

SUMMARY

The Navajo Nation Office of the Auditor General conducted a follow-up review of the Baca/Prewitt Chapter corrective action plan (CAP) implementation. The Budget and Finance Committee approved the CAP on August 07, 2007 per resolution no. BFAU-33-07. This review was conducted in accordance with 12 N.N.C. section 7 (G) to determine whether the chapter has implemented the CAP.

Our CAP implementation follow-up review found:

Finding I:

- 2 of 16 corrective measures have been implemented.
- 14 of 16 corrective measures have not been implemented.

Finding II:

- 4 of 4 corrective measures have not been implemented.

Finding III:

- 3 of 3 corrective measures have not been implemented.

Overall, of 23 corrective measures, the Baca/Prewitt Chapter implemented only 2 corrective measures leaving 21 not implemented. Corrective measures to strengthen internal controls have not been implemented. Consequently, control weaknesses continue to exist resulting in noncompliance with rules, policies, and funding guidelines. Poor monitoring by the Chapter officials and neglect of responsibility by LGSC contributed to the control deficiencies.

The majority of corrective measures not implemented reveal the Baca/Prewitt Chapter has not demonstrated improvements were made to ensure proper accountability of Chapter assets and resources. In conclusion, the Office of the Auditor General recommends that sanctions be imposed on the Baca/Prewitt Chapter and officials in accordance with 12 N.N.C., sections 9 (B) and 9 (C) for failure to implement the corrective action plan.