



**HO-CHUNK NATION CODE (HCC)
TITLE 5 – BUSINESS AND FINANCE CODE
SECTION 11 – AUDIT LAW**

ENACTED BY LEGISLATURE: February 9, 2013
CITE AS: 5 HCC § 11

11.1. Authority.

- a. Article IV, Section 2 of the Constitution authorizes the legislative branch to make laws and appropriate funds in accordance with Article V.
- b. Article V, Section 2(a) of the Ho-Chunk Nation Constitution gives the Ho-Chunk Nation Legislature the power to make laws, including codes, ordinances, resolutions, and statutes.
- c. Article V, Section 2(b) of the Constitution grants the Legislature the power to establish Executive Departments, and to delegate legislative powers to the Executive branch to be administered by such Departments, in accordance with the law; any Departments established by the Legislature shall be administered by the Executive; the Legislature reserves the power to review any action taken by virtue of such delegated power.
- d. Article V, Section 2(d) of the Constitution grants the Legislature the power to authorize expenditures by law and appropriate funds to the various Departments in an annual budget.
- e. Article V, Section 2(h) of the Constitution grants the Legislature the power to enact all laws prohibiting and regulating conduct, and imposing penalties upon all persons within the jurisdiction of the Nation.
- f. Article V, Section 2(x) of the Constitution grants the Legislature the power to enact any other laws, ordinances, resolutions, and statutes necessary to exercise its legislative powers delegated by the General Council pursuant to Article III including but not limited to the foregoing list of powers.

11.2. Purpose and policy

11.2-1. *Purpose.* It is the purpose of this law to create a framework of process and delegated authorities to protect the assets of the Ho-Chunk Nation. It is further the purpose of this law to define the respective responsibilities of parties involved to fully implement this law.

11.2-2. *Policy.* It is the policy of this law to create a system with the necessary tools and delegated authorities to evaluate all activities, functions and operations of the Tribe. It is also the policy of this law to include the Tribe's component units, vendors, investments, and partners, within the scope of the law.

11.3. Definitions

11.3-1. This section shall govern the definitions of words or phrases as used herein. All words not defined herein shall be used in their ordinary and everyday sense.

11.3-2. *Internal Audit Office* means the Office established within the Ho-Chunk Nation responsible for conducting independent appraisals of entities which examine and evaluate the activities as a service to the organization. It shall at all times observe the confidential nature of the information and audit results.

11.3-3. *Audit Committee* means that entity responsible for protecting assets of the Ho-Chunk Nation, by analyzing audit and financial reports, receiving complaints or allegations, and pursuing follow-up on audit recommendations.

11.3-4. *Audit or Investigation* means the process of gathering, reviewing, testing and evaluating the facts of financial, operational, compliance or management issues. This includes necessary industry specific research.

11.3-5. *Reasonably related* means the condition of being directly or indirectly associated with a given issue or situation. It may be integral or incidental in nature.

11.3-6. *Entity* includes any or all activities, functions and operations of the Tribe, component units, vendors, consultants, partner in joint ventures, or businesses in which the Tribe has an investment.

11.3-7. *Component Units* are Tribally chartered corporations and autonomous entities including, but not limited to, limited liability corporations, State chartered corporations, Housing Authority, boards, committees and commissions.

11.3-8. *Relevant Information includes*, but is not limited to, financial information and records regardless of custody, facilities, offices, people, equipment, inventories, tapes, activities, network servers, and files regardless of storage medium.

11.3-9. *Administration* includes all supervisory personnel of all Tribal entities.

11.3-10. *Ethics* includes the Code of Ethics of the Ho-Chunk Nation, Standards for Professional Practice of Internal Auditing as developed by the Institute of Internal Auditing Standards Board and any other law or professional standards as may be applicable.

11.4. General

11.4-1. *Audit Committee*. There is hereby created a standing committee of the Ho-Chunk Nation Finance Committee which shall have five (5) members, two (2) of which shall be designated a Presiding Officer and Second Presiding Officer. The Committee will be composed of the Ho-Chunk Nation Finance Committee Presiding Officer and four (4) members of the Finance Committee selected concurrently with the election to the Ho-Chunk Nation Finance Committee.

11.4-2. *Internal Audit Office.* There is hereby created an Internal Audit Office which shall be responsible to the Audit Committee. The Internal Audit Office shall be managed by an Internal Audit Manager and shall begin audits based on one or more of the following:

- a. The established audit plan
- b. Financial performance
- c. Approved audit requests
- d. Fraudulent or dishonest activities
- e. Previous audit results
- f. New or final status of an operating unit, activity, or function

11.4-3. *Entity.* Entities that submit response and/or action plans to audits, investigations or recommendations are responsible for following through with the representations and providing adequate supporting information to the Audit Committee.

11.4-4. *Audit.* The Internal Audit Office shall begin and complete any audits or investigations in a confidential manner. There shall be a specifically identified objective approved by the Internal Audit Manager prior to commencement and any revision deemed necessary after commencement will also have the Internal Audit Manager approval prior to affecting that change in the audit plan.

11.5. Authority of the Audit Committee

11.5-1. *General.* The Audit Committee has been delegated the authority by the Ho-Chunk Nation Finance Committee to ensure the integrity of the Tribe's financial reporting and audit systems.

11.5-2. *Oversight.* The Audit Committee shall have the responsibility of oversight over the Tribal audit processes and the process of investigation into any alleged or suspected improprieties and violations of fiscal and ethics policies, codes, regulations, and directives.

11.5-3. *Enforcement.* The Audit Committee will have the ability to utilize all existing enforcement authorities to carry out their responsibilities.

11.5-4. *Attendance of Meetings.* The Audit Committee shall require appropriate administration, through the chain of authority, to appear at Audit Committee meetings.

11.6. Authority of the Internal Audit Office

11.6-1. *General.* The Internal Audit Office shall have delegated authority from the Audit Committee and shall have the greatest ability to obtain information reasonably related to an audit.

11.6-2. *Confidentiality.* The Internal Audit Office shall adhere to the Institute of Internal Auditors Code of Ethics and Statement of Responsibilities of Internal Auditing. The scope of their work shall be unrestricted and members of the Internal Audit Office will have no authority or responsibilities for the activities they audit. All members of the Internal Audit Office will strictly adhere to confidentiality in all aspects of their work and will not misuse or abuse their authorities.

11.6-3. *Records Management.* The Internal Audit Office shall maintain all information collected or derived from an audit. Upon closure of an audit, all documentation shall be retained for seven years in a secure location in accordance with the Records Management Law. The files may be accessed by the Internal Audit Office for reference, planning or status update. Any other requests for access must be first approved by the Internal Audit Manager and the Audit Committee.

11.7. Reports

11.7-1. The Audit Committee shall report, as deemed appropriate, to the Ho-Chunk Nation Finance Committee.

11.7-2. The Internal Audit Office shall make reports to the Audit Committee, to the Ho-Chunk Nation Finance Committee, and to the Administration on a need to know basis.

11.8. Responsibilities of Administration

11-8-1. *General.* Administration is required to adhere to the Audit Law and all related procedures. Failure to comply shall be considered as uncooperative and subject to enforcement.

10/08/13	Legislature adopts Resolution 10-08-13M placing the proposed Audit Law out for 45-Day Public Comment.
12/17/13	Legislature adopts Resolution 12-17-13D enacting the Audit Law.
12/08/15	Legislature adopts Resolution 12-08-15C placing the proposed amendments to the Audit Law out for 45-Day Public Comment.
02/09/16	Legislature adopts Resolution 02/09/16R adopting amendments to the Audit Law and placing the Audit Law back out for an additional 45-Day Public Comment period.