



The Navajo Nation Council - Office of the Speaker

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FOR IMMEDIATE RELEASE:

Human Services Committee clarifies misunderstanding of veterans' funds given to Navajo chapters

"Our local veterans' organizations should be the ones to benefit from this allocation of \$8 million to help meet the needs at their local communities — local veterans' organizations should know the local veteran needs."— Speaker Lawrence T. Morgan

WINDOW ROCK, Ariz. — The Human Services Committee of the 21st Navajo Nation Council met during their regularly scheduled meeting on April 14 to discuss the management of veterans' funds that were appropriated on March 21 during a special session.

The veterans' funds were made possible through a council override of Navajo President Joe Shirley, Jr.'s veto of resolution CF-06-08. This override amended the fiscal year 2008 budget and approved a supplemental appropriation in the amount of \$17,015,000 from the Grant Reserve Fund Balance — of which — \$8 million was given to the Navajo Nation chapter veterans.

This \$8 million appropriation provided much-needed funds to Navajo veterans at all 110 chapters throughout the Navajo Nation.

The veterans' funds were allocated to respective chapters at 50 percent equal distribution and 50 percent to registered voters. This distribution formula was calculated by using registered Navajo voters as of Jan. 24, 2008.

The Human Services Committee is requesting that clarification be made immediately about the usage and management of the \$8 million appropriation for Navajo chapter veterans. Several committee members are concerned that this misunderstanding is confusing the general public, the chapters, and many grassroots veterans' organizations.

Young Jeff Tom (Mariano Lake/Smith Lake), the legislation's sponsor, was asked to address the committee to explain the legislation's purpose and how the funds were to be distributed.

"This money is for our Navajo veterans," Tom explained. "This money will benefit our veterans at the grassroots level. This is what I had in mind as we prepared the budget for this development."

Tom also explained that he had to comply with the Navajo appropriations act, which resulted in using the method of the 50/50 appropriations formula — which is based on registered Navajo voters per chapter.

According to Council Delegate Elbert R. Wheeler (Many Farms/Round Rock) there is a lot of confusion out there as to who should manage the money for the veterans.

Council Delegate Larry Noble (Jeddito/Steamboat/Low Mountain) said that the Local Governance Support Center said that they are the ones that should manage the money.

Ultimately, the fund management should be done by the individual chapters, because they are the ones that received the disbursement of funds.

There is also misunderstanding that the Speaker's office is controlling the money as well, but that is not true. The Speaker's office has no control over the money that was appropriated to the chapter veterans.

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Laura Calvin, Financial Advisor with the Speaker's office, said that "the money was appropriated to all 110 chapters and the money has already been disbursed to them, because that is where all the veterans' organizations are established — the money is now available for use," she said.

Speaker Lawrence T. Morgan (Iyanbito/Pinedale) said that the management of the money needs to occur at the chapter level, because that is where the money was disbursed.

"The management of the funds needs to be done through a collaborative effort between the Navajo chapters and the veterans' organizations," Speaker Morgan said. "A financial management system is already established at the chapters for accountability."

Some chapters are being told that a budget will need to be created and this will manage how the chapters will use the veterans' funds.

Calvin also explained that some chapters do not have veterans' organizations, but a budget will still need to be made for the usage of these veterans' funds.

"The money is there for the veterans at the chapter level," Calvin added. "The chapters need to work to get their priorities lined up and get the money spent for the veterans."

Helen Brown, Principal Auditor with the auditor general's office, said that developing a budget is the prudent practice for such funds.

Brown also stated that she concurs with Speaker Morgan in that most chapters — if not all — have financial managements systems in place through the Five Management System (FMS) and typically, these FMS policies and procedures require the chapters to develop and adopt a budget for all funds they receive — such as the veterans' funds.

"The chapters' budget process should ensure the goals and needs of the local veterans' organizations are met with the funds appropriated to the chapters," Brown added. "In terms of our audits — since the funds were disbursed to the chapters — we will regard the chapters as the administrators of these funds and with that comes the responsibility for providing assurance that the veterans' funds were used for their intended purposes."

"Our intent was to provide the much-needed funds to our Navajo veterans," Speaker Morgan concluded. "Our local veterans should be the ones to benefit from this allocation of \$8 million to meet the needs at their local communities — local veterans' organizations should know their own local needs."

For more information, contact Joshua Lavar Butler with the Office of the Speaker at 928-871-6384.

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