



RDC receives business and industrial development fund update report from the Division of Economic Development

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WINDOW ROCK, Ariz. — On Wednesday, the Resources and Development Committee (RDC) received update reports on the Business and Industrial Development Fund's (BIDF) audit and sanctioning program process from the Division of Economic Development (DED) Executive Director JT Willie.

"I am thankful for this discussion because it helps put us in a great place to make sure we can prepare for the future, and I thank DED especially for what they are doing for our Navajo economy," said Council Delegate Mark Freeland (Becenti, Lake Valley, Náhodishgish, Standing Rock, Whiterock, Huerfano, Nageezi, Crownpoint). "Anytime we can bring entrepreneurship and economy to our people, it opens doors for our youth by ensuring the continued partnership. I look forward to seeing this division grow and thrive."

Willie explained initiatives by the Division's staff-led workgroup from the Regional Business Development Offices (RBDO) to re-administer the BIDF program out of sanction. During the first three months of 2021, the workgroup held multiple internal work sessions to ensure all of the audit's issues were addressed.

Among the key areas DED sought to address included reviews from the Navajo Nation Department of Personnel Management (DPM) to re-establish the chief financial officer and financial manager positions, which will be proposed in the FY2022 budget process.

Council Delegate Kee Allen Begay, Jr. (Tachee/Blue Gap, Many Farms, Nazlini, Tselani/Cottonwood, Low Mountain) asked how RBDOs are assisting rural chapters Willie explained the program's diversified financial support system that provides financial assistance and planning.

"We are currently meeting with chapters on these initiatives. The goal is to make these positions marketable and retainable; this means we need to make sure their salaries are attractable and make sure there is dedication and commitment to following through with these initiatives that DED is moving forward," said JT Willie.

RDC was informed that some of the audit's findings have since required additional assistance from the Navajo Nation Department of Justice (DOJ) to provide legal input on personnel positions and documents under DPM.

With DOJ's initial reviews, DED proposed a micro-enterprise guideline document that will help better monitor the loan process and update existing language for the FY 2022 Budget.

Willie added that DED would be working to identify funds for the loan process and ensure the budget shortfall is compensated.

"We will continue the financials and the purchase of the loan ventures, which includes

training to be able to better understand the process for our staff,” stated JT Willie.

Additionally, DED hopes to amend the record management policy, which they have also submitted to DOJ for review. This would assist in the development of future guidelines, which will provide new software for all RBDOs, said JT Willie.

To avoid future auditing issues, DED is also developing a Memorandum of Agreement (MOA) with the Navajo Nation Office of the Controller (OOC). The MOA intends to help better close and adjust transaction audits and outstanding business units.

Robert Willie from OOC was also on Wednesday’s call and reported that their office is currently reviewing DED’s MOA.

“We need more information on the equipment and supplies they are requesting so we can help reconcile the discrepancies and issues in the past,” said Robert Willie. “There is currently no process to close business units, so it is great that DED wants to help create a process that would benefit our programs and divisions.”

JT Willie indicated DED would need experts such as an economist to continue assisting in a corrective action plan for the auditor general.

DED further reported that the division would have public hearings on these initiatives on May 27 and encourage the public to access more information at navajoeconomy.org. There will also be two more public hearings, June 24 and July 29, advertised on the radio and through social media.

At the meeting’s conclusion, RDC members called for future work sessions with DED and the Navajo Nation Department of Agriculture to discuss more actions to strengthen RBDO policies and guidelines.

Delegate Begay also indicated he would be meeting with his chapters to further discuss ways they can be included in the planning and implementation of this process.

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