

SUMMARY

The Navajo Nation Office of the Auditor General (OAG) conducted a supplemental follow-up review on the status of the Bodaway/Gap Chapter implementation of its corrective action plan regarding audit report no. 03-03. On May 15, 2007, the Budget and Finance Committee (BFC) was presented audit report 07-01, which is the initial follow-up review report of the Bodaway/Gap Chapter corrective action plan implementation. OAG found corrective measures were not implemented that left the audit findings unresolved. OAG therefore recommended sanctions against the Bodaway/Gap Chapter and its Chapter officials in accordance with 12 N.N.C., § 9(B) and 9(C). BFC approved to impose sanctions on May 15, 2007 per resolution no. BFMY-21-07.

This supplemental follow-up review focused on determining whether Bodaway/Gap Chapter has fully implemented its corrective action plan to resolve the audit findings. The supplemental follow-up review found:

Our CAP follow-up review found:

Finding I:

- 8 of 8 corrective measures for Finding I have been implemented; and
- 0 of 8 corrective measures for Finding I have not been implemented.

Finding II:

- 8 of 8 corrective measures for Finding II have been implemented; and
- 0 of 8 corrective measures for Finding II have not been implemented.

Finding III:

- 3 of 3 corrective measures for Findings III have been implemented; and
- 0 of 3 corrective measures for Finding III have not been implemented.

Overall, the Bodaway/Gap Chapter has fully implemented its corrective action plan. As a result, the audit findings presented in audit report no. 03-03 are resolved. The Bodaway/Gap Chapter made improvements to controls over accounting of revenues and expenditures. Therefore, the Office of the Auditor General notified the Navajo Nation Office of the Controller to discontinue the withholding of funding allocated to Bodaway/Gap Chapter and release all withheld funds to the chapter and the withheld stipends of the Bodaway/Gap Chapter officials pursuant to Title 12 N.N.C. § 9(B) and 9(C) and BFC resolution no. BFMY-21-07.