

Whiterock Chapter Corrective Action Plan 12 Month Follow Up

Objective

In accordance with Title 12 Navajo Nation Code, section 7(G), the Office of the Auditor General (OAG) conducted a follow up review on the status of the Whiterock Chapter (Chapter) corrective action plan that was approved by the Budget and Finance Committee on September 04, 2001, per resolution no. BFS-95-01. Our objective for the follow-up was to determine whether the Chapter fully implemented its corrective action plan to resolve all findings presented in audit report no. 01-02.

Scope and Methodology

In meeting our objective, we interviewed Chapter staff, observed Chapter operations, and examined available documentation for the 12-month period beginning October 01, 2002 through September 30, 2003. We selected a sample of expenditures using a non statistical, judgmental approach. The sampled expenditures were reviewed to verify community approval, adequacy of supporting documentation, and compliance to applicable laws, policies and fund guidelines. In addition, we reviewed the Chapter's progress in implementing its five management system.

Compliance with Government Auditing Standards

This post audit follow-up review was conducted in accordance with Government Auditing Standards. Those standards require that we plan and perform the audit to afford a reasonable basis for our judgments and conclusions regarding the entity under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

Review Results

Our review revealed the Chapter has implemented corrective actions to resolve nine of fourteen findings presented in audit report no. 01-02. The Chapter staff indicated that corrective actions for five findings were not fully implemented because of the following two main barriers:

- (1) Lack of technical knowledge or expertise in developing a five management system policies and procedures.
- (2) Inadequate support from LGSC in developing the Chapter five management system policies and procedures manual. LGSC does not provide sufficient on-site technical assistance and hands on training to ensure Whiterock Chapter staff is implementing the corrective actions on developing a five management system policies and procedures manual. OAG recommends the Eastern Agency LGSC to be proactive in providing hands on training and on-site technical assistance to the Chapter.

Conclusion

The Chapter has improved its operations by implementing corrective actions to resolve nine of fourteen audit findings. Although there are still five unresolved findings, considering the Chapter's progress in addressing the nine findings, OAG does not recommend that the Chapter be sanctioned in accordance with Title 12 Navajo Nation Code, sections 9(B) and 9(C).