

## SUMMARY

The Navajo Nation Office of the Auditor General conducted a follow-up review of the Navajo Nation Parks and Recreation Department Special Events Office (formerly the Fair Office) 4<sup>th</sup> of July 2008 Celebration corrective action plan implementation regarding audit report no. 01-15. The follow-up review focused on determining whether the Parks and Recreation Department Special Events Office has resolved the audit findings by implementing its corrective action plan.

Our follow-up review found:

*Finding I:* The finding is determined unresolved.

- 1 of 6 corrective measures has been implemented.
- 5 of 6 corrective measures have not been implemented.

*Finding II:* The finding is determined unresolved.

- 1 of 1 corrective measure has not been implemented.

*Other Issues:*

Total expenses incurred in holding the 4<sup>th</sup> of July 2008 Celebration amounted to \$522,415. However, the Special Events Office only raised \$271,619 in revenues resulting in net loss of \$250,796 (see EXHIBIT "A"). The Parks and Recreation Enterprise Fund subsidized the loss incurred. The Parks and Recreation Department Manager acknowledged incurring a loss year after year in producing the 4<sup>th</sup> of July Celebration. Given the significant amount of monies involved in producing the 4<sup>th</sup> of July Celebration, the Parks and Recreation Department needs to conduct a cost-benefit analysis in continuing to hold this event.

The Parks and Recreation Department Special Events Office has seven (7) corrective measures to implement from its corrective action plan. Of the seven corrective measures, only one (1) corrective measure was implemented leaving six (6) corrective measures not implemented. As a result, the two findings presented in audit report no. 01-15 are still unresolved. Therefore, the Office of the Auditor General recommends that sanctions be imposed on the Navajo Nation Parks and Recreation Department Special Events Office and the Parks and Recreation Department Manager in accordance with Title 12 Navajo Nation Code, Sections 9(B) and 9(C) respectively for failure to fully implement the corrective action plan.