

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0029-22_

SPONSOR: Mark A. Freeland

TITLE: An Act Relating to the Resources and Development, and Budget and Finance Committee; Accepting the Auditor General's Audit Report of the Standing Rock Chapter and the Chapter's Proposed Corrective Action Plan

Date posted: February 11, 2022 at 10:49AM

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LEGISLATION SUMMARY

TrackingNo. 0029-22

Date: February 3, 2022

Re: **AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT,
AND BUDGET AND FINANCE COMMITTEE; ACCEPTING THE
AUDITOR GENERAL'S AUDIT REPORT OF THE STANDING
ROCK CHAPTER AND THE CHAPTER'S PROPOSED
CORRECTIVE ACTION PLAN**

Purpose: to accept the Auditor General's Audit of the Standing Rock Chapter, and
to accept the Chapter's proposed Corrective Action Plan.

OLC No. 21-510-1

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 02-16-22
Eligible for Action: 02-17-22

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 24th NAVAJO NATION COUNCIL - Fourth Year, 2022

3 Introduced by:

4 
5 _____

6 (Sponsor)

7
8 Tracking No. 0029-22

9
10 AN ACT
11 RELATING TO THE RESOURCES AND DEVELOPMENT, AND BUDGET
12 AND FINANCE COMMITTEE; ACCEPTING THE AUDITOR GENERAL'S
13 AUDIT REPORT OF THE STANDING ROCK CHAPTER AND THE
14 CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN
15

16 **BE IT ENACTED:**

17
18 **SECTION ONE. AUTHORITY**

- 19 A. The Resources and Development Committee serves as the oversight committee over all
20 Navajo Nation Chapters. 2 N.N.C. §501(C)(1).
21 B. As the oversight committee for Chapters, the Resources and Development Committee
22 reviews audit reports and proposed corrective action plans regarding Chapter financial
23 matters. 12 N.N.C. §7(E).
24 C. The Budget and Finance Committee has the authority to review and approve audit reports of
25 the Auditor General, and corrective action plans proposed by audited Navajo Nation
26 programs, including all Navajo Nation Chapters. 12 N.N.C. §6(A) and §7(D).
27

28 **SECTION TWO. FINDINGS**

- 29 A. Pursuant to 12 N.N.C §6 the Office of the Auditor General has prepared a fiscal review of
30 the Standing Rock Chapter, titled: "Internal Audit of Standing Rock Chapter" - Report No.

1 20-01 - dated December 2019 (“Audit”). **EXHIBIT A.**

2 B. The President of Standing Rock Chapter responded to the Audit in a letter to the Auditor
3 General dated December 23, 2021. **EXHIBIT B.**

4 C. The Standing Rock Chapter passed Resolution No. TSEII.1021.1003, dated November 22,
5 2021, wherein the Chapter approves and supports the Auditor General’s final revised version
6 of the Audit. **EXHIBIT C.**

7 D. The Standing Rock Chapter has prepared a detailed Corrective Action Plan, submitted to the
8 Auditor General on December 2, 2021, which addresses the findings in the Audit. In the
9 Corrective Action Plan the Chapter proposes to cure the numerous Audit findings by
10 September 30, 2022. **EXHIBIT D.**

11 E. The Budget and Finance Committee has final authority to approve corrective action plans
12 proposed in response to audit findings. 12 N.N.C. §7(D).

13
14 **SECTION THREE. APPROVING THE AUDIT OF THE STANDING ROCK**
15 **CHAPTER AND THE CHAPTER’S PROPOSED CORRECTIVE**
16 **ACTION PLAN**

17 A. The Navajo Nation hereby approves the Auditor General’s fiscal review of the Standing
18 Rock Chapter titled: “Internal Audit of Standing Rock Chapter” - Report No. 20-01, dated
19 December 2019, attached hereto as **EXHIBIT A.**

20 B. The Navajo Nation hereby approves the Corrective Action Plan proposed by the Standing
21 Rock Chapter, submitted to the Auditor General on December 2, 2021, attached hereto as
22 **EXHIBIT D.**

23
24 **SECTION FOUR. DIRECTIVES**

25 A. The Standing Rock Chapter shall prepare and submit a written status report on its progress
26 implementing its Corrective Action Plan. The Chapter shall submit such report to the Auditor
27 General no later than six months after the effective date of this Legislation. 12 N.N.C. §7(F).

28 B. The Auditor General shall receive and review the Chapter’s status report, shall prepare a
29 memorandum explaining the Auditor General’s opinion about the success of the Chapter’s
30 corrective efforts, and shall promptly submit such memorandum along with the Chapter’s

1 status report to the Resources and Development Committee and the Budget and Finance
2 Committee. 12 N.N.C. §7(F).

3 C. Twelve months after the effective date of this Legislation the Auditor General shall conduct
4 a follow-up review of the Standing Rock Chapter to determine whether or not the Chapter
5 has successfully implemented its Corrective Action Plan. The Auditor General shall then
6 prepare a report on its findings resulting from the follow-up review, and such report shall
7 include the Auditor General's recommended sanctions, if any, to be imposed upon the
8 Chapter for failure to implement its Corrective Action Plan. 12 N.N.C. §7(G).

9 D. The Auditor General's follow-up report shall be presented to the Resources and Development
10 Committee and the Budget and Finance Committee. 12 N.N.C. §7(G).

11
12 **SECTION FIVE. EFFECTIVE DATE**

13 This Legislation shall become effective pursuant to 12 N.N.C. §6(A) and §7(D).

14
15 **SECTION SIX. SAVING CLAUSE**

16 If any provision of this Legislation is determined invalid by the Navajo Nation Supreme Court,
17 or by a Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, those
18 provisions of this legislation not determined invalid shall remain the law of the Navajo Nation.