

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0089-26_

SPONSOR: Casey Allen Johnson

TITLE: An Action Relating to Resources and Development and Budget and Finance Committees; Accepting the Internal Audit of the Tolani Lake Chapter and Approving the Chapter's Proposed Corrective Action Plan

Date posted: April 22, 2026 at 3:41PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0089-26

DATE: April 17, 2026

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE COMMITTEES; ACCEPTING THE INTERNAL AUDIT OF THE TOLANI LAKE CHAPTER AND APPROVING THE CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

PURPOSE: This legislation, if approved, would accept the Internal Audit conducted by the Office of the Auditor General for the Tolani Lake Chapter and approve the Chapter's proposed Corrective Action Plan.

FINAL AUTHORITY: Budget and Finance Committee

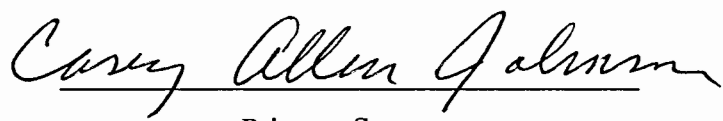
VOTE REQUIRED: Simple Majority

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

5-DAY BILL HOLD PERIOD:
Website Posting Time/Date:
Posting End Date: 04-27-26
Eligible for Action: 04-28-26

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 25th NAVAJO NATION COUNCIL—Fourth Year, 2026

3 Introduced by:

4 
5

6 Primary Sponsor

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8 Tracking No. 0089-26

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10 AN ACTION
11 RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET
12 AND FINANCE COMMITTEES; ACCEPTING THE INTERNAL AUDIT
13 OF THE TOLANI LAKE CHAPTER AND APPROVING THE
14 CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

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16 BE IT ENACTED:

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18 SECTION ONE. AUTHORITY

- 19 A. The Resources and Development Committee is a standing committee of the Navajo
20 Nation Council and has legislative oversight for all 110 Navajo Nation Chapters. 2
21 N.N.C. §§ 500(A) and (C), and 501(C)(1).
22 B. As the oversight authority for Chapter, the Resources and Development Committee
23 reviews audit reports and proposed corrective action plans regarding Chapter
24 financial matters. 12 N.N.C. § 7(E).
25 C. The Budget and Finance Committee is a standing committee of the Navajo Nation
26 Council with the power to act as an Audit Committee of the Navajo Nation
27 government and has final authority to review and approve audit reports issued by
28 the Auditor General, as well as proposed corrective action plans. 2 N.N.C. §§
29 300(A) and C(6) and 12 N.N.C. § 7(D).
30

1 **SECTION TWO. FINDINGS**

- 2 A. In accordance with 12 N.N.C. § 6, the Navajo Nation Office of the Auditor General
3 provided an internal audit report to the Tolani Lake Chapter, Report No. 21-04.
4 This report is dated March 2021 (hereinafter referred to as “Audit Report”), and is
5 attached as **Exhibit A**. This Audit Report was prepared by the Office of the Auditor
6 General. The Auditor General’s summary of the findings in the Audit Report is
7 explained in a letter to the Tolani Lake Chapter President, dated March 17, 2021,
8 included in **Exhibit A**.
- 9 B. The Tolani Lake Chapter President responded with a letter to the Auditor General
10 regarding the Audit Report. The Chapter’s response is dated February 18, 2021,
11 and is included in **Exhibit A**. *See* Tab Client Response.
- 12 C. In Resolution TL-03-26C-2026, the Tolani Lake Chapter approves the Chapter’s
13 Corrective Action Plan (“CAP”) to address and resolve the findings in March of
14 2026, attached as **Exhibit B**.
- 15 D. The Chapter submitted its resolution and detailed CAP to the Office of the Auditor
16 General and the Navajo Nation Department of Justice on March 27, 2026. The CAP
17 addresses the findings in the Audit Report, and the Chapter proposes to cure the
18 Audit Report findings immediately. The Chapter’s CAP is included in **Exhibit B**.

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20 **SECTION THREE. ACCEPTING THE AUDIT OF THE TOLANI LAKE**
21 **CHAPTER AND APPROVING THE CHAPTER’S PROPOSED CORRECTIVE**
22 **ACTION PLAN**

- 23 A. The Navajo Nation accepts the Auditor General’s Internal Audit of the Tolani Lake
24 Chapter dated March 2021, attached as **Exhibit A**.
- 25 B. The Navajo Nation approves the Corrective Action Plan (“CAP”) proposed by the
26 Tolani Lake Chapter, attached as **Exhibit B**. This CAP is approved for use by the
27 Tolani Lake Chapter in addressing and resolving the findings explained in the
28 Internal Audit Report.
- 29 C. The Tolani Lake Chapter is expected to resolve the unfavorable findings in the
30 Audit Report immediately, which is noted by the Chapter in its CAP.

1 **SECTION FOUR. DIRECTIVES**

- 2 A. The Tolani Lake Chapter shall prepare and submit a written status report on its
3 progress at implementing all task set forth in its approved CAP. In compliance with
4 12 N.N.C. § 7(F), the Tolani Lake Chapter shall submit said report to the Office of
5 the Auditor General no later than six months after the effective date of this Action.
- 6 B. Pursuant to 12 N.N.C. § 7(F)(2), the Office of the Auditor General Shall receive
7 and review the Tolani Lake Chapter’s six-month status report and shall prepare a
8 memorandum explaining the Auditor General’s opinion about the success of the
9 Tolani Lake Chapter’s corrective efforts and the Chapter’s compliance with its
10 approved CAP during the noted six-month period.
- 11 C. The Office of the Auditor General shall then promptly submit such memorandum
12 along with the Tolani Lake Chapter’s status report to the Resources and
13 Development Committee and the Budget and Finance Committee, in accordance
14 with 12 N.N.C. § 7(F)(2).
- 15 D. Twelve months after the effective date of this Action, the Office of the Auditor
16 General shall conduct a follow-up review of the Tolani Lake Chapter to determine
17 whether or not the Chapter has successfully implemented its approved CAP. *See* 12
18 N.N.C. § 7(G).
- 19 E. The Office of the Auditor General shall then promptly prepare its twelve-month
20 report on its findings resulting from the follow-up review. Such report shall include
21 the Auditor General’s recommended sanctions, if any, to be imposed upon the
22 Tolani Lake Chapter for failing to sufficiently implement its CAP. *See* 12 N.N.C. §
23 7(G).
- 24 F. The Auditor General’s follow-up report shall be presented to the Resources and
25 Development Committee and the Budget and Finance Committee. *See* 12 N.N.C.
26 §§ 7(G) and 7(H).
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