

THE NAVAJO NATION
LEGISLATIVE BRANCH
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LEGISLATION NO: _0172-22_

SPONSOR: Raymond Smith, Jr.

TITLE: An Act Relating to the Resources and Development Committee and the Budget and Finance Committee; Accepting the Auditor General's Audit of the Nahata Dziil Commission Governance and Approving the Chapter's Proposed Corrective Action Plan

Date posted: September 23, 2022 at 4:42PM

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LEGISLATIVE SUMMARY SHEET
Tracking No. 0172-22

DATE: September 21, 2022

TITLE OF RESOLUTION: AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE AND THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE AUDITOR GENERAL'S AUDIT OF THE NAHATA DZIL COMMISSION GOVERNANCE AND APPROVING THE CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

PURPOSE: This resolution, if approved, will accept the audit and corrective action plan for the Nahata Dzil Commission Governance.

This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 09-28-22
Eligible for Action: 09-29-22

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

3 Introduced by:

4 
5 _____
6 (Sponsor)

7
8 Tracking No. 0172-22

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10 AN ACT
11 RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE
12 AND THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE
13 AUDITOR GENERAL'S AUDIT OF THE NAHATA DZIIL COMMISSION
14 GOVERNANCE AND APPROVING THE CHAPTER'S PROPOSED CORRECTIVE
15 ACTION PLAN

16
17 BE IT ENACTED:

18
19 SECTION ONE. AUTHORITY

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

28
29 SECTION TWO. FINDINGS

- 30 A. Pursuant to 12 N.N.C. §6 the Navajo Nation Office of the Auditor General has prepared a

1 fiscal review of the Nahata Dziil Commission Governance, titled: “Internal Audit of Nahata
2 Dziil Commission Governance” - Report No. 20-04 - dated December 2019 (“Audit
3 Report”). This Audit Report is attached hereto as **Exhibit A**.

4 B. The Nahata Dziil Commission Governance (“NDCG”) responded to the Audit Report
5 findings on December 30, 2019, providing explanations and proposing action to begin
6 resolving the findings. **Exhibit B**.

7 C. In January 2020, NDCG prepared a detailed Corrective Action Plan that was submitted to
8 the Office of the Auditor General, to address the Audit Report 20-04 findings.

9 D. The Office of the Auditor General provided corrections to the Corrective Action Plan, which
10 NDCG adopted. In the Corrective Action Plan, NDCG proposes to cure the Audit Report
11 findings by December 31, 2022. NDCG’s proposed Corrective Action Plan is attached hereto
12 as **Exhibit C**.

13 D. Resolution No. NDCG-2022-04-019, dated April 3, 2022, recommends and approves the
14 revised Corrective Action Plan, which is attached hereto as **Exhibit D**.

15
16 **SECTION THREE. ACCEPTING THE AUDITOR GENERAL’S AUDIT OF THE**
17 **NAHATA DZIIL COMMISSION GOVERNANCE AND**
18 **APPROVING THE CHAPTER’S PROPOSED CORRECTIVE**
19 **ACTION PLAN**

20 A. The Navajo Nation hereby accepts the Auditor General’s fiscal review of the Nahata Dziil
21 Commission Governance titled: “Internal Audit of Nahata Dziil Commission Governance” -
22 Report No. 20-04, dated December 2019, attached as **Exhibit A**.

23 B. The Navajo Nation hereby approves the Corrective Action Plan proposed by the Nahata Dziil
24 Commission Governance, attached as **Exhibit C**. The Corrective Action Plan is approved
25 for use by the Chapter in addressing and resolving the findings explained in the Audit Report.
26

27 **SECTION FOUR. DIRECTIVES**

28 A. The Nahata Dziil Commission Governance shall prepare and submit a written status report
29 on its progress implementing all tasks set forth in its approved Corrective Action Plan. The
30 Chapter shall submit such report to the Auditor General no later than six months after the

1 effective date of this Act. 12 N.N.C. §7(F).

2 B. The Auditor General shall receive and review the Nahata Dziil Commission Governance's
3 six-month status report and shall prepare a memorandum explaining the Auditor General's
4 opinion about the success of the Chapter's corrective efforts and the Chapter's compliance
5 with its approved Corrective Action Plan during the previous six-month period. 12 N.N.C.
6 §7(F).

7 C. The Auditor General shall then promptly submit such memorandum along with the Chapter's
8 status report to the Resources and Development Committee and the Budget and Finance
9 Committee. 12 N.N.C. §7(F).

10 D. Twelve months after the effective date of this Act, the Auditor General shall conduct a
11 follow-up review of the Nahata Dziil Commission Governance to determine whether or not
12 NDCG has successfully implemented its approved Corrective Action Plan. 12 N.N.C. §7(G).

13 E. The Auditor General shall then promptly prepare its twelve-month report on its findings
14 resulting from the follow-up review. The Auditor General shall recommend action, if any, to
15 be imposed upon the Nahata Dziil Commission Governance for failure to sufficiently
16 implement its Corrective Action Plan. 12 N.N.C. §7(G).

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

19
20 **SECTION FIVE. EFFECTIVE DATE**

21 This Act shall become effective pursuant to 12 N.N.C. §6(A) and §7(D), and 2 N.N.C. §221(C).

22
23 **SECTION SIX. SAVING CLAUSE**

24 If any provision of this Act is determined invalid by the Navajo Nation Supreme Court, or by a
25 Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, those
26 provisions of this Act that are not determined invalid shall be the law of the Navajo Nation.