

SUMMARY

The Navajo Nation Office of the Auditor General conducted a follow-up review of the Churchrock Chapter's corrective action plan (CAP) implementation regarding audit report no. 01-07 "A Follow-up Review to the Performance Audit of Churchrock Chapter" approved by the Budget and Finance Committee on March 5, 2002 per resolution no. BFMA-19-02.

Our CAP follow-up review found:

Finding I:

- 6 of 16 corrective measures for Finding I have been implemented, and
- 10 of 16 corrective measures for Finding I have not been implemented.

Finding II:

- 0 of 3 corrective measures for Finding II have been implemented, and
- 3 of 3 corrective measures for Finding II have not been implemented.

Overall, 13 of 19 corrective measures from the Churchrock Chapter corrective action plan approved by the Budget and Finance Committee have yet to be implemented. Since 68% of the corrective actions were not implemented, the audit findings remain unresolved.

In accordance with 12 N.N.C., Sections 9(B) and 9(C) the Office of the Auditor General recommends that sanctions be imposed on Churchrock Chapter for failure to fully implement the corrective action plan. Sanctioning will include withholding 10% of monies payable from any Governmental fund of the Navajo Nation and 20% of any payment prospectively due to the Chapter President. Sanctioning will not apply to the Chapter Vice-President and Secretary/Treasurer because these officials were just elected and recently took the oath of office in January 2005. In contrast, the Chapter President has been in office since February 2003 and was reelected for the current term 2005 to 2009.