LEGISLATION NO: _0106-19_____ SPONSOR: Amber Kanazbah Crotty

TITLE: An Action Relating To Resources And Development And Budget And Finance Committees; Accepting the Follow-up Review Of Tse Alnooztii (Sanostee) Chapter Corrective Action Plan Implementation; Imposing Sanctions For Not Implementing The Corrective Action Plan

Date posted: May 7, 2019 at 4:16pm

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DATE: April 30, 2019

AN ACTION RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE COMMITTEES: ACCEPTING THE FOLLOW-UP REVIEW OF TSE ALNAOZTÍÍ (SANOSTEE) CHAPTER CORRECTIVE ACTION PLAN IMPLEMENTATION; IMPOSING SANCTIONS FOR NOT IMPLEMENTING THE CORRECTIVE ACTION PLAN

PURPOSE: Accepting follow up review of Tse Alnaaztií Chapter’s Corrective Action Plan Implementation and imposing sanctions for not implementing the corrective action plan.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate review the proposed resolution in detail.
PROPOSED STANDING COMMITTEE RESOLUTION

24TH NAVAJO NATION COUNCIL – First Year, 2019

INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0106-19

AN ACTION
RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET AND
FINANCE COMMITTEES; ACCEPTING THE FOLLOW-UP REVIEW OF TSE
ALNAOZTÍÍ (SANOSTEE) CHAPTER CORRECTIVE ACTION PLAN
IMPLEMENTATION; IMPOSING SANCTIONS FOR NOT IMPLEMENTING THE
CORRECTIVE ACTION PLAN

BE IT ENACTED:

SECTION ONE. AUTHORITY
A. The Resources and Development Committee serves as the oversight committee for
Chapter of the Navajo Nation. 2 N.N.C § 501(C)(1).
B. The Auditor General’s Plan of Operation, codified in 12 NNC §§ 1-10, provides that “12
months after the release of the audit report, the Auditor General conduct a follow-up to
determine the status of implementation [of the corrective action plan.” 12 N.N.C. § 7(G).
C. The Budget and Finance Committee is charged with receiving post-audit follow-up
reports from the Auditor General. 12 N.N.C §§ 6(B) and 7(H).
D. As part of the follow-up report, the Auditor General shall recommend action to be taken
by the Budget and Finance Committee and present the report to the standing committee
or committees having oversight responsibility for the audited program. 12 N.N.C. § 7
(G).
E. Based on the follow-up review and any recommendations made by the standing committee having oversight responsibility for the audited program, the Budget and Finance Committee will determine what actions should be taken. 12 N.N.C. § 7(I).

F. The Auditor General Plan of Operation provides for the imposition of sanctions under 12 N.N.C. §§ 9(B) and (C), upon the recommendation of the Auditor General in accordance with 12 N.N.C. § 7(G).

G. The Auditor General Plan of Operation provides that “[a]ny director or chapter official whose salary or other payments are withheld pursuant to § 9(C) shall have the right to have the withholding reviewed by the Navajo Nation Office of Hearing and Appeals.” 12 N.N.C. § 9(D).

SECTION TWO. FINDINGS

A. The Auditor General previously conducted an internal audit of Tse Al瑙oztítí Chapter. The Budget and Finance Committee approved the audit report and the corrective action plan on February 6, 2018 in resolution BFF-05-18, which is attached as Exhibit B.

B. The Auditor General conducted a follow-up review to determine if the corrective action plan had been implemented. The Auditor General’s report titled, “A Follow-up Review of the Tse Al瑙oztítí (Sanostee) Chapter Corrective Action Plan Implementation” (Report No. 19-14, March, 2019) is attached as Exhibit A.

C. The corrective action plan listed twenty-seven (27) corrective measures to address nine (9) audit issues. The Tse Al瑙oztítí Chapter implemented 9 (or 33%) of the corrective measures in the corrective action plan. As a result, the Chapter’s corrective action plan has not been implemented.

D. The Auditor General recommended sanctions be imposed upon Tse Al瑙oztítí Chapter and its officials in accordance with 12 N.N.C. §§ 9(B) and 9(C). The Budget and Finance Committee is authorized to make the final determination on what actions should be taken.

SECTION THREE. ACCEPTANCE AND APPROVAL

B. The Navajo Nation Controller shall cause ten percent (10%) of monies payable from any governmental fund of the Navajo Nation as defined at 12 N.N.C. § 810 (S) to be withheld after the recommended sanction is approved by the Budget and Finance Committee and issued to Tse Alnaoztii Chapter until such time as the Tse Alnaoztii Chapter demonstrates to the Auditor General that the corrective action plan has been implemented per 12 N.N.C. § 9(B).

C. The Navajo Nation Controller shall cause twenty percent (20%) of the chapter officials stipend payments to be withheld per 12 N.N.C. § 9 (C).

D. The chapter officials may appeal the imposition of sanctions immediately in accordance with 12 N.N.C. § 9(D).

E. The Tse Alnaoztii Chapter shall provide proof of implementation of the corrective action plan at which time the Auditor General shall immediately report the compliance to the Controller who shall then release all withheld funds in accordance with 12 N.N.C. §§ 9(B) and (C).