

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0053-24\_

SPONSOR: Herman Daniels, Jr.

**TITLE: An Action Relating to the Resources and Development Committee and the Budget and Finance Committee; Accepting the Internal Audit of the Ts'ah Bii Kin Chapter and Approving the Ts'ah Bii Kin Chapter's Proposed Corrective Action Plan**

*Date posted:* March 08, 2024 at 4:00PM

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## **SUMMARY OF PROPOSED LEGISLATION**

Tracking No. 0053-24

DATE: March 1, 2024

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

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

to approve and accept the Audit of the Ts'ah Bii Kin 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. 24-030-1

5-DAY BILL HOLD PERIOD                       
Website Posting Time/Date                       
Posting End Date: 03-13-24  
Eligible for Action: 03-14-24

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

3 Introduced by:

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5

*Herman M. Donnet, Jr.*

6 (Sponsor)

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8 Tracking No. 0053-24

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10 AN ACTION  
11 RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE  
12 AND THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE  
13 INTERNAL AUDIT OF THE TS'AH BII KIN CHAPTER AND APPROVING  
14 THE TS'AH BII KIN CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

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16 BE IT ENACTED:

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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 Ts'ah Bii Kin Chapter. This 12-page report is dated

1 September 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 Ts’ah Bii Kin Chapter  
5 President, dated September 30, 2022. **EXHIBIT 3**.

6 B. The Ts’ah Bii Kin Chapter responded with a letter to the Auditor General regarding the Audit  
7 Report. The Chapter’s response is dated September 29, 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 July 18, 2023. The CAP addresses the findings in the Audit Report, and  
10 the Chapter proposes to cure the Audit Report findings by “December 31, 2023 and  
11 continuous.” The Chapter’s proposed Corrective Action Plan is attached as **EXHIBIT 5**.

12 D. In Resolution No. TBK-2023-227-009 the Ts’ah Bii Kin Chapter approves the Chapter’s  
13 Corrective Action Plan to address and resolve the findings. Resolution No. TBK-2023-227-  
14 009 is attached hereto as **EXHIBIT 6**.

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16 **SECTION THREE. ACCEPTING THE AUDIT OF THE TS’AH BII KIN CHAPTER**  
17 **AND APPROVING THE TS’AH BII KIN CHAPTER’S PROPOSED**  
18 **CORRECTIVE ACTION PLAN**

19 A. The Navajo Nation hereby accepts the Auditor General’s Audit Report of the Ts’ah Bii Kin  
20 Chapter dated September 2022, attached hereto as **EXHIBIT 1**.

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

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

28 D. The Auditor General shall continue to monitor the Chapter’s implementation of his Corrective  
29 Action Plan after December 31, 2023.

30

1 **SECTION FOUR. DIRECTIVES**

2 A. The Ts'ah Bii Kin Chapter shall prepare and submit a written status report on its progress at  
3 implementing all tasks set forth in its approved Corrective Action Plan. In compliance with 12  
4 N.N.C. §7(F), the Ts'ah Bii Kin Chapter shall submit said report to the Office of the Auditor  
5 General no later than six months after the effective date of this Action.

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

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

14 D. Twelve months after the effective date of this Action, the Office of the Auditor General shall  
15 conduct a follow-up review of the Ts'ah Bii Kin Chapter to determine whether or not the  
16 Chapter has successfully implemented its approved Corrective Action Plan. See 12 N.N.C.  
17 §7(G).

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

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

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25 **SECTION FIVE. EFFECTIVE DATE**

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

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29 **SECTION SIX. SAVING CLAUSE**

30 If any provision of this Action is determined invalid by the Navajo Supreme Court, or by a Navajo

1 Nation District Court without appeal to the Navajo Supreme Court, those provisions of this Action  
2 that are not determined invalid shall be the law of the Navajo Nation.

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