

SUMMARY

The Office of the Auditor General conducted a follow up review of the Ramah Navajo 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. 07-06. The Budget and Finance Committee (BFC) approved the CAP on May 15, 2007 per resolution no. BFMY-20-07.

Our follow up review found:

AUDIT FINDING: Several factors contributed to late financial reporting.

STATUS: Not resolved

AUDIT FINDING: Public Employment and Housing Assistance Programs could be managed more effectively.

STATUS: Not Resolved

AUDIT FINDING: Resale inventory controls need strengthening.

STATUS: Resolved

AUDIT FINDING: Emergency Fund is used for its intended purposes but emergency management could be improved.

STATUS: Not resolved

Overall, the Ramah Navajo Chapter (RNC) did not fully implement all the corrective measures and consequently, the audit findings were not resolved to the extent necessary to mitigate the risks associated with these findings. The Chapter still needs to further strengthen internal controls in key areas of its five management system. An important measure that has not been addressed by RNC is making a determination of its Chapter Manager and completing the adoption of its five management system policies and procedures manual in compliance with Title 26, Local Governance Act.

Title 12 N.N.C. Section 8 imposes upon Ramah Navajo Chapter the duty to implement the corrective action plan according to the terms of the plan. Since Ramah Navajo Chapter failed to fully implement its corrective action plan, the Office of the Auditor General recommends that sanctions be imposed on the Ramah Navajo Chapter and officials in accordance with 12 N.N.C., Section 9(B) and (C). The sanctions are to be imposed only on the Navajo Nation funds appropriated to RNC.