

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0051-24\_

SPONSOR: Cherilyn Yazzie

**TITLE: An Action Relating to the Resources and Development and Budget and Finance Committees; Accepting the Internal Audit of the Greasewood Springs Chapter and Approving the Greasewood Springs Chapter's Proposed Corrective Action Plan**

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## **SUMMARY OF PROPOSED LEGISLATION**

Tracking No. 0051-24

DATE: February 27, 2024

**RE: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE AND THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE INTERNAL AUDIT OF THE GREASEWOOD SPRINGS CHAPTER AND APPROVING THE GREASEWOOD SPRINGS CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN**

### **PURPOSE OF THIS LEGISLATION:**

to approve and accept the Audit of the Greasewood Springs Chapter and the Chapter's Corrective Action Plan.

### **FINAL AUTHORITY and VOTE REQUIREMENT:**

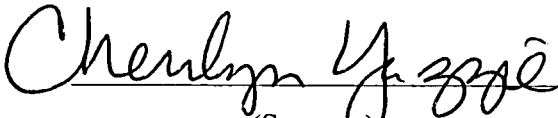
The Budget & Finance Committee has final authority over this resolution. This resolution must be approved by a simple majority vote.

OLC No. 24-040-1

5-DAY BILL HOLD PERIOD JSD  
Website Posting Time/Date \_\_\_\_\_  
Posting End Date: 03-10-24  
Eligible for Action: 03-11-24

1 PROPOSED STANDING COMMITTEE RESOLUTION  
2 25<sup>th</sup> NAVAJO NATION COUNCIL - Second Year, 2024

3 Introduced by:

4   
5  
6 (Sponsor)

7  
8 Tracking No. 0051-24

9  
10 AN ACTION

11 RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE AND  
12 THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE INTERNAL  
13 AUDIT OF THE GREASEWOOD SPRINGS CHAPTER AND APPROVING THE  
14 GREASEWOOD SPRINGS CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

15  
16 BE IT ENACTED:

17  
18 SECTION ONE. AUTHORITY

- 19 A. The Resources & Development Committee is the oversight committee for all 110 Navajo  
20 Nation Chapters. 2 N.N.C. §501(C)(1).  
21 B. As the oversight authority for Chapters, the Resources & Development Committee reviews  
22 audit reports and proposed corrective action plans regarding Chapter financial matters. 12  
23 N.N.C. §7(E).  
24 C. The Budget & Finance Committee has the final authority to review and approve audit reports  
25 issued by the Auditor General, as well as proposed corrective action plans. 12 N.N.C. §6(A)  
26 and §7(D).

27  
28 SECTION TWO. FINDINGS

- 29 A. In accordance with 12 N.N.C. §6, the Navajo Nation Office of the Auditor General has  
30 provided an internal audit report for the Greasewood Springs Chapter. This 12-page report is

1 dated May 2022 (hereinafter referred to as “Audit Report”), and is attached hereto as  
2 **EXHIBIT 1**. This Audit Report was prepared by the Auditor General’s contracted audit firm,  
3 Heinfeld, Meech & Co., P.C. out of Scottsdale, Arizona. **EXHIBIT 2**. The Auditor General’s  
4 summary of the findings in the Audit Report is explained in a letter to the Greasewood Springs  
5 Chapter President, dated May 17, 2022. **EXHIBIT 3**.

6 B. The Greasewood Springs Chapter responded with a letter to the Auditor General regarding the  
7 Audit Report. The Chapter’s response is dated May 12, 2022 and is attached as **EXHIBIT 4**.

8 C. The Chapter prepared a detailed Corrective Action Plan (“CAP”) that was submitted to the  
9 Auditor General on June 6, 2023. The CAP addresses the findings in the Audit Report, and the  
10 Chapter proposes to cure the Audit Report findings by October 2024. The Chapter’s proposed  
11 Corrective Action Plan is attached hereto as **EXHIBIT 5**.

12 D. In Resolution No. GSC08-23-1247 the Greasewood Springs Chapter approves the Chapter’s  
13 Corrective Action Plan to address and resolve the findings. Resolution No. GSC08-23-1247 is  
14 attached hereto as **EXHIBIT 6**.

15  
16 **SECTION THREE. ACCEPTING THE AUDIT OF THE GREASEWOOD SPRINGS**  
17 **CHAPTER AND APPROVING THE GREASEWOOD SPRINGS**  
18 **CHAPTER’S PROPOSED CORRECTIVE ACTION PLAN**

19 A. The Navajo Nation hereby accepts the Auditor General’s Audit Report of the Greasewood  
20 Springs Chapter dated May 2022, attached hereto as **EXHIBIT 1**.

21 B. The Navajo Nation hereby approves the Corrective Action Plan proposed by the Greasewood  
22 Springs Chapter, attached hereto as **EXHIBIT 5**. This Corrective Action Plan is approved for  
23 use by the Greasewood Springs Chapter in addressing and resolving the findings explained in  
24 the Audit Report.

25 C. The Greasewood Springs Chapter is expected to resolve the unfavorable findings in the Audit  
26 Report no later than December 31, 2023, which is the projected date proposed by the Chapter  
27 in its Corrective Action Plan.

28  
29 **SECTION FOUR. DIRECTIVES**

30 A. The Greasewood Springs Chapter shall prepare and submit a written status report on its

1 progress at implementing all tasks set forth in its approved Corrective Action Plan. In  
2 compliance with 12 N.N.C. §7(F), the Greasewood Springs Chapter shall submit said report to  
3 the Office of the Auditor General no later than six months after the effective date of this Action.

4 B. Pursuant to 12 N.N.C. §7(F)(2), the Office of the Auditor General shall receive and review the  
5 Greasewood Springs Chapter's six-month status report and shall prepare a memorandum  
6 explaining the Auditor General's opinion about the success of the Greasewood Springs  
7 Chapter's corrective efforts and the Chapter's compliance with its approved Corrective Action  
8 Plan during the noted six-month period.

9 C. The Office of the Auditor General shall then promptly submit such memorandum along with  
10 the Greasewood Springs Chapter's status report to the Resources & Development Committee  
11 and the Budget & Finance Committee, in accordance with 12 N.N.C. §7(F)(2).

12 D. Twelve months after the effective date of this Action, the Office of the Auditor General shall  
13 conduct a follow-up review of the Greasewood Springs Chapter to determine whether or not  
14 the Chapter has successfully implemented its approved Corrective Action Plan. See 12 N.N.C.  
15 §7(G).

16 E. The Office of the Auditor General shall then promptly prepare its twelve-month report on its  
17 findings resulting from the follow-up review. Such report shall include the Auditor General's  
18 recommended sanctions, if any, to be imposed upon the Greasewood Springs Chapter for  
19 failing to sufficiently implement its Corrective Action Plan. See 12 N.N.C. §7(G).

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

22  
23 **SECTION FIVE. EFFECTIVE DATE**

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

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27 **SECTION SIX. SAVING CLAUSE**

28 If any provision of this Action is determined invalid by the Navajo Supreme Court, or by a Navajo  
29 Nation District Court without appeal to the Navajo Supreme Court, those provisions of this Action  
30 that are not determined invalid shall be the law of the Navajo Nation.