THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION

LEGISLATION NO: _0201-26__ **SPONSOR: Germaine Simonson**

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

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LEGISLATIVE SUMMARY SHEET
Tracking No. 0201-26

DATE: August 28, 2026

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE COMMITTEES; ACCEPTING THE INTERNAL AUDIT OF THE PINON 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 Pinon 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: Al Nutelth
Website Posting Time/Date:
Posting End Date: 9/13/26
Eligible for Action: 9/14/26

PROPOSED STANDING COMMITTEE RESOLUTION

25th NAVAJO NATION COUNCIL—Fourth Year, 2026

Introduced By:

Primary Sponsor

Tracking No. 0201-26

AN ACTION
RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE COMMITTEES; ACCEPTING THE INTERNAL AUDIT OF THE PINON CHAPTER AND APPROVING THE CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Resources and Development Committee is a Standing Committee of the Navajo Nation Council and has legislative oversight for all 110 Navajo Nation Chapters. 2 N.N.C. §§ 500(A) and (C), and 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 is a Standing Committee of the Navajo Nation Council with the power to act as an Audit Committee of the Navajo Nation government and has final authority to review and approve audit reports issued by the Auditor General, as well as proposed corrective action plans. 2 N.N.C. §§ 300(A) and C(6) and 12 N.N.C. § 7(D).

 26-329-1

SECTION TWO. FINDINGS

A. In accordance with 12 N.N.C. § 6, the Navajo Nation Office of the Auditor General provided an internal audit report to the Pinon Chapter, Report No. 25-23. This report is dated September 2025 (hereinafter referred to as "Audit Report"), and is attached as **Exhibit A**. This Audit Report was prepared by the Office of the Auditor General. The Auditor General's summary of the findings in the Audit Report is explained in a letter to the Pinon Chapter President, dated September 22, 2025, included in **Exhibit A**.

B. The Pinon Chapter responded with a letter to the Auditor General regarding the Audit Report. The Chapter's response is dated September 8, 2025, and is included in **Exhibit A**. *See* Tab Chapter Response.

C. In Resolution PIN-26-43, the Pinon Chapter approves the Chapter's Corrective Action Plan ("CAP") to address and resolve the findings in July of 2026, attached as **Exhibit B**.

SECTION THREE. ACCEPTING THE AUDIT OF THE PINON CHAPTER AND APPROVING THE CHAPTER'S PROPOSED CORRECTIVE ACTION PLAN

A. The Navajo Nation accepts the Auditor General's Internal Audit of the Pinon Chapter, Report No. 25-23, dated September 2025, attached as **Exhibit A**.

B. The Navajo Nation approves the Corrective Action Plan ("CAP") proposed by the Pinon Chapter, attached as **Exhibit B**. This CAP is approved for use by the Pinon Chapter in addressing and resolving the findings explained in the Internal Audit Report.

C. The Pinon Chapter is expected to resolve the unfavorable findings in the Audit Report immediately.

SECTION FOUR. DIRECTIVES

A. The Pinon Chapter shall prepare and submit a written status report on its progress at implementing all tasks set forth in its approved CAP. In compliance with 12

N.N.C. § 7(F), the Pinon Chapter shall submit said report to the Office of the Auditor General no later than six months after the effective date of this Action.

B. Pursuant to 12 N.N.C. § 7(F)(2), the Office of the Auditor General shall receive and review the Pinon Chapter's six-month status report and shall prepare a memorandum explaining the Auditor General's opinion about the success of the Pinon Chapter's corrective efforts and the Chapter's compliance with its approved CAP during the noted six-month period.

C. The Office of the Auditor General shall then promptly submit such memorandum along with the Pinon Chapter's status report to the Resources and Development Committee and the Budget and Finance Committee, in accordance with 12 N.N.C. § 7(F)(2).

D. Twelve months after the effective date of this Action, the Office of the Auditor General shall conduct a follow-up review of the Pinon Chapter to determine whether or not the Chapter has successfully implemented its approved CAP. *See* 12 N.N.C. § 7(G).

E. The Office of the Auditor General shall then promptly prepare its twelve-month report on its findings resulting from the follow-up review. Such report shall include the Auditor General's recommended sanctions, if any, to be imposed upon the Pinon Chapter for failing to sufficiently implement its CAP. *See* 12 N.N.C. § 7(G).

F. The Auditor General's follow-up report shall be presented to the Resources and Development Committee and the Budget and Finance Committee. *See* 12 N.N.C. §§ 7(G) and 7(H).