



**RESOLUTION OF THE
BUDGET AND FINANCE COMMITTEE
20TH NAVAJO NATION COUNCIL - FOURTH YEAR 2006**

**Legislation 0723-06
Sponsored by Larry Noble, Council Delegate**

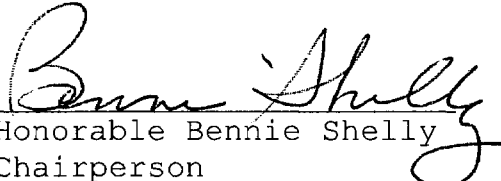
**AN ACTION
RELATING TO HUMAN SERVICES AND FINANCE; AMENDING THE NAVAJO VETERANS
LOAN PROGRAM OPERATING POLICIES AND GUIDELINES.**

BE IT ENACTED:

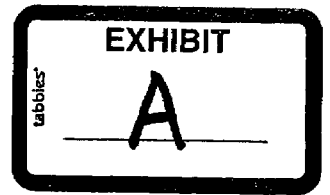
**The Navajo Nation hereby amends the Navajo Veterans Loan Program
Operating Policies and as set forth in the attached Exhibit A.**

C E R T I F I C A T I O N

I hereby certify the foregoing legislation was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 04 in favor and 00 opposed, this 21st of November, 2006.


Honorable Bennie Shelly
Chairperson
Budget & Finance Committee

Motion: Danny Simpson
Second: Ernest Hubbell



**NAVAJO VETERANS LOAN PROGRAM
OPERATING POLICIES AND GUIDELINES**

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SECTION 1 – AUTHORITY; ESTABLISHMENT

- A. Pursuant to Resolution CD-068-89 the Navajo Nation Council established the Budget and Finance Committee ("Committee") of the Navajo Nation Council and transferred the legislative oversight authority previously delegated to the Central Loan Committee to the Budget and Finance Committee of the Navajo Nation Council.
- B. The Budget and Finance Committee of the Navajo Nation Council is the oversight Committee for the Navajo Veterans Loan Program ("Program"), and operates according to a Plan of Operation amended by Advisory Committee of the Navajo Tribal Council Resolution ACN-229-87 2 N.N.C § 371 as amended. These Operating Policies and Guidelines are adopted pursuant to authority delegated to the Committee by 2 N.N.C. §374(B)(11)(1989 Title 2 Amendments), and 2 N.N.C. §164(A), as amended by CAU-48-03.

SECTION 2 – PURPOSE

- A. The purpose of the Navajo Veterans Loan Program ("Program") is to:
 1. Provide personal loans to qualified enrolled Navajo Veteran(s), National Guard(s) and Reserve(s), Surviving Spouse(s), or Gold Star Mother(s) ("Applicants") who demonstrate credit worthiness with the ability to repay the loan in accordance with the loan terms.
 2. Be self supporting and ensure that all loans are made in compliance with these Operating Policies and Guidelines and all applicable Navajo Nation laws.
 3. Protect and maintain accountability for the assets and property within the Department and Program.
 4. Secure and collect funds and assets due and owing to the Navajo Nation.

SECTION 3 – POLICY

It is the policy of the Navajo Nation that:

- A. The Program shall be administered in accordance with these Operating Policies and Guidelines and with all applicable laws.
- B. The Program shall consider Credit Risk in making credit decisions to qualified Applicant(s).
- C. The Program will extend loans to qualified Applicant(s) in accordance to Loan Application Requirements; Section 5(A-D).
- D. The Credit Services Program ("CSD") will service and maintain loan accounts to protect the assets of the Navajo Nation by identifying delinquencies and initiating collection efforts.

- E. All Borrower(s) shall be limited to no more than one outstanding loan from the Program, whether they are the primary Borrower(s), or a Cosigner for another Borrower.
- F. All Borrower(s) are responsible for repaying their debt in accordance with the loan agreement.
- G. The minimum loan from the Program shall be one thousand dollars (\$1,000.00) and the maximum loan shall be ~~three~~ four thousand dollars (~~\$3,000.00~~) (\$4,000.00).
- H. No Borrower's total indebtedness to the Navajo Nation shall exceed two hundred thousand dollars (\$200,000.00) from all sources within the Navajo Nation Government.
- I. Loans through from the Program shall be secured repaid by payroll deduction through respective employers. If payroll deduction is not available, loans shall be secured by a qualified Cosigner, or collateral. In no instance shall the value of the collateral pledged be less than the loan amount.
- J. All loan applications shall be subject to the Navajo Nation Privacy and Access to Information Act, except as disclosed on the loan application and/or consented by the Borrower(s) in writing.
- K. No application shall be recommended for approval by the Program until it is determined that the Applicant is eligible under the Navajo Business Procurement Act, 12 N.N.C. §1501 *et seq.*
- L. Until the loan is paid in full, each Borrower's loan history shall be transmitted by CSD to a Credit Reporting Agency including but not limited to: Delinquency, Bankruptcy, Charge-Offs, Write-Offs and repossessions.

SECTION 4 – SCOPE

These Operating Policies and Guidelines shall govern all transactions currently or previously established under the authority of the DNVA.

SECTION 5 – LOAN APPLICATION REQUIREMENTS

- A. Eligibility Determination:
 - 1. Veteran must be Honorably Discharged or other than Dishonorably Discharged and must be an enrolled member of the Navajo Nation.
 - 2. Married Veterans, including spouses in common law marriage, shall apply jointly.
 - 3. The surviving spouse of a Veteran, who is at least the age of majority (18 years), or a Gold Star Mother may apply with proper documentation.

- a) employed full time for two years or more; or
- b) on fixed income, i.e., Social Security, pension, or other fixed benefit or payment, and provide supporting documentation of such income; or
- c) self-employed for at least three (3) years and provide a three year history of financial stability.
- d) Temporary, seasonal employees and other Applicants not meeting the criteria above are required to secure a qualified Cosigner ~~or provide collateral~~ (see Section 6: Type of Guarantees B and C).

B. Application Process:

1. Loan requests shall be made on the Veteran's Loan Application form and completed in accordance with the Application Requirement Checklist. The Program may require any additional information it deems necessary and appropriate to support the loan application. All applications shall contain an authenticated copy of the Veteran's Discharge papers, Form DD-214 ~~or other military personnel records~~.
2. The Program will not accept any incomplete applications. If an application is deemed incomplete, it will be returned to the Applicant(s). Completed applications will be referred to the Loan Officer for further evaluation.
3. The Loan Officer, will ensure that the application is supported with all the required documentation as outlined on the Veteran's Loan Application Requirement Checklist.
4. All monthly household living expenses (food, utilities, transportation, insurance payments, childcare, etc.) included on the loan application shall be as accurate as possible. All monthly financial debts and obligations (vehicle payments, credit cards installment payments, finance companies, etc.) shall be disclosed on the loan application.
5. In order to avoid the appearance of undue influence and conflict of interest, loan applications from appointed or elected officials, Judges of the Navajo Nation, and Program staff, shall include a notarized Ethical Certification form attesting that no special consideration will be requested, in accordance with the Navajo Ethics in Government Law.
6. The Program may require additional information to support the evaluation of any loan application.
7. Any false information or knowing concealment of material facts made with respect to the loan application shall be grounds for disqualification, and will prohibit the Applicant(s) from reapplying for six (6) months.

C. Evaluation Process:

1. Eligibility conditions set forth in Section 5 Loan Application Requirements of these ~~Operating Policies and Guidelines~~ shall be met before any loan is recommended for approval. The Loan Officer, with the concurrence of the Program Manager, shall have the authority to qualify or disqualify any application.
2. All loan applications shall be evaluated by the Loan Officer as follows:
 - a) Navajo Business and Procurement Act, 12 N.N.C. §1501, et seq., clearance by the Navajo Nation Credit Services Department and Accounts Receivable Section of Financial Services.
 - b) Review and evaluate ~~analyze~~ the Applicant's Credit Report, from a Credit Reporting Agency, to determine the eligible loan amounts according to ~~verify~~ Applicant's Credit Risk Score ~~financial debts and obligations~~. For married Applicants, the higher Credit Risk Score will be utilized.
 - c) Compare the Applicant'(s) monthly financial debts and obligations to monthly household net income (excluding household living expenses) to compute the debt-to-income ratio. The Applicant'(s) debt-to-income ratio shall not exceed seventy percent (70%), including the estimated monthly loan payments.
 - d) Provide loan recommendation with a written summary to the Program Manager if the Applicant(s) is deemed eligible.
3. Eligible Applicant(s) shall be qualified for a loan using the Credit Risk Score in conjunction with the Credit Scoring Guide.

CREDIT SCORING GUIDE

CREDIT RISK SCORE			MAXIMUM AMOUNT OF LOAN
601	-	Above	\$4,000.00
501	-	600	\$3,000.00
500	-	Below	\$2,000.00

4. ~~3.~~ If the Applicant is disqualified, the Program shall notify the Applicant(s) in writing and the notice shall include the specific reasons for disqualification. With the exception of Section 5(B)7, disqualification does not prohibit the Applicant from reapplying for a subsequent loan.

D. Administrative Review Process:

- 1.) The Loan Officer, shall submit the loan recommendation, including the written loan summary, through the Navajo Nation's Administrative Review process for concurrence that the Applicant is qualified by the:
 - a) Division Director of Human Resources,
 - b) Controller, or authorized designee; and
 - c) Department of Justice.
- 2.) If a reviewer listed in Section 5(D)1 above does not concur that an application should be approved, the reviewer shall set forth specific reasons for their nonconcurrence in writing.
- 3.) No loan application shall be considered approved until all reviewers listed in Section 5(D)1 above concur.

SECTION 6 – TYPE OF GUARANTEES

- A. Payroll Deduction: Mandatory payroll deductions through the Navajo Nation or other entities shall be used to guarantee the repayment of the loan. If a payroll deduction is not available the Borrower(s) must secure a qualified Cosigner ~~or pledge personal property as collateral.~~
- B. Qualified Cosigner: Person who is employed with the Navajo Nation or other entities who demonstrates the ability to repay shall execute loan documents assuming all of the ~~responsibilities and obligations of the loan should the Borrower(s) default by executing a payroll deduction form.~~
- C. ~~Personal Property: Property shall include automobiles, trucks, mobile homes with a certificate of title, free and clear of any existing liens with current registration. No other types of personal property shall be accepted as collateral.~~
 1. ~~The property shall be owned by the Borrower(s), in good operable condition and valued according to the current Blue Book Fair Market Value. Vehicle models dating back five (05) years or less shall be taken as collateral.~~
 2. ~~The property shall have full coverage insurance policy, and kept in effect for the duration of the loan period, covering liability, comprehensive and collision with a loss payee clause payable to the Navajo Nation. Written notices of lapse of required insurance shall be provided~~
~~to the Borrower.~~
 3. ~~The property must be physically inspected by the Program Manager, or designee, upon determination of eligibility. Borrowers shall execute lien documents showing the Navajo Nation as the first lien holder.~~

SECTION 7 – LOAN CLOSING PROCESS AND DOCUMENTATION

A. The loan closing shall take place at the Central DNVA Office and adhere to the following standards:

1. All loans shall be closed within ~~fifteen~~ ten (15 ~~10~~) ~~calendar~~ working days after approval or the loan commitment shall be cancelled. Thereafter, the Borrower(s) may reapply.
2. No loans shall be disbursed unless the Program Manager acknowledges that all appropriate loan documents have been executed. All loan disbursements shall be made in the form of a check.
3. A Promissory Note shall be signed by the Borrower(s), and Cosigner, ~~as is appropriate and~~ L loans made under the Program shall not exceed the following maximum loan terms:

~~MAXIMUM LOAN TERMS~~

AMOUNT OF LOAN	MAXIMUM LOAN TERMS (MONTHS)
\$4,000.00	32
\$3,000.00	24
\$2,500.00 -\$2,000.00	20-16

4. An amortized repayment schedule calculated on a weekly, bi-weekly, or monthly basis shall be provided to the Borrower(s) and Cosigner.
5. A ~~p~~ Payroll ~~d~~-Deduction ~~a~~ Authorization form shall be executed by the Borrower or Cosigner. The authorized deductions shall remain in effect until the entire loan is repaid in full.

B. Fees

1. Borrower(s) shall be responsible for the payment of filing fees associated with the placement of liens for personal property pledged as collateral to perfect the loan.
2. Borrower(s) shall ~~be responsible~~ pay fees associated for the ~~payment of applicable Court costs and p~~ Private ~~p~~ Processor ~~Server fees costs~~, if the account is referred for judicial process.
3. ~~CSD~~ The Program shall charge a non-sufficient fee at the standard industry rate, if the bank returns a check.

SECTION 8 – REPAYMENTS AND ACCOUNTING

A. Repayments

1. Loan payments are due on the date specified in the Promissory Note. It is the Borrower'(s) responsibility to ensure that the payment is received at the payment address specified in the loan agreement on or before the due date.
 - a) Payments mailed or delivered to CSD will be forwarded on the day received to the Cashier's Office within the Financial Services Program-Department. Cash payments must be made in person at the Cashier's Office or CSD.
 - b) Payments received by CSD or by the Cashier's Office within the Financial Services Program after 2:00 p.m. will be posted on the following business day.
2. ~~All Loan payments shall be made in the form of a money order, or cashier's check shall be mailed or personal checks and mailed to the following address:~~
Navajo Nation Credit Services Department
P. O. Box 2405
Window Rock, Navajo Nation (Arizona) 86515

~~Cash payments must be made in person.~~
3. Repayments of loan funds through payroll deductions or monthly payments shall will start within thirty (30) days of the disbursement of the loan proceeds and continue until the loan is repaid in full.
4. Borrower(s) on payroll deductions must ensure payments are deducted as specified on the agreed Payroll Deduction Form. If the deduction is not made by the respective employer, it is the Borrower(s) responsibility to notify the CSD and remit scheduled payment to avoid late fees.
- 4-5. The liens on collateral pledged as security or other security documents shall be released to the Borrower as soon as possible and no later than thirty (30) calendar days after the loan has been paid in full.
6. A Bank Transfer Form and/or Federal Direct Deposit (SF-1199A) can be used to make funds available from the Borrower'(s) bank account for the repayment of the loan.

B. Accounting

1. The Financial Services Department of the Office of the Controller shall administer the records and books of accounts for the Program consistent with established Navajo Nation Accounting Practices.
2. Loan repayments shall be credited in the following order of priority to the respective loan accounts:

- a) To any outstanding Court and/or Private Processor fees associated with judicial process.
 - b) To late fees.
 - c) To any non-sufficient fund fees at the standard industry rate for returned checks.
 - d) To accrued interest due and owing calculated from the date of the last payment.
 - e) To the principal balance.
 - f) A payment above the amortized schedule amount will be applied for the current due date and distributed in the priority as stated in Section 8(B)(2) and shall not constitute an advance payment for the scheduled due date(s) following month, unless Borrowers have made specific arrangements in writing with CSD.
3. Monthly Reconciliation:
- a) The process of cash posting shall be from ~~Cashier's Section of the~~ Financial Services Department ~~(or its predecessor),~~ to the General Ledger of the Financial Management Information System (FMIS) ~~(or its predecessor)~~ to the Credit Service's CSD's Loan Ledger (or its predecessor).
 - b) The CSD shall reconcile all loan payments with Cashier's Section cash deposit account each month.
4. Reporting:
- a) Month End Closeout Reports shall be timely prepared by CSD and submitted to General Accounting Section to distribute payments.
 - b) CSD shall present a semi-annual financial report to the Committee in October and April of each year.

SECTION 9 – INTEREST RATES

- A. Interest Rates shall be reviewed and approved by the Committee upon the recommendation of the Program. ~~Rates shall be periodically adjusted as needed:~~
1. Loans shall be charged simple interest at a fixed rate of nine percent (9%) calculated on (365) calendar days.
 2. ~~The effective interest rate for all Veterans Loan shall be calculated on 365 calendar days.~~

~~B. The current interest rate for all Veterans Loans shall be at nine percent (9%).~~

Ⓒ B. Upon receipt of written notice and a copy of orders calling a Borrower to active military service, the interest rate for the Borrower's loan shall be reduced to 0% for the length of the active military service. Upon the cease of military service the interest rate shall resume at the regular rate that the loan was made at should there be a balance remaining on the loan account.

SECTION 10 – MODIFICATIONS

A Requests for modification ~~request~~ for scheduled repayment amounts or change of payment due date shall be adequately justified in writing by the Borrower(s). All modifications ~~shall~~ require approval of the Program Credit Manager after consultation with the Collection Officer CSD. No request for modification of monthly payments shall be considered if the loan account is delinquent.

SECTION 11 – COLLECTION PROCEDURES

A. Existing and outstanding loan obligations within the Program shall not be affected by these amended Operating Policies and Guidelines as long as repayments are made as agreed.

B. Loan accounts that are in arrears or otherwise not in compliance with the loan agreements shall be forwarded to CSD to have the Borrower(s) repay their debt before resorting to legal proceedings.

1. It is the responsibility of the Borrower(s) and Cosigner to keep the Program informed of their current address and telephone numbers. Periodic contacts shall be made with the Borrower(s) and Cosigners either in person, by mail or by telephone to the last known address or telephone number to demand payment(s) due and owing on the loan account.
2. If a loan payment is not received prior to the tenth (10th) day following the due date, CSD shall contact the Borrower(s) and Cosigner in writing.
3. If a loan payment is not received in (10) calendar days following the due date, the loan account shall be charged a late fee of five dollars (\$5.00) per month. A late fee shall accrue each month a payment is late.
4. If the total amount of arrearages payments are not received prior to the ninetieth (90th) day following the due date, and after CSD has sent out five (5) written notices to the Borrower(s) and Cosigner, CSD shall accelerate the debt pursuant to the Promissory Note.
5. If the debt is accelerated, CSD shall declare the loan in default, declare the entire amount due and owing, and demand immediate payment of the same. The Borrower(s) and Cosigner shall be notified in writing by certified mail.

6. If the entire debt is declared due and owing, as stated in Sub-section 11(B)5, all relevant documents relating to the loan account shall be forwarded to CSD's Attorney and/or Department of Justice for further legal action as deemed appropriate.
 - a) The Borrower(s) and Cosigner may be given opportunities to forestall further legal proceedings by bringing the loan account current, or by entering a new payment agreement or relinquishment of the pledged property. It is the responsibility of the Borrower(s) and Cosigner to contact CSD to make such arrangements.
7. CSD shall pursue Small Claims Court proceedings if a loan account has a balance of two thousand dollars (\$2,000.00) or less and the account has been accelerated.
8. ~~Relinquishment of personal property pledged as collateral shall comply with applicable Federal, State and Navajo Nation Law (7 N.N.C. §607). If an account is collected through judicial action or judgment, including, but not limited to repossession, or discharged through Bankruptcy, or reduced through Charge-Off and/or Write-Off, the Borrower(s) and Cosigner shall not be considered for another loan for a minimum of five (05) years in accordance to 12 N.N.C §1505.~~

~~The ineligibility of any Borrower(s) shall remain for a minimum of three (3) years if an account is collected through judicial action or discharged through Bankruptcy.~~

- ~~9. Repossession of personal property shall comply with applicable Navajo Nation, Federal and State laws. This recourse is intended to recover and liquidate assets to satisfy loan obligations due and owing to the Navajo Nation.~~
- ~~10.~~ 9 Bankruptcy (Chapter 7 or 13) cases shall be subject to Federal Bankruptcy Laws and all other applicable state laws to discharge an individual debt to the Navajo Nation. In order to qualify for future loans with the Program, Borrower(s) and Cosigner may voluntarily continue payments on the loan account that was discharged through Bankruptcy. Such Borrower(s) may be eligible for a new loan once the outstanding loan is repaid in full.
- ~~11.~~ 10 In the event the primary Borrower is deceased, the Cosigner will be released from all financial obligations; and CSD shall recommend the loan for a Write-Off with proper documentation to the Committee.
- ~~12.~~ 11 Any uncured payment arrearages of employees of the Navajo Nation, or entity of the Nation, shall be pursued, at the option of CSD, through judicial means or through the Navajo Business Procurement Act, 12 N.N.C §1501 et seq, and/or Navajo Nation Personnel Policies.
 - a) The liability and responsibility of the Cosigner shall be enforced when the Borrower(s) defaults on the loan. CSD will notify the Cosigner at the same time and in the same manner that the Borrower(s) are notified to bring the loan account current within the time frame allowed by CSD.

SECTION 12 – CHARGE-OFF PROCEDURES

- A. Charge-Off on an account ~~shall may be recommended~~ initiated by CSD's Collection Section ~~when payment arrearages have not been eliminated and after~~ the loan has been accelerated pursuant to the Collection Policies Procedures; Section 11. Interest and late fees shall stop on accounts that are one hundred eighty (180) days in default for purposes of recognizing interest income and resolving the default on the principal balance. All recommendations for Charge-Off shall require approval of the CSD Manager, the Controller and the Department of Justice. ~~If the Charge-Off exceeds \$2,000.00, final approval by the Committee is required.~~
- B. When an account is recommended for a Charge-Off, CSD may consider factors, including but not limited to, a new repayment agreement, payment history, maturity date of loan agreement, employment status, current value of pledged property, interest paid, reason(s) for delinquency, and the Borrower(s) current financial circumstances.
- C. Charge-Off of an account does not preclude CSD from pursuing all available collection remedies against the pledged property and/or Borrower(s), including repossession.
- D. In order to avoid the existence and appearance of undue influence and conflict of interest, Borrower(s) that are Program staff, or appointed or elected officials or Judges of the Navajo Nation and are being considered for Charge-Off shall sign and notarize an Ethical Certification Form. By signing the Ethical Certification Form, the Borrower(s) are attesting to refrain from requesting any special consideration from any personnel/program of the Navajo Nation Government and shall abide by the Navajo Ethics in Government law.

SECTION 13 – WRITE-OFF PROCEDURES

- A. Write-Off on an account shall be ~~recommended~~ initiated by CSD's Collection Section when a loan is determined uncollectible and all collection efforts have been exhausted, or when a settlement agreement between the Borrower(s) and CSD has been entered to reduce the amount of the debt in order to collect at least part of the amount due and owing on the loan account.
- B. Recommendation to Write-Off of an loan account, or a portion thereof shall require final approval by the Committee. Upon approval, the written off portion shall be taken off the active books of the Navajo Nation.
- C. Recommendation to Write-Off an loan account or a portion thereof, shall require review and concurrences by the Credit Manager, Controller of the Navajo Nation, and Department of Justice prior to consideration by the Committee.
- D. When evaluating whether an account is appropriate for full or partial Write-Off, CSD and Committee may consider factors such as, including but not limited to, disability, death, Bankruptcy, a new payment agreement, payment history, maturity date of loan

agreement, employment status, current value of pledged property, interest paid, reason for delinquency, or the Borrower'(s) financial circumstances.

- E. In order to avoid the existence and appearance of undue influence and conflict of interest, Borrower(s) that are Program staff, or appointed or elected officials or Judges of the Navajo Nation and are being considered for Write-Off shall sign and notarize an Ethical Certification Form. By signing the Ethical Certification Form, the Borrower(s) are attesting to refrain from requesting any special consideration from any personnel/program of the Navajo Nation Government and shall abide by the Navajo Ethics in Government law.

~~SECTION 14 – AMENDMENTS OF OPERATING POLICIES AND GUIDELINES~~

These Operating Policies and Guidelines may be amended from time to time as deemed necessary by the Committee.

SECTION 15 – DEFINITIONS

Whenever the following terms are used herein, they shall have the meaning indicated.

- A. "Acceleration" – A process by which the Department, on behalf of the Navajo Nation, demands entire outstanding balance due and owing on a defaulted loan.
- B. "Amortization Schedule" – The schedule for the repayment of a Veteran's personal loan showing the amount of each payment applied to interest, principal and the remaining balance.
- C. "Applicant(s)" – Navajo Veterans, National Guards, Reserve(s), Surviving Spouses and Gold Star Mothers who submit a completed loan application requesting to borrow money from the Program.
- D. "Arrearage" – An amount due and owing on a loan account that is in default.
- DE. "Bankruptcy" – A federal court proceeding for the purpose to enable a collection of the solvent debtor's assets and liquidation thereof to pay off the debts or allow a restructure of debts.
- EF. "Blue Book" – A book of specialized information on current fair market value.
- FG. "Borrower(s)" – An approved Applicant, who has executed a Promissory Note and received loan funds.
- GH. "Charge-Off" – The accounting action to cease the accrual of interest and late charges on a loan account.
- HJ. "Collateral" – The property pledged to secure a loan that is subject to seizure and sale if the Borrower defaults on the loan.

- HJ. "Collection Officer" – The liaison(s) between CSD and Borrower(s) to collect monies due and owing the Navajo Nation.
- JK. "Committee" – The Budget and Finance Committee of the Navajo Nation Council.
- KL. "Common Law Marriage" – Contracting parties consenting to be husband and wife and cohabitating within their community pursuant to 9 N.N.C. §3(E), without procuring a formal marriage license.
- LM. "Company" – Assigned number to identify a loan category within the Loan Ledger.
- MN. "Cosigner" – An individual who executes a Promissory Note agreeing to assume all of the responsibilities and obligations of the Borrower(s) if the loan defaults.
- NO. "Credit Bureau" – A reporting agency that gathers financial and credit information on consumers.
- OP. "Credit Manager" – The Manager for the Credit Services Department Program.
- PQ. "Credit Report" – A report of an Applicant's credit history prepared by a credit bureau and used by the Program in determining the qualifications for a Veterans Loan.
- QR. "~~Credit Risk Score (FICO)~~" – ~~The financial and moral risk that a loan will not be repaid and a loss will result. A score on a credit report by rank-ordering on potential Borrower(s) based on the likelihood that they will pay their obligations as agreed. A higher score indicates better credit quality and less risk.~~
- S. "Credit Scoring Guide" – The guide used by the Department to determine the maximum allowable amount of loan to extend to Applicant(s).
- RT. "CSD" – The Credit Services Department within the Division of Finance who oversees the collection process of the Veterans Loan Program.
- SU. "Creditworthiness" – The evaluation of a person's capability of repaying obligations based on credit history and reputation earned for paying debts.
- TV. "Day" – A 24 hour period in calendar day.
- UW. "Debt" – Money or services owed by one party to another party.
- VX. "Debt-to-Income Ratio" – The formula used to calculate the Applicant(s) repayment ability by dividing the monthly debts by net monthly income.
- WY. "Default" – The failure by a Borrower to make any payment under the terms of the Promissory Note when such failure continues for a period of more than thirty (30) days.

- XZ. "Delinquency" – A loan account in which a payment is overdue but not yet in default.
- YAA. "DNVA" – The Program of Navajo Veterans Affairs.
- ZBB. "Discharge of Debt (Bankruptcy)" – To dismiss or release the obligation of an outstanding debt owed to the Program in accordance bankruptcy statutes. A debtor may voluntarily pay the debt that has been discharged.
- CC. "Entities" – Sole proprietorship, corporations, joint venture or limited partnerships who conducts business as a particular or discrete unit from the Navajo Nation (i.e. Navajo Tribal Utility Authority, Dine Power Authority, Navajo Arts and Crafts Enterprise, Navajo Agricultural Products Industry).
- AADD "Gold Star Mother" – A mother whose only child has been killed in the Line of Duty (Killed in Action) or has been declared Missing in Action.
- BBEE. "Household Living Expense" – Amount of money needed to purchase the goods and services required to maintain a certain standard of living, such as food, clothing, utilities, etc.
- CGFF. "Loan Closing" – The final transaction when the Borrower(s), and Cosigner, signs all loan documents and the closing fees are paid.
- DDGG. "Loan Ledger" – A loan servicing software system that is designed to handle loan management functions such as reporting capabilities, aging, detailed customer histories, transaction reports, and other management analysis.
- EEHH. "Loan Officer" – Administrator of the Loan Program in the Department of Navajo Veterans Affairs.
- DDII. "Private Process Server" – A person or business entity who's responsibility is to serve legal papers on behalf of the court system. Process Servers are employed to deliver court documents such as subpoenas, summons or complaints.
- FFJJ. "Program" -- The Navajo Veterans Loan Program.
- GGKK. "Program Manager" – Manager of DNVA.
- HHLL. "Promissory Note" – A contract between the Borrower(s), or Cosigner(s), and the Navajo Nation wherein the Borrower(s), agree to pay a specific sum at a definite time.
- HMM. "Repossession" – To take back personal property used as security on a loan.
- JJNN. "Simple Interest" – Interest is paid on outstanding principal balance only. Interest is charged based on actual payment amounts and dates paid (received date to received date).

- KKOO. "Uncollectible" – A defaulted loan account whereby all collection efforts and procedures have been exhausted in accordance to established collection policies.
- LLPP. "Veteran" – A person who has served in the United States Armed Forces who must have a Form DD-214 to show his/her Honorable or other than Dishonorable Discharge documents.
- MMQQ. "Surviving Spouse" – A spouse who lived with the Veteran continuously from date of legal or common law marriage to the date of the Veteran's death and has not remarried.
- NNRR. "Write-Off" – An accounting method to eradicate a loan account or a portion thereof from the active books of the Navajo Nation.

The Navajo Nation Veterans Loan Program

Mailing Address
PO Box 430
Window Rock, Az 86515

Telephone No.
(928) 871-7284
(928) 871-6598

Fax No.
(928) 871-7288

<input type="checkbox"/>	Honorably Discharged
<input type="checkbox"/>	Gold Star Mother
<input type="checkbox"/>	Other (specify): _____



Application for a Veterans Loan

COMMUNITY PROPERTY DEBT "The Application is Considered As An Application For Credit Extended As A Debt Of The Marital Community."		
Amount Requested: \$ _____	Purpose of Loan: _____	Have you received or co-signed on a Veterans Loan or Personal Loan? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, when and what type: _____

SECTION A - APPLICANT(S) INFORMATION

Name (Last, First, Middle) _____	Census No. _____	Social Security No. ____-____-____	Date of Birth ____/____/____
Other Names Used: _____			
Spouse's Name (Last, First, Middle) _____	Census No. _____	Social Security No. ____-____-____	Date of Birth ____/____/____
Other Names Used: _____			
Current Mailing Address (City, State, Zip Code) _____	How Long at Address? (Yrs/Mo.) _____	Home Phone No. () () ()	
Physical Address (Street, Apt. #, etc.) (City, State, Zip Code) _____			
Chapter Affiliation (Applicant) _____	Agency _____	Chapter Affiliation (Spouse) _____	Agency _____
Elected /Appointed Official? Yes <input type="checkbox"/> No <input type="checkbox"/>	(If Yes) Position: _____	Elected /Appointed Official? Yes <input type="checkbox"/> No <input type="checkbox"/>	(If Yes) Position: _____

SECTION B - MARITAL STATUS

Married <input type="checkbox"/>	Common Law <input type="checkbox"/>	Unmarried <input type="checkbox"/>	No. of Dependents _____
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SECTION C - PERSONAL REFERENCES (Provide 3 References)

1. Nearest Relative & Address _____	Relationship _____	Home Phone No. () () ()	Work Phone No. () () ()
2. Nearest Relative & Address _____	Relationship _____	Home Phone No. () () ()	Work Phone No. () () ()
3. Personal Reference (Not a Relative) & Address _____	Relationship _____	Home Phone No. () () ()	Work Phone No. () () ()

SECTION D - EMPLOYMENT INFORMATION

Present Employer & Address _____	Date of Employment _____	Position or Title _____	Work Phone No. () () ()
Spouse's Employer & Address _____	Date of Employment _____	Position or Title _____	Work Phone No. () () ()
Previous Employer & Address (If Less Than Two Years) _____		Spouse's Previous Employer & Address (If Less Than Two Years) _____	

SECTION E - INCOME AND FINANCIAL INFORMATION

	(Wages - Net)	(Retirement)	(SS / SSI)	Total Monthly Income (from all sources)
Applicant's Monthly Income	\$	\$	\$	\$
Spouse's Monthly Income	\$	\$	\$	\$
Have you ever filed Bankruptcy? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, When?	OTHER SOURCE OF INCOME (Please submit all supporting documents for other income)		\$
GRAND TOTAL:				\$

SECTION F - LIST ALL DEBTS OUTSTANDING

Creditor's/Credit Cards	Address/ Account # s	Original Amount	Present Balance	Monthly Payments	For Office Use Only
1. <input type="checkbox"/> Rent <input type="checkbox"/> Mortgage <input type="checkbox"/> Own Home		\$	\$	\$	\$
2.		\$	\$	\$	\$
3.		\$	\$	\$	\$
4.		\$	\$	\$	\$
5.		\$	\$	\$	\$
6.		\$	\$	\$	\$
7.		\$	\$	\$	\$
(If More, List on Separate Sheet)				TOTAL:	\$

SECTION G - LIVING EXPENSES

	Amount		Amount
1. Food	\$	8. Educational Expense	\$
2. Clothing	\$	9. Child Care or Babysitting Expense	\$
3. Utilities (Electricity, Water, Propane, Telephone, etc.)	\$	10. Child Support/Alimony Payment	\$
4. Vehicle Expense (Transportation Repairs)	\$	11. Contribution/Recreation	\$
5. Insurance: (House, Life)	\$	12. Other(s)	\$
6. Insurance: (Vehicle(s))	\$	13. Other(s)	\$
7. Medical Expense	\$	TOTAL (1 thru 13):	
			\$

By my (our) signature(s), I (we) certify that all information contained herein is accurate, true, complete and furnished for the purpose of obtaining a Veterans Loan from the Navajo Nation. I understand that any information contained herein including employment in connection with this application will be verified. I(We) hereby authorize the Department of Veterans Affairs to check my(our) credit profile with a Credit Reporting Agency. My (our) loan will be subject to the compliance of the Navajo Nation Business Procurement Act (BPA), and Navajo Nation Privacy and Access to Information Act; unless I(we) consent to it in writing to disclose information. If I(we) should fail to conform to the terms of my(our) loan agreement, the lender may, with or without recourse to legal proceedings, take any or all of the following action: (a) declare the entire loan amount immediately due and payable; (b) take possession of and sell any or all collateral given as security; and (c) pursue legal action against me (us). Should the net proceeds from sale of property not satisfying the balance outstanding, I(we) will remain liable for the balance due.

I (We) understand and I(we) agree to assume all financial and legal obligations arising from the granting of any credit made under the Veterans Loan Program. If applicable, I (we) understand that if I(we) am(are) an elected official or political appointee, a notarized Ethical Certification shall supplement the Application attesting that I(we) will refrain from requesting any special consideration from any personnel/program of the Navajo Nation government and will abide by the Navajo Ethics in Government Law. Any misstatement of fact(s) or misrepresentation of information may be grounds for ineligibility of this application. I(We) understand that this application and all its contents becomes the property of the Navajo Nation.

_____ / / _____ / /
 ✍ Applicant's Signature Date ✍ Spouse's Signature Date



The Navajo Nation
 Department of Veterans Affairs
 PO Box 430
 Window Rock, Az 86515

(928) 871-7284/6598
 (928) 871-7288 (Fax)

Joe Shirley, Jr.
 PRESIDENT

Frank Dayish, Jr.
 VICE PRESIDENT

EMPLOYMENT VERIFICATION FORM

Employer's Name & Address

Applicant's Name

(Social Security No.)

To Whom It May Concern:

The Navajo Nation Veterans Loan Program is requesting verification of employment for the individual who has authorized by their signature below to furnish the information. The named individual has applied for a Veterans Loan through our program. Thank you.

DEPARTMENT OF VETERANS AFFAIRS

Applicant's Signature

Date



(TO BE FILLED OUT BY THE RESPECTIVE EMPLOYER)

Department/Company Name:				Dept No.:	
Date of Employment:					
Position Title:			Annual Salary:	\$	
Employment is:	Permanent	Temporary	Seasonal	Other (indicate)	
(check one)					

Remarks (optional):

Date

(Signature)

Authorized Personnel
 Human Resources Representative

MAP - Veterans Loan Program

APPLICANT'S NAME: _____

Draw a detailed map to your home (residence), including your rural address number. Please be specific and make it complete as you can:



Draw a detailed map to your place of employment (Description):





The Navajo Nation Veterans Loan Program Personal Loan Application



FOR OFFICE USE ONLY

LOAN OFFICER'S RECOMMENDATION

Name of Applicant(s): _____

Date of Review _____ BPA Clearance Date (AR) _____ BPA Clearance Date (CS) _____

Date of Employment Verification _____

Applicant's Credit Score _____ Spouse's Credit Score _____

Total Income \$ _____ / _____ Total Debts \$ _____ Debt to Income Ratio _____ %
Applicant Spouse

Eligible Amount \$ _____ Loan Repayments \$ _____ Int. Rate _____ % Loan Terms _____

Payroll Deductions: _____ Cosigner: _____

NOT ELIGIBLE Remarks: _____

Loan Officer _____ Date: _____

