

THE NAVAJO NATION
LEGISLATIVE BRANCH
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LEGISLATION NO: _0151-24_

SPONSOR: Crystalyne Curley

TITLE: An Action Relating to the Resources and Development Committee and the Budget and Finance Committee; Accepting the Internal Audit of the Blue Gap/Tachee Chapter and Approving the Blue Gap/Tachee Chapter's Proposed Corrective Action Plan

Date posted: July 09, 2024 at 4:55PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0151-24

DATE: July 9, 2024

RE: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE AND THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE INTERNAL AUDIT OF THE BLUE GAP/TACHEE CHAPTER AND APPROVING THE BLUE GAP/TACHEE CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

PURPOSE OF THIS LEGISLATION:

to approve the Audit Report and Corrective Action Plan for the Blue Gap/Tachee Chapter.

FINAL AUTHORITY and VOTE REQUIREMENT:

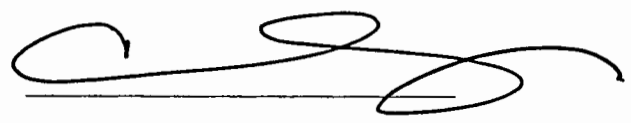
The Budget & Finance Committee has final authority. A simple majority vote is required.

OLC No. 24-273-1

5-DAY BILL HOLD PERIOD
Website Posting Time/Date
Posting End Date: 07-14-24
Eligible for Action: 07-15-24

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

3 Introduced by:

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6 (Sponsor)

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8 Tracking No. 0151-24

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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 BLUE GAP/TACHEE CHAPTER AND APPROVING THE BLUE
14 GAP/TACHEE 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 of the Blue Gap/Tachee Chapter. This report is dated June

1 2023 (hereinafter referred to as “Audit Report”), and is attached hereto as **EXHIBIT 1**. This
2 Audit Report was prepared by the Auditor General’s contracted audit firm, Heinfeld, Meech
3 & Co. out of Scottsdale, Arizona. **EXHIBIT 2**. The Auditor General’s summary of the findings
4 in the Audit Report is explained in a letter to the Blue Gap/Tachee Chapter President, dated
5 June 30, 2023. **EXHIBIT 3**.

6 B. The Blue Gap/Tachee Chapter responded with a letter to the Auditor General regarding the
7 Audit Report. The Chapter’s response is dated June 27, 2023 and is attached as **EXHIBIT 4**.

8 C. The Chapter provided a follow-up memorandum to the Auditor General, dated November 2,
9 2023. **EXHIBIT 5**.

10 D. Along with the memorandum, the Chapter provided its detailed Corrective Action Plan
11 (“CAP”) that was submitted to the Auditor General on November 2, 2023. The CAP addresses
12 the findings in the Audit Report, and the Chapter proposes to cure the Audit Report findings
13 by 12/31/2024. The Chapter’s proposed Corrective Action Plan is attached hereto as
14 **EXHIBIT 6**.

15 E. In Resolution No. BGCH23-11-001, the Blue Gap/Tachee Chapter approves the Chapter’s
16 Corrective Action Plan to address and resolve the findings. **EXHIBIT 7**.

17
18 **SECTION THREE. ACCEPTING THE AUDIT OF THE BLUE GAP/TACHEE**
19 **CHAPTER AND APPROVING THE CHAPTER’S PROPOSED**
20 **CORRECTIVE ACTION PLAN**

21 A. The Navajo Nation hereby accepts the Auditor General’s Audit Report of the Blue Gap/Tachee
22 Chapter dated June 2023, attached hereto as **EXHIBIT 1**.

23 B. The Navajo Nation hereby approves the Corrective Action Plan proposed by the Blue
24 Gap/Tachee Chapter, attached hereto as **EXHIBIT 6**. This Corrective Action Plan is approved
25 for use by the Blue Gap/Tachee Chapter in addressing and resolving the findings explained in
26 the Audit Report.

27 C. The Blue Gap/Tachee Chapter is expected to resolve the unfavorable findings in the Audit
28 Report no later than 12/31/2024, which is the projected date proposed by the Chapter in its
29 Corrective Action Plan.

1 **SECTION FOUR. DIRECTIVES**

2 A. The Blue Gap/Tachee Chapter shall prepare and submit a written status report on its progress
3 at implementing all tasks set forth in its approved Corrective Action Plan. In compliance with
4 12 N.N.C. §7(F), the Blue Gap/Tachee Chapter shall submit said report to the Office of the
5 Auditor 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 Blue Gap/Tachee Chapter's six-month status report and shall prepare a memorandum
8 explaining the Auditor General's opinion about the success of the Blue Gap/Tachee Chapter's
9 corrective efforts and the Chapter's compliance with its approved Corrective Action Plan
10 during the noted six-month period.

11 C. The Office of the Auditor General shall then promptly submit such memorandum along with
12 the Blue Gap/Tachee Chapter's status report to the Resources & Development Committee and
13 the 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 Blue Gap/Tachee 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 Blue Gap/Tachee Chapter for failing
21 to 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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