

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0218-25_

SPONSOR: Shawna Ann Claw

TITLE: An Action Relating to the Resources and Development and Budget and Finance Committees; Accepting the Internal Audit of Chinle Chapter from the Office of the Auditor General; Approving the Proposed Corrective Action Plan of the Chinle Chapter

Date posted: September 18, 2025 at 2:51PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0218-25

DATE: September 10, 2025

TITLE OF RESOLUTION: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE COMMITTEES; ACCEPTING THE INTERNAL AUDIT OF CHINLE CHAPTER FROM THE OFFICE OF THE AUDITOR GENERAL; APPROVING THE PROPOSED CORRECTIVE ACTION PLAN OF THE CHINLE CHAPTER

PURPOSE: This proposed resolution is to accept the internal audit of the Chinle Chapter from the Office of the Auditor General and approve the proposed correction action plan.

FINAL AUTHORITY: Budget and Finance Committee

VOTE REQUIREMENT: Simple Majority

This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each Council Delegate to review the proposed resolution in detail.

5-DAY BILL HOLD PERIOD: AM Mike III
Website Posting Time/Date: _____
Posting End Date: 09/23/25
Eligible for Action: 09/24/25

Resources & Development Committee
Thence
Budget & Finance Committee

PROPOSED STANDING COMMITTEE RESOLUTION
25th NAVAJO NATION COUNCIL – THIRD YEAR, 2025

Introduced By:



(Prime Sponsor) Shawna Ann Claw

Tracking No. 0218-25

AN ACTION
RELATING TO THE RESOURCES AND DEVELOPMENT AND BUDGET
AND FINANCE COMMITTEES; ACCEPTING THE INTERNAL AUDIT OF
CHINLE CHAPTER FROM THE OFFICE OF THE AUDITOR GENERAL;
APPROVING THE PROPOSED CORRECTIVE ACTION PLAN OF THE
CHINLE CHAPTER

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Resources and Development Committee serves as the oversight committee for all Navajo Nation Chapters. 2 N.N.C. § 501(C)(1).
- B. As the oversight authority for Chapters, the Resources and Development Committee reviews audit reports and proposed corrective action plans regarding Chapter financial matters. 12 N.N.C. § 7(E).
- C. The Budget and Finance Committee has the final authority to review and approve audit reports issued by the Auditor General, as well as proposed corrective action plans. 12 N.N.C. §§ 6(A) and 7(D).

1 **SECTION TWO. FINDINGS**

- 2 A. The Office of the Auditor General submitted the "Internal Audit of the Chinle
3 Chapter" - Report No. 25-06 - dated February 2025 (the "Audit Report"), which
4 is attached as **Exhibit A**.
- 5 B. The Chinle Chapter responded to the Audit Report with a memorandum to the
6 Auditor General dated February 19, 2025, and a Corrective Action Plan ("CAP")
7 attached as **Exhibit B**, addressing the 12 audit findings in the Audit Report.
- 8 C. Chapter Resolution CHIN-JUN-25-027, attached as, **Exhibit C** dated June 15, 2025,
9 approved the Audit Report, recognizing the findings and initiating the CAP.
- 10

11 **SECTION THREE. APPROVAL OF THE AUDIT REPORT AND THE**
12 **CORRECTIVE ACTION PLAN OF CHINLE CHAPTER**

- 13 A. The Budget and Finance Committee accepts the Audit Report for Chinle Chapter
14 "Internal Audit of the Chinle Chapter" Report No. 25-06 - dated February 2025,
15 attached as **Exhibit A**.
- 16 B. The Budget and Finance Committee approves the CAP submitted by Chinle Chapter,
17 attached as **Exhibit B**.
- 18

19 **SECTION FOUR. DIRECTIVES**

- 20 A. A copy of the Audit Report and Chinle Chapter's Corrective Action Plan, as
21 approved in this legislation, shall be provided to the Resource and Development
22 Committee as part of Resources and Development Committee's oversight
23 responsibility over Navajo Nation Chapters. 12 N.N.C. § 7(E).
- 24 B. The Chinle Chapter shall prepare and submit a written status report on the Chapter's
25 progress regarding implementation of its Corrective Action Plan. The Chinle Chapter
26 shall submit such report to the Office of the Auditor General no later than six months
27 after the date of approval of this legislation. 12 N.N.C. § 7(F).
- 28 C. The Office of the Auditor General shall receive and review the Chinle Chapter's
29 status report, shall prepare a memorandum explaining the Auditor General's opinion
30 as to the success of the Chapter's corrective efforts, and shall provide a copy of

1 the Chapter's status report along with the Office of the Auditor General memorandum
2 to the Resources and Development Committee and the Budget and Finance
3 Committee. 12 N.N.C. § 7(F).

- 4 D. Twelve months after the effective date of this legislation the Office of the Auditor
5 General shall conduct a follow-up review of the Chinle Chapter to review and verify
6 the Chapter's implementation of its Corrective Action Plan. The Office of the
7 Auditor General shall prepare a report on its findings resulting from the follow-up
8 review, and such report shall include the Auditor General's recommended sanctions,
9 if any, to be imposed upon the Chinle Chapter for failure to implement the
10 Corrective Action Plan. 12 N.N.C. § 7(G).