



FOR IMMEDIATE RELEASE
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Budget and Finance Committee offers clarification over \$19 million appropriation to Navajo Chapters

WINDOW ROCK – On Monday, the Budget and Finance Committee received a report regarding the Navajo Nation Council’s recent appropriation from the Unreserved, Undesignated Fund Balance in the amount of \$19 million for local level community needs, veterans assistance, and student employment to the Navajo Nation’s 110 chapters.

BFC vice chair Council Delegate Jonathan Nez (Shonto, Navajo Mountain, Oljato, Ts’ah Bii Kin) expressed his concerns to the committee regarding the distribution and spending deadlines for the appropriation.

“I have heard concerns from the chapters regarding the deadline to expend funds by the end of this fiscal year on September 30. We need to clarify to the chapters how and when the money should be spent,” said Delegate Nez.

A directive was issued to the chapters and Local Governance Support Centers to expend the funds by the fourth quarter of the current fiscal year, intended to expedite the hiring process for high school and college students.

Citing the Navajo Nation Appropriation Act, Navajo Nation Controller Mark Grant said monies allocated to Navajo chapters could be carried over into the following fiscal year as needed.

Grant further explained that the funds cannot be utilized for stipends, per diem, or travel for chapter officials.

“Now that we have clarification, LGSC will be able to relay this information back to the chapters, but we still need the appropriate budget forms from all the chapters turned in as soon as possible so we can begin hiring students immediately,” said Delegate Nez, following the meeting.

According to the legislation passed by Council on June 6, \$15 million will be appropriated to address local level community needs, \$1 million for specific needs of Navajo veterans, and \$3 million for temporary summer employment for college and high school students.

President Ben Shelly signed the \$19 million appropriation into law on June 13. Distribution of the funds will be based on the number of registered voters in each of the Nation’s 110 chapters.

BFC members voted 4-0 to accept the report.

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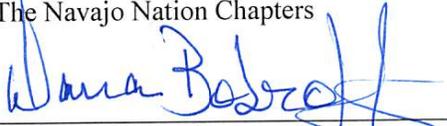
NAVAJO NATION DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

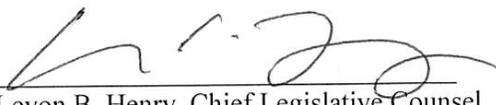
HARRISON TSOSIE
ATTORNEY GENERAL

DANA BOBROFF
DEPUTY ATTORNEY GENERAL

MEMORANDUM

TO: The Navajo Nation Council
: The Navajo Nation Chapters

FROM: 
Harrison Tsosie, Attorney General
Dana Bobroff, Deputy Attorney General
Office of the Attorney General

FROM: 
Levon B. Henry, Chief Legislative Counsel
Office of Legislative Counsel

DATE: June 24, 2014

SUBJECT: CJN-33-14

This memorandum is issued to clarify an issue regarding the appropriation in CJN-33-14 of \$19,000,000 to Chapters, Veterans and Summer Youth Employment passed by the Navajo Nation Council and signed by the Navajo Nation President.

It is our understanding that a question has emerged on whether or not the appropriated funds to the Chapters will lapse at the end of this Fiscal Year. This question comes from a reading of the budget forms for Supplemental Funds attached to the legislation in which the Budget Form 2, Program Performance Criteria, stated "To distribute and use all funds by the end of 4th quarter for the intended purpose." This particular form, along with other appropriate budget forms, are explained in the Fiscal Year 2014 Budget Instructions and Policies Manual, Section VIII., Supplemental Funding Request Policies and Procedures.

However, 12 NNC §820(N) states, "...Appropriations to the chapters of the Navajo Nation shall not lapse at the end of the fiscal year provided that the chapters shall budget those funds in subsequent year in accordance with the purposes and conditions set forth by the Navajo Nation Council in its appropriations." In this instance, Navajo Nation law controls over a policy or procedure. It was the intent of the Navajo Nation Council that the funds appropriated to the Chapters follow §820(N) and other laws governing appropriations to Chapters. So in response to the question of whether or not appropriated funds to Chapter lapse at the end of the Fiscal Year, the answer is no. These appropriated funds do not lapse provided that any unexpended funds are budgeted in Fiscal Year 2015 in accordance with the purpose and conditions set in the legislation.

xc: Mark Grant, Controller
Office of the Controller
: Leonard Chee, Executive Director
Division of Community Development