Interest (COI):
  - 1. PHS. Relevant PHS regulations: 42 CFR 50.605(a)(5)(i) and 45 CFR 94.5(a)(5)(i)
  - 2. NSF 14-1, Chapter II.C.1.e or CFR 200.112 or 42 CFR 50.604) For additional details, see Diné College COI policy

### Developing the Subaward Document

In making the Subaward, the College is using the FDP Cost Reimbursement Research Subaward Agreement template, created by the Federal Demonstration Partnership. This template allows us to select which funding source (NSF, USDA, NIH, etc.) is involved, and that automatically includes then all of the relevant Research Terms and Conditions that are correct for that agency. The template guides us in providing all the information required, including:

- A. Statutory requirements such as non-discrimination, drug-free workplace, animal rights, human subjects, and any applicable grant terms and conditions,
- B. Any additional requirements necessary in order for the pass-through entity to meet its own responsibility to the Federal awarding agency (such as the timely submission of financial, technical and performance reports, and NSF award flow-down provisions and clauses.)
- C. The indirect cost rate(s) and base(s) approved for the subrecipient,

- D. Audit requirements and the prime awardee's access to records,
- E. The prime awardee's right to conduct technical and administrative site visits,
- F. Termination clauses and/or legal remedies for non-performance, and
- G. Closeout procedures (when the subaward is completed).

## Subrecipient Monitoring During the Life of a Subaward

When the subaward agreement is issued, the Diné College principal investigator and the business/ finance office will start to fulfill the responsibilities detailed in the subrecipient monitoring plans. Please note that subrecipient monitoring activities will vary, based on the risk level assigned to a subrecipient. Risk levels are assessed and determined by IGO. Note that the risk level can change during the life of a subaward.

### Subrecipient Monitoring Activities - Principal Investigator Responsibilities

The Diné College principal investigator will perform frequent and regular monitoring activities. For low risk, the activities will include:

- A. Subrecipient Communication: The Diné College principal investigator will set up and document a communication schedule with the subrecipient principal investigator in order to monitor the subrecipient's progress on a regular basis. Communication can include the following:
  - 1. conference calls
  - 2. emails
  - 3. in-person meetings

Communication will entail, but is not limited to, progress of the subaward and award expenditures. Communication with the subrecipient will be documented. For example, keeping records of meetings (formal or informal) with the subrecipient – when, where, who attended, etc. For phone conversations, notes recapping the conversation, to include the date and time, will be kept.

- A. Expenditure Analysis: In collaboration with the Grants Accountant, analyze expenditures to ensure costs fall within the scope of work and budget
- B. Subrecipient Reports: The principal investigator will ensure timely receipt and approval

of technical reports, performance/progress reports, financial reports, and other deliverables to ensure that the subrecipient in on schedule.

- 1. Performance/progress reports include verification of the work being conducted and the results are in line with the approved scope of work.
- 2. If the subrecipient falls behind schedule and/or approved budget costs dramatically change, work with the subrecipient to rectify the issues.

For subrecipients regarded as higher risk, principal investigators will consider additional monitoring of the subrecipient such as:

- A. Site visits to the subrecipient's physical site location
- B. Increased communication to ensure the project is on track and on budget, and to address any issues related to the project.

### Subrecipient Monitoring Activities – Business/Finance Office Responsibilities

Diné College business/finance office, the Grants Accountant, will work closely with the principal investigator, subrecipient, and IGO to fulfill the subrecipient monitoring duties. Responsibilities include, but are not limited to the following:

- A. Maintain up-to-date and complete files of subaward monitoring activities, such as Financial reports submitted by the subrecipients
- B. Ensure that an appropriate system generated financial report is included with invoice and review the transactions for allowability. The financial report will include transactional and payroll records.
- C. Review invoices and financial reports to ensure:
  - 1. Payment is within the subaward terms and conditions AND period of performance
  - 2. Invoice certification required by OMB Uniform Guidance (2 CFR 200), Section 200.415 is included on all invoices, annual and the final financial reports.
- D. Periodically sample financial transactions and request supporting invoices and/or receipts from the subrecipients.
- E. Ensure the principal investigator has reviewed and approved expenditures of the invoice and has completed and signed the purchase invoice to approve payment.

F. Communicate with IGO regarding any subrecipient non-compliance with the terms of the subaward, including invoicing and reporting.

## <u>Subrecipient Monitoring Activities – IGO Responsibilities</u>

IGO provides support to and collaboration with principal investigators and business/finance offices throughout the life of subawards. IGO roles and responsibilities include the following:

- A. IGO Compliance Officer performs compliance checks at subaward issuance and each modification.
- B. IGO Compliance Officer reviews subrecipient audits and other factors to determine level of risk for each subaward.
- C. IGO Data Manager maintains subaward files and enter subaward data in Cayuse.
- D. IGO Compliance Officer will perform periodic desk audit of selected subawards/ subrecipients for cost allowability and compliance with terms and conditions.
- E. IGO Director will perform periodic internal review of selected departments for compliance with the College policies and procedures.

#### Review and Approve Invoices & Supporting Documentation

This section provides detailed procedures for reviewing and approving invoices and supporting documentation. When reviewing invoices and supporting documentation, the principal investigator and the Grants Accountant with the business/finance office will do the following:

- A. Ensure financial reports required per terms and conditions of the subaward are received and complete.
- B. Review supporting financial reports to ensure expenditures are allowable according to the prime award requirement.
- C. Analyze the invoiced costs to ensure the costs are consistent with the technical progress and the scope of work proposed.
- D. Review to ensure required invoice certification is present. The invoice certification required per OMB Uniform Guidance (2 CFR 200), Section 200.415, will be on all invoices, annual and final financial reports.
- E. Ensure a detailed, system-generated, financial report that includes a list of transactions

and payroll records accompany each invoice. In the event of questionable expenditures, within five (5) business days of receipt of the invoice, additional supporting documentation will be requested by the business/finance office. This may include supporting invoices and receipts for transactions that do not appear reasonable.

- F. Conduct a periodic sampling review of transactions and/or payroll records to ensure costs incurred by the subrecipient are reasonable and allowable.
- G. Initiate a purchase requisition to pay the invoices from the subrecipients, approved by the principal investigator and the business/finance office.

## Review Performance/Program and Financial Reports

The section provides guidance for reviewing performance/program and financial reports. When reviewing performance/program and financial reports, the principal investigator and the Grants Accountant with the business/finance office will do the following:

- A. Ensure progress and financial reports are received based on the terms and conditions of the subaward.
- B. Verify that the work is being conducted and the results are in line with the proposed scope of work.
- C. Ensure that the expenditures are allowable and within the scope of work.
- D. Progress reports could include a detailed budget for the next budget period, updated key personnel, as well as Institutional Review Board (IRB) or Institutional Animal Care and Use Committee (IACUC) approvals, if applicable. Ensure changes or updates are addressed as required. Communicate with the subrecipient if there are concerns or questions with regard to the reports provided.

#### Audits

Every subaward issued by Diné College is subject to audit. Subawards can be audited by any of the following entities:

- A. Sponsor audit
- B. Diné College Internal Audit
- C. IGO internal review

During the course of an audit, the auditors will request and review subaward documentation as proof of appropriate subrecipient monitoring as to comply with Diné College policy and procedure, and Federal oversight requirements, and prime sponsor requirements.

If a subaward is selected for audit, IGO will notify the principal investigator and the Grants Accountant with the business/finance office via email, providing notification of who is performing the audit, when the audit will take place and what documentation is being requested for review. If an auditor contacts a department directly, the business/finance office must notify IGO immediately.

Subawards that are selected for audit are required to provide documentation for review to evidence:

- A. Compliance with federal/state requirements with an emphasis on expenditures occurring for the given fiscal year audited. Example of documentation that's requested can include, but is not limited to, the following:
  - 1. Copies of invoices and appropriate system generated financial reports for each payment made.
- B. Payments made to subrecipients were made within prime award guidelines and within the terms and conditions of the subaward. Example of documentation that can requested:
  - 1. Purchase invoice to verify if the appropriate reviews and signatures were provided for each payment made.
  - 2. Proof of deliverables may be requested.
- C. Compliance with the terms and conditions of the subaward and those flowed down from the prime award.
  - 1. Review of subaward files to ensure that the appropriate federal compliance reviews were performed and documented accordingly.
- D. Compliance with the subrecipient monitoring requirement. Example of documentation that can be requested:
  - 1. Email or any correspondence that verifies that the appropriate monitoring was performed.

### Sponsor Audit

Any prime sponsor, including federal agencies' Office of Inspector General, or any pass-through sponsor has the right to audit funds awarded to Diné College.

Audit of these funds can be done at any time during the life of the project and for several years after the project has termed.

### Diné College Internal Audit

Diné College's Finance Department has the right and responsibility to audit subawards to ensure that Diné College complies with all federal regulations and requirements.

This audit can be performed at any time during the life of the subaward or for a reasonable period thereafter.

### IGO Team Desk Audit and Internal Review

IGO periodically selects subawards for the following types of reviews:

- A. Internal review of the responsible department to ensure the subrecipient monitoring procedures are followed and performed. This review is designed to help departments prepare for future external audits.
- B. External desk audit of the subrecipient for cost allowability and compliance with terms and conditions of the prime award and the subaward

#### CASHIERS AND STUDENT BILLING

#### I. PURPOSE

Dine College will establish a Procedure for Collections and Billing to be followed by all Campus Centers.

#### II. PROCEDURES

The Cashier Office does not act in the function of check-cashing services to employees or students. The Finance and Accounting Cashier will receive all payments to student accounts, outstanding employee travel advances or other college receivables.

All payments at Community Campus Centers must be by cashier's check, credit card or money order form only. No cash payments are to be accepted.

All funds solicited in the name of the college must be deposited at the Cashier Office. This includes cash for services, donations and funds raised for specific purposes. These funds may be added to an existing account, or a new account may be established depending on the purpose of the funds.

### **Student Disbursements**

Before refund requests will be made; all student charges and adjustments must be determined as to the exact balance status of the student billing ledger account.

- A. Financial Aid is charged with the responsibility as to what funding the student billing ledger account should be credited with on a timely basis.
- B. The bookstores are responsible to ensure that all charges to student accounts are credited on a timely basis.
- C. The Residential staff is responsible in ensuring that all appropriate departments are notified of students residing in residential dorms on a timely basis.

Refund request for students must be received with the Cashier by Tuesday at 12:00 p.m.

Checks will be processed and disbursed to the Cashier by 1:00 p.m. on Fridays.

#### Student Billing System

Fee Collection is a module that allows entering and maintaining student fee information. More

specifically, Fee Collection distributes student fees to the proper accounts when they are collected and entered by personnel. Fee payments may be made by students through cash, money orders, financial aid, or third party transactions.

Student Billing System module allows the cashiers to:

- A. Determine the type of payment (cash/charge, deferment, or financial aid) for each fee a student has accumulated and collect payments for each fee.
- B. Receive payments from the student and apply them to the appropriate fees.
- C. Allow payment of a single fee by a combination of payment types, or by more than one deferment.
- D. Allow the menu user to toggle between the student's current paid fees and current outstanding fees.
- E. Allow the menu user to view or print a statement of the student's billing history.
- F. Allow the menu user to print a student's SDS (student data sheet) before or after saving the information to the database.
- G. Identify the conditions for which you should refer students to the Finance and Accounting or the Financial Aid Office at your institution.

### Purpose of Fee Collection

The purpose of Fee Collection is to enable you to record fee payments for tuition, board, and other expenses. These payments may be in the form of Financial Aid, Third Party payments or cash, money orders, or credit card payments from a student.

### Prerequisite Tasks

A student would be able to register if:

- A. They have an outstanding bill of \$150 or less
- B. Or pay 75% of current outstanding bill at registration
- C. Or students without any financial aid support (cash paying) are eligible to enter into a deferred payment with the college (promissory note). They must have employment verification papers or parents present with such documents.

### Fee Collection Process

The following list describes each of the processes that occur for collecting student fee payments.

- A. The Admissions Office/Registration Office enters student ID numbers and other enrollment information, and processes transcripts.
- B. The Financial Aid Office determines financial need, award amount, and type of financial aid for each student.
- C. The Registration Office registers students for courses.
- D. The Cashier Office bills and receives payment from students.

The Finance and Accounting/Financial Aid Office reconciles payments and refunds with deferment agencies and financial aid sources, and resolves discrepancies, special circumstances, and problems that may arise.

### Cash receipts & collections

- A. Each campus cashier is responsible for collecting all student fees due.
- B. Each campus cashier will accept money orders, credit card, or cashier's checks only.
- C. Prenumber receipts will be issued for all transactions processed.
- D. Each campus cashier is responsible for his or her workstations and funds collected.
- E. Each campus cashier is responsible to ensure proper transaction closure is made at end of workday.
- F. Each campus cashier is responsible to balance his or her cash drawer's daily.
- G. Each campus cashier is required to deposit daily.
- H. Each campus cashier is required to ensure closure of deposits daily and monthly.
- I. Each campus in responsible for ensuring all receipt documents are forwarded to Tsaile Finance and Accounting on a timely basis.
- J. All campus cashiers are authorized to utilize the Jenzabar system for all transactions.
- K. Cash payments on account will be accepted ONLY at the Tsaile campus, Shiprock

campus and Chinle center.

## **Line-or-Authority**

Off Campus Center Directors have direct supervisory responsibilities through the line of authority of the Office Managers. The Office Managers job responsibility entails the handling of cash and the following items are listed in the list of duties and responsibilities.

- A. Preparation and verification of cash receipts on a daily basis for submission to the Finance and Accounting for input.
- B. Prepares deposit slip(s), make deposits and prepares deposit summary report and submits to the Student Account Technician for review, in a timely manner.
- C. Prepares and distributes pertinent information and forms regarding Admission, Financial Aid, Bookstore and Finance and Accounting.
- D. Receipts will be reconciled and any discrepancies will be reported to the CFO
- E. Must be skilled in basic bookkeeping.

The performance appraisal is completed semi-annually by the Center Directors. The Directors work with the Office Managers on a daily basis and oversee all their activities. The Office Managers are required to work closely with the Finance and Accounting Personnel as outlined in their job descriptions.

The line of authority for the Office Coordinator/cashier at the Shiprock Campus is under The Finance and Accounting Manager. The Shiprock Campus Director does the performance appraisal for the Cashier and works with her on a daily basis.

The line of authority is in place at this time, however, office managers at the community campus centers and the cashier at Shiprock need to work with the Tsaile Finance and Accounting due to transactions involved within their job responsibilities. The Controller, oversees the implementation of the Finance and Accounting procedures relating to student transactions and the cash handling procedures.

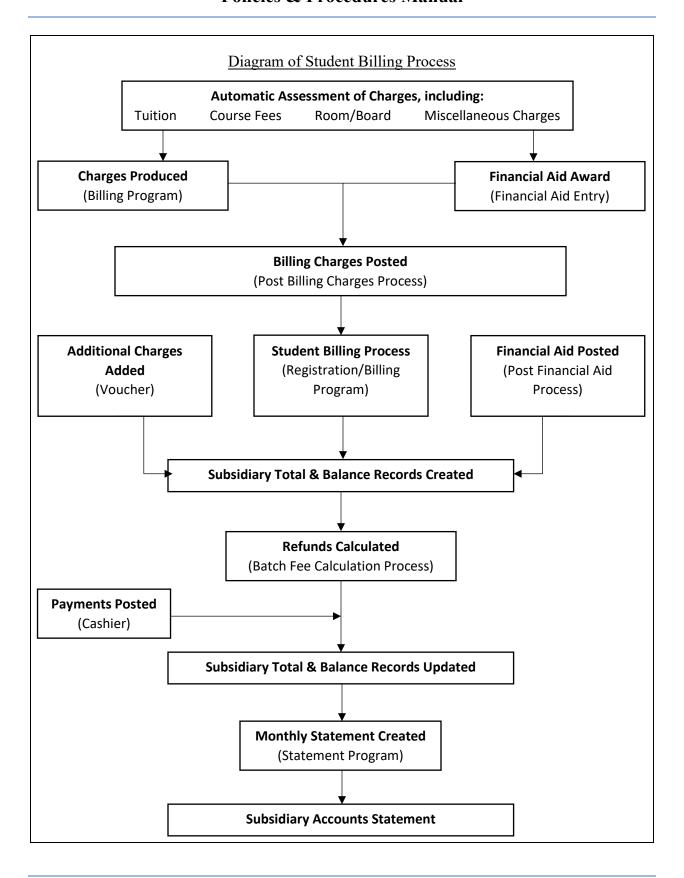
<u>Problems and Solutions</u>: Situational problems that will occur while processing payment information for a student, as well as probable solutions.

A. An error occurs while processing the student's fee record, and cashier is unable to process the student's record. If a student comes to the cashiers office and requests status

information and cashier is unable to bring up data. It probably means the student hasn't been entered officially by the registrar's office yet. They must go down to the registrar's office and register to be an official student.

- B. Financial Aid is not in the system for the student, but the student is expecting it. Normal procedure is the student should always check with Financial Aid first. Student should have award documents with them.
- C. No ID exists for the student on the database. The database is checked first using the students social security and name first. Then if nothing shows for student they are instructed to go down to the registrar's office to have an id assigned to them.
- D. The student decides to add or drop a course before paying his or her fees. As long as it isn't affected by the number of days timeline set for percentage deduction then there is no problem but thereafter deduction will have to be made based on the number of days passed.
- E. The student does not have enough money to fully pay his or her fees. The student has different options available to them for registration capabilities. First, did the student apply for financial aid? If so, student should have award letter. Second, they can if possible do a deferred payment promissory note with some form of financial means such as part-time work or parents. If parents are helping student, the parents must come in and sign the promissory note.
- F. The student upon registering for classes discovers he has a prior outstanding balance.
  - 1. A student would be able to register if:
    - a. They have an outstanding bill of \$100 or less; or
    - b. Pay 75% of current outstanding bill at registration; or
    - c. Students without any financial aid support (cash paying) are eligible to enter into a deferred payment with the college (payment plans). They must have employment verification papers or parents present with such documents.
- G. A student wishes to use the current semesters' funds to pay prior semesters balances. The Finance and Accounting has been allowing students to pay on accounts so the receivables can be maintained at a reasonable level. Ordinarily according to Financial Aid this procedures is not to be done but in order to assist students it is being allowed at this time.

H. A student wishes to utilize the deferred payment method. As long as the student has a means to pay back before the next semester this method of allowing the student to register is being done. Either the student must have a part-time job or the parents must come in and sign with the student agreeing to assist in payment. If the student does not pay on schedule they must schedule a meeting or they will be dropped from their classes.



# INVESTMENTS

Refer to the Diné College Master Investment Policy.

#### VEHICLE HANDBOOK

#### I. PURPOSE

This handbook establishes policies, and procedures regulating the acquisition, assignment, use and operation of Dine College, GSA vehicles.

This policy shall apply to all motor vehicles owned or controlled by Diné College General Services, whether donated, bought or leased by the College or by any program, grant, or contract or any other subdivision of the College. This policy applies to all persons who use Diné College vehicles and highlights their responsibilities in the upkeep and safe maintenance of the Diné College vehicles.

#### II. PROCEDURES

### Processing of a Vehicle Request Form

- A. Requests for Temporary Assignments: Any Department requesting a Temporary Assignment of a vehicle shall present a properly executed Vehicle Request, signed by the Driver, Department Supervisor and Finance and Accounting, then to the General Services Department. The General Services Department will then assign a vehicle, subject to availability of a vehicle.
- B. Request for Long-Term Assignments: Any department requesting a Long Term Vehicle Assignment must check with General Services Department for such approval well ahead of time then submit a properly executed Vehicle Request, signed by the, Department Supervisor, Controller, then to the General Services Department who will then assign an a appropriate vehicle, subject to availability.
- C. Requests for Permanent Assignments: Any Department requesting a Permanent Vehicle Assignment shall submit a written Request through administrative channels to the Controller. The Controller may grant Permanent Vehicle Assignment on such terms and conditions as they may see fit.
- D. Department Assignments: Unless otherwise specified, Vehicle Assignments are for Departments and not for individual use. Vehicle assigned to Departments are to remain available for all departmental business. Vehicles are not to be used for personal use by Department Supervisor. Permanent Assignments for vehicles to Department Supervisors and certain key personnel shall be only upon approval of the Controller.

Assignment of Vehicles: There shall be three (3) classes of vehicle assignments.

- A. Temporary if a vehicle is assigned for any period of time to one week, it shall be deemed a temporary vehicle assignment.
- B. Long Term If a vehicle is assigned for a definite period of time in excess of one week, of one it shall be deemed a long term assignment.
- C. Permanent If a vehicle is assigned for an indefinite period it shall be deemed a permanent assignment.

<u>Eligibility of Vehicle Assignment</u>: In order to be eligible for a vehicle assignment, a Department must have qualified operators for the vehicles. In order to be qualified operator a person must:

- A. Be a full time or temporary full time employee of the College.
- B. Employee shall have a valid state operator's license.
- C. Be physically able to perform normal driving duties.
- D. Have completed a defensive driving (class) and obtain the defense driving certificate.
- E. Not be suspended or otherwise barred from operating College vehicles by the College Administration and Department of Motor Vehicle.

#### Suspension of Revocation of Vehicle Assignments

Conditions: Actions which may results in loss of operator's certification or vehicles assignment.

- A. Temporary Assignments of vehicles may be suspended or revoked for violation of the Regulations set forth below by the Diné College's Policy and Procedures Manual.
- B. Long Term Assignments of vehicles may be suspended or revoked for violation of the Regulations set forth below by Diné College's Policy and Procedures Manual.
- C. Permanent Assignments of vehicles may be suspended or revoked for violation of the Regulations set forth below by Diné College's Policy and Procedures Manual.
- D. Vehicle Assignments may be suspended or revoked for the following:
  - 1. Operator was negligent and caused a motor vehicle accident resulting in death, personal injury of another person or serious property damage.
  - 2. Operator has habitually violated traffic regulations which indicate disrespect of

traffic laws and disregard for the safety of other persons and property.

- 3. Operator has violated traffic regulations by reckless driving, driving while under the influence of alcohol or illegal drugs.
- 4. Operator is mentally or physical incompetent to operate a motor vehicle.
- 5. Operator has permitted an unlawful or fraudulent use of Diné College or GSA vehicle.
- 6. Operator has allowed an unauthorized person to operate a Diné College or GSA vehicle.
- 7. Operator has violated the vehicle use policies of the Handbook.
- 8. Operator has provided false information in the process of applying for a defensive driving certificate.

<u>Leasing of Vehicles</u>: All direct leasing arrangements by grant/contracts are subject to specific recommendations and approval by the President of the College.

<u>Duration of Vehicle Assignment:</u> Vehicle assignments shall not exceed the duration as approved on the vehicle request. There shall be no renewal of a vehicle without prior formal approval of the Department Supervisor.

<u>Mileage Log</u>: Every person or Department that has been assigned a vehicle shall maintain a mileage log for each vehicle. The log shall state the beginning and ending mileage for each trip, destination, and total miles traveled. At the end the travel, the mileage log, fuel receipts, and vehicles keys will be return to General Services or Campus Police Department (after hours).

<u>Vehicle Loans between Departments:</u> It is permissible for the Department Supervisor to loan vehicles assigned to his department temporarily to another Department, provided that the person to whom it is loaned qualifies as an operator. However, responsibility for the vehicle remains with the Department Supervisor to whom the vehicle is originally assigned.

<u>Display of College Seal</u>: Except for vehicles formally exempt by the President, all Diné College vehicles are required to display the proper vehicle identification. Each vehicle must display the assigned Official Use Only Diné College Seal, vehicle identification number, and proper state license, registration and insurance information.

Gasoline Fuel Conservation Guidelines for College or GSA Vehicles

- A. Diné College or GSA vehicles shall not be driven at speeds in excess of 55 miles per hour or the posted speed limits, except for College owned emergency Vehicles.
- B. All vehicles shall have correct tire pressure at all times.
- C. Commuting between offices during working hours using Diné College vehicles shall be kept to a minimum.
- D. Carpooling is encouraged when travelers have the same destination.
  - 1. In most cases, travel is planned before travel is actually taken. In those instances carpooling is acceptable and possible travelers/drivers are encourage to let their travel plans be known by filling out the appropriate information on the TRAVELERS VEHICLE REQUEST.
  - 2. In the likely event that travelers are from different Departments, the cost of travel, i.e., use of college vehicles could be determined and can be shared as agreed to by both travelers.
  - 3. Diné College employees and officials will not be reimbursed for mileage when using College vehicle.

<u>Accountability</u>: On 3rd of the month, each department with permanently assigned vehicles shall submit a monthly vehicle report to General Service Department. The following information will be attached to the Monthly Vehicle Report, mileage log, and fuel receipts to verify mileage and vehicle rental charges to the General Services Department for monthly charges.

<u>Operation of Vehicle by Students:</u> Vehicles may not be assigned and operated by students. The College employees to who the vehicle has been entrusted shall be responsible for proper operation of the vehicles at all times. At no time shall a student operate the vehicle.

<u>Services and Repairs</u>: Operators of Diné College vehicles are required to utilize the Diné College General Services' Delivery Personnel to arrange/schedule services to and from service shop. All original copies of the service repairs (invoices) will be return to General Services Department and forwarded to Accounts Payable with appropriate Requisition.

<u>Preventive Maintenance</u>: Both the vehicle operator and the Diné College General Services Department have important roles in the preventive maintenance. The purpose of preventive maintenance includes insuring vehicle's reliability and reducing operating cost by correcting discrepancies before they become major problems.

### **General Service Departmental Responsibility**

The General Services department is responsible for scheduling and accomplishing the "A", "B" and "C" service and for doing un-scheduled or breakdown repairs on College or GSA vehicles.

- A. "A" services are mainly oil and filter changes and safety inspections of the vehicles. These services are usually scheduled every 5,000 miles (police vehicles every 3,000 miles).
- B. "B" services, which are scheduled every 8,000 miles, include "A" services and more extensive inspection and adjustments and will usually include tire rotations and front end alignment.
- C. "C" services, occurring every 15,000 miles, include "A" and "B" services through inspection, adjustment, or repair of the entire vehicle, including transmission, brake service.

Vehicles Schedule for "A", "B" and "C" services should be delivered to the General Services Department at the required mileage, plus or minus ten percent. It is recommended that vehicle users contact the General Services Department to arrange a time for required services.

<u>Inspection of Vehicle</u>: The General Services Department shall inspect all vehicles before they are assigned and when they are returned at the end of the period of assignment. Service and Inspection reports must be kept on all vehicles. Any undue damage or wear shall be recorded.

- A. Fuel charge cards may be temporarily assigned by the General Service Department. The Operator must have a Travel Authorization Form his/her department supervisor which contains the length of time the card is to be used, the nature of the business, and adequate justification for the Fuel charge card. ALL FUEL CARD RECEIPTS MUST CONTAIN THE VEHICLE INDENTIFCATION NUMBER. Fuel Card receipts without a vehicle identification number may result in the personal liability of the employee. Employees found responsible for unauthorized purchases may be subject to personal liability and disciplinary action. Immediate surrender of the fuel card involved in the unauthorized purchase is also required. Fuel Card purchases are subject to all existing rules and regulations.
- B. GSA Vehicle are assigned Voyager fuel cards. The Voyager card is used to purchase fuel, oil, tire repairs and services repairs to the assigned GSA Vehicle. The Voyager card is restricted ONLY to the assigned GSA Vehicle.

C. In the event of a breakdown or major maintenance requirement while on travel status, it will be necessary to call the General Services Department before authorizing service repairs to be performed. In the event of an accident or emergency, you may take whatever action seems appropriate and be prepared to give justification.

<u>Supervisor Responsibilities</u>: Division/Departments/ supervisors have a primary supervisory responsibility to ensure that assigned Diné College Vehicles are used in accordance with the requirements of this Handbook. These responsibilities include, but are not limited to, the following:

- A. Valid State Driver's License
- B. Employee must have completed 4 hours of Defensive Driver's class
- C. Employee will provide a copy of valid state driver's license front and back; and any renewals of their driver's license to the Human Resource Representative and General Services Department.
- D. Employee will be required to retake the Defensive Driver's course before the expiration of the current Certificate.
- E. Appropriate disciplinary measure will be taken in instances of operator misuse or abuse of vehicle.
- F. Compliance with the preventive maintenance program schedule.

<u>Operator Responsibility</u>: Vehicle operator responsibilities include, but are not limited, to the following:

- A. Operating the vehicle in lawful, prudent, and safe manner.
- B. Paying or otherwise settling all traffic citations and parking violations issued by law enforcement agencies for driving and parking offenses.
- C. Operating the vehicle only for official Diné College business and only with authorized persons in the vehicle.
- D. Returning the vehicle to General Services Department in a timely manner for accomplishment of scheduled maintenance services. General Services Department will retain vehicle if not return in time or in-excessively over due on preventive maintenance schedule.

- E. Safeguarding the vehicle and its installed and associated safety equipment and cargo.
- F. Signing an acknowledgement of Driver Responsibilities upon completion of the Defensive Driving Course, a copy of which will be place in the Personnel Records and General Services Department.

## **Operator of Long-Term Assigned Vehicle Responsibilities**

The vehicle operator must be alert for signs the vehicle in malfunctioning. Unusual noises, evidence of oil or coolant leaks, warning lights, below-par performance are al indicators that something is wrong and needs immediate attention. Contact the General Services Department without delay or arrange for repairs.

The vehicle operator should also make a daily before-operations walk-around check of the vehicle, for low tire pressure, and for oil or coolant leaks. Have discrepancies corrected without delay.

At least weekly or when refueling the vehicle, check under the hood to ensure that oil, coolant, and windshield washer solution levels are within normal operating limits. Correct low levels without delay.

At least weekly, check all lights for proper operation. Have inoperative lights replaced by the General Services Department.

Upon receipt of notification of vehicle maintenance schedule from General Services deliver the vehicle on time for the performance of "A", "B", and "C" services and take all personal items and trash out of vehicle before leaving the vehicle at the shop.

Keep the vehicle clean, interior and exterior.

An operator inspection form is given each time a traveler is assigned a vehicle.

Accidents: In the event of an accident, take the following actions:

- A. STOP and render reasonable assistance to any person injured in an accident.
- B. Police Notification
  - 1. If the accident occurred on the reservation, notify the Tribal Police.
  - 2. If the accident occurred off the reservation, notify the appropriate Police agency depending on where the accident occurred.

- C. Notify your Department supervisor and General Services Department.
  - 1. Your name and college vehicle description
  - 2. Location of accident
  - 3. What happened?
  - 4. If anyone was injured
- D. Conduct at the scene of the accident.
- E. Do not move vehicle until authorized by a Police officer.
- F. Secure names and addresses of all available witnesses.
- G. Do not express any opinion regarding who was at fault.
- H. Do not engage in argument as to who was responsible for the accident.
- I. Do not give information except the required by law concerning the accident except to investigating police officers.
- J. Accident Report: Obtain an accident form (Driver's Report of Vehicle Accident) from General Services Department within one (1) working day of the accident and prepare it according to the instruction provided. If unfamiliar with the form and its process, inquire with the General Services Personnel and they will assist you with filling out the form.

### Vehicle use Restrictions:

RESPONSIBILITY: Diné College employees are required to economically use and protect the Diné College property and equipment which is entrusted to them. This manual further provides that employees shall be held accountable for loss or damages of Diné College property for which they are responsible when the loss or damage is due to negligence or carelessness. This specifically includes the operators of Diné College vehicles.

REVIEW: Chapter XV. Prescribes the actions to take in the event of an accident. If the circumstances, the accident and police reports, the review of these of additional sources of information indicated the possibility of Diné College vehicle operator carelessness, negligence, or vehicle misuse, the matter will be referred the Department of Human Resources through administrative channels for review and if appropriate, assessment of costs.

ABUSE: Indications of vehicle abuse will be reported and documented by maintenance personnel during vehicle services. These instances may be also be referred through administrative channels to the Department of Human Resources for review and, if appropriate, assessment of costs. Examples of vehicle abuse include, but are not limited to, damage to the engine caused by operating the vehicle with low oil or coolant levels and making unauthorized modification to the vehicle.

COST ASSESSMENT: In addition to suspension or revocation of college vehicle driving privileges, the Department of Human Resources may also assess the actual cost of repair of Diné College vehicle damage. The amount of damages assessed shall in no event exceed the actual costs of repair or four weeks regular pay. The person against whom the costs are assessed may choose to pay the damages in one payment or to pay installments through payroll deduction over a six-month period.

APPEALS: Persons who believe that assessments for damages have been unjustly made may appeal to the Department of Human Resources.

#### Penalties for Vehicle Abuse:

GENERAL: Unauthorized use of a Diné College vehicle may be grounds for revocation of vehicle use privileges for staff and may also result in revocation of the Department Vehicle assignment. In either instance, the Department of Human Resources will take what action deem appropriate after considering all available pertinent information and having afforded the affected Operator and Department an opportunity to present information.

ACTION: Department of Human Resources is authorized to suspend or revoke a permit of an operator of a vehicle assignment upon showing by its records or other sufficient evidence that the permittee:

- A. Has committed an offense for which mandatory revocation of license is required upon conviction.
- B. Has been determined as the negligent driver in any accident resulting in the death or person injury of another or serious property damage.
- C. Has been convicted with such frequency of serious offenses against Traffic Regulations governing the movement of vehicles as to indicate disrespect for traffic laws and disregard for the safety of other persons on the highways.
- D. Has been convicted of reckless driving or driving while under the influence of alcohol or

illegal drugs.

- E. Is incompetent to operate a motor vehicle
- F. Has permitted an unlawful or fraudulent use of a Defensive Driving Permit.
- G. Has committed an offense in which, if committed in the Navajo Nation, would be grounds for suspension or revocation.
- H. Has allowed as unauthorized person to operate a Diné College vehicle.
- I. Has violated the proper use of a Diné College vehicle.

#### Revocation and Suspension

Revocation is a Mandatory Action; suspension is a Discretionary Action that may be taken by the Department of Human Resources. The following shall be the guidelines use:

#### A. Revocation

- 1. Driving under the influence
- 2. Hit and Run; leaving the scene of an accident.
- 3. Reckless Driving
- 4. Unauthorized use of a vehicle

#### B. Suspension

- 1. Speeding
- 2. Transporting Alcoholic Beverages
- 3. Removing Diné College Vehicle Decal
- 4. Concealing, mutilating, or obliterating license plate
- 5. All other violations

Employee Hearing: In no event shall employee's Defensive Driving Permit be revoked without the employee first being afforded the opportunity for a hearing before the Department of Human Resources. At this time, the employee may present evidence Hearing on the incident or citation.

After all the relevant information has been received by the Department of Human Resources, A hearing time will be set and the employee shall have full opportunity to present evidence on his or her behalf. The Department of Human Resources shall notify the decision in writing.

### **Configuration Control**

Diné College vehicles are required to accomplish a variety of purpose. To this end, specifications are developed to establish the configurations of the various types of vehicles. Users of Diné College vehicles are not authorized to change these specifications by modifying vehicles unless they are first specific authorization from General Services Department.

Examples of unauthorized modification include, but are not limited to: non-factory standard exhaust systems, engine modifications designed to produce higher performance levels, and the installation of non-standard communication systems. Exception will be given to emergency vehicles for two-way radio installation.

If users encounter a need to modify a vehicle, change a specification, or develop a new specification for Diné College vehicles, this need should be expressed in writing through channels to General Services Department. The need should be fully explained and justified, using drawing or manufacturer's literature as appropriate.

The party requesting such modifications must generally indicate Funding source for approved modifications.

#### Vehicle Security

Unattended vehicles must be secured by removing (1) the ignition key from the vehicle (2) closing all windows (3) and locking all doors.

If the vehicle's spare is externally mounted, it must be secured to the vehicle to the vehicle by a chain and padlock. Internally mounted spare tires must be in a locked compartment when the vehicle is unattended. The set of chains and padlock assigned to vehicle may be obtained from the General Services Department.

Tire changing tools (e.g... jack and lug wrench) must also be secured in a locked vehicle compartment.

The vehicle operator must: exercise prudence and use good working practice when transporting cargo to secure the cargo to prevent shifting, avoid overloading the vehicle in an area where the opportunity for pilferage and vandalism is minimized.

#### **Seat Belts**

The use of seat belts by all occupants of Diné College vehicles are mandatory. Vehicle users are reminded that Navajo Tribal and State Law require seatbelt use. This will also include the use of an appropriate size Child Restraint system (car seat) when transporting a child under 40 pounds.

PASSENGERS: Passengers shall not be carried in the cargo compartments of Diné College vehicles. Exceptions to this general rule are made for Police and Fire Service Vehicles.

#### **Business Expenses**

Other expenses normally associated with travel that are reimbursable regardless of whether a traveler receives lodging and/or meal reimbursement on an actual expense or per diem basis include registration fees, telephone calls made while on official business, and miscellaneous expenses clearly related to the purpose of the travel and fully documented as such.

All expenditures of grant funds will be reviewed by knowledgeable personnel to ensure compliance with all allowable cost requirements under 2 CFR 200 Subpart E – Cost Principles.

#### PARTICIPANT SUPPORT COSTS

#### I. PURPOSE

Participant support costs are those costs paid to (or on behalf of) participants or trainees (not employees) for participation in meetings, conferences, symposia, and workshops or other training activities, when there is a category for participant support costs in the award. Registration fees, travel allowances, manuals and supplies, tuition and stipends may be regarded as participant support costs in this case.

### Participant Support Costs...

- A. Are identified specifically on National Science Foundation (NSF) awards.
- B. Are awarded by other sponsors such as the National Institutes of Health (NIH) and others (but not necessarily referred to as "participant support costs") and tend to be by program.
- C. Are usually allowable on federal grants.
- D. Are accounted for in separate sub budgets.
- E. Are budgeted for the full amount under the appropriate object code identified by the college Office of Finance and Accounting (the OFA) and the actual participant support cost expenditures post to object codes created by OFA staff for specific NSF awards.
- F. Are often subject to special sponsor regulations
- G. Do not allow re-budgeting from the participant support cost category into other categories without prior sponsor approval.
- H. May be exempt from facilities and administrative (F&A/Indirect) costs.
- I. Require the university to return any unexpended participant support costs to them.
- J. Are associated with special programs that provide research experience for participants, such as Research Experience for Undergraduates (REU) and Research Experiences for Teachers (RET) on National Science Foundation grants. Additional sponsor regulations:
- K. Do not allow participant support costs to be budgeted on REU and RET sub budgets to be spent on non-participant activities.
- L. Budget allocations cannot offset a deficit in the parent account.
- M. May allow an administrative allowance of 25% of the participant stipend support only.

Consistent with current College Financial Policies and Procedures and Grants Policies, the College Office of Finance and Accounting (OFA) staff will create the appropriate subaccounts to process NSF award participant support costs in compliance with the *Federal Uniform Guidance* and the NSF Allowability of Costs.

#### **Required Training**

Participants support costs training is mandated for all College grant managers.

#### **Policy Adherence Failure**

The College is the primary award recipient with oversight accountability to the sponsor. As such, the College may suspend the rights and privileges enjoyed by the Grant Manager and College Staff when they do not adhere to these Interim Participant Support Costs Policies and Procedures.

If a Grant Manager fails to comply with these Interim Policies and Procedures, the College may suspend or withdraw proposal submission for the Grant Manager and may inactivate existing projects/grants in the accounting system. Further disregard may also lead to other disciplinary actions in accordance with College Grants Policies.

Failure to implement these Interim Policies and Procedures properly by College OFA staff can result in disciplinary actions in accordance with College Grants Policies and the College Personnel Policies and Procedures Manual.

#### II. PROCEDURES

#### **Process Overview/Accounting for Participant Support Costs**

The Grants Accountant within OFA will request through the appropriate OFA procedures a separate subaccount for NSF awards with participant support costs and will set up the sub budget.

The Grants Accountant will request a separate subaccount for participant support costs for other funding agencies when the sponsor requires special accountability.

Participant support costs for REU and RET on NSF awards are set up in REU/RET sub accounts. REU/RET is noted first in the award title.

Appropriate indirect costs are charged by entering the appropriate indirect percentage.

The Grants Accountant will review participant support costs at closing and work with Grant Managers and their departments to adjust for any discrepancies.

#### **Grant Manager/Department Responsibilities**

- A. Review award documents at set up, looking for wording similar to "participant support" or "participant costs awarded" to determine if this issue is applicable to your grant.
- B. Check the sponsor's regulations to see if any rules prohibit the university from applying F&A (Indirect) costs to these charges.
- C. If a separate sub budget has not been set up and the sponsor does not allow the university to apply F&A costs to these charges or requires separate accountability for these costs, notify the Grants Accountant and a separate sub account will be established.
- D. Monitor expenditures for appropriateness throughout the life of the grant.
- E. Work with the Grants Accountant at closeout.
- F. Obtain written sponsor approval for any rebudgeting into or out of the participant support cost budget.

## FORMS AND APPENDICES

Administration will create forms and operationalize the financial policies. This will be implemented within the procedures and process manual with notification to the Board of Regents of any changes.

#### APPENDIX I: USING THE X-FACTOR FOR INDIAN PREFERENCE

The following is an optional method that may be utilized in implementing the Native Preference requirements of Section 7 (b). Under this method, award shall be made under unrestricted solicitations to the lowest responsive bid from a qualified Indian owned economic enterprise or organization within the maximum total contract price established for the specific project or activity being solicited, if the bid is no more than "X" higher than the total bid price of the lowest responsive bid from any qualified bidder. The factor "X" is determined as follows:

When the lowest responsive, responsible bid is:	X = lesser of:
Less than \$100,000	10% of that bid, or \$9,000
At least \$100,000, but less than \$200,000	9% of that bid, or \$16,000
At least \$200,000, but less than \$300,000	8% of that bid, or \$21,000
At least \$300,000, but less than \$400,000	7% of that bid, or \$24,000
At least \$400,000, but less than \$500,000	6% of that bid, or \$32,000
At least \$500,000, but less than \$1,000,000	5% of that bid, or \$40,000
At least \$1,000,000, but less than \$2,000,000	4% of that bid, or \$60,000
At least \$2,000,000, but less than \$4,000,000	3% of that bid, or \$80,000

# APPENDIX II: PART 200—CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by Diné College under the Federal award must contain provisions covering the following, as applicable.

- A. Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- B. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- C. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
- D. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-

Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or sub- recipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- E. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This section does not apply to the ICDBG Program per 24 CFR 1003.501.
- F. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or sub-recipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or sub-recipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- G. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and sub-grants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended

- (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- H. Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- I. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- J. See §200.322 Procurement of recovered materials.

# APPENDIX III: ALLOWABLE COSTS POLICY AND PROCEDURES TO IMPLEMENT THE REQUIREMENTS OF 200.302(B)(7)

#### I. PURPOSE

Diné College must comply with the requirements of Title 2 CFR 200 Uniform Guidance in regards to the administrative requirements and principles for determining allowable costs applicable to the administration of Grant awards.

Diné College's financial management system, in accordance with 200.302(b)(7), must include written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles. Costs include allowable direct and allocable indirect costs.

#### II. DETERMINING ALLOWABLE COST

Allowable costs are those that:

- A. Are necessary and reasonable;
- B. Are allocable;
- C. Conform to any limitations or exclusions in the grant award;
- D. Consistent with policies and procedures;
- E. Follow accounting practices and standards;
- F. Treated consistently throughout the grant program;

The Controller and VP of Finance and program directors are responsible for monitoring the grant award and that all costs charged to their program budgets are accurate.

#### III. DIRECT COSTS

Direct costs are those costs that can be identified specifically with a particular Federal award or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Whether a cost is considered Direct or Indirect is determined by the Federal program and what it typically considers to be a direct cost versus indirect costs. The Diné College should determine what costs it considers to be a direct cost or indirect cost and apply treatment of those costs consistently.

#### III. INDIRECT (F&A) COSTS

Indirect Facilities and Administration (F&A) costs are incurred for common or joint objectives and not readily assignable or cannot be identified specifically with a particular project without effort disproportionate to the results achieved.

Typical examples of indirect (F&A) costs for many nonprofit organizations may include depreciation on buildings and equipment, the costs of operating and maintaining the office building, and general administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting.

#### IV. PIROR WRITTEN APPROVAL (PRIOR APPROVAL)

With respect to the items of costs listed in 2 CFR 200.407 that require prior approval, these costs are allowable without the prior approval to the extent that they comply with the general policies and principles of 2 CFR 200.

If Diné College is awarded other federal grants that do not specifically allow written prior approval, the reasonableness and allocability of certain items of costs may be difficult to determine, therefore, in order to avoid subsequent disallowance or dispute based on unreasonableness and unallocability, 200.407 of the Uniform Guidance lists items of costs that Diné College may seek prior approval in advance of the incurrence of the special or unusual costs.

#### V. ALLOWABLILITY OF SPECIFIC ITEMS OF COST

Specific items of costs commonly incurred in the administration of awards, what are considered allowable, unallowable, or costs that are generally unallowable, but with exceptions, are listed in Subpart E – Cost Principles: General Provisions for Selected Items of Costs from 200-420-200.475. In addition, Diné College should review guidance on items of costs it explicitly disallows under the grants program, even when the items of costs may be allowed with prior approval.

# APPENDIX IV: TIME& EFFORT REPORTING PROCESS FOR GRANT AND CONTRACTS

#### I. PURPOSE

To ensure federal grants provide documentation to substantiate payroll charges Payroll systems based on records accurately reflect the work performed and supported by a system of internal controls that provides assurances that charges are accurate; allowable and reasonable; and properly allocated with in the objective of the grants and contracts.

#### II. PROCEDURES

Diné College uses a timesheet to certify effort on a bi-weekly basis. Effort reporting is required for all employees who have been paid fully or partially from a federal/sub-federal source, or have cost shared time on federal/sub-federal sources. The Diné College timesheet must be certified by the Principal Investigator of each federal sponsored project that the employee is paid or cost shared on. If the principal investigator does not have specific knowledge of the work performed by an employee, then the report should be certified by a direct supervisor who has the knowledge of work performed. These certifications are due every 2 weeks.

Diné College uses a third-party online payroll processing company (PayLogics) to pay its employees on a bi-weekly basis.

The Payroll department organizes the payroll data in a special accounting journal called a payroll register or payroll journal. It gives the employer the information needed to record payroll for the pay period. Other examples of payroll documentation include but not limited to:

- A. Leave Request
- B. Timesheets
- C. Faculty Contracts
- D. Request for Personnel Account Change
- E. Correspondence

#### Time and Effort Reporting Process and Procedure for Grants:

- A. On a pay period ending date, each grant PI (Principle Investigator) will submit manual timesheets for their employees to payroll@dinecollege.edu for their grant's payroll expenditures.
  - 1. Requirements on manual timesheets:
    - i. Hours worked for the pay period ending.

- ii. Dates for pay period.
- iii. Any leave is indicated, with leave slips attached
- iv. Grant Budget Account Number for Payroll Allocation
- v. The Employee and Grant PIs signatures to certify and approval of the hours on the timesheet.
- 2. An acknowledgement email is sent out by Payroll when timesheet is received
- 3. Timesheet is then placed in the current Pay Period Ending folder generated after every pay period.
- 4. Then the compiled Timesheet hours and grant account numbers are entered in PayLogics based on timesheet submitted (Source document)

## **APPENDIX V: Record Retention**

Payroll records will be retained for four calendar years: Payroll Journals, Quarterly tax reports, W-2, and disbursement records.

The Federal Grant recipient is required to retain records for three years form the date of submission of the final expenditure report.