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Resources and Development Committee considers sanction for Alamo Chapter

TSE BONITO, N.M. – On Tuesday, the Resources and Development Committee considered Legislation No. 0386-16, which seeks to accept the follow-up review report of the Alamo Chapter corrective action plan implementation and impose sanctions for failure to implement the corrective action plan.

According to the Navajo Nation principal auditor Helen Brown, the initial audit of Alamo Chapter was conducted in 2013. In Oct. 2014, the Budget and Finance Committee accepted the initial audit and approved the chapter's corrective action plan. A follow-up review of the chapter's corrective action plan implementation was conducted for a six-month period from Oct. 2015 to March 2016.

RDC chair Council Delegate Alton Joe Shepherd (Jeddito, Cornfields, Ganado, Kin Dah Lichíí, Steamboat) asked what findings were concluded from the six-month follow-up review of Alamo's corrective action plan implementation.

The follow-up review report concluded that Alamo Chapter did not resolve 14 of 17 issues reported in the initial audit. The issues included a lack of a detailed carry-over budget, no community approval for general fund and Tri-State Fund activities, Tri-State Funds were not utilized for direct services, improperly completed travel activities, bank reconciliations, and inventory, lack of performance evaluations, tax reports and payments, and financial report to community members, and lack of documentation for housing assistance awards and emergency expenditures, added Brown.

Alamo Chapter president Stanley Herrera stated that the chapter did not have an adequate number of staff to resolve the audit findings. He added that the lack of a chapter community services coordinator created obstacles and challenges and the chapter attempted to request for technical assistance from the auditor general but did not receive a response.

RDC member Council Delegate Walter Phelps (Cameron, Coalmine Canyon, Leupp, Tolani Lake, Tsidi To ii) raised concerns over sanctioning the Alamo Chapter due to the circumstances.

"I have many concerns regarding this legislation. First, the chapter president stated that the auditors came to the chapter once and no technical assistance was provided. Second, the chapter

lacked the personnel to complete the task. Third, is the accounting software at the chapter reliable and functional? Fourth, the follow-up review took place during the transition of the Local Governance Service Center to Administrative Service Centers and who supervised and assisted the chapter during this time? Is it fair to sanction Alamo Chapter during this transition period?” asked Delegate Phelps.

RDC member Council Delegate Leonard H. Pete (Chinle) also stated that the lack of resources creates challenges for the chapter to comply with the corrective action plan.

“Alamo Chapter is located in a remote isolated area and it makes it difficult to fill vacant positions. The location of the chapter also makes it difficult to resolve problems, such as an audit,” said Delegate Pete.

The Resources and Development Committee issued a “do-pass” recommendation for Legislation No. 0386-16 with a vote of 3-0 with a directive to have the Administrative Service Center and the Navajo Nation Office of the Auditor General to provide technical assistance as needed by chapter officials. The legislation moves forward to the Budget and Finance Committee.

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