



The 21st Navajo Nation Council

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FOR IMMEDIATE RELEASE

Council approves 2009 audit report, overrides President Shirley's veto of the Western Agency Decentralization Pilot Project

WINDOW ROCK, Ariz. – The 21st Navajo Nation Council approved the 2009 audit report of the Navajo Nation government and passed a resolution overriding Navajo President Joe Shirley Jr's veto of the Western Agency Decentralization Pilot Project.

KPMG, LLP of Albuquerque conducted the 2009 audit report, which the Council approved on a vote of 66-5 with one amendment. The audit report reviews the combined financial statements of the Navajo Nation and a single audit of the Navajo Nation's federal grant programs during fiscal year 2009. The audit report indicated that the 2009 Navajo Nation Undesignated Unreserved Fund had seen a decline as a result of low cost of oil and gas and low profit from land revenues among other revenue sources. The audit report also consisted of a compliance audit, which identified 34 findings in the Navajo Nation's federal grant programs.

The amendment, which was motioned by Honorable Katherine Benally (Dennehotso), will require the Navajo Nation to set aside funds for a projected payment of claims and settlements of legal claims against the Navajo Nation. The Council voted 47-27 on the amendment.

Benally said the purpose of the amendment is to allow for access to proper financial data particularly access to the Contingency Management Fund, which the Navajo Office of the Controller and Navajo Department of Justice only have access to.

"In a very recent time, Mr. Mark Grant, controller of the Navajo Nation, presented to the Council or the Intergovernmental Relations Committee and in that report we asked him what the Contingency Management Fund was for," Benally said. "He said it was specifically for settlement claims. I am concerned because only the controller and Navajo Department of Justice are the two entities that have access to financial data regarding the Contingency Management Fund."

In other action, the Council passed a resolution overriding President Shirley's veto of the Western Decentralization Pilot Project on a vote of 64-8. The Western Navajo Agency Council is leading the effort to decentralized governmental services to Navajo constituents and chapters within the Western Navajo Agency of the Navajo Nation.

"When chapters saw and heard of the president's veto, they wanted an override immediately," Sponsor Leslie Dele (Tonalea) said. "They dreamt of the decentralization project happening one day. A lot of this effort has been in place since the MacDonald era. We will work in phases and in the near future have an agency CEO."

Dele added that the next step for the pilot project is adopting and implementing its plan of operation. The Western Navajo Agency Council is scheduled to meet tomorrow to review and approve its plan of operation.

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