



23RD NAVAJO NATION COUNCIL OFFICE OF THE SPEAKER

FOR IMMEDIATE RELEASE

February 19, 2016

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Budget and Finance Committee address chapter audit issues

SHIPROCK, N.M. – On Tuesday, the Budget and Finance Committee received several reports regarding concerns over Navajo chapter financial audits, funding management, and chapter fraud prosecutions from the Navajo Nation Office of the Auditor General, Navajo Department of Justice, and the Navajo Office of Hearings and Appeals.

According to auditor general Elizabeth Begay, there are many chapters that have not completed audits in the last several years, namely chapters that are certified under the Local Governance Act. For instance, Shonto Chapter has not completed an audit since 2000, said Begay.

Begay said her office and the NNDOJ have collaborated to address the issue, and provided recommendations to BFC members. According to the report, the first recommendation is to contract outside auditing firms to audit the Navajo chapters, and deduct the cost of the audit from the chapters' annual appropriation. The second recommendation is to withhold unrestricted chapter funding until the chapter has completed its audit.

BFC vice chair Council Delegate Dwight Witherspoon commended the Office of the Auditor General and the Navajo Department of Justice for thoroughly researching and developing the recommendations with significant data and analysis.

"I truly appreciate the breakdown and the clear information. I wanted to certainly commend you for the information – it paints a better picture for us and gives us a starting point to begin addressing the financial issues of Navajo chapters," said Delegate Witherspoon.

The Navajo Department of Justice also included recommendations to aid chapters in avoiding financial audit issues and improve management of their funds. According to their report, they conducted a review of chapter spending and found issues with internal controls, waste and abuse, and potential fraud.

Navajo Office of Hearing and Appeals also provided a report that included draft language for legislation to begin implementing policy changes to address fraud charges and prosecution of Navajo Nation employees and officials who mismanaged funds.

BFC member Council Delegate Tom Chee (Shiprock) said that BFC members will support the Navajo Office of Hearing and Appeals to investigate and prosecute those who have abused their positions through mismanagement of funds and embezzlement.

“[The Council] still lives with the stigma of the discretionary fund and abuse that has happened—we still live with that. People automatically assume I am thief by the virtue that I am an elected delegate, which is the furthest from the truth,” said Delegate Chee, pointing out that discretionary funds are no longer part of the Navajo Nation’s budget.

Delegate Chee challenged the 23rd Navajo Nation Council to correct the wrongs that took place in the past and begin recovering millions of dollars owed to the Navajo Nation.

BFC members unanimously accepted the reports. The BFC also scheduled work sessions to begin tackling the chapter audit issues and proposed policy changes.

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