



U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF INSPECTOR GENERAL

**Report on Single Audit of the
Naknek Native Village Council,
Naknek, AK**

FHWA

Report No. SA2018054

May 2, 2018





Report on Single Audit of the Naknek Native Village Council, Naknek, AK
Self-Initiated

Federal Highway Administration | SA2018054 | May 2, 2018

What We Looked At

As part of our single audit program oversight responsibilities, we queried the Federal Audit Clearinghouse's Image Management System to identify single audit reports containing findings that affect directly awarded Department of Transportation (DOT) programs. We reviewed the Naknek Native Village Council's single audit report for the period ending September 30, 2014, which was prepared by an independent auditor.

What We Found

We found that the single audit report contained a significant finding related to non-compliance with the Office of Management and Budget's (OMB) requirements that needs prompt action from the Federal Highway Administration's (FHWA) management.

Recommendations

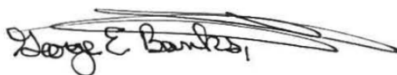
We recommend FHWA ensures that the Council complies with OMB's requirements, and recovers \$666,482 from the Council, if applicable.



Memorandum

Date: May 2, 2018

Subject: ACTION: Report on Single Audit of the Naknek Native Village Council, Naknek, AK | Report No. SA2018054



From: George E. Banks, IV
Program Director for Single Audit

To: Divisional Administrator, Federal Highway Administration (FHWA), Alaska Division Office

As part of our single audit program oversight responsibilities, we downloaded the single audit report of the Naknek Native Village Council¹ for the fiscal year ended September 30, 2014. An independent auditor performed the audit pursuant to the provisions of the Office of Management and Budget's (OMB) Circular A-133 and identified a finding shown in the table below.

Within 30 days of this report, your Agency should identify specific actions planned or taken to resolve the independent auditor's finding and provide a target action date for implementation of the recommendations. We will track the recommendations until your Agency provides documentation of final action. The recommendations will be considered closed upon our review and concurrence. All actions should be coordinated through your Agency's Single Audit Liaison. If you have any questions, please email them to singleauditrequest@oig.dot.gov.

cc: The Secretary
DOT Appointee for Single Audits
DOT Single Audit Liaison
Audit Liaison, FHWA, HCFB-32

¹ Copies of Single Audit reports prepared pursuant to OMB's Circular A-133 are available upon request to singleauditrequest@oig.dot.gov.

Table. Schedule of Findings

Independent Auditor's Finding Number	Independent Auditor's Finding	OIG Recommendation Codes	OIG Recommendations
2014-005*	1. Non-compliance with the cash management requirements, resulting in questioned costs of \$666,482.	A1	We recommend FHWA ensures that the Council complies with the cash management requirements.
		A2	We recommend FHWA recovers \$666,482 from the Council, if applicable.

* Caused a qualified opinion on the Highway Planning and Construction Cluster.
Source: independent auditor's report

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OIG conducts audits and investigations on behalf of the American public to improve the performance and integrity of DOT's programs to ensure a safe, efficient, and effective national transportation system.

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