

**TITLE 2 – GOVERNMENT ADMINISTRATION  
PART II – DEPARTMENTS; DIVISIONS  
CHAPTER 2-12 – DIVISION OF AUDIT SERVICES**

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**SUBCHAPTER A       General Provisions**

**Section 10           Purpose (2 PYTC § 2-12-10)**

The purpose of this subchapter is to establish the Division of Audit Services of the Pascua Yaqui Tribe and to provide authorization and guidance for its operation.

**Section 20           Establishment of the Division of Audit Services (2 PYTC § 2-12-20)**

- (A)    The organizational division to be known as the Pascua Yaqui Division of Audit Services (the “DAS”) is hereby created as a division of the Executive Branch of the Pascua Yaqui Tribe Government.
- (B)    If any section or part of this Chapter is later determined to be void or unenforceable, the remainder of this Chapter shall nevertheless remain in full force and effect, unless this Chapter, without said void or unenforceable section or part, fails in its purpose.

**Section 30           Short Title; Codification (2 PYTC § 2-12-30)**

This ordinance shall be known as the “Pascua Yaqui Audit Services Ordinance of 2008.”

**Section 40           Mission (2 PYTC § 2-12-40)**

The mission of the Pascua Yaqui Tribe Division of Audit Services (DAS) is to provide independent, objective, assurance and consulting services designed to add value and improve Tribal operations. The DAS helps the Tribe, its enterprises, management and those charged with governance and oversight, to accomplish their objectives by bringing a systematic and disciplined approach to evaluating and helping improve program performance and operations, reduce cost, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

**Section 50           Objectives and Scope (2 PYTC § 2-12-50)**

The primary objective of the DAS is to provide a quality service to the Tribe by assisting management and employees of the Tribe and its enterprises in the effective performance of their responsibilities. The DAS accomplishes these objectives through a broad range of audit activities based on Attestation Engagements, Performance Audits and Professional Services other than Audits (“Non-audit Services”). The DAS does not perform Financial Audits or Financial Attestations as defined by Government Auditing Standards.

- (A)    Attestation Engagements cover a broad range of financial or nonfinancial objectives and may provide different levels of assurance about the subject matter or assertion depending on the user’s needs. Attestation engagements result in an examination, a review or an agreed-upon procedures

report on a subject matter or an assertion about a subject matter that is the responsibility of another party.

- (B) Performance Audits are engagements that provide assurance or conclusions based on evaluation of sufficient, appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices. Performance audit objectives may vary widely and include assessments of program effectiveness, economy and efficiency; internal control; compliance; and prospective analysis.
- (C) Professional Services Other than Audits (“Non-audit Services”) are services provided by the DAS that are not conducted in accordance with Generally Accepted Government Auditing Standards (“GAGAS”) and include such things as developing standards, methodologies, guides and criteria for use throughout the Tribe; identifying good business practices; providing audit, investigative, and oversight-related services that do not involve a GAGAS audit, periodic audit recommendation follow-up engagements and reports; participating as non-voting members in standing committees; limited life projects; project facilitation and information exchange. Non-audit Services may be performed as long as the performance of those services will not impair independence as defined by Government Auditing Standards.
- (D) To accomplish the objectives, the scope of DAS activities is necessarily broad and encompasses all Tribal Government, Legislative & Judicial Branches and Enterprises of the Pascua Yaqui Tribe. To ensure that the DAS can fulfill its responsibility, full, free, and unrestricted access to all functions, records, property, and personnel is necessary. The complete cooperation of Tribal and enterprise personnel ensures that the DAS can fulfill its responsibilities in an effective and efficient manner.

#### **Section 60 Independence (2 PYTC § 2-12-60)**

To ensure that the DAS remains independent, objective, and is not influenced (in appearance or in fact) by Tribal Government or Enterprise Division management, the DAS reports to the Tribal Council, and administratively to the Tribal Chairperson. The DAS’s functions are staff and advisory; the DAS has no authority or responsibility over the activities audited, these remain with department management.

### **SUBCHAPTER B Director**

#### **Section 70 Creation and Appointment (2 PYTC § 2-12-70)**

- (A) The position of Director of the Division of Audit Services is hereby created. The Audit Services Division shall consist of a “Director of Audit Services” and such offices necessary for the execution of its mission, performance of its mandated functions, and to achieve its annual goals and objectives.
- (B) The Director shall not be deemed to be a “tribal officer” as defined in Article VII of the Constitution of the Pascua Yaqui Tribe; and
- (C) The Director shall be nominated by the Chairperson and must be approved by the Tribal Council by majority vote of the entire Council (no less than six (6) votes). Approval by the Tribal Council will constitute appointment to the position of Director.
- (D) The Director will be a full-time employee of the Tribe and will be paid compensation commensurate with his or her skills, education, experience, and responsibilities within the standards of compensation, if any, established by the Tribe.
- (E) The Director reports to the Tribal Council, and administratively to the Chairperson.

- (F) The Director serves at the pleasure of the Tribal Council, and may be removed from that position at the absolute discretion of the Tribal Council by a majority vote of the entire Council.

**Section 80 General Duties of Director (2 PYTC § 2-12-80)**

- (A) The Director will be the administer, supervise and direct the activities of the Department.
- (B) The Director will advise the Chairperson and Tribal Council with respect to:
  - (1) Establishment of, and conformance with, policies and procedures of the Department;
  - (2) The programs administered by the Department.
  - (3) External legislation or regulations effecting departmental operations;
  - (4) Inventory and appropriate use of materials and infrastructure.
- (C) The Director will ensure that the Personnel policies and procedures are accurately and fairly applied in all matters pertaining to personnel management and administration.
- (D) The Director will formulate policies, plans and programs to effectuate the mission and purposes of the Department.
- (E) The Director will advise and make recommendations to the Chairperson on all matters concerning the Department’s purpose, objective and programs.

**Section 90 Supervisory Duties and Authorities of Director (2 PYTC § 2-12-90)**

- (A) The Director has authority to select, appoint, and hire employees necessary to carry out the laws, regulations, policies and programs adopted by the Tribal Council including, but not limited to;
  - (1) Hiring authority, subject to the policies and procedures of the Tribe’s Employee Handbook and personnel policies;
  - (2) Termination authority, subject to the policies and procedures of the Tribe’s Employee Handbook and personnel policies;
  - (3) Personnel discipline;
  - (4) Personnel performance review;
  - (5) Personnel job assignments;
- (B) The Director has authority to delegate any function, powers, and authorities to other employees of the Division, except as may be prohibited by Tribal law.
- (C) The Director has budgetary authority for the Division.
- (D) The Director has authority to develop and implement internal policies for the efficient and effective administration of the Division.
- (E) The Director has signature authority for the Division, except as may be permissibly delegated.
- (F) The Director has authority to organize and/or reorganize the Division and/or Departments within the Division and restructure any authorized position within the Division.

## **SUBCHAPTER C**

## **Organization**

### **Section 100 Organization (2 PYTC § 2-12-100)**

- (A) The Division consists of a Director and such departments and offices necessary for the execution of its mission, performance of its mandated functions, and to achieve its long and short term goals and objects.
- (B) The Division may employ staff professionals, support personnel, and/or contract with professional service firms as the Director determines, consistent with the laws of the Tribe and approved budgetary authority.
- (C) The Division must maintain a current organizational chart. The organizational chart must accompany its annual budget submission and any budget modification requests during the fiscal year, in accordance with the Tribe's Fiscal Management Ordinance.

### **Section 110 Responsibility (2 PYTC § 2-12-110)**

The DAS Director and the staff of the DAS have responsibility to:

- (A) Develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Tribal Council for review and approval as well as periodic updates.
- (B) Implement the annual audit plan, as approved, including, as appropriate, any special tasks or projects requested by management and the Tribal Council.
- (C) Maintain a professional and competent audit staff with sufficient knowledge, skills, experience, and professional certifications.
- (D) Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- (E) Issue reports to the Tribal Council and management summarizing results of audit activities.
- (F) Keep the Tribal Council informed of emerging trends and successful practices in internal auditing.
- (G) Report to Tribal Council on the achievement of significant Tribal and departmental goals and the results of significant performance measurements.
- (H) Assist in the investigation of significant suspected fraudulent activities within the Tribe and notify management and the Tribal Council of the results.
- (I) Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the Tribe at a reasonable overall cost.
- (J) Establish a quality assurance program by which the Audit Director assures the operations of internal auditing activities.
- (K) Perform consulting (Non-audit Services) to assist management in meeting its objectives.

**Section 120****Authority (2 PYTC § 2-12-120)**

The DAS Director and staff of the DAS, are authorized to:

- (A) Have full, free, and unrestricted access to all Tribal functions, records, property, and personnel of the Legislative and Executive branches of Tribal Government, whether designated otherwise in the Pascua Yaqui Code as confidential, except:
  - (1) In the case of the Office of the Public Defender or the Pascua Yaqui Legal Services Office individual case files, work product of attorneys regarding cases, names and other identifying information of clients, records of factual, confidential information pertaining to a client, or attorney- client communications with clients maintained in the department in any form; and
  - (2) In the case of the Office of the Attorney General (“OAG”), attorney-client privileged and confidential information and files may only be reviewed by DAS upon resolution of the Tribal Council authorizing the release of its privileged documents from the OAG to the DAS; and
  - (3) In the case of the Office of the Prosecutor, attorney-client privileged and confidential information and files may only be reviewed by DAS upon resolution of the Tribal Council authorizing the release of its privileged documents from the OAG to the DAS, and confidential juvenile records shall not be subject to review.
- (B) Have full and free access to the Tribal Council.
- (C) Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to fulfill their responsibilities and accomplish audit objectives.
- (D) Obtain the necessary assistance of personnel in Tribal departments where audits are performed, as well as other specialized services from within or outside the organization.
- (E) Members of the DAS shall safeguard and keep all matters and records that they investigate strictly confidential within the DAS, except in reports that the DAS may make to the Tribal Council in fulfilling its function.
- (F) In the case of records or matters which are otherwise declared to be confidential under Tribal law, and where DAS feels it imperative to report to the Tribal Council regarding those records, the names and personal identifying information of any person whose records are included within those reports shall be redacted so as not to be readable. DAS may make statistical reports of confidential records or matters so long as it does not report personal identifying information of individuals within those reports.

**Section 130****Authority Not Granted (2 PYTC § 2-12-130)**

The DAS Director and staff of the DAS are not authorized to:

- (A) Perform any operational duties (including installing systems, preparing records, etc.) for the Tribal organization, its enterprises, or its affiliates.
- (B) Initiate or approve accounting transactions external to the DAS.
- (C) Direct the activities of any organization employee not employed by the DAS, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

## **SUBCHAPTER D**

### **Standards of Conduct and Ethics**

#### **Section 140**

#### **Standards of Conduct and Ethics (2 PYTC § 2-12-140)**

Members of the DAS are expected to adhere to all Tribal policies and to uphold the departmental standards of conduct and ethics as follows:

- (A) Staff members shall not distribute any documentation prepared for or obtained during the course of an audit to individuals or departments internal or external to the Tribe without the permission of the DAS Director or Tribal Chairperson.
- (B) Staff members shall immediately report any significant audit conditions (e.g., fraud, theft, and collusion) to the DAS Director so that appropriate action can be taken.
- (C) Staff members shall not discuss audit conditions, or the possibility of conditions, with individuals or entities external to the Tribe (e.g. government agencies, law enforcement), or with individuals or departments outside of the scope of the audit, without the permission of the DAS Director or Tribal Chairperson.
- (D) Staff members shall not use confidential information obtained during the course of their duties for personal gain, in a manner contrary to Tribal law, or in a manner that would be harmful to the DAS or members of the Pascua Yaqui Tribe.
- (E) Staff members shall not knowingly engage in any act that does not display the highest standards of honesty, integrity, dignity, and professionalism.
- (F) Staff members are expected to be fair and honest even when others would not know of their actions.
- (G) Staff members must not use coercive or misleading practices, falsify, or wrongfully withhold information.
- (H) Staff members must not place themselves in situations where private interests could conflict directly or indirectly, in fact or appearance, with obligations to the Tribe and the DAS.
- (I) Staff members may not accept benefits, such as gifts or entertainment, when the situation could be seen as creating an obligation.
- (J) Staff members must disclose any relationships with individuals and management in departments that are subject to audit.
- (K) Staff members must show professional respect at all times. Professional respect does not preclude honest differences of opinion; it does preclude attacking a person's motives or integrity for personal gain.

## **SUBCHAPTER E**

### **Standards of Audit Practice**

#### **Section 150**

#### **Standards of Audit Practice (2 PYTC § 2-12-150)**

The DAS will, to the extent necessary and practical, operate in accordance with Government Auditing Standards issued by the Comptroller General of the United States, or such other Standards as may be adopted from time-to-time.

**SUBCHAPTER F**

**Public Accountability**

**Section 160**

**Public Accountability (2 PYTC § 2-12-160)**

Subject to other applicable Tribal law, Performance Audit Final Reports will be made available to the Tribal Community upon formal written request to the Director of Audit Services and shall be redacted as appropriate to protect confidential and proprietary information.