



**NAVAJO NATION  
DIVISION OF COMMUNITY DEVELOPMENT**

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CONTACT: Rick Abasta  
Public Information Officer  
Phone: 928-871-6560  
Fax: 928-871-7090  
Email: rabasta@nndcd.org

## Local Governance Act certification making a difference in White Rock



**White Rock Chapter President Lucinda Henry said the chapter did a lot of work to turnaround financial deficiencies and become a Local Governance Act certified chapter. She commended the efficiency and accountability of the Five Management System. (Photo by Rick Abasta)**

WHITE ROCK-Arbin Mitchell, Navajo Nation Division of Community Development Director, said Local Governance Act certification is the law and will help chapters become more self-sufficient in terms of streamlining a lot of the approval processes.

LGA certified chapters are able to approve home site leases, pass ordinances such as taxation and alternative forms of government, and execute contracts.

“When people ask does LGA certification work, my simple answer is yes,” Mitchell said. “The chapters right now can run a balance sheet. The Five Management System we have is up-to-date and we are making significant headway on the issue of accountability.”

White Rock Chapter President Lucinda Henry said LGA certification is working for her community, creating an atmosphere of fiscal accountability.

In 2009, Henry took over the reigns for the chapter and found out it was in a state of disarray: missing reports, financial numbers not balancing out.

“At that time, my chapter was not really doing a good job,” Henry said.

Personnel and financial mismanagement were an issue.

Felix McDonald, accountant with the Eastern Agency Local Governance Support Center, said the previous chapter administration left chapter finances in a state of mediocrity.

“We found a lot of mis-posting and some of the financial documents were not even completed. Cash receipts were not being reported,” McDonald said.

He said that the LGSC reported the findings from the monitoring and within three months, there were personnel changes.

At the end of 2009, the chapter coordinator opted for the early retirement package and left. A few months later in 2010, the office specialist resigned.

Faced with two vacant positions Henry decided to call Nancy Brown back to duty for the chapter. Brown worked for the chapter as a volunteer first, before getting hired on permanently.

Filling the administrative assistant position was Tabitha Harrison, who transferred from the chapter of Nageezi, where she worked toward chapter certification.

“I wanted somebody that was trying to get their chapter certified, somebody that knew what they were doing,” Henry said. “My goal was to get the chapter certified within one year.”

McDonald commended the work of Harrison and said she knew her finances in and out.

“When she transferred, she put the finances back together from the previous year and then FY 2010, which was the current budget,” McDonald said.

Working together, the team was determined to straighten out the accounting. By April 2010, White Rock finally knew where they were financially.

What they uncovered was money owed to the Internal Revenue Service and Navajo Nation Tax Commission, which were paid.

As things fell into place, financial reporting was in order and accepted by the LGSC.

Chapter staff busied themselves with inserting policies, procedures and forms that had to be done in the name of White Rock Chapter. They held several meetings and strategized on how to address their financial situation to meet the standards of LGA certification.

McDonald said by the first quarter of FY 2011, White Rock was encouraged by Mitchell to use the fast track LGA certification process.

“It was tough, really tough. The previous administration didn’t really help the chapter. After they left, it was the best thing that

happened,” McDonald said.

In July 2010, the chapter began practicing use of the FMS for the required three months, in accordance with LGSC policy.

The FMS defines work for chapters in the areas of accounting, personnel, procurement, property and records management.

By Sept. 2010, White Rock submitted its financial records for certification and auditors were called in to review the books.

“He told us that when he opened the folders, the papers didn’t attack him,” Henry said.

The audit findings were corrected and the biggest finding was the chapter owed money to the Navajo Nation Tax Commission.

Henry took a check to the tax commission the same day and White Rock Chapter was officially certified on Dec. 22, 2010.

“It was exciting, very exciting,” Henry said. “It was a very big step for White Rock Chapter. In two years time, it was a big turnaround.”

She said other findings were similar to most chapters, mainly the abuse of travel authorizations. The solution was simple and straightforward: get rid of the people that were doing it.

“I couldn’t drag that on. It’s embarrassing when you see your chapter’s name in the paper,” Henry said. “Right now, I think LGA certification is working good for White Rock.”

As the first chapter in the Eastern Agency to get certified, White Rock maintained a solid footing into 2011, when they switched over to the Sage Fund Accounting software.

SFA, formerly known as MIP, is the preferred nonprofit financial management solution used to plan and manage budgets, maximize grants, manage human resources, and produce accurate customized reports in minutes.

Henry said the software investment was expensive but well worth it.

White Rock has 362 registered voters but not all live in the community because of the lack of employment opportunities.

As the smallest chapter in the Navajo Nation, White Rock has a BIA school, chapter house, senior citizens center and a chapter house in their community.

Located in the New Mexico county of San Juan and 35 miles north of Crownpoint, White Rock Chapter is situated on a dirt road about 5.8 miles off the main highway.

Chapter manager Nancy Brown said the community has traveled a long way in a short amount of time, bringing electricity to 95 percent of the community.

Brown said, “On Dec. 23, 2010, power was turned on for 23

families. We had some excited community members who said they had the lights on all night.”

White Rock Chapter is now switching gears and focusing their attention on a new waterline for the community.

“Our community people still haul water form a great distance and we’re really trying hard on our next project, which will be the waterline,” Brown said.

The community’s basic infrastructure setup is a far cry from how things used to be.

“Imagine going to work and you have to go to the back of the chapter house and crank up the generator,” Brown said. “That’s the only way you can go into your office and actually start working.”

“You couldn’t stand there and say, ‘I’m the chapter manager.’ Chapter manager or not, you had to have that machine going,” she added.

Despite their remote location and diminutive nature, White Rock Chapter is a community filled with growth and a new future.

Information: [www.nndcd.org](http://www.nndcd.org)

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**The desolate location of White Rock Chapter means very few employment and recreational activities. Above, the chapter boasts a community laundromat, basketball court, fitness area, senior citizens center, chapter house and mission church. Located 35 miles north of Crownpoint, White Rock residents must travel a dirt road 5.8 miles off the highway. (Photo by Rick Abasta)**