

THE NAVAJO NATION
LEGISLATIVE BRANCH
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LEGISLATION NO: _0072-23_

SPONSOR: Seth Damon

TITLE: An Action Relating to the Budget and Finance Committee; Rescinding BFJA-04-20 to Allow the Office of the Controller to Establish its own Internal Procedures

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0072-23

DATE: April 7, 2023

TITLE OF RESOLUTION: AN ACTION RELATING TO THE BUDGET & FINANCE COMMITTEE; RESCINDING BFJA-04-20 TO ALLOW THE OFFICE OF THE CONTROLLER TO ESTABLISH ITS OWN INTERNAL PROCEDURES

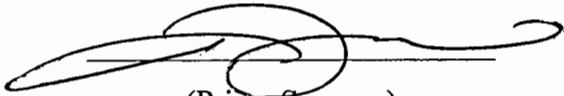
PURPOSE: The purpose of this proposed resolution is to rescind Resolution BFJA-04-20, which approved polices for the Office of the Controller.

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 to review each proposed resolution in detail.

5-DAY BILL HOLD PERIOD: J. Johnson
Website Posting Time/Date: 4:42pm; 04-07-23
Posting End Date: 04-12-23
Eligible for Action: 04-13-23

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 25th NAVAJO NATION COUNCIL - First Year, 2023

3 Introduced by:

4
5 
6 (Prime Sponsor)

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8 Tracking No. 0072-23

9
10 AN ACTION
11 RELATING TO THE BUDGET & FINANCE COMMITTEE;
12 RESCINDING BFJA-04-20 TO ALLOW THE OFFICE OF THE
13 CONTROLLER TO ESTABLISH ITS OWN INTERNAL PROCEDURES

14
15 **BE IT ENACTED:**

16
17 **SECTION ONE. AUTHORITY**

18 A. The Budget and Finance Committee is the oversight committee for the Office of the
19 Controller and is authorized to review, recommend, or propose the adoption, amendment, or
20 rescission of Plans of Operation for divisions and offices over which it has oversight
21 authority. 2 N.N.C. §301(B)(13).

22 B. The Budget and Finance Committee is empowered to review all fiscal, financial, and
23 investment activities of the Navajo Nation, and to promulgate policies and regulations
24 concerning wages, expenditure reimbursement, and fringe benefits for Navajo Nation
25 officials and employees. 2 N.N.C. §301(B)(5); 2 N.N.C. §301(B)(8).

26
27 **SECTION TWO. FINDINGS**

28 A. The Budget and Finance Committee previously passed resolutions approving policies and
29 procedures for the Office of the Controller, including the following:

- 30 1. BFJY-114-86 Relating to The Use of Proceeds from the Sale of Tribal Vehicles;

- 1 2. BFJA-01-02 Relating to The Employee Travel Policies and Procedures;
- 2 3. BFD-37-14 Relating to Purchase Card Policies; and
- 3 4. BFJA-04-20 rescinding all of the above Resolutions and approving new Policies
- 4 of the Office of the Controller.

5 B. Resolution BFJA-04-20 approved policies for the Office of the Controller (“OOC”), which
6 policies comprehensively cover the following departments and areas within OOC: Accounts
7 Payable, Accounts Receivable, Cashiers, Contract Accounting, Financial Statements,
8 General Accounting, Investment Policies, Office Supply Center, Office of the Controller
9 Policies, Payroll, P-Card, Property Management, Travel Policies, and Systems/FMIS
10 Policies. An abridged version of BFJA-04-20 is attached as **EXHIBIT A**.

11 C. Since Resolution BFJA-04-20 was adopted, the OOC has experienced problems and delays
12 in purchasing and procurement as a result of implementing the policies approved in
13 Resolution BFJA-04-20. The OOC has consulted with the Department of Justice, and the
14 Navajo Nation’s auditor KPMG, L.L.P., regarding such problems and delays, and the OOC
15 is now requesting that BFJA-40-20 be rescinded in its entirety. The Controller has prepared
16 a memorandum dated April 7, 2023, attached as **EXHIBIT B**, which outlines the problems
17 with implementing Resolution BFJA-04-20.

18 D. One example in the Controller’s memo of the problems experienced is that the policies
19 approved in BFJA-04-20 do not allow use of the P-Card for services purchased under a
20 contract. In addition, the OOC seeks to implement the use of the P-Card for micropurchases
21 of goods and services in the amount of \$10,000 or less, which is not permitted under the
22 existing policies.

23 E. The OOC believes that rescinding BFJA-04-20, and allowing the OOC to develop and
24 implement its own internal policies governing Accounts Payable, Accounts Receivable,
25 Cashiers, Contract Accounting, Financial Statements, General Accounting, Investment
26 Policies, Office Supply Center, Office of the Controller Policies, Payroll, P-Card, Property
27 Management, Travel Policies, and Systems/FMIS Policies, would streamline OOC’s work
28 and produce greater efficiency in its internal purchasing, procurement activities, and
29 administration of other financial matters.

30

1 F. In light of the above, the Budget and Finance Committee finds rescinding Resolution BFJA-
2 04-20 in its entirety will allow the OOC to operate with greater ease and efficiency.

3 G. Additionally, the Budget and Finance Committee has determined that Travel and P-Card
4 processes shall be considered policies and not internal procedures. Travel and P-Card
5 processes are akin to regulations since all employees and political appointees are subject to
6 the polices and are not a matter of purely internal procedures at the OOC.

7
8 **SECTION THREE. RESCINDING BFJA-04-20**

9 A. The Navajo Nation hereby rescinds resolution BFJA-04-20 in its entirety.

10 B. With such rescission, the OOC is free to development and implement its own internal
11 procedures governing Accounts Payable, Accounts Receivable, Cashiers, Contract
12 Accounting, Financial Statements, General Accounting, Investment Policies, Office Supply
13 Center, Office of the Controller Policies, Payroll, P-Card, Property Management, Travel
14 Policies, and Systems/FMIS Policies. Consistent with Section 2, Paragraph G., above, any
15 internal procedures adopted by OOC shall apply exclusively to the OOC's internal offices,
16 departments, programs, and staff, and shall not apply to other Navajo Nation government
17 entities or Navajo Nation Chapters.

18 C. In accordance with this Resolution, OOC shall present polices related to travel and the use
19 of P-Cards for approval by the Budget and Finance Committee.

20 D. OOC's internal procedures, when developed, need not be presented for approval by the
21 Budget & Finance Committee. Rather, the OOC may adopt its own internal procedures
22 strictly for OOC's internal use.

23
24 **SECTION FOUR. EFFECTIVE DATE**

25 This Action shall become effective in accordance with 2 N.N.C. §221(C).

26
27 **SECTION FIVE. SAVING CLAUSE**

28 If any part of this Action is invalidated by the Supreme Court of the Navajo Nation, or by any
29 Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the
30 remainder of this Action shall be the law of the Navajo Nation.