



FOR IMMEDIATE RELEASE  
September 16, 2014

## President Shelly executes line item veto of FY 2015 comprehensive budget



President Shelly reviews his line item veto of portions of the FY 2015 comprehensive budget. (Photo by Rick Abasta)

WINDOW ROCK, Ariz.—On Sept. 15, after the requisite 10-day review period, President Shelly signed Legislation No. CS-46-14.

President Shelly executed his line item veto authority for the Navajo Nation FY 2015 Comprehensive Budget.

During the FY 2015

budget process, Council raised concerns about the many politically appointed positions in the budget and that funding for those employees would be best used for direct services.

President Shelly agreed with Council and vetoed almost \$2 million earmarked for legislative district assistants in the FY

2015 budget.

The legislative district assistants were budgeted for \$395,343 for personnel expenses, \$1,342,306 for travel expenses, \$31,680 for communications and utilities, and \$474 for special transactions. The total amount vetoed was \$1,769,803.

The president’s memorandum detailing the veto decision was clear on trimming nearly \$2 million off the budget to provide direct services for the Navajo people.

“The Navajo people reduced the Council from 88 to 24 with the perception the Navajo Nation government would see cost savings within the legislative budget,” President Shelly stated. “However, this has not been the case and the legislative budget has increased.”

He also vetoed the in the amount of \$500,008 from the excess indirect cost recovery, which was slated for the decentralization initiative.

The amount in question was woven into the budget of the Division of Community Development and the line item veto was necessary to ensure compliance with 2 CFR

Part 225.

President Shelly stated that the IDC excess recovery fund is projected to be less in FY 2015 and that the funds need to be budgeted prudently to cover any potential shortfalls.

President Shelly also vetoed the budget for the Department of Youth Development because the intended legislative purpose as adopted by Council in CS-46-14 was not met by the proposed budget.

The funding of \$2,000,000 for the department was intended for youth employment and development. However, the budget that was submitted utilized a portion of the department funds for building repairs and maintenance.

President Shelly said, Office of Management and Budget and the program must correct the budget to reflect the intended legislative use as adopted by Council before Oct. 1.

-30-

