

SUMMARY

The Navajo Nation Office of the Auditor General has conducted a performance audit of the Diné Boys and Girls Club Expansion Office (Expansion Office) established within the Office of the President and Vice President of the Navajo Nation. This performance audit determines whether the Expansion Office is meeting its intended purpose as outlined in its plan of operation and whether federal grants are expended in accordance with the intent of the grants.

FINDING I: Management of Expansion Office Needs Improvement.

The Expansion Office is disregarding the established policies of the Navajo Nation and funding agencies. The sub-grant to the Boys and Girls Clubs was reduced to increase the Expansion Office administration budget without modifying the sub-grant agreement. The Expansion Office is also not using available resources prudently. All of these are potential areas of liability against the Expansion Office and the Navajo Nation, which is why it is imperative to be familiar with funding guidelines and Navajo Nation policies and procedures. Management of Expansion Office needs improvement to ensure compliance with established policies and procedures.

FINDING II: Monitoring of Grants is Ineffective.

The Expansion Office is not taking its monitoring responsibilities seriously. There is no evidence to show that the Expansion Office conducted on-site monitoring at the club sites and reports were not used as a tool for monitoring the sub-grantee. The Expansion Office could not properly justify cost reimbursements to the sub-grantee. Furthermore, grant funds were unspent at the end of the grant term which will revert back to the funding agency. These unused funds could have been otherwise used at the clubs for direct services to the Navajo youth. These deficiencies are clear indication that the Expansion Office is not effectively monitoring its grant funds.

FINDING III: Contract Deliverables Are Incomplete.

Although 14 Boys and Girls Clubs were developed and have begun operations on the Navajo Nation, not all deliverables required in the federal grant contracts have been carried out. The Expansion Office has not implemented the goals of the U.S. Department of Justice Tribal Youth Program grant which are to provide intervention programs to prevent juvenile crime. Also, the intended results of the Housing and Urban Development Indian Housing Drug Elimination Program grant to reduce drugs and drug-related crime among Navajo youth were not achieved. All indications show juvenile crimes have increased on the Navajo Nation.

FINDING IV: Elimination of the Expansion Office Would Not Harm the Navajo Nation.

The creation of the Expansion Office was poorly planned. The plan of operation for the Expansion Office limits its existence through the end of the Housing and Urban Development grant. Since the grant has expired, the reason for the continued operation of the Expansion Office has ended. In addition, the Expansion Office was not able to effectively carry out its duties as administrators of the federal grants. Evidence shows that the Expansion Office demonstrated weak management over grant funds. Further, the Navajo Nation Office of Diné Youth is already providing youth services. Therefore, the Expansion Office operation is a duplication of efforts with the Office of Diné Youth. Duplication of efforts is an ineffective and inefficient use of Navajo Nation resources. The elimination of the Expansion Office would not harm the Navajo Nation.