

## SUMMARY

The Navajo Nation Office of the Auditor General conducted a follow-up review of the Mariano Lake Chapter's corrective action plan (CAP) implementation regarding audit report no. 01-05 "A Follow-up Review to the Special Review of Mariano Lake Chapter" approved by the Budget and Finance Committee on September 17, 2002 per resolution no. BFS-120-02.

Our CAP follow-up review found:

### Finding I:

- 2 of 8 recommendations for Finding I have been implemented, and
- 6 of 8 corrective measures for Finding I have not been implemented.

### Finding II:

- All 3 corrective measures for Finding II have been not implemented.

Overall, 9 of 11 corrective measures from the Mariano Lake Chapter corrective action plan approved by the Budget and Finance Committee have yet to be implemented. Since 82% of the corrective actions were not implemented, the audit findings remain unresolved.

The Office of the Auditor General recommends that sanctions be imposed on Mariano Lake Chapter in accordance with 12 N.N.C., Section 9(B) for failure to fully implement the corrective action plan. The sanction will include withholding 10% of monies payable to the Mariano Lake Chapter from any governmental fund of the Navajo Nation. However, the Office of the Auditor General does not recommend that sanctions include the Mariano Lake Chapter Officials, as stated in 12 N.N.C., Section 9(C) because these officials were recently elected to serve the current term 2005 to 2009.