

SUMMARY

In 1998 the Navajo-Hopi Land Commission approved the use of \$1.5 million from the Navajo Rehabilitation Trust Fund. The \$1.5 million was for the Navajo-Hopi Land Commission Office and the Navajo Housing Services Department to construct replacement homes for 48 Navajo families living in the Hopi Partitioned Land. The Office of the Auditor General conducted an audit of the project and issued audit report no. 01-08 in November 2001 presenting the following findings:

- The Hopi Partition Land housing construction project was poorly managed. Project and financial management was inadequate, as a result, the housing project remains incomplete.
- Navajo Housing Services Department's labor cost and construction status records are unreliable. Cost of labor records are incomplete and the percentages of completion records have conflicting data.

Audit report no. 01-08 with a corrective action plan was presented and subsequently approved by the Budget and Finance Committee on January 15, 2002 per resolution no. BFJA-07-02. The Navajo-Hopi Land Commission Office was to have implemented the corrective action plan to resolve the findings.

The Office of the Auditor General has subsequently conducted a follow-up review on the corrective action plan implementation. This follow-up specifically focuses on the corrective measures presented in the corrective action plan in determining whether the Navajo-Hopi Land Commission Office implemented its corrective action plan to resolve the findings.

The corrective action plan follow-up review revealed that there is minimal effort by Navajo-Hopi Land Commission Office to obtain resources in order to complete the project. Our review found that the Navajo-Hopi Land Commission Office has not:

- Obtained a detailed survey that provides a reliable estimate to finish the 48 Hopi Partitioned Land housing project. Although inspections were made, the inspections do not provide the necessary information such as reliable estimates to finish the project.
- Presented a sufficient proposal, as part of protocol, to the Navajo-Hopi Land Commission for approval on use of the Navajo Rehabilitation Trust Fund. A sufficient proposal should contain necessary information to complete the project.

Without a sufficient proposal, the Navajo-Hopi Land Commission is unable to approve use of the Navajo Rehabilitation Trust Fund to complete the project. As a result, the 48 Hopi Partitioned Land homes are still incomplete.

Although Navajo-Hopi Land Commission Office staff represented barriers prevented them from fully implementing the corrective action plan, Auditor General staff found these barriers to be unacceptable. Navajo-Hopi Land Commission Office has no justification for not fully implementing its corrective action plan to resolve the findings. Therefore, we recommend that sanctions be imposed on the Navajo-Hopi Land Commission Office in accordance with 12 Navajo Nation Code, Sections 9(B) and 9(C).