

SUMMARY

The Navajo Nation Office of the Auditor General conducted a follow up review of the Upper Fruitland Chapter corrective action plan (CAP) implementation in accordance with 12 N.N.C., Section 7. The follow up review was to determine whether the Chapter implemented its CAP to resolve the findings presented in audit report no. 05-02. The Budget and Finance Committee (BFC) approved the CAP on August 30, 2005 per resolution no. BFAU-48-05.

Our follow up review found:

Finding I:

- 14 of 18 corrective measures have been implemented,
- 3 of 18 corrective measures have implementation in process, and
- 1 of 18 corrective measures was deemed not applicable.

Finding II:

- 2 of 2 corrective measures have been implemented.

Finding III:

- 3 of 3 corrective measures have been implemented.

Overall, the Upper Fruitland Chapter has implemented 19 of 23 corrective actions. Of the remaining four corrective measures, three are in the process of implementation and one corrective measure was deemed not applicable at this time. Although not all corrective measures were fully implemented by Upper Fruitland Chapter at this time, sufficient improvements have been made to minimize the risks of the audit findings. The Chapter has made reasonable efforts to strengthen internal controls and adopt an adequate five management system.

With a majority of the corrective measures implemented, the Upper Fruitland Chapter has demonstrated much needed improvements to ensure proper accountability of Chapter assets and resources. In conclusion, the Office of the Auditor General recommends that no sanctions be imposed on the Upper Fruitland Chapter and officials in accordance with 12 N.N.C., Section 9(B) and (C).